ANNUAL FINANCIAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

Prepared according to IAS/IFRS

(This report has been translated into the English language from the original which was issued in Italian)

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1. GOVERNING BODIES AND OFFICERS

BOARD OF DIRECTORS

Chairman of the Board	Marco Pescarmona (1) (3) (5) (7)
Chief Executive Officer	Alessandro Fracassi (2) (3) (5)
Directors	Anna Maria Artoni (4)
	Fausto Boni
	Chiara Burberi (4)
	Andrea Casalini (4)
	Matteo De Brabant (4)
	Daniele Ferrero (4) (6)
	Alessandro Garrone (4)
	Klaus Gummerer (4)
	Valeria Lattuada (4)
	Marco Zampetti

STATUTORY AUDITORS

Chairman of the Board	Fausto Provenzano
Active Statutory Auditors	Paolo Burlando
	Francesca Masotti
Substitute Statutory Auditors	Marco Maria Cervellera
	Giuseppe Ragusa

INDEPENDENT AUDITORS	PricewaterhouseCoopers S.p.A.

COMMITTEES

Control and Risk Committee

Chairman	Daniele Ferrero
	Chiara Burberi
	Marco Zampetti

Remuneration and Share Incentive Committee

Chairman	Andrea Casalini
	Anna Maria Artoni
	Matteo De Brabant

Committee for Transactions with Related Parties

Chairman	Andrea Casalini
	Valeria Lattuada
	Klaus Gummerer

(1) The Chairman is the Company's legal representative.
(2) The Chief Executive Officer legally represents the Company, disjointly from the Chairman, within the limits of the delegated powers.
(3) Member of the executive committee.
(4) Independent non-executive Director.
(5) Holds executive offices in some Group companies.
(6) Lead Independent Director.
(7) Executive Director in charge of overseeing the Internal Control System.

DIRECTOR’S REPORT ON OPERATIONS

FINANCIAL YEAR ENDED DECEMBER 31, 2014

2. DIRECTORS' REPORT ON OPERATIONS

2.1. Introduction

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of financial services firms with a leadership position in the Italian market for the distribution of retail credit and insurance products through remote channels (main websites: www.mutuionline.it, www.prestitionline.it, www.cercassicurazioni.it and www.segugio.it) and in the Italian market for the provision of complex business process outsourcing services for financial institutions (the "**Group**").

In the following sections, we illustrate the main aspects regarding the operations during the past financial year and the current economic and financial structure of the Group.

2.2. Organizational structure

As of December 31, 2014, the Issuer controls the following wholly-owned subsidiaries:

- **MutuiOnline S.p.A.**, **CreditOnline Mediazione Creditizia S.p.A.**, **CercAssicurazioni.it S.r.l.**, **Money360.it S.p.A.** and **Segugio.it S.r.l.**: companies operating in the Italian market for the distribution of credit and insurance products to consumers; together they represent the **Broking Division** of the Group;

- **Centro Istruttorie S.p.A.**, **Centro Finanziamenti S.p.A.**, **Centro Perizie S.r.l.**, **Effelle Ricerche S.r.l.**, **Quinservizi S.p.A.**, **EuroServizi per i Notai S.r.l.**, **Centro Processi Interconsult S.r.l., INSECO S.r.l.**, **Centro Servizi Asset Management S.r.l.** and **Finprom S.r.l.**: companies operating in the Italian market for the provision of of complex business processes outsourcing services for financial institutions; together they represent the **BPO** (i.e. Business Process Outsourcing) **Division** of the Group;

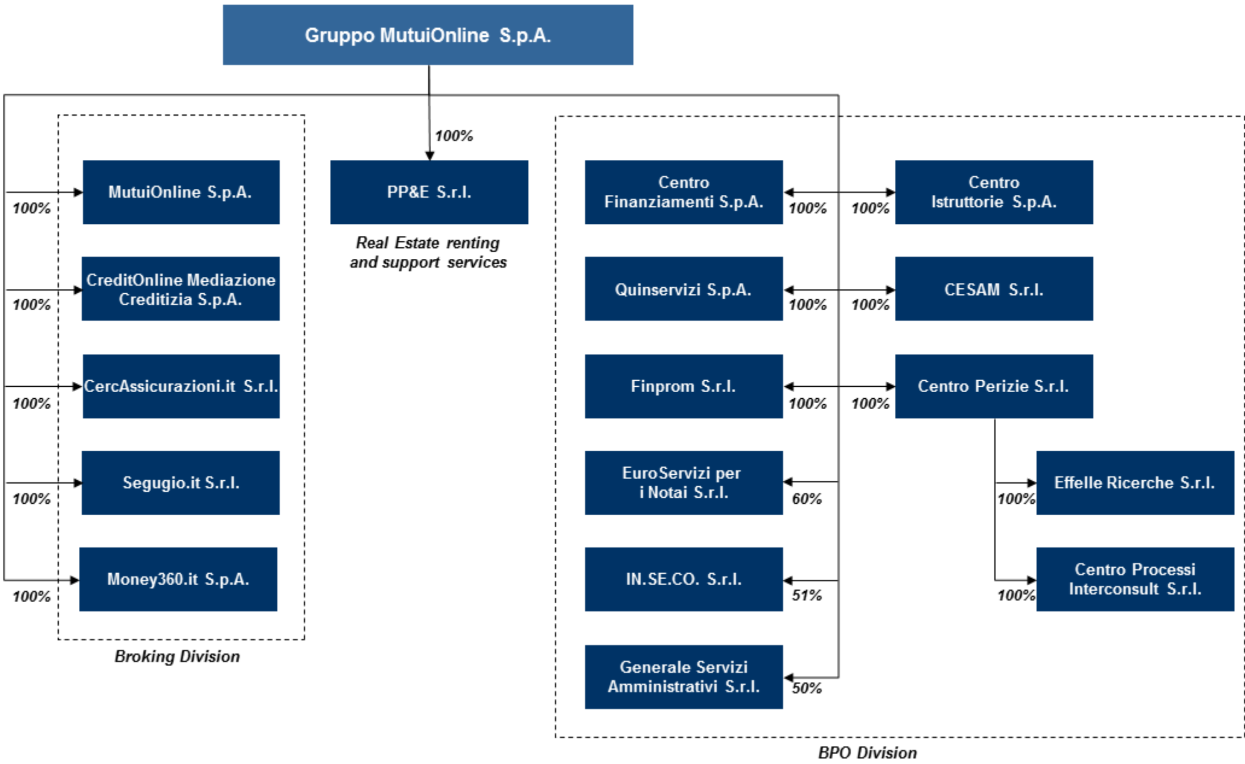
- **PP&E S.r.l.**: offering real estate renting and support services to the other Italian subsidiaries of the Issuer.

On June 11, 2014, the Group exercised the call option to purchase the remaining 15% stake of subsidiary Quinservizi S.p.A. for a consideration equal to Euro 2,003 thousand.

All the above mentioned companies are therefore fully controlled, directly or indirectly, by the Issuer, with the exception of EuroServizi per i Notai S.r.l., in which the Issuer holds a 60% stake, and INSECO S.r.l., in which the Issuer holds a 51% stake.

On December 19, 2014, the Group incorporated, subscribing a stake equal to 50% of the share capital, the company Generali Servizi Amministrativi S.r.l., in short GSA S.r.l., with an ordinary share capital equal to Euro 100 thousand. The company is a joint venture which provides integrated outsourcing services of administrative, accounting and secretarial activities preparatory to tax advice.

Therefore, following these acquisitions, the consolidation area as of December 31, 2014 has changed compared to the financial year ended December 31, 2013.



Subsequent events

After the end of the financial year ended December 31, 2014, subsidiary Effelle Ricerche S.r.l. was merged into Centro Perizie S.r.l.. Moreover, after the merger, subsidiary Centro Perizie S.r.l. changed its name into Effelle Ricerche S.r.l..

In addition, GSA S.r.l. subscribed a stake equal to 100% of the share capital of Generale Servizi Amministrativi S.a.g.l., a Swiss company which will provide outsourcing services in the same field.

Finally, on March 13, 2015, the Issuer acquired from South African group Naspers and the management, a participation of 74.85% of the share capital of 7Pixel S.r.l., owner of the leading Italian e-commerce price comparison website Trovaprezzi.it.. The total consideration paid was equal to Euro 55.502 thousand. The acquisition was carried out through Marsala S.r.l., a newly incorporated subsidiary of the Issuer. The transaction was financed through new bank loans granted by Banca Popolare di Milano and Cariparma Crédit Agricole, for an aggregate amount of Euro 47,000 thousand, distributed as follows: Euro 15,000 to the Issuer with a seven years bullet structure, Euro 20,000 thousand to Marsala S.r.l. with a six years amortizing structure and Euro 12,000 thousand to Marsala S.r.l. with a bridge purpose and term December 31, 2015. In the coming months, Marsala will be merged into 7Pixel S.r.l.. As a result of the merger, Gruppo MutuiOnline will hold a 51.0% participation in 7Pixel S.r.l., while the management will hold the remaining 49.0%.

Concerning this acquisition, we inform that pursuant to article 3 of the Consob resolution n. 18079 of January 20, 2012, the Board of Directors resolved to adhere to the regime of simplification pursuant to article 70 comma 80 and 71 comma 1-bis of the Issuer Regulations Consob n. 11971/1999 and subsequent amendments, exercising the right for the derogation from the publishing of the disclosure documents required by Attachment 3B of the above mentioned Issuer Regulations on the occasion of significant operations of merger, division, increase of share capital by means of contribution of assets in kind, acquisitions and sales.

Broking Division

Our Broking Division operates in the Italian market for loan distribution carrying out activities of credit intermediation and also in the market for insurance distribution as a broker. The activities carried out by our Broking Division are organized into different business lines, on the basis of the products brokered and the channel through which we broker those products:

(a) **Mortgage Broking Business Line:** broking mortgage loans mainly through remote channels (www.mutuionline.it website) and through a network of agents in the field (Money360 Network);

(b) **Consumer Loan Broking Business Line:** broking consumer loans (prevalently personal loans) through remote channels (www.prestitionline.it website);

(c) **Insurance Broking Business Line:** broking insurance products, mainly motor third party liability and other motor insurance products through remote channels (www.cercassicurazioni.it website).

The activity of the Broking Division is also carried out under the brand "**Segugio.it**" (www.segugio.it website), which operates as a multibrand aggregator for insurance and credit products, mainly pushed by the television and online advertising focused on insurance products. Each section of the website is however managed by the product companies of the Group and the related revenues are reported within the above mentioned Business Lines.

As a residual activity, even if growing, the Broking Division also operates as an aggregator for further products, in particular bank accounts with the www.confrontaconti.it website and utilities (ADSL, electricity and gas) with the www.segugio.it website.

Thanks to the acquisition of 7Pixel S.r.l. on 13 march 2015, the Broking Division is also adding the new **E-Commerce Price Comparison Business Line**, which is expected to provide significant positive contributions to the Division starting in financial year 2015.

BPO Division

Our BPO Division provides outsourcing services of core processes for banks, credit institutions, insurance companies, asset management companies, with a high level of specialization in some reference verticals.

Our BPO services are structured along four separate Business Lines, on the basis of the type of services offered and the type of underlying financial product:

(a) **Mortgage BPO** Business Line: provides remote loan sales and packaging and mortgage underwriting and closing services; in this Business Line we also include real estate valuation services and para-notarial services;

(b) **CQS ("*Cessione del Quinto*") Loan BPO** Business Line: provides loan application processing and portfolio managemenent services for loans guaranteed by witholdings on salaries or pensions;

(c) **Insurance BPO** Business Line: provides outsourcing services the management of mass not-motor insurance claims;

(d) **Asset Management BPO** Business Line: provides outsourcing services for the asset management industry.

2.3. Information about the profitability of the Group

In the following paragraph we describe the main factors affecting the results of the operations of the Group for the year ended December 31, 2014. The income statement and the cash flow data for the year ended December 31, 2014 are taken from the consolidated annual report prepared according to the international accounting standards approved by the European Union and are compared with the same data for the year ended December 31, 2013.

The following table shows the consolidated income statements of the Group for the years ended December 31, 2014 and 2013, together with the percentage weight of each item on the Group revenues.

	Years ended on				
(euro thousand)	**December 31, 2014**	**(a)**	**December 31, 2013**	**(a)**	**Change %**
Revenues	68,300	100.0%	51,057	100.0%	33.8%
of which					
Broking Division	*25,111*	*36.8%*	*20,568*	*40.3%*	*22.1%*
BPO Division	*43,189*	*63.2%*	*30,489*	*59.7%*	*41.7%*
Other income	2,062	3.0%	1,228	2.4%	67.9%
Capitalization of internal costs	724	1.1%	822	1.6%	-11.9%
Services costs	(24,089)	-35.3%	(19,998)	-39.2%	20.5%
Personnel costs	(28,647)	-41.9%	(23,442)	-45.9%	22.2%
Other operating costs	(2,190)	-3.2%	(2,242)	-4.4%	-2.3%
Depreciation and amortization	(1,684)	-2.5%	(1,859)	-3.6%	-9.4%
Operating income	**14,476**	**21.2%**	**5,566**	**10.9%**	**160.1%**
Financial income	134	0.2%	359	0.7%	-62.7%
Financial expenses	(386)	-0.6%	(418)	-0.8%	-7.7%
Income/(losses) from participations	-	0.0%	(61)	-0.1%	-100.0%
Income/(losses) from financial assets/liabilities	69	0.1%	(294)	-0.6%	N/A
Net income before income tax expense	**14,293**	**20.9%**	**5,152**	**10.1%**	**177.4%**
Income tax expense	(4,400)	-6.4%	(1,334)	-2.6%	229.8%
Net income	**9,893**	**14.5%**	**3,818**	**7.5%**	**159.1%**

(a) *% of total revenues*

Revenues for the year ended December 31, 2014, are Euro 68,300 thousand, 33.8% higher than the previous year. Please refer to paragraph 2.3.1 for the evolution of revenues by Division and Business Line.

In the year ended December 31, 2014, services costs increase by 20.5% compared to the financial year ended December 31, 2013. This item contains mainly marketing costs, sustained above all for the development and the consolidation of the "Segugio" brand, which show a slight increase during the financial year ended December 31, 2014, compared to the previous year, in addition to an increase of the costs for technical, legal and administrative consultancy and of the costs for postage at the same pace of revenues, a significant growth of the costs for notarial and valuation services, due to the growth of these services in the Mortgage BPO Business Line, and of the commission payout to the agents of the Money360 Network.

Personnel costs increase by 22.2% compared to the financial year ended December 31, 2013.

The following table provides information about the average headcount for the financial years ended December 31, 2014 and 2013:

	Years ended December 31, 2014	Years ended December 31, 2013
Managers	11	11
Supervisors	17	16
Employees	950	808
Average headcount	**978**	**835**
Headcount in Italy	653	528
Headcount in Romania	325	307

In this respect, with regards to the past audit from the territorial staff of the Ministry of Labor, which affected subsidiaries MutuiOnline S.p.A. and Centro Istruttorie S.p.A. in 2007, it is worth pointing out that there are no significant changes with respect to the information presented in the annual report for the year ended December 31, 2013.

Other operating costs show an increase compared to the financial year ended December 31, 2013, mainly due to the increase of non-deductible VAT costs.

Financial income for the year ended December 31, 2014, shows a negative balance, due to interest expenses accrued on the bank loans, only partially offset by the interest income deriving from the use of the available liquidity.

Moreover, the income statement includes income deriving from the valuation of the financial liability for the earn out for the acquisition of the participation in Centro Processi Interconsult S.r.l., only partially offset by the expenses deriving from the valuation of the financial liability for the earn out related to the 20% stake of the participation in EuroServizi per i Notai S.r.l..

Finally, it is worth pointing out that the effective tax rate on taxable income shows an increase compared to the effective tax rate of the previous financial year, passing from 25.9% to 30.8%, due to the higher tax benefits in the financial year ended December 31, 2013, mainly linked to asset re-valuations.

2.3.1. Revenues

The table below provides a breakdown of our revenues by Division and Business Line, for the years ended December 31, 2014 and 2013.

(euro thousand)	December 31, 2014	(a)	December 31, 2013	(a)	Change %
	Years ended on				
Mortgage Broking Business Line	10,796	15.8%	8,420	16.5%	28.2%
Consumer Loan Broking Business Line	5,349	7.8%	5,066	9.9%	5.6%
Insurance Broking Business Line	8,118	11.9%	6,722	13.2%	20.8%
Other revenues of Broking Division	848	1.2%	360	0.7%	135.6%
Total revenues of the Broking Division	**25,111**	**36.8%**	**20,568**	**40.3%**	**22.1%**
Mortgage BPO Business Line	16,670	24.4%	13,739	26.9%	21.3%
CQS Loan BPO Business Line	15,170	22.2%	12,842	25.2%	18.1%
Insurance BPO Business Line	5,923	8.7%	3,908	7.7%	51.6%
Asset Management BPO Business Line	5,426	7.9%	-	0.0%	N/A
Total revenues of the BPO Division	**43,189**	**63.2%**	**30,489**	**59.7%**	**41.7%**
Total revenues	**68,300**	**100.0%**	**51,057**	**100.0%**	**33.8%**

(a) *Percentage of total revenues.*

<u>*Broking Division*</u>

Revenues of the Broking Division increase from Euro 20,568 thousand in the financial year ended December 31, 2013 to Euro 25,111 thousand in the financial year ended December 31, 2014 (+22.1%).

With reference to the financial year ended December 31, 2014, the revenues of the Broking Division are attributable for 43.0% to the Mortgage Broking Business Line, for 21.3% to the Personal loans Broking Business Line, for 32.3% to the Insurance Broking Business Line and for the remaining 3.4% to other revenues of the Broking Division.

Mortgage Broking Business Line

Revenues of the Mortgage Broking Business Line increase from Euro 8,420 thousand in 2013 to Euro 10,796 thousand in 2014 (+28.2%) due to an increase of brokered mortgage flows compared to the previous financial year, with a strong acceleration of remortgage demand in the second half of the financial year.

Consumer Loan Broking Business Line

Revenues of the Consumer Loan Broking Business Line increase from Euro 5,066 thousand in the year ended December 31, 2013 to Euro 5,349 thousand in the year ended December 31, 2014 (+5.6%), with an increase of brokered loan volumes, due to the positive trend of the second half of the financial year.

Insurance Broking Business Line

Revenues of the Insurance Broking Business Line grow from Euro 6,722 thousand in the financial year ended December 31, 2013 to Euro 8,118t housand in the financial year ended December 31, 2014 (+20.8%), during which the number of brokered contracts record a significant increase, driven by the growing popularity of "Segugio".

<u>*BPO Division*</u>

During the financial year ended December 31, 2014 revenues of the BPO Division increase from Euro 30,489 thousand in the financial year 2013 to Euro 43,189 thousand in the financial year 2014 (+41.7%). This strong increase is due to the contribution of both the traditional Business Lines, as described below, and of the more recent Business Lines: Insurance BPO started during the previous financial year, and Asset Management BPO, operating from the beginning of 2014.

Mortgage BPO Business Line

Revenues of the Mortgage BPO Business Line increase from Euro 13,739 thousand in the financial year ended December 31, 2013 to Euro 16,670 thousand in the financial year ended December 31, 2014 (+21.3%). Such result is the effect of a strong growth of activity volumes during the year, and, in particular, of the notarial and appraisal services.

CQS Loan BPO Business Line

Revenues of the CQS Loan BPO Business Line increase from Euro 12,842 thousand in the financial year ended December 31, 2013 to Euro 15,170 thousand in the financial year ended December 31, 2014 (+18.1%), due to the growth of the traditional activities in the origination phase (which developed rapidly especially in the first half of the year) and the portfolio servicing operations managed by subsidiary Quinservizi S.p.A..

Insurance BPO Business Line

Revenues of Insurance BPO Business Line increase from Euro 3,908 thousand in the financial year ended December 31, 2013 to Euro 5,923 thousand in the financial year ended December 31, 2014 (+51.6%), however, as mentioned above, the Business Line was created during the financial year ended December 31, 2013. Comparing the revenues of the second half of the financial year ended December 31, 2014 to the revenues of the same period of the previous financial year, when the Business Line was fully operating, we see substantial stability.

Asset Management BPO Business Line

The Asset Management BPO Business Line, operating only form the beginning of 2014, records revenues equal to Euro 5,426 thousand in the financial year ended December 31, 2014, generating a portion equal to 12.6% of the total revenues of the BPO Division.

2.3.2. Operating income (EBIT)

Operating income (EBIT) increases from Euro 5,566 thousand in the financial year ended December 31, 2013 to Euro 14,476 thousand in the financial year ended December 31, 2014 (+160.1%) as detailed in the following table.

	Years ended on				
(euro thousand)	**December 31, 2014**	**(a)**	**December 31, 2013**	**(a)**	**Change %**
Operating income	14,476	21.2%	5,566	10.9%	160.1%
of which					
Broking Division	*5,199*	*20.7%*	*1,785*	*8.7%*	*191.3%*
BPO Division	*9,277*	*21.5%*	*3,781*	*12.4%*	*145.4%*

(a) *Percentage of total revenues, if appropriate by Division (operating margin).*

The operating income margin for the financial year ended December 31, 2014 is 21.2% of revenues, up compared to the operating income margin for the financial year ended December 31, 2013. Such growth of the operating margin is attributable to the increase of the profitability of both the Broking Division and the BPO Division.

The ROI (Return on Investments) for the year ended December 31, 2013, defined as the ratio between EBIT of the period and total assets at the end of the period, is equal to 21.2% (9,7% in the year ended December 31, 2013).

2.3.3. EBITDA

EBITDA is calculated as net income before income tax expense, net financial income/(expenses), and depreciation and amortization.

The following table presents a reconciliation between net income and EBITDA for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended on December 31, 2014	December 31, 2013	Change	%
Net income	9,893	3,818	6,075	159.1%
Income tax expense	4,400	1,334	3,066	229.8%
Income/(losses) from financial assets/liabilities	(69)	294	(363)	-123.5%
Income/(losses) from acquisition of control	-	61	(61)	-100.0%
Financial expenses	386	418	(32)	-7.7%
Financial income	(134)	(359)	225	-62.7%
Depreciation and amortization	1,684	1,859	(175)	-9.4%
EBITDA	**16,160**	**7,425**	**8,735**	**117.6%**

EBITDA increases in the financial year ended December 31, 2014, passing from Euro 7,425 thousand in the financial year ended December 31, 2013 to Euro 16,160 thousand in 2014 (+117.6%).

2.3.4. Net income

Net income increases in the financial year ended December 31, 2014, passing from Euro 3,818 thousand in the financial year ended December 31, 2013 to Euro 9,893 thousand in the financial year ended December 31, 2014 (+159.1%).

For the financial year ended December 31, 2014, the ROE (Return on Equity), defined as the ratio between the net income of the period and the net capital at the end of the period, is equal to 27.4% (11.9% in the financial year ended December 31, 2013).

2.4. Information about the financial resources of the Group

The following table presents the net financial position, as defined in the CONSOB communication N. DEM/6064293 dated July 28, 2006, as of December 31, 2014 and 2013.

(euro thousand)	As of December 31, 2014	December 31, 2013	Change	%
A. Cash and cash equivalents	23,730	14,487	9,243	63.8%
B. Other cash equivalents	-	-	-	N/A
C. Securities held for trading	-	415	(415)	-100.0%
D. Liquidity (A) + (B) + (C)	**23,730**	**14,902**	**8,828**	**59.2%**
E. Current financial receivables	**-**	**-**	**-**	**N/A**
F. Bank borrowings	(12)	-	(12)	N/A
G. Current portion of long-term borrowings	(993)	(993)	-	0.0%
H. Other short-term borrowings	-	-	-	N/A
I. Current indebtedness (F) + (G) + (H)	**(1,005)**	**(993)**	**(12)**	**1.2%**
J. Net current financial position (I) + (E) + (D)	**22,725**	**13,909**	**8,816**	**63.4%**
K. Non-current portion of long-term bank borrowings	(8,082)	(4,066)	(4,016)	98.8%
L. Bonds issued	-	-	-	N/A
M. Other non-current borrowings	-	-	-	N/A
N. Non-current indebtedness (K) + (L) + (M)	**(8,082)**	**(4,066)**	**(4,016)**	**98.8%**
O. Net financial position (J) + (N)	**14,643**	**9,843**	**4,800**	**48.8%**

The net financial position as of December 31, 2014 and 2013 shows a positive (i.e. cash) balance. For a description of the evolution of cash flows please refer to the following paragraph 2.4.2.

The Debt/Equity ratio, defined as the ratio between net financial debt and net equity, as of December 31, 2014 is equal to -42% (-31% as of December 31, 2013).

2.4.1. Current and non-current indebtedness

Current and non-current indebtedness as of December 31, 2014 and 2013 is summarized in the following table.

(euro thousand)	As of December 31, 2014	December 31, 2013	Change	%
Other current bank borrowings				
Less than 1 year	(12)	-	(12)	N/A
Bank borrowings:				
Less than 1 year	(993)	(993)	-	0.0%
1 - 5 years	(6,520)	(4,066)	(2,454)	60.4%
More than 5 years	(1,562)	-	(1,562)	N/A
Total financial indebtedness	**(9,087)**	**(5,059)**	**(4,028)**	**79.6%**

The non-current indebtedness as of December 31, 2014 is 88.9% of the total financial indebtedness.

Long and medium-term bank borrowings

Bank borrowings as of December 31, 2014, including accrued interest expenses (amounting to Euro 9 thousand) are summarized in the following table:

(euro thousand)	As of December 31, 2014 Less than 1 year	1 - 5 years	More than 5 years	TOTAL
Loan from Cariparma S.p.A.	(987)	(3,082)	-	(4,069)
Loan from Intesa Sanpaolo S.p.A.	(6)	(3,438)	(1,562)	(5,006)
Bank borrowings	**(993)**	**(6,520)**	**(1,562)**	**(9,075)**

(euro thousand)	As of December 31, 2013 Less than 1 year	1 - 5 years	TOTAL
Loan from Cariparma S.p.A.	(945)	(4,066)	(5,011)
Loan from Banca di Romagna S.p.A.	(48)	-	(48)
Bank borrowings	**(993)**	**(4,066)**	**(5,059)**

It is worth pointing out that on June 9, 2014, the Issuer signed with Intesa Sanpaolo S.p.A. a 7-year loan contract for an amount of Euro 5,000 thousand, aimed at supporting potential acquisitions, including the purchase of the remaining stake of subsidiary Quinservizi S.p.A..

In addition, it is worth pointing out that the Issuer renegotiated the conditions of the loan signed during the financial year 2011 with Cariparma S.p.A., effective from December 17, 2014, obtaining a reduction of its spread.

Short-term bank borrowings and credit lines

As of December 31, 2014, in addition to the credit line mentioned below, the Group has unused short-term credit lines for Euro 856 thousand.

Credit line granted by Intesa Sanpaolo S.p.A.

Intesa Sanpaolo S.p.A. granted to the Group a standing overdraft facility of Euro 2,000 thousand, for fixed utilization for a term of up to 18 months. The applicable interest rate is linked to the term of its use.

2.4.2. Cash flow analysis

In the present paragraph we present an analysis of the consolidated cash flows of the Group for the financial years ended December 31, 2014 and 2013.

The following table shows a summary of the consolidated statements of cash flows for the financial years ended December 31, 2014 and 2013.

(euro thousand)	Years ended December 31, 2014	December 31, 2013	Change	%
A. Cash Flow from operating activities before changes in net working capital	13,570	2,145	11,425	532.6%
B. Changes in net working capital	(60)	215	(275)	-127.9%
C. Net cash provided by operating activities (A) + (B)	**13,510**	**2,360**	**11,150**	**472.5%**
D. Net cash used in investing activities	**(2,602)**	**4,156**	**(6,758)**	**-162.6%**
E. Net cash used in financing activities	**(1,677)**	**(5,924)**	**4,247**	**71.7%**
Net increase/(decrease) in cash and cash equivalents (C) + (D) + (E)	**9,231**	**592**	**8,639**	**1,459.3%**

In the financial year ended December 31, 2014 the Group generated liquidity for an amount equal to Euro 9,231 thousand, versus an amount of liquidity equal to Euro 592 thousand generated during the financial year ended December 31, 2013. This variation is attributable mainly to the cash flow generated by operating activities and the lower cash flow absorbed by financing activities, as described below.

Cash flow generated by operating activities

Operating activities show an increase of cash generation, passing from Euro 2,360 thousand in the financial year ended December 31, 2013 to Euro 13,510 thousand in the financial year ended December 31, 2014.

For the analysis of the liquidity generated by the working capital please refer to paragraph 2.4.3.

Cash flow generated by investment activities

Investment activities absorbed cash for Euro 2,602 thousand in the financial year ended December 31, 2014 and generated cash for Euro 4,156 thousand in the financial year ended December 31, 2013. Cash absorption during the financial year ended December 31, 2014 is attributable mainly to the payment of the liability for the purchase of the 15% stake of the participation in the subsidiary Quinservizi S.p.A. and for the payment of the first portion of the earn out for the purchase of the participation in the subsidiary Centro Processi Interconsult S.r.l..

Cash flow absorbed by financial activities

Financial activities absorbed liquidity for Euro 1,677 thousand in the financial year ended December 31, 2014 and for Euro 5,924 thousand in the financial year ended December 31, 2013.

The absorption of liquidity in the financial year ended December 31, 2014 is mainly due to the payment of dividends for Euro 4,455 thousand (Euro 4,476 thousand in 2013) and to the purchase of own shares for Euro 1,025 thousand (Euro 517 thousand in 2013), only partially offset by the cash generated by the increase of financial liabilities during the financial year for an amount equal to Euro 4,016 thousand, net of reimbursements.

2.4.3. Composition and changes in net working capital

The following table presents the breakdown of the components of net working capital as of December 31, 2014 and 2013.

(euro thousand)	As of December 31, 2014	December 31, 2013	Change	%
Trade receivables	22,318	20,029	2,289	11.4%
Contract work in progress	263	238	25	10.5%
Other current assets and tax receivables	2,764	4,669	(1,905)	-40.8%
Trade and other payables	(7,106)	(6,647)	(459)	6.9%
Tax payables	(460)	(1,325)	865	-65.3%
Other current liabilities	(8,818)	(8,063)	(755)	9.4%
Net working capital	**8,961**	**8,901**	**60**	**0.7%**

Net working capital remained substantially stable in the financial year ended December 31, 2014. This trend is mainly linked to the increase of "Trade receivables" and to the decrease of "Other current assets and tax receivables".

"Trade Receivables" pass from Euro 20,029 thousand as of December 31, 2013 to Euro 22,318 thousand as of December 31, 2014, showing an increase of 11.4%. This trend is linked to the growth of the operating activity of the Group, partially offset by the improvement of the speed of credit collection. In fact, the Days of Sales Outstanding (DSO) are equal to 118 days for the financial year ended December 2014 (141 days for the year ended December 31, 2013). We outline that the decrease of DSO is the result of the initiatives put in place to increase the efficiency of credit collection in the financial year ended December 31, 2014.

"Other current assets and tax receivables" show, instead, a decrease linked to the growth of the current tax liability, due to the increase of taxable income in the financial year ended December 31, 2014.

2.5. Table of reconciliation of the consolidated net income and equity with the Issuer's data

(euro thousand)	Net income for the year ended December 31, 2014	Shareholders' equity as of December 31, 2014	Net income for the year ended December 31, 2013	Shareholders' equity as of December 31, 2013
Net income and shareholders' equity of the Issuer	**5,069**	**13,256**	**6,190**	**13,551**
Net income and shareholders' equity of the subsidiaries	11,648	55,874	6,343	48,621
Consolidation adjustements				
Elimination of the value of investment in subsidiaries	-	(36,206)	-	(30,339)
Elimination of the dividends from associated companies	(7,000)		(8,041)	-
Own shares purchased by subsidiaries	-	(6,734)	-	(6,734)
Cost of stock options for the personnel of the subsidiaries	(80)	-	(335)	-
Other consolidation adjustments	256	9,885	(339)	7,342
Consolidated net income and shareholders' equity	**9,893**	**36,075**	**3,818**	**32,441**

Among "Other consolidation adjustments" we also include, for Euro 9,514 thousand, the higher values deriving from the consolidation of the participations, mainly in Quinservizi S.p.A., Centro Processi Interconsult S.r.l., INSECO S.r.l. and Euroservizi per i Notai S.r.l..

2.6. Research and development

Within the Group, at least twelve employees regularly work with the objective of improving and enhancing the IT systems and the software platforms used by the Group to supply its services to consumers, lenders and insurance companies.

The capitalized costs related to software development in the financial year ended on December 31, 2013 amount to Euro 724 thousand (Euro 822 thousand in 2013).

The proprietary software platforms represent the heart of the operations of the companies of the Group in both Divisions and must be continuously expanded and developed to improve their commercial effectiveness, incorporate legislative changes, manage new kinds of products, simplify processes, increase efficiency, improve consulting ability, increase operators' productivity, adapt to the increasingly sophisticated decision criteria of our client institutions, and ensure data protection and security.

2.7. Own shares

On April 23, 2014, the shareholders' meeting revoked, for the unused portion, the previous authorization for the purchase and sale of own shares dated April 23, 2013 and authorized the purchase of own shares within the limits of retained earnings and distributable reserves from the last approved statutory financial statements of the Issuer and for a period of 18 months, with the following purposes:

(a) for activities in support of market liquidity;

(b) for the possible use of shares as compensation in extraordinary transactions, including exchanges of participations with other subjects, as part of transactions in the Company's interest;

(c) to allot own shares purchased to distribution programs, against payment or free of charge, of stock options or shares to employees, directors and other personnel of the Company or its subsidiaries, as well as for the service of programs for the free allocation of shares to shareholders;

(d) for the execution of the contract signed between the Issuer and Equita SIM S.p.A., for its role as specialist on the stock market;

(e) for an efficient investment of the liquidity of the Group.

During the year ended December 31, 2014 the Issuer purchased 221,373 own shares equal to 0.560% of ordinary share capital, meanwhile the other companies of the Group have neither purchased nor sold any shares of the Issuer.

Therefore, as of December 31, 2014 the Issuer holds 913,513 own shares, equal to 2.312% of ordinary share capital, for a total cost equal to Euro 4,267 thousand. Subsidiary MutuiOnline S.p.A. holds a total 1,500,000 shares of the Issuer, equal to 3.796% of ordinary share capital, for a total cost equal to Euro 6,159 thousand, and subsidiary Centro Istruttorie S.p.A. holds a total of 151,522 shares of the Issuer, equal to 0.383% of ordinary share capital of the Issuer, for a total cost equal to Euro 575 thousand.

Summing up, as of December 31, 2014, the Issuer and its subsidiaries hold a total of 2,565,035 shares of the Issuer, equal to 6.492% of ordinary share capital, for a total cost equal to Euro 11,000 thousand, equal to Euro 4.29 per share.

During the first months of 2015, the Issuer purchased 37,609 own shares equal to 0.095% of ordinary share capital, meanwhile no shares of the Issuer were purchased by the other companies of the Group.

As of the approval of the present report, the Issuer and its subsidiaries hold a total of 2,602,644 shares of the Issuer, equal to 6.587% of ordinary share capital, for a total cost equal to Euro 11,182 thousand, equal to Euro 4.30 per share.

2.8. Report on corporate governance

For the report on corporate governance and on the adhesion to the codes of conduct, please refer to the report approved by the Board of Directors on March 16, 2015 and attached to this document.

2.9. Shareholdings of the members of the governing and controlling bodies, general managers and managers with strategic responsibilities

The following table shows the participations in the ordinary share capital of the Issuer held by the members of the governing and controlling bodies, general managers and managers with strategic responsibilities in the year ended December 31, 2014.

Name	Office	Shares held as of December 31, 2013	Shares purchased	Shares sold	Shares held as of December 31, 2014	Possession title	Way of possession
Marco Pescarmona	Chairman	-	-	-	-		
Alessandro Fracassi	CEO	-	-	-	-		
Anna Maria Artoni	Director	-	-	-	-	P	D
Fausto Boni	Director	133,952	-	-	133,952		
Chiara Burberi	Director	-	-	-	-		
Andrea Casalini	Director	-	-	-	-		
Daniele Ferrero	Director	21,592	-	21,592	-		
Matteo De Brabant	Director	-	-	-	-		
Valeria Lattuada	Director	-	-	-	-		
Alessandro Garrone	Director	-	-	-	-		
Klaus Gummerer	Director	-	-	-	-		
Marco Zampetti	Director	15,000	-	-	15,000	P	D
Fausto Provenzano	Chairman of the board of the statutory auditors	3,500	-	-	3,500	P	D
Paolo Burlando	Statutory auditor	7,000	-	-	7,000	P	D
Francesca Masotti	Statutory auditor	4,200	-	-	4,200	P	D

Legend:
P: Property
D: Direct possession

Besides, it is worth pointing out that Marco Pescarmona holds a 50% indirect shareholding in Alma Ventures S.A. (through Guderian S.p.A.) and Alessandro Fracassi holds a 50% indirect shareholding in Alma Ventures S.A. (through Casper S.r.l.) and that Alma Venture S.A., as of December 31, 2014, holds 12,841,070 shares of the Issuer, equal to 32.5% of the ordinary share capital, none of which was purchased during the year ended December 31, 2014.

Finally, it is worth pointing out that there are no managers with strategic responsibilities.

2.10. Evolution of the Italian residential mortgage market

Thanks to the sensational reduction of long term interest rates resulting from the expansionary monetary policy of the European Central Bank, the recovery of the mortgage market is accelerating in recent months, though still mainly due to the growth of re-financings.

Data from Assofin, an industry association which represents the main lenders active in the sector, confirm the growth of gross new originations of residential mortgages, with a year on year increase of 23.1% in October, of 9.6% in November, of 27.0% in December 2014 and of 11.8% in January 2015. Data from CRIF, a company which manages the main credit bureau in Italy, show an increase of credit report inquiries for mortgages of 22.1% in October, 21.1% in November, of 30.6% in December 2014, of 22.6% in January and of 38.7% in February 2015. This strong recovery is mainly attributable to the explosive demand for the refinancing of existing mortgages, due to interest rates at their historical lows (today it is possible to obtain a 30-year fixed rate mortgage with an APR of 3.15%, compared to average fixed rates between 5% and 6% in the last 10 years).

For 2015, the conditions for a strong recovery in the mortgage market are in place. The appetite of banks for new loans has in fact resulted in a further decline of spreads to a level for the best deals of 1.50% and the monetary policy of the European Central Bank has led to Euribor rates close to zero and IRS rates well under 1.50% on longer maturities. Property prices have fallen further in the course of 2014. In this context, we can see strong demand for re-mortgages, which will likely give way to an increased demand for purchase mortgages, as the improving economic environment will allow consumers to reach sufficient confidence to take advantage of the best level of housing affordability of the last 10 years.

2.11. Foreseeable evolution

2.11.1. Broking Division

Year 2014 represents a turning point for the development of the Broking Division, after a sequence of very challenging years started in 2012 with the collapse of the Italian mortgage market. In particular, in the first part of the year our credit-related businesses continued to suffer from weak demand, but they achieved accelerating growth in the second half, mainly thanks to mortgage re-financings, ending with a strong final quarter. Our insurance broking business enjoyed moderate but continuous growth during the year and is now close to efficient scale. A positive contribution also came from our the nascent utility comparison business under the "Segugio" brand.

