



AMPLIFON: PROFITS AND REVENUE RISE IN 2014

TODAY THE BOARD OF DIRECTORS OF THE COMPANY, THE WORLDWIDE LEADER IN THE DISTRIBUTION AND FITTING OF PERSONALIZED HEARING SOLUTIONS, APPROVED THE ANNUAL FINANCIAL REPORT AS AT DECEMBER 31ST, 2014. THE GROUP CLOSED THE YEAR WITH MARKED GROWTH IN REVENUE AND IMPROVEMENT IN ALL THE PROFITABILITY AND CAPITAL STRUCTURE RATIOS. THE INTERNATIONAL EXPANSION PROGRAM WAS ACCELERATED, ADDING A TOTAL OF MORE THAN 300 NEW STORES AND SERVICE CENTERS TO THE GROUP'S NETWORK.
ENRICO VITA APPOINTED AS GENERAL MANAGER.

FINANCIAL STATEMENT HIGHLIGHTS

- **Consolidated REVENUE** as at December 31st, 2014 reached a record Euro 890.9 million, an increase of 7.7% against 2013.
- The Group's **EBITDA** amounted to Euro 137.7 million, an increase of 17.6% with respect to the same period of the prior year. Net of the exchange effect and non-recurring costs, growth reached 13.8%.
- **NET PROFIT** reached Euro 46.5 million, rising 53% against the prior year on a recurring basis.
- **NET FINANCIAL DEBT** amounted to Euro 248.4 million, down with respect to the Euro 275.4 million recorded at December 31st, 2013, even if Euro 35.9 million have been invested in acquisitions.
- **FREE CASH FLOW** reached a positive Euro 78.4 million (Euro 51.0 million at year-end 2013), confirmation of the Group's ability to generate steady cash flows.
- **Payment of a dividend of Euro 0.043 per share proposed, in line with the previous year.**

MAIN ECONOMICAL AND FINANCIAL FIGURES

(Euro millions)	FY 2014 before non recurring operations	% on figures before non recurring operations	Non recurring operations	FY 2014 after non recurring operations	FY 2013 before non recurring operations*	% on figures before non recurring operations	Non recurring operations	FY 2013 after non recurring operations	Var % on figures before non recurring operations
Net revenues	890,9	100.0%		890,9	827,4	100.0%		827,4	7.7%
EBITDA	137,7	15.5%		137,7	122,9	14.8%	-5,8	117,0	12.1%
EBITA	105,8	11.9%		105,8	90,9	11.0%	-7,0	83,9	16.4%
EBIT	90,6	10.2%		90,6	75,4	9.1%	-7,1	68,3	20.1%
Net income	35,8	4.0%	10,7	46,5	23,4	2.8%	-10,6	12,8	53.0%
Free cash flow				78,4				51,0	
(Euro millions)	31/12/2014				31/12/2013*				Var. %
Net financial position	248,4				275,4				-9.8%

* Figures restated after IFRS11 took effect which calls for retroactive application impacting the Dutch subsidiary Comfoor B.V.

Milan, March 3rd, 2015: Today the Board of Directors of Amplifon S.p.A., the worldwide leader in the distribution, fitting and personalization of hearing solutions, approved the draft annual Financial Report at December 31st, 2014, in a meeting chaired by Susan Carol Holland.

OVERVIEW

Reaping benefit of the steps taken to optimize the business in 2013 and despite the global market conditions, characterized by what is still an uncertain recovery, the Amplifon Group closed 2014 with noticeable improvement in sales and profitability. **Consolidated revenue** reached Euro 890.9 million at December 31st, an increase of 7.7% against 2013. This result is explained by both organic growth (+5.8%) and acquisitions (+2.5 %), while exchange differences had a negative impact of 0.6%.

All the geographic areas where the Group operates made a positive contribution to the result. Growth accelerated in **EMEA** where revenue reached Euro 617.7 million (+10.2% against the prior year). Improvement was recorded in both Europe, up 8.3% at constant exchange rates, and the rest of the area, thanks also to the consolidation of Israel, registering an annual sales growth of 198.8%. There were also encouraging signs in **AMERICA** where an acceleration in fourth quarter revenue made it possible to fully recover from a weaker first nine months of the year and close 2014 with sales up by 1.6%. Growth continued at a lively pace in **ASIA-PACIFIC** (+3.4% in EUR) where organic growth (7.9%) was penalized by the negative exchange effect that reached 4.5% in the year.

Profitability improved significantly in the period: the Group's **EBITDA** amounted to Euro 137.7 million, an increase of 13.8% against the same period of the prior year net of non-recurring costs and exchange effect. A positive contribution came from both **EMEA** and **ASIA-PACIFIC** where the EBITDA rose respectively by 18.2% and 17.7% against the prior year net of the non-recurring costs and the exchange effect. The contribution from **AMERICA**, where EBITDA fell slightly by 1% net of the non-recurring costs and the exchange effect, was largely stable. The consolidated EBITDA margin reached 15.5%, an improvement of 0.7% on a recurring basis (+130 bps as reported) against the prior year. Strong growth (+261.7%) was also posted in the **net profit** which reached Euro 46.5 million (+53% net of non-recurring costs), thanks to an overall improvement in margins, as well as tax income of Euro 10.7 million.

