



Consolidated financial statements

At December 31, 2013



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**REPORT OF THE BOARD
OF DIRECTORS ON OPERATIONS**

REPORT OF THE BOARD OF DIRECTORS ON OPERATIONS

Company Data of the Parent Company

Cerved Group SpA

Registered office at 1 via San Vigilio, Milan

Subscribed and paid-in share capital: 50,000,000.00 euros

Listed in the Milan Company Register, REA No. 2001719, Tax I.D. and VAT No. 08076240962

Introduction

This Report on Operations refers to the separate and consolidated financial statements of the group headed by Cerved Group SpA (Cerved Group) at December 31, 2013, prepared in accordance with International Accounting Standards and International Financial Reporting Standards (IAS/IFRS) published by the International Accounting Standards Board (IASB) and approved by the European Union. This Report should be read in conjunction with the financial statement schedules and the accompanying Notes, which constitute the financial statements for the reporting year from January 9, 2013 to December 31, 2013.

Because the Company was incorporated on January 9, 2013, no comparative data are available.

Unless otherwise stated, all amounts listed in this Report are in thousands of euros.

Corporate Governance Bodies of the Parent Company Cerved Group SpA Currently in Office

BOARD OF DIRECTORS

(term ending on the date of the Shareholders' Meeting convened to approve the financial statements at December 31, 2013)

Fabio Cerchiai (1)	Chairman
Gianandrea De Bernardis (1)	Chief Executive Officer
Emanuela Brero (1)	Director
Francisco Javier Guijarro De Jaime (1)	Director
Giorgio De Palma (1)	Director
Giampaolo Galli (1)	Director
Giampiero Mazza (1)	Director
Arturo Patarnello (1)	Director
Federico Quitadamo (2)	Director

(1) Elected by the Shareholders' Meeting on July 24, 2013.

(2) Elected by the Shareholders' Meeting on December 19, 2013.

INTERNAL CONTROL COMMITTEE

Giampaolo Galli	Chairman
Fabio Cerchiai	
Arturo Patarnello	

RATING MONITORING COMMITTEE

Arturo Patarnello	Chairman
Flavio Mauri	
Milovan Milovic	

COMPENSATION COMMITTEE

Fabio Cerchiai	Chairman
Gianandrea De Bernardis	
Giampiero Mazza	
Francisco Javier Guijarro De Jai	

OVERSIGHT BOARD

Orazio Mardente	Chairman
Giacomo Cardani	
Emiliano Nitti	

BOARD OF STATUTORY AUDITORS

Paolo Ludovici	Chairman
Ezio Maria Simonelli	Statutory Auditor
Fabio Oneglia	Statutory Auditor
Roberto Gianelli	Alternate
Luca Neri	Alternate

INDEPENDENT AUDITORS

PricewaterhouseCoopers SpA

REGISTERED OFFICE AND OPERATIONAL AND COMMERCIAL LOCATIONS

Registered Office, Headquarters and Operational Location
Milan, 1 Via San Vigilio

Operational Locations

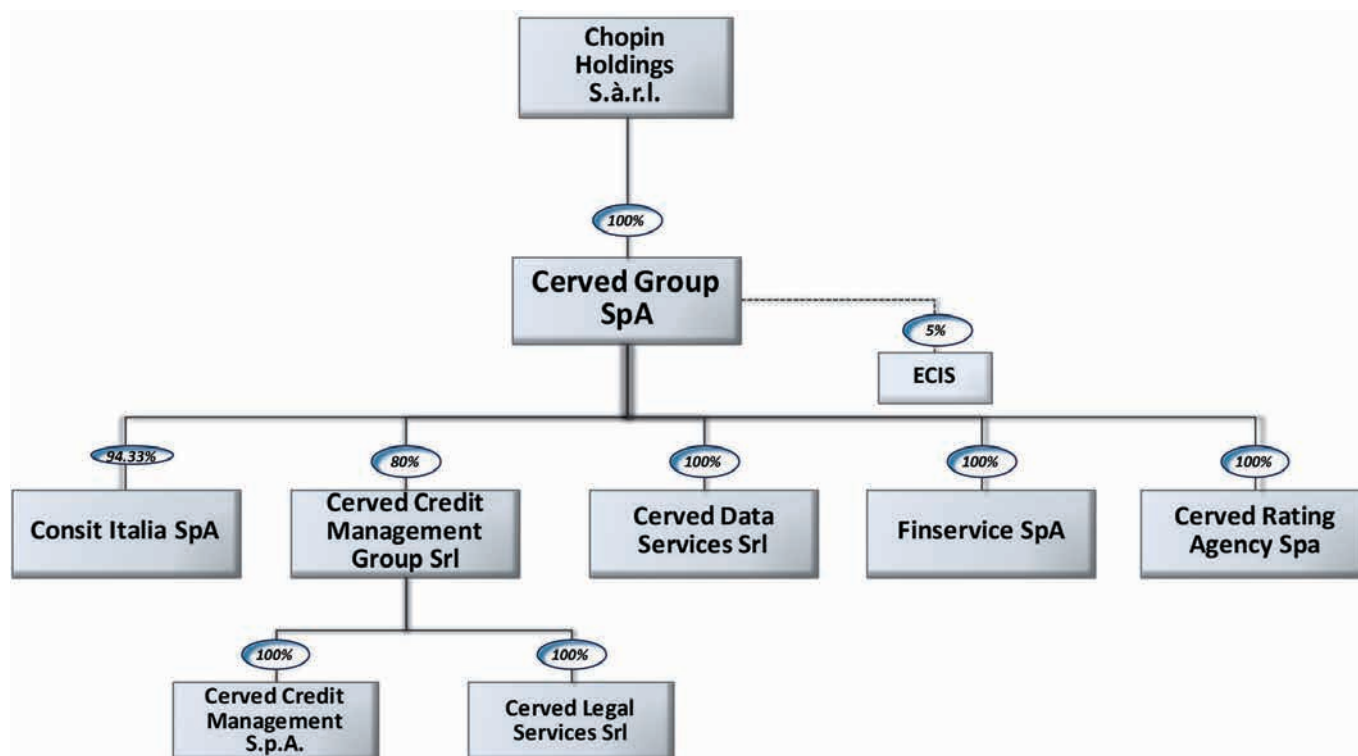
Brescia, Via Corfù 102
Bari, Piazza Aldo Moro 37
Bologna, Via Cairoli 9
Mangone (CS) Zona Industriale Piano Lago
Padua, Corso Stati Uniti 14bis
Pontedera, Via Salvo D'Acquisto 40/c
Rome, Via C. Colombo 149-115
Turin, Corso Vittorio Emanuele II 93
Vercelli, Via F.lli Garrone 18

Commercial Locations

Ancona, Via della Vittoria 52
Bologna, Via della Salute 14
Genoa, Corso Buenos Aires 5
Naples, Galleria Vanvitelli 26
Prato, Via Ferrucci 203
Verona, Via della Meccanica 16

STRUCTURE OF THE GROUP

The diagram that follows depicts the structure of the group headed by **Cerved Group** at December 31, 2013:



CERVED Group S.p.A. is the company resulting from the merger by absorption of Cerved Holding S.p.A. and Cerved Group S.p.A. into Cerved Technologies S.p.A., which then changed its name to CERVED Group S.p.A. The Company was established by CVC Capital Partners on January 9, 2013, with the name “Cerved Technologies S.p.A.” and is controlled by CVC Capital Partner through Chopin Sarl, a Luxembourg-based holding company.

On February 27, 2013, the investment funds managed by CVC Capital Partners SICAV-FIS S.A, through the newly established Cerved Technologies S.p.A., indirectly acquired the entire share capital of Cerved Holding S.p.A. and its subsidiaries. Within the framework of this transaction, Cerved Technologies S.p.A. issued 780 million euros in bonds, which are listed on the Irish Stock Exchange and on the Extramot PRO market operated by Borsa Italiana S.p.A. and are governed by the laws of the State of New York, and executed an agreement with some credit institutions for a revolving facility in the amount of 75 million euros.

INFORMATION ABOUT THE GROUP'S OPERATIONS

Group Activities

The Cerved Group began its operations in 1974 as the data processing center for the Chambers of Commerce of the Veneto Region (hence the Italian acronym CERVED). Over the years, it integrated into its organization other well-established industry players, such as Centrale dei Bilanci, Lince, Databank, Finservice, Honyvem, Consit and Cerved Credit Management, becoming the reference operator in the field of information processing for commercial purposes.

Thanks to this integration process, the Cerved Group is able to offer a broad range of products designed to provide support to its customers, mainly financial institutions and businesses, in different phases of their activities: from the merely investigative/exploratory phase (through access to information) to the assessment phase.

The Cerved Group sells its products and services primarily to:

- a) financial institutions, large groups and local entities;
- b) companies, from multinationals to small and medium-size businesses.

The Cerved Group operated mainly in Italy, but offers its services also to foreign companies and financial institutions that need information about Italian companies and to Italian companies and financial institutions that need information about foreign counterparties.

Over more than 40 years of activity, the Company developed a proprietary database of legal, commercial, accounting and economic/financial information that, in combination with access to third-party databanks and data in the public domain and the support provided by a leading-edge technological structure and a highly specialized staff, enable the Issuer to manage, process and distribute services involving the delivery of information.

In its data processing activities, the Company uses sophisticated algorithms and processes that enable it to analyze and transform the data into information and thus into products designed to meet customer needs; these products are distributed through the internet or through management systems integrated with those of customers, thus making information immediately usable and, consequently, increasing customer reliance on the services offered.

Moreover, the Company carries out its activities with the support of a highly experienced sales force, with a diffused presence throughout Italy. The sales organization is able to meet specific customer needs, including with training and support activities, pursue the acquisition of new customers and carry out cross-selling activities of products and services targeting existing customers.

The Company is headquartered in Milan and has operational offices in Rome, Padua, Turin, Mangone (Cosenza), Brescia, Bologna, Bari, Pontedera and Vercelli and numerous commercial branches throughout Italy.

Cerved Group is the only company in Italy whose “unsolicited ratings” are officially recognized by two separate entities for the computation of bank financial ratios: by the Bank of Italy as an External Credit Assessment Institution (ECAI) and by the Consob and the European Securities and Markets Authority (ESMA) as a European credit rating agency (CRA).

At December 31, 2013, the Company’s revenues for the issuance of ratings usable for regulatory purposes, pursuant to EC Regulation No. 1060/2009, amounted to 2,493 thousand euros on an aggregate 12-month basis; the revenues for the issuance of private ratings, excluded from the scope of implementation of E.U. regulations pursuant to Article 1 of the abovementioned EC Regulation, amounted to 17,657 thousand euros; and, lastly, the revenues from the development of rating and scoring models and forecasting services for the marketing sector amounted to 958 thousand euros and 210 thousand euros, respectively.

The Group operates through individual divisions specialized in the analysis, design, implementation and management of services, products and processes concerning economic/financial information and credit management.

The Group's activities can be classified into three main business segments:

- c) Credit Information
- d) Marketing Solutions
- e) Credit Management

a) Credit Information

The Group is Italy's main operator in the field of Credit Information services, offering legal, commercial, accounting and economic/financial information to businesses and financial institutions through four product lines: Business Information, Real Estate, Ratings & Analytics and Consumer Information. The products offered enable the Group's customers to assess the reliability and credit worthiness of their own customers, commercial counterparties and potential customers. The product range is completed by a series of integrated services that support customers during the decision making process in the financial and commercial credit area.

Business information

Business Information products and services are aimed both at corporate and banking customers and are designed to assess the credit worthiness of commercial counterparties and customers. The product line ranges from single products that simply consolidate official data to complex decision-making systems in which all information sources are managed through a single platform capable of supporting customers in their decisions about financial creditworthiness (for banks) or commercial creditworthiness (for businesses).

Ratings & analytics

Through this area of activity, the Group offers services to measure the creditworthiness of financial or commercial counterparties with statistical tools (scoring) or qualitative methodologies (rating).

The Group, with the specific aim of helping both businesses and financial institutions assess more in depth the borrowing ability and creditworthiness of customers or commercial counterparties, offers services known as "public" ratings. The processing required to develop "public" ratings is carried out by the Group's analysts who study and assess all available, up-to-date information about the party being evaluated and render their opinion about its creditworthiness. Differently from "private" ratings, the issuance of "public" rating is regulated.

Through its analytics product line, the Group offers services to financial institutions based on contracts, in addition to scoring models and financial risk analysis applications used by the main financial institutions. As part of its contract-based services, the Group supplies Italy's top financial institutions with services functional to the assessment of the creditworthiness of customers of those financial institutions.

Real estate

Real estate services are designed to offer to Group customers (mainly financial institutions) a broad range of products and services that deliver complete information about the quality of real estate properties, the existence of any encumbrances and estimates of the market value of real estate assets (both commercial and residential), also for mortgage-related decisions.