The outlook for 2015 is favorable for all the Business Lines of the Broking Division. Robust growth is expected in mortgage broking, with a strong contribution of re-financings in the first half of the year and a progressive recovery of house purchase mortgages in the second half. Growth is also expected for personal loan broking, on the back of recovering demand. Advertising will continue to fuel the growth of the "Segugio" brand and of insurance broking.

Thanks to the acquisition of 7Pixel S.r.l. on 13 march 2015, the Broking Division is also adding the new **E-Commerce Price Comparison Business Line**, which is expected to provide significant positive contributions to the Division.

Mortgage Broking Business Line

Our online mortgage broking business has experienced a significant acceleration starting from the second half of the financial year, thanks to the sudden growth of re-financing demand, which MutuiOnline.it is optimally positioned to serve. Demand for remortgages remains strong in the first months of 2015, while demand for purchase mortgages has recently started to show signs of recovery. For the rest of 2015, we expect a slowdown of the demand for remortgages starting from the summer, to be at least in part replaced by a more consistent demand for purchase mortgages, under the assumption of a general recovery of the economic situation of our Country.

Already in 2014, the "Money360" physical network enjoyed good growth dynamics and achieved brokered mortgage volumes putting it among the main physical mortgage broking networks at a national level, confirming the validity of the business model. For 2015, such growth could continue thanks to the favorable evolution of the mortgage market and the enlargement of the agent network.

Consumer Loan Broking

The volumes of brokered loans are up year on year in the last months of 2014, as well as in the first months of 2015, thanks to improving demand together with an increasing lender conversion rates.

For 2015, we can expect a continuation of this growth, assuming that consumer confidence will continue to improve as observed in recent months.

Insurance Broking Business Line

Year 2014 was characterised by a difficult environment for insurance aggregators, in particular because of the decrease of average premiums and of the commercial aggressiveness of traditional insurers. In this situation, our "Segugio" brand continued to strengthen, with a significant increase in brand awareness as well as a strong improvement in organic positioning on search engines.

For 2015 we expect to maintain significant levels of communication spending, which will drive further revenue growth, at a pace subject to possible acceleration based on the evolution of the insurance cycle, still in a soft phase.

E-commerce Price Comparison Business Line

This new Line of Business will start to contribute to the results of the Division from second quarter 2015, thanks to the contribution of websites such as Trovaprezzi.it, ShoppyDoo.it and Drezzy.it.

We remind that, on a consolidated pro-forma basis, 7Pixel S.r.l. and its subsidiaries, in the last financial year, ended 31 March 2014, generated revenues of Euro 15.0 million, EBITDA of Euro 7.9 million and net income of Euro 5.0 million.

2.11.2. BPO Division

Taken as a whole, 2014 was a very positive year for the BPO Division, with significant growth of revenues and margins. The diversification strategy pursued since the end of 2011 has completely unfolded its effectiveness: over 48% of this year revenues come from activities that were not in our perimeter in December 2011. Moreover, in the second half of the year, our core activities in mortgage outsourcing progressively recovered, in line with the favorable trends of the underlying market.

The outlook for 2015 is also positive. We expect a moderate growth in the new businesses areas of the Division, while the first weeks of the year show that the growth in mortgage activities is even accelerating relative to the already positive end of 2014.

Mortgage BPO

The performance of Mortgage BPO improved gradually throughout the year. We expect that this Business Line will be a strong growth engine for 2015 for the whole Division.

Our existing clients have plans to aggressively expand mortgage volumes, following the growth of the overall market, and, in some cases, increasing their market shares, thanks to aggressive pricing policies and new distribution channel strategies.

This positive trend is already impacting our mortgage services, both commercial and underwriting activities.

Moreover, the peak in refinancing demand is rapidly increasing the requests for our set of specialized services in support of notaries and banks, which we offer through a dedicated company.

CQS Loan BPO

Our CQS Loan BPO Business Line grew as a whole in 2014. This positive result was driven by the growth in the underwriting activities revenues, where we offered innovative high value added services, while turnover in the portfolio servicing area was essentially flat.

The outlook for 2015 is of overall stability, also because our service penetration levels (in some area over 30%) do not allow to forecast growth rates higher than those of the guaranteed loans market.

Insurance BPO

The insurance industry stance towards strategic outsourcing of underwriting and claim processing activities is less open than that of the banking sector, and most companies follow a tactical approach that constrains the areas where outsourcing is considered a viable option.

In the medium term, we believe that this is an interesting opportunity, but, at the same time, a limiting factor to the growth rate of the Business Line. We will continue to invest in creating a service offering which enables our clients to benefit from a wider and more strategic cooperation, but expect a 2015 turnover of our "traditional" activities essentially in line with last year.

Asset Management BPO

Low interest rates impact positively this Business Line, where our main client is expecting a growth in its asset under management. Recent regulatory changes, favoring the repatriation irregular offshore capital assets, could also help the positive development of the underlying market.

We expect revenue growth in 2015, mainly thanks to the existing customer base.

We continue our commercial efforts to acquire new clients, potentially also through strategic partnerships in the IT area.

2.12. Other information

2.12.1. Offices

The registered offices of the Issuer and of the Italian subsidiaries are located at Via Felice Casati, 1/A, Milan.

The registered and operating offices of Finprom S.r.l. are in Str. Cocorilor n. 24/A., Arad, Romania.

The administrative offices of the Group are located at via Desenzano 2, Milan.

The following table shows the operating offices of the Group as of December 31, 2014:

Operating offices
Via Desenzano, 2 - Milan
Via Igola snc - Cagliari
Zona Industriale Strada C - Villacidro
Via Romolo Ossani, 14 - Faenza (RA)
Via Volta 5/4 - Faenza (RA)
Via De Marini 53 - Genoa

2.12.2. Relations with related parties

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

Relations with related parties are mainly relations with the companies of the Group.

In particular, the main assets refer to receivables of the Issuer with part of its subsidiaries derived from the adhesion to the tax consolidation regime for Euro 4,159 thousand, and the receivables of the remaining subsidiaries with the Issuer derived from the adhesion to the tax consolidation regime for a total amount equal to Euro 1,543 thousand.

Concerning the main commercial relationships among companies of the Group, they are mainly represented by services, provided at arm's length. In particular, we highlight:

- revenues for advertising services provided by subsidiary Segugio.it S.r.l. for a total amount equal to Euro 3,809 thousand;

- revenues for rent and office residence services, related to the operating offices in Cagliari and the administrative and operating offices in via Desenzano 2, Milan, provided by subsidiary PP&E S.r.l. to other companies of the Group, for a total amount equal to Euro 1,581 thousand;

- revenues for outsourcing services provided by subsidiary Finprom S.r.l. to other companies of the Group, for a total amount equal to Euro 4,199 thousand.

As of December 31, 2014, in the face of the different commercial relationships among the companies of the Group, there are trade receivables/payables among the different companies of the Group for a total amount of Euro 4,167 thousand.

Moreover it is worth pointing out that during the financial year ended December 31, 2014, subsidiaries MutuiOnline S.p.A. and Quinservizi S.p.A. resolved the distribution of dividends to the Issuer for a total amount of Euro 7,000 thousand. These dividends were not paid during the financial year, meanwhile the receivables of the Issuer from subsidiaries for accrued dividends as of December 31, 2013, equal to Euro 5,500 thousand, were paid during the financial year ended December 31, 2014. Therefore as of December 31, 2014, there are receivables of the Issuer from subsidiaries for a total amount of Euro 7,000 thousand.

We have not identified any other relations with related parties.

2.12.3. Risk management

Risk management of the Group is based on the principle that operating risk or financial risk is managed by the person in charge of the business process involved.

The main risks are reported and discussed at Group top management level in order to create the conditions for their coverage, assurance and assessment of residual risk.

Exchange and interest rate risk

Currently the financial risk management policies of the companies of the Group do not provide for use of derivative instruments against the interest rate risk since the Group has a variable interest rate borrowing (based on Euribor) of a lower amount than bank deposits (all of which are based on Euribor). The overall economic and financial effect is considered negligible.

The interest rate on the bank loan with Intesa Sanpaolo S.p.A., obtained in 2014, is equal to 1-month Euribor increased by 1.89%, during the pre-amortizing period (first two year of the loan), and to to 1-month Euribor increased by 2.09% for the amortizing period (five years) and the interest rate on the bank loan with Cariparma S.p.A., obtained in 2011, and then renegotiated effective from December 2014, is equal to 6-month Euribor increased by 2.00%. A possible unfavorable variation of the interest rate, equal to 1%, should produce an additional expense equal to Euro 88 thousand in 2015. It is worth pointing out that such variation of the interest rate would be more than compensated by the favorable impact on available liquidity.

It is also worth pointing out that the Group pursues a policy for the management of available liquidity by investing it in low-risk financial assets with a maturity date of less than twelve months. The investment strategy is to hold to maturity these bonds.

As regards to the coverage of exchange rate risk, it is worth pointing out that, as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Credit risk

The current assets of the Group, with the exception of cash and cash equivalents, are constituted mainly by trade receivables for an amount of Euro 22,318 thousand, of which the overdue portion as of December 31, 2014 is equal to Euro 3,868 thousand, of which Euro 486 thousand is overdue for over 90 days.

Most of the gross overdue receivables were paid by the clients during the first months of 2015. As of the date of approval of this report, receivables not yet collected, overdue as of December 31, 2014, amount to Euro 851 thousand.

Furthermore, it is worth mentioning that, following the diversification of the operations of the Group, we no longer notice the concentration of revenues on any client: in 2014 the revenues from the main client of the Group represent 8.7% of total consolidated revenues.

Liquidity risk

Liquidity risk is evident when a company is not able to procure financial resources to support short-term operations.

The total amount of liquidity as of December 31, 2014 is Euro 23,730 thousand, greater than current liabilities; the management believes that there is no liquidity risk for the Group.

Operating risk

The technological component is an essential element for the operating activities of the Group; therefore, there is the risk that the possible malfunctioning of the technological infrastructure may cause an interruption of client servicea or loss of data. However, the companies of the Group have developed a series of plans, procedures and tools to guarantee business continuity and data security.

2.12.4. Information concerning environment and human resources

With regards to the management of human resources and of environmental matters for the financial year ended December 31, 2014, we are not aware of any events that could entail any responsibility of the Group.

2.13. Net income allocation and dividend distribution proposal

The net income of the Issuer for the financial year ended December 31, 2014 is Euro 5,068,606. This income is influenced by the distribution of part of the distributable reserves of the subsidiaries.

The board of directors resolved to propose to the shareholders' meeting the following allocation of the net income of the year:

- Euro 4,429,107 for distribution of dividends to shareholders in the amount of Euro 0.12 per outstanding share, with ex-dividend date May 11, 2015, record date May 12, 2015 and payable date May 13, 2015;

- Euro 639,499 to retained earnings.

We highlight that the proposed dividend per share is equal to the total dividend per share paid in the previous financial year.

Milan, March 16, 2015

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

CONSOLIDATED ANNUAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

Prepared according to IAS/IFRS

3. CONSOLIDATED ANNUAL REPORT AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

3.1. Financial statements

3.1.1. Consolidated statement of financial position

(euro thousand)	Note	As of December 31, 2014	As of December 31, 2013
ASSETS			
Intangible assets	7	10,688	10,541
Property, plant and equipment	9	5,012	5,078
Participation measured with equity method	10	50	-
Deferred tax assets	11	3,529	3,197
Other non-current assets		45	27
Total non-current assets		**19,324**	**18,843**
Cash and cash equivalents	12	23,730	14,487
Financial assets held to maturity		-	415
Trade receivables	13	22,318	20,029
Contract work in progress	14	263	238
Tax receivables	15	263	2,361
Other current assets	16	2,501	2,308
Total current assets		**49,075**	**39,838**
TOTAL ASSETS		**68,399**	**58,681**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	25	935	940
Other reserves	25	24,767	26,919
Net income	25	8,990	3,477
Total group shareholders' equity	**25**	**34,692**	**31,336**
Minority interests		1,383	1,105
Total shareholders' equity		**36,075**	**32,441**
Long-term borrowings	17	8,082	4,066
Provisions for risks and charges	18	57	125
Defined benefit program liabilities	19	6,660	4,764
Other non current liabilities	20	136	257
Total non-current liabilities		**14,935**	**9,212**
Short-term borrowings	21	1,005	993
Trade and other payables	22	7,106	6,647
Tax payables	23	460	1,325
Other current liabilities	24	8,818	8,063
Total current liabilities		**17,389**	**17,028**
TOTAL LIABILITIES		**32,324**	**26,240**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**68,399**	**58,681**

3.1.2. Consolidated income statement

(euro thousand)	Note	**Years ended** December 31, 2014	December 31, 2013
Revenues	27	68,300	51,057
Other income	28	2,062	1,228
Capitalization of internal costs		724	822
Services costs	29	(24,089)	(19,998)
Personnel costs	30	(28,647)	(23,442)
Other operating costs	31	(2,190)	(2,242)
Depreciation and amortization	32	(1,684)	(1,859)
Operating income		**14,476**	**5,566**
Financial income	33	134	359
Financial expenses	33	(386)	(418)
Income/(losses) from acquisition of control		-	-
Income/(losses) from financial assets/liabilities		69	(294)
Net income before income tax expense		**14,293**	**5,152**
Income tax expense	34	(4,400)	(1,334)
Net income		**9,893**	**3,818**
Attributable to:			
Shareholders of the Issuer		**8,990**	**3,477**
Minority interest		**903**	**341**
Earnings per share basic *(Euro)*	39	0.24	0.09
Earnings per share diluited *(Euro)*	39	0.24	0.09

We did not record profit and loss items deriving from events or operations whose occurrence is not recurring or from operations or facts that are not common during the course of activities, with the exception of Income/(Losses) from acquisition of control and Income/(Losses) from financial assets/liabilities.

3.1.3. Consolidated comprehensive income statement

(euro thousand)	Note	Years ended December 31, 2014	December 31, 2013
Net income		**9,893**	**3,818**
Currency translation differences		(18)	(23)
Actuarial gain/(losses) on defined benefit program liability	19	(1,251)	(223)
Tax effect on actuarial gain/(losses)		346	62
Total other comprehensive income		**(923)**	**(184)**
Total comprehensive income for the period		**8,970**	**3,634**
Attributable to:			
Shareholders of the Issuer		8,067	3,293
Minority interest		903	341

3.1.4. Consolidated statement of cash flows

(euro thousand)	Note	Years ended December 31, 2014	December 31, 2013
Net income		**9,893**	**3,818**
Amortization and depreciation	7,9	1,684	1,859
Stock option expenses	26	144	621
Capitalization of internal costs	7	(724)	(822)
Interest cashed		83	171
Economic effects deriving from the purchase of minority interest		-	129
Income tax paid		(1,925)	(921)
Changes in contract work in progress		(25)	196
Changes in trade receivables/payables		(1,830)	(1,988)
Changes in other assets/liabilities		4,482	(1,708)
Changes in defined benefit program liability		1,796	1,001
Changes in provisions for risks and charges		(68)	4
Net cash provided by operating activities		**13,510**	**2,360**
Investments:			
- Increase of intangible assets	7	(204)	(267)
- Increase of property, plant and equipment	9	(713)	(1,328)
- Acquisition of subsidiaries		150	(3,563)
- Acquisition of minorities in subsidiaries		(2,286)	-
- Increase of participations evaluated with the equity method	10	(12)	-
- Increase of financial assets held to maturity		-	(700)
Disposals:			
- Decrease of property, plant and equipment	9	48	-
- Decrease of financial assets held to maturity		415	10,014
Net cash used in investing activities		**(2,602)**	**4,156**
Increase of financial liabilities		5,000	-
Interest paid		(213)	(184)
Decrease of financial liabilities		(984)	(747)
Purchase/sale of own shares	25	(1,025)	(517)
Dividends paid	25	(4,455)	(4,476)
Net cash used in financing activities		**(1,677)**	**(5,924)**
Net increase/(decrease) in cash and cash equivalents		**9,231**	**592**
Net cash and cash equivalent at the beginning of the period		14,487	13,845
Income/(loss) on exchange rate		-	50
Net cash and cash equivalents at the end of the period		**23,718**	**14,487**
Cash and cash equivalents at the beginning of the year	12	14,487	13,845
Current account overdraft at the beginning of the year	12	-	-
Net cash and cash equivalents at the beginning of the year		**14,487**	**13,845**
Cash and cash equivalents at the end of the year	12	23,730	14,487
Current account overdraft at the end of the year	12	(12)	-
Net cash and cash equivalents at the end of the year		**23,718**	**14,487**

3.1.5. Consolidated statement of changes in shareholders' equity

(euro thousand)	Share capital	Legal reserve	Other reserves	Retained earnings inluding net income of the year	Total gruop shareholders' equity	Minority interest	Total
Shareholders' equity as of December 31, 2012	**944**	**200**	**237**	**31,034**	**32,415**	**351**	**32,766**
Distribution of an ordinary dividend	-	-	-	(1,865)	**(1,865)**	-	**(1,865)**
Distribution of an extraordinary dividend	-	-	-	(2,611)	**(2,611)**	-	**(2,611)**
Purchase of own shares	(4)	-	-	(513)	**(517)**	-	**(517)**
Stock option plan	-	-	621	-	**621**	-	**621**
Other movements	-	-	-	-	**-**	413	**413**
Net income of the year	-	-	(184)	3,477	**3,293**	341	**3,634**
Shareholders' equity as of December 31, 2013	**940**	**200**	**674**	**29,522**	**31,336**	**1,105**	**32,441**
Distribution of an ordinary dividend	-	-	-	(4,455)	**(4,455)**	-	**(4,455)**
Purchase of own shares	(5)	-	-	(1,020)	**(1,025)**	-	**(1,025)**
Stock option plan	-	-	144	-	**144**	-	**144**
Other movements	-	-	625	-	**625**	(625)	**-**
Net income of the year	-	-	(923)	8,990	**8,067**	903	**8,970**
Shareholders' equity as of December 31, 2013	**935**	**200**	**520**	**33,037**	**34,692**	**1,383**	**36,075**
Note	25	25	25, 26				

3.2. Explanatory notes to the consolidated financial statements

1. General information

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of financial services firms operating in the Italian market for the distribution through remote channels of retail credit and insurance products (main websites: www.mutuionline.it, www.prestitionline.it, www.cercassicurazioni.it and www.segugio.it) and in the Italian market for the provision of complex business process outsourcing services for financial institutions (the "**Group**").

This consolidated annual report, including the consolidated statement of financial position, consolidated comprehensive income statement, consolidated statement of cash flows and consolidated statement of changes in shareholders' equity as of and for the year ended December 31, 2014 and the relevant notes, has been prepared in accordance with IFRS issued by the International Accounting Standard Board ("IASB") and the related interpretations SIC/IFRIC, adopted by the European Commission. Besides it has been prepared in accordance with CONSOB resolutions No. 15519 and No. 15520 dated July 27, 2006, with CONSOB communication No. DEM/6064293 dated July 28, 2006 and with art. 149-*duodecies* of the Issuer Regulations.

IFRS should be understood as the International Financial Reporting Standards, the International Accounting Standards ("IAS"), the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously denominated Standing Interpretations Committee ("SIC"), as adopted by the European Commission as of December 31, 2014 and published in the EU regulations as of this date.

In particular the IFRS have been consistently applied to all the periods presented.

The Group has elected the "non-current/current" presentation for the statement of financial position, the presentation of costs by nature for the comprehensive income statements and the indirect method for the preparation of the statement of cash flows.

The statement of changes in shareholders' equity was prepared according with IAS 1

These consolidated financial statements have been prepared in Euro, the currency of the primary economic environment in which the Group operates.

All the amounts included in the tables of the following notes are in thousands of Euros, except where otherwise stated.

The Board of Directors approved the publication of the present document on March 16, 2015. This document will be presented to the general meeting on April 27, 2015.

2. Basis of preparation of the consolidated financial statements

The following consolidation procedures have been applied in the preparation of the consolidated financial statements as of and for the year ended December 31, 2014.

The consolidated financial statements of the Group include the financial statements of Gruppo MutuiOnline S.p.A. and its subsidiaries, over which the Company exercises direct or indirect control and the equity of joint ventures. Subsidiaries are consolidated from the date when control is acquired until the date when it ceases. Control is connected with the ongoing existence of all the following conditions:

- power over the investee;
- the possibility of achieving a return resulting from ownership of the investment;
- the investor's ability to use its power over the investee to affect the amount of its return.

The existence of potential voting rights exercisable at the reporting date is also taken into consideration for the purposes of determining control.

Furthermore, it is worth pointing out that once control of an entity is obtained, transactions, in which further minority interests are acquired or ceased, without modifying the control exercised on the subsidiary, are considered transactions with the shareholders and therefore should be recorded as equity transactions, without recording any effect in the comprehensive income statement. Subsidiaries are consolidated on a line-by-line basis. The criteria adopted for consolidation on a line-by-line basis are:

- the assets and liabilities, income and expenses of the entirely consolidated entities are taken line by line, attributing to minority interest the portion of the shareholders' equity and net income for the year due to it; this portion is disclosed separately in the consolidated statement of financial position and consolidated comprehensive income statement;
- the purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets acquired, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Assets, liabilities and possible liabilities acquired are booked at the fair value at the date of the acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recognized as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the income statement, after an audit of the correct measurement of the fair value of the assets and the liabilities acquired and of the cost of acquisition. Business combinations between entities under "common control" are accounted for with the pooling of interest method, thus recognizing assets and liabilities of the acquired entity without fair value adjustments, but adjusted for eventual differences of accounting standards used and IFRS;
- inter-company transactions and balances, as well as the relevant tax effects, are eliminated. Significant unrealized inter-company gains and losses are eliminated; as an exception, unrealized losses are not eliminated when they provide evidence for impairment of the asset transferred;
- gains and losses from the disposal of investments in subsidiaries are recognized in the income statement for an amount equal to the difference between the sale price and the net assets of the investment.

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Associated companies are companies, which are neither subsidiaries nor joint-ventures, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and associated companies are evaluated with the equity method.

3. Scope of consolidation

The consolidation area includes all the entities on which the Issuer exercises control, directly or indirectly, and the companies on which the Issuer exercises a significant influence.

The controlled and associated entities as of December 31, 2014 are:

Name	Registered office	Share capital (Euro)	Consolidation method	% of ownership
Centro Finanziamenti S.p.A.	Milan (Italy)	600,000	Line-by-line	100%
Centro Istruttorie S.p.A.	Milan (Italy)	500,000	Line-by-line	100%
Centro Perizie S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Centro Processi Interconsult S.r.l.	Milan (Italy)	50,000	Line-by-line	100%
Centro Servizi Asset Mangement S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
CercAssicurazioni.it S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
CreditOnline Mediazione Creditizia S.p.A.	Milan (Italy)	200,000	Line-by-line	100%
Effelle Ricerche S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
EuroServizi per i Notai S.r.l.	Milan (Italy)	10,000	Line-by-line	60%
Finprom S.r.l.	Arad (Romania)	9,618	Line-by-line	100%
IN.SE.CO. International Service Consulting S.r.l.	Milan (Italy)	10,400	Line-by-line	51%
Money360.it S.p.A.	Milan (Italy)	354,750	Line-by-line	100%
MutuiOnline S.p.A.	Milan (Italy)	1,000,000	Line-by-line	100%
PP&E S.r.l.	Milan (Italy)	100,000	Line-by-line	100%
Quinservizi S.p.A.	Milan (Italy)	150,000	Line-by-line	100%
Segugio.it S.r.l.	Milan (Italy)	10,000	Line-by-line	100%
Generale Servizi Amministrativi S.r.l.	Milan (Italy)	50,000	Equity method	50%

Over the financial year ended December 31, 2014 the consolidation area changed following the subscription of a 50% stake of the share capital of Generale Servizi Amministrativi S.r.l..

4. Accounting policies

The consolidated financial statements are prepared at cost, with the exception of items specifically described in the following notes, for which the measurement at fair value is adopted. The fair value is the price at which an asset could be exchanged, or a liability discharged, between knowledgeable, willing parties in an arm's length transaction.

Receivables are derecognized if the right to receive the cash flows has been transferred or when the entity no longer controls such financial assets.

Payables are derecognized only when they are settled or the specific obligation is met or canceled or expired.

The principal accounting policies are set out below.

A) Intangible assets

Intangible assets are non-monetary assets that are distinctly identifiable and able to generate future economic benefits. These items are recognized at purchase cost and/or internal production cost, including all costs to bring the assets available for use, net of accumulated amortization and impairment, if any.

Amortization commences when the asset is available for use and is systematically calculated on a straight-line basis over the estimated useful life of the asset.

(a) Research and development costs

Research and development costs are recognized as an expense as incurred. Costs incurred on development projects are recognized as intangible assets when:

- development activity is clearly identified and its costs can be measured reliably;
- technological feasibility is demonstrated;
- the intention of completing the project and selling the intangible goods generated are demonstrated;
- a prospective market exists or, in case of internal use, the benefits of the intangible asset for the production of intangible goods generated by the project is demonstrated;
- the necessary technological and financial resources for the completion of the project are available.

Amortization is calculated on a straight-line basis over 3 years, which represents the estimated useful life of the asset.

(b) Licenses and other rights

Licenses and other rights are amortized on a straight-line basis in order to allocate their acquisition cost over the shorter of useful life and duration of the relevant contracts, starting from the moment of acquisition of the rights and usually lasting for a period of 3 to 5 years.

B) Property, plant and equipment

Property, plant and equipment are stated at historical cost of acquisition or production less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. When assets are composed of different identifiable components whose useful life is significantly different, each component is depreciated separately applying the "component approach".

Depreciation is charged to each component on a systematic basis over the estimated useful life from the date of initial recognition.

Property, plant and equipment are depreciated with useful lives as follows:

Description of the main categories of the item "Property, plant and equipment"	Period
Land	not depreciated
Buildings	30 years
Generic equipment	5 years
Specific equipment	2.5-7 years
Leasehold improvements	shorter of contract duration and useful life
Hardware	2.5 years
Office equipment	2.5-5 years
Furniture and fittings	8 years
Auto vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

C) <u>Investments measured with the equity method</u>

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

An associated entity is a company, which is neither a subsidiary nor a joint venture, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and investments in associated entities are measured for an amount equal to the corresponding fraction of equity in the last financial statements of the same entities, after the transfer of dividends and the application of adjustments in accordance with the disclosures for the preparation of the financial statements.

Gains and losses arising from changes of the adjusted equity of associated companies are recorded in the income statement for the period in which they arise.

D) <u>Assets held under finance leases</u>

Property, plant and equipment acquired through finance lease contracts where the benefits and risks of the assets are substantially transferred to the Group are accounted for at the lower of the asset's fair value and the present value of the minimum lease payments. The corresponding lease liability is included in financial liabilities. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the asset's useful life, in accordance with the periods of depreciation previously described, and the lease term. If the transfer of the property of the asset leased at the end of the contract is not certain, the depreciation period is represented by the lease term.

Leases where the lessor retains substantially all the risks and rewards of ownership are recognized as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

E) <u>Impairment of assets</u>

At each balance sheet date the Group assesses property, plant and equipment and intangible assets in order to identify possible indicators of impairment, deriving from both internal and external sources of the Group. If such indicators are identified, an estimate of the recoverable value is made and any impairment of the relevant book value is recognized in the income statement. The recoverable amount of an asset is the higher amount between its fair value, less sales costs, and its value in use, equal to actualized value of the expected cash flows of such asset. In calculating the value in use, the expected cash flows are discounted using a discount rate reflecting the current market value of the investments and the specific risks associated with the asset.

The value in use of an asset that does not generate independent cash flows is determined in relation to the cash generating unit to which this asset belongs. Impairment is recognized in the income statement whenever the carrying amount of the asset and of the related cash generating unit exceeds its recoverable value. Whenever circumstances causing impairment cease to exist, the book value of the asset, except the goodwill, is restored with the recognition in the income statement, up to the net value that the asset would have had if it were not impaired and regularly depreciated.

Goodwill is not amortized, but is subject annually, or more frequently if specific events or changes in circumstances indicate that the asset might be impaired, to tests in order to identify possible impairments. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

The impairment of goodwill recorded as of the date of the financial report is shown in the income statement under depreciation of intangible assets.

F) *<u>Business combinations</u>*

Business combinations are valued with the acquisition method.

The cost of the acquisition is determined by the sum of the considerations transferred in a business combination, measured at the fair value at the acquisition date, the acquired liabilities and the equity instruments issued. The assets, the acquired liabilities and the potential liabilities in a business combination are initially measured at their fair value.

The minority interests in the acquired entity are measured at their fair value and at the *pro-quota* value of the net assets recognized for the acquired company.

The surplus between the considerations transferred, the amount of the minority interests and the fair value of the non-controlling participations held before the acquisition date, compared to the fair value of the controlling stake of the net assets acquired, is recorded as goodwill.

If the value of the net assets acquired at the acquisition date exceeds the sum of the considerations transferred, of the minority interests and of the fair value of any previously held participation in the acquired company, this surplus is recorded as income of the closed transaction in the income statement.

According to provisions of IFRS 3, in step acquisitions (acquisitions achieved in stages) a business combination is achieved only after control has been obtained, and at this moment all the acquired entity's identifiable net assets should be measured at the fair value; minority interests should be measured based on their fair value or based on the proportionate share of the fair value of identifiable net assets of the acquired entity (a method already permitted under the previous version of IFRS 3).

In a step acquisition of an associate, the previously held investment, until then accounted according to IAS 39 ("Financial instruments: recognition and measurement"), or according to IAS 28 ("Investments in Associates") or according to IFRS 11 ("Joint arrangements), shall be treated as if it had been sold and repurchased as of the date on which control is acquired. This participation should be measured at its "sale" date fair value and the resulting profit or loss of this measurement should be recorded in the income statement. In addition, any value previously recorded in the shareholder's equity, which should be charged in the income statement after the sale of the relevant assets, should be reclassified in the income statement. The goodwill or income (in case of badwill) deriving from the deal concluded with the subsequent acquisition should be determined as the sum of the compensation paid to acquire the control, the value of minority interests (measured according to one of the methods permitted by the standard), and the fair value of the previously held minority shareholdings, net of the fair value of the identifiable net assets of the acquired entity.

In addition, according to IFRS 3 the costs related to the acquisition of business combinations are recognized as expenses in the period in which these costs are incurred. Finally, under IFRS 3 contingent consideration is recognized as a part of the transfer price of the acquired net assets and is measured at the acquisition date fair value. The fair value of these liabilities is restated as of the date of each financial report. Similarly, if the combination agreement includes the right to return some consideration components if specified conditions are met, that right is classified as an asset by the acquirer. Any subsequent changes in the fair value of the net assets acquired should be recognized as adjustments to the original accounting treatment only if they are determined by additional or better information about the fair value and occur within 12 months from the acquisition date; all other changes must be recorded in profit or loss.

G) Impairment

The Group ascertains, at least annually, whether there are indicators of a potential loss in value of intangible and tangible assets. If the Group finds that such indications exist, it estimates the recoverable value of the relevant asset.

In addition, intangible assets with an indefinite useful life, or that are not available for use, and goodwill are subject to an impairment test each year, or more frequently if there is an indication that the asset may have been subject to a loss in value.

The ability to recover the assets is ascertained by comparing the reported value to the related recoverable value, which is represented by the greater of the fair value less disposal costs and the value in use.

In the absence of a binding sale agreement, the fair value is estimated on the basis of recent transaction values in an active market, or based on the best information available to determine the amount that could be obtained from selling the asset.

The value in use is determined by discounting expected cash flows resulting from the use of the asset, and if significant and reasonably determinable, the cash flows resulting from its sale at the end of its useful life.

Cash flows are determined on the basis of reasonable, documentable assumptions representing the best estimate of the future economic conditions that will occur during the remaining useful life of the asset, with greater weight given to outside information.

The discount rate applied takes into account the implicit risk of the business segment.

When it is not possible to determine the recoverable value of an individual asset, the Group estimates the recoverable value of the unit that incorporates the asset and generates cash flows (CGU or Cash Generating Unit).

A loss of value is reported if the recoverable value of an asset is lower than its carrying value.

This loss is posted to the income statement unless the asset was previously written up through a shareholders' equity reserve.

In this case, the reduction in value is first allocated to the revaluation reserve.

If, in a future period, a loss on assets, other than goodwill, does not materialize or is reduced, the carrying value of the asset or CGU is increased up to the new estimate of recoverable value, and may not exceed the value that would have been determined if no loss from a reduction in value had been reported.

The recovery of a loss of value is posted to the income statement, unless the asset was previously reported at its revalued amount. In this case, the recovery in value is first allocated to the revaluation reserve.

H) <u>Cash and cash equivalents</u>

Cash and cash equivalents include cash, bank deposits and highly liquid short-term investments (readily convertible to cash within three months). Overdrafts are included in short-term borrowings and are measured at fair value.

I) <u>Financial assets held to maturity</u>

These financial assets are low-risk bonds, not representing equity instruments, purchased by the Group not available for trading, valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

J) <u>Trade receivables</u>

Trade receivables are valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

Any losses arising as a result of impairment reviews are recognized in the income statement. In the presence of impairment indicators, the values of the assets are reduced to the present value of expected future cash flows and the differences are recognized in the income statement, with a provision for bad debts as counterbalance, offsetting trade receivables. If in subsequent periods the reasons for such impairments are no longer valid, the value of the assets are reinstated up to the amortized cost as if the impairment had never occurred.

K) <u>Own shares</u>

Own shares are booked as a reduction of shareholders' equity. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

L) <u>Contract work in progress</u>

Contract work in progress refers to loan case processing services which are not completed as of the balance sheet date, only with reference to cases for which the revenues are not accrued

The provision of processing services comprises several separate stages.

Contract work in progress is measured according to the direct production cost method, which prescribes that individual loan cases are valued according to the costs incurred for achieving the current stage of work in progress. A devaluation, which represents an estimate of the potential decay based on historical experience of unsuccessful cases, is applied for the recognition of work in progress at the balance sheet date.

As these costs consist almost exclusively in personnel costs, the positive and negative changes of contract work in progress will appear in the consolidated income statement under "Personnel Costs".

M) Trade payables and financial liabilities

Financial liabilities, trade payables and other debts are initially recognized at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Whenever expected future cash flows change, and these could be reliably estimated, the value of the liability is recalculated on the basis of the new cash flows and the initial effective interest rate.

N) Provisions for risks and charges

Provisions are recognized for losses and liabilities whose existence is certain or probable but the timing or amount of the obligation is uncertain as of the relevant date. A provision is recognized only upon the existence of a present legal or constructive obligation as a result of past events that is expected to result in a future outflow of resources. Provisions are recognized based on the best estimate of the expenditure required to settle the present obligation or to transfer it to a third party at the balance sheet date. When the financial effect of the timing of the obligation is significant and the dates of the payments are reliably estimable, the provision is discounted back. Provisions are measured at the present value of the payments expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

O) Defined benefit program liability

The termination employee benefit ("*Trattamento Fine Rapporto*", or "TFR"), which is compulsory for Italian companies in accordance with civil code, is considered by IFRS a defined benefit program, based, among other things, on the period of employment and the remuneration of the employee during a predefined period.

The TFR liability is determined by independent actuaries using the Projected Unit Credit Method to account for the time value of money. According to IAS 19 revised the adjustments deriving from the changes in actuarial assumptions are recorded in equity, by means of the recognition in the comprehensive income statements.

The implicit interest cost for the adjustment of the present value of the TFR liability over time is recognized in the financial expenses in the income statement.

The legislative changes that become effective in 2007 had no material impact on the evaluation method adopted by the Group because the percentage of employees adhering to the funds at the relevant date was low and besides none of the companies of the Group exceeded the limits, provided by the new law and calculated on the average number of employees in 2006, over which a company is obliged to contribute the accrued fund to the National Institute for Social Security ("INPS") when employees choose to keep their TFR in the company.

P) Share based payments

The Group has a stock option plan for the benefit of directors, employees and other personnel. As per IFRS 2, stock option plans are valued at the fair value of the option at grant date, using methods that take into account the exercise price and vesting period of the option, the current stock price, the expected volatility and dividend payout of the shares, and the risk-free interest rate determined on the day of the option grant.

As of the grant date, the expense related to the stock option plan is recognized on a straight-line basis in personnel costs in the income statement over the vesting period of the option, and in a reserve in shareholders' equity.

Q) <u>Revenue recognition</u>

Revenues and other income are recognized net of discounts, allowances and bonuses and of the provision for possible repayments of commissions upon early repayment or insolvency of brokered loans.

Revenues are recognized in the income statement when it is probable that future economic benefits will flow to the Group.

The methods of revenue recognition for the main activities of the Group are as follows:

(a) Credit and insurance broking services

Revenues from credit and insurance broking services are recognized upon the actual disbursement of loans by lenders or the actual underwriting of contracts by insurance companies, that being the moment when the Group earns its commission on broking services.

(b) Processing services

Revenues from business process outsourcing are recognized based on the accrual of our remuneration.

R) <u>Government grants</u>

Government grants are recognized when it is reasonably certain that the Group will respect the related conditions and are released in the income statement over the period necessary to match them with the costs they are intended to compensate.

S) <u>Cost recognition</u>

Costs are recognized as the assets and services are consumed during the relevant period, or when it is not possible to determine future economic benefits.

T) <u>Financial income and expenses</u>

Interest income and expenses are recognized in the accrual period on the net value of the relevant financial assets and liabilities using the effective interest rate method.

Financial expenses are recognized on an accrual basis and recorded in the income statement in the accrual period.

U) <u>Taxation</u>

Current income taxes are accounted on the basis of estimated taxable income and the relevant applicable tax rates.

Deferred income taxes are determined based on temporary differences arising between the tax bases of assets and liabilities (excluding goodwill) and their carrying amounts, and differences arising from undistributed reserves registered in the shareholders' equity of the subsidiaries when the timing of reversal of these differences is under the Group's control and they will probably reverse within a reliably foreseeable period. Deferred income tax assets, including those on tax loss carry forwards, and not offset by deferred tax liabilities, are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income taxes are calculated using tax rates (and laws) that are expected to apply when the related deferred income tax assets are realized or the deferred income tax liabilities are settled.

Current and deferred income taxes are recognized in the income statement with the exception of the items that are recognized directly in shareholders' equity in which case the tax effect is accounted for in the relevant equity reserve. Current and deferred tax assets and liabilities are netted only when the entity has a legally enforceable right to offset the recognized amounts.

Substitute tax relates to the revaluation of assets according to Italian tax legislation and is recognized in income tax expense in the income statement. Other taxes, not related to income, are recognized in other operating costs in the income statement.

V) Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the net income attributable to the Group by the weighted average number of ordinary shares outstanding during the year, excluding own shares.

(b) Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding, excluding own shares, assuming the exercise of all potentially dilutive rights, whilst the Group's net income is adjusted to account for the effect of the conversion, net of taxes. The diluted earnings per share are not calculated in the event of losses, given that any such calculation would result in an improvement in the Group's results.