International expansion accelerated markedly in the year, both organically and through acquisitions, which made it possible for the Group to add approximately 300 stores and service centers to its network. More in detail, the Company announced the entry, in April, into the Israeli market as a result of the acquisition of 60% of Medtechnica Orthophone Ltd., the purchase of the Italian sales network of Audika (55 stores), and entry into the promising Brazilian market thanks to the acquisition of 51% of Direito de Ouvir. The expansion also involved Germany (where 19 stores were acquired), France (11 stores opened and 16 acquired), the Iberian Peninsula (7 stores opened in Spain and 7 in Portugal), Belgium (1 store opened), Poland (15 stores opened), Hungary (3 stores opened and 4 acquired), Turkey (2 stores opened and 2 acquired), Egypt (1 store opened), Canada (4 stores opened), Australia (5 stores opened), New Zealand (2 stores opened) and India (6 stores and 12 service centers opened).

The financial structure remains solid, ready to provide further support to the Group's ambitious growth projects. **Net financial debt** amounted to Euro 248.4 million, a significant improvement with respect to the Euro 275.4 million reported at December 31st, 2013, despite the Euro 35.9 million in acquisitions made in the period. **Free cash flow** was positive for Euro 78.4 million, up with respect to the Euro 51.0 million posted at December 31st, 2013 after CAPEX of Euro 37.7 million, confirmation of the Group's ability to generate steady cash flows.

"The positive results announced today demonstrate that the business optimization, carried out starting from a challenging FY 2013, is showing the desired effect", Franco Moschetti, the Amplifon Group's Chief Executive Officer commented. "We will continue to pursue our international development strategy, both organically and through acquisitions, with determination in order to consolidate our position as sector leader worldwide".

PERFORMANCE BY GEOGRAPHIC AREA

EMEA: solid organic growth supports a noticeable recovery of margins.

Total sales in Europe, the Middle East and Africa (**EMEA**) reached Euro 617.7 million, an increase of 10.2% against the prior year. Improvement was posted in Europe, where growth reached 8.3% at constant exchange rates (6.0% of which attributable to organic growth), as well as the rest of the geographic area, thanks also to the consolidation of Israel where sales rose by 198.8% against the prior year. Sales were stable in **Italy**, where the consolidation of the 55 Audika stores contributed 1.6% to growth. **France** also performed well, benefiting from the continuous investments made in the network and solid organic growth, posting an increase of 7.7% in the year, 3.3% of which explained by acquisitions. Thanks to the commercial initiatives implemented by management and the positive overall market trend, the marked recovery continued in the **Netherlands** (+12% against the prior year). Sales were also particularly strong in **Germany** (+34.9%) thanks to the reorganization carried out by management in 2013 and the substantial increase in government refunds. A positive contribution to the growth recorded in EMEA also came from the **Iberian Peninsula**, where an increase of 19% was reported, **Switzerland** which closed the year up by 10.8% in CHF, **Hungary** (+37.6% in HUF), **Turkey** (+91.8% in TRY), **Egypt** (+20.9% in EGP), **Poland** and **Israel**, the consolidation of which contributed 1.5% to the geographic area's increased sales. Revenues were basically in line with the prior year in **Belgium and Luxembourg** (+0.4%), as well as in the **United Kingdom** (-0.3% in GBP). **EBITDA** reached Euro 73 million, a significant increase of 18.2% (net of the non-recurring costs and exchange effect) thanks to the general recovery of volumes in Europe. On the commercial front, of note is the strategic agreement reached with the chain Salmoiraghi & Viganò which, thanks to its more than 450 stores, is the Italian leader in the distribution of eyewear and contact lenses.

AMERICA: strong recovery in sales in the second half and good profitability confirmed

Thanks to the significant recovery posted in the second half of the year, **AMERICA** closed 2014 with sales up by 1.6%, coming in at Euro 140.9 million. The favorable exchange effect in the last quarter (+8.4%), offset the overall effect of the year's exchange differences which was largely immaterial (-0.3%). All the distribution channels contributed to the growth: Hear PO (renamed **Amplifon Hearing Health Care**), thanks also to a new contract with a premiere insurance company; **Miracle Ear**, which will benefit in the American and Canadian markets from the contract that was renewed with Siemens Audiology (now Sivantos); and **Elite Hearing Network**. In November, following the acquisition of 51% of Direito de Ouvir, the entry into the Brazilian market was announced and the foundation for further growth in South America was laid. Profitability was stable in the period, despite the change in the product mix and the increase in marketing investments: **EBITDA** reached Euro 26.8 million with the **EBITDA** margin coming in at 19%.