Consumer information

Consumer Information services consist of supplying historical information about the credit worthiness of consumers and businesses who are applying for loans. These services make it possible to assess the reliability and solvency of individuals and businesses through an analysis of their past payment performance. Consumer Information services are provided through the Experian – Cerved Information Services S.p.A. affiliate, established in April 2012.

b) Marketing Solutions

Marketing Solutions services enable the Group to offer to its customers a variety of information and business analyses that can be used to gain knowledge of the target market and territory, develop business activities, assess the position of competitors, optimize the sales network, measure customer satisfaction and identify new potential customers.

c) Credit Management

The Group is one Italy's top operators in the areas of Credit Management, which entails assessing and managing "troubled" receivables and assets on behalf of third parties. More specifically, Credit Management services include the following activities: (a) assessing non-performing loans; (b) managing these receivable through out-of-court settlements or through court proceedings; and (c) managing and reselling personal property covered by cancelled leases (such as automobiles, equipment and boats) and real estate provided as collateral for unpaid receivables. These activities are aimed primarily at: *i)* investment funds that purchased large portfolios of receivables and assets, which require management by specialized operators; and *ii)* banks, finance companies and businesses with their own non-performing loans, often of significant amounts, that they are unable to fully manage.

Operating Performance of the Group

In order to have a 12-month annual vision of the Group's operating performance in 2013, the economic and financial data for *i)* the period from January 1, 2013 to February 27, 2013 of the Cerved Holding Group (formerly Cerved) before its acquisition by Cerved Technologies SpA, and *ii)* the period from January 9, 2013 to December 31, 2013, after acquisition, had to be aggregated in order to obtain, for 2013, economic and financial information covering a one-year period.

This aggregation, which was carried out without making any adjustments to the information taken from the consolidated financial statements of the Group for the period from January 9, 2013 to December 31, 2013, *ii)* the consolidated financial information of the former Cerved for the period from January 1, 2013 to February 27, 2013, provides a representation of a full one-year period, even though the abovementioned financial data were generated by different operating activities due to a change of ownership.

<i>(In thousand euros and as a percentage of revenues)</i>	2013 (aggregate)		2013 IFRS financial statements	
		%	b	
Revenues	313,478	100.0%	267,374	100.0%
Other income	2,879	0.9%	2,862	1.1%
Total revenues and income	316,357	100.9%	270,236	101.1%
Cost of raw material and other materials	(2,811)	(0.9%)	(2,702)	(1.0%)
Cost of services	(85,653)	(27.3%)	(73,395)	(27.5%)
Personnel costs	(69,288)	(22.1%)	(58,736)	(22.0%)
Other operating costs	(8,060)	(2.6%)	(6,966)	(2.6%)
Impairment of receivables and other provisions	(6,407)	(2.0%)	(5,470)	(2.0%)
Depreciation and amortization	(62,744)	(20.0%)	(55,468)	(20.7%)
Operating profit	81,394	26.0%	67,499	25.2%
Pro rata interest in the result of companies valued by the equity method	166	0.1%	166	0.1%
Financial income	682	0.2%	611	0.2%
Financial charges	(59,599)	(19.0%)	(52,957)	(19.8%)
Profit before income taxes	22,643	7.2%	15,319	5.7%
Income tax expense	(14,679)	(4.7%)	(11,379)	(4.3%)
Net profit	7,964	2.5%	3,940	1.5%
Amount attributable to non-controlling interests	1,055	0.3%	923	0.3%
Net income attributable to owners of the parent	6,909	2.2%	3,017	1.1%

Revenues grew from 290,624 thousand euros in 2012 (Cerved's scope of activity before acquisition by the current owners through Cerved Technologies) to 313,478 thousand euros in 2013, for a gain of 22,584 thousand euros, equal to 7.9%. This increase reflects the different dynamics that characterized the different business segments in 2013, as described below:

- In the Credit Information segment, revenues improved from 256,232 thousand euros in 2012 to 264,479 thousand euros in 2013, for an increase of 8,247 thousand euros in absolute terms (3.2%). The decrease as a percentage of total revenues, while reflective of the performance of the various product lines included in this segment, is chiefly related to the strong performance of the Credit Management segment, due mainly to the acquisition of Tarida S.p.A., a company active in the credit management area.
- In the Marketing Solutions segment, revenues grew by 2,872 thousand euros (29.0%);
- In the Credit Management segment, revenues rose by 11,601 thousand euros (46.4%).

Credit Information

The main trends that characterized the product lines included in the Credit Information segment are reviewed below.

Business Information

Within the Business Information line, the Corporate Division reported steady growth and an expansion of the customer base, due in part to the acquisition of Cerved Data Services and the introduction of new products, such as those for the public administration.

On the other hand, revenues were down slightly at the Banks Division compared with the previous year, but this shortfall was offset by the increase resulting from the acquisition of Cerved Data Services.

Rating & Analytics

Revenues from the Rating & Analytics product line contracted from 15,752 thousand euros in 2012 to 13,783 thousand euros in 2013, for a reduction of 1,969 thousand euros, or 12.5%. This decrease was chiefly due to lower sales of ECAI products, caused mainly by major regulatory changes and the official recognition of the internal rating systems of some bank customers.

Real Estate

Revenues for the Real Estate product line increased in absolute term, rising from 25,252 thousand euros in 2012 to 26,425 thousand euros in 2013, for a gain of 1,173 thousand euros, or 4.6%, but decreased as a percentage of total revenues, falling from 8.7% in 2012 to 8.4% in 2013, due mainly to a contraction of the market compared with the previous year.

Marketing Solutions

In the Marketing Solutions business segment, revenues grew from 9,912 thousand euros in 2012 to 12,784 thousand euros in 2013, for an increase of 2,872 thousand euros, or 29.0%.

The revenue gain reported by this segment is due in part to a steady improvement of the existing product line and introduction of new products, such as *BCircles*.

Credit Management

The revenues of the Credit Management segment jumped from 25,016 thousand euros in 2012 to 36,617 thousand euros in 2013, for a gain of 11,601 thousand euros, or 46.4%.

The revenue increase recorded in 2013 is chiefly the result of a positive performance in the area of non-performing loans and the integration of Tarida S.p.A., a company active in the credit management area.

Segment Information

The results of the operating segments are measured by analyzing the trend for EBITDA, defined as earnings for the period before depreciation and amortization, asset impairment losses, nonrecurring charges, financial income and charges, gains or losses on investments in associates and income taxes.

Management believes that EBITDA provide a good indication of performance because they are not affected by the tax laws or depreciation and amortization policies.

The table that follows shows the Revenues and EBITDA of the operating segments:

<i>(in thousands of euros)</i>	Year ended December 31, 2013			
	Credit Information	Marketing Solutions	Credit Management	Total
Revenues by segment	223,455	11,954	32,334	267,743
Inter-segment revenues	-	-	(369)	(369)
Total revenues from outsiders	223,455	11,954	31,965	267,374
EBITDA	117,844	4,778	7,116	129,738
Nonrecurring income and charges				(6,771)
Depreciation and amortization				(55,468)
Operating profit				67,499
Pro rata interest in the result of associates valued by the equity method				166
Financial income				611
Financial charges				(52,957)
Profit before income taxes				15,319
Income tax expense				(11,379)
Net profit				3,940

Given the type of services and products sold by the Group, there are no instances of significant revenue concentration with individual customers.

Financial Position of the Group

The table below shows financial position data of the Group at December 31, 2013, reclassified by "Sourced and Uses."

<i>(in thousands of euros)</i>	At December 31, 2013
Uses	
Net working capital	(2,328)
Non-current assets	1,241,256
Non-current liabilities	(145,609)
Net invested capital	1,093,319
Sources	
Shareholders' equity	371,107
Net financial debt	722,212
Total funding sources	1,093,319

A breakdown of net working capital at December 31, 2013 is provided below.

<i>(in thousands of euros)</i>	At December 31, 2013
Net working capital	
Inventory	1,312
Trade receivables	151,474
Trade payables	(30,135)
Liability for deferred revenues	(90,619)
Other current assets	8,766
Commercial net working capital (A)	40,798
Other current receivables	4,543
Net current tax payables	(27,221)
Other current liabilities net of Liabilities for deferred revenues	(20,448)
Other net working capital items (B)	(43,126)
Net working capital (A + B)	(2,328)

At December 31, 2013, Commercial net working capital was positive by 40,798 thousand euros. More specifically:

- trade receivables increased from 119,465 thousand euros at December 31, 2012 to 151,474 thousand euros at December 31, 2013, for a gain of 32,009 thousand euros that reflects the combined effect of higher revenues, compared with 2012, and the business combinations executed in 2013;
- trade payables grew from 25,409 thousand euros at December 31, 2012 to 30,135 thousand euros at December 31, 2013, for an increase of 4,726 thousand euros attributable mainly to the business combinations executed in 2013;
- the liabilities for deferred revenues, which refer to services invoiced but not yet provided, decreased by 1,684 thousand euros.

Non-current assets, which amounted to 1,241,256 thousand euros at December 31, 2013, consist primarily of intangible assets and goodwill.

The main components of intangible assets are the values assigned to customer relationships and economic information databases. Additions made during the year refer mainly to projects to develop new products and acquisitions of databases.

Insofar as the year ended December 31, 2013 is concerned, Goodwill refers to the surplus recognized in connection with the acquisition of Cerved Holding S.p.A. by Cerved Technologies S.p.A.

Non-current liabilities refer mainly to deferred tax liabilities that derive from temporary differences between the values attributed to assets or liabilities for reporting purposes and the values attributed to the same assets or liabilities for tax purposes. On the reference date, deferred taxes consist mainly of the tax liabilities recognized on the value of Customer Relationships.

Net Financial Debt of the Group

The table that follows shows a breakdown of net financial debt at December 31, 2013.

<i>(in thousands of euros)</i>	December 31, 2013
Net financial position	
A. Cash	50,346
B. Other liquid assets	-
C. Securities held for trading	-
D. Liquidity (A)+(B)+(C)	50,346
E. Current loans receivable	
F. Current bank debt	(397)
G. Current portion of non-current borrowings	(16,077)
H. Other current financial debt	(273)
I. Current financial debt (F)+(G)+(H)	(16,747)
J. Net current financial debt (I)+(E)+(D)	33,599
K. Non-current bank debt	(284)
L. Bonds outstanding	(755,527)
M. Other non-current financial debt	-
N. Non-current financial debt (K)+(L)+(M)	(755,811)
O. Net financial debt (J)+(N)	(722,212)

See the Notes to the financial statements for a detailed description of composition of net financial debt.

Income Statement and Financial Position Data of the Group's Parent Company

The Tables that follow show the statement of financial position and income statement data of the Cerved Group SpA, the Group's Parent Company. Please note that, following the merger of the Cerved Holding SpA and Cerved Group SpA subsidiaries on August 1, 2013, the income statement for 2013 includes the revenues and costs of the absorbed company as of the date when the mergers became effective for legal and tax purposes, i.e., as of August 1, 2013. See the Notes to the financial statements for a description of the valuation criteria adopted to recognize the merger.

<i>(in thousands of euros)</i>	INCOME STATEMENT December 31, 2013
Total revenues	113,328
Other income	144
Total revenues and income	113,472
Cost of raw material and other materials	(267)
Cost of services	(35,139)
Personnel costs	(24,051)
Other operating costs	(2,569)
Impairment of receivables and other provisions	(2,618)
Total operating costs	(64,644)
EBITDA	48,828
Depreciation and amortization	(27,912)
Operating profit	20,916
Financial income	18,754
Financial charges	(53,255)
Profit before income taxes	(13,585)
Income tax expense	2,083
Net profit	(11,502)

The highlights of the statement of financial positions are presented in the table below:

STATEMENT OF FINANCIAL POSITION	
<i>(in thousands of euros)</i>	December 31, 2013
Non-current assets	
Property, plant and equipment	15,145
Intangible assets	500,024
Goodwill	699,971
Equity investments	23,371
Other non-current financial assets	8,922
Net non-current assets	1,247,433
Tax receivables	135,060
Trade payables	(21,382)
Other current assets/liabilities	(117,785)
Working capital	(4,107)
Employee benefits	(8,792)
Deferred tax liabilities	(122,444)
Provisions for other liabilities and charges	(6,465)
Net invested capital	1,105,625
Shareholders' equity	355,293
Net financial position	(750,332)
Total funding sources	1,105,625

3. TRANSACTIONS WITH RELATED COMPANIES

Transactions with related parties were executed in normal course of business and were settled on standard market terms.

The table below summarized receivable and payable positions with related parties:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL
Trade receivables	297	-	297
Other receivables	273	-	273
Trade payables	(45)	-	(45)
Other payables	-	839	839

The table that follows summarizes the revenues and costs from related-party transactions attributable to the reporting year:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL
Revenues	255	-	255
Pro rata interest in the results of companies valued by the equity method	166	-	166
Cost of services	(137)	-	(137)
Personnel costs	-	(3,270)	(3,270)

Trade receivables, other receivables and trade payables with affiliated companies refer exclusively to the ECIS affiliate and are the result of commercial transactions.

