

LVENTURE GROUP: THE BoD APPROVES RESULTS AS OF SEPTEMBER 30TH, 2015

- **Startups portfolio value of approximately 4.9 million Euros, +44% compared to 3.4 million Euros as of December 31st, 2014**
- **13 investment operations in startups already in the portfolio and in new startups for 1.152 thousands Euros of which 888 thousands Euros supplied and 182 thousand Euros of commitment**
- **Revenues of 0.71 million Euros, more than doubled compared 0.35 million Euros as of September 30th, 2014**
- **Net Cash Position of 1.5 million Euros (2.7 million Euros as of June 30th, 2015) and current financial credits for 0.5 million Euros**

Rome, November 12th, 2015

The Board of Directors of LVenture Group, holding company listed on the Italian Stock Exchange and among the main Italian operators of Venture Capital, has today approved the interim management report as of September 30th, 2015.

Luigi Capello, CEO of LVenture Group, said: *"In the first nine months of 2015, we have invested in particular in the most promising startups in our portfolio and we believe that this choice will lead us to significant results. At the same time, we have put our efforts on the expansion and consolidation of our network of relations with investors, establishing strategic partnerships with important realities such as Italian Angels for Growth and Siamosoci. Thanks to this approach, we are able to facilitate the fundraising of our startups: 9 out of 10 startups that come out from our Acceleration Program raise funds from third parties in increasingly short timeframes"*.

Main consolidated financial results as of September 30th, 2015

LVenture Group invests in companies with high growth potential in the field of digital technology and operates in **micro seed financing** and **seed financing segments**. To date, LVenture Group's portfolio includes **33 startups**, after two write-off and two new investments in the last two months.

Startups Portfolio Value is **4.9 million Euros**, +44% compared to 3.4 million Euros as of December 31st, 2014.

The **Revenues** amount to 0.71 million Euros, with a significant increase compared to 0.35 million Euros as of September 30th, 2014.

The **Gross Operating Margin (EBITDA)** is negative for 0.83 million Euros (negative for Euro 0.71 million as of September 30th, 2014). The **Net Operating Margin (EBIT)** is negative for 0.93 million Euros (negative for 0.72 million Euros as of September 30th, 2014).

The **Income Before Taxes** is negative for 0.95 million Euros (negative for 0.71 million Euros as of September 30th, 2014). The **Net Income** is negative for Euro 0.92 million (negative for Euro 0.68 million as of September 30th, 2014).

The **Net Cash Position** amounts to 1.5 million Euros (2.7 million Euros as of June 30th, 2015 and 4.1 million Euros as of December 31st, 2014). The **Net Equity** amounts to 7 million Euros (7.3 million Euros as of June 30th, 2015).

Significant events of the third quarter

During the third quarter of 2015, the Company has defined investment contracts for a total of 1.152 thousands Euros of which **888 thousands Euros supplied** and 182 thousands Euros of commitment. 13 investment operations and 2 financing operations took place. In particular, the Company's investments concerned both startups already in the Portfolio (*Follow-On*) and new startups (*Seed and Micro Seed*).

On **July 20th, 2015** the new Acceleration Program of LUISS ENLABS begun. The Analysts and Advisors of the Accelerator screened approximately n. 180 projects received from different countries. To date, no. 2 startups are participating in the Acceleration Program and no. 4 startups are participating as guests without any investment obligation.

Significant events after end of period

October 20th: LVenture Group presented the new project "**Loveltaly**", an international crowdfunding platform that aims to revolutionize the approach to the protection of Italian art, to the international press. With Loveltaly, LVenture Group intends to honor its social responsibility, and create a global community that actively contributes to the preservation of the Italian cultural heritage.

October 5th: signature of the partnerships with Italian Angels for Growth (IAG) in order to support the development of high growth potential startups accelerated by LUISS ENLABS. .

Expected future development

During the 2015 financial year, the management will continue to implement guidelines of the 2015-2018 Business Plan approved on March 18th, 2015, focusing its efforts on the investment activities in startups. Depending on the less positive revenue performance and despite cost containment, the net income for 2015 is expected to be in line with the previous year.

The Officer in charge of preparing the financial reports of LVenture Group, Francesca Bartoli, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, certifies that the accounting information contained in this press release corresponds to the document results, books and accounting.

The interim report as of September 30th, 2015 is available to the public at the registered headquarters, on the Company's website www.lventuregroup.com and on the authorized storage mechanism 1Info (www.1info.it).

This press release is available on the websites www.lventuregroup.com and [www.http://www.1info.it/](http://www.1info.it/)

LVENTURE GROUP is a holding company listed on the MTA of the Italian Stock Exchange that operates in the field of Venture Capital with an international perspective. LVenture Group invests in companies with high growth potential in the field of digital technologies, and is currently a leader in the following segments:

- Micro seed financing: investment of limited financial resources in favour of startups selected and included in the acceleration program run by LUISS ENLABS "The Startups Factory";
- Seed financing: investments in startups in more advanced stages of growth that require more financial resources to support product development and market entry.