W) Accounting estimates and judgments

The preparation of the financial statements requires the application by the directors of principles and accounting methodologies that sometimes require the use of estimates and judgments based on historical experience and other assumptions that are believed to be reasonable under the circumstances. The application of these estimates and assumptions impacts on the amounts included in the statement of financial position, income statement, statement of cash flows and the notes to the financial statements. The resulting accounting estimates could differ from the related actual results because of the uncertainty influencing the assumptions.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(a) Deferred taxes

Deferred tax assets/liabilities are recognized on the basis of expectations of future earnings. The estimate of future earnings for purposes of the recognition of deferred taxes depends on factors that could vary over time and significantly affect the amount of deferred tax assets/liabilities.

(b) Stock options

The valuation of stock option plans is based on valuation techniques that take into consideration the expected volatility of share prices and the dividend yield. Should different assumptions be applied, the valuation of the stock option plans and the related expenses could be different.

(c) Impairment test for the evaluation of goodwill and participations

The impairment test provides for the use of valuation methods based on estimations and assumptions which could be subject to significant changes with subsequent impacts on the results of the evaluations done.

It is worth pointing out that the following accounting principles, effective from the first annual report ended after January 1, 2014, were applied to the present report for the financial year ended December 31, 2014:

- IFRS 10 "Consolidated annual report", introduces some changes to the definition of the concept of control, including several application guidelines (including agency relationships and the ownership of potential voting rights). The verification of control requirements must be conducted on an ongoing basis, not just at the time when the investment is acquired. Such principle did not have any impact on the consolidation of the participations of the Group;

- IFRS 11 "Joint arrangements", outlines the accounting by entities that jointly control an arrangement;

- IFRS 12 "Disclosure of interests in other entities" defines the disclosure to be provided in the financial statements in order to evaluate the nature of, and risks associated with all forms of investment in other entities, including joint arrangements, subsidiaries, associates, vehicle companies and special purpose companies;

X) <u>New principles effective starting from the financial year ended December 31, 2014, that did not generated any effect on the Group</u>

It is also worth mentioning that the following accounting principles, amendments and interpretations effective from January 1, 2014 are not relevant to or have not generated any effect on the Group:

- amendments to IFRS 10, 11 and 12: transition guidance;

- IAS 27 (revised 2011) "Separate financial statements";

- IAS 28 (revised 2011) "Investments in associates and joint ventures";

- amendment to IAS 32, "Financial instruments: Presentation", on offsetting financial assets and financial liabilities;

- amendments to IFRS 10, 11 and IAS 27: "Investment Entities";

- amendments to IAS 36, "Impairment of assets";

- amendments to IAS 39 "Financial instruments: recognition and measurement', on novation of derivatives and hedge accounting;

- IFRIC 21 "Levies".

Y) <u>Accounting principles recently approved by European Commission and not yet effective</u>

Finally, it is worth mentioning that for the following accounting principles, amendments and interpretations, not yet effective or not early adopted by the Group, we are evaluating the impact on the consolidated financial statements of the Group:

- amendments to IAS 19 "Defined benefit plans", effective from July 1, 2014;
- annual improvement cycles 2010-2012 and 2011-2013, effective from July 1, 2014;
- amendment to IAS 16 "Property, plant and equipment" and IAS 38 "Intangible assets", , effective from January 1, 2016;
- amendments to IFRS 11, "Joint arrangements: acquisition of an interest in a joint operation", effective from January 1, 2016;
- IFRS 14 "Regulatory deferral accounts", effective from January 1, 2016;
- amendments to IAS 16, "Property, plant and equipment", and IAS 41, "Agriculture", regarding contribution in kind of plants, effective from January 1, 2016;
- IFRS 9 "Financial instruments", effective from January 1, 2018;
- IFRS 15 "Revenue from contracts with customers", effective from January 1, 2017;
- amendments to IAS 27, "Separate financial statements: on the equity method", effective from January 1, 2016;
- amendments to IFRS 10, "Consolidated financial statements" and IAS 28, "Investments in associates and joint ventures", effective from January 1, 2016.

Presently, no significant impacts are expected from the adoption of these principles.

5. Financial risk analysis

Risk management of the Group is based on the principle that operating risk or financial risk is managed by the person in charge of the business process involved.

The main risks are reported and discussed at Group top management level in order to create the conditions for their coverage, assurance and assessment of residual risk.

Exchange and interest rate risk

Currently the financial risk management policies of the companies of the Group do not provide for use of derivative instruments against the interest rate risk since the Group has a variable interest rate borrowing (based on Euribor) of a lower amount than bank deposits (all of which are based on Euribor). The overall economic and financial effect is considered negligible.

The interest rate on the bank loan with Intesa Sanpaolo S.p.A., signed in 2014, is equal to 6-month Euribor increased by 1.89%, during the pre-amortizing period (first two year of the loan), and to 6-month Euribor increased by 2.09% for the amortizing period (five years) and the interest rate on the bank loan with Cariparma S.p.A., signed in 2011 and then renegotiated effective from December 2014, is equal to 6-month Euribor increased by 2.00%. A possible unfavorable variation of the interest rate, equal to 1%, should produce an additional expense equal to Euro 88 thousand in 2015. It is worth pointing out that such variation of the interest rate would be more than compensated by the favorable impact on available liquidity.

It is also worth pointing out that the Group pursues a policy for the management of available liquidity by investing it in low-risk financial assets with a maturity date of less than twelve months. The investment strategy is to hold these bonds to maturity.

As regards to the coverage of exchange rate risk, it is worth pointing out that, as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Credit risk

The current assets of the Group, with the exception of cash and cash equivalents, are constituted mainly by trade receivables for an amount of Euro 22,318 thousand, of which the overdue portion as of December 31, 2014 is equal to Euro 3,868 thousand, of which Euro 486 thousand is overdue for over 90 days.

Most of the gross overdue receivables were paid by the clients during the first months of 2015. As of the date of approval of this report, receivables not yet collected, overdue as of December 31, 2014, amount to Euro 851 thousand.

Furthermore, it is worth mentioning that, following the diversification of the operations of the Group, we do not notice the concentration of revenues on any client: in 2014 the revenues from the main client of the Group represent 8.7% of total consolidated revenues.

Liquidity risk

Liquidity risk is evident when a company is not able to procure financial resources to support short-term operations.

The total amount of liquidity as of December 31, 2014 is Euro 23,730 thousand, in line with current liabilities; the management believes that there is no liquidity risk for the Group.

6. Segment reporting

The primary segment reporting is by business segments; the Executive Committee identifies the business segments of the Group in Broking and BPO Division:

- **Broking Division**: the division operates in the Italian market for credit and insurance distribution, operating as a credit intermediary and insurance broker. The credit products that we broker are mainly mortgages and personal loans, provided to retail clients primarily through remote channels and secondarily through the territorial network. The lenders using the credit intermediation services of the Broking Division are primary universal and specialized banks and include some of the main financial institutions operating in the Italian market. The brokered insurance products are mainly auto and motorcycle insurance policies, distributed through remote channels. Moreover the business of the Division also includes comparison and/or promotion of further products, including at present bank accounts and utilities (ADSL, electricity and gas).

- **BPO Division (Business Process Outsourcing Division)**: operates in the Italian market for outsourcing services to financial institutions, which consist principally of performing complex commercial, underwriting and portfolio servicing activities related to mortgages and CQS Loans, in the market for management and claim settlement outsourcing services and, finally, in the market for the provision of back office outsourcing services supporting financial advisors and asset management companies. The financial institutions using the services of the BPO Division include primary national and international financial institutions.

The detailed information relative to each Division is provided below. For this purpose, it is worth highlighting that the allocation of the costs sustained by the Issuer and by PP&E S.r.l. for the benefit of each Division is based on the relevant headcount in Italy at the end of the period.

Revenues by Division

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Broking Division revenues	25,111	20,568
BPO Division revenues	43,189	30,489
Total revenues	**68,300**	**51,057**

Operating income by Division

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Broking Division operating income	5,199	1,785
BPO Division operating income	9,277	3,781
Total operating income	**14,476**	**5,566**
Financial income	134	359
Financial expenses	(386)	(418)
Income/(losses) from acquisition of control	-	(61)
Income/(losses) from financial assets/liabilities	69	(294)
Net income before income tax expense	**14,293**	**5,152**

As follows we provide the breakdown of revenues per client by Division:

(euro thousand)	Years ended December 31, 2014	(a)	Years ended December 31, 2013	(a)
Client A	2,342	9.3%	2,215	10.8%
Client B	2,279	9.1%	1,966	9.6%
Client C	2,228	8.9%	1,952	9.5%
Client D	2,003	8.0%	1,750	8.5%
Other Clients	16,259	64.7%	12,685	61.7%
Total Broking Division revenues	**25,111**	**100.0%**	**20,568**	**100.0%**
Client E	5,331	12.3%	4,443	14.6%
Client D	5,178	12.0%	3,887	12.7%
Client F	4,502	10.4%	3,455	11.3%
Client G	2,999	6.9%	3,180	10.4%
Other Clients	25,179	58.3%	15,524	50.9%
Total BPO Division revenues	**43,189**	**100.0%**	**30,489**	**100.0%**

(a) Percentage of total Division revenues

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NON-CURRENT ASSETS

7. Intangible assets

The following table presents the situation and the variation of the item as of and for the year ended December 31, 2014 and 2013:

(euro thousand)	Development costs	Licenses and other rights	Goodwill	Other intangible assets	Intangible assets in progress	Total
Net value as of January 1, 2013	**615**	**117**	**4,343**	**-**	**33**	**5,108**
Increases	900	189	5,171	-	-	6,260
Other movements	61	14	-	53	(33)	95
Amortization expense	(780)	(138)	-	(4)	-	(922)
Net value as of December 31, 2013	**796**	**182**	**9,514**	**49**	**-**	**10,541**
Increases	752	175	-	1	-	928
Other movements	26	27	172	(53)	-	172
Amortization expense	(769)	(184)	-	-	-	(953)
Net value as of December 31, 2014	**805**	**200**	**9,686**	**(3)**	**-**	**10,688**

Development costs mainly refer to the personnel costs capitalized for the creation and development of the technological infrastructure relative to the web sites and to the creation of the software solutions, such as the software platforms used by Group companies to perform their activities.

There are no research and development costs directly recognized in the income statement.

The item "Goodwill" includes the goodwill determined from the allocation of the purchase prices of the participations. Is also worth highlighting that the "Other movements" item refers to goodwill, related to the purchase of a business branch by CESAM S.r.l., for an amount equal to Euro 172 thousand.

More specifically, following the assessment of the fair value of the assets, liabilities and potential liabilities, we defined the allocation of the initial purchase price paid for the acquisition of Centro Processi Interconsult S.r.l. and INSECO S.r.l., confirming the provisional allocation of goodwill determined during the financial year ended December 31, 2013.

8. Recoverability of intangible assets

As regards the determination of the recoverable value of the CGUs, based on the value-in-use method, we turn to estimate the cash flows generated by the CGUs themselves. Forecasts of operating cash flows derive from the relevant 2015 budgets and the 2016-2017 strategic plans approved by the Board of Directors of the Issuer.

The main assumptions regarding the value-in-use of the CGUs are the operating cash flows during the three-year forecasted period, the discount rate and the growth rate used to determine the terminal value, equal to 2%.

The composition of future cash flows has been determined based on reasonable, prudent and consistent criteria regarding the attribution of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flows forecasts are referring to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated with the discounted cash flow formula for perpetuities.

The in-use value of the CGUs has been determined discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and reflecting the weighted average cost of capital. In particular, the discount rate used is the Weighted Average Cost of Capital (WACC), whose determination refers to indexes and parameters monitored on the CGUs' reference market, to the current value of liquidity and to the specific risks relating to the business under evaluation: the discount rate used at the evaluation date is equal to 7,39% and it is the same for each CGU evaluated as they all provides outsourcing services for credit and insurance processes and the reference markets are substantially similar.

As of December 31, 2014, the in-use values of the CGUs evaluated, determined as described above, are higher if compared to the carrying amounts of the assets allocated to them, goodwill included.

Keeping into consideration the actual situation of volatility of the markets and of uncertainty upon future economic perspectives, we developed a sensitivity analysis on the recoverable value of goodwill.

Particularly, we developed a sensitivity analysis on the recoverable value of the CGUs, assuming an increase of the discount rate and a decrease on the perpetual growth rate. The previously described sensitivity analysis confirmed the result of the impairment test.

The following table presents the detailed goodwill reported as of December 31, 2014:

(euro thousand)	**As of December 31, 2014**
Quinservizi S.p.A.	4,343
Centro Processi Interconsult S.r.l.	2,801
INSECO S.r.l.	2,240
CESAM S.r.l.	172
EuroServizi per i Notai S.r.l.	130
Total *goodwill*	**9,686**

The analysis aimed to determine the in-use value of the CGUs was performed on the following CGUs:

(euro thousand)	**Carrying amount inluded goodwill**
Quinservizi S.p.A.	3,766
Centro Processi Interconsult S.r.l.	3,310
INSECO S.r.l.	4,015

It is worth pointing out that the analysis that we performed did not lead us to identify any impairment of the in-use value of the CGUs and that the in-use value, determined as described above, is significantly higher compared to the book value of each CGU subject to the impairment test, more specifically at least 15% greater than the carrying amount of the CGUs.

9. Property, plant and equipment

The following table presents the situation and the variation of the item as of and for the year ended December 31, 2014 and 2013:

(euro thousand)	Land and buildings	Plant and machinery	Other tangible assets	Total
Cost as of January 1, 2013	**3,718**	**3,837**	**1,925**	**9,480**
Additions	135	658	535	1,328
Others	(1)	(26)	346	319
Cost as of December 31, 2013	**3,852**	**4,469**	**2,806**	**11,127**
Accumulated depreciation as of January 1, 2013	**605**	**2,980**	**1,416**	**5,001**
Depreciation expense	117	510	310	937
Others	-	(28)	139	111
Accumulated depreciation as of December 31, 2013	**722**	**3,462**	**1,865**	**6,049**
Net book value as of December 31, 2013	**3,130**	**1,007**	**941**	**5,078**
Cost as of January 1, 2014	**3,852**	**4,469**	**2,806**	**11,127**
Additions	15	498	200	713
Others	-	(1)	(76)	(77)
Cost as of December 31, 2014	**3,867**	**4,966**	**2,930**	**11,763**
Accumulated depreciation as of January 1, 2014	**722**	**3,462**	**1,865**	**6,049**
Depreciation expense	121	330	280	731
Others	-	(1)	(28)	(29)
Accumulated depreciation as of December 31, 2014	**843**	**3,791**	**2,117**	**6,751**
Net book value as of December 31, 2014	**3,024**	**1,175**	**813**	**5,012**

As of December 31, 2014 the net book value of the building located in Cagliari, is Euro 2,581 thousand. The value of the land acquired amounts to Euro 213 thousand. Furthermore, the item “Land and buildings” includes investments to renovate and modernize the office space in Arad, Romania.

The item “Plant and machinery” includes investments in generic electronic office equipment, in the different operating offices of the Group, and for production hardware.

“Other tangible assets” include investments in furniture and fittings, specific equipment and vehicles.

Other movements are constituted almost exclusively by the decrease of the tangible assets recorded following the sales done during the financial year ended December 31, 2014.

10. Participations measured with equity method

The item includes the participation in the joint venture Generale Servizi Amministrativi S.r.l., incorporated on December 19, 2014 with a share capital equal to Euro 100 thousand. The Issuer subscribed a 50% stake of the share capital, paying at the incorporation of the company an amount equal to Euro 12 thousand.

11. Deferred tax assets

The following tables present the situation and the variation of the item as of and for the financial year ended December 31, 2014 and 2013:

Year ended December 31, 2013

(euro thousand)	**As of January 1, 2013**	**Accrual**	**Other movements**	**Utilization**	**As of December 31, 2013**	**Expiring within 1 year**	**Expiring after 1 year**
Deferred tax assets							
Costs with different tax deductibility	144	238	-	(228)	154	125	29
Differences between the tax bases of assets and their carrying amounts	1,442	1,930	46	(33)	3,385	21	3,364
Tax loss carry forwards	39	20	-	(39)	20	-	20
Total deferred tax assets	**1,625**	**2,188**	**46**	**(300)**	**3,559**	**146**	**3,413**
Deferred tax liabilities							
Defined benefit program liability	22	68	-	15	105	-	105
Differences between the tax bases of assets and their carrying amounts	(399)	(24)	-	32	(391)	(11)	(380)
Dividends deliberated not yet paid	-	(76)	-	-	(76)	-	(76)
Total deferred tax liabilities	**(377)**	**(32)**	**-**	**47**	**(362)**	**(11)**	**(351)**
Total	**1,248**	**2,156**	**46**	**(253)**	**3,197**	**135**	**3,062**

Year ended December 31, 2013

(euro thousand)	As of January 1, 2014	Accrual	Utilization	As of December 31, 2014	Expiring within 1 year	Expiring after 1 year
Deferred tax assets						
Costs with different tax deductibility	154	105	(108)	151	111	40
Differences between the tax bases of assets and their carrying amounts	3,385	12	(58)	3,339	30	3,309
Defined benefit program liability	105	410	-	515	14	501
Tax loss carry forwards	20	-	(21)	(1)	-	(1)
Total deferred tax assets	**3,664**	**527**	**(187)**	**4,004**	**155**	**3,849**
Deferred tax liabilities						
Differences between the tax bases of assets and their carrying amounts	(391)	(2)	14	(379)	(16)	(363)
Dividends deliberated not yet paid	(76)	(96)	76	(96)	(96)	-
Total deferred tax liabilities	**(467)**	**(98)**	**90**	**(475)**	**(112)**	**(363)**
Total	**3,197**	**429**	**(97)**	**3,529**	**43**	**3,486**

Among deferred tax assets referring to differences between the tax bases of assets and their carrying amounts, there is also the tax credit, equal to Euro 1,889 thousand, deriving from the tax release of higher tax values of the intangible assets emerged after the revaluation of the assets of the Group performed, in their own separated financial reports, by certain subsidiaries during the financial year ended December 31, 2013. Among deferred tax assets referring to differences between the tax bases of assets and their carrying amounts, there is also the tax credit, equal to Euro 1,359 thousand, deriving from the tax release, performed in the financial year ended December 31, 20123, of the consolidation differences emerged after the purchase of the participation in Key Service S.r.l. by Quinservizi S.p.A. and in Quinservizi S.p.A. by Centro Perizie S.r.l..

CURRENT ASSETS

12. Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank deposits.

The following table presents net financial position, as defined in the CONSOB communication N. DEM/6064293 dated July 28, 2006, as of December 31, 2014 and 2013:

(euro thousand)	December 31, 2014	December 31, 2013	Change	%
A. Cash and cash equivalents	23,730	14,487	9,243	63.8%
B. Other cash equivalents	-	-	-	N/A
C. Securities held for trading	-	415	(415)	-100.0%
D. Liquidity (A) + (B) + (C)	**23,730**	**14,902**	**8,828**	**59.2%**
E. Current financial receivables	**-**	**-**	**-**	**N/A**
F. Bank borrowings	(12)	-	(12)	N/A
G. Current portion of long-term borrowings	(993)	(993)	-	0.0%
H. Other short-term borrowings	-	-	-	N/A
I. Current indebtedness (F) + (G) + (H)	**(1,005)**	**(993)**	**(12)**	**1.2%**
J. Net current financial position (I) + (E) + (D)	**22,725**	**13,909**	**8,816**	**63.4%**
K. Non-current portion of long-term bank borrowings	(8,082)	(4,066)	(4,016)	98.8%
L. Bonds issued	-	-	-	N/A
M. Other non-current borrowings	-	-	-	N/A
N. Non-current indebtedness (K) + (L) + (M)	**(8,082)**	**(4,066)**	**(4,016)**	**98.8%**
O. Net financial position (J) + (N)	**14,643**	**9,843**	**4,800**	**48.8%**

13. Trade receivables

The following table presents the situation of the item as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
Trade receivables	22,863	20,480
(allowance for doubtful receivables)	(545)	(451)
Total trade receivables	**22,318**	**20,029**

Trade receivables refer to ordinary sales to client companies operating in the banking and financial sector.

The following tables present the variation of the allowance for doubtful receivables in the financial years ended December 31, 2014 and 2013:

Year ended December 31, 2013

(euro thousand)	As of December 31, 2012	Accrual	Utilization	Others	As of December 31, 2013
Allowance for doubtful receivables	380	75	(7)	3	451
Total	**380**	**75**	**(7)**	**3**	**451**

Year ended December 31, 2014

(euro thousand)	As of December 31, 2013	Accrual	Utilization	Others	As of December 31, 2014
Allowance for doubtful receivables	451	105	-	(11)	545
Total	**451**	**105**	**-**	**(11)**	**545**

14. Contract work in progress

Contract work in progress amounts to Euro 263 thousand and Euro 238 thousand as of December 31, 2014 and 2013.

The positive and negative variations of contract work in progress in the period are classified as a decrease or increase of "Personnel costs".

15. Tax receivables

This item is referring to the credit for current taxes (IRES and IRAP). The decrease compared to the amount as of December 31, 2013 is due to the higher IRES accrued in the financial year ended December 31, 2014.

16. Other current assets

The following table presents the situation of the item as of December 31, 2014 and 2013:

(euro thousand)	**As of December 31, 2014**	**As of December 31, 2013**
Accruals and prepayments	234	202
Advances to suppliers	144	13
Others	300	159
VAT receivables	1,823	1,934
Total other current assets	**2,501**	**2,308**

NON-CURRENT LIABILITIES

17. Long-term borrowings

The following table presents the situation of the item as of December 31, 2014 and 2013, where we find only bank borrowings:

(euro thousand)	**As of December 31, 2014**	**As of December 31, 2013**
Term between 1 and 5 years	6,520	4,066
Term over 5 years	1,562	-
Total long-term borrowings	**8,082**	**4,066**

Non-current bank borrowings refer to the loan from Cariparma S.p.A. obtained in 2011 and the loan from Intesa Sanpaolo S.p.A. obtained in 2014.

The repayment schedule is as follows:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
- between one and two years	1,479	966
- between two and three years	1,992	999
- between three and four years	2,038	1,033
- between four and five years	1,011	1,068
- more than five	1,562	-
Total	**8,082**	**4,066**

The interest rate on the loan obtained from Cariparma S.p.A. is equal to 6-month Euribor increased by 3.00%, then renegotiated at the end of 2014 with a reduction of spread to 2.00% and approximates the effective interest rate paid. The interest rate on the loan obtained from Intesa Sanpaolo S.p.A., obtained in 2014, is equal to 1-month Euribor increased by 1.89%, for the pre-amortizing period (first two years of the loan) and by 2.09% for the amortizing period (five years) and approximates the effective interest rate paid.

The book value of the financial liabilities represents their fair value as of the date of the financial statement.

With regards both to the loan from Intesa Sanpaolo S.p.A. and to the loan from Cariparma S.p.A., the Group is obliged to comply with the following financial covenants, with reference to the consolidated financial statements for the financial years ended during the term of the contract: i) consolidated shareholders' equity greater than Euro 10,000 thousand; ii) consolidated net financial position less than the largest of: consolidated EBITDA multiplied by 3 and Euro 10,000 thousand. As defined in the table of Net financial Position in paragraph 12. The Group has complied with these covenants since the signing of the contracts.

18. Provisions for risks and charges

The following tables present the situation and the variation of the item as of and for the financial year ended December 31, 2014 and 2013:

Year ended December 31, 2013

(euro thousand)	As of December 31, 2012	Accrual	Utilization	Others	As of December 31, 2013
Provision for early repayment of mortgages	121	-	(1)	(100)	20
Provision for tax claims	-	105	-	-	105
Total	**121**	**105**	**(1)**	**(100)**	**125**

Year ended December 31, 2014

(euro thousand)	As of December 31, 2013	Accrual	Utilization	Releases	As of December 31, 2014
Provision for early repayment of mortgages	20	37	-	-	57
Provision for claims	105	-	(5)	(100)	-
Total	**125**	**37**	**(5)**	**(100)**	**57**

The provision for early repayment of mortgages includes the estimation of possible repayment of commissions received for mortgages intermediated in the year ended at the financial statements date, if particular clauses of the agreements with the banks provide for the reduction of the fees in case of loan prepayment or borrower default. The "Provision for tax claims" as of December 31, 2013 included a provision equal to Euro 105 thousand to face the possible risk of for a liability which could emerge from a tax assessment notice on the financial year 2009 related to subsidiary. This assessment, following the acceptance, caused a total payment in July 2014 equal to Euro 5 thousand, generating a release in the income statement.

19. Defined benefit program liabilities

The following table presents the situation of the item as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
Employee termination benefits	6,402	4,318
Directors' termination benefits	258	446
Total defined benefit program liabilities	**6,660**	**4,764**

The economic and demographic assumptions used for the actuarial determination of the defined benefit program liabilities are provided below for the years ended December 31, 2014 and 2013:

	As of December 31, 2014	As of December 31, 2013
ECONOMIC ASSUMPTIONS		
Inflation rate	1.75%	2.00%
Discount rate	1.50%	3.15%
Salary growth rate	2.75%	3.00%
TFR growth rate	2.81%	3.00%

DEMOGRAPHIC ASSUMPTIONS	
Expected mortality rate	2002 ISTAT data on the Italian population split by gender.
Expected invalidity rate	Data split by sex, driven by the INPS model and projected to 2010. Expectations are constructed using the age and gender of the living pensioners at January 1, 1987 beginning from 1984, 1985, 1986 for the personnel of the credit sector.
Expected termination rate	A rate of 2.50% p.a. has been applied for the permanent employees and a rate of 15% p.a. has been applied for the fixed-term employees.
Expected retirements	It is expected that employees will reach the pensionable age provided within local laws
Expected early repayment rate	A rate of 3% p.a. has been applied.

It is worth pointing out that actuarial losses, deriving from the liability as of December 31, 2013, have been recorded in equity, with the recognition in the comprehensive income statement.

The following table presents the variation of the employee termination benefit liability for the year ended December 31, 2014 and 2013:

Value as of December 31, 2012	3,068
Current service cost	910
Interest cost	112
Benefits paid	(301)
Losses of the year	223
Value as of December 31, 2013	**4,318**
Current service cost	1,111
Interest cost	141
Acquisitions	100
Benefits paid	(519)
Losses of the year	1,251
Value as of December 31, 2014	**6,402**

Expenses related to the defined benefit program liability that are recognized in the income statement are as follows:

	Years ended	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Current service cost	(1,111)	(910)
Implicit interest cost	(141)	(112)
Total expenses related to the defined benefit program	**(1,252)**	**(1,022)**

As regards the discount rate the reference rate used for the valorization of this parameter was the Iboxx Eur Corporate AA 10+ index as of the valuation date. This term is in fact linked to the average residual permanence of the employees of the Group, weighed with the expected payments.

20. Other liabilities

The item represents the liability for the consideration, to be paid in 2016, for the acquisition of the 20% stake in EuroServizi per i Notai S.r.l.

CURRENT LIABILITIES

21. Short-term borrowings

Short-term borrowings amounting to Euro 1.005 thousand as of December 31, 2014, include the current portions of borrowings and the interest payable on the ongoing loans.

The item includes the current portion of the loan from Cariparma S.p.A. including passive interest accrued as of December 31, 2014 for an amount of Euro 987 thousand.

22. Trade and other payables

Trade and other payables include the payables to suppliers for the purchase of goods and services.

23. Tax payables

Tax payables include payables for corporate income tax and regional income tax. As of December 31, 2014, the item includes mainly the liability for accrued IRAP. The decrease compared to the amount as of December 31, 2013 is due to the liability for the substitute tax recorded among tax liabilities as of December 31, 2013 and paid during the financial year ended December 31, 2014.

24. Other current liabilities

The following table presents the situation of the item as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
Liabilities to personnel	4,658	3,109
Social security liabilities	1,867	1,275
Social security liabilities on behalf of employees	1,079	770
Accruals	159	137
VAT liabilities	264	256
Other liabilities	791	2,516
Total other liabilities	**8,818**	**8,063**

Liabilities to personnel are mainly liabilities for the salary accrued in December, paid at the beginning of 2015, for accrued holidays and for deferred expenses as of December 31, 2014 that are still to be paid and bonus liabilities for the financial year 2014 not yet paid as of December 31, 2014.

The decrease of item "Other liabilities" is mainly due to the payment of the liability for the purchases of minority interest stakes of Quinservizi S.p.A..

25. Shareholders' equity

The following table presents the situation of the item as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
Share capital	935	940
Legal reserve	200	200
Other reserves	520	674
Retaind earnings	33,037	29,522
Total Group shareholders' equity	**34,692**	**31,336**
Other reserves of minority interest	480	962
Retained income of minority interest	903	143
Total shareholders' equity	**36,075**	**32,441**

For the changes in shareholders' equity, refer to the relevant table.

On April 23, 2014 the shareholders' meeting resolved the distribution of a dividend of Euro 4,455 thousand from the distribution of the earnings for the financial year 2013. Such dividends have been paid out with ex-dividend date May 5, 2014, record date May 7, 2014 and payable date May 8, 2014.

As of December 31, 2014 the Company's share capital is composed of 39,511,870 shares without nominal value. During the year ended December 31, 2014 there were no changes in the number of issued shares.

During the year ended December 31, 2008 the Company approved a new buy-back program, for up to the 10% of share capital, specifying limits and purposes. During the years ended December 31, 2008 and 2009 also subsidiaries MutuiOnline S.p.A. and Centro Istruttorie S.p.A. began a program for the purchase of shares the Issuer.

As of December 31, 2014 the companies of the Group hold a total of 2,565,035 shares of the Issuer, of which 913,513 purchased directly by the Issuer, 1,500,000 purchased by subsidiary MutuiOnline S.p.A. and 151,522 purchased by subsidiary Centro Istruttorie S.p.A., equal to 6.492% of ordinary share capital, for a total cost of Euro 11,000 thousand. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value, equal to Euro 65 thousand as of December 31, 2014, and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

The following table presents the impact of the purchase and sale of own shares by the companies of the Group on the consolidated share capital and net equity of the shareholders of the Issuer as of December 31, 2014 and 2013:

(euro thousand)	**As of December 31, 2014**	**As of December 31, 2013**
Share capital underwritten and paid	1,000	1,000
Own shares' nominal value	(65)	(60)
Total share capital	**935**	**940**

(euro thousand)	**As of December 31, 2014**	**As of December 31, 2013**
Other reserves gross of own shares	44,733	40,353
Surplus on own shares	(10,976)	(9,957)
Total other reserves	**33,757**	**30,396**

26. Stock option plans

On September 25, 2014 the shareholders' meeting approved the rules for a stock option plan for the benefit of certain directors, employees and other personnel of the Group.

On September 29, 2014 the Company's Board of Directors resolved to offer on October 1, 2014, some stock options to the executive directors, Marco Pescarmona and Alessandro Fracassi, according to the rules, at an exercise price equal to Euro 4.976.

On October 1, 2014 the Company's executive committee resolved the allotment of stock options to certain employees and other personnel of the Group, at an exercise price equal to Euro 4.976 per share.

The recognition of the stock option plan was based on the Black, Scholes and Merton model for valuation of options using the following parameters:

Risk-free interest rate (%)	0.22%
Maturity (years)	6
Implicit volatility (%)	26%
Dividend yield	2.43%

The parameters used for the valuation of options granted during the financial year ended December 31, 2014 refer to data collected at the same date of the allotment of the options and refer to the most recent economic/financial variables.

The following table summarizes the variation of the stock options during the year:

Stock options as of January 1, 2014	1,961,500
Stock options offered in 2014	1,923,000
Stock option canceled due to resignations in 2014	-
Stock option expired in 2014	(68,500)
Stock option exercised in 2014	-
Stock options as of December 31, 2014	3,816,000
of which vested as of December 31, 2014	*1,893,000*

The outstanding stock options as of December 31, 2014 are as follows:

Data shareholders' meeting resolution	Date of assignment	Maturity date	Expiry date	# options	Strike price	Value of the option
November 9, 2010	November 22, 2010	November 22, 2013	November 21, 2016	800,000	5.196	1.03
November 9, 2010	December 16, 2010	December 16, 2013	December 15, 2016	956,000	5.126	1.02
November 9, 2010	December 28, 2010	December 28, 2013	December 27, 2016	54,000	5.010	0.89
November 9, 2010	February 28, 2011	February 28, 2014	February 27, 2017	50,000	4.857	0.99
November 9, 2010	October 10, 2011	October 10, 2014	October 9, 2017	33,000	4.010	0.45
September 25, 2014	October 1, 2014	October 1, 2017	September 30, 2020	1,923,000	4.976	0.86
			Total options	**3,816,000**		

The weighted average price of the shares for the year ended December 31, 2014 was equal to Euro 4.785.

Personnel costs for the year ended December 31, 2014 include Euro 144 thousand related to the Group's stock option plan. In the income statement for the year ended December 31, 2013 there are costs equal to Euro 621 thousand related to the stock option plan.

NOTES TO THE MAIN ITEMS OF THE CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

27. Revenues

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Broking Division revenues	25,111	20,568
BPO Division revenues	43,189	30,489
Total revenues	**68,300**	**51,057**

For comments on the evolution of revenues, please refer to the management report.

28. Other income

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Reimbursement of costs	1,660	883
Others	402	337
Grants	-	8
Total other income	**2,062**	**1,228**

29. Services costs

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Marketing and commercial expenses	(11,630)	(11,149)
Notarial and appraisal services	(3,664)	(1,993)
Technical, legal and administrative consultancy	(2,096)	(1,655)
Postage	(1,589)	(1,255)
Commission payout	(1,189)	(585)
Rental and lease expenses	(1,138)	(686)
Telephone	(904)	(800)
Other general expenses	(853)	(952)
Utilities and cleaning costs	(516)	(517)
Travel expenses	(510)	(406)
Total services costs	**(24,089)**	**(19,998)**

Marketing expenses refer to activities aimed at increasing the awareness and reputation of the Group and of its brands and to acquire new prospective clients. We underline that this item includes the costs in the financial year ended December 31, 2014 for the development of the "Segugio" brand, for Euro 8,534 thousand.

Notary and appraisal services mainly refer to services purchased by the BPO Division and the increase recorded during the financial year ended December 31, 2014 is mainly due to the growth of the mortgage inflows, both for purchase, which caused an increase of appraisal costs, and for remortgages ("*surroghe*"), which caused an increase of notarial costs.

Technical, legal and administrative consultancy costs refer to expenses incurred for professional advice for legal and fiscal matters, for audit activities and for administrative support as well as for IT and technology consulting.

Postage and delivery charges refer mainly to expenses incurred for the shipping of documentation on behalf of the clientes of the BPO Division.

"Commission payout" is related in particular to the broking fees to the agents of the Money360, Network that in the financial year ended December 31, 2014 recorded a significant growth of the volumes brokered.

The rental and lease expenses include prevalently the fees paid by the companies of the Group for the rental of offices owned by third parties. The following table presents a summary of the lease obligations on the basis of existing contracts:

(euro thousand)	**As of December 31, 2014**
Less than 1 year	(826)
1 - 5 years	(3,057)
More than 5 years	(129)
Total lease obligations	**(4,012)**

30. Personnel costs

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Wages and salaries	(19,739)	(15,697)
Social security contributions	(5,604)	(4,459)
Professional collaborators and project workers costs	(46)	(27)
Directors' compensation	(1,352)	(1,179)
Defined benefit program liabilities	(1,365)	(1,021)
Other costs	(422)	(241)
Stock option expenses	(144)	(622)
Changes in contract work in progress	25	(196)
Total personnel costs	**(28,647)**	**(23,442)**

The average headcount is as follows:

	Years ended	
	December 31, 2014	December 31, 2013
Managers	11	11
Supervisors	17	16
Employees	950	808
Average headcount	**978**	**835**
Headcount in Italy	653	528
Headcount in Romania	325	307

31. Other operating costs

Other operating costs include Euro 1,510 thousand and Euro 1,567 thousand relative to non-deductible VAT costs for the financial years ended December 31, 2014 and 2013, respectively.

32. Depreciation and amortization

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	December 31, 2014	December 31, 2013
Amortization of intangible assets	(953)	(937)
Depreciation of property, plant and equipment	(731)	(922)
Total depreciation and amortization	**(1,684)**	**(1,859)**

33. Net financial income

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	December 31, 2014	December 31, 2013
Financial income	134	359
Interest expense – borrowings	(245)	(306)
Implicit interest cost on defined benefit program liability	(141)	(112)
Net financial income/(loss)	**(252)**	**(59)**

Financial income includes mainly the interest income accrued in the period from the use of Group's available liquidity.

Financial expense for the financial year ended December, 2014, includes Euro 213 thousand for the interest expenses on the financial loans.

34. Income tax expense

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Current income tax	(4,403)	(1,997)
Deferred taxes	3	664
Income tax expense	**(4,400)**	**(1,333)**

The reconciliation between the theoretical tax rate and the effective tax rate for the years ended December 31, 2014 and 2013 is provided in the following table:

	Years ended December 31, 2014	December 31, 2013
Corporate income tax (IRES)		
Theoretical tax rate	27.5%	27.5%
Differences due to costs non-deductible for IRES	0.6%	8.4%
Differences due to revenues not taxable for IRES	0.0%	0.0%
Stock option expenses	0.1%	1.8%
Differences of the tax rate on foreign company income	-1.2%	-2.1%
Impact of the tax benefits	-2.6%	-36.9%
Substitute tax	0.0%	18.6%
Others	0.0%	0.9%
Effective IRES tax rate	**24.4%**	**18.2%**
Regional income tax (IRAP)		
Theoretical tax rate	3.9%	3.9%
Differences due to revenues not taxable for IRAP	8.6%	21.4%
Tax benefits	-6.1%	-11.8%
Others	0.0%	-5.8%
Effective IRAP tax rate	**6.4%**	**7.7%**

35. Potential liabilities

In this respect, it is worth pointing out that during the financial year ended December 31, 2007, two companies of the Group, MutuiOnline S.p.A. and Centro Istruttorie S.p.A., were subjected to an audit from the territorial staff of the Ministry of Labor. These controls concerned, among other things, the legal classification of the professional and project-based collaboration contracts used by these companies. As of the date of preparation of the financial statements, the reports of the results of these audits and the claim forms for presumed contribution arrears and related penalties have been notified, the payment of which has been suspended, following the opposition of the company. The management examined these documents with the support of legal advisers and, at the moment, in the light of the notified forms, despite the granting of the suspension, we are unable to predict the financial outcome of the commenced litigation. In the consolidated financial statements no provision was made in such respect because, at present, the emergence of an obligation is considered possible but not probable and there are no objective evidences to make a reliable estimation of the amount of this potential obligation.

We do not recognize any further potential liability.

36. Classes of financial instruments

In the balance sheet as of December 31, 2014 financial assets are classified as follows:

- Cash and cash equivalents for Euro 23,778 thousand (2013: Euro 14,687 thousand);
- Loans and receivables for Euro 22,462 thousand (2013: Euro 20,042 thousand);

All the financial liabilities recorded in the balance sheet as of December 31, 2014 and 2013 are stated at amortized cost, except the earn out, measured at fair value (category 3). The method for the assessment at fair value of these liabilities is based on the income approach. The expenses deriving from the measurement of these liabilities are recorded in the income stated in the financial year ended December 31, 2014 and are equal to Euro 103 thousand.