The table below summarizes the cash flows with related parties:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL
Cash flow from operating activities	(358)	(2,431)	(3,628)
Cash flow from investing activities	-		
Cash flow from financing activities	-		

Top management

Transactions with Top management refers to the fees paid to the Directors of the Parent Company and compensation of executives with strategic responsibilities, as detailed below:

<i>(in thousands of euros)</i>	Wages, salaries and social security contributions	Termination indemnity	Totale
Fees paid to Directors	605	-	605
Executives with strategic responsibilities	2,547	118	2,665
Total	3,152	118	3,270

4. KEY EVENTS IN 2013

In 2013, the Company executed the following extraordinary transactions:

- I. On January 29, 2013, Cerved Technologies S.p.A. floated a bond issue for a total amount of 780,000 thousand euros, offered to institutional investors and earmarked for financing in part the upcoming acquisition of the Cerved Group.
- II. On February 27, 2013, Cerved Technologies S.p.A. completed the acquisition of the entire share capital of Cerved Holding S.p.A., acquiring control of its subsidiaries.
- III. By an instrument dated March 27, 2013, Cerved Group S.p.A. acquired from minority shareholders an interest representing 20% of the equity capital of Jupiter Group Srl (now Cerved Credit Management Group Srl). Further to this purchase, Cerved Group S.p.A. became the owner of an interest representing 80% of the equity capital of Jupiter Group Srl.
- IV. By an instrument dated March 28, 2013, Cerved Group S.p.A., in order to further develop its activities in the Business Information sector and consolidate its market position, acquired from Experian Holding Italia S.r.l. 100% of the share capital of Experian Data Services S.r.l., a company also active in the Business Information area. On the same date, Experian Data Services S.r.l. changed its name to Cerved Data Services S.r.l. On April 30, 2013, with the aim of accelerating the integration of the respective operations, the Company entered into an agreement to lease the business operations of Cerved Data Services, effective May 1, 2013.
- V. On May 2, 2013, the Group, through its Jupiter Group Srl subsidiary, later renamed Cerved Credit Management Group Srl, acquired from Delta SpA, a company under extraordinary administration, 100% of the share capital of Tarida SpA, a company active in the areas of business administration and credit collection.
- VI. On May 22, 2013, Cerved Technologies S.p.A. approved: (a) a non-contributory capital increase from a face value of 120,000.00 euros to a face value of 50,000.00 euros, withdrawing 49,880,000.00 euros from the available reserve listed in its statement of financial position at February 28, 2013; and (b) approved the proposal to merge by absorption Cerved Holding S.p.A. and Cerved Group S.p.A. into Cerved Technologies S.p.A.
- VII. On July 23, 2013, in implementation of the corresponding resolution approved by the Shareholders' Meeting, Cerved Holding S.p.A. and Cerved Group S.p.A. were merged by absorption into Cerved Technologies S.p.A., pursuant to Article 2501-bis of the Italian Civil Code, effective as of August 1, 2013 for civil law purposes. The merger

was carried out with the cancellation of the shares of the absorbed companies, no exchange ratio being determined and without increasing the share capital of the absorbing company, as the latter directly owned the entire equity capital of the absorbed company Cerved Holding S.p.A., which, in turn, directly owned the entire equity capital of Cerved Group S.p.A. Moreover, effective as of the merger's effective date, the absorbing company Cerved Technologies S.p.A. changed its name to Cerved Group S.p.A. and adopted new Bylaws, with a text substantially consistent with that of the Bylaws of the absorbed company Cerved Group S.p.A.

VIII. On December 20, 2013, Cerved Data Services S.r.l. was merged by absorption into Cerved Group S.p.A., effective as of January 1, 2014 for civil law purposes.

5. SIGNIFICANT EVENTS OCCURRING AFTER DECEMBER 31, 2013

After the end of the year, on February 13, 2014, the Group, through its Finservice SpA subsidiary, acquired the entire share capital of Linctec Srl, a company that was already a supplier of the Group, specialized in the development of software applications for outsourced credit management.

This acquisition is consistent with Finservice's vertical integration strategy, aimed at covering the entire value chain.

The Group has prepared its budget for fiscal year 2014. Any forecast published prior to the date hereof are no longer relevant.

As part of the Company's future development projects and investments, on March 6, 2014, the Board of Director agreed to retain the services of some advisors to assess the possibility of listing the Company on the stock exchange in Italy.

Any decision to implement the stock listing process will be the subject of further resolutions by the Company's governance bodies, once the assessment process is completed.

6. BUSINESS OUTLOOK

The progress of the Group's business operations in the early months of 2014 is in line with the budget approved by the Company's Board of Directors.

7. MAIN RISKS AND UNCERTAINTIES

The Company is exposed to some financial risks: market risks (interest rate risk and price risk), liquidity risk and credit risk.

The interest risk is managed with the use of financial instruments that hedge the interest rate risk.

The liquidity risk is managed by carefully managing and controlling operating cash flows.

In addition, the Company is exposed to the price risk with regard to purchased services (cost of raw data), which it manages through agreements with its counterparties on predetermined price terms.

The credit risk refers exclusively to trade receivables, but the Company does not believe that risks related to this area are significant because its sales policies are implemented with the aim of establishing relationships with customers of adequate size and profile.

For additional information about the main risks and uncertainties that affect the Company's financial statements, please see the comments provided in the "Financial Risk Management" section of the Notes to the Financial Statements.

8. INFORMATION ABOUT TREASURY SHARES AND SHARES OF CONTROLLING COMPANIES

At December 31, 2013, the Company did not hold any treasury shares or shares of controlling companies, either directly or through fiduciary companies or other third parties.

9. FINANCIAL INSTRUMENTS

See the information provided in the notes to the financial statements.

10. INFORMATION ABOUT THE ENVIRONMENT

Environmental issues are not crucial due to the fact that the Company operates in the service sector. However, it is worth mentioning that the Company and the other Group companies operate responsibly and with respect for the environment so as to minimize the impact of their activities.

11. SAFETY PLANNING DOCUMENT

The Company announces that, as required by Legislative Decree No. 196/2003, it updated the Safety Planning Document for 2013.

12. RESEARCH AND DEVELOPMENT

The Company engages in research and development within the framework of its operating activities. Projects in this area involve the development of computational algorithms, rating systems and econometric analyses of economic sectors. The costs incurred for these projects are charged in full to income, except for development costs that meet the requirements of IAS 38, which are capitalized as intangible assets.

13. QUALITY SYSTEM

The Company retained the certification of its UNI EN ISO 9001 quality system, broadening the scope of the certification to include the company absorbed in 2013.

14. Legislative Decree No. 231/01

The Company adopted the Organization, Management and Control Model (the "Model") pursuant to Legislative Decree No. 231 of June 8, 2001 entitled "Provisions governing the administrative liability of legal entities, companies and associations, including those lacking legal recognition," and appointed an Oversight Board responsible for overseeing the implementation of and compliance with the Model.

In addition, the Company published a Code of Ethics that sets forth commitments and ethical responsibilities in the conduct of business transactions and Company activities and defines the complex of value, principles and conduct guidelines that must be followed by Company Directors and by anyone who has a work relationship with the companies and, in general, anyone who acts on the Company's behalf, regardless of the relationship with it.

15. SCHEDULE RECONCILING THE COMPANY'S SHAREHOLDERS' EQUITY TO THE SHAREHOLDERS' EQUITY IN THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMPANY'S RESULT FOR THE YEAR TO THE RESULT FOR THE YEAR IN THE CONSOLIDATED FINANCIAL STATEMENTS

The schedule that follows provided a reconciliation of the Company's shareholders' equity to the Group's shareholders equity and of the Company's result for the year to the Group's result for the year.

	Shareholders' equity	Result
Shareholders' equity and result of the Group's Parent Company	355,293	(11,502)
Consolidation of the result of the Group's Parent Company at the date when control was acquired (from February 28, 2013 to July 31, 2013)	-	18,188
Consolidated companies	33,659	13,789
Elimination of the carrying amount of equity investments	(25,551)	-
Consolidation of affiliated companies by the equity method	(41)	(91)
Recognition of goodwill	7,747	-
Recognition of Tarida badwill	-	2,057
Elimination of dividend	-	(18,501)
Consolidated shareholders' equity and result	371,107	3,940

16. OVERSIGHT AND COORDINATION ACTIVITY

Cerved Group, the Group' parent Company, is subject to oversight and coordination by Chopin Holdings S.à.r.l.:

- Registered office: Avenue Monterey 20. L-2163 – Luxembourg
- Tax I.D. No. 97644330157
- Listed in the Luxembourg Company Register under No. b-173919
- Date when established: December 28, 2012
- Equity capital: 10,000,000 euros

Chopin Sarl will prepare its first annual financial statements at December 31, 2013; consequently, no financial data are yet available.

The oversight and coordination activity is not of a general nature, being limited to: i) transactions with an impact of the debt structure of the Cerved Group (e.g., early repayment of bond issues or changes in their terms and conditions, placement of new bond issues, establishment of new medium/long-term credit lines and similar facilities for a unit amount equal to or greater than 10,000,000 euros), expressly excluding short-term financing transactions, factoring transactions and leasing transactions; and (ii) acquisitions or divestments, in any form, of equity investments in other companies (including, merely by way of example, though subscription to capital increases), businesses or business operations (including joint ventures) with a unit enterprise value equal to or greater than 10,000,000 (ten million) euros, it being understood that, in the case of transnational transactions (i.e., merely by way of example, transactions involving joint ventures, companies, businesses or business operations in countries other than Italy) the abovementioned value threshold is not applicable.

Cerved Group Spa, in turn, exercises oversight and coordination over its subsidiaries.

17. MOTION FOR THE APPROPRIATION OF THE YEAR'S RESULT

Dear Shareholders:

In asking you to approve the Financial Statements and Report on Operations, as submitted to you, we also recommend that you resolve to cover the loss of 11,502,081 euros, using for that purpose the additional paid-in capital reserve.

Milan, March 27, 2014
The Board of Directors
by: Fabio Cerchiai
Chairman

**CONSOLIDATED FINANCIAL STATEMENTS
AT DECEMBER 31, 2013**

Consolidated Statement of Comprehensive Income

<i>(in thousands of euros)</i>	Notes	Year ended December 31, 2013
Revenues	8	267,374
- amount with related parties	43	255
Other income	9	2,862
- amount from non-recurring transactions	16	2,697
Total revenues and income		270,236
Cost of raw material and other materials	10	(2,702)
Cost of services	11	(73,395)
- amount from non-recurring transactions	16	(7,594)
- amount with related parties	43	(137)
Personnel costs	12	(58,736)
- amount from non-recurring transactions	16	(1,873)
- amount with related parties	43	(3,470)
Other operating costs	13	(6,966)
Impairment of receivables and other provisions	14	(5,470)
Depreciation and amortization	15	(55,468)
Operating profit		67,499
Pro rata interest in the result of companies valued by the equity method		166
- amount with related parties	43	166
Financial income	17	611
Financial charges	18	(52,957)
Profit before income taxes		15,319
Income tax expense	19	(11,379)
Net profit		3,940
Amount attributable to non-controlling interests		923
Net profit attributable to owners of the parent		3,017
Other comprehensive income		
<i>Items that will not be later reclassified to the income statement</i>		
Actuarial gains (losses) on defined-benefit plans for employees		(1,110)
Tax effect		305
Total comprehensive income attributable to owners of the parent		2,212
Met profit attributable to non-controlling interests		923
Basic earnings per share	32	0.10
Diluted earnings per share	32	0.10

Consolidated Statement of Financial Position

<i>(in thousands of euros)</i>	Notes	At December 31, 2013
ASSETS		
Non-current assets		
Property, plant and equipment	20	16,608
Intangible assets	21	501,093
Goodwill	22	708,633
Investments in companies valued by the equity method	23	3,094
Other non-current financial assets	24	11,828
Total non-current assets		1,241,256
Current assets		
Inventory	25	1,312
Trade receivables	26	151,474
- amount with related parties	43	297
Tax receivables	27	1,352
Other receivables	28	4,543
- amount with related parties	43	273
Other current assets	29	8,766
Cash and cash equivalents	30	50,346
Total current assets		217,793
TOTAL ASSETS		1,459,049
Share capital		50,000
Other reserves		316,115
Net profit attributable to owners of the parent		3,017
Total shareholders' equity attributable to owners of the parent		369,132
Total shareholders' equity attributable to non-controlling interests		1,975
TOTAL SHAREHOLDERS' EQUITY	31	371,107
Non-current liabilities		
Long-term debt	33	755,811
Employee benefits	35	10,881
Provisions for other liabilities and charges	36	14,975
Deferred tax liabilities	37	119,753
Total non-current liabilities		901,420
Current liabilities		
Short-term borrowings	33	16,747
Trade payables	38	30,135
- amount with related parties	43	45
Current tax payables	39	12,006
Other tax payables	40	16,567
Other liabilities	41	111,067
- amount with related parties	43	839
Total current liabilities		186,522
TOTAL LIABILITIES		1,087,942
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1,459,049

Consolidated Statement of Cash Flows

<i>(in thousands of euros)</i>	Notes	Year ended December 31, 2013
Profit before taxes		15,319
Depreciation and amortization	15	55,468
Provisions for risks	14	2,006
Impairment of receivables	14	3,464
Net financial charges	17,18	52,438
Pro rata interest in the result of investee companies valued by the equity method	23	(166)
Gain on business combinations	16	(2,057)
Cash flow from/(used in) operating activities before changes in working capital		126,472
Change in operating working capital		(30,958)
Change in other working capital items		(19,085)
Change in provisions for liabilities and charges, deferred tax and other liabilities		(2,349)
Cash flow from changes in working capital		(52,392)
Income taxes paid		(18,425)
Cash flow from/(used in) operating activities		55,655
Additions to intangible assets	21	(19,122)
Additions to property, plant and equipment	20	(3,555)
Disposal of property, plant and equipment and intangible assets	20,21	22
Financial income	17	611
Net cash flow from acquisitions	6	(763,902)
Cash flow from/(used in) investing activities		(785,946)
Net change in short-term borrowings		(36,892)
Placements of bond issues	33	780,000
Payment of incidental expenses on placement of bond issues		(32,151)
Repayment of long-term deb		(268,804)
Capital increase	31	367,448
Interest paid		(28,993)
Dividends paid/third parties		(91)
Cash flow from/(used in) financing activities		780,517
Net change in cash and cash equivalents		50,226
Cash and cash equivalents at the beginning of year		120
Cash and cash equivalents at the end of year	30	50,346

The effects of transactions with related parties are discussed in Note 43 "Transactions with Related Parties," in the notes to these consolidated financial statements.