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CONSOLIDATED INCOME STATEMENT (values expressed in thousands of Euros)	30-Sep-2015	30-Sep-2014	Fiscal Year 2014
Miscellaneous income and proceeds	710	347	624
Costs of services	-836	-564	-852
Costs of personnel	-446	-236	-362
Other operating costs	-260	-257	-298
Gross operating margin	-832	-709	-888
Amortizations and loss in value of assets	-14	-12	-20
Amortization and loss of value of intangible assets	0	0	0
Provisions and devaluations	-3	0	-4
Value adjustments on equity holdings	-85	0	-286
Operating results	-934	-721	-1199
Financial proceeds	7	9	25
Financial charges	-11	0	0
Extraordinary proceeds	11	7	16
Extraordinary charges	-18	-1	-5
Pre-tax result	-946	-706	-1,163
Income Tax	24	22	1
Net result for the fiscal year	-922	-684	-1,162
Third-party profit sharing	0	0	0
Net profit of the Group	-922	-684	-1,162

STATEMENT OF COMPREHENSIVE INCOME (values expressed in thousands of Euros)	30-Sep- 2015	30-Sep- 2014	Fiscal Year 2014
Profit before third-party profit sharing	-922	-684	-1,162
<u>Other income components net of taxes</u>	0		0
- Effect of fair value valuation of investments , net of the tax effect	-49	0	474
Total other income components net of taxes	-49	0	474
Overall profitability	-971	-684	-688
Overall third-party consolidated profitability	0	0	0
Overall consolidated profitability of the Group	-971	-684	-688

CONSOLIDATED EQUITY STATEMENT (values expressed in thousands of Euros)	30-Sep-2015	Fiscal Year 2014
ASSETS		
NON-CURRENT ASSETS		
Property, plants, machinery and other equipment	109	107
Goodwill and other intangibles assets	70	77
Securities and equity holdings available for sale	4,906	3407
Receivables and other non-current assets	257	201
Pre-paid taxes	233	194
TOTAL NON-CURRENT ASSETS	5,575	3,985
CURRENT ASSETS		
Trade receivables	248	209
Current financial assets	0	0
Other credits and current assets	637	128
Cash and cash equivalents	1,519	4,102
TOTAL CURRENT ASSETS	2,404	4,439
TOTAL ASSETS	7,979	8,424
LIABILITIES		
NET GROUP EQUITY		
Share Capital	6,425	6,425
Other reserves	1,890	3,101
Profits (losses) carried forward	-352	-352
Net profit	-922	-1,162
TOTAL GROUP NET EQUITY	7,041	8,013
TOTAL THIRD-PARTY NET EQUITY	0	0
TOTAL NET EQUITY	7,041	8,013
NON-CURRENT LIABILITIES		
Non-current liabilities due to banks	0	0
Other non-current financial liabilities	469	0
Other non-current liabilities	3	2
Provisions for risks and charges	0	0
Provisions for employee benefits	0	0
Deferred tax liabilities	0	0
TOTAL NON-CURRENT LIABILITIES	473	2
CURRENT LIABILITIES		
Current payables due to banks	0	0
Other current financial liabilities	0	0
Trade payables	370	367
Tax payable	29	15
Other Current Liabilities	66	28
TOTAL CURRENT LIABILITIES	466	410
TOTAL NET EQUITY AND LIABILITIES	7,979	8,424

CONSOLIDATED STATEMENT OF CASH FLOW (values expressed in thousands of Euros)	30-Sep-2015	Fiscal Year 2014
Net result	-922	-1,162
Depreciation of intangible and tangible fixed assets	14	20
Provisions and devaluations	88	290
Financial proceeds	-7	-25
Financial charges	11	0
Extraordinary proceeds	-11	-16
Extraordinary charges	18	5
Deferred taxation receivables	- 39 -	-15
Changes in trade receivables	- 39 -	125 g
Changes in trade payables	3	146
Changes in other receivables	508	-17
Changes in other payables	54	14
Change in personnel provisions and other provisions	0	0
A Net cash flow generated / (absorbed) by operations	-1,336	885
Increase in tangible fixed assets	-17	-15
Increase in intangible fixed assets	6	-6
Changes in equity holdings in associate companies	-1,584	-1,345
Other changes	-10	268
B Net cash provided / (absorbed) by investment activities	-1,605	-1,635
Financial charges	-11	0
Financial proceeds	7	25
Changes in loan receivables	- 57 -	-25
Other changes in the net equity	-50	5,217
Changes in the payables due to parent companies	0	0
Changes in payables due to banks and other financial liabilities	0	0
Changes in payables due to banks to banks and other non-current financial liabilities	469	0
C Net cash flow generated / (absorbed) by loan activities	358	5,216
	0	
D Overall cash flow generated / (absorbed) in the year (A+B+C)	-2,583	2.696
	0	
E Liquid assets at beginning of year	4,102	1.406
	0	
F Liquid assets at end of year (D+E)	1,519	4,102

Information obligations pursuant to article 114 (5) of Legislative Decree no. 58/98