37. Related parties

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

Compensations paid to the members of the governing and controlling bodies, general managers and managers with strategic responsibilities

The following table shows the compensation paid to the members of the governing and controlling bodies, general managers and managers with strategic responsibilities in the year ended December 31, 2014:

Name	Office	Holding period of the office From	To	Term of the office	Compensation for the office	Non-monetary benefits	Bonus and other incentives	Other
Marco Pescarmona	Chairman	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	60	4	180	289
Alessandro Fracassi	CEO	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	60	2	180	285
Anna Maria Artoni	Director	4/23/2014	12/31/2014	Appr. of 2016 fin. stat.	9	-	-	-
Fausto Boni	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	9	-	-	-
Chiara Burberi	Director	4/23/2014	12/31/2014	Appr. of 2016 fin. stat.	9	-	-	-
Andrea Casalini	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	22	-	-	-
Matteo De Brabant	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	14	-	-	-
Daniele Ferrero	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	19	-	-	-
Alessandro Garrone	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	10	-	-	-
Klaus Gummerer	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	9	-	-	-
Valeria Lattuada	Director	4/23/2014	12/31/2014	Appr. of 2016 fin. stat.	6	-	-	-
Marco Zampetti	Director	1/1/2014	12/31/2014	Appr. of 2016 fin. stat.	14	-	-	-
Giuseppe Zocco	Director	1/1/2014	4/23/2014	Appr. of 2013 fin. stat.	10	-	-	-
Fausto Provenzano	Chairman of the board of st. aud.	1/1/2014	12/31/2014	Appr. of 2014 fin. stat.	22	-	-	15
Paolo Burlando	Statutory auditor	1/1/2014	12/31/2014	Appr. of 2014 fin. stat.	15	-	-	10
Francesca Masotti	Statutory auditor	1/1/2014	12/31/2014	Appr. of 2014 fin. stat.	15	-	-	10

The column "other" includes the compensations for office in subsidiaries, wages received as employees, and the provisions for benefits upon termination.

Fees paid to the independent auditors

The following table provides the fees paid to the independent auditors by the Issuer and its subsidiaries during the year ended December 31, 2014, separating the fees paid for audit services from the fees paid for other attestation services:

(euro thousand)	Year ended December 31, 2014 Gruppo MutuiOnline S.p.A.	Subsidiaries
Audit	48	168
Attestation	-	43
Total fees paid to the independent auditor	**48**	**211**

38. Subsequent events

On January 30, 2015, the joint venture Generale Servizi Amministrativi S.r.l. subscribed the whole share capital of Generale Servizi Amministrativi S.a.g.l., a Swiss company, for an amount equal to Euro 20 thousand. The company provides integrated outsourcing services of administrative, accounting and secretarial activities preparatory to tax advice..

On February 18, 2015 the Issuer incorporated Marsala S.r.l., subscribing the whole share capital of the company for an amount equal to Euro 10 thousand.

On March 13, 2015, the Issuer, by means of the subsidiary Marsala S.r.l., purchased from South African group Naspers and the management of the acquired company, a participation of 74.85% of the share capital of 7Pixel S.r.l., owner of the Italian leading e-commerce price comparison website Trovaprezzi.it. The total consideration paid was equal to Euro 55.502 thousand.

The Group has also signed an agreement with the management, which holds the minority stake of the company, which provides that, by the end of 2015, Marsala S.r.l. will be merged into 7Pixel S.r.l.. As a result of the merger, Gruppo MutuiOnline will hold a 51.0% participation in 7Pixel S.r.l., while the management will hold the remaining 49.0%.

The Group signed different agreements with the minorities of 7Pixel S.r.l. concerning the governance of the company for a period of 24 months starting from the acquisition and the possible future evolution of the ownership of the company. These agreements do not provide for put and/or call options related to the participation of the management, which could be eventually purchased at fair value by the Group after this term, in case of agreement among the parts to proceed in this way.

Finally, pursuant to the agreements signed with the management, a purchase by the Group of the minority stake may take place in financial year 2017, subject to certain conditions, which provide, among other things, the rule to calculate the compensation to be paid to the minorities. However, at present, it is not possible to foresee the occurrence of these conditions or the amount of such potential liability.

The transaction was financed through new bank loans granted by Banca Popolare di Milano and Cariparma Crédit Agricole, for an aggregate amount of Euro 47,000 thousand, of which Euro 35,000 thousand medium-long term.

In the following table, we show the main financial data of the subsidiary as of the date of acquisition:

(euro thousand)	**Purchased book values**
Non-current assets	7,020
Current assets	3,727
Cash and cash equivalent	10,946
Total assets	**21,693**
Shareholders' equity	18,563
Non-current liabilities	908
Current liabilities	2,222
Total liabilities and shareholders' equity	**21,693**

Finally, pursuant to the share buyback program within the limits and with the purposes of the authorization granted by the shareholder's meeting on April 23, 2014, after December 31, 2014, the Group purchased further own shares. As of the approval of the present consolidated annual report, the Group holds a total of 2,602,644 own shares, equal to 6.587% of the ordinary share capital of the Issuer.

39. Earnings per share

Earnings per share for the year ended December 31, 2013 are calculated by dividing the net income attributable to the shareholders of the Company for the year (Euro 3,477 thousand) by the weighted average number of the shares outstanding during the year ended December 31, 2013 (37,272,717 shares).

Earnings per share for the year ended December 31, 2014 are calculated by dividing the net income attributable to the shareholders of the Company for the year (Euro 8,990 thousand) by the weighted average number of the shares outstanding during the year ended December 31, 2014 (37,087,767 shares).

For the financial year ended December 31, 2014 we report no significant difference between the basic earnings per share and the diluted earnings per share: there are only 33,000 equity instruments (stock options) that meet the requirements provided by IAS 33 to generate dilutive effects on the earnings per share and their impact is to be considered immaterial.

Milan, March 16, 2015

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

ANNUAL REPORT

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014

Prepared according to IAS/IFRS

4. ANNUAL REPORT AS OF AND FOR YEAR ENDED DECEMBER 31, 2014

4.1. Financial statements

4.1.1. Statement of financial position

(euro thousand)	Note	As of December 31, 2014	December 31, 2013
ASSETS			
Intangible assets	3	126	170
Plant and equipment	4	171	132
Investments in associated companies	5	32,222	26,639
Participation in associated companies and joint ventures	6	50	-
Other non-current assets		-	50
Total non-current assets		**32,569**	**26,991**
Cash and cash equivalents	7	30,505	20,590
(of which) with related parties	*26*	*7,658*	*8,902*
Financial assets held to maturity		-	395
Trade receivables		134	755
(of which) with related parties	*26*	*114*	*687*
Tax receivables		186	2,194
Other current assets	8	11,495	8,003
(of which) with related parties	*26*	*11,232*	*7,808*
Total current assets		**42,320**	**31,937**
TOTAL ASSETS		**74,889**	**58,928**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	9	977	982
Legal reserve	9	200	200
Other reserves	9	662	1,538
Retaind earnings	9	6,348	4,641
Net income	9	5,069	6,190
Total shareholders' equity		**13,256**	**13,551**
Long-term borrowings	10	8,082	4,066
Defined benefit program liabilities	11	274	202
Deferred tax liabilities		75	61
Other non current liabilities		136	-
Total non-current liabilities		**8,567**	**4,329**
Short-term borrowings	14	50,740	38,188
(of which) with related parties	*26*	*49,747*	*37,244*
Trade and other payables	15	448	905
(of which) with related parties	*26*	*168*	*425*
Tax payables		1	-
Other current liabilities	16	1,877	1,955
(of which) with related parties	*26*	*1,542*	*1,631*
Total current liabilities		**53,066**	**41,048**
TOTAL LIABILITIES		**61,633**	**45,377**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**74,889**	**58,928**

4.1.2. Income statement

(euro thousand)	Note	**Years ended December 31, 2014**	**December 31, 2013**
Revenues (from subsidiaries)	18	7,519	8,700
(of which) with related parties		*7,244*	*8,443*
Other income		40	172
(of which) with related parties		*6*	*129*
Services costs	19	(1,278)	(1,536)
(of which) with related parties	*26*	*(496)*	*(392)*
Personnel costs	20	(1,099)	(1,318)
Other operating costs		(109)	(100)
Depreciation and amortization		(171)	(172)
Operating income		**4,902**	**5,746**
Financial income	21	82	204
(of which) with related parties	*26*	*38*	*68*
Financial expenses	21	(367)	(308)
(of which) with related parties	*26*	*(150)*	*(183)*
Losses from financial liabilities		(103)	-
Net income before income tax expense		**4,514**	**5,642**
Income tax expense	22	555	548
Net income		**5,069**	**6,190**

During the financial year ended December 31, 2014 we did not record profit and loss items deriving from events or operations whose occurrence is not recurring or from operations or facts that are not common during the course of activities,

4.1.3. Comprehensive income statement

(euro thousand)	Note	**Years ended December 31, 2014**	**December 31, 2013**
Net income		**5,069**	**6,190**
Actuarial gain/(losses) on defined benefit program liability		(39)	(10)
Tax effect on actuarial gain/(losses)		11	3
Total comprehensive income for the period		**5,041**	**6,183**

4.1.4. Statement of cash flows

(euro thousand)	Note	Years ended December 31, 2014	December 31, 2013
Net income		**5,069**	**6,190**
Amortization and depreciation	3, 4	171	172
Stock option expenses	17	64	286
Interest cashed		44	136
Changes in trade receivables/payables		164	(430)
(of which) with related parties		*(830)*	*(337)*
Changes in other assets/liabilities		(1,254)	(6,788)
(of which) with related parties		*3,285*	*(7,012)*
Payments on defined benefit program		72	29
Net cash provided by operating activities		**4,330**	**(405)**
Investments:			
- Increase of intangible assets	3	(86)	(173)
- Increase of plant and machinery	4	(80)	(158)
- Purchase of participation	5	(2,015)	(8,221)
- Capital contribution		(3,500)	(3,560)
- Increase of financial assets held to maturity		-	(700)
Disposals:			
- Decrease of financial assets held to maturity		395	10,014
Net cash used in investing activities		**(5,286)**	**(2,798)**
Increase of financial liabilities	10	5,000	-
Decrease of financial liabilities	10, 14	(935)	(685)
Interest paid		(217)	(175)
Purchase/Sale of own shares	9	(1,025)	(517)
Dividends paid	9	(4,455)	(4,476)
(of which) with related parties		*(1,570)*	*(1,570)*
Net cash used in financing activities		**(1,632)**	**(5,853)**
Net increase/(decrease) in cash and cash equivalents		**(2,588)**	**(9,056)**
Net cash and cash equivalent at the beginning of the period		(16,654)	(7,648)
Income/(loss) on exchange rate		-	50
Net cash and cash equivalents at the end of the period		**(19,242)**	**(16,654)**
Net increase/(decrease) in cash and cash equivalents		**(2,588)**	**(9,056)**
Cash and cash equivalents at the beginning of the year	7	20,590	21,046
(of which) with related parties	26	*8,902*	*8,004*
Current account overdraft at the beginning of the year (with related parties)	26	(37,244)	(28,694)
Net cash and cash equivalents at the beginning of the year		**(16,654)**	**(7,648)**
Net cash and cash equivalents at the end of the year	7	30,505	20,590
(of which) with related parties	*26*	*7,658*	*8,902*
Current account overdraft at the end of the year (with related parties)	26	(49,747)	(37,244)
Cash and cash equivalents at the end of the year		**(19,242)**	**(16,654)**

4.1.5. Statement of changes in shareholders' equity

(euro thousand)	Share capital	Legal reserve	Other reserves	Retained earnings	Net income of the year	Total
Value as of December 31, 2012	**986**	**200**	**1,430**	**7,208**	**1,916**	**11,740**
Allocation of net income 2012						
Distribution of extraordinary dividend	-	-	-	-	(1,865)	**(1,865)**
Retained earnings	-	-	-	51	(51)	**-**
Distribution of extraordinary dividend	-	-	-	(2,611)	-	**(2,611)**
Stock option plan	-	-	621	-	-	**621**
Purchase of own shares	(4)	-	(513)	-	-	**(517)**
Net income of the year	-	-	-	(7)	6,190	**6,183**
Value as of December 31, 2013	**982**	**200**	**1,538**	**4,641**	**6,190**	**13,551**
Allocation of net income 2013						
Distribution of extraordinary dividend	-	-	-	-	(4,455)	**(4,455)**
Retained earnings	-	-	-	1,735	(1,735)	**-**
Stock option plan	-	-	144	-	-	**144**
Purchase of own shares	(5)	-	(1,020)	-	-	**(1,025)**
Net income of the year	-	-	-	(28)	5,069	**5,041**
Value as of December 31, 2014	**977**	**200**	**662**	**6,348**	**5,069**	**13,256**
Note	9	9	9, 17	9		

4.2. Explanatory notes to the financial statements (separated financial report)

1. Basis of preparation of the financial statements

This annual report, including the statement of financial position, comprehensive income statement, statement of cash flows and statement of changes in shareholders' equity as of and for the year ended December 31, 2014 and the relevant notes, has been prepared in accordance with IFRS issued by the International Accounting Standard Board ("IASB") and the related interpretations SIC/IFRIC, adopted by the European Commission. Besides it has been prepared in accordance with CONSOB resolutions No. 15519 and No. 15520 dated July 27, 2006, with CONSOB communication No. DEM/6064293 dated July 28, 2006 and with art. 149-*duodecies* of the Issuer Regulations.

The financial statements are prepared at cost, with the exception of the items specifically described in the following notes, for which the measurement at fair value is adopted. The fair value is the price at which an asset could be exchanged, or a liability discharged, between knowledgeable, willing parties in an arm's length transaction as of the date of measurement.

Receivables are derecognized if the right to receive the cash flows has been transferred or when the entity no longer controls such financial assets.

Payables are derecognized only when they are settled or the specific obligation is met or canceled or expired.

In particular the IFRS have been consistently applied to all the periods presented.

All the amounts included in the tables of the following notes are in thousands of Euro.

Following the effectiveness of EU Regulation N 1606/1002 and the related national provisions of enactment, starting from year 2007, Gruppo MutuiOnline S.p.A. adopts the International Financial Standard issued by the International Accounting Standard Board ("IASB") and the related interpretations, adopted by the European Commission ("IFRS"). IFRS should be understood as the International Financial Reporting Standards, the International Accounting Standards ("IAS"), the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously denominated Standing Interpretations Committee ("SIC").

The financial statement schemes adopted are in accordance to the ones provided by IAS 1 ("Presentation of financial statements") and in particular:

- for the statement of financial position we adopted the "current/non-current" presentation;
- for the comprehensive income statement we adopted the presentation of costs by nature;
- the statement of changes in shareholders' equity was prepared according with IAS 1;
- the statement of cash flows was prepared using the indirect method.

In addition, in accordance with revised IAS 1 ("Presentation of financial statements"), in the income statement after the net income for the period we also present the comprehensive income components.

The most significant provisions adopted for the preparation of the consolidated financial statements are the following:

A) Intangible assets

Intangible assets are non-monetary assets that are distinctly identifiable and able to generate future economic benefits. These items are recognized at purchase cost and/or internal production cost, including all costs to bring the assets available for use, net of accumulated amortization and impairment, if any.

Amortization commences when the asset is available for use and is systematically calculated on a straight-line basis over the estimated useful life of the asset.

(a) Licenses and other rights

Licenses and other rights are amortized on a straight line basis in order to allocate their acquisition cost over the shorter of useful life and duration of the relevant contracts, starting from the moment of acquisition of the rights and usually lasting for a period of 3 to 5 years.

B) Property, plant and equipment

Property, plant and equipment are stated at historical cost of acquisition or production less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be reliably measured. When assets are composed of different identifiable components whose useful life is significantly different, each component is depreciated separately applying the "component approach".

Depreciation is charged to each component on a systematic basis over the estimated useful life from the date of initial recognition.

Property, plant and equipment are depreciated with useful lives as follows:

Description of the main categories of the item "Property, plant and equipment"	Period
Leasehold improvements	shorter of contract duration and useful life
Generic equipment	5 years
Hardware	2.5 years
Office equipment	2.5-5 years
Furniture and fittings	8 years
Auto vehicles	4 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

C) Investments in subsidiaries

An entity is defined subsidiary when the Issuer owns, directly or indirectly, the control.

Control is connected with the ongoing existence of all the following conditions:

- power over the investee;

- the possibility of achieving a return resulting from ownership of the investment;
- the investor's ability to use its power over the investee to affect the amount of its return.

The existence of potential voting rights exercisable at the reporting date is also taken into consideration for the purposes of determining control.

Investments in subsidiaries are measured at cost adjusted for any impairment loss recognized in the income statement. When the motives for such losses are no longer valid, the value of investments is increased up to the relevant cost of acquisition. This recovery is recognized in the income statement.

Impairment of assets

A joint venture is an arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

An associated entity is a company, which is neither a subsidiary nor a joint venture, on which the Issuer exercises a significant influence. Significant influence is presumed when the Issuer owns, directly or indirectly, more than 20% of the ordinary share capital of a company.

Joint ventures and investments in associated entities are measured at cost adjusted for any impairment loss recognized in the income statement. When the motives for such losses are no longer valid, the value of investments is increased up to the relevant cost of acquisition. This recovery is recognized in the income statement.

D) Impairment of assets

At each balance sheet date the Issuer assesses property, plant and equipment and intangible assets in order to identify possible indicators of impairment, deriving from both internal and external sources of the Company. If such indicators are identified, an estimate of the recoverable value is made and any impairment of the relevant book value is recognized in the income statement. The recoverable amount of an asset is the higher amount between its fair value, less sales costs, and its value in use, equal to actualized value of the expected cash flows of such asset. In calculating the value in use, the expected cash flows are discounted using a discount rate reflecting the current market value of the investments and the specific risks associated with the asset.

The value in use of an asset that does not generate independent cash flows is determined in relation to the cash generating unit to which this asset belongs. Impairment is recognized in the income statement whenever the carrying amount of the asset and of the related cash generating unit exceeds its recoverable value. Whenever circumstances causing impairment cease to exist, the book value of the asset, except the goodwill, is restored with the recognition in the income statement, up to the net value that the asset would have had if it were not impaired and regularly depreciated.

E) Impairment

The Issuer ascertains, at least yearly, whether there are indicators of a potential loss in value of intangible and tangible assets. If the Issuer finds that such indications exist, it estimates the recoverable value of the relevant asset.

In addition, intangible assets with an indefinite useful life, or that are not available for use, and goodwill are subject to an impairment test each year, or more frequently if there is an indication that the asset may have been subject to a loss in value.

The ability to recover the assets is ascertained by comparing the reported value to the related recoverable value, which is represented by the greater of the fair value less disposal costs and the value in use.

In the absence of a binding sale agreement, the fair value is estimated on the basis of recent transaction values in an active market, or based on the best information available to determine the amount that could be obtained from selling the asset.

The value in use is determined by discounting expected cash flows resulting from the use of the asset, and if significant and reasonably determinable, the cash flows resulting from its sale at the end of its useful life.

Cash flows are determined on the basis of reasonable, documentable assumptions representing the best estimate of the future economic conditions that will occur during the remaining useful life of the asset, with greater weight given to outside information.

The discount rate applied takes into account the implicit risk of the business segment.

When it is not possible to determine the recoverable value of an individual asset, the Group estimates the recoverable value of the unit that incorporates the asset and generates cash flows.

A loss of value is reported if the recoverable value of an asset is lower than its carrying value.

This loss is posted to the income statement unless the asset was previously written up through a shareholders' equity reserve.

In this case, the reduction in value is first allocated to the revaluation reserve.

If, in a future period, a loss on assets, other than goodwill, does not materialize or is reduced, the carrying value of the asset or CGU is increased up to the new estimate of recoverable value, and may not exceed the value that would have been determined if no loss from a reduction in value had been reported.

The recovery of a loss of value is posted to the income statement, unless the asset was previously reported at its revalued amount. In this case, the recovery in value is first allocated to the revaluation reserve.

F) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and highly liquid short term investments (readily convertible to cash within 3 months), that are easily convertible to cash and not subject to risk of change in value. Overdrafts are included in short-term borrowings and are measured at the fair value.

G) Financial assets held to maturity

These financial assets are low-risk bonds, not representing equity instruments, purchased by the Group not available for trading, valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

H) Trade receivables

Trade receivables are valued initially at fair value and subsequently at amortized cost using the effective interest rate basis.

Any losses arising as a result of impairment reviews are recognized in the income statement. In the presence of impairment indicators, the values of the assets are reduced to the present value of expected future cash flows and the differences are recognized in the income statement, with a provision for bad debts as counterbalance, offsetting trade receivables. If in subsequent periods the reasons for such impairments are no longer valid, the values of the assets are reinstated up to the amortized cost as if the impairment had never occurred.

I) *Own shares*

Own shares are booked as reduction of shareholders' equity. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

J) *Trade payables and financial liabilities*

Financial liabilities, trade payables and other debts are initially recognized at fair value, net of transaction costs incurred, and are subsequently stated at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Whenever expected future cash flows change, and these could be reliably estimated, the value of the liability is recalculated on the basis of the new cash flows and the initially determined effective interest rate.

K) *Defined benefit program liability*

The termination employee benefit ("*Trattamento Fine Rapporto*", or "TFR"), which is compulsory for Italian companies in accordance with civil code, is considered by IFRS a defined benefit program, and is based, among other things, on the period of employment and the remuneration of the employee during a predefined period.

The TFR liability is determined by independent actuaries using the Projected Unit Credit Method to account for the time value of money. According to IAS 19 revised the adjustments deriving from the changes in actuarial assumptions are recorded in equity, by means of the recognition in the comprehensive income statements. The implicit interest cost for the adjustment of the present value of the TFR liability over time is recognized in the financial expenses in the income statement.

The legislative changes that became effective in 2007 had no significant impact on the evaluation method adopted by the Company because the percentage of employees adhering to the funds at the relevant date was low and besides the Company does not exceed the limits, provided by the new law and calculated on the average number of employees in the year in force, over which a company is obliged to contribute the accrued fund to the National Institute for Social Security ("INPS") when employees choose to keep their TFR in the company.

L) *Share based payments*

The Company has a stock option plan for the benefit of directors, employees and other personnel. As per IFRS 2, stock option plans are valued at the fair value of the option at grant date, using methods that take into account the exercise price and vesting period of the option, the current stock price, the expected volatility and dividend payout of the shares, and the risk-free interest rate determined on the day of the option grant.

As of the grant date the expense related to the stock option plan is recognized on a straight-line basis in personnel costs in the income statement over the vesting period of the option, and in a reserve in shareholders' equity.

With respect to the valuation of the stock options assigned to directors and employees of subsidiaries, for which there is no mechanism to charge back the cost incurred to such subsidiaries, the book value of the participations has been increased by an amount equal to the cost incurred for the options, counter-balanced by the appropriate shareholders' equity reserve.

M) Revenue and cost recognition

Revenues and costs are recognized on an accrual basis. Services revenues are recognized when the services are performed.

Revenues and other income are recognized net of discounts, allowances and bonuses and the taxes directly related to the services.

Revenues are recognized in the income statement when it is probable that future economic benefits will flow to the Company.

Costs are recognized as the assets and services are consumed during the relevant period, or when it is not possible to determine future economic benefits.

N) Dividends

Dividends received are recognized when the Company obtains the right to receive the payment. This right arises on the date of the resolution of the shareholders' meeting of the subsidiary that distributes the dividends.

In the income statement, received dividends are classified among the revenues.

O) Financial income and expenses

Interest income and expenses are recognized in the accrual period on the net value of the relevant financial assets and liabilities using the effective interest rate method.

Financial income and expenses are recognized on an accrual basis and recorded in the income statement in the accrual period.

P) Taxation

Current income taxes are accounted on the basis of estimated taxable income and the relevant applicable tax rates.

Deferred income tax is provided in full on temporary differences arising between the tax bases of assets and liabilities (excluding goodwill) and their carrying amounts, and differences arising from undistributed reserves registered in the shareholders' equity of the subsidiaries when the timing of reversal of these differences is under the Group's control and they will probably reverse within a reliably foreseen period. Deferred income tax assets, including those on tax loss carry forwards, and not offset by deferred tax liabilities, are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income taxes are calculated using tax rates (and laws) that are expected to apply when the related deferred income tax assets are realized or the deferred income tax liabilities are settled.

Current and deferred income taxes are recognized in the income statement with the exception of the items that are recognized directly in shareholders' equity in which case the tax effect is accounted for in the relevant equity reserve. Current and deferred tax assets and liabilities are netted only when the entity has a legally enforceable right to offset the recognized amounts.

Starting from the financial year ended December 31, 2006 Gruppo MutuiOnline S.p.A. and its subsidiaries MutuiOnline S.p.A., CreditOnline Mediazione Creditizia S.p.A., Centro Istruttorie S.p.A., Centro Finanziamenti S.p.A. and PP&E S.r.l. exercised the option for the tax consolidation regime as provided by Italian law, which allows to calculate the corporate income tax ("IRES") on a taxable income corresponding to the algebraic sum of the taxable incomes or losses of the Companies of the Group. In the following financial years other subsidiaries of the Group exercised this option. The economic relationships, besides the mutual responsibilities and duties, among the holding and its subsidiaries that exercised the option, are regulated by a contract drawn up in June 2006, subsequently renewed in June 2009. Tax liabilities are counterbalanced by other current assets of the parent company versus its subsidiaries corresponding to the taxable income transferred within the tax consolidation regime.

Other taxes, not related to income, are recognized as operating costs in the income statement.

Q) <u>Earnings per share</u>

Since the Company prepares both the consolidated and separate annual reports, the required information is presented only in the consolidated annual report.

R) <u>Accounting estimates and judgments</u>

The preparation of the financial statements requires the application by the directors of principles and accounting methodologies that sometimes require the use of estimates and judgments based on historical experience and other assumptions that are believed to be reasonable under the circumstances. The application of these estimates and assumptions impacts on the amounts included in the statement of financial position, income statement, statement of cash flows and the notes to the financial statements. The resulting accounting estimates could differ from the related actual results because of the uncertainty influencing the assumptions.

For the Company, the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are those regarding the accounting representation of the stock options. The valuation of stock option plans is based on valuation techniques which take into consideration the expected volatility of share prices and the dividend yield. Should different assumptions be applied, the valuation of the stock option plans and the related expenses could be different.

The impairment test provides for the use of valuation methods based on estimations and assumptions which could be subject to significant changes with subsequent impacts on the results of the evaluations done.

It is worth pointing out that the following accounting principles, effective from the first annual report ended after January 1, 2014, were applied to the present report for the financial year ended December 31, 2014:

- IFRS 10 "Consolidated annual report", introduces some changes to the definition of the concept of control, including several application guidelines (including agency relationships and the ownership of potential voting rights). The verification of control requirements must be conducted on an ongoing basis, not just at the time the investment is acquired;

- IFRS 11 “Joint arrangements”, outlines the accounting by entities that jointly control an arrangement;

- IFRS 12 “Disclosure of interests in other entities” defines the disclosure to be provided in the financial statements in order to evaluate the nature of, and risks associated with all forms of investment in other entities, including joint arrangements, subsidiaries, associates, vehicle companies and special purpose companies;

S) New principles effective starting from the financial year ended December 31, 2014 that did not generated any effect on the Issuer

It is worth mentioning that the following accounting principles, amendments and interpretations effective from January 1, 2014 are not relevant to or have not generated any effect on the Issuer:

- amendments to IFRS 10, 11 and 12: transition guidance;

- IAS 27 (revised 2011) “Separate financial statements”;

- IAS 28 (revised 2011) “Investments in associates and joint ventures”;

- amendment to IAS 32, “Financial instruments: Presentation”, on offsetting financial assets and financial liabilities;

- amendments to IFRS 10, 11 and IAS 27: “Investment Entities”;

- amendments to IAS 36, “Impairment of assets”;

- amendments to IAS 39 “Financial instruments: recognition and measurement’, on novation of derivatives and hedge accounting;

- IFRIC 21 “Levies”.

T) Accounting principles recently approved by European Commission and not yet effective

Finally, it is worth mentioning that for the following accounting principles, amendments and interpretations, not yet effective or not early adopted by the Issuer, we are evaluating the impact on the financial statements of the Issuer:

- amendment to IAS 19 “Defined benefit plans” , effective from July 1, 2014;

- annual improvements cycles 2010-2012 and 2011-2013 effective from July 1, 2014;

- amendment to IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”, , effective from January 1, 2016;

- amendment to IFRS 11, “Joint arrangements: acquisition of an interest in a joint operation”, effective from January 1, 2016;

- IFRS 14 “Regulatory deferral accounts”, effective from January 1, 2016;

- amendments to IAS 16, “Property, plant and equipment”, and IAS 41, “Agriculture”, regarding contribution in kind of plants, effective from January 1, 2016;

- IFRS 9 “Financial instruments”, effective from January 1, 2018;
- IFRS 15 “Revenue from contracts with customers”, effective from January 1, 2017;
- amendments to IAS 27, “Separate financial statements: on the equity method”, effective from January 1, 2016;
- amendments to IFRS 10, “Consolidated financial statements” and IAS 28, “Investments in associates and joint ventures”, effective from January 1, 2016.

Presently, no significant impacts are expected from the adoption of these principles.

2. Risk analysis

Gruppo MutuiOnline S.p.A. is a holding company and for this reason it is indirectly subject to the peculiar risks of its subsidiaries. In this respect, please refer to the notes to the consolidated financial statements and to the directors’ report on operations of each subsidiary.

Instead the Company is autonomously subject to exchange and interest rate risk and liquidity risk.

Exchange and interest rate risk

As of today, financial risk management is performed at Group level.

The Company presents a financial indebtedness equal to Euro 58,822 thousand, of which, however Euro 49,747 thousand are represented by short-term financial debts with subsidiaries within the Group’s cash pooling services. In addition, current assets include cash and cash equivalents equal to Euro 30,505 thousand, of which Euro 7,658 thousand from subsidiaries within the a Group’s cash pooling services.

Therefore, within the framework of Group interest rate risk management, the use of derivative instruments to hedge interest rate risk is not contemplated since, currently, the Company has a variable interest rate borrowing (based on Euribor) towards non-related parties of a lower amount than bank deposits (all of which are based on Euribor), so that the economic and financial effect of rate changes is considered negligible.

The interest rate on the bank loan with Intesa Sanpaolo S.p.A., signed in 2014, is equal to 1-month Euribor increased by 1.89%, during the pre-amortizing period (first two year of the loan), and to 1-month Euribor increased by 2.09% for the amortizing period (five years) and the interest rate on the bank loan with Cariparma S.p.A., signed in 2011 and then renegotiated effective from December 2014, is equal to 6-month Euribor increased by 2.00%. A possible unfavorable variation of the interest rate, equal to 1%, should produce an additional expense equal to Euro 88 thousand in 2015. It is worth pointing out that such variation of the interest rate would be more than compensated by the favorable impact on available liquidity.

It is also worth pointing out that the Issuer pursues a policy for the management of available liquidity by investing it in low-risk financial assets with a maturity date of less than twelve months. The investment strategy is to hold these bonds to maturity.

As regards to the coverage of exchange rate risk, it is worth pointing out that as of the reference date of this report, there are no significant assets or liabilities denominated in currencies different from the Euro and exchange rate risk is therefore not present.

Liquidity risk

Liquidity risk is evident when a company is not able to procure financial resources to support short-term operations.

The Company holds cash and cash equivalent as of December 31, 2014 equal to Euro 30,505 thousand, of which Euro 7,658 thousand with subsidiaries, against current liabilities equal to Euro 50,740 thousand, of which, however Euro 49,747 thousand consist in current financial debts and other current liabilities with subsidiaries. Furthermore, the current assets include receivables and other current assets from subsidiaries equal to Euro 11,348 thousand, which have considerable liquidity. This provides the Company with easily available financial resources to support short-term operations.

Moreover, the risk arising from the potential default of our bank counterparties is mitigated by the policy of diversifying the available deposits with different banking institutions.

NOTES TO THE MAIN ITEMS OF THE STATEMENT OF FINANCIAL POSITION

NON-CURRENT ASSETS

3. Intangible assets

The following table presents the detail of the property, plant as of December 31, 2014 and 2013:

(euro thousand)	Licenses and other rights	Work in progress	Total
Net value as of December 31, 2012	**69**	**33**	**102**
Increases	173	-	173
Other movements	33	(33)	-
Amortization expense	105	-	105
Net value as of December 31, 2013	**170**	**-**	**170**
Increases	86	-	86
Other movements	-	-	-
Amortization expense	130	-	130
Net value as of December 31, 2013	**126**	**-**	**126**

4. Plant and equipment

The following table presents the detail of the equipment as of December 31, 2014 and 2013:

(euro thousand)	Plant and machinery	Other tangible assets	Total
Cost as of January 1, 2013	**38**	**124**	**162**
Additions	100	59	159
Cost as of December 31, 2013	**138**	**183**	**321**
Accumulated depreciation as of January 1, 2013	**24**	**98**	**122**
Depreciation expense	30	37	67
Accumulated depreciation as of December 31, 2013	**54**	**135**	**189**
Net book value as of December 31, 2013	**84**	**48**	**132**
Cost as of January 1, 2014	**138**	**183**	**321**
Additions	54	26	80
Cost as of December 31, 2014	**192**	**209**	**401**
Accumulated depreciation as of January 1, 2014	**54**	**135**	**189**
Depreciation expense	16	25	41
Accumulated depreciation as of December 31, 2014	**70**	**160**	**230**
Net book value as of December 31, 2014	**122**	**49**	**171**

5. Investments in subsidiaries

The Company holds 100% of the ordinary share capital of MutuiOnline S.p.A., Centro Istruttorie S.p.A., CreditOnline Mediazione Creditizia S.p.A., CercAssicurazioni.it S.r.l., Segugio.it S.r.l., Centro Finanziamenti S.p.A., PP&E S.r.l, Centro Perizie S.r.l., Money360.it S.p.A., Centro Servizi Asset Management S.r.l. (for short CESAM S.r.l.), Quinservizi S.p.A. and Finprom S.r.l., 60% of the ordinary share capital of EuroServizi per i Notai S.r.l. and 51% of the ordinary share capital of International Security Services S.r.l. (for short INSECO S.r.l.).

On June 11, 2014 the Group exercised the call option to purchase the remaining 15% stake of subsidiary Quinservizi S.p.A. for a consideration equal to Euro 2,003 thousand.

Finally over the financial year ended December 31, 2014 the Issuer also paid capital contributions to Segugio.it S.r.l., for Euro 3,500 thousand.

The following table provides the detail of investments in subsidiaries as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013
Costs sustained	32,222	26,639
Total investments in subsidiaries	**32,222**	**26,639**

In addition to the above mentioned purchases and capital contributions, changes to the item are due to the cost of the stock options assigned to employees and other personnel of the subsidiaries, for an amount equal to Euro 80 thousand in the year ended December 31, 2014.

The following tables provide a brief summary of the main data of the subsidiaries.

Corporate name: CERCASSICURAZIONI.IT S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	100
Shareholders' equity	4,556
Book value	3,680

Corporate name: CENTRO FINANZIAMENTI S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	600
Shareholders' equity	954
Book value	975

Corporate name: CENTRO ISTRUTTORIE S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	500
Shareholders' equity	6,857
Book value	3,140

Corporate name: CENTRO PERIZIE S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
Shareholders' equity	691
Book value	19

Corporate name: CESAM S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
Shareholders' equity	1,270
Book value	61

Corporate name: CREDITONLINE MEDIAZIONE CREDITIZIA S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	200
Shareholders' equity	10,448
Book value	806

Corporate name: **EUROSERVIZI PER I NOTAI S.R.L.**	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
Shareholders' equity	402
Book value	366

Referring to EuroServizi per i Notai S.r.l. the book value of the participation is higher than the equity value of the participation. To be precise, this difference in the value of the participation does not represent an indicator of impairment, since the subsidiary is in a growth phase and the outlook, which is confirmed by the net income recorded as of the financial year ended December 31, 2013, is of positive cash flows.

Corporate name: **FINPROM S.R.L.**	
Registered office: Romania, Arad, Str. Cocorilor n. 24/A	
Share capital	10
Shareholders' equity	2,047
Book value	119

Corporate name: **INSECO S.R.L.**	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
Shareholders' equity	2,705
Book value	2,625

Referring to INSECO S.r.l., the book value of the participation is higher than the value of its shareholders' equity.

Therefore the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2015 budget and from the 2016-2017 strategic plan of the company, approved by the Board of Directors of the Company.

The main assumptions regarding the value-in-use of the CGU are the operating cash flows during the three-year forecast period, the discount rate and the growth rate used to find out the terminal value, equal to 2%.

The valuation of future cash flows has been determined on reasonable, prudential and consistent basis regarding the charge of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flow forecasts are referring to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated through the discounted cash flow calculator of perpetuity.

The value-in-use of the CGU has been determined discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and reflecting the weighted average cost of capital. In particular, the discounting rate used is the Weighted Average Cost of Capital (WACC), whose determination refers to indexes and parameters monitored on the CGU's referral market, to the current value of liquidity and to the specific risks relating to the business under evaluation: the discount rate used at the evaluation date is equal to 7,39%.

As of December 31, 2014, the value-in-use of the participation in INSECO S.r.l., determined as described above, is higher than the book value of the participation itself.

Corporate name: MONEY360.IT S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	355
Shareholders' equity	499
Book value	2

Corporate name: MUTUIONLINE S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	1,000
Shareholders' equity	25,780
Book value	3,543

Corporate name: PP&E S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	100
Shareholders' equity	224
Book value	304

Referring to PP&E S.r.l. the book value of the participation is higher than the equity value of the participation. To be precise, this difference in the book value of the participation does not represent an indicator of impairment, since the subsidiary provides real estate renting and support services to the other Italian operating companies of the Group and we expect growing revenues and positive cash flows during the next financial years.

Corporate name: QUINSERVIZI S.P.A.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	150
Shareholders' equity	1,558
Book value	7,071

Referring to Quinservizi S.p.A., the book value of the participation is higher than the value of its shareholders' equity.

Therefore the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2015 budget and from the 2016-2017 strategic plan of the company, approved by the Board of Directors of the Company.

The main assumptions regarding the value-in-use of the CGU are the operating cash flows during the three-year forecast period, the discount rate and the growth rate used to find out the terminal value, equal to 2%.

The valuation of future cash flows has been determined on reasonable, prudential and consistent basis regarding the charge of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flow forecasts are referring to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated through the discounted cash flow calculator of perpetuity.

The value-in-use of the CGU has been determined discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and reflecting the weighted average cost of capital. In particular, the discounting rate used is the Weighted Average Cost of Capital (WACC), whose determination refers to indexes and parameters monitored on the CGU's referral market, to the current value of liquidity and to the specific risks relating to the business under evaluation: the discount rate used at the evaluation date is equal to 7,39%.