Consolidated Statement of Changes in Shareholders' Equity

<i>(in thousands of euros)</i>	Share capital	Additional paid-in capital	Other reserves	Net profit attributable to owners of the parent	Consolid. shareholders' equity attributable to owners of the parent	Sharehold. equity attributable to non-controlling interests	Total shareholders' equity
Balance at January 9, 2013	120	-	-	-	120	-	120
Net profit			-	3.017	3.017	923	3.940
Other components of comprehensive income			(805)		(805)		(805)
Net comprehensive income	-	-	(805)	3.017	2.212	923	3.315
Advance on future share capital increase			367.448	-	367.448		367.448
Share capital increase	49.880		(49.880)		-		-
Acquisition of minority interests			(557)		(557)		(557)
Other changes			(91)		(91)	1.052	961
Total transactions with owners	49.880		316.920	-	366.800	1.052	367.852
Balance at December 31, 2013	50.000		316.115	3.017	369.132	1.975	371.107

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2013

1. GENERAL INFORMATION

CERVED Group S.p.A. (hereinafter “**CERVED**”, the “**Company**” or the “**Parent Company**”) is a corporation established and domiciled in Italy, with registered office at 1 Via San Vigilio, in Milan, and organized in accordance with the laws of the Italian Republic.

CERVED is the company resulting from the merger by absorption of Cerved Holding S.p.A. and Cerved Group S.p.A. into Cerved Technologies S.p.A., which subsequently changed its name to CERVED Group S.p.A. The Company was established by CVC Capital Partners on January 9, 2013 with the name “Cerved Technologies S.p.A.” and a share capital of 120,000 thousand euros and is controlled by CVC Capital Partner through Chopin Sarl, a holding company based in Luxembourg.

On January 15, 2013, Cerved Technologies S.p.A. floated a bond issue for a total amount of 780,000 thousand euros, offered to institutional investors and earmarked for financing in part the upcoming acquisition of the Cerved Group.

On February 27, 2013, Cerved Technologies S.p.A. completed the acquisition of the entire share capital of Cerved Holding S.p.A., acquiring control of its subsidiaries (the “**CERVED Group**”), (hereinafter the “**Acquisition**”).

As mentioned earlier in this Report, the merger by absorption of Cerved Holding S.p.A. and Cerved Group S.p.A. into Cerved Technologies S.p.A., was completed on July 23, 2013, effective as of August 1, 2013 for accounting and tax purposes (the “**Merger**”), with Cerved Technologies S.p.A. then changing its name to Cerved Group S.p.A.

The Company and its subsidiaries (collectively the “**Group**”) represent the main reference point in Italy for the management, processing and distribution of legal, accounting, economic and financial information. The products and services offered by the Group enable its customers, mainly businesses and financial institutions, to assess the solvency, credit worthiness and economic and financial structure of their commercial counterparties or customers, so as to optimize their credit risk management policies, accurately define their marketing strategies and assess the position of competitors in their target markets.

This document was approved by the Company’s Board of Directors at a meeting held on March 27, 2014.

2. OVERVIEW OF THE ACCOUNTING PRINCIPLES

As a result of the developments outlined above and because the Company was established on January 9, 2013, these financial statements, which cover the period from January 9 to December 31, 2013, are the first consolidated financial statements prepared by the Company and lacks comparative data (hereinafter the “**Consolidated Financial Statements**”).

The main criteria and accounting principles applied in the preparation of the Consolidated Financial Statements are reviewed below.

Basis of Preparation

The Company chose to avail itself of the option provided by Legislative Decree No. 38 of February 28, 2005, which governs the exercise of the options provided under Article 5 of E.U. Regulation No. 1606/2002 regarding international accounting principles, applying the international accounting principles adopted by the European Union (hereinafter the “**IFRS**”) for the preparation of its consolidated financial statements.

The Consolidated Financial Statements were prepared in accordance with the going concern assumption, the Directors having verified the absence of any financial, operational or other indicators signaling the existence of issues concerning the Group's ability to meet its obligations in the foreseeable future and over the next 12 months specifically. A description of the methods applied by the Group to manage financial risks is provided below in Note [3] on Financial Risk Management.

The consolidated financial statements were prepared based on the IFRS international accounting principles, understood to include all "International Financial Reporting Standards," all "International Accounting Standards" (IAS) and all interpretations issued by the "International Financial Reporting Interpretations Committee" (IFRIC), previously called "Standing Interpretations Committee" (SIC) that, on the date of these financial statements, had been adopted by the European Union in accordance with the procedure required by Regulation (EC) No. 1606/2002 of July 19, 2002 of the European Parliament and the European Council.

These consolidated financial statements are denominated in euros, which is the currency of the prevailing economic environment in which the Group operates. Unless otherwise stated, the amounts listed in this documents are presented in thousands of euros.

The financial statement presentation format and the corresponding classification criteria adopted by the Group from among the options provided by IAS 1 *Presentation of Financial Statements* are reviewed below:

- **Statement of financial position:** it was prepared with assets and liabilities classified separately in accordance with the "current/non-current" criterion;
- **Statement of comprehensive income:** it is presented with operating expenses classified by nature and includes, in addition to the profit (loss) for the year, the other changes to components of shareholders' equity caused by transaction executed with parties other than the Company's owners;
- **Statement of cash flows:** it was prepared showing the cash flow from operating activities in accordance with the "indirect method."

The Consolidated Financial Statements were prepared based on the customary historical cost criterion, except for the measurement of financial assets and liabilities in those cases in which the use of the fair value criterion is mandatory.

Scope of Consolidation and Consolidation Criteria

The consolidated financial statements include the financial statements of the Parent Company and those of companies in which the Parent Company controls directly or indirectly the majority of the votes that can be cast at an Ordinary Shareholders' Meeting.

A list of companies consolidated line by line or by the equity method at December 31, 2013 is provided below:

	Registered office	At December 31, 2013	
		Share capital (in thousands of euros)	% ownership (direct and indirect)
Cerved Group SpA (Parent Company)	Milan	50.000	-
Consit Italia SpA	Milan	812	94.33%
Finservice SpA	Milan	150	100.00%
Cerved Credit Management Group Srl	Milan	50	80.00%
Cerved Credit Management Spa	Milan	1,000	80.00%
Cerved Legal Services Srl	Milan	50	80.00%
Cerved Rating Agency SpA	Milan	120	100.00%
Cerved Data Services Srl	Milan	579	100.00%
Experian CERVED Information Services SpA	Rome	1,842	5.00%

All subsidiaries close their financial statements on the same date as the Cerved Group SpA, the Group's Parent Company, except for Experian CERVED Information Services SpA, which closed its financial statements at March 31, 2013. The financial statements of subsidiaries prepared in accordance with accounting principles different from the IFRS adopted by the Group's Parent Company were restated as necessary to make them consistent with the Parent Company's accounting principles.

See Note 6 for additional information about the main changes that occurred in the scope of consolidation in the course of the year.

CONSOLIDATION CRITERIA

Subsidiaries are those companies over which the Group has the power, directly or indirectly, to determine their financial and operating policies so as to obtain benefits from their activities. Control can be exercised by virtue of the direct or indirect possession of majority of the shares with voting rights or by virtue of contractual stipulations or statutory provisions, irrespective of share ownership. The existence of contingent voting rights exercisable on the date of the financial statements is taken into account for the purpose of determining control.

Subsidiaries are consolidated on a line-by-line basis from the moment control is effectively acquired and ends when control is transferred to a different party. The criteria adopted for line-by-line consolidation are outlined below:

- The assets and liabilities, income and expense of the subsidiaries are included line by line, allocating to non-controlling interests, when applicable, the pro rata share of the period's shareholders' equity and profit attributable to them; these amounts are shown separately in shareholders' equity and the income statement;
- business combinations by virtue of which control is acquired over an entity are recognized, as required by the provisions of IFRS 3 *Business Combinations*, in accordance with the acquisition method. The acquisition cost is represented by the fair value on the acquisition date of the assets being sold, the assumed liabilities and any issued equity instruments. The identifiable acquired assets, assumed liabilities and contingent liabilities are recognized at their fair value on the date of acquisition, except for deferred tax assets and liabilities, assets and liabilities for employee benefits and assets held for sale, which are recognized in accordance with the respective reference accounting principles. The difference between the acquisition cost and the fair value of the acquired assets and liabilities, if positive, is recognized among intangible assets as goodwill or, if negative, after checking again the correct measurement of the fair values of the acquired assets and liabilities and the acquisition costs, is recognized directly in profit or loss, as a gain. Incidental transaction costs are recognized in profit or loss when incurred;
- the acquisition cost includes any contingent consideration, recognized at its fair value on the date when control is acquired. Subsequent changes in fair value are recognized in the income statement or the comprehensive income statement if the contingent consideration is a financial asset or liability. Contingent consideration classified as shareholders' equity is not remeasured and its subsequent extinguishment is recognized directly in equity;
- if business combinations through which control is acquired are executed in multiple steps, the Group remeasures the interest that he held previously in the acquiree against the respective fair value on the acquisition date and recognizes any resulting profit or loss in the income statement;
- acquisitions of non-controlling interests in entities over which the Group already has control or the sale of non-controlling interests that do not entail the loss of control are treated as equity transactions; consequently, any difference between the acquisition/disposal cost and the corresponding pro rata interest in the underlying acquired/sold shareholders' equity is recognized as an adjustment to the shareholders' equity attributable to the owners of the parent;
- significant gains and losses, including the corresponding tax effect, deriving from transactions executed between companies consolidated line by line and not yet realized with respect to third parties are eliminated, except that losses are not elimi-

nated when the transaction provides evidence that the transfer asset was impaired. All significant positions involving payables and receivables, costs and expenses and financial expense and income are also eliminated.

AFFILIATED COMPANIES

Affiliated companies are those over which the Group exercises a significant influence, which is presumed to exist when the equity investment held is equal to between 20% and 50% of the voting rights. Equity investments in affiliated companies are valued by the equity method and are initially recognized at cost. The equity method is described below:

- the carrying amount of these equity investments is aligned with the underlying shareholders' equity, adjusted when necessary to reflect the adoption of the IFRS and includes the recognition of the higher/lower values assigned to the assets and liabilities and any goodwill, as identified at the time of acquisition;
- gains or losses attributable to the Group are recognized as of the date when the significant influence began and until the date when the significant influence ends. If, because of losses, a company valued by the equity method shows a negative shareholders' equity, the carrying amount of the equity investment is written off and any excess attributable to the Group, if the Group has agreed to fulfill the statutory or constructive obligations of the investee company or otherwise cover its losses, is recognized in a special provisions; changes in the equity of companies valued by the equity method not attributable to the result in the income statement are recognized directly in the comprehensive income statement;
- unrealized gains and losses generated by transactions executed by the Company/ subsidiaries with an investee company valued by the equity method, including distributions of dividends, are eliminated consistent with the value of the equity stake held by the group in the investee company in question, except for losses when these represents and impairment of the underlying asset.

TRANSLATION OF TRANSACTIONS DENOMINATED IN A CURRENCY DIFFERENT FROM THE FUNCTIONAL CURRENCY

Transactions denominated in a currency different from the functional currency of the entity executing the transaction are translated at the exchange rate in effect on the transaction date. Foreign-exchange gains and losses generated by the closing of the transaction or the translation carried out at the end of the year of assets and liabilities denominated in currencies different from the euro are recognized in profit or loss.

Valuation Criteria

An overview of the most significant accounting principles and valuation criteria used to prepare the Consolidated Financial Statements is provided below.

PROPERTY, PLANT AND EQUIPMENT

Items of property plant and equipment are recognized in accordance with the cost criterion and booked at their acquisition cost or production cost, including any directly attributable incidental costs necessary to make the asset ready for use, any decommissioning and removal costs that will be incurred as a result of contractor commitments to restore an asset to its original condition and any financial expense directly attributable to the asset's acquisition, construction or production.

Costs incurred for ordinary maintenance and ordinary and/or cyclical repairs are recognized directly in profit or loss for the year in which they are incurred. The capitalization of costs incurred for expanding, modernizing or upgrading structural elements owned by the Company or received in use from third parties, is carried out exclusively to the extent that the abovementioned costs meet at the requirements for classification as the separate assets or part of an asset in accordance with the component approach.