With a letter dated July 12th 2013, Consob communicated to the Company that it has gone from *blacklist* to *gray list*, and therefore instead of monthly reporting requirements set out in note June 27th, 2012, the Company is required, pursuant to art. 114, paragraph 5, of Legislative Decree. N. 58/1998 to integrate the interim reports and annual financial reports and half-yearly reports, starting from the half-yearly report of 30 June 2013, as well as press releases concerning the approval of these accounts, with the following information:

Net Financial Position of the Group

<i>(values expressed in thousands of Euros)</i>		30-Sep-2015	31-Dec-14
A	Cash	1	0
B	Other liquid assets	1.518	4.102
C.	Securities held for trading	0	0
D	Liquidity (A + B + C)	1.519	4.102
E	Other current financial receivables	500	0
F	Current bank payables	0	0
G	Current portion of the non-current indebtedness	0	0
H	Other current financial payables	0	0
I	Current financial indebtedness (F + G + H)	0	0
J	Net current financial indebtedness (D + E + I)	2.019	4.102
K.1	Other non-current financial receivables	0	0
K.2	Non-current bank payables	-469	0
L	Bonds issued	0	0
M	Other non-current payables	0	0
N	Non-current financial indebtedness (K.1 + K.2 + L + M)	-469	0
O	Net financial indebtedness (J + N)	1.549	4.102

Net Financial Position of the Company

<i>(values expressed in thousands of Euros)</i>		30-sett-2015	31-dic-14
A	Cash	0	0
B	Other liquid assets	1.181	3.997
C.	Securities held for trading	0	0
D	Liquidity (A + B + C)	1.181	3.997
E	Other current financial receivables	500	0

F	Current bank payables	0	0
G	Current portion of the non-current indebtedness	0	0
H	Other current financial payables	0	0
I	Current financial indebtedness (F + G + H)	0	0
J	Net current financial indebtedness (D + E + I)	1.681	3.997
K.1	Other non-current financial receivables	0	0
K.2	Non-current bank payables	0	0
L	Bonds issued	0	0
M	Other non-current payables	0	0
N	Non-current financial indebtedness (K.1 + K.2 + L + M)	0	0
O	Net financial indebtedness (J + N)	1.681	3.997

Expired debt position

The table below shows a list of expired debt position of the Group, broken down by nature (trade, financial, tax and welfare), and any related reaction initiatives by creditors of the Group (reminders, orders, suspensions of supply, etc.).

(values expressed in thousands of Euros)	LVenture Group	EnLabs	Total
Trade payables	163	138	302
<i>Of which expired</i>	15	1	16
Financial	0	469	469
Tax	11	7	18
Welfare	13	3	16
Employees, collaborators, administrators for remunerations	24	18	42
Deposits received beyond 1 year	0	3	3
Accrued liabilities	0	0	0

As of September 30th, 2015 there were no initiatives of reaction by the Group creditors.

Concerning the relationship with the Related Parties of this Company and of the Group it belongs to, there is no variation or further development compared to what has been indicated in the Financial Report as of the 31st of December 2014.

As of the date of preparation of this document, the Group has no covenants, negative pledges or any other indebtedness clause entailing limits to the use of its financial resources.

State of implementation of the 2015-2018 Business Plan

With regard to the progress of the actions specified in the Plan as of September 30th, 2015, we point out that:

- * Evaluation of the options available to the Company to **find the necessary capital** to finance the investments in the startups is currently in progress;
- * In regard to the **expansion of the spaces**, the Group, as of the date of this report, has reached an agreement with the Company's proprietary for the granting of additional spaces for a total of 100 square meters. Negotiations between the parties are proceeding for the possible granting of additional spaces;
- * The development of the business area of consulting and training to companies and individuals is progressing in an incremental manner albeit with lower results than expected. The Company has initiated the launch phase of the **Open Innovation** program, activity aimed at large companies in order to allow those to for the seize the opportunity given by the digital transformation;
- * The **organizational strengthening** of the Group, also in terms of resources used, was pursued during 2015;
- * **The amount** of investments made during the fiscal year 2015 in new startups from the Acceleration Program (so called "**Micro Seed**"), and in startups already in the portfolio (so called "**Follow-On** ") as of the date of this Report is in line with the forecasts of the Plan. Abiding to **strategic objectives** of the Society, priority was given to investments in projects that have the best chance of success, privileging, therefore, Follow-On investment solutions rather than Micro Seed (new startups from the Acceleration Program) and Seed (new startups coming from the market).
 - * The **number of Micro Seed and Seed investment transaction in new startups**, as of September 30th, 2015, it is no. 8 and no. 1 respectively, differently from what assumed in the Business Plan that established this numbers as no. 12 and no. 4. At the time of this report, we exclude that during the year 2015 any other investment operation in new startups will be arranged;
 - * **The number of Follow-On investment operations in startups in the portfolio**, as of the date of this Report, is in line with the Business Plan and stands at an average investment exceeding that planned thus balancing the minor number of investments in new startups;
- * The estimate of **Write-offs** for 2015, based on market statistics, could close at a lower level than forecasted in the Plan, both in terms of number and amount;
- * In regard to the **Exit**, forecasted by the Plan for the current year, despite several expressions of interest received from third parties, the Company is currently not able to forecast its development with some degree of certainty within 2015.