As of December 31, 2014, the value-in-use of the participation in Quinservizi S.p.A., determined as described above, is higher than the book value of the participation itself.

Corporate name: SEGUGIO.IT S.R.L.	
Registered office: Milan, Via F. Casati 1/A	
Share capital	10
Shareholders' equity	827
Book value	9,512

Referring to Segugio.it S.r.l., the book value of the participation is higher than the value of its shareholders' equity. We underline that the subsidiary is a start-up, in its growing phase, and this difference is not due to an impairment of participation but it derives from heavy investments in communication for the development of the "Segugio.it" brand, launched in September 2012.

Therefore the Board of Directors decided to perform an impairment test, in order to determine the recoverable value of the participation. This assessment is based on the value-in-use method, which relies on forecasts of cash flows generated by the asset. Forecasts of operating cash flows derive from the 2015 budget and from the 2016-2018 strategic plan of the company, approved by the Board of Directors of the Company.

The main assumptions regarding the value-in-use of the CGU are the operating cash flows during the five-year forecasted period, the discount rate and the growth rate used to find out the terminal value, equal to 2%.

The valuation of future cash flows has been determined on reasonable, prudential and consistent basis regarding the charge of future general expenditures, capital investment, financial balance and the main macroeconomic variables. Finally, it is worth pointing out that cash flow forecasts are referring to ordinary activities and, therefore, they are not comprehensive of cash flows deriving from possible extraordinary activities.

The terminal value has been estimated through the discounted cash flow calculator of perpetuity.

The value-in-use of the CGU has been determined discounting the value of the estimated future cash flows, including the terminal value, which are supposed to be derived from ongoing activities, at a discount rate, net of taxes, adjusted for risk and reflecting the weighted average cost of capital. In particular, the discounting rate used is the Weighted Average Cost of Capital (WACC), whose determination refers to indexes and parameters monitored on the CGU's reference market, to the current value of liquidity and to the specific risks relating to the business under evaluation: the discount rate used at the evaluation date is equal to 6,38%.

As of December 31, 2014, the value-in-use of the participation in Segugio.it S.r.l., determined as described above, is higher than the book value of the participation itself.

6. Participation in associated companies and joint ventures

On December 19, 2014, the Group incorporated, subscribing a stake equal to 50% of the share capital, the company Generale Servizi Amministrativi S.r.l., in short GSA S.r.l., with an ordinary share capital equal to Euro 100 thousand. The company is a joint venture which provides integrated outsourcing services of administrative, accounting and secretarial activities preparatory to tax advice.

CURRENT ASSETS

7. Cash and cash equivalent

Cash and cash equivalents include cash in hand and bank deposits.

The following table presents net financial position, as defined in the CONSOB communication No. DEM/6064293 dated July 28, 2006, as of December 31, 2014 and 2013:

(euro thousand)	As of December 31, 2014	As of December 31, 2013	Change	%
A. Cash and cash equivalents	30,505	20,590	9,915	48.2%
B. Other cash equivalents	-	-	-	N/A
C. Securities held for trading	-	395	(395)	-100.0%
D. Liquidity (A) + (B) + (C)	**30,505**	**20,985**	**9,520**	**45.4%**
E. Current financial receivables	**-**	**-**	**-**	**N/A**
F. Bank borrowings	-	-	-	N/A
G. Current portion of long-term borrowings	(993)	(944)	(49)	5.2%
H. Other short-term borrowings	(49,747)	(37,244)	(12,503)	33.6%
I. Current indebteness (F) + (G) + (H)	**(50,740)**	**(38,188)**	**(12,552)**	**32.9%**
J. Net current financial position (I) + (E) + (D)	**(20,235)**	**(17,203)**	**(3,032)**	**17.6%**
K. Non-current portion of long-term bank borrowings	(8,082)	(4,066)	(4,016)	98.8%
L. Bonds issued	-	-	-	N/A
M. Other non-current borrowings	-	-	-	N/A
N. Non-current Indebteness (K) + (L) + (M)	**(8,082)**	**(4,066)**	**(4,016)**	**98.8%**
O. Net financial position (J) + (N)	**(28,317)**	**(21,269)**	**(7,048)**	**33.1%**

Gruppo MutuiOnline S.p.A. manages a cash pooling service. All the Italian subsidiaries as of December 31, 2014 have joined this system,. The cash pooling service aims to provide a more efficient management of available liquidity and investments at a group level. Therefore, the short-term financial liabilities of the Issuer as of December 31, 2014 include "Other current borrowings" equal to Euro 49,747 thousand, consisting exclusively in borrowings versus subsidiaries within the cash pooling service.

For more detail on the cash balance of cash and cash equivalents and of current financial debts from companies of the Group please refer to note 26.

8. Other current assets

The following table presents the detail of the item as of December 31, 2014 and 2013:

	As of	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Receivables from subsidiaries for dividends	7,000	5,500
Receivables from subsidiaries for national tax consolidation r	4,159	2,308
VAT receivables	212	111
Accruals and prepayments	42	77
Advances to suppliers	78	7
Others	4	-
Total other current assets	**11,495**	**8,003**

Receivables from subsidiaries are as follows:

	As of	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Receivables for national tax consolidation regime:		
From MutuiOnline S.p.A.	683	417
From CreditOnline Mediazione Creditizia S.p.A.	432	343
From Centro Istruttorie S.p.A.	884	726
From CercAssicurazioni.it S.r.l.	401	223
From PP&E S.r.l.	32	-
From Effelle Ricerche S.r.l.	184	111
From Quinservizi S.p.A.	401	488
From IN.SE.CO. S.r.l.	526	-
From Centro Servizi Asset Management S.r.l.	521	-
From. EuroServizi per i Notai S.r.l.	95	-
Total receivables for tax consolidation regime	**4,159**	**2,308**
Receivables for dividends:		
From MutuiOnline S.p.A.	4,000	4,500
From CreditOnline S.p.A.	-	1,000
From Quinservizi S.p.A.	3,000	-
Total receivables for dividends	**7,000**	**5,500**
Loan to a subsidiary:		
Loan to Centro Perizie S.r.l.	72	-
Total loan to subsidiary	**72**	**-**
Total receivables from subsidiaries	**11,231**	**7,808**

SHAREHOLDERS' EQUITY

9. Share capital and reserves

For the statement of changes in shareholders' equity please refer to the relevant table.

On April 23, 2014 the shareholders' meeting resolved the distribution of a dividend of Euro 4,455 thousand from the distribution of the earnings for the financial year 2013. Such dividends have been paid out with ex-dividend date May 5, 2014, record date May 7, 2014 and payable date May 8, 2014.

As of December 31, 2014, the Company's share capital is composed of 39,511,870 shares without nominal value. During the year ended December 31, 2014, there were no changes in the number of outstanding shares.

During the year ended December 31, 2007, the Company initiated a buy-back program, for up to the 2% of share capital, serving the stock option plan for directors, employees and other personnel. During the year ended December 31, 2008, the shareholders' meeting has approved a new buy-back program, for up to the 10% of share capital, specifying limits and purposes. During the following financial years, the shareholders' meeting has approved and renewed the new buy-back program, specifying limits and purposes, for up to the 10% of share capital, or any higher quantity permitted by the applicable pro tempore law.

During the year ended December 31, 2014 the Issuer purchased 221,373 own shares equal to 0.560% of ordinary share capital, meanwhile the other companies of the Group have neither purchased nor sold any shares of the Issuer.

As of December 31, 2014, the Company holds 913,513 own shares, equal to 2.312% of ordinary share capital, at a total cost of Euro 4,307 thousand. Being the shares without nominal value, the purchase cost is deducted from the share capital for an amount implicitly corresponding to the nominal value, equal to Euro 23 thousand as of December 31, 2014, and from the distributable reserves for an amount equal to the remaining part of the purchase cost.

	As of	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Book value of own shares	**4,307**	**3,282**
(of which) offsetting share capital	23	18
(of which) offsetting other reserves	4,284	3,264

It is worth mentioning that the number of shares of the Issuer purchased by all the companies of the Group in total does not exceed 10% of the ordinary share capital of the Issuer.

The following table presents the origin and the availability of the items included in shareholders' equity:

(euro thousand)	As of December 31, 2014	Possible utilization	Available amount	Summary of the utilizations during the past three years for purchase of own shares	for share capital increase	distribution and income allocation
Share capital	977			(9)		
Earnings reserves:						
Legal reserve	200	B	-			
Stock option reserve	662	A,B,C	662	(1,533)		
Retained earnings	6,348	A,B,C	6,348	-	-	(13,407)
Net income	5,069	A,B,C	5,069			
Total shareholders' equity	**13,256**		**12,079**			
Not available for distribution			662			
Remaining distributable amount			11,417			

Legend:
A: for share capital increases
B: for the offsetting of losses
C: for distribution to shareholders

NON-CURRENT LIABILITIES

10. Long-term borrowings

The following table presents the details of the item, including only bank borrowings:

(euro thousand)	As of December 31, 2014	December 31, 2013
Bank borrowings	8,082	4,066
1 - 5 years	6,520	4,066
More than 5 years	1,562	-
Total long-term borrowings	**8,082**	**4,066**

Non-current bank borrowings refer to the loan contract entered in the financial year 2011 with Cariparma S.p.A. and to loan contract signed on June 9, 2014 with Intesa Sanpaolo S.p.A..

The book value of the financial liability represents its fair value.

Loan from Cariparma S.p.A.

The Issuer renegotiated the conditions of the loan signed in 2011 with Cariparma S.p.A., effective from December 17, 2014, obtaining e reduction of the spread applied, now equal to 2.00%.

The loan granted by Cariparma S.p.A. is repayable in 14 semi-annual installments of principal and interest, with the exception of the first four installments which are interest only. The repayment schedule is as follows:

(euro thousand)	As of December 31, 2014	December 31, 2013
- between one and two years	1,005	966
- between two and three years	1,027	999
- between three and four years	1,050	1,033
- between four and five years	-	1,068
Total	**3,082**	**4,066**

With regards to the loan with Cariparma S.p.A. the Group is obliged to comply with the following financial covenants, with reference to the consolidated financial statements for the financial years ended during the term of the contract: i) consolidated shareholders' equity higher than Euro 10,000 thousand; ii) consolidated net financial position lower than the most value of consolidated EBITDA multiplied by 3 and Euro 10,000 thousand. The Company has complied with such parameters since the signing of the contract.

Loan from Intesa Sanpaolo S.p.A.

It is worth pointing out that on June 9, 2014, the Issuer signed a 7-years loan with Intesa Sanpaolo S.p.A. for an amount equal to Euro 5,000 thousand.

The loan granted by Intesa Sanpaolo S.p.A. is repayable in 84 monthly installments of principal and interest, with the exception of the first twenty four installments which are interest only. The repayment schedule is as follows:

(euro thousand)	As of December 31, 2014	December 31, 2013
- between one and two years	474	966
- between two and three years	965	999
- between three and four years	988	1,033
- between four and five years	1,011	1,068
- more than five	1,562	-
Total	**5,000**	**4,066**

11. Defined benefit program liabilities

The following table presents the situation of the item:

(euro thousand)	As of December 31, 2014	December 31, 2013
Employees' termination benefits	207	145
Directors' termination benefits	67	57
Total defined benefit program liabilities	**274**	**202**

The economic and demographic assumptions used for the actuarial determination of the defined benefit program liabilities are provided below:

	As of December 31, 2014	As of December 31, 2013
ECONOMIC ASSUMPTIONS		
Inflation rate	1.75%	2.00%
Discount rate	1.50%	3.15%
Salary growth rate	2.75%	3.00%
TFR growth rate	2.81%	3.00%

DEMOGRAPHIC ASSUMPTIONS	
Expected mortality rate	2002 ISTAT data on the Italian population split by gender.
Expected invalidity rate	Data split by sex, driven by the INPS model and projected to 2010. Expectations are constructed using the age and gender of the living pensioners at January 1, 1987 beginning from 1984, 1985, 1986 for the personnel of the credit sector.
Expected termination rate	A rate of 2.50% p.a. has been applied for the permanent employees and a rate of 15% p.a. has been applied for the fixed-term employees.
Expected retirements	It is expected that employees will reach the pensionable age provided within local laws
Expected early repayment rate	A rate of 3% p.a. has been applied.

It is worth pointing out that actuarial losses, deriving from the liability as of December 31, 2013, have been recorded in equity, with the recognition in the comprehensive income statement.

The following table presents the variation of the employee termination benefit liability for the year ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	December 31, 2014	December 31, 2013
Current service cost	(41)	(42)
Implicit interest cost	(5)	(4)
Total expenses related to the defined benefit	**(46)**	**(46)**

As regards the discount rate the reference rate used for the valorization of this parameter was the Iboxx Eur Corporate AA 10+ index as of the valuation date. This term is in fact linked to the average residual permanence of the employees of the Group, weighed with the expected payments.

With reference to directors' termination benefits, they were provided only for the executive directors and they are calculated, referring to their annual compensations, according with the provisions of article 2120 of the civil code.

12. Deferred tax liabilities

As of December 31 2014 the amount of deferred tax liabilities, net of deferred tax assets, is equal to Euro 75 thousand and is related to revenues taxable during the following financial years.

As of December 31 2013 there are deferred tax assets equal to Euro 61 thousand and they derive from differences between the book and fiscal value of tangible assets.

13. Other liabilities

The item represents the liability for the consideration, to be paid in 2016, for the acquisition of the 20% stake in EuroServizi per i Notai S.r.l..

CURRENT LIABILITIES

14. Short-term borrowings

Short-term borrowings include, besides the financial payables with subsidiaries deriving from the Group's cash pooling services managed by the Issuer, for which please refer to the Note 26, the current portion of payables, including interest accruals for ongoing financial loans for an amount equal to Euro 993 thousand.

Finally, it is worth highlighting that the increase of the item as of December 31, 2014, compared to the previous year is due to the increase of financial debts with subsidiaries deriving from the Group's cash pooling services managed by the Issuer, for which please refer to the Note 26.

15. Trade and other payables

The amount of the item is equal to Euro 448 thousand (Euro 905 thousand as of December 31, 2013) and consists of payables to suppliers, including payables to subsidiaries for Euro 168 thousand.

16. Other current liabilities

The following table presents the situation of the item:

	As of	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Liabilities to subsidiaries	1,543	1,631
Liabilities to personnel	156	178
Social security liabilities on behalf of employees	61	55
Social security liabilities	65	52
Other current liabilities	38	33
Accruals and prepayments	14	6
Total other liabilities	**1,877**	**1,955**

17. Stock option plan

On September 25, 2014 the shareholders' meeting approved the rules for a stock option plan for the benefit of certain directors, employees and other personnel of the Group.

On September 29, 2014 the Company's Board of Directors resolved to offer on October 1, 2014, some stock options to the executive directors, Marco Pescarmona and Alessandro Fracassi, according to the rules, at an exercise price equal to Euro 4.976.

On October 1, 2014 the Company's executive committee resolved the allotment of stock options to certain employees and other personnel of the Group, at an exercise price equal to Euro 4.976 per share.

The recognition of the stock option plan was based on the Black, Scholes and Merton model for valuation of options using the following parameters:

Risk-free interest rate (%)	0.22%
Maturity (years)	6
Implicit volatility (%)	26%
Dividend yield	2.43%

The parameters used for the valuation of options granted during the financial year ended December 31, 2014 refer to data collected at the same date of the allotment of the options and refer to the most recent economic/financial variables.

The following table presents the outstanding stock options for the benefit of the executive directors and certain employees of the Issuer as of December 31, 2014:

Data shareholders' meeting resolution	Date of assignment	Maturity date	Expiry date	# options	Strike price	Value of the option
November 9, 2010	November 22, 2010	November 22, 2013	November 21, 2016	800,000	5.196	1.03
November 9, 2010	December 16, 2010	December 16, 2013	December 15, 2016	102,000	5.126	1.02
September 25, 2014	October 1, 2014	October 1, 2017	September 30, 2020	898,500	4.976	0.86
			Total options	**1,800,500**		

The weighted average market price of the shares for the year ended December 31, 2014 is equal to Euro 4.785.

Personnel costs in the year ended December 31, 2014 include Euro 64 thousand (in 2013 Euro 287 thousand) related to the Group's stock option plan for the benefit of the executive directors and certain employees of the Issuer.

NOTES TO THE MAIN ITEMS OF THE INCOME STATEMENT

18. Revenues

The revenues of the year are mainly accrued from subsidiaries. They include the dividends resolved by the subsidiaries during the year and the fees for direction, coordination and professional services by the Company in favor of its subsidiaries, for an amount equal to Euro 244 thousand.

The following table presents the dividends resolved by the subsidiaries during the years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	**December 31, 2014**	**December 31, 2013**
Dividend from MutuiOnline S.p.A.	4,000	4,500
Dividend from CreditOnline Mediazione Creditizia S.p.A.	-	1,000
Dividend from Quinservizie S.p.A.	3,000	-
Dividend from Finprom S.r.l.	-	2,541
Total dividends deliberated by subsidiaries	**7,000**	**8,041**

19. Services costs

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	December 31, 2014	December 31, 2013
Technical, legal and administrative consultancy	(551)	(722)
Rental and lease expenses	(317)	(276)
Communication expenses	(159)	(173)
Other general expenses	(251)	(365)
Total services costs	**(1,278)**	**(1,536)**

20. Personnel costs

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

	Years ended	
(euro thousand)	December 31, 2014	December 31, 2013
Wages and salaries	(570)	(544)
Directors' compensation	(244)	(245)
Social security contributions	(155)	(168)
Defined benefit program liabilities	(51)	(58)
Stock option expenses	(64)	(287)
Other costs	(15)	(16)
Total personnel costs	**(1,099)**	**(1,318)**

The average headcount as of December 31, 2014 and 2013 is as follows:

	2014	2013
categories	Average number	Average number
Managers	1	1
Supervisors	1	1
Employees	14	14
Total	**16**	**16**

The Company applies the collective labor agreement of the commerce sector.

21. Financial income and expenses

The following table presents the details of the item for the financial years ended December 31, 2014 and 2013:

(euro thousand)	Years ended December 31, 2014	December 31, 2013
Financial income	82	204
Interest expense	(367)	(308)
Losses from financial liabilities	(103)	-
Net financial loss	**(388)**	**(104)**

Losses from financial liabilities are related to the expenses deriving by the evaluation of the financial liability for the earn out, for the consideration, to be paid in 2016, for the acquisition of the 20% stake in EuroServizi per i Notai S.r.l..

22. Income tax expense

With respect to corporate income tax, in the financial year ended December 31, 2014, the Company registered a taxable loss, due to the not taxability of 95% of the dividends received during the year, which, because of the adhesion to the tax consolidation regime, generates a tax benefit equal to Euro 579 thousand, whose financial counterbalance offsets current taxes.

Because of the deferred taxation of some revenues and tax deductibility of some costs compared to their accrual, during the year ended December 31, 2013 the provision for advance tax assets has been increased by Euro 24 thousand.

No regional income taxes (IRAP) are due.

23. Tax consolidation

As mentioned above, the coordination activity is reflected in the participation of the Issuer, in its capacity of holding company, to the Italian tax consolidation regime, as provided by article 117 and following of presidential decree 917/1986. All the Italian subsidiaries as of December 31, 2014 participate, also indirectly, in the tax consolidation regime.

The net consolidated tax payables amount to Euro 186 thousand and are recorded in the statement of financial position among “Tax receivables”:

(euro thousand)	Assets	Liabilities
Residual tax receivable 2013	2,215	-
Gruppo MutuiOnline S.p.A.	588	-
MutuiOnline S.p.A.	-	682
CreditOnline Mediazione Creditizia S.p.A.	-	432
Centro Istruttorie S.p.A.	-	884
Centro Finanziamenti S.p.A.	130	-
PP&E S.r.l.	-	33
Effelle Ricerche S.r.l.	-	184
CercAssicurazioni.it S.r.l.	-	401
Centro Perizie S.r.l.	7	-
Quinservizi S.p.A.	-	401
Segugio.it S.r.l.	1,259	-
Centro Processi Interconsult S.r.l.	10	-
Centro Servizi Asset Management S.r.l.	-	521
Money360.it S.p.A.	136	-
EuroServizi per i Notai S.r.l.	-	95
IN.SE.CO International Service Consulting S.r.l.	-	526
Total assets and liabilities	**4,345**	**4,159**
Total net assets and liabilities	**186**	

24. Benefits to the managers with strategic responsibilities and compensation to members of the governing and controlling bodies and auditors

The total cost for the Company of compensations paid to executive directors is equal to Euro 311 thousand, of which Euro 57 thousand for stock option expenses.

The compensation to the statutory auditors amounts to Euro 51 thousand.

The fees paid to the independent auditors by the Company and its subsidiaries for their auditing activities for the financial year ended December 31, 2014 are equal to Euro 48 thousand.

25. Classes of financial instruments

In the balance sheet as of December 31, 2014 financial assets are classified as follows:

- Cash and cash equivalents for Euro 30,505 thousand (2013: Euro 20,590 thousand);
- Loans and receivables for Euro 212 thousand (2013: Euro 762 thousand).

All the financial liabilities recorded in the balance sheet as of December 31, 2014 and 2013 are stated at the amortized cost, except the earn out, measured at fair value (category 3). The method for the assessment at fair value of these liabilities is based on the income approach. The expenses deriving from the measurement of these liabilities are recorded in the income stated in the financial year ended December 31, 2014 and are equal to Euro 103 thousand..

26. Related party transactions

Related party transactions, including intra-group transactions, are part of the ordinary business operations of the Group, and do not include any unusual or atypical transactions.

The following tables details the transactions and balances with related parties:

(euro thousand)	Relationship	As of December 31, 2014	December 31, 2013
Trade receivables			
Centro Finanziamenti S.p.A.	Subsidiary	1	34
Centro Istruttorie S.p.A.	Subsidiary	-	81
Centro Perizie S.r.l.	Subsidiary	50	37
Centro Processi Interconsult S.r.l.	Subsidiary	5	272
CercAssicurazioni.it S.r.l.	Subsidiary	1	3
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	2	31
Effelle Ricerche S.r.l.	Subsidiary	-	23
EuroServizi per i Notai S.r.l.	Subsidiary	-	1
Money360.it S.p.A.	Subsidiary	2	1
MutuiOnline S.p.A.	Subsidiary	3	35
PP&E S.r.l.	Subsidiary	27	42
Quinservizi S.p.A.	Subsidiary	-	110
Segugio.it S.r.l.	Subsidiary	23	17
Total trade receivables from related parties		**114**	**687**
Trade and other payables			
Centro Finanziamenti S.p.A.	Subsidiary	3	5
Centro Istruttorie S.p.A.	Subsidiary	9	7
CercAssicurazioni.it S.r.l.	Subsidiary	7	-
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	33	46
Effelle Ricerche S.r.l.	Subsidiary	3	2
IN.SE.CO International Service Consulting S.r.l.	Subsidiary	2	-
MutuiOnline S.p.A.	Subsidiary	82	117
PP&E S.r.l.	Subsidiary	-	152
Quinservizi S.p.A.	Subsidiary	29	96
Total trade and other payables to related parties		**168**	**425**

(euro thousand)	Relationship	As of December 31, 2014	As of December 31, 2013
Other non current assets			
Centro Servizi Asset Management S.r.l.	Subsidiary	-	50
Total other non current assets from related parties		**-**	**50**
Other current assets			
Centro Istruttorie S.p.A.	Subsidiary	884	726
Centro Servizi Asset Management S.r.l.	Subsidiary	521	-
CercAssicurazioni.it S.r.l.	Subsidiary	401	223
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	432	1,344
Effelle Ricerche S.r.l.	Subsidiary	184	111
EuroServizi per i Notai S.r.l.	Subsidiary	95	-
IN.SE.CO International Service Consulting S.r.l.	Subsidiary	526	-
MutuiOnline S.p.A.	Subsidiary	4,683	4,916
PP&E S.r.l.	Subsidiary	105	-
Quinservizi S.p.A.	Subsidiary	3,401	488
Total other current assets from related parties		**11,232**	**7,808**
Other current liabilities			
Centro Finanziamenti S.p.A.	Subsidiary	130	266
Centro Perizie S.r.l.	Subsidiary	7	13
Centro Processi Interconsult S.r.l.	Subsidiary	10	-
Money360.it S.p.A.	Subsidiary	136	-
PP&E S.r.l.	Subsidiary	-	36
Segugio.it S.r.l.	Subsidiary	1,259	1,316
Total other current liabilities to related parties		**1,542**	**1,631**

(euro thousand)	Relationship	December 31, 2014	December 31, 2013
Cash and cash equivalent			
Centro Istruttorie S.p.A.	Subsidiary	-	-
Centro Perizie S.r.l.	Subsidiary	3,864	3,580
Centro Processi Interconsult S.r.l.	Subsidiary	532	1,109
Money360.it S.p.A.	Subsidiary	655	367
PP&E S.r.l.	Subsidiary	1,589	3,329
Segugio.it S.r.l.	Subsidiary	1,018	517
Total cash and cash equivalent with related parties		**7,658**	**8,902**
Short-term borrowings			
Centro Finanziamenti S.p.A.	Subsidiary	1,537	1,033
Centro Istruttorie S.p.A.	Subsidiary	4,313	2,098
Centro Servizi Asset Management S.r.l.	Subsidiary	1,359	-
CercAssicurazioni.it S.r.l.	Subsidiary	3,450	-
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	9,904	9,109
Effelle Ricerche S.r.l.	Subsidiary	1,138	620
EuroServizi per i Notai S.r.l.	Subsidiary	297	46
IN.SE.CO International Service Consulting S.r.l.	Subsidiary	2,829	-
MutuiOnline S.p.A.	Subsidiary	20,657	23,238
Quinservizi S.p.A.	Subsidiary	4,263	1,100
Total short-term borrowings with related parties		**49,747**	**37,244**

The other current assets as of December 31, 2014, refer to receivables versus subsidiaries for dividends resolved and not yet paid and for the participation to the tax consolidation regime.

The other current liabilities of December 31, 2014, refer to liabilities versus subsidiaries for the participation to the tax consolidation regime.

The treasury of the Italian companies of the Group is centrally managed by the Issuer. The financial operations displayed refer to debit and credit balances of the cash pooling accounts of the subsidiaries with the Issuer as of December 31, 2014.

(euro thousand)	Relationship	Years ended December 31, 2014	December 31, 2013
Revenues			
Centro Finanziamenti S.p.A.	Subsidiary	23	23
Centro Istruttorie S.p.A.	Subsidiary	23	23
Centro Perizie S.r.l.	Subsidiary	-	-
Centro Processi Interconsult S.r.l.	Subsidiary	20	213
Centro Servizi Asset Management S.r.l.	Subsidiary	23	-
CercAssicurazioni.it S.r.l.	Subsidiary	1	-
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	19	1,021
Effelle Ricerche S.r.l.	Subsidiary	19	19
EuroServizi per i Notai S.r.l.	Subsidiary	19	1
Finprom S.r.l.	Subsidiary	-	2,541
IN.SE.CO International Service Consulting S.r.l.	Subsidiary	20	-
Money360.it S.p.A.	Subsidiary	6	1
MutuiOnline S.p.A.	Subsidiary	21	4,523
PP&E S.r.l.	Subsidiary	21	19
Quinservizi S.p.A.	Subsidiary	23	58
Segugio.it S.r.l.	Subsidiary	6	1
Total revenues from related parties		**244**	**8,443**
Other revenues			
Centro Finanziamenti S.p.A.	Subsidiary	1	6
Centro Istruttorie S.p.A.	Subsidiary	-	54
Centro Processi Interconsult S.r.l.	Subsidiary	-	11
CercAssicurazioni.it S.r.l.	Subsidiary	1	2
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	1	6
MutuiOnline S.p.A.	Subsidiary	3	7
PP&E S.r.l.	Subsidiary	-	3
Quinservizi S.p.A.	Subsidiary	-	40
Total other revenues from related parties		**6**	**129**
Services costs			
PP&E S.r.l.	Subsidiary	316	212
Quinservizi S.p.A.	Subsidiary	180	180
Total services costs from related parties		**496**	**392**

The revenues for the year ended December 31, 2014 mainly refer to dividends declared by the subsidiaries and, for the residual, to fees for direction, coordination and professional services invoiced by the Issuer to its subsidiaries.

Services costs are related to rental office residence services provided by PP&E S.r.l..

(euro thousand)	Relationship	Years ended December 31, 2014	December 31, 2013
Financial income			
Centro Perizie S.r.l.	Subsidiary	13	37
Centro Processi Interconsult S.r.l.	Subsidiary	4	-
Money360.it S.p.A.	Subsidiary	2	-
PP&E S.r.l.	Subsidiary	12	15
Segugio.it S.r.l.	Subsidiary	7	16
Total financial income from related parties		**38**	**68**
Financial expenses			
Centro Finanziamenti S.p.A.	Subsidiary	3	5
Centro Istruttorie S.p.A.	Subsidiary	9	7
CercAssicurazioni.it S.r.l.	Subsidiary	7	-
CreditOnline Mediazione Creditizia S.p.A.	Subsidiary	33	46
IN.SE.CO International Service Consulting S.r.l.	Subsidiary	2	-
MutuiOnline S.p.A.	Subsidiary	82	117
Quinservizi S.p.A.	Subsidiary	11	6
Total financial expenses from related parties		**150**	**183**

Financial incomes and expenses with related parties are related to interests accrued during the financial year ended December 31, 2014 on the cash pooling accounts.

In the financial year ended December 31, 2014 we do not identify any other related parties translations.

27. Subsequent events

On February 18, 2015 the Issuer incorporated Marsala S.r.l., subscribing the whole share capital of the company for an amount equal to Euro 10 thousand.

On March 13, 2015, the Issuer, by means of the subsidiary Marsala S.r.l., purchased from South African group Naspers and the management of the acquired company, a participation of 74.85% of the share capital of 7Pixel S.r.l., owner of the Italian leading e-commerce price comparison website Trovaprezzi.it. The total consideration paid was equal to Euro 55.502 thousand.

The Group has also signed an agreement with the management, which holds the minority stake of the company, which provides that, by the end of 2015, Marsala S.r.l. will be merged into 7Pixel S.r.l.. As a result of the merger, Gruppo MutuiOnline will hold a 51.0% participation in 7Pixel S.r.l., while the management will hold the remaining 49.0%.

The Group signed different agreements with the minorities of 7Pixel S.r.l. concerning the governance of the company for a period of 24 months starting from the acquisition and the possible future evolution of the ownership of the company. These agreements do not provide for put and/or call options related to the participation of the management, which could be eventually purchased at fair value by the Group after this term, in case of agreement among the parts to proceed in this way.

Finally, pursuant to the agreements signed with the management, a purchase by the Group of the minority stake may take place in the financial year 2017, subject to certain conditions, which provide, among other things, the rule to calculate the compensation to be paid to the minorities. However, at present, it is not possible to foresee the occurrence of these conditions or the amount of such potential liability.

The transaction was financed through new bank loans granted by Banca Popolare di Milano and Cariparma Crédit Agricole, for an aggregate amount of Euro 47,000 thousand, of which Euro 35,000 thousand medium-long term..

In the following table, we show the main financial data of the subsidiary as of the date of acquisition:

(euro thousand)	**Purchased book values**
Non-current assets	7,020
Current assets	3,727
Cash and cash equivalent	10,946
Total assets	**21,693**
Shareholders' equity	18,563
Non-current liabilities	908
Current liabilities	2,222
Total liabilities and shareholders' equity	**21,693**

Pursuant to the share buyback program within the limits and with the purposes of the authorization granted by the shareholder's meeting on April 23, 2014, after December 31, 2014, the Issuer purchased further own shares. As of the approval of the present annual report the Issuer holds a total of 951,122 own shares, equal to 2.407% of ordinary share capital.

Milan, March 16, 2015

For the Board of Directors
The Chairman
(Ing. Marco Pescarmona)

REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE
pursuant to art. 123-bis of the Consolidated Law on Finance

(traditional model of administration and control)

Issuer: Gruppo MutuiOnline S.p.A.
Website: www.gruppomol.it

Financial year of reference: 2014
Date of approval of the report: March 16, 2015
Date of publication of the report: March 31, 2015

5. REPORT ON CORPORATE GOVERNANCE AND COMPANY STRUCTURE

GLOSSARY

Articles of Association: articles of association and bylaws of the Issuer, published also on the website of the Issuer, in section "Governance", "Articles of association and company bylaws".

Board or **Board of Directors**: the Board of Directors of the Issuer.

Board of Statutory Auditors: statutory auditors of the Issuer.

Code of Conduct: the Code of Conduct for listed companies approved in July 2014 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime e Confidustria.

CONSOB: National Commission for Companies and Stock Exchange.

CONSOB Issuer Regulations: the regulations adopted by CONSOB with resolution no. 11971 in 1999 (and subsequent amendments) pertaining the discipline of issuers.

CONSOB Market Regulations: the regulations adopted by CONSOB with resolution no. 16191 in 2007(and subsequent amendments) pertaining the discipline of markets.

CONSOB Regulations on Related Parties: the regulations adopted by CONSOB with resolution no. 17221 on March 12, 2010 (and subsequent amendments) pertaining the discipline of related parties.

Consolidated Law on Finance or **TUF** (*Testo Unico della Finanza*): legislative decree no. 58 of February 24, 1998 (and subsequent amendments).

Financial year: the relevant financial year of the Report.

Group: the companies belonging to the group of the Issuer.

Instructions accompanying Markets Rule: Instructions accompanying the Rules of the Markets organized and managed by the Italian Stock Exchange.

Issuer or **Company**: Gruppo MutuiOnline S.p.A., with registered office at via F. Casati 1/A, Milan.

Italian Stock Exchange: Borsa Italiana S.p.A..

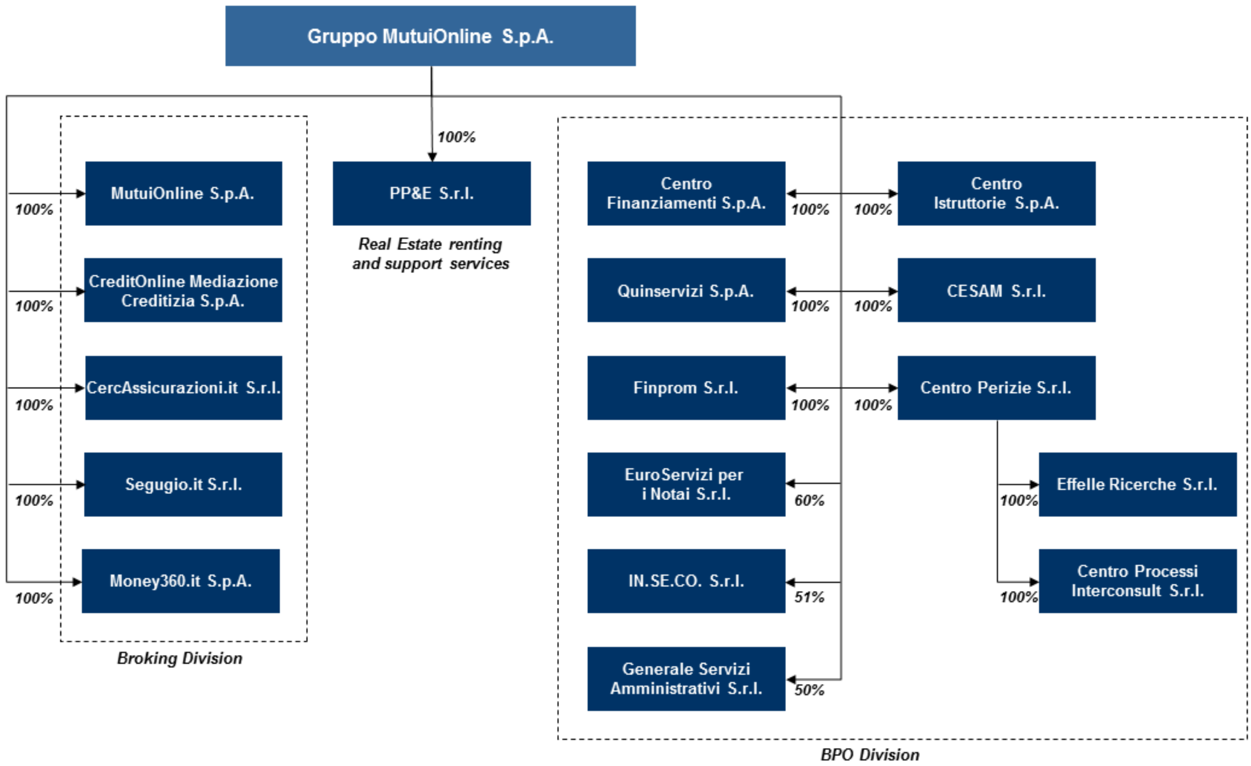
Market Regulations: the regulations of the markets organized and managed by the Italian Stock Exchange.

Report: the report on corporate governance and company structure that companies are required to prepare pursuant to article 123-bis of TUF.

1. PROFILE OF THE ISSUER

Gruppo MutuiOnline S.p.A. (the "**Company**" or the "**Issuer**") is the holding company of a group of financial services firms with a leadership position in the Italian market for the distribution of retail credit and insurance products through remote channels (main websites: www.mutuionline.it, www.prestitionline.it, www.cercassicurazioni.it and www.segugio.it) and in the Italian market for the provision of complex business process outsourcing services for financial institutions (the "**Group**").

This is the organizational structure of the Group as of December 31, 2014:



The companies indicated above are all based in Italy, except Finprom S.r.l. which is a company incorporated under Romanian law.

The Issuer is organized according to the traditional model of administration and control as per articles 2380-*bis* and following of the civil code, which provides for the shareholders' meeting, the Board of Directors and the board of statuary auditors. The Company adheres to the Code of Conduct.

2. INFORMATION ON OWNERSHIP STRUCTURE AS OF DECEMBER 31, 2014

2.1. Structure of share capital

The company has a fully paid up share capital of Euro 1,000,000.00 composed of 39,511,870 ordinary shares without nominal value.

The shares are listed on the STAR Segment of the *Mercato Telematico Azionario* (**MTA**), the Italian screen-based trading system organized and managed by the Italian Stock Exchange. Please refer to Table 1 in the appendix for the structure of share capital.

Except what follows, the Company has not issued other financial instruments that give the right to subscribe for new shares.

On September 25, 2014, the shareholders' meeting approved a stock option plan for the benefit of certain directors, employees and other personnel of the Group, which is added to the stock option plan approved on November 9, 2010. For more information on stock option plans outstanding as of December 31, 2014 please refer to the disclosure documents prepared pursuant to article 84-*bis* of the Issuer Regulations deposited at the Company's registered office and published on the website of the Company www.gruppomol.it in the section "Governance", "Other documents" "2014". Please refer also the explanatory notes attached to the Financial Statements for the financial year ended December 31, 2014 and to remuneration report prepared pursuant to article 123-*ter* of TUF and article 84-*quater* of the Issuers' Regulations.

2.2. Restrictions to the transfer of shares

There are no restrictions to the transfer of shares.

2.3. Significant shareholders

As of December 31, 2014, according to the communications received pursuant to article 120 of TUF, the list of shareholders who hold directly or indirectly at least two percent of the ordinary share capital, is presented in appendix in Table 1 concerning relevant shareholdings.