Property, plant and equipment, with the exception of land, is depreciated systematically each year on a straight-line basis, in accordance with the remaining useful lives of the assets. If the asset being depreciated is comprised of components identifiable separa-

tely with useful lives that are materially different from those of the other components of the asset, each asset component is depreciated separately in accordance with the component approach principle.

Depreciation starts when an asset is ready for use, based on the moment when this condition is effectively met.

The depreciation rates of the various components of property plant and equipment are as follows:

	Estimated useful life
Buildings	33 years
Electronic office equipment	3-5 years
Furniture and fixtures	8 years
Other assets	4-6 years

The depreciation rates of the components of property plant and equipment are reviewed and updated as needed, at least at the end of each reporting year.

If, irrespective of the accumulated depreciation recognized, the value of an item of property, plant and equipment is impaired, the asset is written down. If in subsequent years the reasons for the writedown no longer apply, the original value is reinstated. The residual values and useful lives of assets are reviewed at the end of each reporting period and, if necessary, appropriate adjustments are made.

Gains and losses on asset disposals are determined by comparing the sales consideration with the asset's net carrying amount. The amount thus determined is recognized in profit or loss in the corresponding year.

INTANGIBLE ASSETS

Intangible assets are identifiable non-monetary assets without physical substance, controllable and capable of generating future economic benefits. These assets are initially recognized at their purchase and/or production costs, inclusive of directly attributable expenses incurred to make the asset ready for use. Any interest expense accrued during and for the development of intangible assets is deemed to be part of the acquisition cost. Specifically, the following main intangible assets are recognized within the Group:

(a) Goodwill

Goodwill is classified as an intangible asset with an indefinite useful life and is initially recognized at cost, as described above, and subsequently measured, at least once a year, to determine the existence of any impairment ("**impairment tests**"). The value of goodwill cannot be reinstated after it has been written down due to impairment.

(b) Other intangible assets with a finite useful life

Intangible assets with a finite useful life are recognized at cost, as described above, net of accumulated amortization and any impairment losses.

Software development costs

Costs incurred internally to develop new products and services constitute intangible assets (mainly software costs), but are recognized as such only if all of the following conditions can be met: i) the cost attributable to the development activities can be determined reliably; ii) the Company has the intention, the availability of financial resources and the technical capabilities to make the asset ready for use or sale; and iii) it can be demonstrated that the asset is capable of producing future economic benefits. Capitalized development cost shall include only incurred expenses that can be directly attributed to the process of developing new products and services.

Database costs

Costs incurred to acquire financial information (databases) are recognized as an intangible asset only to the extent that, for these costs, the Group can measure reliably the future benefits deriving from the acquisition of the information comprising the asset.

Other intangible assets with a finite useful life

Other intangible assets with a finite useful life acquired or internally produced are recognized among the Company's assets, in accordance with the provisions of IAS 38 (Intangible Assets), when it is probable that their use will generate future economic benefits and the cost of the asset can be determined reliably. These assets are recognized at their purchase or production cost and amortized on a straight-line basis over their estimated useful lives; the amortization rates are reviewed each year and are changed when the currently estimated useful life differs from the one estimated previously. The effects of such changes are recognized prospectively in the separate consolidated financial statements.

Amortization begins when an asset is available for use and is allocated systematically based on the remaining available use of the assets, which corresponds to its remaining useful life. The useful lives estimated by the Group for the different categories of his intangible assets are shown below:

	Estimated useful life
Trademarks	10-20 years
Customer relationships	5-18 years
Software owned and licensed for internal use	3-5 years
Databases	3-4 years

Intangible assets from business combinations

The main assets recognized in connection with business combinations included the following:

- Trademarks, the value of which was determined with the Relief-from-Royalty method;
- Customer Relationships, which represent the complex of multi-year relationships established by the Group with corporate customers and credit institution, through the delivery of business information services, the development of risk assessment models and the supply of sundry services (such as the collection of receivables), the value of which was determined with the Multi-period Excess Earnings method.
- Databases, meaning the value of the complex of proprietary information used by the Cerved Group to deliver products and services. Their cost was determined with the Relief-from-Royalty method.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**(a) Goodwill**

As mentioned earlier in these Notes, goodwill is tested for impairment annually or more frequently when there are indicators showing that its value may have been impaired. An impairment test is performed for each "**Cash Generating Unit**" or "**CGU**" to which Goodwill has been allocated and the value is monitored by management. Any impairment of goodwill's value is recognized whenever goodwill's recoverable value is lower than its carrying amount. Recoverable value shall be understood to mean the greater of the fair value of the CGU, net of cost to sell, and its value in use, understood to mean the present value of the estimated future cash flows from the asset in question. In determining value in use, the expected future cash flows are discounted to present value using a pre-tax discount rate that reflects current market valuation of the cost of money, in relation to the investment period and taking into account the asset's specific risks. If the impairment loss resulting from the impairment test is greater than the value of the

goodwill allocated to the CGU, the remaining excess is allocated to the assets included in the CGU in proportion to their carrying amount. The bottom limit of this allocation is represented by the larger of the following amounts:

- I. the fair value of the asset, net of cost to sell;
- II. its value in use, as defined above;
- III. zero.

The original value of goodwill cannot be reinstated even if the factors that caused its impairment are no longer applicable.

(b) Intangible assets with a finite useful life and property plant and equipment

On each reference date of the financial statements, a check is performed to determine whether there are indicators that items of property plant and equipment and intangible assets may have been impaired. Both internal and external information sources are used for this purpose. With regard to internal sources, the following are taken into account: the obsolescence or physical deterioration of an asset, any material changes in the use of the asset and the asset's economic performance compared with expectations. Insofar as external sources are concerned, the following is taken into consideration: trends in market prices for the assets, Any technological, market or regulatory discontinuities and trends in market interest rates or the cost of capital used to value investments.

If the presence of such indicators is detected, an estimate is made of the recoverable value of the abovementioned assets, recognizing any writedowns of their carrying amounts in profit or loss. The recoverable value of an asset is the greater of its fair value, net of cost to sell, and its value in use, understood to mean the present value of the estimated future cash flows from the asset in question. In determining value in use, the expected future cash flows are discounted to present value using a pre-tax discount rate that reflects current market valuation of the cost of money, in relation to the investment period and taking into account the asset's specific risks. For an asset that does not generate largely independent cash flows, the recoverable value is determined in relation to the cash generating unit to which the asset belongs.

An impairment loss is recognized in profit or loss when the carrying amount of the assets or the CGU to which the asset is allocated is greater than its recoverable value. Impairment losses suffered by a CGU are recognized first as a reduction of the carrying amount of any goodwill allocated to the CGU and then as a the deduction from the other assets, in proportion to their carrying amounts and up to the corresponding recoverable values. If the reasons that justify an earlier writedown no longer apply, the carrying amount of the asset is reinstated, with recognition in profit or loss, up to the net carrying amount that the assets in question would have had if it had not been written down and had been regularly depreciated or amortized.

INVESTMENTS IN OTHER COMPANIES, OTHER CURRENT AND NON-CURRENT ASSETS, TRADE RECEIVABLES AND OTHER RECEIVABLES

Upon initial recognition, financial assets are booked at fair value and classified into one of the following categories, depending on their nature and the purpose for which they were purchased:

- (a) Loans and receivables;
- (b) Available for sale financial assets.

(a) Loans and receivables

Loans and receivables include financial instruments, other than derivatives and instruments traded in active markets, consisting mainly of receivables owed by customers or subsidiaries, which are expected to generate fixed or determinable payments. Loans and other receivables are classified in the statement of financial position under "Trade receivables" and "Other receivables," shown among current assets, except for those with a contractual maturity of more than 12 months from the end of the reporting period, which are shown among non-current assets.

These assets are valued at amortized cost, using the effective interest rate, reduced for impairment losses.

Any impairment in the value of receivables is recognized in the financial statements whenever there is objective evidence that the Company will not be able to recover a receivable owed by a counter party in accordance with the corresponding contractual terms. Objective evidence that the value of a financial asset or group of assets has been impaired includes measurable data that come to an entity's attention as a result of the following loss events:

- significant financial difficulties on the part of the debtor;
- the existence of pending legal disputes with the debtor concerning receivables;
- the possibility that the beneficiary may file for bankruptcy or other restructuring procedures.

The amount of the writedown shall be measured as the difference between an asset's carrying amount and the present value of its future cash flows. The amount of the impairment loss is recognized in the income statement under the line item "Impairment of receivables and other provisions."

The value of receivables is shown in the financial statements net of the corresponding provision for impairment losses.

In the case of transactions involving the factoring of trade receivables that do not entail the transfer to the factor of the risks and benefits inherent in the assigned receivables (the Group thus remains exposed to the risk of insolvency and late payment – so-called assignments with recourse), the transaction is treated similarly to the taking out of a loan secured by the assigned receivables. In this instance, the assigned receivable continues to be reflected in the Group's statement of financial position, until it is collected by the factor, and a financial liability is recognized, as an offset for the advanced received from the factor. The financial charge incurred for factoring transaction consists of the interest charged on the advanced amounts, which is recognized on an accrual basis and classified as a financial charge. Fees that accrue on assignments with recourse are included in financial charges, while fees on assignments without recourse are included among operating expenses.

(b) Available for sale financial assets

Available for sale financial assets are financial instruments, other than derivatives, that are explicitly designated as belonging to this category or cannot be classified into none of the preceding categories. They are included among non-current assets, unless management intends to dispose of them within 12 months from the end of the reporting period. Investment in other companies are included in this category.

Subsequent to initial recognition, available for sale financial assets are measured at fair value and any resulting gain or loss is posted to an equity reserve; they are recognized in the statement of comprehensive income, under the line items "Financial income" or "Financial charges" only when the financial asset is actually sold.

The fair value of listed financial instruments is based on the current bid price. If the market for a financial asset is inactive (or the asset consists of unlisted securities), Group companies define the asset's fair value using valuation techniques. Investments in equity instruments for which a market price quote is not available and whose fair value cannot be measured reliably are valued at cost.

(c) Other equity investments

Other equity investments (different from those in subsidiaries, affiliated companies and joint ventures) are included among non-current assets or current assets, depending on whether they are expected to remain among the Group's assets for a period longer or shorter than 12 months, respectively.

Upon acquisition, they are classified into the following categories:

- available for sale financial assets, which can be classified as either non-current or current assets;
- Assets measured at fair value through profit or loss, classified as current assets if they are held for trading.

Other equity investments classified as Available for sale financial assets are measured at fair value; changes in the value of these investments are posted to an equity reserve against their recognition among other components of comprehensive income (Reserve for adjustment to fair value of available for sale financial assets), which will be reversed into the separate consolidated income statement upon the sale of the assets or when the assets become impaired.

Other investments in unlisted companies classified as Available for sale financial assets the fair value of which cannot be determined reliably are valued at cost adjusted for impairment losses recognized in the separate consolidated income statement, as required by IAS 39.

INVENTORY

Inventory is carried at the lower of purchase costs and net realizable value, which corresponds to the amount that the Group expects to obtain from its sale, in the normal course of business, net of cost to sell. Cost is determined based on the specific cost of each acquired item.

Financial charge are not included in the valuation of inventory; instead, they are recognized in profit or loss when incurred since the timing requirements for capitalization cannot be met. The inventory of finished goods that are no longer salable is written off.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, available bank deposits and other forms of short-term investments with an original maturity equal to or shorter than three months. Items included in cash and cash equivalents are measured at fair value and any changes are recognized in profit or loss.

TRANSACTIONS IN CURRENCIES DIFFERENT FROM THE FUNCTIONAL CURRENCY

Transactions in currencies different from the functional currency are translated into euros at the exchange rate on the transaction date. Assets and liabilities outstanding at the end of the reporting period are translated into euros at the exchange rate on the reference date of the statement of financial position. Foreign exchange difference arising from the translation at the year-end exchange rate compared with the transaction's exchange rate are recognized in profit or loss.

SHAREHOLDERS' EQUITY

Share Capital

This item represents the par value of the capital contributions provided by shareholders.

Additional paid-in capital

This item represents the amounts received by the Company for the issuance of shares at a price greater than their par value.

Other reserves

This item includes the most commonly used reserves, which can have a generic or specific destination. As a rule, they do not derive from results of previous years.

Retained earnings

This item reflects net results of previous years that were not distributed or posted to other reserves or losses that have not been replenished.

BORROWINGS AND OTHER FINANCIAL LIABILITIES

Borrowings and other liabilities are initially recognized at fair value, net of directly attributable incidental costs, and are later valued at amortized cost, by applying the effective interest rate method. If there is a change in the estimate of the expected cash flows, the value of the liability is recomputed to reflect this change, based on the present value of the new expected cash flows and the internal effective rate initially deter-

mined. Financial liabilities are classified into current liabilities, except for those with a contractual maturity of more than 12 months from the date of the financial statements and those for which the Company has an unconditional right to defer their payment by at least 12 months past the end of the reporting period.