ASIA-PACIFIC: growth continues to outpace the market average

In 2014 revenue in **ASIA-PACIFIC** amounted to Euro 132.3 million, an increase of 3.4% against the prior year; the marked increase in organic growth (7.9%) was strongly impacted by the negative exchange effect that reached 4.5%. The favorable sales trend in **Australia** continued (+7.3% at constant exchange rates), thanks to diversified marketing strategies and further expansion of the network (5 new openings) while, thanks to the acceleration recorded in the second half, **New Zealand** recovered significantly with total growth reaching 7.6% in local currency. In **India**, sales rose 34.6% in local currency. Profitability improved in the entire geographic area: the **EBITDA** margin rose 220 basis points or Euro 37.8 million on a recurring basis to 28.6%.

PROFITABILITY

Overall profitability showed a remarkable improvement in the period: **EBITDA** came to Euro 137.7 million: an increase of 13.8% (net of the non-recurring costs and exchange effects) with respect to the same period of the prior year. The **EBITDA** margin came in at 15.5% (14.1% in 2013). All the geographic areas where the Group operates contributed to the result: more in detail, **EBITDA** in **EMEA** and **ASIA-PACIFIC** posted an increase of respectively 18.2% and 17.7% against the prior year net of non-recurring costs and at constant exchange rates. The **EBITDA** in **America** was stable, though at 19% (-1% net of non-recurring costs and the exchange effect) the **EBITDA** margin is still higher than the Group average. Exchange differences had a negative impact on consolidated **EBITDA** of Euro 2.2 million.

EBIT also increased, rising 22.6% on a recurring basis against the same period of the prior year thanks to the improved gross profit. The **net profit (NP)** showed marked improvement, rising – net of non-recurring costs - 53% against 2013 to Euro 46.5 million. In addition to the general improvement in margins, the result also benefitted from the absence of the debt restructuring expenses incurred in 2013 (equal to Euro 4.9 million after tax), as well as the tax income recorded following the Australian tax authority's recognition of the possibility to deduct the amortization of a few assets acquired in 2010.

BALANCE SHEET FIGURES

Net equity amounted to Euro 443.2 million at December 31st, 2014, an increase against the Euro 381.1 million posted at year-end 2013. **Net financial debt** at December 31st, 2014 amounted to Euro 248.4 million, a significant improvement with respect to the Euro 275.4 million posted at December 31st, 2013, despite the Euro 35.9 million in acquisitions made in the period. **Free cash flow** was positive for Euro 78.4 million, up with respect to the Euro 51.0 million posted at December 31st, 2013 after CAPEX of Euro 37.7 million, confirmation of the Group's ability to generate steady cash flows.

RESULTS POSTED BY THE PARENT COMPANY AMPLIFON S.P.A.

In 2014 the **parent company Amplifon S.p.A.** posted revenue of Euro 226.5 million (+0.4% with respect to the Euro 225.7 million recorded at December 31st, 2013), and a net profit of Euro 21.3 million versus Euro 32.6 million at December 31st, 2013.

DIVIDEND

The Company's Board of Directors will propose that, during the Annual Shareholders' Meeting convened on April 21st, 2015, shareholders approve allocation of the year's earnings as follows:

- distribution of part of the year's earnings as a dividend to shareholders of Euro 0.043 (4.3 Euro cents) per share, for a total of Euro 9,341,765.09 based on the share capital subscribed to date, with shares going ex-dividend (detachment of coupon 8) on May 11th, 2015 (record date May 12th), to be paid as from May 13th, 2015;
- allocation of the rest of the year's earnings, amounting to Euro 11,989,959.10 as retained earnings.

The total dividends payable and the allocation of retained earnings not distributed will vary depending on the number of shares with dividend rights outstanding as of the payment date, net of the Company's treasury shares.

OUTLOOK

In 2015 the Group expects the favorable trend in sales and the key performance indicators to continue. In **Europe**, even though the global market conditions are not expected to improve markedly, the improvement in profitability recorded in 2014 is expected to persist. In **America** the expectation is that the growth that materialized in the latter part of 2014 will continue, thanks also to the development of new commercial and marketing initiatives. In **Asia-Pacific** the Group expects to see stable organic growth in Australia and that New Zealand will benefit from the increased subsidies that took effect beginning in July 2014. Toward this end, please note that John Pappalardo has assumed charge of Asia-Pacific as Executive Vice President APAC, in substitution of Paul Mirabelle who tendered his resignation for personal reasons. Pappalardo joined National Hearing Care Group in 2006 as Head of NHC's Australian business, contributing to its significant development and assuming subsequently the role of Australia and New Zealand Managing Director.

The improvement in overall profitability reported in the period is expected to persist in 2015, thanks not only to a general increase in volumes, but also to the specific programs put in place to increase productivity. The Group will continue to sustain organic growth through investments in the opening of new stores, digital marketing and CRM initiatives. External growth will remain a priority in order to enter new countries with a growing and wealthy elderly population segment, as well as consolidate the Group's presence in markets where it is already present.