It is worth pointing out that there are no controlling shareholders.

Besides, it is worth pointing out that Marco Pescarmona, Chairman of the Board of Directors, holds a 50% indirect shareholding in Alma Ventures S.A. (through Guderian S.p.A.) and Alessandro Fracassi, Chief Executive Officer, holds a 50% indirect shareholding in Alma Ventures S.A. (through Casper S.r.l.). Alma Ventures S.A., as of December 31, 2014, holds 12,841,070 shares of the issuer, equal to 32.5% of ordinary share capital, none of which acquired during the financial year ended December 31, 2014.

As of December 31, 2014, the Group's companies hold in total 2,565,035 shares of the Issuer, of which 913,513 shares are directly held by the Issuer, 1,500,000 shares are held by subsidiary MutuiOnline S.p.A. and 151,522 shares are held by subsidiary Centro Istruttorie S.p.A., for a total equal to 6.492% of ordinary share capital. These shares, as provided by law, do not give voting rights at the shareholders' meeting.

2.4. Shares that confer special rights

The Company has not issued shares that confer special controlling rights or special powers assigned to the securities.

2.5. Employee shareholding plan: procedure for the exercise of voting rights

There is no procedure for the exercise of voting rights for employees.

2.6. Restrictions to voting rights

There are no restrictions to voting rights.

2.7. Shareholders' agreements

As of the date of approval of the present Report, the issuer is not aware of any shareholders agreements.

2.8. Change of control clauses

The Issuer and its subsidiaries have not stipulated any significant agreements which become effective, are modified or expire in case of change in the control of the contracting company.

The Articles of Association of the Issuer do not contain exceptions to the passivity rule as provided for by article 104, paragraphs 1 and 2, of TUF and do not require the application of the breakthrough rule as per article 104-*bis*, paragraphs 2 and 3, of TUF.

2.9. Delegations of the power to increase share capital and authorizations to buy own shares

During the financial year the board has not been delegated with the power to increase share capital pursuant to article 2443 of the Italian civil code or to issue participatory financial instruments.

On April 26, 2014 the shareholders' meeting revoked, for the unused portion, the previous authorization for the purchase and sale of own shares dated April 23, 2013 and authorized the Board of Directors to purchase and dispose own shares, also by means of subsidiaries of the Issuer, with the following purposes:

i. for activities in support of market liquidity;

ii. for the possible use of shares as compensation in extraordinary transactions, including exchange of participations with other subjects, as part of transactions in the Company's interest;

iii. to allot own shares purchased to distribution programs, against payment or free of charge, of stock options or shares to employees, directors and other personnel of the Company or its subsidiaries, as well as for the service of programs for the free allocation of shares to shareholders;

iv. for the execution of the contract signed between the Issuer and "Equita SIM S.p.A.", for its role as specialist on the stock market, compliant with the requirements for the presence in the STAR segment of MTA;

v. for an efficient investment of the liquidity of the Group.

The authorization for the purchase of own shares approved on April 23, 2014 was granted for the maximum limit permitted by the currently applicable law, pursuant to articles 2357 and 2357-*ter* of the civil code, taking into account own shares already held by the Company and the shares of the Issuer held by its subsidiaries.

The authorizations for the purchase of own shares have been granted for a period of 18 (eighteen) months from the date of the shareholder's meeting, whereas the authorization for the disposal has an unlimited duration.

As of December 31, 2014 the companies of the Group hold a total of 2,565,035 shares, and as of the date of approval of this Report, hold a total of 2,602,644 shares of the Issuer, divided as follows:

Società azionista	Azioni detenute al 31 dicembre 2014	Azioni detenute al 16 marzo 2015	Data ultima autorizzazione assembleare
Gruppo MutuiOnline S.p.A.	913,513	951,122	23 aprile 2014
MutuiOnline S.p.A.	1,500,000	1,500,000	20 maggio 2011
Centro Istruttorie S.p.A.	151,522	151,522	24 aprile 2008
Totale	**2,565,035**	**2,602,644**	

2.10. Management and coordination activity

The Company is not subject to management and coordination activities by any other company or entity pursuant to articles 2497 and the following of the civil code.

With reference to the further information pursuant to article 123-*bis* of the TUF we specify that:

- for information on eventual agreements between the Company and the directors which provide for indemnities in case of resignation or dismissal without just cause or if their charge is terminated due to a takeover bid (article 123-*bis,* paragraph 1, letter i)), please refer to the remuneration report published pursuant to article 123-*ter* of TUF and to article 84-*quater* of the Issuers' Regulations;

- for information on the rules applicable for the appointment and replacement of directors as well as statutory changes (article 123-*bis*, paragraph 1, letter 1)), please refer to the following paragraph 4.1.

3. COMPLIANCE

The Company has adopted the Code of Conduct, publicly available on the website of the Committee fo Corporate Governance (http://www.borsaitaliana.it/comitato-corporate-governance/codice/2014clean.pdf.).

Neither the Issuer nor any of its subsidiaries of a certain strategic relevance are subject to non-Italian laws that affect the corporate governance structure of the Issuer.

4. BOARD OF DIRECTORS

4.1. Appointment and replacement of directors and modifications of bylaws

The Company is led by a Board of Directors composed of a minimum of seven members to a maximum of twelve members. The ordinary shareholders' meeting decides, at the moment of appointment, the duration of the office, which cannot exceed three financial years; the mandate of the directors expires on the date of the shareholders' meeting called for the approval of the financial statement of the last financial year of their office. Directors are eligible for re-election.

Acceptance of office as director is subject to the fulfillment of the requirements provided by the law, the Articles of Association and any other applicable provisions.

Article 16, paragraph 14 of the Articles of Association provides that, if not otherwise authorized by the Board, an individual cannot be appointed director of the Company and, if appointed, will lose the office, if he/she:

i. is, when appointed, more than seventy years old;

ii. has not obtained a total of at least three years' experience in the performance of accounting or controlling activities in corporations, professional activities or permanent university teaching in economic, financial, legal or technical/scientific subjects pertinent to the Company's business activities;

iii. exercises a competing activity on his/her own or for others, or is a director, general manager or executive in competitor companies or clients of the Company, or has been such in the previous biennium; or

iv. is director, general manager or executive in companies recorded in the Register of Banks, pursuant to article 13 of Law Decree 385/1993.

It is also worth highlighting that, since the Issuer is admitted to trading on the MTA, STAR Segment, in order to maintain the status it must have in its Board of Directors an adequate number of independent directors and, therefore, comply with the criteria of Article IA.2.10.6 of the Instructions of the Stock Exchange Regulations which provide for: at least 2 independent directors for boards up to 8 members; at least 3 independent directors for boards with between 9 and 14 members; at least 4 independent directors for boards with more than 14 members. In addition, in the Code of Conduct the criterion 3.C.3 recommends that at least one-third of the Board of Directors are independent directors.

In accordance with article 16, paragraph 5 of the Articles of Association, each list must contain and expressly indicate independent director candidates, with reference both to the number of candidates to be elected and to the independence requirements established for the statutory auditors by article 148, paragraph 3 of Law Decree 58/1998, in addition to the independence requirements established by the Code of Conduct. Furthermore, in accordance with the equilibrium among genders, provided by article 147-*ter*, comma 1-*ter* of TUF implemented by Law n. 120 of 12 July 2011, each list – if the lists does not present a number of candidates less than three – must assure the presence of both genders, so that the candidates of the gender less represented are, for the first mandate following the entering in force of the Law 120/2011, at least a fifth of the total and, in the two subsequent mandates, at least a third of the total; everything with a rounding, in case of fractional number, to the upper unit.

Article 16, paragraphs 2 and 3 of the Articles of Associations also provides a voting system for the appointment of the governing body based on lists submitted by shareholders who, alone or together with others, hold a stake at least equal to that established by CONSOB Issuers' Regulation. It is worth pointing out that on January 28, 2015, CONSOB, with resolution n. 19109, resolved the maximum shareholding thresholds required for the submission of the lists of candidates for the elections of the governing and controlling bodies of the Companies whose financial year ended on December 31, 2014; as the market capitalization is less than Euro 375 million, the free float is greater than 25% of the ordinary share capital and the majority stake is less than 50% of the share capital, the Issuer has identified a shareholding threshold of 4.5% of the shares with voting rights in the shareholders' meeting.

Any shareholder, as well as the shareholders adhering a shareholders' agreement pursuant to article 122 of TUF, and also the controlling entity, the subsidiary companies and those which are subject to common control pursuant to article 93 of TUF, may not submit or take part in the submission of, even though a third party or trust company, more than one list, nor they can vote for different lists. Adherence to a lists or votes expressed in violation of these prohibitions shall not be assigned to any list.

The lists submitted by the shareholders must be filed at the registered office at least twenty five days before the date set for the shareholders' meeting in first call, together with the documents required by the Articles of Association, among which a resume of the candidates included in the list.

The election of the directors proceeds as follows:

i. from the list that has obtained the highest number of votes at the shareholders' meeting, all candidates except one, among which three independents or, if the directors to be elected are less than nine, two independents; within such numerical limit, the candidates are elected according to their progressive order in the list;

ii. from the list that has obtained the second highest number of votes at the shareholders' meeting and is not connected to the first, the first candidate of such list.

If the composition of the board using the above procedure does not guarantee the equilibrium among genders, taking into account their order in the list, the last elected of the majority list belonging to the most represented gender delay in sufficient number to assure the respect of the requirement and they are substituted by the first candidates not elected in the same list of the less represented gender. In the absence of candidates of the less represented gender inside the majority list in sufficient number for the substitution, the general meeting integrates the board with the legal majority, assuring the satisfaction of the requirements.

If the two first lists obtain the same number of votes, the shareholder's meeting proceeds with a new election, by voting only for the first two lists meeting the requirements set out in article 147-ter, comma 1-*ter* of the TUF.

In the event of submission of a single list, all the candidates in that list will be elected. In the case no list is submitted, the shareholders' meeting will appoint the Board of Directors as provided by the law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF.

If during the financial year one or more directors cease to hold the office, for any reason, the Board of Directors will act pursuant to article 2386 of the civil code and pursuant to article 16 of the Articles of Association.

In particular, if the director or the directors that ceased to hold office were taken from a list that contained also non-elected candidates, the Board of Directors will make the replacement appointing from the same list of the directors who ceased to hold office, based on the progressive order, persons who are still eligible and willing to accept the office. The shareholders' meeting deliberates, with the majority required by law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF.

If the person who ceases to hold office is an independent director, the replacement will occur, as far as possible, by appointing the first of the non-elected independent directors from the same list in which the director that ceases to hold office was elected. The shareholders' meeting deliberates, with the majority required by law, in accordance with such principles.

If there is a lack of previously non-elected candidates from that list, the Board of Directors shall replace the directors no longer in office, without compliance to such provisions, pursuant to article 2386 of the civil code, and will guarantee, when it is an independent director that ceases to hold office, the minimum number of independent directors required under the applicable law, in accordance, however, with the criterion of distribution provided by article 147-*ter*, comma 1-*ter* of the TUF. The shareholders' meeting decides, with the majority required by law, in accordance with such principles.

Article 16, paragraph 13 of the Articles of Association provides that if the majority of directors cease to hold office, the whole Board of Directors will be considered revoked and a shareholders' meeting should be called immediately for the appointment of new directors.

The Issuer has not adopted any explicit succession planning in view of the substantial short-term interchangeability of the executive directors Marco Pescarmona and Alessandro Fracassi. In fact, if one of the directors ceases to hold office the remaining executive director would be in able to ensure continuity for the management of both Divisions, relying on a solid first line of management, capable of supervising the ordinary activities during the necessary time for the research and the placement of one or more senior executives capable to contribute at a strategic level to the management of the Group. Of course, in the very unlikely case, in which both executive directors cease to hold office, the Board of Directors has the duty to identify an appropriate solution, without relying on pre-established plans.

4.2. Composition

The current Board of Directors was appointed by the shareholders' meeting of April 23, 2014, in which only one list of candidates was submitted, proposed by shareholder Alma Ventures S.A., and will remain in charge until the approval of the financial statement for the year ended December 31, 2016. The list of candidates belonging to that list received a favorable vote by 100% of the shareholders present, representing 58.101% of the share capital.

In the financial year, Giuseppe Zocco concluded his office at the natural expiry of the Board of Directors appointed by the shareholders' meeting of April 21, 2011, the term of which was at the approval of the Financial Report for the year ended December 31, 2013.

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Currently, the Board of Directors consists of 12 members. The members in office as of December 31, 2014 are shown in Table 2, in appendix, concerning the structure of the Board and committees, as well as the attendance rate to the meetings.

As regards the personal and professional characteristics of each director, please refer to their *curricula* published on the Issuer's website www.gruppomol.it, in the "Governance" section, "Shareholders' meeting and Company governance", "2014".

There are no directors that have ceased to hold office after December 31, 2014.

Maximum number of offices held in other companies

The Board did not define any general criteria about the maximum number of offices held as director or auditor in other companies, that could be considered compatible with an efficient performance as director of the Issuer; taking into account the duty of each director to assess the compatibility of any office held as director or statutory auditor in other companies listed in regulated markets, in financial, banking, insurance or other large companies, with a diligent performance of their tasks as director of the Issuer, the Board, yearly, makes an assessment based on the declarations of each director, keeping particular attention to assess the diligence of each director to follow with constancy and attention the different management tasks of the Issuer and of their participation to the meetings of the Board and the committees.

As regards the offices held, during the financial year, by the directors of the Issuer in other listed companies, in financial, banking and insurance companies or in large companies, please refer to Table 2A in the appendix. The Board considered these offices compliant with the office held in the Issuer based on the criteria above mentioned.

Induction Program

During all the meetings of the Board of Directors, the Chairman and the CEO duly report about the performance of the economic sector of the Issuer, the operations, the dynamics of the company and the regulatory framework. In addition to formal meetings, all directors are constantly informed about the operations of the Issuer during informal meetings and/or conference calls. Furthermore we point out that some directors participate to professional updating and training courses on regulatory, technical and professional issues related to the business activities of the Group.

4.3. Role of the Board of Directors

During 2013, the current Board of Directors met 7 times for an average of about two hours and fifteen minutes for each meeting. All meetings were attended by at least two members of the Board of Statutory Auditors and Francesco Masciandaro, Chief Financial Officer of the Issuer and manager in charge of preparing the accounting statements.

For 2015 there are 4 scheduled meetings for the approval of the periodic financial reports. In 2015, in addition to the first scheduled meeting, during which the Board approved the draft statutory financial statements for the financial year ended on December 31, 2014 together with this Report, two not previously scheduled meetings have been held; in the first one the Board discussed about a potential strategic acquisition, meanwhile in the second one this operation has been approved and all the other decisions to proceed with this operation have been resolved.

The members of the Board of Directors are provided, in proper and timely manner, with the documentation and information necessary for decision-making. The documentation is usually sent by e-mail, with a 24/48 hours' notice , considered adequate and usually respected, to allow to act with full knowledge of the facts and take an active part to the Board decisions. Sometimes, remarkable issues are reported in advance by the executive directors during the above mentioned informal meetings and/or conference calls. Besides it is worth pointing out that during the meeting the Board examines in deep all the arguments in agenda considered more significant and strategic; the president and the CEO explain in detail the discussed arguments and are at full disposal of the other members of the Board to reply to any clarification required.

The Board of Directors meets according to the notice letter also outside Italy, anywhere in the EU, or in Switzerland. The Board may be called into session at any time by the President on his own initiative. The President shall call the Board at any time upon the written request of at least two Directors and/or at least one Statutory Auditor.

The notice should be given at least three days prior to the meeting by registered mail or by hand, fax or e-mail and should be sent to every Director and Statutory Auditor. Except in special circumstances when notice of a meeting shall be given as soon as possible, the members shall be notified at least one day in advance.

In absence of formal call, a meeting of the Board of Directors can be considered valid, whenever every member and Statutory Auditor is attending it.

The majority of committee members must be present for meetings to be duly convened; it is also allowed to attend the meeting via tele-conferencing or video-conferencing on the condition that all participants can be identified and can simultaneously follow and participate in discussion of the topics on the agenda and view documents in real time. In the presence of these requirements, the committee shall be considered to have met in the place where the meeting's Chairman is located, where the Secretary must also be located in order to permit writing and signing of the minutes of the meeting.

During the meeting of the board, after ascertaining that all the documents concerning the agenda have already been circulated to every member of the board of directors and of the board of the statutory auditors, the executive directors expose and explain all the points of the agenda, answering exhaustively to the questions and information required. Every issue will be discussed for the amount of time needed to allow constructive analysis and comparisons, which will bring to the Board decisions. Usually, for issues regarding the internal committees, the Chairman of the committee exposes the proposal and the committee activities.

Resolutions shall be passed by majority vote among those attending the meeting; if the vote is split, the Chairman shall cast the deciding vote. Directors are not allowed to vote on behalf of another member.

The Board of Directors plays a central role within the corporate organization and has the task and responsibility of determining strategy and organization, as well as verifying the existence of the controls required for the monitoring of the operations of the Company and the of Group.

Each member of the Board of Directors is required to act with full knowledge of the facts and autonomously, with the purpose of creating value for shareholders, and is committed to devoting to the office covered in the Company the necessary time in order to ensure the diligent performance of his or her functions, regardless of the positions held outside of the Issuer, being aware of the responsibilities of the office held.

Pursuant to article 17 of the Articles of Association, the Board of Directors is invested with all powers for the management of the Company and to this purpose it may act or take any actions that will consider necessary or useful for the implementation of the business purpose, with the exception of the matters exclusively reserved to the shareholders' meeting by the law and by the Articles of Association.

Under the same statutory provisions, the Board is also empowered to take, pursuant to article 2436 of the civil code, decisions regarding:

i. merger and demerger resolutions in the cases pursuant to articles 2505, 2505-*bis* and 2506-*ter*, last paragraph of the civil code;

ii. the constitution or suppression of secondary offices in Italy or abroad;

iii. the reduction of capital upon termination of shareholders;

iv. adaptation of the Articles of Association to regulatory provisions;

v. the transfer of the registered office in the national territory;

vi. the indication of the delegated directors; the appointment of one or more general managers and the assignment of powers;

vii. the other powers reserved to it by the law or by the Articles of Association.

The Board of Directors has the general power of direction and control over the activities of the Company and on the management of the business. In particular it:

i. examines and approves the financial, industrial and strategic plans of the Company and of the Group;

ii. evaluates and approves the annual budget of the Company and of the Group;

iii. examines and approves transactions - including investments and divestments - which, by their nature, strategic importance, size or by the commitments they might imply, have a large impact on the activities of the Group;

iv. verifies the adequacy of the organizational and general management structure of the Company and the Group;

v. drafts and adopts the regulations of the Company's corporate governance and sets out the guidelines of governance of the Group;

vi. constitutes the Supervisory Body pursuant to the legislative decree n. 231 of June 8, 2001;

vii. assigns and revokes the powers of the directors and to the executive committee, if constituted, setting the limits, the exercise and the time interval, normally not exceeding three months, by which the delegated bodies must report to the Board about the activity done during the exercise of the powers delegated to them;

viii. determines the duties and the powers of the general managers, if appointed;

ix. determines, after examining the proposals of the relative committee and consulting the Board of Statutory Auditors, the remuneration of the CEO and of the directors who hold particular offices and, if the shareholders' meeting has not defined it, the breakdown of the total remuneration due to any members of the Board and committees;

x. supervises the general business management, with particular attention to conflicts of interest, taking into account, in particular, the information received from the CEO, from the executive committee, if established, and from the Control and Risk Committee, and comparing periodically the results achieved with those planned;

xi. evaluates and approves the periodic reports as provided by the law;

xii. exercises all the other powers assigned to it by law and by the Articles of Association.

At each Board meeting, the members of the executive committee shall inform the Board in detail on the main management events of strategic importance, on the business performance and on the evolution of the management for all companies of the Group, comparing the results achieved with the budgeted ones.

Furthermore, the executive directors, holding positions of operational nature within the Group, have full visibility of accounting, administrative and organizational issues of the Issuer and its subsidiaries, updating the Board promptly at the first useful meeting about any critical situation emerged or any substantial changes occurred. In this way the Board can adequately assess the organizational, administrative and accounting structure of subsidiaries, which are all deemed relevant from a strategic point of view, considering the variety and complementarity of the services offered.

The Board deemed that the relatively low complexity of the organizational structure of the Group is coherent with the operational efficiency of the Group.

Periodically, the Control and Risk Committee shall inform, as provided by the Code of Conduct, the Board on its activities and on the adequacy of internal control system, providing directors with documents that illustrate the work of the committee.

The Board, taking into account the relatively simple organizational structure, considers it appropriate not to define any general criteria for the identification of significant transactions in terms of strategic, economic, and financial relevance for the Issuer itself. In addition it is worth pointing out that pursuant to the company bylaws of the Issuer the Board has been granted for ordinary and extraordinary administration of the Company, except only the acts that law and the company bylaws provide for exclusive competence of the shareholders' meeting. In 2014 there were three resolutions concerning two different projects that required Board of Directors' resolution.

On November 14, 2014 the Board valued the functioning, organization, size and composition of internal committees, without the support of external advisors.

The Remuneration and Share Incentive Committee is composed of three independent directors. After evaluation it results to work regularly, to be well-sized in its composition and its members, with appropriate professional experience and background for the committee's tasks, enabling it to provide effective and valuable support to the Board

With regards to the Control and Risk Committee, it is composed of two independent directors (one of the two is the Chairman) and a non-independent Director. The committee works regularly, results to be well-sized in its composition and the professional experience of its members is appropriate to give a valuable and efficient support to the Board. We highlight that at least one of the members has a strong background and significant experience in accounting, finance and in risk. The committee shall report to the Board of Directors at least once every six months during the meetings for approval of the draft financial statements and half-year Report.

Within the Board is also present the Committee for Transactions with Related Parties formed by three independent directors. The committee was formed in accordance with the "Regulations concerning related party transactions" approved by Consob with Resolution n. 17221 of 12 March 2010: in fact within the procedures that assure transparency and procedural fairness of the transactions with related parties it requires that related party transactions be approved with the involvement of a committee formed by three independent directors. The committee results well-sized in its composition and the professional experience of its members is appropriate to give a valuable and efficient support to the Board: however we point out that, considering the type of the possible transactions between related parties, in the light of the above mentioned regulation and the adopted procedure, there were no transactions which needed to get approval by the committee itself.

Considering the positive outcome of the board evaluation in November 2013, the Board, in occasion of the new appointment of the Directors in 2014, deemed to give no indication to the shareholders about the professional figures to be appointed; in addition, it is worth pointing out that in the Board appointed during the financial year there are three new members, which improved the Board with new professional skills and experiences formed and accrued out of the Group, in specific business and professional sectors. This variety of skills allows analyzing different arguments during the discussions from different perspectives and, therefore, helps to develop the dialectic that is the distinctive assumption for a collegial, thoughtful and conscious resolution.

Finally, it is worth pointing out that the shareholders' meeting did not authorize, in a generic and precautionary way, any derogation to the competition ban pursuant to article 2390 of the civil code.

4.4. Delegated bodies

Chief Executive Officer

Pursuant to article 21 of the Articles of Association, the Board of Directors may delegate, pursuant to and within the limits of law and regulations, its own powers to one or more directors of the Board by defining the limit on the powers.

As of the date of approval of this report, the office of Chief Executive Officer is covered by Alessandro Fracassi.

The Board of Directors of the Company, during the meeting held on May 12, 2014 has delegated to director Alessandro Fracassi, to whom such delegation was also granted by the previous Board, with separate signature and for the entire duration of his office, the full power for:

i. the execution of any kind of transactions of ordinary and extraordinary administration up to a maximum of Euro 1,000,000 for each transaction (net of VAT) and

ii. for the recruitment and termination of employees that are not managers.

It is worth pointing out that the CEO is one the main responsible figures of the general management of the company and he is no part of the Board of Directors of any other issuer where a Director of the Issuer is CEO.

Chairman

The shareholders' meeting of April 23, 2014 has appointed director Marco Pescarmona (who already covered the same office in the previous Board) as chairman of the Board of Directors.

According to the Article of Association, the chairman has: the power of presiding the Shareholders' meeting (article 13), the power to call Board meetings (article 18), the power of legal representation for the Company, and the power of signature (article 24).

The chairman is, together with the CEO, one of the main managers of the Issuer and he is no part of the Board of Directors of any other issuer where a Director of the Issuer is CEO, as well.

Executive committee

Pursuant to Article 21 of the Articles of Association, the Board of Directors may establish an executive committee, composed by some of its members, determining the powers and the operating regulations pursuant and within the limits of law and regulations in force.

The Board of Directors of the Company, during the meeting of May 12, 2014, has appointed the executive committee composed by Marco Pescarmona and Alessandro Fracassi (chairman of the committee), already members of the previous executive committee.

The following powers have been assigned to the executive committee:

i. the broadest power for the execution of any kind of transactions of ordinary and extraordinary administration up to a maximum of Euro 5,000,000 for each transaction (net of VAT);

ii. the decisions about the vote that a subject delegated by the committee itself or a legal representative of the Company should express in the ordinary and extraordinary shareholders' meetings of the subsidiaries;

iii. the definition, implementation and the monitoring of the execution of the strategies of the Group; and

iv. the broadest powers for the recruitment and termination of managers and employees.

In addition, both the members of the Executive Committee, has been granted, also dis-jointly, all the powers required for the purchase and sale of Issuer own shares, within the scope of applicable regulations and of the authorization granted by the Shareholders' meeting on April 23, 2014.

During the financial year, the executive committee met 4 times, for an average duration of about 45 minutes for each meeting. In particular, during the financial year, the executive committee was called:

- on May 23, 2014, to approve the acquisition of the residual 15% stake of the share capital of the subsidiary Quinservizi S.p.A. by the subsidiary Centro Perizie S.r.l., and delegating, dis-jointly, all to the executive directors Alessandro Fracassi and Marco Pescarmona, all the powers, none excluded;

- on June 9, 2014, to approve the signing of a loan with a primary Italian bank up to an amount equal to Euro 5 million, delegating, dis-jointly, the executive directors Marco Pescarmona and Alessandro Fracassi, the broadest powers for the signing and execution of every decision and/or activity for the management and execution of the loan itself;

- on September 12, 2014, to delegate, dis-jointly, the chairman Marco Pescarmona, the CEO Alessandro Fracassi and the CFO Francesco Masciandaro, to participate to the shareholders' meeting of the subsidiary Segugio.it S.r.l. and to vote;

- on October 1, 2014, to assign the options in accordance with the stock option plan approved by the shareholders' meeting of September 25, 2014, the rules of which were adopted by the Board of Directors on September 29, 2014.

For the year 2015 no meetings of the executive committee have been planned and, as of the date of the approval of this Report, no meetings of the executive committee have taken place.

For the composition and rates of attendance at meetings please refer to Table 2, in appendix, concerning the structure of the Board and committees.

Information to the Board

Pursuant to article 21 of the Articles of Association, the delegated bodies are required to report to the Board of Directors and to the Board of Statutory Auditors, at intervals of at least 180 days, on general management performance, on the business outlook, as well as on the most significant transactions, for their size or characteristics, performed by the Company and its subsidiaries, and on transactions with potential conflicts of interest.

The members of the executive committee, as directors, shall attend all the meetings of the Board of Directors and, in these occasions, duly report to the rest of the Board and to the Board of statutory auditors about the management performance and about the main executive decisions taken, always within the limits of the delegated powers, for all the companies of the Group, at the first available meeting and, in any case, at least quarterly.

4.5. Other executive directors

The Board of Directors has not appointed other delegated directors beside Alessandro Fracassi.

The members of the executive committee Marco Pescarmona and Alessandro Fracassi hold the offices in subsidiaries and associated companies described in Table 2B.

With the participation of the executive directors in all Board meetings of the Italian companies and subsidiaries, the Board of the Issuer is constantly updated and informed on the situation and dynamics of the business.

4.6. Independent directors

The independent directors are in number and authority such as to guarantee that their judgment has a significant weight in board decisions of the Company. The independent directors bring their specific experiences in the board discussions, contributing to the taking of decisions consistent with the interest of the company.

The shareholders' meeting of April 23, 2014 appointed as independent directors Anna Maria Artoni, Chiara Burberi, Andrea Casalini, Matteo De Brabant, Daniele Ferrero, Alessandro Garrone, Klaus Gummerer e Valeria Lattuada, who declared to possess all the necessary independence requirements on March 24, 2014, when their candidacy was accepted.

On May 12, 2014 the Board of Directors has verified, with a positive result, the existence of all the necessary independence requirements provided by article 3 of the Code of Conduct and article 148, paragraph 3 of TUF, for each independent director. In the above mentioned assessments the Board has applied all the criteria provided by the Code of Conduct. On May 12, 2014 the Company published the result of those assessments through a press release published pursuant to article 144-*novies*, comma 1-*bis* of CONSOB Issuer Regulation and application guideline 3.C.4 of the Code of Conduct.

In the meeting of May 12, 2014, the Board of Statutory Auditors has verified the correct application of the criteria and control procedures adopted by the Board to evaluate the independence of its own members. The result of these verifications has been positive.

The independent directors participate actively and assiduously in the Board meetings and are constantly informed on relevant aspects concerning their assignment. Over the financial year 2014, it is worth highlighting that, except the Board meeting of November 28, 2014, at which five independent directors attended (62,5%), at least six independent directors (75%) always attended at the Board meetings; before the Board meetings, the independent directors meet without the other directors to discuss the agenda of the meeting, to analyze the activity of the Board of Directors and to assess the effectiveness, clarity, completeness and timeliness of the flow of information between the executive directors and the other directors.

In 2014, the independent directors made the minute of the meeting held on November 14, 2014, during which the functioning of the Board of Directors and the capacity of the independent directors to give an autonomous and not-conditioned judgement on the resolutions were assessed. At the end of the meeting they agreed that the executive directors give full information to the other directors about the management of the Company and the context, in which the Issuer and its subsidiaries operate, the dialectic and diffusion of information inside the Board are full and exhaustive, the discussion is open and the resolutions are taken with full knowledge, uniformity and autonomous judgment, without conflicts of interests.

4.7. Lead independent director

The conditions provided being met, the Board of Directors, in the meeting of May 12, 2014, designated, among the independent directors, Daniele Ferrero as the Lead Independent Director pursuant to the Code of Conduct, so that he could be the point of reference and coordination for the requests and contributions of the non-executive directors, and in particular of the independent ones. Daniele Ferrero was already appointed lead independent director on August 9, 2012 to replace the resigned Paolo Vagnone.

The Lead Independent Director may, among other things, call – on his/her own initiative or upon request of other directors – special meetings of only independent directors (i.e. independent directors' executive sessions) to discuss issues from time to time judged of interest related to the functioning of the Board of Directors and to the management of the Company, with also the possibility to invite members of the management for an exchange of information with the organization.

The Lead Independent Director has collaborated with the Chairman of the Board to ensure that the Directors receive complete and timely information flows.

5. TREATMENT OF CORPORATE INFORMATION

Management of confidential information and code of conduct for insider dealing

The Company has adopted an internal regulation, which contains the provisions relating to the management of confidential information and to the management and external disclosure of privileged information as per article 181 TUF, regarding the Company and its subsidiaries. This regulation, besides providing a definition of privileged information, establishes the procedure for the public disclosure of such information which, by law, should occur without delay.

The regulation should be respected by all the components of the governing bodies, employees and other personnel of the company and subsidiaries, who for any reason have access to the privileged or confidential information.

In compliance with the regulation, the management of confidential information is followed by the investor relations office, under the responsibility of Marco Pescarmona.

In compliance with the regulation the Issuer has also created a register of the persons that have access to the privileged information, governed by a special regulation. The responsibility for the correct keeping of this register has been entrusted to the administrative office, in person of the CFO Francesco Masciandaro.

The regulations for the management and the disclosure of confidential and privileged information are available on the Website, in the section "Governance", "Other documents".

Furthermore, the Company adopts a code of conduct which regulates the obligations of information disclosure and of behavior related to the financial transactions carried out by persons who, by virtue of the office held in the Company, have access to relevant information (with relevant information we mean the information related to facts able to determine significant changes in the capital, financial and economic perspectives of the Company or of the Group and able, if made public, to influence the price of the listed financial instruments).

The financial manager is, in compliance with this regulation and with the delegation granted by the Board of Directors, the subject responsible for receiving, managing and circulating to CONSOB and to the market the communications sent to the Company by persons that have access to relevant information.

The five communications received by the Company during the financial year have been regularly published and are available on the Website, in the section "Governance", "Internal dealing", "2014".

6. COMMITTEES WITHIN THE BOARD

In compliance with the Code of Conduct, the Board of Directors, under the authority conferred pursuant to article 22 of the Articles of Association, has constituted the following internal committees with consulting, proactive or control tasks, and which are granted the right to access to relevant information.

In particular, the remuneration and share incentive committee, the Control and Risk Committee and the committee for the transactions with related parties were constituted within the Board.

7. NOMINATION COMMITTEE

At present and for an undefined period, the Board of Directors has decided not to set up an internal committee for the nomination of candidate directors, as the shareholding structure of the Company does not present such characteristics of diffusion to justify the adoption of such committee; however the Board in its collegiality carries out the related functions.

8. REMUNERATION AND SHARE INCENTIVE COMMITTEE

The Board of Directors, in compliance with article 2.2.3, paragraph 3, letter m) of the Stock Exchange Regulations, applicable to the issuers admitted to trading in the STAR segment and pursuant to the Code of Conduct, in the meeting of May 12, 2014, has designated the independent directors Anna Maria Artoni, Andrea Casalini e Matteo De Brabant as members of the Remuneration and Share Incentive Committee. Director Andrea Casalini, has been appointed chairman of this committee.

The previous committee, appointed on May 12, 2011 and in charge until the approval of the financial report for the year ended December 31, 2103, was formed by the independent directors Paolo Vagnone, Alessandro Garrone and Andrea Casalini; following the resignation of Paolo Vagnone on July 25, 2012, on August 9, 2012 the Board of Directors appointed the independent director Matteo De Brabant, as new member of the committee and Andrea Casalini, as new chairman of the committee.

The committee has advisory functions in particular for the assessment and formulation of proposals to the Board of Directors (i) about the compensation policy proposed by the Company for the management, monitoring the application of the resolutions adopted by the Board itself, (ii) about the stock option plans and similar plans for the incentive and retaining of directors, employees and collaborators of the Group, (iii) about the compensation of the executive directors and the managers with strategic responsibilities, as well as, based on the indication of the chairman or of the CEO, the criteria for the remuneration of the top management of the Company. The committee has free access to the information and the company functions necessary to carry out its own activities.

During 2013, the Remuneration and Share Incentive Committee met 3three time for an average of about 70 minutes, with all members in charge. In these meetings always participated the chairman of the Statutory Auditor, the non-executive director and member of the Control and Risk Committee Marco Zampetti, invited to serve as secretary, and, exclusively for meeting held on September 25, 2014, the executive director Marco Pescarmona, who participated only to expose the analytic proposal for the stock option plan, without participating to the discussion and related resolution of the committee. In fact, the executive directors, whose compensations were discussed during the meetings of the committee held on March 11, 2014 and July 1, 2014, do not take part to the meetings of committee in which the proposals about their remuneration are discussed and resolved; besides it is worth pointing out that the executive directors, during the meeting of the Board of Directors on August 11, 2014, did not take part the discussion, though assisting it, about the plan for their remuneration and incentive and abstained by voting it and, during the Board of Directors on September 29, 2014, abstained by voting the assignment of their own options according with the actual rules for the stock option plan.

For the composition and rates of attendance at meetings please refer to Table 2, in appendix, concerning the structure of the Board and committees.

During the meeting, the committee members were asked to:

- determine, based on final result, the variable component of the remuneration for financial year 2013 for the executive directors (March 11, 2014)
- submit proposals to the Board of Directors on the variable component of the remuneration for the executive directors for financial year 2014 (July 1, 2014);

- approve the guidelines and the structure of the stock option plan and formulate the proposal for the assignment of the options to the executive directors to be proposed to the Board of Directors (September 25, 2014).

As already expressed in paragraph 4.3, the Board of Directors reported its satisfaction with the members of the committee, who, thanks to their appropriate professional experience and background for the committee's tasks, provide effective and valuable support to the Board. In addition during the financial year the committee was never supported by external advisors.

The meetings of the Remuneration and Share Incentive Committee has been properly recorded and the relative minute was transcribed in the register available at the administrative office of the Company.

There are no meetings of the Remuneration and Share Incentive Committee scheduled for 2015. As of the date of approval of this Report, two meetings of the Remuneration and Share Incentive Committee has been held, concerning the resolution, based on final result, of the compensation for the executive directors for 2014, and the preparation of the model for the consolidated remuneration of the executive directors for the financial year 2015 to be proposed to the Board of Directors.

The Board of Directors in the meeting of May 12, 2014, has resolved a total compensation, on annual basis, for the members of the Remuneration and Share Incentive Committee equal to Euro 20 thousand in total.

No financial resources have been allocated to the committee, as the committee uses the Issuer's resources and facilities for the performance of its tasks.

For any other information on the Remuneration and Share Incentive Committee , please refer to "Report on Remuneration" prepared pursuant to article 123-*ter* of TUF and pursuant to article 84-*quater* of the Issuers' Regulations, deposited at the registered office and available on the Website in the section "Governance", "Other documents", "2015".

9. REMUNERATION OF DIRECTORS

For the general policy for the remuneration adopted by the Issuer, the share remuneration plans, the remuneration of executive directors, directors with strategic responsibilities (if any) and non-executive directors, and for the indemnities of directors in case of resignation, dismissal or termination as a consequence of a takeover bid, please refer to the "Report on Remuneration" prepared pursuant to article 123-*ter* of TUF and pursuant to article 84-*quater* of the Issuers' Regulations, deposited at the registered office and available on the Website in the section "Governance", "Other documents", "2015".

10. CONTROL AND RISK COMMITTEE

The Board of Directors, pursuant to article 2.2.3, comma 3 letter m) of Market Regulations, applicable to the issuers pursuant to requirements for STAR segment and according to Code of Conduct, , during the meeting of May 12, 2014, appointed the independent directors Chiara Burberi and Daniele Ferrero and the non-executive director, Marco Zampetti as member of the Control and Risk Committee. Daniele Ferrero was appointed chairman of this committee, meanwhile Marco Zampetti is the member of the committee who, by virtue of his professional activity, possesses a considerable experience in accounting, financial, fiscal and compliance matters. The previous committee, appointed on November 13, 2012, and in charge until the approval of the financial report for the year ended December 31, 2013, was formed by the independent directors Daniele Ferrero (chairman), Andrea Casalini and by the non-executive director, Marco Zampetti.