Financial liabilities are recognized on the date the corresponding transactions are executed and are removed from the financial statements when they are extinguished or after the Group has transferred all of the risks and charges inherent in the financial instruments.

DERIVATIVES

Derivatives, executed mainly to hedge risks related to fluctuations in financial charges, are valued in the same manner as securities held for sale, are measured at fair value through profit or loss and are classified into current and non-current other assets or liabilities. The fair value of financial derivatives is determined based on market prices or, if these are not available, it is estimated with appropriate valuation techniques based on up-to-date financial variables used by market operators and, whenever possible, taking into account recorded prices for recent transactions involving similar financial instruments. When there is objective evidence of impairment, asset-side derivatives are shown net of the amounts set aside in the corresponding provisions for impairment. Derivatives are classified as hedging instruments when the relationship between the derivative and the hedged item is formally documented and the effectiveness of the hedge, tested periodically, is high. Compliance with the requirements defined in IAS 39 to qualify for hedge accounting is verified periodically. Changes in the fair value of derivatives that do qualify for hedge accounting are recognized in profit or loss.

Option contracts concerning the shares of affiliated companies or other companies exchanged with the counterparties are recognized at fair value on the date of recognition, with the offset posted to the income statement. The value of these instruments is adjusted periodically to match their fair value.

EMPLOYEE BENEFITS

Short-term benefits include wages, salaries, the corresponding social security obligations, unused vacation indemnities and incentives awarded in the form of bonuses payable within 12 months from the date of the financial statements. These benefits are accounted for as components of personnel expense in the period during which the employment services are rendered.

Post-employment benefits consist of two types: defined-contribution plans and defined-benefit plans.

In defined-contribution plans, contribution costs are recognized in profit or loss when incurred, based on the respective face value.

In defined-benefit plans, which includes the severance benefits owed to employees pursuant to Article 2120 of the Italian Civil Code (the "TFR"), the amount of the benefit payable to an employee can be quantified only after the end of the employment relationship and is tied to one or more factors that include age, years of service and compensation level; consequently, the corresponding cost is recognized on an accrual basis in the statement of comprehensive income based on an actuarial computation. The liability recognized in the financial statements for defined-benefit plans corresponds to the present value of the obligation on the date of the financial statements. Obligations under defined-benefit plans are determined each year by an independent actuary using the Projected Unit Credit Method.

The present value of a defined-benefit plan is determined by discounting to present value future cash flows at a rate equal to that of high-quality corporate bonds issued in euros and taking into account the duration of the corresponding pension plan.

Starting on January 1, 2007, the 2007 Budget Law and the corresponding implementation decrees introduced significant changes to the rules governing the TFR, including the employee's option to choose the destination of its vesting TFR. More specifically, new TFR flows can be invested by the employee in pension vehicles of his/her choice or left with the company. In the case of investments in external pension vehicles,

the company's obligation is limited to making the defined contribution to the chosen pension fund and, as of that date, newly vested contributions qualify as belonging to defined-contribution plans no longer subject to actuarial valuation.

With regard to the classification of the costs for vested TFR benefits, cost for service are recognized under "Personnel costs," while interest costs are shown under "Financial charges" and actuarial gains/losses are included in other components of consolidated comprehensive income.

SHARE BASED PAYMENTS TO EMPLOYEES

Personnel costs include the value of the Parent Company's stock options awarded to employees, consistent with the substantive compensation nature of the stock options. The total cost recognized in the comprehensive income statement, with offsetting entry posted to a reserve, is determined based on the fair value of the right awarded to the employee at the time when the Parent Company undertakes the corresponding obligation. The determination of the fair value of the awarded right does not take into account the so-called "non-market conditions," which, instead, are a factor in estimating the number of options that are expected to vest. The amount attributable to the reporting year is determined by pro rating it over the duration of the vesting period. At the end of each accounting period, the estimates about the number of options are reviewed and the resulting impact is recognized in the statement of comprehensive income.

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

The provisions for other liabilities and charges are recognized to cover losses and charges of a determined nature, the existence of which is certain or probable, but the amount and/or date of occurrence of which cannot be determined. These provisions are recognized only when there is a current statutory or constructive obligation that will cause a future outflow of economic resources as a result of past events and it is probable that the abovementioned outflow will be required to extinguish the obligation. The amount of the provisions represents the best estimate of the charge required to extinguish the obligation. Risks for which the occurrence of a liability is only possible are listed in a separate disclosure of contingent liabilities (Note 42) and no provision is set aside to cover them.

TRADE PAYABLES AND OTHER PAYABLES

trade payables and other payables are initially recognized at their fair value, net of directly attributable incidental costs, and are later valued at amortized cost, applying the effective interest rate criterion.

SEGMENT INFORMATION

Information about the sectors of activity was prepared in accordance with IFRS 8 "Operating Segments," which requires that information be presented in a manner consistent with the approach used by management to make operating decisions. Consequently, the identification of the operating segments and the information presented were defined based on the internal reports used by management for the purpose of allocating resources to the different segments and analyzing their performance.

IFRS 8 defines an operating segment as a component of an entity (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (ii) whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and (iii) for which separate financial information is available.

The operating segments identified by management, which encompass all of the services and products supplied to customers, are:

- Credit Information;
- Marketing Solutions; and
- Credit Management.

REVENUES

Revenues and income are recognized net of returns, allowances, bonuses and taxes directly attributable to the provision of the services. Revenues are recognized based on the use of the services by customers and, in any case, when it is probable that benefits will be received in the future and these benefits can be quantified reliably. More specifically,

- revenues from prepaid subscription contracts are recognized in proportion to consumption, when customers actually use the services. The value of any unused products is recognized as revenues upon the expiration of the contract;
- revenues from subscription contracts with installment payments are recognized pro-rated over the length of the contract;
- revenues from consumption-based contracts are recognized when the service is rendered or the product is used, based on the specific rates applicable;
- revenues from performance fees are recognized when the service that generates the right to the consideration is provided;
- revenues from the sale of goods are recognized upon transfer of title to the goods.

COSTS

Costs incurred to acquire goods are recognized when all of the risks and benefits inherent in the good being sold are transferred; costs incurred for services received are recognized proportionately to the delivery of the services.

FINANCIAL CHARGES AND INCOME

Financial charges and income are recognized in the comprehensive income statement when accrued, based on the effective interest rate.

INCOME TAXES

The income taxes shown in the income statement include both current and deferred taxes. Income taxes are recognized in profit or loss. Current taxes are the taxes that the Company expects to pay, computed by applying to taxable income the tax rate in effect at the end of the reporting period.

Deferred taxes are computed by applying the liability method to the temporary differences between the amounts of the assets and liabilities recognized in the financial statements and the corresponding amounts recognized for tax purposes. Deferred taxes are computed based on the method that the Company expects to use to reverse temporary differences, using the tax rate expected to be in effect when the differences will be reversed. Deferred tax assets are recognized only when it is probable that sufficient taxable income will be generated in future years to recover them.

EARNINGS PER SHARE**(a) Basic earnings per share**

Basic earnings per share are computed by dividing the profit attributable to the owners of the parent by the weighted average number of common shares outstanding during the year, excluding treasury shares.

(b) Diluted earnings per share

Diluted earnings per share are computed by dividing the profit attributable to the owners of the parent by the weighted average number of common shares outstanding during the year, excluding treasury shares. For the purpose of computing diluted earnings per share, the weighted average number of shares outstanding is modified assuming the exercise by all beneficiaries of any rights with a potential dilutive effect, while the profit attributable to the owners of the parent is restated to take into account the effects, net of taxes, of the exercise of the abovementioned rights.

Recently Published Accounting Principles

Accounting principles, amendments and interpretations applicable as of January 1, 2013

The accounting principles and interpretations listed below went into effect as of January 1, 2013:

Amendment to IAS 19

On June 5, 2012, the European Commission approved an amendment to “IAS 19 – Employee Benefits” that introduces changes to the recognition and measurement of employee benefit costs, such as termination indemnities, and to the disclosure requirements for all employee benefits. The amendment eliminated the option of deferring the recognition of actuarial gains and losses using the corridor method, requiring that cost components tied to service provided and net financial costs be recognized in profit or loss and that actuarial gains and losses resulting from the remeasurement of assets and liabilities be recognized in Other comprehensive income. In addition, the return on assets included in net financial costs must be computed based on the discount rate of the liabilities and no longer on the expected return on assets. Lastly, this amendment introduced new additional disclosures that must be provided in the notes to the financial statements. For additional information about the implementations modalities and the resulting effects on the data presented for comparative purposes, see the “Basis of Preparation” section earlier in these Notes.

Amendment to IAS 1

The amendment to “IAS 1 – Presentation of Financial Statements,” which was approved on June 5, 2012, requires, inter alia, that all components of comprehensive income classified as Other comprehensive income be presented based on whether or not they are potentially reclassifiable to profit or loss subsequently. This amendment had an impact primarily on the disclosures provided in these Notes to the financial statements.

IFRS 13 – Fair Value measurement

On December 11, 2012, the European Commission approved the standard IFRS 13, which is aimed at improving the consistency and comparability of fair value measurements and comments through a “fair value hierarchy.” This hierarchy classifies at three levels the input used in measurement techniques, assigning the highest priority to prices quoted in active markets for identical assets or liabilities and the lowest priority to non-observable inputs. The main change for the Group’s financial statements is the inclusion of the counterparty risk in the model for the measurement of financial instruments.

Improvements to IFRSs (2009-2011 Cycle)

The annual improvement for the 2009-2011 cycle, which includes amendments to the principles IFRS 1, IAS 1, IAS 16, IAS 32 and IAS 34, was approved on March 27, 2013.

The following principles, which concern situations that are currently not relevant to the Group’s financial statements, went into effect in 2013:

- “IAS 16 – Property, plant and Equipment.” Classification of servicing equipment as Property, plant and equipment when it is used for more than one year or as Inventory if used just for one year;
- Amendment to “IFRS 7 – Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities,” concerning the disclosure required about the effects, including potential effects, from the adoption of rules for offsetting financial assets and liabilities;
- “IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine,” which concerns the accounting treatment of decommissioning costs for a surface mines recognizable during the production phase;
- Amendment to “IFRS 1 – Government Loans,” which concerns the accounting of government grants (IAS 20) by first-time adopters of the IFRSs.

Accounting principles, amendments and interpretations not yet applicable for which the Group did not choose early adoption

As of the preparation date of these Consolidated Financial Statements, the relevant entities of the European Union approved the adoption of the following accounting principles and amendments, which are not yet applicable to the Group:

- By Regulation No. 313/2013 published on April 4, 2013, the European Commission approved the amendments contained in the document entitled “Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12),” which provides some clarifications and simplifications regarding the transition requirements of IFRS 10, IFRS 11 and IFRS 12. These new provisions are applicable starting with reporting years that begin on or after January 1, 2014.
- By Regulation No. 1174/2013 published on November 20, 2013, the European Commission approved the amendments contained in the document entitled “Amendments to IFRS 10, IFRS 12 and IAS 27,” which provides clarification regarding the definition of the scope of consolidation for companies that qualify as investment entities. The provisions of this document are effective starting with reporting years that begin on or after January 1, 2014.
- By Regulation No. 1374/2013 published on December 19, 2013, the European Commission approved the amendments contained in the document published by the IASB on June 27, 2013, entitled “Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36).” The amendments concern the disclosure that must be provided about the recoverable value of impaired assets, when the recoverable value is based on their fair value less costs of disposal. These new provisions are applicable starting with reporting years that begin on or after January 1, 2014.
- By Regulation No. 1375/2013 published on December 19, 2013, the European Commission approved the amendments contained in the document entitled “Novation of derivatives and continuation of hedge accounting,” which introduces an exception to the prospective discontinuation of hedge accounting for a derivative when the contract with the counterparty undergoes significant changes pursuant to law. These new provisions are applicable starting with reporting years that begin on or after January 1, 2014.
- By Regulation No. 1254/2012 published on December 11, 2012, the European Commission approved the international accounting principles IFRS 10 “Consolidated Financial Statements,” IFRS 11 “Joint Arrangements,” IFRS 12 “Disclosures of Interests in Other Entities” and amendments to the international accounting principles IAS 27 “Separate Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures.”
 - IFRS 10 “Consolidated Financial Statements” (hereinafter “IFRS 10”) and the updated version of IAS 27 “Separate Financial Statements” (hereinafter “IAS 27”) set forth, respectively, the principles that must be adopted to present and prepare the consolidated financial statements and the separate financial statements. IFRS 10 provides, inter alia, a new definition of control that must be applied uniformly to all entities (including Special Purpose Entities). According to this new definition, a company is able to exercise control if it is exposed to or has a right to participate in the results (positive and negative) of the investee company and if it is able to exercise its powers to influence the investee’s financial results. The principle provides some indicators that can be used to assess the level of control, which include, inter alia, contingent rights, merely protective rights and the existence of agency or franchising relationships. In addition, the new provisions recognize the possibility of exercising control over an investee company even without a majority of the voting rights due to a highly fragmented shareholder base or the passive posture of other investors.
 - IFRS 11 “Joint Arrangements” (hereinafter “IFRS 11”) replaces IAS 31 “Interests in joint ventures” and SIC 13 “Jointly controlled entities - non-monetary contributions by venturers.” Based on the rights and obligations of the venturers, IFRS 11 identifies two types of joint arrangements, joint operations and joint ventures,

setting forth the criteria for identifying joint control and determining the resulting accounting treatment that should be applied to recognize them in the financial statements. With regard to the recognition of joint ventures, the new provisions identify the equity method as the only allowed treatment, eliminating the proportional consolidation option. The updated version of IAS 28 defines, inter alia, the accounting treatment that should be adopted in the event of the total or partial sale of an investment in a jointly controlled company or associate.