THE AMPLIFON GROUP'S NEW ORGANIZATIONAL STRUCTURE

In order to continue to pursue opportunities for strategic business development, while ensuring the operational excellence, the Amplifon Group announced today a new organizational structure immediately effective.

More in detail, the new structure provides for the creation of a **Chief Operating Officer (COO)** function, with the 3 Regions - EMEA, AMERICAS and APAC - as well as the IT, Marketing and Supply Chain functions reporting to it. The position has been entrusted to Enrico Vita, that maintains ad interim also his current position as EMEA Executive Vice-President.

Moreover, on the proposal of the CEO Franco Moschetti, the Board of Directors has appointed Enrico Vita as Amplifon General Manager, giving him all of its powers. This position was previously held by the CEO Franco Moschetti.

Graduated in Mechanical Engineering, Enrico Vita, 46 years old, joined the Amplifon Group in March 2014 after developing his career within the Indesit Group where, for over nearly 20 years, he served in positions of increasing responsibility in Italy and abroad until he was appointed Chief Operating Officer Sales and Marketing.

BUY-BACK PROGRAM

During today's meeting the Board of Directors also resolved, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and Art. 132 of Legislative Decree n. 58 of 24 February 1998, to submit a proposal to the Annual Shareholders' Meeting to authorize a new share buy-back program, following revocation of the current program expiring in October 2015. The new authorization is requested for a period of 18 months from the date of the shareholders' authorization and for the purchase, on one or more occasions on a rotating basis, of up to a total number of new shares, which together with the treasury shares already held, amounts to 10% of Amplifon S.p.A.'s share capital. As at today's date the Company has a total of 7,490,000 treasury shares or 3.33% of the share capital.

The proposal is motivated by the need to provide the Company with an effective means that will allow Amplifon to own treasury shares to be used as a form of payment in company acquisition transactions as well as to increase the number of treasury shares to service, if necessary, as stock-based incentive plans, existing and future, reserved for executives and/or employees and/or partners of the Company or its subsidiaries.

Based on the Board of Directors' proposal to be submitted to the Annual Shareholders' Meeting, the purchase price of the shares should be determined on a case by case basis for each single transaction. The price, however, may not be 10% higher or lower than the stock price registered at the close of the trading session prior to each single purchase.

For further information please refer to the Directors' Report prepared in accordance with Art. 73 of the Regulations for Issuers.

CALLING OF THE ANNUAL SHAREHOLDERS' MEETING

The draft financial statements for FY 2014 approved by Amplifon S.p.A.'s Board of Directors will be submitted to the shareholders for approval during the Annual Shareholders' Meeting convened, in single call, on April 21st, 2015.

The Annual Shareholders' Meeting will also be called upon to resolve on i) the proposed authorization for the new buy-back program described above ii) appointment of the new Board of Statutory Auditors for the period 2015-2017 iii) the Board of Directors' proposal to appoint Anna Puccio, co-opted by the Board on January 29th, 2015, to act as an independent member of Company's Board in substitution of an outgoing director, as announced previously.

The Board of Directors also resolved to submit the following to the Annual Shareholders' Meeting for approval: i) the Group's Remuneration Statement drawn up in accordance with art.123-ter of TUF; ii) an amendment to the 2014-2021 Performance Stock Grant Plan for employees of the Company and its

subsidiaries approved during the Shareholders' Meeting held on April 16th, 2014. This proposal focuses primarily on the "top performing audiologists" and was approved in light of the excellent results achieved by these key resources in terms of retention following introduction of the last plan. No other amendments relating to the other plan characteristics are proposed, including with regard to the number of available rights, vesting terms and conditions which, therefore, remain unchanged. Please refer to the information circular, prepared in accordance with art. 84-bis of the regulation adopted by CONSOB in resolution n. 11971 of May 14th, 1999, as amended, which reflects the changes made as a result of the amendment proposed above.

The documentation called for under the law relating to the above mentioned topics and the proposed resolutions submitted to the shareholders will be available at the Company's registered office, along with the 2014 Consolidated Financial Statements and the Report on Corporate Governance and Ownership Structure approved today by the Board of Directors, within the time period required by law.

The documentation will also be available on the website www.amplifon.com in the "Investors" section.

The results for 2014 will be presented to the financial community today at 3:00 p.m. (CET) at Amplifon's headquarters in Via Ripamonti 133, Milan. For those who are unable to attend, the presentation will also be available via webcast and audio feed by calling the following numbers: +44 (0)20 3427 1904 (UK) or +1 646 254 3363 (US) or + 39 02 3600 9867 (Italy).

The slide presentation which will be used during the event will be made available on the website www.amplifon.com in the "Investors" section (Events and Presentations) prior to the scheduled commencement time.