According to the Code of Conduct, the internal Control and Risk Committee:

i. assists the Board in defining the guidelines of the internal control system, so that the main risks relative to the Issuer and its subsidiaries can be correctly identified, as well as appropriately measured, managed and monitored, also determining compatibility criteria of these risks with a sound and correct management of the enterprise;

ii. assists the Board in identifying an executive director (preferably the CEO) charged with supervising the functionality of the internal control system and risk;

iii. assists the Board in assessing, yearly at least, the adequacy, efficiency and the effective functioning of the internal control system;

iv. assists the Board in describing the essential elements of the internal control system in the corporate governance report, expressing its own assessment of the overall adequacy of this system;

v. assesses, together with the manager in charge of preparing the company's accounting documents and with the Board of Statutory Auditors, the proper and consistent application of accounting principles and their homogeneity in the preparation of the consolidated financial statements;

vi. expresses opinions on specific aspects related to the identification of the main corporate risks as well as to the design, realization and management of the internal control system;

vii. examines the periodic reports about the valuation of the internal control and risk system e those proposed by the internal auditor;

viii. monitors to the Board the independence, the adequacy, the effectiveness and the efficiency of the internal auditor;

ix. may request to the internal auditor to investigate on specific areas, notifying it at the same time to the Chairman of the Board of Statutory Auditors;

x. reports to the Board on the activity it has performed and on the adequacy of the internal control and risk system, at least twice a year, on the occasion of the approval of the Report and of the semi-annual reports;

xi. monitors the compliance and the periodic update of the corporate governance rules and the observance of rules of conduct potentially adopted by the Issuer and its subsidiaries;

xii. performs any additional duties that are assigned by the Board;

The Control and Risk Committee::

i. has access to all corporate activities and information necessary to perform its duties;

ii. may ask the Board to use external consultancy services to perform its activity;

iii. normally meet before the Board meetings called to approve the financial statements, the semi-annual and the quarterly reports, or whenever the chairman deems it appropriate or receives a request from a member or an executive director.

The Control and Risk Committee, as one of the main interlocutors to the internal auditor, shall be consulted by the Board of Directors about decisions regarding appointment, revocation, remuneration and the provision of resources for the internal auditor analyzing and assessing his work.

The Control and Risk Committee has met on March 12, 2014 to review the activities performed in 2013, also in order to give an update on activities performed during the meeting taking place on March 13, 2014, to the Board of Directors as well. All members of the committee attended this meeting.

On March 20, 2014 the member of Control and Risk Committee Marco Zampetti took part to the meeting with the representatives of the legally-required auditing firm, the Board of Statutory Auditors (and Supervisory Body) and the CFO Francesco Masciandaro to obtained updates on audit activity carried out on the financial reports 2013 of the Issuer and of its subsidiaries and on the consolidated financial report by the legally-required auditing firm and on the activity carried out by the Supervisory Body and on the audit plan by the Board of Statutory Auditors/Supervisory Body.

On May 22, 2014, the whole Control and Risk Committee met the responsible of internal audit Walter Baraggia to discuss about the updating of the internal Rules for the management and release of price sensitive information and the Procedure for the management and updating of the Insiders Register and to analyze the Insiders Register.

On July 15, 2014, Control and Risk Committee, represented for the occasion by its members Chiara Burberi and Marco Zampetti, took part to the meeting with the representatives of the legally-required auditing firm, the CFO Francesco Masciandaro and the executive director in charge of the system control and risk Marco Pescarmona. During the meeting the committee obtained updates on the business trend and the possible extraordinary and structural operations of the Group by Marco Pescarmona.

On July 31, 2014 Control and Risk Committee met to verify the activities performed in the first half of the financial year, in order to give an update to the Board of Directors on the activities performed on August 11, 2014.

Finally on December 2, 2014, Control and Risk Committee, represented for the occasion by its members Chiara Burberi and Marco Zampetti took part to the meeting with the representatives of the legally-required auditing firm, the Board of Statutory Auditors (and Supervisory Body) and the CFO Francesco Masciandaro and internal auditor Walter Baraggia to obtain updates on audit activity carried out and the scope of audit activity by the legally-required auditing firm and on the internal audit activity carried out in the last months by the internal auditor Walter Baraggia.

Furthermore the member of the Control and Risk Committee Marco Zampetti, the Board of Statutory Auditors, the executive directors, the finance director and the internal auditor (through informal meetings and e-mails) keep informed each other in order to be constantly updated on the internal control system of the Issuer.

So, during the financial year, the Control and Risk Committee met six times for an average of about two hours. Furthermore, during the meetings on March 13, 2014 and August 11, 2014, the Control and Risk Committee, as provided for in the Code of Conduct, informed the Board of Directors on its activity and on the adequacy of the internal control system.

There are no scheduled meetings of the Control and Risk Committee for 2015. On January 23, 2015 the committee met with the Board of Statutory Auditors (and Supervisory Body) and the CFO Francesco Masciandaro and internal auditor Walter Baraggia to obtain information about the inspection s and the communications received from some Supervisory Authorities of the sectors in which the Group operates and to obtain updates on the internal audit activity related to the audit plan for the Organizational Model pursuant to Legislative Decree 231/2011. Finally on March 9, 2015 the committee met with the Board of Statutory Auditors and the representatives of the legally-required auditing firm to obtain updates on audit activity carried out and the scope of audit activity by the legally-required auditing firm and to examine the legally-required auditing activity carried out by the committee on financial year ended December 31, 2014, in order to give an update on activities performed, during the meeting taking place on March 16, 2015 to the Board of Directors as well.

For the composition and rates of attendance at meetings please refer to Table 2, in appendix, concerning the structure of the Board and committees.

All the meetings of the Control and Risk Committee have been properly recorded and the relative minutes were transcribed in the register held at the administrative office of the Company.

During the meeting of May 12, 2014, the Board of Directors resolved an annual total compensation for the members Control and Risk Committee equal to Euro 20 thousand.

No financial resources have been allocated to the Control and Risk Committee, as the committee uses the Issuer's resources and facilities for the performance of its tasks.

11. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Board of Directors defines the guidelines of the internal control system designed as a set of direct processes intended to monitor the efficiency of business and corporate management, the reliability of the financial information, the compliance with laws and regulations, the safeguard of corporate assets, and the prevention of fraud against the Company and financial markets.

The internal control system is structured as a set of rules and procedures in order to enable, through a proper process of identification, measurement, management and monitoring of the main risks, a sound and correct corporate management, in line with the set objectives.

According to the Code of Conduct, the Board of Directors, taking also into account that the Company is part of a group, defines the guidelines of the internal control system and verifies its correct functioning with respect to the management of corporate risks through the activity performed by the Control and Risk Committee. The director in charge defines the instruments and procedures for the implementation of the internal control system, following the guidelines established by the Board of Directors, assures the overall adequacy of the system, its practical functionality, its adaption to changes of operating conditions and of legislative or regulatory frameworks.

The internal control system defined by the Board of Directors satisfies following general principles:

i. the operational powers are assigned taking into account the nature, normal size and risks of individual types of transactions; operational areas are closely related to the delegated tasks;

ii. the organizational structures are articulated so as to reduce the overlapping of functions and the concentration on one person, without the proper authorization process, of activities that have a high degree of criticality or risk;

iii. an appropriate system of parameters and a related periodic flow of information to measure the efficiency and effectiveness is provided for each process;

iv. a periodical analyses of the professional knowledge and skills available within the organization in terms of congruence with the objectives assigned;

v. the operating processes are defined in accordance with an appropriate documentary support enabling them to be verified in terms of congruence, consistency and responsibility;

vi. the security mechanisms ensure an adequate safeguard of the corporate assets and access to the information required for the performance of the assigned tasks;

vii. the risks related to achievement of the objectives are identified by observing an adequate periodic monitoring and updating; negative events that may threaten the corporate business continuity are subject to special assessments and adjustment of safeguards;

viii. the control system is subject to continuous supervision for periodic evaluations and constant adjustments.

For the purpose of verifying the correct functioning of the internal control system, the Board of Directors relies on the Control and Risk Committee, on the CFO and on an internal auditor, which have an appropriate level of independence and necessary means for the performance of their tasks; they report to the director in charge of internal control, to the Control and Risk Committee and to the Board of Statutory Auditors (and Supervisory Body).

The director in charge of internal control implements the interventions on the internal control system deemed necessary as a result of the above control activities, and may appoint one or more delegates for such purpose.

During the financial year ended December 31, 2014, the Board assessed the adequacy of the internal audit and risk management system referring to the characteristics of the business and the risk profile assumed, as well as, its efficiency, during the meetings held on March 13 and August 11, 2014, concurrently with the report presented by the Control and Risk Committee on the activities carried out and the adequacy of the internal control system. During the discussions, to which took part all the directors, no particular warning or criticality emerged.

The internal audit plan, elaborated and shared with the director in charge for the internal control and risk management system, was approved on January 23, 2014, by the Supervisory Body that, in the case of the Issuer, coincides with the Board of Statutory Auditors. We deemed that the independence and professional skills of the members of the Board of Statutory Auditors/Supervisory Body warrant the broadest identification of the risk areas to monitored, without being influenced by merely executive and operating purposes. Besides it is worth pointing out that the Board of Statutory Auditor/Supervisory Body took part to every meeting of the Board and participated and gave contribution to the discussions of the Board on the activities carried out for the internal control system. In addition the members of the Board maintain continuous information flows (by means of informal meetings and email) with the executive directors and some members of Control and Risk Committee; therefore we deemed that the Board is properly informed in the internal audit activity. This method of work was shared informally with the executive director in charge for the internal control and risk management system, the Control and Risk Committee and the Board of Statutory Auditors/Supervisory Body. Finally it is worth pointing out that starting from financial year 2015, the audit plan will be discussed and approved by the Board of Directors.

11.1. Main principles of the existing risk management and internal control systems in relation to the financial reporting process

Introduction

The risk system should not be considered separately from the internal control system in relation to the financial reporting process; both are, in fact, elements of the same system. It is worth mentioning that this system is aimed at ensuring the trustworthiness, accuracy, reliability and timeliness of financial reporting.

All the companies of the Group adopt detailed procedures to manage the sales process, the purchasing process, the human resources process and the financial reporting process approved by the Board the Directors.

The basic principle for the management of these processes is that, because of the relatively simple structure of the Group, all the significant authorization processes are handled by executive directors, vested with adequate powers.

Description of the principal features of the existing risk and internal control systems in relation to the financial reporting process

The activities under the responsibility of the administration unit of the Group are defined in the organizational structure of the Group and the above mentioned procedures. Please find below, in an illustrative and not exhaustive way, the main activities carried out by the administration unit:

i. ensure, through the planning process and management control, the unity of functional goals, the compliance of the actions with the plans and the achievement of profit targets;

ii. define and propose, within the policies and strategies agreed with the top management, the Group's financial policy;

iii. ensure the proper administrative management of the Group, and in particular define and propose the policy for the financial statements, ensure the preparation of the annual financial statements of the Company and of the Group and of its relevant annexes pursuant to the existing civil and fiscal laws as well as to the institutional provisions;

iv. ensure the systematic monitoring of the economic performance of the Group in order to afford a proper process of management control;

v. ensure the alignment of the management control system (*Sistema di Controllo di Gestione* or SCG) with the strategies and the business and market context.

The main risks pertaining to the financial reporting process are:

i. the risk of recognition of revenues that are not related, not accrued or not due or the incomplete recognition of revenues;

ii. risks linked to the recognition of expenses that are not related, not accrued or not due, or incomplete recognition of them;

iii. risks linked to the acquisition of company for which it is necessary an administrative and accounting reorganization to align their financial statements to the standard required by the Issuer;

iv. risks linked to the presence in the consolidation area of a Rumanian company;

v. risks of loss or information or data during the automatic data extraction process from the general ledger.

Corrective actions adopted to reduce the impact of these risks, procedures and controls applied for the continuous monitoring of the identified risks are respectively summarized in the following list:

i. the billing process follows a detailed procedure on receivables which takes into account the different types of revenues of the companies of the Group: the billing from the administrative office takes place only after verifying the accuracy of the billing reports and their compliance to the contractual conditions. These controls are carried out by selecting random samples of sale invoices, verifying phases and documents required by the procedure for the issuance of the invoice itself and the collection of payment, and by checking that contractual rates are applied and respected properly;

ii. the process on liabilities also follows an internal procedure which takes into account the various types of purchases (mainly marketing, technology and general services expenses). The registration of an accounting document takes place only after the verification of the existence of a purchase order authorized by a representative of the company with appropriate credentials and upon verification of the correspondence with the purchase order itself. Also in this case, the verifications are carried out by selecting a random sample of purchase invoices, verifying that they are authorized by an order and that the amounts to be paid match with the ones specified in the order;

iii. the administrative and accounting management of the new acquired companies is taken over by the administrative office of the Issuer, which at the beginning analyzes the "as is" situation with the aim to realize the reorganizational processes required by the guide lines of the Issuer, setting the billing process, the process on liabilities and the personnel process centrally defined and using the same accounting basics for a correct financial statements at a consolidated level. It should be noted that, during 2014, the company Generale Servizi Amministrativi S.r.l. joined the Group; consequently it is ongoing the process of expansion and consolidation of the procedures above described into this new company;

iv. definition of guidelines to which the accounting employees of Finprom S.r.l. must comply, in accordance with the local regulations. The Issuer receives a monthly financial management report, and on quarterly basis a detailed financial statement of the company;

v. in order to verify the correct and complete collection of economic-financial consolidated data through an automated process, we perform cross-checks while balancing the general ledger data with the cost accounting at the EBITDA level, analyzing potential deviations and the accuracy of the automatic formulas. The process of data collection and extraction for the preparation of the periodic financial reports is regulated by a specific internal procedure.

The administrative area of the Group is under the direct responsibility of the Chief Financial Officer (CFO), Francesco Masciandaro, and is composed of a total of fourteen persons, in the Italian office. Within the administrative area there are two distinct functions:

- Accounting, whose mission is to provide a correct representation of the Company's capital and economic life, ensuring the proper execution of the activities related to the preparation of corporate financial statements and consolidated financial statements, in compliance with the accounting principles and regulations;

- Management Control, whose mission is to ensure through the planning and control process the unity of functional goals, the compliance of the actions with the plans and the achievement of profit targets.

As regards the management of the Accounting function, three persons located in Romania have full responsibility for all activities related to subsidiary Finprom S.r.l., which they manage with full autonomy. As regards the management of the Accounting function for the other subsidiaries, it is entirely carried out by the structure and resources located in Italy, who report to the head of the function, which provides the operating guidelines.

The process of financial reporting for the Group is headed by the CFO, who receives, at least once a month, the summary financial reports by all the companies of the Group and, quarterly, more detailed financial reports at the base of the periodic financial reporting.

At the end of this activity, the outcome is directly submitted for evaluation to the executive director in charge of the internal control system. The information flow is particularly direct, since there are no intermediate levels between the CFO, internal auditor and the executive director in charge of the internal control system. In addition, the CFO and the internal auditor meet periodically the committee for internal control and the Supervisory Body for an appropriate update on the performance of controls.

The Board of Directors in the meetings of March 13, 2014 and of August 11, 2014 has positively assessed the effectiveness and the effective functioning of the internal control system. During this meeting, the members of the Control and Risk Committee illustrated to the attendees the job performed by the committee and briefed on the adequacy of the internal control system. The committee sends in advance the most significant elements by a brief memorandum circulated to all the directors and members of the Board of Statutory Auditors.

11.2. Executive director in charge of the internal control and risk management system

The Board of Directors, during the meeting of May 12, 2014, appointed the chairman of the Board of Directors and member of the executive committee, Marco Pescarmona, as the executive director in charge of the Control and Risk Committee.

During Financial year, the executive director in charge of supervising the functionality of the internal control system and risk identified, in collaboration with the Control and Risk Committee and the manager in charge of internal control, the main risks related to the Issuer and its subsidiaries, by constantly verifying the adequacy of the internal control system. In addition, in collaboration with the internal auditor a constant monitoring on most relevant compliance issues was carried out, adjusting where necessary the business procedures to the regulations in force.

Finally, during the financial year, in light of the controls performed, he did not detect any business risks not managed within the corporate organization.

11.3. Internal Auditor

The Issuer has instituted from January 2010 the internal audit function, with the hiring of a dedicated resource in the organizational structure of the Group. No other resources, external to the Group, are involved in this function.

The person in charge of internal audit was not appointed by the Board of Directors but he was directly appointed by the director responsible for internal control and risk, with the favorable opinion of the Control and Risk Committee and the Board of Statutory Auditors. The person responsible for internal audit is Walter Baraggia.

The person in charge of internal audit function has a proper level of independence and suitable means to operate fairly, having access to all the useful information to his office and reporting about his own activity to the CEO, the Control and Risk Committee, to the Board of Statutory Auditors and to the supervisory body. He will have no direct operational responsibility or authority and depends hierarchically from the Board.

The internal audit plan, elaborated and shared with the director in charge for the internal control and risk management system, was approved on January 23, 2014, by the Supervisory Body that, in the case of the Issuer, coincides with the Board of Statutory Auditors. We deemed that the independence and professional skills of the members of the Board of Statutory Auditors/Supervisory Body warrant the broadest identification of the risk areas to monitored, without being influenced by merely executive and operating purposes. Besides it is worth pointing out that the Board of Statutory Auditor/Supervisory Body took part to every meeting of the Board and participated and gave contribution to the discussions of the Board on the activities carried out for the internal control system. In addition the members of the Board maintain continuous information flows (by means of informal meetings and email) with the executive directors and some members of Control and Risk Committee; therefore we deemed that the Board is properly informed in the internal audit activity. This method of work was shared informally with the executive director in charge for the internal control and risk management system, the Control and Risk Committee and the Board of Statutory Auditors/Supervisory Body. Finally it is worth pointing out that starting from financial year 2015, the audit plan will be discussed and approved by the Board of Directors.

In particular the person responsible for internal audit brings directly to the attention of the director in charge of supervising the functionality of the internal control and risk management system and to the CFO, who are committed to update periodically the Board, all the controls performed and the analysis concerning compliance and regulatory updates, the legislative updates and the significant events (e.g. inspections and requests of information by the Supervisory Body). The information flow is particularly direct because there is nobody between the internal auditor and the CFO. Furthermore, the internal auditor and CFO meet periodically the Control and Risk Committee, the Board of Statutory Auditors and the Audit Committee.

The internal auditor checks monthly the effectiveness of the audit information systems by analyzing the actual data for all the Group's companies, comparing results with budget forecasting, and verifying the correct recording in the management accounts of revenues and costs as well as the proper accrual in time.

No specific budget is provided for this office, as it performs its tasks by using the structure and resources of the Issuer. At least once a year, the Board of Directors, through the Report of the internal Control and Risk Committee, receives updates on the internal auditor's activities compared to the program written by the committee. Furthermore, every year the executive committee sets remuneration, duties and resources for the internal auditor, with the opinion of the Control and Risk Committee; starting from financial year 2015 these responsibilities will be taken in charge by the whole Board of Directors.

Furthermore the activities of the internal auditor, planned and decided with the consent of the director in charge for internal control and risk, the Control and Risk Committee and The Board pf Statutory Auditors (Supervisory Body), aim to the satisfaction of international standards, that the Issuer, which operates in a highly regulated sector and as listed on the Stock Exchange company, must follow.

The main activities carried out by the internal auditor during the financial year were:

- controls related to cybercrimes and illicit data treatment;
- controls related to market abuse;
- controls related to anti money laundering;

- controls related to job safety;
- controls related to corporate crimes;
- controls related to credit broking.

The internal audit, overall as well as for operating segments, was not assigned to external subjects.

11.4. Organizational model pursuant to Law Decree 231/2001

On March 20, 2008, the Company adopted the model of organization pursuant to article 6 of Law Decree 231/2001, of which the last update was approved by the Board of Directors on August 9, 2013. On May 11, 2012, the Board of Directors has resolved to appoint the Board of Statuary Auditors as Auditor Committee until its natural expiration; according to the Board, such appointment will be effective in the Group. Furthermore, the members of the Board of Statutory Auditors have all the required professional, independence and integrity qualifications.

It was resolved that the duration of this office would continue until the date of approval of the financial statements for the year ended December 31, 2014; no specific remuneration has been provided for this office.

In the last three years the office of monocratic supervisory body was attributed to Dott. Gianluca Lazzati.

During 2014, the supervisory body met four times with the CFO Francesco Masciandaro and the internal auditor Walter Baraggia; during the meetings the audit plan 2014 was approved and the controls carried out by the internal auditor during the year were analyzed, considering some issues of compliance in the light of the organizational model pursuant to Legislative Decree 231/2001.

The organizational model adopted by the Group and its principles are applied to the corporate bodies of all the companies of the Group (meaning the Board of Directors and the Board of Statutory Auditors of the companies and their relative members), to the employees, other personnel of the Group, to consultants, suppliers and more generally to all those that, for whatever reason, operate with "sensitive" activities on behalf or for the Group. The model intends to prevent the following types of offences:

- crimes against public administration (articles 24 and 25, Law Decree 231/01);
- data processing crimes and illegal treatment of data (article 24-bis, Legislative Decree 231/01);
- protection of trademarks and distinctive signs (article 25-bis, Legislative Decree 231/01);
- crimes against industry and trade (article 25-bis.1, Legislative Decree 231/01);
- corporate crimes (articles 25-*ter* Law Decree 231/01);
- market abuse crimes (article 25-*sexies* Law Decree 231/01);
- crimes introduced by article 9 of law 123/2007 (article 25-*septies* Law Decree 231/01), which include manslaughter or serious injury caused by the violation of safety and occupational hygiene regulations at work;
- receiving of stolen goods, money laundering and the utilization of money, goods or assets originating from illicit activities (article 25-octies, Legislative Decree 231/01);

- crimes relating to breach of copyright (article 25-novies, Legislative Decree 231/01), which covers certain offenses under Law 633/1941;

- environmental crimes (article 25-*undecies*, Legislative Decree 231/01);

- incitement not to testify or bear false testimony in court (article 25-novies, Legislative Decree 231/01);

- employment of foreign countries citizens whose residency permit is not regular (article 25-*duodecies*, Legislative Decree 231/01).

The organizational model pursuant to the Legislative Decree 231/2001 is available on the Website of the Company in the section "Governance", "Other documents".

11.5. Auditing firm

The auditing firm, also in charge of legally-required auditing of accounting activities, is PricewaterhouseCoopers S.p.A., appointed by the shareholders' meeting of February 9, 2007, effective from June 6, 2007 and with expiration upon the audit of the financial statements for the year ended December 31, 2015.

11.6. Manager responsible for preparing the Company's financial reports

Article 23, paragraph 1 of the Articles of Association provides for the appointment by the Board of Directors, subject to the mandatory opinion of the Board of Statutory Auditors, of a manager responsible for preparing the Company's financial reports in compliance with the provisions of article 154-*bis* of TUF, who must be chosen among individuals with a degree in economics, finance or disciplines related to business management and must have at least three years of experience (i) in the exercise of administrative or managerial functions or (ii) in the exercise of professional activities within an auditing firm or (iii) as a certified accountant, consultant to limited liability companies. Those who are not in possession of the integrity requirements of article 147-*quinquies* of TUF cannot be appointed to the office and, if already appointed, shall expire from the same.

The manager responsible for preparing the Company's financial reports exercises the powers and responsibilities attributed to him in accordance with article 154-*bis* of TUF.

The Board of Directors in the meeting of May 8, 2008, with the approval of the Board of Statutory Auditors, confirmed as manager responsible for preparing the Company's financial reports Francesco Masciandaro, who within the Group holds the role of Chief Financial Officer and Head of Administration and Control.

The manager responsible for preparing the Company's financial reports is provided with adequate powers and means to perform the tasks assigned to him or her. In particular, the manager in charge has developed a set of procedures and information flows aimed at identifying all the processes and business events with an economic and financial relevance; in this way all the economic and financial events of relevance are reflected in the accounting data and periodic financial reports.

Finally, it is worth highlighting that the manager responsible for preparing the Company's financial reports was appointed director with delegated powers on administrative matters, including powers to represent the Company in dealings with the financial administration and powers to sign all the declarations required by applicable tax laws, in all the Italian subsidiaries of the Group.

11.7. Ethical Code

The Ethical Code, approved on March 20, 2008, is an essential element and function of the organizational model that the Group has adopted pursuant to Law Decree n. 231/2001 and expresses the principles of business ethics and rules of conduct designed to prevent, under Italian law, the commission of offences and all those behaviors inconsistent with the values that the Issuer and its subsidiaries pursuant to article 2359 of the civil code seek to promote.

The Group recognizes the importance of business ethics and social responsibility in the management of corporate activities and affairs and is committed to take into account the legitimate interests of its stakeholders and of the community in which it operates. At the same time, the Group expects from all its employees the respect of business rules and principles established in the Ethical Code and to operate with the highest ethical standards and in compliance with all applicable laws.

The Ethical Code is distributed to all employees. In addition, the Group requires from all subsidiaries, associated companies and major suppliers a conduct in line with the general principles of the Ethical Code.

The Ethical Code is available on the web site of the Company in the section "Governance", "Other documents".

11.8. Coordination among the bodies involved in the internal control and risk management system

The coordination and the information flow between people involved in the internal control and risk system appears to be streamlined and effective.

In particular, the executive director in charge of supervising the functionality of the internal control and risk system, Marco Pescarmona, Chairman of the Board of Directors as well, and the manager responsible for preparing the Company's financial reports, Francesco Masciandaro and the Internal Auditor Walter Baraggia, work together to find out and manage risks which endanger and/or could endanger the Group's companies to achieve business objectives.

The executive director in charge of supervising the functionality of the internal control and risk system, Marco Pescarmona, as Chairman of the Board of Directors, helps to identify the main risks for the Group, considering the business activities of the Issuer and of its subsidiaries and by verifying its adequacy and effectiveness sets up and manages the internal control and risk system. With the opinion of the Board, he asks the internal audit or the CFO to verify some specific operational areas considering the compliance of regulations and internal procedures in the execution of business operations and to analyze the regulations compared to the business activities. The CFO and the Internal Auditor report the results to the executive director in charge of supervising the functionality of the internal control and risk system or directly to the Board of Directors.

The Board of Statutory Auditors (also as supervisory body) and the internal Control and Risk Committee monitor, value and give opinion on the adequacy and effectiveness of the internal control system by examining the results brought by the CFO and the Internal Auditor with the power to ask for further examinations on specific operational business areas. In addition the Board of Statutory Auditors/Supervisory Body approves the audit plan proposed by the internal auditor and shared with the executive director in charge of supervising the functionality of the internal control and risk system.

The above mentioned bodies inform and update one another either through formal meetings (like meetings of the Board of Directors, of the internal Control and Risk Committee, of the Board of Statutory Auditors and of the Audit Committee) or through constant information flows during informal meetings, conference calls and/or e-mails.

12. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

The Board of Directors of the Company on November 11, 2010, having acknowledged the favorable opinion of the committee established for this purpose (consisting only of independent directors), approved "The procedure for transactions with related parties" (**"Related Parties Procedure"**) pursuant to the Regulation "Transactions with Related Parties", issued by CONSOB with the resolution no. 17221 of March 12, 2010 (subsequently amended by resolution no. 17389 of June 23, 2010), pursuant to article 2391-*bis* of the civil code and articles 113-*ter*, 114, 115, and 154-*ter* of TUF, and in accordance also with the recommendations of the Code of Conduct.

The Company applies the Related Parties Procedure taking into account also CONSOB Communication DEM/10078683, published on September 24, 2010, containing "Indications and guidelines of the Regulation on transactions with related parties adopted to comply with the resolution no. 17221 of March 12, 2010, and subsequent amendments".

The Related Parties Procedure regulates the identification, approval and the management of transactions with related parties performed by the Company, also through its subsidiaries pursuant to article 2359 of the civil code or in any case subject to direction and coordination.

After having verified, consulting the list of related parties of the Group that the counterparty to a transaction is a related party, the parties involved in the execution of the transaction must notify the internal audit function and the administrative and control direction, the intention to begin negotiations for performing the transaction. The internal audit function and the administrative and control direction promptly evaluate whether the transaction complies with the Regulation issued by CONSOB with resolution no. 17221 or if it is possible to apply one or more of the exemption cases for which it is not necessary to follow the approval process required by the procedure. If it is not an exemption, the committee for transactions with related parties expresses its non-binding opinion on the execution of the transaction. The approval for the execution of the transaction is given, depending on the case, by the Board of Directors or by the shareholders' meeting.

Pursuant to paragraph 5 of the Related Parties Procedure, the directors that have an interest in a transaction must promptly and exhaustively inform the Board of Directors on the existence of interest and on his/her circumstances considering, on a case by case basis, the opportunity to leave the Board meetings at the voting moment or to abstain from voting. If he/she is the CEO, he/she abstains from carrying out the transaction. In these cases, the resolutions of the Board of Directors motivate adequately the reasons and the benefits for the Company of the transaction.

For more information, please refer to the Related Parties Procedure and its annexes, available on the Company's website under "Governance", "Other documents".

The committee for transactions with related parties

The Board of Directors on November 11, 2010 also resolved to set up an internal "Committee for Transactions with Related Parties", composed of independent directors and invested with all the functions provided by the Related Parties Procedure, and to approve the regulation of this committee.

The Board of Directors on May 12, 2014 appointed as members of the committee for transactions with related parties the independent directors Andrea Casalini (chairman), Klaus Gummerer e Valeria Lattuada, resolving a total remuneration, on yearly bases, equal to Euro 4 thousand. The previous committee, appointed on May 12, 2011 and in charge until the approval of the financial report for the year ended December 31, 2013, was formed by the directors Andrea Casalini (chairman), Daniele Ferrero and Matteo de Brabant.

In 2014, the committee for transactions with related parties has never met, as there were no operations which needed the implementation of the specific procedure or the opinion of the committee.

13. APPOINTMENT OF STATUTORY AUDITORS

The provisions of the Articles of Association of the Issuer governing the appointment of the Board of Statutory Auditors are apt to ensure compliance with the Legislative Decree no. 27 of January 27, 2010 on the implementation of the directive 2007/36/CE for the exercise of certain rights of shareholders in listed companies. The changes for the adjustment of the Articles of Associate to this new regulation were approved by the Board of Directors on November 11, 2010.

The appointment of the Board of Statutory Auditors is made on the basis of lists submitted by shareholders.

During the meeting the shareholders appoint two standing Statutory Auditors and one Alternate Auditor shall be elected from the list that received the greatest number of votes (the "majority list"). The minority shareholders shall be entitled to appoint one standing auditor and one alternate auditor. Also note that Law 120 of July 12, 2011 amended the clauses of the Consolidated Finance Law (Legislative Decree 58/1998, or "TUF") governing the composition of management bodies (Art. 147-ter) and supervisory bodies (Art. 148), and consequently established that when it comes into full force, at least one third of the seats in the company bodies be held by the least represented gender and, upon first-time application, at least one fifth of the seats be held by the least represented gender. Moreover, upon first-time application at least one fifth (and not one third) of the Director and Statutory Auditor seats shall be reserved for the least represented gender, rounding up to the higher unit, in the event of a fraction of number.

Each shareholder, or the members of a shareholder agreement pursuant to article 122 of TUF, as well as the controlling entity, the subsidiary companies and those companies subject to common control pursuant to article 93 of TUF, may not submit or take part in the submission of, neither through a third party or a trust company, more than one list, nor can vote for different lists.

Shareholders are entitled to submit lists if, by themselves or together with other shareholders, are holders of the minimum stake established by CONSOB Regulations for the submission of lists for the appointment of the board of directors. The lists submitted by the shareholders must be filed at the registered office at least twenty-five days before the date set for the shareholders' meeting in first call, along with the required documents prescribed by the Articles of Association together with a resume of the candidates included in the list. It is worth highlighting, that as already mentioned in paragraph 4.1, on January 28, 2015, CONSOB with resolution n. 19109, identified a shareholding threshold of 4.5% of the shares with voting rights in the shareholders' meeting.

If upon the deadline for the submission of the lists only one list has been filed, or only lists submitted by members linked together pursuant to applicable provisions, other lists may be submitted within three days of the deadline. In this case, the previous threshold is reduced by half.

The election system required by the Articles of Association provides that:

i. the first two candidates from the list with the highest number of votes and the first candidate from the list that will result second for number of votes, who will be the chairman of the Board of Statutory Auditors, will be elected as active statutory auditors;

ii. the first candidate from the list with the highest number of votes and the first candidate from the list that will result second for number of votes will be elected substitute statutory auditors.

Moreover, if the candidates elected with the manner above described do not comply with the laws currently in force on gender balance, the candidate of the gender more represented elected as the latest in consecutive order from the slate that received the highest number of votes shall be replaced by the first candidate of the gender less represented in consecutive order not elected taken by the same slate. This replacing procedure will be applied until the composition of the Board of Directors complies with the laws currently in force on gender balance. If this replacing procedure does not assure the gender balance, the replacing will be carried out by shareholders' meeting resolving with majority required pursuant to law, upon submission of candidates belonging to the gender less represented.

If the two first lists obtain the same number of votes, the shareholder's meeting proceeds with a new election, by voting only for the first two lists, complying with the Law Decree 120/2011 on the equal right of appointment in managing and supervisory boards of listed companies.

If only a single list has been submitted, the candidates of this list will be elected Statutory Auditors and Substitute Auditor complying with the Law Decree 120/2011 on the equal right of appointment in managing and supervisory boards of listed companies If no list is submitted, the Shareholders' meeting will elect the Board of Statutory Auditors, always complying with the equal right of appointment in managing and supervisory boards.

In case of replacement of an auditor, the substitute auditor belonging to the same list of the ceased one will take over always complying with the abovementioned laws on the equal right of appointment in managing and supervisory boards of listed companies If the Board of Statutory Auditors is not complete with the entry of the substitute auditors, a Shareholders' meeting must be called to provide for the integration of the Board of Auditors pursuant to the law.

14. BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors of the Company in office as of December 31, 2014 was appointed by the shareholders' meeting of April 26, 2012, during which only one list of candidates was submitted by shareholder Alma Ventures S.A. and will remain in office until the approval of the financial statements for the year ended December 31, 2014. The names of candidates on the list coincide with the current members of the Board of Statutory Auditors. It is worth pointing out that The Board of Statutory Auditors of the Company in office correspond to the Board of Statutory Auditors in charge until the approval of the consolidated financial statement ended December 31, 2011. The list obtained the unanimous consent of those present, representing 27,570,190 shares, corresponding to 69.77% of shares with voting rights. For the composition of the Board of Statutory Auditors and other information please refer to Table 3, in the appendix, concerning the structure of the Board of Statutory Auditors.

As regards the personal and professional characteristics of each member of the Board of Statutory Auditors, please refer to their curricula published on the Issuer's website under "Governance", "Shareholders' meetings and Company governance" "2012".

The statutory auditors, in accepting the office, have declared that they possess the necessary requirements of professionalism, integrity and independence. On May 11, 2012, the Board of Directors then checked the existence of these requirements, by correctly applying the assessment procedures and criteria. The result of this control was positive.

There were no members of the Board of Statutory Auditors who ceased to hold the office of statutory auditor in 2014 or the first months of 2015.

During the financial year ended December 31, 2013, the Board of Statutory Auditors has met five times with an average duration of two hours and has also participated in all the meetings of the

Board of Directors and has been regularly updated on business performance and the main events of the year. No meetings of the Board of Statutory Auditors have been scheduled for 2015. As of the date of the approval of this report, on January 23, 2015, there has been a meeting during which, with the contribution of the CFO, an ordinary update of the control and supervisory activity was made, and, on March 9, 2015, there has been a meeting, with the participation of the CFO, the internal auditor, the representatives of the legally-required auditing firm and a member of the Control and Risk Committee.

The Board of Statutory Auditors has assessed, in the report of the Board of Statuary Auditors prepared during the shareholders' meeting on April 26, 2012, the persistence of the independence requirements pursuant to article 148, paragraph 3 of TUF of its members since the date of their appointment, and in making these assessments the Board of Statutory Auditors has applied all the criteria provided by the Code of Conduct with regard to directors' independence. Furthermore, the Statutory Auditors released a declaration for the satisfaction of the requirements of professionalism and independence of the date of their application. In the report prepared during the shareholders' meeting on April 23, 2014, the Board of Statuary Auditors verified, with positive results, the persistence of the independence requirements of his components as verified by the Board of Directors during the meeting of August 11, 2014. Finally, on May 12, 2014, the Board of Statutory Auditors controlled the right implementation of all criteria provided by the Code of Conduct with regard to the directors' independence. The results were positive.

The Procedure for Transactions with Related Parties approved by the Board of Directors on November 11, 2010 (see paragraph 12) provides that a Statutory Auditor who has, for himself/herself or on behalf of third parties, an interest on a transaction of the Issuer, must promptly inform the other statutory auditors on the nature, terms and extent of his/her interest.

Over the year 2014, the Board of Statutory Auditors has met the independent auditing firm two times in order to obtain an update on the results of accounting and legally-required auditing and on the schedule of the activities for the audit. In these meeting always participated the finance and control manager, Francesco Masciandaro, who informed the Board of Statutory Auditors on the ordinary control activities, paying particular attention to certain companies of the Group.

During the financial year, the Board of Statutory Auditors was regularly updated by the Control and Risk Committee, by the CFO and either by the internal auditor on their activity during the financial year, through various formal meetings with the relevant parties in question or informal meetings among the single members of the Board and the other bodies involved in the internal control and risk system.

During the meetings of the Board of Directors and the meetings of the Board of Statutory Auditors as well, the Chairman, the CEO and the CFO duly report the Board of Statutory Auditors about the business performance of the Issuer, the general management performance, the company trends and the regulatory framework. In addition to formal meetings, all directors are constantly informed of the Issuer business performance usually during informal meetings and/or conference calls.

It is to be highlighted that the composition of Board of Statutory Auditors is the same also for the other companies of the Group that have a Board of Statutory Auditors in their structure: MutuiOnline S.p.A., CreditOnline Mediazione Creditizia S.p.A., Money360.it S.p.A., Centro Istruttorie S.p.A., Centro Finanziamenti S.p.A. and Quinservizi S.p.A..

For information regarding any management or control offices covered by the members of the Board of Statutory Auditors please refer to the data published by CONSOB pursuant to article 144-*quinquiesdecies* of Issuers Regulation, on the website www.sai.consob.it under "Corporate boards", "Disclosure".

Please note that the Legislative Decree no. 39/2010 ("Implementation of Directive 2006/43/EC relating to audits of annual financial statements, which amends directives 78/660/EEC and 83/349/EEC, and which repeals directive 84/253/EEC") has endowed the Board of Statutory Auditors with the committee functions for internal control and auditing (the "committee for internal control and auditing") and, specifically, the functions of supervising: (i) the financial information process; (ii) the efficiency of the internal control, internal audit, if applicable, and risk systems; (iii) legally-required auditing of the annual and consolidated financial statements; (iv) independence of the independent auditor or the independent auditing firm, especially with respect to the provision of non-auditing services to the company that is subject to audit.

For more information on the activities carried out by the Board of the Statutory Auditors during the financial year please refer to the "Report of the Board of Statutory Auditors" prepared pursuant to article 153 of TUF and article 2429, paragraph 2 of the civil code, and published together with the annual financial Report.

15. RELATIONS WITH SHAREHOLDERS

The Company considers it coherent with its own specific interest - as well as an obligation towards the market - to establish, from the first day of trading of its shares, a constant dialogue based on mutual understanding of roles, with its shareholders in general and with institutional investors in particular; a relation intended to be conducted anyway in accordance with "Internal regulation for the management and disclosure of confidential and privileged information".