- IFRS 12 “Disclosures of Interests in Other Entities” (hereinafter “IFRS 12”) specifies the disclosure requirements for interests in joint arrangements, associates and subsidiaries, specifically regarding the disclosure of significant assumptions (and any subsequent changes to them) made to determine the existence of joint control (in respect of significant influence) and the type of joint arrangement, when the arrangement is structured through a Special Purpose Entity.

The provisions of IFRS 10, IFRS 11 and IFRS 12 and the revised versions of IAS 27 and IAS 128 are effective starting with reporting years that begin on or after January 1, 2014.

- By Regulation No. 1256/2012 published on December 13, 2012, the European Commission approved amendments to IAS 32 “Financial Instruments: Presentation,” which consist of adding new guidelines to reduce inconsistencies in the principle’s practical implementation (specifically with regard to the offsetting of financial assets and liabilities). The amendments to IAS 32 are effective starting with reporting years that begin on or after January 1, 2014.

As of the preparation date of these Consolidated Financial Statements, the relevant entities of the European Union had not yet completed the approval process required for adoption of the following accounting principles and amendments:

- On May 20, 2013, the IASB published the interpretation “IFRIC 21: Levies.” This interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets clarifies that the recognition of a liability for the payment of taxes or levies (different from those falling within the scope of other principles, such as income taxes covered by IAS 12, and from fines and penalties for violations of laws) should take place when the activity that gives rise to the obligation to pay the tax, as defined by the corresponding tax law, takes place.
- In accordance with the instructions provided by the IASB, the provisions of the abovementioned document are applicable starting with reporting years that begin on or after January 1, 2014. However, please note that, since this document has not yet been approved by the European Commission, the effectiveness of its provisions could be postponed to a later date.
- On November 21, 2013, the IASB published the document entitled “Defined Benefit Plans: Employee Contributions (Amendments to IAS 19 Employee Benefits).” The amendments made to IAS 19 allow (but do not make it mandatory) the recognition as a deduction from the current service cost for the period of contributions provided by employees or third parties that are not correlated to the years of service, instead of the allocation of these contributions over the period during which the service is rendered. On December 12, 2013, the IASB published the document entitled “Annual Improvements to IFRSs 2010–2012 Cycle.” The provisions of this document amended: (i) IFRS 2, changing the definition of vesting conditions; (ii) IFRS 3, clarifying that contingent consideration that is classified as an asset or a liability shall be measured at fair value at each reporting date; (iii) IFRS 8, mainly requiring an entity to disclose the judgment criteria and factors applied in determining the aggregation level of the operating segments, as presented in the financial statements; (iv) the basis of conclusion of IFRS 13, confirming the ability to measure short-term receivables and payables with no stated interest rate at their face amounts if the effect of not discounting them is immaterial; (v) IAS 16 and IAS 38, clarifying the method for determining an asset’s gross carrying amount when the asset is revalued by applying the carrying amount redetermination

model; and (vi) IAS 24, specifying that an entity is a related party of the reporting entity if the entity, or a member of its group, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

- On the same date, the IASB published the document entitled “Annual Improvements to IFRSs - 2011–2013 Cycle.” The provisions of this document amended: (i) the basis of conclusion of IFRS 1, clarifying the definition of IFRS “in effect” for first-time adopters; (ii) IFRS 3, clarifying that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself; (iii) IFRS 13, clarifying that the scope of the exception defined in Paragraph 48 of IFRS 13 includes all contracts accounted for within the scope of IAS 39, regardless of whether they meet the definition of financial assets or financial liabilities pursuant to IAS 32; and (iv) IAS 40, clarifying the interrelationship of IFRS 3 and IAS 40.
- In accordance with the instructions provided by the IASB, the provisions of the abovementioned documents are applicable starting with reporting years that begin on or after July 1, 2014. However, please note that, because these documents have not yet been approved by the European Commission, the effectiveness of their provisions could be postponed to a later date.
- On November 19, 2013, the IASB published the document entitled “IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39,” with the respective Basis for Conclusions and Application Guide. These documents: (i) represent a significant revision of hedge accounting; (ii) with regard to IFRS 9, which requires that changes in the fair value of liabilities designated at fair value be recognized in profit or loss, significant gains or losses resulting from changes in an entity’s own credit risk be included in Other components of comprehensive income, allow the early adoption of this rule, before other requirements of the international principle are implemented; and (iii) removes the indication of January 1, 2015 as the mandatory adoption date of IFRS 9.

The changes that will result from the adoption of the abovementioned principles are not expected to have a material impact on the Group’s financial statements.

3. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group’s operations are exposed to the following risks: market risk (defined as foreign exchange and interest rate risk), credit risk (regarding both regular sales transactions with customers and financing activities) and liquidity risk (regarding the availability of financial resources and access to the credit market and financial instruments in general).

The Group’s objective is to maintain over time a balanced handling of its financial exposure, capable of ensuring that the structure of its liabilities is in harmony with the assets composition in its financial statements and delivering the necessary operating flexibility through the combined use of liquidity generated by current operating activities and bank financing.

The ability to generate liquidity through the operating activities, coupled with its borrowing ability, enables the Group to adequately meet its operating needs, in terms of financing its operating working capital and funding its investments, and meet its financial obligations.

The Groups’ financing policy and the management of the related financial risks are guided and monitored at the central level. Specifically, the central Finance Department is responsible for assessing and approving projected financing needs, monitoring developing trends and, when necessary, taking corrective action. In addition, the central Finance Department contributes to the development of the Group’s financing and cash management policies, seeking to optimize the management of financial and cash flows and related risks. This activity is carried out in cooperation with the management of the

divisions, as all decisions are made specifically taking into consideration the Group's operating needs, as approved and revised by the Board of Directors.

The financing tools most frequently used by the Group include the following:

- medium/long-term borrowings to fund investments in non-current assets;
- short-term borrowing and utilization of bank account overdraft facilities to finance working capital.

In addition, the Group executes financial instruments to hedge the risks of fluctuation in interest rates that could impact the cost of medium/long-term debt and, consequently, its bottom line.

The section that follows provides qualitative and quantitative indications about the effects of these risks on the Group.

MARKET RISK

Foreign exchange risk

The exposure to the risk of fluctuations in interest rates derives from the pursuit of activities in currencies different from the euros. The Group operates primarily in Italy and most of the revenues and purchases of services in foreign countries involve countries that are members of the European Union. Consequently, the Group is not exposed to the risk of fluctuations in foreign exchange rates.

Interest rate risk

The Group uses external financial resources in the form of borrowings and invests available liquid assets in bank deposits. Changes in market interest rates affect borrowing costs and the yields of different types of investments, with an impact on the level of the Group's financial charges and financial income. The Group, being exposed to fluctuations in interest rates insofar as they affect the measurement of borrowing costs, monitors on an ongoing basis its exposure to the risk of fluctuations in interest rates, which it manages using interest rate financial derivatives, namely interest rate swaps, executed exclusively for hedging purposes.

Hedge accounting could not be applied to these financial derivative transactions on interest rates, even though they were executed for hedging purposes. Consequently, changes in fair value of derivatives were recognized directly in profit or loss, with a negative impact of 153 thousand euros in 2013.

All of the Group's liquid assets consist mainly of variable rate bank deposits and, consequently, their fair value approximates their carrying amount. The Euribor is the interest to which the Group is most exposed.

A breakdown of the financial instruments outstanding at the reference dates is provided in Note [33] "Current and Non-current Borrowings."

Sensitivity analysis for the interest rate risk

The Group's exposure to the interest rate risk was measured by means of a sensitivity analysis that took into account current and non-current financial liabilities and bank deposits. A brief description of the method applied to perform this analysis, and the results obtained, is provided below.

The hypotheses considered included assessing the effects on the Group's income statement and shareholders' equity in 2013 deriving from a hypothetical change in market interest rates reflecting an increase and a decrease of 100 bps. The computation method entailed applying the hypothetical change to: the average annual balance of the Group's bank deposits, to the year-end balances of gross financial debt and the interest rate paid during the year to remunerate variable-rate liabilities.

For the purposes of this exercise, no hypothetical effect was determined for the outstanding hedging derivatives.

The table below shows the results of the analysis performed:

	<i>(in thousands of euros)</i>			
	Impact on profit		Impact on shareholders' equity	
	-100 bps	+100 bps	-100 bps	+100 bps
2013 reporting year	2,333	(2,333)	2,333	(2,333)

Note: A plus sign denotes an increase in profit and shareholders' equity; a minus sign denotes a decrease in profit and shareholders' equity.

CREDIT RISK

Financial credit risk

The financial credit risk refers to the inability of a counterparty to fulfill its obligations.

At December 31, 2013, the Group's liquid assets were invested in bank accounts with top-rated credit institutions.

Commercial credit risk

The commercial credit risk derives mainly from trade receivables. To minimize the credit risk related to commercial counterparties, the Group established internal procedures that call for a preventive verification of a customer's solvency prior to accepting a contract through a rating analysis based on CERVED data.

Moreover, there is a procedure for the collection and management of trade receivables that calls for sending written reminders in the event of late payments, followed by gradually more incisive actions (mailing of payment reminder letter, telephone payment requests, threats of legal action and legal action).

Lastly, trade receivables carried in the financial statements are individually analyzed and when positions are found to present conditions that make them partially or fully uncollectible, they are written down. The amount of the writedowns reflects an estimate of recoverable cash flows and the corresponding date of collection. For receivables that are not individually written down, provisions that take into account historical experience and statistical data are recognized on an aggregate basis. See Note [26] for additional information about the provision for impairment of receivables.

The table below provides a breakdown of trade receivables and other current receivables at December 31, 2013 grouped by aging, net of the provision for impairment of receivables.

<i>(in thousands of euros)</i>	At December 31, 2013	Current	90-day past due	90 to 240 days past due	More than 240 days past due
Trade receivables	162,043	128,640	9,242	10,501	13,660
Provision for impairment of receivables	(10,569)	(520)	(385)	(1,686)	(7,978)
Net amount	151,474	128,120	8,857	8,815	5,682
Other receivables	4,543	4,543	-	-	-
Provision for impairment of receivables	-	-	-	-	-
Net amount	4,543	4,543	-	-	-
Total	156,017	132,663	8,857	8,815	5,682

The Group also offers its products and services to large businesses and major banking groups, as a result of which a significant portion of its receivables is concentrated with a limited number of customers; at December 31, 2013, the top 10 customers, mainly financial institutions, accounted for approximately 8.8% of total receivables. However, there appear to be no specific concentration risks, as the counterparties in question do not present any particular solvency risks and enjoy high credit ratings.

As shown in the preceding table, receivables are presented in the financial statements net of the provision for impairment of receivables, which is computed based on an analysis of the positions that objectively appear to be partly or totally uncollectible.

LIQUIDITY RISK

The liquidity risk refers to the potential inability to secure, on affordable terms, the financial resources needed for the Group's operations. The two main factors that affect the Group's liquidity are:

- (i) The financial resources generated or absorbed by the operating and investing activities;
- (ii) The maturity characteristics of financial debt

The Group's liquidity needs are monitored by the central cash management function with the aim of ensuring the effective procurement of financial resources and an adequate investment of/return on liquid assets.

Management believes that the funds and credit lines currently available, combined with those that will be generated by the operating and financing activities, will enable the Company to meet its needs with regard to investing activities, working capital management and the repayment of debt at the contractual maturities.

The table below provides an analysis of financial liabilities (including trade payables and other payables): all flows shown are undiscounted future nominal cash flows determined based on the remaining contractual maturities, including both principal and accrued interest. Borrowings were included based on the contractual repayment maturity.

<i>(in thousands of euros)</i>	Balance at December 31, 2013	< 1 year	2 – 5 years	> 5 years	Total
Non-current borrowings					
Long-term facilities	755,811	31,606	207,689	858,267	1,097,562
Current borrowings					
Current portion of long-term borrowings	16,077	20,194	-	-	20,194
Other financial debt	671	671	-	-	671
Trade payables	30,135	30,135	-	-	30,135
Other current payables	111,067	20,448	-	-	20,448

With regard to the exposure to trade receivables, there is no significant supplier concentration.

Capital management

The Group's objectives is to create value for its shareholders. Special attention is paid to the debt level relative to shareholders' equity and EBITDA, while pursuing objectives of profitability and operating cash flow generation.

Estimating fair value

The fair value of financial instruments traded in an active market is based on market prices on the date of the financial statements. The fair value of instruments that are not traded in an active market is determined using valuation techniques based on a series of methods and assumptions tied to market conditions on the date of the financial statements.