For those who are unable to attend the presentation or follow the webcast, a recorded version will be available through March 10th, 2015 by dialing +44 (0)20 3427 0598 (UK) or +1 347 366 9565 (US) or +39 02 3041 3127 (Italy), access code: 8778989.

Amplifon, listed on the STAR segment and the FTSE Italia Mid Cap Index of the Milan Stock Exchange, is the worldwide leader in the distribution and customization of hearing aids and related services. Through a network of 3,300 points of sale (comprising both indirect and direct channels), more than 3,200 service centers and over 2,000 affiliates, Amplifon is active in Italy, France, the Netherlands, Germany, the UK, Ireland, Spain, Portugal, Switzerland, Belgium, Luxembourg, Hungary, Poland, Egypt, Turkey, Israel, U.S.A., Canada, Brazil, Australia, New Zealand, and India.

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Attachments: sales by geographic area, the Amplifon Group's consolidated income statement, reclassified consolidated balance sheet and reclassified cash flow statement; the Parent Company Amplifon S.p.A.'s balance sheet, income statement, statement of comprehensive income and reclassified cash flow statement.

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

REVENUES BY GEOGRAPHIC AREA - AMPLIFON GROUP

(€ thousands)	FY 2014	%	FY 2013 (Revised)*	%	Change	Change %	Exchange diff.	Change % in local currency
Italy	228,957	25.7%	225,501	27.3%	3,456	1.5%		
France	105,866	11.9%	98,329	11.9%	7,537	7.7%		
The Netherlands	73,350	8.2%	65,509	7.9%	7,841	12.0%		
Germany	55,579	6.2%	41,201	5.0%	14,378	34.9%		
United Kingdom	37,374	4.2%	35,592	4.3%	1,782	5.0%	1,898	-0.3%
Spain	32,335	3.6%	27,134	3.3%	5,201	19.2%		
Switzerland	30,624	3.4%	27,269	3.3%	3,355	12.3%	409	10.8%
Belgium	23,511	2.6%	23,408	2.8%	103	0.4%		
Hungary	8,972	1.0%	6,782	0.8%	2,190	32.3%	(358)	37.6%
Israel	7,054	0.8%	-	0.0%	7,054	n.a.	n.a.	n.a.
Portugal	5,120	0.6%	4,337	0.5%	783	18.1%		
Turkey	3,355	0.4%	2,006	0.2%	1,349	67.2%	(494)	91.8%
Egypt	2,857	0.3%	2,434	0.3%	423	17.4%	(87)	20.9%
Poland	1,462	0.2%	-	0.0%	1,462	n.a.	n.a.	n.a.
Ireland	784	0.1%	736	0.1%	48	6.5%		
Luxembourg	662	0.1%	656	0.1%	6	0.9%		
Intercompany eliminations	(175)	0.0%	(138)	0.0%	(37)			
Total EMEA	617,687	69.3%	560,756	67.7%	56,931	10.2%	1,368	9.9%
USA	136,583	15.3%	134,467	16.3%	2,116	1.6%	(39)	1.6%
Canada	4,192	0.5%	4,196	0.5%	(4)	-0.1%	(299)	7.0%
Brazil	157	0.0%	-	0.0%	157	n.a.	n.a.	n.a.
Total Americas	140,932	15.8%	138,663	16.8%	2,269	1.6%	(338)	1.9%
Australia	89,954	10.1%	89,594	10.8%	360	0.4%	(6,149)	7.3%
New Zealand	39,060	4.4%	35,843	4.3%	3,217	9.0%	507	7.6%
India	3,298	0.4%	2,547	0.3%	751	29.5%	(132)	34.6%
Total Asia Pacific	132,312	14.9%	127,984	15.5%	4,328	3.4%	(5,774)	7.9%
Total	890,931	100.0%	827,403	100.0%	63,528	7.7%	(4,744)	8.3%

* Figures restated after IFRS11 took effect which calls for retroactive application impacting the Dutch subsidiary Comfoor B.V.