In this respect, it was deemed that the creation of a dedicated structure within the Company, with its own staff and appropriate organizational means, could facilitate the relations with the shareholders in general, as well as with the institutional investors.

In accordance with article 2.2.3, paragraph 3, letter i) of Market Regulations, the Board of Directors of the Company, on February 9, 2007, resolved to institute, effective from June 6, 2007, the Investor Relations functions responsible for the relations with the shareholders in general and with the institutional investors and possibly perform specific tasks as the management of price sensitive information and relations with CONSOB and the Italian Stock Exchange.

The Board of Directors has appointed ad interim the executive director Marco Pescarmona, to the function of Investor Relator of the Issuer.

The Company provides adequate information for investor relations also by publishing in a timely and continuous manner the most relevant corporate documents on its website (www.gruppomol.it), in two special sections: "Governance" and "Investor Relations".

16. SHAREHOLDERS' MEETINGS

The Board of Directors, in the meeting held on November 13, 2012 has adapted the Articles of Association to the provisions of the Law 120/2011, on gender equality on Boards of Directors and Boards of Statutory Auditors of listed companies (regarding Italian and European Union Stock Exchange markets) and to the provisions of the Legislative Decree no. 91 of June 18, 2012 modifying regulations about the Shareholders' meetings of listed companies.

Pursuant to article 9 of the Articles of Association, the shareholders' meeting, regularly constituted, represents the whole body of shareholders and its resolutions are binding for all the shareholders, with or without the right to vote, as well as for those that do not participate or dissent. The shareholders' meeting, both ordinary and extraordinary, is validly constituted and resolves with the majorities prescribed by law.

Pursuant to article 10 of the Article of Association, shareholders' meetings are called with the publication of a notice as prescribed by the law on the website of the Company and also according to the mandatory procedure prescribed by the law and regulations including the publication on one of the following newspapers: *Il Sole 24 Ore*, *Corriere della Sera*, *La Repubblica, La Stampa, Il Messaggero, MF/Milano Finanza, Finanza e Mercati* or *Italia Oggi*. The shareholders' meeting should be called by the Board of Directors for the approval of annual financial statements at least once a year within 120 days after the end of the financial year, or within 180 days, since the Company is required to prepare the consolidated financial statements. There are no other limits of constitution or resolution quorum than those provided by law.

The main powers of the shareholders' meeting shall be those provided by the legislative provisions and alternative applicable regulations; in particular, the Articles of Association do not require the authorization of the shareholders' meeting for specific acts of the directors.

There is no share with multiple voting and the increased vote is not provided.

Pursuant to article 11 of the Articles of Association, the right to participate in the shareholders' meeting and the exercise of voting rights is certified by a statement to the Company made by the intermediary in charge of holding the accounting pursuant to the law, based on the evidence at the end of the seventh accounting and trading day before the date fixed for the shareholders' meeting on first call, and received by the Company in accordance with the law. With regards to ordinary and extraordinary meetings, the right to participate in the shareholders' meeting and the exercise of voting rights will be certified after January 1, 2013, by a statement, to the Company made by the intermediary in charge of holding the accounting pursuant to the law, based on the evidence at the end of the seventh accounting and trading day before the date fixed for the shareholders' meeting on first call, and received by the Company in accordance with the law. There are no limitations to the availability of the shares prior to the meeting.

The shareholders' meeting is ordinary or extraordinary according to the law and takes place at the registered office or in other places indicated in the notice, within the national territory, or any other country of the European Community or Switzerland. To facilitate the participation of the shareholders at the meeting, article 11.2 of the Articles of Association provides also that the shareholders' meeting could take place with participants located in several places, near or far, in video conference or conference call, provided that they comply with the collegial method, good faith principles and equal treatment of members. The vote may also be expressed by mail, as expressly provided in the notice, in compliance with applicable regulatory requirements.

Pursuant to article 12 of the Articles of the Association, shareholders who have the right to vote may be represented by law, by written proxy, or by e-mail, in accordance with the provisions of article 2372 of the civil code and other applicable regulatory requirements. The electronic notification of the proxy may be done, following the procedures indicated in the notice, through a message to the certified e-mail address given in the same notice or through the use of the special section on the Company's Website. The Company may designate, for each shareholders' meeting, an intermediary to which the shareholders may confer, according to modalities provided by law and regulations, within the end of the second trading day prior to the date scheduled for the shareholders' meeting on single or first call, a delegation with voting instructions on all or only on some of the proposals on the agenda. The delegation has no effect with regards to proposals for which no voting instructions have been given.

With exception of the provisions of the Articles of the Association, all the other operating rules, regulations and discipline of the shareholders' meetings have been determined, upon the proposal of the Board of Directors, by the shareholders' meeting of December 18, 2007 with the approval of a Shareholders' Meeting Regulation, available on the Company's Website in the section "Governance", "Shareholders' meeting and Company Governance", "2007".

As indicated in the Shareholders' Meeting Regulation, the shareholders and the other holders of voting rights pursuant to the law and the Articles of Association can intervene in the Shareholders' Meeting. They are entitled to discuss on the items on the agenda, making observations and asking for information and may also set forth voting proposals and statements. The order of the interventions is decided by the chairman. The maximum length of each intervention should not usually exceed five minutes and each shareholder may intervene only once on each item on the agenda.

For the two meetings held in 2014, the directors released a specific proposal for all the point at issue, with suitable advance.

The Board of Directors, represented in both meetings by the Chairman Marco Pescarmona, the CEO Alessandro Fracassi, the non-executive director Marco Zampetti, reported in the shareholders' meetings on its past and future activities and has done its best to provide the shareholders with adequate information on necessary elements, by publishing on the web site the necessary documentation within the time limits provided by law, so that they could take their decisions during the shareholders' meeting with full knowledge.

We also highlight that the Chairman (or other member) of the remuneration committee has not directly reported to the shareholders regarding the exercise of the committee duties; otherwise, on April 23, 2014, the report on the remuneration under the Legislative Decree 123-*ter* of the TUF has been discussed. Such report describes the remuneration policy implemented by Gruppo MutuiOnline S.p.A., exposing, among other things, duties, activities and procedures for the implementation of such policy by the remuneration committee. All shareholders present at the meeting, representing the 58.101% of the ordinary share capital, expressed their opinion in favor of the approval of that report.

With regards to the rights of the Shareholders not illustrated in this Report please refer to the applicable laws and regulations.

In financial year 2014 there were no significant changes in the market capitalization of the Company such as to imply a change in the percentages set for the exercise of the actions and the prerogatives intended to safeguard minority rights.

17. OTHER PROCEDURES OF CORPORATE GOVERNANCE

The Issuer does not adopt corporate governance procedures other than those already mentioned in the preceding paragraphs.

18. CHANGES SINCE THE END OF THE REFERENCE YEAR

As of the end of the financial year, there have been no changes in the corporate governance structure other than those reported in the relevant sections.

For the Board of Directors
The Chairman
Ing. Marco Pescarmona

APPENDIX

TABLE 1 -INFORMATION ON OWNERSHIP STRUCTURE

SHARE CAPITAL STRUCTURE AS OF DECEMBER 31, 2014

	N. of shares	% of the share capital	Listed (specify the market) / not listed	Rights and duties
Ordinary shares	39,511,870	100%	STAR	Each share gives the right to exercise one vote. The rights and the duties of the sharesholders are those provided by art. 2346 and followings of the civil code
Multiple voting shares	-	-	-	-
Shares with limited voting rights	-	-	-	-
Shares without voting rights	-	-	-	-
Other	-	-	-	-

SIGNIFICANT SHAREHOLDINGS AS OF DECEMBER 31, 2014

Declarant	Direct shareholder	% of the ordinary share capital	% of the voting share capital
Alma Ventures SA	Alma Ventures SA	32.50%	34.76%
Investmentaktiengesellschaft für Langfristige Investoren TGV	Investmentaktiengesellschaft für Langfristige Investoren TGV	20.20%	21.60%
BNY Mellon Service Kapitalanlage - Gesellschaft mbH	Frankfurter Aktienfonds für Stiftungen	5.03%	5.37%
Stefano Rossini	Stefano Rossini	4.11%	4.40%
360 Capital One	360 Capital One	2.60%	2.78%
Own shares (included the shares purchased by the subsidiaries)		6.49%	N/A

TABLE 2 - STRUCTURE OF THE BOARD OF DIRECTORS AND COMMITTEES

BOARD OF DIRECTORS													EXECUTIVE COMMITTEE		REMUNERATION COMMITTEE		CONTROL AND RISK COMMITTEE		COMMITTEE FOR TRANSACTIONS WITH RELATED PARTIES[3]	
Office	Members	Date of birth	Date of first appointment[1]	In charge since	In charge until	List	Exec.	Non-exec.	Indip. Code	Indip. TUF	Numbers of other offices[2]	(*)	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)
Chairman	Marco Pescarmona ● ◊	1970	5-Dec-05	apr-14	Appr. of annual report 2016	Only	X				2	7/7	4/4	M						
CEO	Alessandro Fracassi ◊	1969	5-Dec-05	apr-14	Appr. of annual report 2016	Only	X				2	7/7	4/4	C						
Director	Anna Maria Artoni	1967	23-Apr-14	apr-14	Appr. of annual report 2016	Only		X	X	X	3	5/6			2/2	M				
Director	Fausto Boni	1965	25-May-06	apr-14	Appr. of annual report 2016	Only		X			2	7/7								
Director	Chiara D. M. Burberi	1967	23-Apr-14	apr-14	Appr. of annual report 2016	Only		X	X	X	3	5/6					4/4	M		
Director	Andrea Casalini	1962	30-Apr-08	apr-14	Appr. of annual report 2016	Only		X	X	X	0	7/7			3/3	C	1/2	M	n.a.	C
Director	Matteo De Brabant	1974	21-Apr-11	apr-14	Appr. of annual report 2016	Only		X	X	X	4	6/7			3/3	M			n.a.	M
Director	Daniele Ferrero ○	1970	7-Aug-08	apr-14	Appr. of annual report 2016	Only		X	X	X	3	4/7					3/6	C	n.a.	M
Director	Alessandro Garrone	1963	25-May-06	apr-14	Appr. of annual report 2016	Only		X	X	X	3	6/7			1/1	M				
Director	Klaus Gummerer	1985	13-Nov-12	apr-14	Appr. of annual report 2016	Only		X	X	X	0	7/7							n.a.	M
Director	Valeria Lattuada	1970	23-Apr-14	apr-14	Appr. of annual report 2016	Only		X	X	X	1	6/6							n.a.	M
Director	Marco Zampetti	1970	6-Jun-07	apr-14	Appr. of annual report 2016	Only		X			5	7/7					6/6	M		
DIRECTORS CEASED DURING THE RELEVANT YEAR																				
Director	Giuseppe Zocco	1965	12-Feb-10	apr-11	Appr. of annual report 2013	Only		X			n.a.	0/1								
Required shareholding for the submission of the list on the occasion of the last appointment: 4.5%																				
Number of meetings done during the relevant year:							CdA		7				E.C.	4	R.C.	3	C.R.C.	6	C.T.R.P.	0

[1]Klaus Gummerer was appointed director on November 13, 2012 by the Board of Directors, subsequently Paolo Vagnone's resignation; on April 23, 2013, Klaus Gummerer was appointed director by the shareholders' meeting.
[2]In this column you can find the number of other offices as director or statutory auditor held by the members of the Board of Directors in other Italian or foreign listed companies, in financial, bank, insurance or significant sized companies.
[3] The Committee for Transactions with Related Parties never met in 2013, because there were no transactions for which the implementation of the procedure and the opinion of the committee were necessary.

Legend:

% BoD: presence, in terms of percentage, of the directors in the board meetings (for the directors appointed for the first time during the year we take account of the meetings held from the date of appoinment)
Other offices: list of the other office held in other companies listed in regulated markets (also abroad),and in financial, banking, insurance or relevant companies.
c: chairman
M: member
E.C.: executive committee
% E.C.: presence, in terms of percentage, of the director in the executive committee meetings
R.C.: Remuneration and Share Incentive Committee
% R.C.: presence, in terms of percentage, of the director in the Remuneration and Share Incentive Committee meetings
C.R.C.: Control and Risk Committee
% C.RC.: presence, in terms of percentage, of the director in the meetings of the Control and Risk Committee
C.T.R.P.: committee for transactions with related parties
% C.T.R.P.: presence, in terms of percentage, of the director in the meetings of the Committee for Transactions with Related Parties

TABLE 2A – OTHER OFFICES

Director	Companies in which the office is held	Office held
Marco Pescarmona*	Alma Ventures S.A.	Director
	Guderian S.p.A.	Sole Director
Alessandro Fracassi*	Alma Ventures S.A.	Director
	Casper S.r.l.	Sole Director
Anna Maria Artoni	Artoni Group S.p.A.	Sole Director
	Italmobiliare S.p.A.	Director
	Pirelli & C. S.p.A.	Director
Fausto Boni	EatalyNet S.p.A.	Director
	Windeln.de GmbH	Director
Chiara Burberi	Aviva Italia Holding S.p.A.	Director
	Prima Industrie S.p.A.	Director
	Seat Pagine Gialle S.p.A.	Director
Andrea Casalini	N/A	N/A
Matteo De Brabant	Jakala Group S.p.A.	Executive Director
	Seri Jakala S.r.l.	Vice Chairman
	TSC Consulting S.r.l.	Director
	Alkemy S.r.l.	Director
Daniele Ferrero	Venchi S.p.A.	Chairman
	IDeA SGR S.p.A.	Director
	Farmafactoring S.p.A.	Director
Alessandro Garrone	ERG S.p.A.	Executive Vice Chairman
	ERG Renew S.p.A.	Chairman
	Banca Passadore & C.	Director
Klaus Gummerer	N/A	N/A
Valeria Lattuada	Telecom Italia Media S.p.A.	Director
Marco Zampetti	MutuiOnline S.p.A.**	Director
	CreditOnline Mediazione Creditizia S.p.A.**	Director
	Centro Finanziamenti S.p.A.**	Director
	CercAssicurazioni.it S.r.l.**	Director
	Money360.it S.p.A.**	Director

** For the other offices of the Executive directors inside the companies held by Gruppo MutuiOnline S.p.A. please refer to Table 2B*
*** Companies held by Gruppo MutuiOnline S.p.A.*

TABLE 2B – OFFICES OF THE EXECUTIVE DIRECTORS IN THE OTHER COMPANIES OF THE GROUP

Company	Alessandro Fracassi	Marco Pescarmona
Centro Finanziamenti S.p.A.	Chairman	Executive Director
Centro Istruttorie S.p.A.	Chairman	Executive Director
Centro Perizie S.r.l.	Executive Director	Chairman
Centro Processi Interconsult S.r.l.	Executive Director	Executive Director
CercAssicurazioni.it S.r.l.	Director	Chairman
CESAM S.r.l.	Chairman	Executive Director
CreditOnline Mediazione Creditizia S.p.A.	Executive Director	Chairman
Effelle Ricerche S.r.l.	Chairman	Executive Director
EuroServizi per i Notai S.r.l.	Director	Director
Finprom S.r.l.	-	-
Generale Servizi Amministrativi S.r.l.	Executive Director	Director
IN.SE.CO. S.r.l.	Chairman	Executive Director
Money360.it S.p.A.	Executive Director	Executive Director
MutuiOnline S.p.A.	Executive Director	Chairman
PP&E S.r.l.	Executive Director	Chairman
Quinservizi S.p.A.	Chairman	Executive Director
Segugio.it S.r.l.	Executive Director	Chairman

TABLE 3 - STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

BOARD OF STATUTORY AUDITORS

Office	Members	Date of birth	Date of first appointment[1]	In charge since	In charge until	List	Indip. Code	(*)	Other offices[2]
Chairman	Fausto Provenzano	1960	25-mag-06	26-apr-12	Approval annual report 2014	Only	X	5/5	24
Active member	Paolo Burlando	1962	25-mag-06	26-apr-12	Approval annual report 2014	Only	X	5/5	29
Active member	Francesca Masotti	1969	28-ago-08	26-apr-12	Approval annual report 2014	Only	X	5/5	9
Substitute member	Giuseppe Ragusa	1974	23-apr-09	26-apr-12	Approval annual report 2014	Only	n.a.	n.a.	n.a.
Substitute member	Enrico Bardini	1960	26-apr-12	26-apr-12	Approval annual report 2014	Only	n.a.	n.a.	n.a.

STATUTORY AUDITORS CEASED DURING THE RELEVANT YEAR

No statutory auditors ceased to hold the office during the relevant year

Required shareholding for the submission of the list on the occasion of the last appointment: 4.5%

Number of meetings done during the relevant year: 5

Legenda:

% B.S.A..: the presence, in terms of percentage, of the statutory auditor in the board of statury auditors meetings

Other offices: offices in other companies as per Book V, Title V, Clauses V, VI and VII of the civil code

6. REPORT OF THE BOARD OF STATUTORY AUDITORS

Gruppo MutuiOnline S.p.A.

Registered office: Via F. Casati 1/A – 20124 Milan

Share capital: Euro 1,000,000.00 fully paid-up

Company registry – Milan office, N. 05072190969

* * *

REPORT OF THE BOARD OF STATUTORY AUDITORS

TO THE ANNUAL SHAREHOLDERS' MEETING

(Art. 153 of Law Decree 24/2/1998 n. 58 and Art. 2429, par. 2, civil code)

Kind shareholders,

this report refers to the execution of the functions and activities attributed to this board of statutory auditors in compliance with art. 149 and following of Law Decree 24/02/1998 n. 58; it follows the base scheme suggested by CONSOB with communication n. 1025564 of April 6, 2001, and subsequent amendments.

The supervision required by law has been regularly performed, observing both the principles of conduct of the board of statutory auditors in listed companies issued by the National Council of Accounting Experts, and the recommendations and communications of CONSOB.

* * *

1.0. Reflections on the most significant economic and financial operations and facts carried out by the Company and their compliance with the law and the articles of association

Gruppo MutuiOnline S.p.A. is the holding company of a group of financial services firms, active in the Italian market for the distribution of retail credit and insurance products and in the Italian market for the provision of outsourcing services for the origination of loans by banks and financial intermediaries.

The Company, during the financial year ended December 31, 2014, has correctly carried out its activity of direction and coordination of the operating subsidiaries.

In the initial part of the Director's Report on Operations for 2014, the directors provide detailed and complete information on the type of activities carried out by the controlled companies, organized by business specialization, and on the corporate structure of the group (par. 2.2 Group Organization).

The board of statutory auditors, with the sole purpose of recapitulating and making its Report self-standing, reminds that the business of the group is structured in two divisions, (a) the Broking Division, which operates in the distribution of mortgages and consumer credit and insurance products and (b) the BPO (Business Process Outsourcing) Division that operates as an outsourcer of commercial and processing activities for mortgages and employee loans for retail lenders.

During the financial year under examination, the perimeter of the group has been stable. There are no other operations of specific relevance that require to be mentioned or commented here, nor we have to highlight manifestly imprudent or risky operations, in potential conflict of interest, against with the resolutions of the shareholders' meeting or such to endanger the integrity of the shareholders' equity.

Just for recollection, as the directors have already commented in this respect in their report we remind that:

- financial year 2014 has been characterized by a significant recovery of the business volumes; revenues, equal to Euro 68.3 million, are up by 33.8% compared to the previous financial year; also the operating margin for the financial year 2014 equal to Euro 14.5 million (21.2% of revenues) is higher than the operating margin for the financial year 2013 equal to Euro 6.5 million;
- Net Financial Position as of December 31, 2014 is a cash position, equal to Euro 15.7 million;
- The directors gave useful information about the evolution of the Italian residential mortgage market (paragraph 2.10) and the foreseeable evolution (paragraph 2.11); thanks ta o reduction of the short-term interest rates the last months of 2014 showed a recovery of the mortgage market (Broking Division); remarkable, by the way, the effect of the growth of remortgages; the Directors say "..for 2015 there are the condition for a strong recovery of mortgage market.". Also for BPO Division 2014 was a positive year; the Directors outline that "the diversification strategy pursued since the end of 2011 has completely unfolded its effectiveness: over 48% of this year revenues come from activities that were not in our perimeter in December 2011.";
- positive the impact on headcount, going up from 835 FTEs to 976 FTEs, of which 651 in Italy and 325 in Romania;
- Net Financial Position as of December 31, 2014 is a cash position, equal to Euro 15.7 million.

Finally it is worth pointing out that, after December 31, 2014, an important extraordinary operation of acquisition was finalized.

On March 13, 2015, the company purchased from the South African group Naspers and the management, of a participation of 74.85% of the share capital of 7Pixel S.r.l., owner of the Italian leading e-commerce price comparison website Trovaprezzi.it.

The total consideration paid was equal to Euro 55.5 million. The acquisition was financed through new bank loans for an aggregate amount of Euro 47.0 million and was carried out through Marsala S.r.l.. In the coming months, Marsala will be merged into 7Pixel S.r.l.. As a result of the merger, Gruppo MutuiOnline will hold a 51.0% participation in 7Pixel S.r.l., while the management will hold the remaining 49.0%.

About the related informative obligations the directors inform that "*…pursuant to article 3 of the Consob resolution n. 18079 of January 20, 2012, the Board of Directors resolved to adhere to the regime of simplification pursuant to article 70 comme 80 and 71 comma 1-bis of the Issuer Regulations Consob n 11971/1999 and subsequent amendments, exercising the right for the derogation from the publishing of the disclosure* *documents required by Attachment 3B of the above mentioned Issuer Regulations on the occasion of significant operations of merger, division, increase of share capital by means of contribution of assets in kind, acquisition and sales*".

With respect to all the points mentioned and, more generally, to the overall operations, the board of statutory auditors recognizes that during the financial year it has always received in a timely manner the information needed to be aware of and understand the development of the above mentioned and of the other operations which are illustrated in the Reports prepared by the board of directors.

2.0. Unusual or atypical operations

Not occurred.

2.1. **Unusual or atypical operations with related parties**

Not occurred (please refer to note 37).

2.2. **Unusual or atypical operations with third parties or with group companies**

Not occurred.

2.3. **Ordinary intra-group or related party operations**

The Company, in accordance with the "Code of Conduct of Borsa Italiana S.p.A.", approved the adoption of the principles of conduct concerning the transactions with related parties. The board of directors, on November 11, 2010, adopted a "Related Parties Procedure", to comply with the Consob resolution no. 17221 of March 12, 2010, and subsequent amendments

In the financial report, in the separated and consolidated financial reports the Directors have provided adequate disclosure regarding ordinary intra-group or related party operations. These operations particularly refer to commercial transactions related to intra-group purchases and sales for direction services and interests accrued in the scope of the cash pooling activity supplied by the holding and outsourcing services supplied by some of the companies of the Group.

The board of statutory auditors has periodically verified during the financial year that intra-group transactions or related party transactions are executed in compliance with the above mentioned procedure, and, in any case, based on regular contracts prepared according to normal market standards and at arm's length conditions. The intra-group operations examined by the board of statutory auditors have been found satisfactory, in the best interest of the Company and the group controlled by the Company, as well as correctly justified and documented.

The board of statutory auditors has nothing to add to such disclosures which appear adequate.

3.0. Evaluation of the adequacy of the information provided by the Directors on atypical or unusual operations

As no atypical or unusual operations have occurred, we do not perform any evaluation.

4.0. Remarks on Auditors' qualifications

The independent auditor released on March 31, 2015 its own report on the separated and consolidated financial reports; the auditor's report does not contain any remark or call of information.

5.0. Denunciations pursuant to article 2408 of the civil code

Not occurred.

6.0. Complaints presented

Not occurred.

7.0. Further assignments to the Auditors

Please refer to the relevant table in note 37 of the consolidated annual report.

8.0. Assignments granted to other parties related to the Auditors

Please refer to the relevant table in note 37 of the consolidated annual report.

9.0. Opinions issued in compliance with law requirements

During the financial year 2014 the board of statutory auditors released a favorable opinion pursuant to article 2386, comma 3, of the civil code:

- concerning the approval of a total yearly compensation equal to Euro 20,000 (Euro 10,000 to the chairman and Euro 5,000 to each member remaining) to be paid to the members of the Remuneration and Share Incentive Committee during the Board of Directors held on May 12, 2014;

- concerning the approval of a total yearly compensation equal to Euro 20,000 (Euro 10,000 to the chairman and Euro 5,000 to each member remaining) to be paid to the members of the Control and Risk Committee during the Board of Directors held on May 12, 2014;

- concerning the approval of a total yearly compensation equal to Euro 4,000 (Euro 2,000 to the chairman and Euro 1,000 to each member remaining) to be paid to the members of the Committee for Transactions with Related Parties during the Board of Directors held on May 12, 2014

- concerning the approval of the remuneration and incentive scheme for executive directors proposed by the remuneration committee during the Board of Directors held on August 11, 2014;

- concerning the offer of options according to the stock option plan approved by the shareholders' meeting held on September 255, 2014, to the executive directors Marco Pescarmona and Alessandro Fracassi during the Board of Directors held on September 29, 2014.

10.0. Frequency of the meetings of the board of directors and of the board of statutory auditors

The statutory auditors, during 2014, held 6 meetings and, in addition, participated to 7 meetings of the board of directors, to 3 meetings of the Control and Risk Committee, to 3 meetings of the remuneration committee and 1 ordinary shareholders' meeting.

11.0. Remarks on compliance with the principles of fair administration

The board of statutory auditors has informed itself and supervised on the respect of the principles of fair administration. This has occurred through the participation to the meetings of the board of directors and to the meetings, also informal, of the Control and Risk Committee, one-on-one meetings with the Directors, direct observation and inquiries, collection of information from the managers in charge of business functions, meetings with the Auditor Company also aimed at reciprocal exchange of data and information relevant according to article 150, paragraph 2, of the Consolidated Law on Finance.

The activity of the board of statutory auditors has been aimed at controlling the legitimacy of the management choices of the Directors and their compliance, in the formation process, with criteria of economic and financial logic, according to the best practice advices. Furthermore this activity was performed without any control on the appropriateness and profitability of the same choices.

The board of statutory auditors has verified that typical and usual operations, as well as the most significant ones, were not extraneous to the company's objectives, in contrast with the Articles of Association or in conflict of interest, even if only potential, and also that they could not compromise the integrity of the Company's capital or, anyway, patently imprudent or risky. The board of statutory auditors has also verified that they were not executed in contrast with the resolutions of the governing bodies or harmful to the rights of individual shareholders or minorities.

We have also made sure that the decisions of the board of directors on the most significant operations were assisted by the usual inquiries, in-depth analysis, control, possible acquisition of opinion and valuation of independent advisors, suggested by the best practice regarding the economic and financial correctness and their coherence with the interest of the Company.

There were no remarks regarding the respect of the principles of fair administration.

12.0. Remarks on the adequacy of the organizational structure

The board of statutory auditors has acquired information and supervised on the adequacy of the organizational structure of the Company through direct observations, interviews, collection of information from the business functions of the company, and meetings with the subjects in charge of internal and external auditing.

During the financial year, the board of statutory auditors has supervised, together with the independent auditor and the Control and Risk Committee, on the possibility of organizational/managerial problems that could derive from defects of organization; no instances worth mentioning in this report have arisen.

The organizational structure is periodically updated for the requirements from time to time expressed; the statutory auditors are periodically informed about the changes in the most important positions.

The assessment of the organizational structure has confirmed, overall, its reliability.

The system of powers in force is based on a split by nature of the different kinds of acts and operations as well as by means of maximum amounts for the implementation of the various types of acts of management.

13.0. Remarks on the adequacy of the internal control system

The board of statutory auditors has supervised on the adequacy of the internal control system, directly by means of meetings with the Group's CFO, also manager in charge of the internal control system, and with the Responsible of Internal Audit, of the participation to the meetings, also informal, of the Control and Risk Committee and of periodic meetings with the independent auditor, concluding that the system has not displayed any significant problems or other facts worth highlighting in this report.

Regular meetings of the board of statutory auditors with the chief financial officer and with the Control and Risk Committee have allowed the Board to effectively follow the evolution of this business function and the results of the activities performed. These meetings also allowed the statutory auditors to coordinate, with the Control and Risk Committee itself, the execution of their own functions of "Committee for Internal Control and Audit" assumed following the enforcing of article 19 of the legislative decree n. 39/2010 and, specifically, supervise (i) on the financial information process and (ii) on the efficacy of the internal control, internal audit and risk management systems.

From the analyses and the controls performed, relative to the areas and the business functions interested by the activity, we derive a judgment of overall fairness and reliability of the internal control system.

In practice, we have not identified any relevant weaknesses of the system, therefore, even in its process of continuous evolution and improvement, the system has proven to be reliable.

During the financial year, the statutory auditors were also appointed Supervisory Body pursuant to legislative decree 231/01; this resolution was adopted by the board of directors of the holding held on May 11, 2012. During the following months the same resolution was adopted also by the subsidiaries.

A specific paragraph of the report on operations shows the main risks factors that affect the company; in addition, the report on corporate governance gives fully disclosure on the activities done for the risk management related to the financial reports, particularly referring to the provisions of the Law 262/05.

14.0. Remarks on the adequacy of the accounting management system

The holding, during the financial year 2014, performed for the other Italian companies of the group all accounting and administrative services. The assessment of the system is positive; specifically, we believe that the accounting system is able to correctly represent business activity.

The accounting management system, as a whole, has proved reliable: in particular we consider the accounting management system capable to represent correctly the operations.

The board of statutory auditors is regularly kept up to date on the functioning of the existing system by the person in charge of the accounting department.

15.0. Remarks on the adequacy of instructions to controlled companies (art. 114 TUF)

The board of statutory auditors has been informed of the instructions given to controlled companies pursuant to article 114, paragraph 2, Unified Code of Finance and has found them satisfactory for the purpose of fulfillment of legal obligations.

The deliberate continuity in the names of the components of the boards of directors and of the boards of statutory auditors of the group companies facilitates, in fact, those control functions by providing timely information and coordination of the instructions given by the controlling company.

16.0. Relevant facts emerged during the meetings with the auditors (art. 150 TUF)

During the financial year under review, we have had regular interactions with the independent auditors, with whom we have established a beneficial relationship regarding the exchange of data and information, also, and above all, considering the function assumed by the statutory auditors, directly following the enforcing of article 19 of the legislative decree n. 39/2010, as "Committee for Internal Control and Audit"

In practice, the relationship with the external auditors has taken place both through formal meetings also with the participation of the Company and with informal contacts between individual Statutory Auditors and representatives of the Auditor Company, during which we dwelled particularly upon (i) the legal audit activities an the annual and consolidated accounts and (ii) the aspects related to the independence of the auditing firm, referring particularly to the services supplied different from the audit.

Also with respect to the preparations for the separate annual report and the consolidated financial statements, no facts have been found worth mentioning in this report; in particular, the auditors have not informed the board of statutory auditors of any criticalities or weaknesses relevant enough to affect the reliability of the process leading to the preparation of the financial statements.

Finally the statutory auditors acknowledge that the Independent Auditor on March 31, 2015 presented to the board of the statutory auditors the opinion pursuant to article 19 co. 3 of the legislative decree 39/2010, highlighting that during the audit activities no fundamental issues or significant deficiencies of the internal control system related to the financial information process emerged.

17.0. Adhesion to the Code of Conduct

The Company has adhered to the principles established by Code of Conduct sponsored by Borsa Italiana S.p.A. and the meeting of the board of directors on March 16, 2015 has approved the annual report on corporate governance and on the ownership.

Just as a reminder, we point out that (i) within the board of directors operate, with advisory responsibilities, the Control and Risk Committee, the Remuneration and Share Incentive Committee and the Committee for Transactions with Related Parties; regarding role, tasks and functioning we refer to the specific paragraph of the Report of the board of directors on Corporate Governance; (ii) within the board of directors works also the executive committee with specific operative powers; the executive committee is now composed by two executive directors, Marco Pescarmona and Alessandro Fracassi; (iii) the board of directors has identified in the Chairman of the Board the director in charge of overseeing the functionality of the internal control system; (iv) the board of directors identified Daniele Ferrero (successor of resigned Paolo Vagnone) as lead independent director; (v) the company has set up specific procedures relating to:

- operations with related parties;
- the functioning of Ordinary, Extraordinary and Special Shareholders' meeting; Rules for the Shareholders' Meetings;
- adoption of the "Handbook on market and privileged information abuse" containing, among other things, the procedure for outside communication of confidential price sensitive information, updated based on the regulations on the subject of "market abuse";

- the information duties concerning financial transactions performed by "relevant subjects" (new procedure on internal dealing) also keeping into account the regulations on the subject of "market abuse".

The board of statutory auditors has verified, during the Board held on May 12, 2014, the exact application of the criteria adopted by the board of directors to assess the independence of its non-executive members as well as the exact application of the relevant verification procedures. The board of statutory auditors also evaluated, positively, the independence of its own members. Following such checks, therefore, there are no remarks from the board of statutory auditors.

18.0. Final remarks on supervisory activity

The board of statutory auditors has confirmed the existence, in general, of an appropriate an adequate organizational structure of the Company, such as to ensure the respect of regulations and the exact and timely execution of any related duties.

Such overall control – as reported above – has also been coordinated and integrated with:

- specific contributions and activities aimed at verifying the respect of the law and of the articles of association;

- the participation to the meetings of the governing bodies of the Company;

- the acquisition of information relating the controls and the supervision performed by the Auditor ompany and the Supervisory Body pursuant legislative decree 231/01;

- the collection of further information in meetings – also occasional – with the Directors, the administrative, finance and control function, responsible of the internal audit function, the Control and Risk Committee and the Managers in charge of the various business functions;

- the analysis, performed together with the Company, of any new regulations or communications issued by CONSOB of interest to the Company.

In this way, we have been able to verify the presence of the organizational and technical pre-requisites for the respect, in practice, of the articles of association, laws and regulations that control the functioning of the bodies and business activities of the Company.

19.0. Possible proposals to be presented to the Shareholders' meeting (art. 153 TUF)

The board of statutory auditors confirms that it has overseen the application of the laws and regulations regarding the preparation of the 2012 annual report of the holding as well as of the 2014 consolidated annual report and regarding their filing and on the respect of the duties of the Directors and the Auditor Company on this subject.

The annual report submitted to your examination and the consolidated financial report reflect the operations of the Company in 2014 and contain an exhaustive analysis of the situation and of the operating result, as well as a description of the main risks and uncertainties to which the Company and the Group are exposed, with a unified description of the financial and economic situation, illustrated in detail by the Board of Directors in the "Report on Operations" and in the "Illustrative Notes"; the "Report on Operations" is consistent with the consolidated annual report.

* * *

Based on the controls directly performed and the information exchanged with the Auditor Company, also taking into account its Report pursuant to article 156 of Law Decree 58/1998, which provides an unqualified opinion, taking into account that the Directors have not taken advantage of the exemption from article 2423, paragraph 4, of the civil code, we have neither remarks nor proposal concerning the Financial Statements, the Report on Operations and the proposed allocation of the income of the year which, as a consequence and for what concerns us, are subject to your approval.

Milan, March 31, 2015

FOR THE BOARD OF STATUTORY AUDITORS

Fausto Provenzano	Chairman of the board of statutory auditors
Paolo Burlando	Active statutory auditor
Francesca Masotti	Active statutory auditor

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
Gruppo MutuiOnline SpA

1 We have audited the consolidated financial statements of Gruppo MutuiOnline SpA and its subsidiaries ("MutuiOnline Group") as of 31 December 2014 which comprise the statement of financial position, separate income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes. The directors of Gruppo MutuiOnline SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the consolidated financial statements of the prior period, which are presented for comparative purposes, reference is made to our report dated 31 March 2014.

3 In our opinion, the consolidated financial statements of the MutuiOnline Group as of 31 December 2014 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of the MutuiOnline Group for the period then ended.

4 The directors of Gruppo MutuiOnline SpA are responsible for the preparation of a report on operations and a report on corporate governance and ownership structure in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in paragraph 1, letters c), d), f), l), m), and paragraph 2, letter b), of article 123-bis of Legislative Decree

n° 58/98 presented in the report on corporate governance and ownership structure, with the financial statements, as required by law. For this purpose, we have performed the procedures required under Italian Auditing Standard n° 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion, the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and ownership structure are consistent with the consolidated financial statements of Gruppo MutuiOnline SpA as of 31 December 2014.

Milan, 31 March 2015

PricewaterhouseCoopers SpA

Signed by

Laura Iemmi
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
Gruppo MutuiOnline SpA

1 We have audited the separate financial statements of Gruppo MutuiOnline SpA as of 31 December 2014 which comprise the statement of financial position, separate income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes. The directors of Gruppo MutuiOnline SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these separate financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the separate financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the separate financial statements of the prior period, which are presented for comparative purposes, reference is made to our report dated 31 March 2014.

3 In our opinion, the separate financial statements of Gruppo MutuiOnline SpA as of 31 December 2014 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of Gruppo MutuiOnline SpA for the period then ended.

4 The directors of Gruppo MutuiOnline SpA are responsible for the preparation of a report on operations and a report on corporate governance and ownership structure in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in paragraph 1, letters c), d), f), l), m), and paragraph 2, letter b), of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and ownership structure, with the financial statements, as required by law. For this purpose, we have performed the procedures

required under Italian Auditing Standard n° 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion, the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b), of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and ownership structure are consistent with the separate financial statements of Gruppo MutuiOnline SpA as of 31 December 2014.

Milan, 31 March 2015

PricewaterhouseCoopers SpA

Signed by

Laura Iemmi
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

8. DECLARATION PURSUANT TO ART. 154-BIS PAR. 5 OF LAW DECREE 58/1998

The undersigned Marco Pescarmona and Francesco Masciandaro, respectively chairman of the Board of Directors and manager in charge of preparing the accounting documents of Gruppo MutuiOnline S.p.A., hereby certify, taking into account the provision of art. 154-bis, paragraph 3 and 4, of Law Decree n. 58 dated February 24, 1998:

- the adequacy in relation to the features of the company; and
- the actual application of the administrative and accounting procedures for the preparation of the annual report and the consolidated annual report as of and for the year ended December 31, 2014.

In this respect no relevant issues have arisen, such as anomalies or problems that could alter the information presented in this document or such modify the judgment of its readers.

Besides, we certify that:

1. the annual report and the consolidated annual report:

   1.1 correspond to the results of the accounting books and book entries;

   1.2 they are prepared in accordance with IFRS, understood as the International Financial Reporting Standards, the International Accounting Standards ("IAS"), the interpretations of the International Financial Reporting Interpretation Committee ("IFRIC"), previously denominated Standing Interpretations Committee ("SIC"), as adopted by the European Commission as of December 31, 2014 and published in the EU regulations as of this date;

   1.3 they are appropriate to give a true and fair representation of the financial and economic situation of the Issuer and of all the companies included in the scope of consolidation.

2. The directors' report on operations contains a reliable analysis about the state and the results of the operations, as well as a situation of the Issuer and of the group of companies included in the scope of consolidation, together with a descriptions of the main risks and uncertainties to which they are exposed.

Milan, March 16, 2015

For the Board of Directors The Chairman (Ing. Marco Pescarmona)	The Manager in charge of preparing the accounting statements (Dr. Francesco Masciandaro)