CONSOLIDATED INCOME STATEMENT - AMPLIFON GROUP

(€ thousands)	FY 2014				FY 2013 (Revised)*				FY 2013 (Reported)
	Recurring	Non recurring	Total		Recurring	Non recurring	Total		Recurring
Revenues from sales and services	890,931	-	890,931	100.0%	827,403	-	827,403	100.0%	828,632
Operating costs	(752,124)	-	(752,124)	-84.4%	(707,629)	(4,454)	(712,083)	-85.5%	(712,942)
Other costs and revenues	(1,139)	-	(1,139)	-0.1%	3,089	(1,366)	1,723	0.4%	1,724
Gross operating profit (EBITDA)	137,668	-	137,668	15.5%	122,863	(5,820)	117,043	14.8%	117,414
Depreciation and write-downs of non-current assets	(31,907)	-	(31,907)	-3.6%	(31,976)	(1,196)	(33,172)	-3.9%	(33,355)
Operating result before the amortisation and impairment of customer lists, trademarks, non-competition agreements and goodwill arising from business combinations (EBITA)	105,761	-	105,761	11.9%	90,887	(7,016)	83,871	11.0%	84,059
Amortization and impairment of trademarks, customer lists, lease rights and non-competition agreements and goodwill	(15,145)	-	(15,145)	-1.7%	(15,452)	(70)	(15,522)	-1.9%	(15,541)
Operating profit (EBIT)	90,616	-	90,616	10.2%	75,435	(7,086)	68,349	9.1%	68,518
Income, expenses, valuation and adjustments of financial assets	673	-	673	0.1%	123	-	123	0.0%	(1)
Net financial expenses	(22,986)	-	(22,986)	-2.6%	(22,774)	(7,697)	(30,471)	-2.8%	(30,479)
Exchange differences and non hedge accounting instruments	(1,747)	-	(1,747)	-0.2%	(1,158)	-	(1,158)	-0.1%	(1,164)
Profit (loss) before tax	66,556	-	66,556	7.5%	51,626	(14,783)	36,843	6.2%	36,874
Current tax	(25,709)	8,707	(17,002)	-2.9%	(29,353)	3,316	(26,037)	-3.5%	(26,068)
Deferred tax	(5,070)	1,961	(3,109)	-0.6%	1,208	906	2,114	0.1%	2,114
Net profit (loss)	35,777	10,668	46,445	4.0%	23,481	(10,561)	12,920	2.8%	12,920
Profit (loss) of minority interests	(30)	-	(30)	0.0%	72	-	72	0.0%	72
Net profit (loss) attributable to the Group	35,807	10,668	46,475	4.0%	23,409	(10,561)	12,848	2.8%	12,848

* Figures restated after IFRS11 took effect which calls for retroactive application impacting the Dutch subsidiary Comfoor B.V.

CONSOLIDATED BALANCE SHEET - AMPLIFON GROUP

(€ thousands)	31/12/2014	31/12/2013 (Revised)*	31/12/2013 (Reported)	Change (on Revised)
Goodwill	534,822	500,680	500,680	34,142
Customer lists, non compete agreements, trademarks and location rights	98,650	92,875	92,875	5,775
Software charges, licenses, other int.ass., wip and advances	36,458	27,228	27,425	9,230
Tangible assets	96,188	87,690	88,119	8,498
Fixed financial assets	48,583	41,490	40,295	7,093
Other non-current financial assets	3,691	2,744	2,744	947
Total fixed assets	818,392	752,707	752,138	65,685
Inventories	28,690	29,832	30,147	(1,142)
Trade receivables	109,355	103,687	104,018	5,668
Other receivables	33,059	28,822	28,940	4,237
Current assets	171,104	162,341	163,105	8,763
Total assets	989,496	915,048	915,243	74,448
Trade payables	(101,788)	(96,241)	(96,297)	(5,547)
Other payables	(124,418)	(117,111)	(115,690)	(7,307)
Provisions for risks (current portion)	(978)	(411)	(411)	(567)
Short term liabilities	(227,184)	(213,763)	(212,398)	(13,421)
Working capital	(56,080)	(51,422)	(49,293)	(4,658)
Derivative instruments	(9,820)	(3,376)	(3,376)	(6,444)
Deferred tax assets	44,653	46,088	46,088	(1,435)
Deferred tax liabilities and tax payables	(51,998)	(46,671)	(46,671)	(5,327)
Provisions for risks (non current portion)	(40,569)	(33,076)	(33,101)	(7,493)
Employee benefits (non current portion)	(15,712)	(11,651)	(11,651)	(4,061)
Loan fees	3,023	4,089	4,089	(1,066)
Other long term payables	(250)	(245)	(245)	(5)
NET INVESTED CAPITAL	691,639	656,443	657,978	35,196
Shareholders' equity	442,165	380,616	382,175	61,549
Third parties' equity	1,057	460	460	597
Net equity	443,222	381,076	382,635	62,146
Long term net financial debt	442,484	435,426	435,426	7,058
Short term net financial debt	(194,067)	(160,059)	(160,083)	(34,008)
Total net financial debt	248,417	275,367	275,343	(26,950)
FINANCIAL DEBT AND NET EQUITY	691,639	656,443	657,978	35,196

* Figures restated after IFRS11 took effect which calls for retroactive application impacting the Dutch subsidiary Comfoor B.V.

RECLASSIFIED CASH FLOW STATEMENT - AMPLIFON GROUP

(€ thousands)	FY 2014	FY 2013 (Revised)*	FY 2013 (Reported)
EBIT	90,616	68,349	68,518
Cash flow provided by (used in) operating activities	116,077	80,528	80,630
Cash flow provided by (used in) operating investing activities	(37,685)	(29,491)	(29,712)
Free Cash Flow	78,392	51,037	50,918
Cash flow provided by (used in) acquisitions	(35,883)	(4,817)	(4,817)
Cash flow provided by (used in) securities	(146)	768	768
Cash flow provided by (used in) investing activities	(73,714)	(33,540)	(33,761)
Cash flow provided by (used in) operating activities and investing activities	42,363	46,988	46,869
Dividends	(9,350)	(9,330)	(9,330)
Commissions paid on long term financial debt	-	(4,604)	(4,604)
Treasury shares	(2,456)	-	-
Capital increases, third parties contributions and dividends paid by subsidiaries to third parties	1,955	1,671	1,671
Hedging instruments and other changes in noncurrent assets	(5,656)	(8,036)	(8,036)
Net cash flow from the period	26,856	26,689	26,570
Net financial indebtedness as of period opening date	(275,367)	(305,978)	(305,835)
Effect of activity disposal and exchange rate fluctuations on financial position	94	3,922	3,922
Change in net financial position	26,856	26,689	26,570
Net financial indebtedness as of period closing date	(248,417)	(275,367)	(275,343)

* Figures restated after IFRS11 took effect which calls for retroactive application impacting the Dutch subsidiary Comfoor B.V.

BALANCE SHEET - AMPLIFON SPA

(Euro)	31/12/2014	31/12/2013	Change
Goodwill	414,890	414,890	-
Intangible fixed assets with finite useful life	13,168,516	10,071,949	3,096,567
Tangible fixed assets	20,124,600	19,708,947	415,653
Equity Investments	494,569,891	471,687,286	22,882,605
Hedging instruments	7,568,343	2,381,830	5,186,513
Other long term financial assets – related parties	70,256,747	92,372,679	(22,115,932)
Deferred tax assets	24,368,211	26,282,245	(1,914,034)
Other assets	1,004,600	491,244	513,356
Other assets – related parties	-	46,665	(46,665)
Total non-current assets	631,475,798	623,457,735	8,018,063
Inventories	9,202,698	10,347,794	(1,145,096)
Trade receivables	32,307,651	37,109,121	(4,801,470)
Receivables – related companies	5,763,073	4,716,208	1,046,865
Other receivables	9,507,668	8,731,793	775,875
Other receivables – related parties	3,095,453	76,912	3,018,541
Hedging instruments	466,469	2,570,943	(2,104,474)
Short term financial receivables – related parties	54,566,554	58,922,441	(4,355,887)
Cash and cash equivalents	150,827,528	126,913,643	23,913,885
Total current assets	265,737,094	249,388,855	16,348,239
TOTAL ASSETS	897,212,892	872,846,590	24,366,302
(Euro)	31/12/2014	31/12/2013	Variation
Share capital	4,492,037	4,482,016	10,021
Share premium account	191,906,530	189,316,355	2,590,175
Legal reserve	933,760	933,760	-
Treasury shares	(46,547,235)	(44,091,445)	(2,455,790)
Stock option reserve	21,509,404	15,328,426	6,180,978
Cash flow hedge reserve	(7,420,287)	(2,715,420)	(4,704,867)
Extraordinary reserve	2,766,528	2,766,528	-
Other reserves	110,608	55,675	54,933
Income (loss) carried forward	152,680,998	128,742,887	23,938,111
Income (loss) for the year	21,331,724	32,642,933	(11,311,209)
Total net equity	341,764,067	327,461,715	14,302,352
Financial liabilities	273,359,756	272,754,439	605,317
Financial liabilities – related parties	164,731,076	145,022,116	19,708,960
Provisions for risks and charges	10,580,996	8,366,986	2,214,010
Liabilities for employees' benefits	4,659,249	4,712,495	(53,246)
Hedging instruments	8,773,509	16,850,899	(8,077,390)
Payables for business acquisitions	4,121,212	293,429	3,827,783
Total non-current liabilities	466,225,798	448,000,364	18,225,434
Trade payables	27,633,225	27,782,274	(149,049)
Payables – related parties	1,745,231	69,211	1,676,020
Other payables	31,123,023	35,511,799	(4,388,776)
Payables for business acquisitions	725,692	290,116	435,576
Other financial payable	5,610,007	5,512,532	97,475
Other financial payable – related parties	18,487,359	26,020,076	(7,532,717)
Hedging instruments	361,576	58,662	302,914
Tax payables	3,536,914	2,139,841	1,397,073
Total current liabilities	89,223,027	97,384,511	(8,161,484)
TOTAL LIABILITIES	897,212,892	872,846,590	24,366,302

INCOME STATEMENT - AMPLIFON SPA

(Euro)	FY 2014			FY 2013			Change
	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total	
Revenues from sales and services	226,530,567	-	226,530,567	225,675,702	-	225,675,702	854,865
- Related parties	43,144	-	43,144	273	-	273	42,871
Operating costs	(203,481,101)	-	(203,481,101)	(196,507,550)	(977,637)	(197,485,187)	(5,995,914)
- Related parties	(1,365,274)	-	(1,365,274)	(1,623,536)	-	(1,623,536)	258,262
Other costs and revenues	15,368,697	-	15,368,697	15,106,924	-	15,106,924	261,773
- Related parties	16,496,217	-	16,496,217	14,914,355	-	14,914,355	1,581,862
Gross operating profit (EBITDA)	38,418,163	-	38,418,163	44,275,076	(977,637)	43,297,439	(4,879,276)
Amortization, depreciation and impairment							
Amortisation of intangible fixed assets	(2,646,789)	-	(2,646,789)	(1,585,858)	-	(1,585,858)	(1,060,931)
Depreciation of tangible fixed assets	(5,540,218)	-	(5,540,218)	(5,541,753)	-	(5,541,753)	1,535
Impairment	(1,190)	-	(1,190)	(4)	-	(4)	(1,186)
	(8,188,197)	-	(8,188,197)	(7,127,615)	-	(7,127,615)	(1,060,582)
Operating result (EBIT)	30,229,966	-	30,229,966	37,147,461	(977,637)	36,169,824	(5,939,858)
Financial income, charges and value adjustments to financial assets							
Other income and charges, impairment and revaluations of financial assets	32,541,317	-	32,541,317	30,271,128	(4,577,683)	25,693,445	6,847,872
- Related parties	32,541,317	-	32,541,317	30,271,128	(4,577,683)	25,693,445	6,847,872
Interest income and charges	(21,036,335)	-	(21,036,335)	(17,268,019)	(4,028,783)	(21,296,802)	260,467
- Related parties	(8,299,008)	-	(8,299,008)	(8,182,244)	-	(8,182,244)	(116,764)
Other financial income and charges	2,433,177	(15,500,000)	(13,066,823)	247,683	-	247,683	(13,314,506)
- Related parties	5,815,317	(15,500,000)	(9,684,683)	3,241,214	-	3,241,214	(12,925,897)
Exchange gains and losses	3,149,980	-	3,149,980	(4,084,969)	-	(4,084,969)	7,234,949
Gain (loss) on assets measured at fair value	(3,812,743)	-	(3,812,743)	3,440,636	-	3,440,636	(7,253,379)
	13,275,396	(15,500,000)	(2,224,604)	12,606,459	(8,606,466)	3,999,993	(6,224,597)
Income (loss) before tax	43,505,362	(15,500,000)	28,005,362	49,753,920	(9,584,103)	40,169,817	(12,164,455)
Current and deferred tax							
Current tax	(2,987,907)	-	(2,987,907)	(8,854,162)	1,321,766	(7,532,396)	4,544,489
Deferred tax	(3,685,731)	-	(3,685,731)	(49,488)	55,000	5,512	(3,691,243)
	(6,673,638)	-	(6,673,638)	(8,903,650)	1,376,766	(7,526,884)	853,246
Total net income (loss)	36,831,724	(15,500,000)	21,331,724	40,850,270	(8,207,337)	32,642,933	(11,311,209)

STATEMENT OF COMPREHENSIVE INCOME - AMPLIFON SPA

(Euro)	FY 2014	FY 2013
Income (loss) for the period	21,331,724	32,642,933
Remeasurement of defined benefit plans	(313,022)	76,793
Tax effect on components of other comprehensive income that will not be reclassified subsequently to profit or loss	86,081	(21,118)
Total other comprehensive income (loss) that will not be reclassified subsequently to profit or loss after the tax effect (A)	(226,941)	55,675
Gains/(losses) on cash flow hedging instrument	(6,489,472)	494,957
Tax effect on components of other comprehensive income that will be reclassified subsequently to profit or loss	1,784,605	(136,113)
Total other comprehensive income (loss) that will be reclassified subsequently to profit or loss after the tax effect (B)	(4,704,867)	358,844
Total other comprehensive income (loss) (A)+(B)	(4,931,808)	414,519
Comprehensive income (loss) for the period	16,399,916	33,057,452

CASH FLOW STATEMENT - AMPLIFON SPA

(€ thousands)	FY 2014	FY 2013
Operating Income (EBIT)	30,230	36,170
Cash flow generated (absorbed) by operating activities (A)	38,448	54,781
Cash flow generated (absorbed) by operating investing activities (B)	(11,720)	(10,191)
Free cash Flow (A +B)	26,728	44,590
Equity investments purchase/share capital increases in controlled entities (C)	(17,936)	(3,796)
Cash flow generated (absorbed) by investing activities (B+C)	(29,656)	(13,987)
Hedging instruments	-	(2,410)
Other non-current assets	(513)	(100)
Commissions paid on long term financial debt	-	(3,117)
Dividends paid	(9,350)	(9,330)
Treasury shares	(2,456)	-
Share capital increases	1,814	1,737
Net cash flow from the period	(1,713)	27,574
Opening net financial indebtedness	(182,981)	(210,555)
Changes in net financial position	(1,713)	27,574
Closing net financial indebtedness	(184,694)	(182,981)