The classification of the fair value of financial instruments based on hierarchical levels is as follows:

- Level 1:* Determination of fair value based on quoted prices (unadjusted) for identical financial instruments in active markets;
- Level 2:* Determination of fair value based on valuation techniques that reference variables observable in active markets;
- Level 3:* Determination of fair value based on valuation techniques that reference variables not observable in active markets.

The classification of assets and liabilities measured at fair value is as follows:

<i>(in thousands of euros)</i>	At December 31, 2013			
	Level 1	Level 2	Level 3	Total
1. Financial assets measured at fair value through profit or loss			8,750	8,750
2. Available-for-sale financial assets		-	-	-
Total	-	-	8,750	8,750
1. Financial liabilities measured at fair value through profit or loss				-
2. Derivatives		(273)		(273)
Total	-	(273)	-	(273)

The financial assets measured at fair value through profit or loss correspond to the option contracts described in detail in Notes 25 and 26, later in this document. These contracts were measured at fair value using business valuation techniques and models that are generally accepted in consolidated practice, while the fair value of derivatives was determined based on the curve of projected rates. The effects of the derivatives consisting of Interest Rate Swaps hedging the interest rate risk on the variable-rate bond issue were recognized in profit or loss, as the requirements of IAS 39 for hedge accounting could not be met.

Please also note that, further to the PPA process described in Note 6 below, the Group recognized at fair value the following non-financial assets:

- Databases for 194,322 thousand euros;
- Customer Relationships for 72,300 thousand euros;
- Trademarks for 21,716 thousand euros.

4. FINANCIAL ASSETS AND LIABILITIES BY CATEGORY

The table that follows provides a classification of financial assets and liabilities by category at December 31, 2013:

<i>(in thousands of euros)</i>	At December 31, 2013				
	Financial assets and liabilities measured at fair value through profit or loss	Loans and receivables	Available-for-sale financial assets	Financial liabilities at amortized cost	Total
Other non-current financial assets	8,750	191	2,887		11,828
Trade receivables		151,474			151,474
Tax receivables		1,352			1,352
Other receivables		4,543			4,543
Other current assets		8,766			8,766
Cash and cash equivalents		50,346			50,346
Total assets	8,750	216,672	2,887	-	228,309
Current and non-current borrowings	273			772,285	772,558
Trade payables				30,135	30,135
Tax payables				28,573	28,573
Other liabilities				111,067	111,067
Total liabilities	273	-	-	942,060	942,333

The fair value of trade receivables and other receivables and other financial assets, and of trade payables and other payables and other financial liabilities listed among the “current” line items in statement of financial position and valued at amortized cost, consisting mainly of assets underlying commercial transactions scheduled for settlement over the near term, does not differ appreciably from the respective carrying amounts at December 31, 2013.

Non-current assets and liabilities are settled or valued at market rates and, consequently, their fair value is deemed to be substantially in line with their carrying amount.

5. ESTIMATES AND ASSUMPTIONS

In the preparation of financial statements, Directors are required to apply accounting principles and methods that, in some cases, are based on difficult and subjective assessments and estimates, based on historical experience and assumptions that, in each case, are deemed reasonable and realistic in the corresponding circumstances. The adoption of these estimates and assumptions affects the amounts shown in the financial statement schedules, including the statement of financial position, the comprehensive income statements and the statement of cash flows, as well as the disclosures provided. Final results for the line items for which the abovementioned estimates and assumptions were used could differ from those shown in the financial statements due to the uncertainty that characterizes the assumptions and the conditions upon which the estimates are based.

The areas for which Directors are required to use greater subjectivity in developing estimates and for which a change in the conditions underlying the assumptions used could have a material impact on the Company’s financial statements are listed below:

(a) Impairment of assets

In accordance with the accounting principles applied by the Group, property, plant and equipment, intangible assets and investment property must be tested to determine if an impairment has occurred, which is recognized by means of a writedown, when there

are indicators showing that it may be difficult to recover the net carrying amount of the assets through their use. The determination of the existence of such indicators requires, on the part of the Board of Directors, the development of subjective valuations, based on information available within the Group and in the market and on past experience. Moreover, if it can be determined that a potential impairment may have occurred, the Group must quantify the impairment using appropriate valuation techniques. The correct identification of the elements indicating the existence of a potential impairment of property, plant and equipment, intangible assets and investment property and the estimates required to measure the impairment are based on factors that can vary over time, with an impact on the valuations and estimates made by the Board of Directors.

(b) Depreciation and amortization

The cost of property, plant and equipment and intangible assets is depreciated and amortized, respectively, on a straight line over the estimated useful lives of the assets. The useful economic lives of these assets are determined by the Board of Directors when the assets are acquired; they are based on past experience for similar assets, market conditions and projections about future events that could have an impact on the useful lives of the assets, such as changes in technology. Consequently, the actual economic life could differ from the estimated useful life.

(c) Provision for impairment of receivables

The provision for impairment of receivables reflects estimates of projected losses for the Group's portfolio of receivables. The provisions for projected impairment of receivables recognized were estimated based on past experience for receivables posing a similar credit risk, current and past unpaid amounts, and a careful monitoring of the quality of the portfolio of receivables and current and projected conditions in the economy and the reference markets. Estimates and assumptions are revised periodically and the effects of any change are reflected in the income statement for the year to which they are attributable.

(d) Employee benefits

The present value of the retirement benefit obligations carried in the Consolidated and Aggregate Financial Statements depends on actuarial computations and various assumptions taken into consideration. Any changes in these assumptions or the discount rate applied are promptly reflected in the computation of the present value and could have a significant impact on financial statement data. The assumptions used for actuarial computation purposes are reviewed each year.

The present value is determined by discounting future cash flows at an interest rate equal to that of high quality corporate bonds issued in the currency in which the liability will be settled and taking into account the duration of the corresponding pension plan. For additional information see Note 12 Personnel costs and Note 35 Employee benefits. Estimates and assumptions are reviewed periodically and the effects of any change are reflected immediately in profit or loss.

6. BUSINESS COMBINATIONS

Acquisition of the CERVED Group

On February 27, 2013, the Company completed the acquisition of Cerved Holding S.p.A. from its previous shareholders (the private equity funds Bain Capital and Clessidra, through Gemma Srl and Lauroquarantaquattro SpA, and some minority shareholders) purchasing its entire share capital.

The transaction price, amounting to 806,011 thousand euros, was paid at closing. No earnout mechanisms or deferred price components were stipulated,

The acquisition was financed by the Company, partly with internal resources and partly through the placement of a bond issue floated on January 15, 2013.

The transaction costs incurred, amounting to 7,594 thousand euros, were charged in full to income for the year.

The acquisition of the Cerved Group generated a revenue increase of 257,115 thousand euros for the period from February 27, 2013 (date of acquisition) to December 31, 2013.

The fair value of the acquired assets and the assumed contingent liabilities was determined within the deadline required by IFRS 3 and the excess of the acquisition price over the fair value of the net acquired assets was recognized as goodwill. The Purchase Price Allocation (PPA) process was completed on December 31, 2013.

The table below provides a breakdown of the fair value of the acquired assets and assumed liabilities and the respective carrying amounts at the acquisition date:

<i>(in thousands of euros)</i>	Carrying amount	Purchase price allocation	Fair value
Property, plant and equipment	16,142	(452)	15,690
Intangible assets	245,712	288,339	534,051
Goodwill	275,849	(275,849)	-
Investments in associates valued by the equity method	3,185	-	3,185
Other non-current financial assets	11,817	-	11,817
Inventory	118	-	118
Trade receivables	118,974	-	118,974
Tax receivables	419	-	419
Other receivables	15,272	-	15,272
Other current assets	10,776	-	10,776
Cash and cash equivalents	36,610	-	36,610
Acquires assets	734,874	12,038	746,912
Long-term debt	456	-	456
Employee benefits	9,675	-	9,675
Provisions for other liabilities and charges	10,594	-	10,594
Deferred tax liabilities	59,276	72,571	131,847
Short-term borrowings	306,324	-	306,324
Trade payables	28,156	-	28,156
Other tax payables	8,451	8,858	17,309
Other liabilities	142,813	-	142,813
Acquired liabilities	565,745	81,429	647,174
Non-controlling interests	(1,540)	-	(1,540)
Net acquired assets	167,589	(69,391)	98,198

Please note that on the acquisition date, the Cerved Group recognized goodwill amounting to 275,849 thousand euros, which was not taken into account in the process of determining the fair value of the net acquired assets.

The adjustments made to the carrying amounts upon the measurement at fair value of the acquired assets and liabilities concerned mainly Intangible assets, which included 194,322 thousand euros for the value attributed to Customer relationships, 72,300 thousand euros for the value attributed to Databases and 21,716 thousand euros for the value attributed to Trademarks, before tax effects, recognized under Deferred tax liabilities; and the elimination of the preexisting goodwill.

The value attributed to Customer relationships, which represent the complex of commercial relationships established by the Group over many years with corporate customers and credit institutions through the delivery of business information services, the

development of risk assessment models and the supply of other lesser services (including credit collection), was determined using the Multi-period Excess Earnings Method.

The value attributed to the Databases reflects the fair value, determined in accordance with the Relief-from-royalty method, of the complex of information belonging to the Cerved Group used to deliver products and services. In order to make amortizable for tax purposes the increased value attributed to the Databases, the Group recognized a substitute tax of 8,858 thousand euros.

The value attributed to the Trademarks, amounting to 21,716 thousand euros, refers to the fair value, determined in accordance with the Relief-from-royalty method, of the following acquired trademarks:

- Cerved Group
- Lince
- Centrale Bilanci
- Databank
- B Circle

The table below shows the goodwill amount that was generated as a result of the acquisition:

<i>(in thousands of euros)</i>	
Consideration amount	806,011
Net acquired assets	98,198
Goodwill	707,813

Please note that, as required by IFRS 3, the value of goodwill reflects the amount by which the acquisition cost exceeds the fair value of the net acquired assets and is attributable to the economic benefits derived from assets that, pursuant to the above-mentioned accounting principle, cannot be identified separately.

The table that follows shows the net cash flow resulting from the transaction:

<i>(in thousands of euros)</i>	
Consideration paid	(806,011)
Cash and cash equivalents at the acquisition date	36,610
Borrowings and bank account overdrafts at the acquisition date	-
Net cash and cash equivalents at the acquisition date	36,610
Net cash flow resulting from the acquisition	(769,401)

Acquisition of Experian Data Services

On March 28, 2013, the Parent Company acquired from Experian Holding Italia Srl, 100% of the share capital of Experian Data Services S.r.l (“**EDS**”), a company active in the Italian market with a range of products and services in all business information areas. Subsequent to the acquisition, EDS was renamed Cerved Data service Srl (“**CDS**”).

The deed of merger by absorption of Cerved Data Services Srl into Cerved Group was executed on December 20, 2013, effective as January 1, 2014 for legal and tax purposes.

The purchase price, initially set at 3,500 thousand euros, paid upon the signing of the sales contract, was later adjusted in accordance with agreements reached by the parties. The transaction’s total consideration, subsequent to the abovementioned adjustment, amounted to 3,222 thousand euros. The Group financed the transactions exclusively with internal resources.

The acquisition of CDS generated a revenue increase of 6,146 thousand euros and added 64 thousand euros to the Group’s net profit for the period from March 28, 2013 (date of acquisition) to December 31, 2013.

The table below provides a breakdown of the fair value of the acquired assets and assumed liabilities at the acquisition date:

<i>(in thousands of euros)</i>	Fair value
Property, plant and equipment	91
Intangible assets	108
Goodwill	324
Trade receivables	3,592
Tax receivables	158
Other receivables	196
Other current assets	61
Deferred tax assets	496
Cash and cash equivalents	936
Acquired assets	5,962
Employee benefits	771
Trade payables	1,322
Current tax payables	32
Other liabilities	1,111
Acquired liabilities	3,236
Net acquired assets	2,726

The difference between the total invested amount of 3,222 thousand euros and the net value of the assets and liabilities at the acquisition date, amounting to 2,726 thousand euros, was allocated to Goodwill.

<i>(in thousands of euros)</i>	
Purchase price	3,500
Price adjustment	(278)
Consideration amount	3,222
Net acquired assets	2,726
Goodwill	496

The table that follows shows the net cash flow resulting from the CDS acquisition:

<i>(in thousands of euros)</i>	
Consideration paid	(3,222)
Cash and cash equivalents at the acquisition date	936
Borrowings and bank account overdrafts at the acquisition date	
Net cash and cash equivalents at the acquisition date	936
Net cash flow resulting from the acquisition	(2,286)

Acquisition of Tarida Spa

On May 2, 2013, the Group, through its Jupiter Group Srl subsidiary, later renamed Cerved Credit Management Group Srl, acquired from Delta SpA, a company under extraordinary administration, 100% of the share capital of Tarida SpA, a company active in the areas of business administration and credit collection.

The purchase price, initially set at 5,000 thousand euros, paid upon the signing of the sales contract, was later adjusted in accordance with the provisions of the sales agreement. The transaction's total consideration, subsequent to the abovementioned adjustment, totaled 5,533 thousand euros. However the acquisition generated a positive cash flow for 7,785 thousand euros, as the difference between the purchase price paid for 5,533 thousand euros and the available cash amounting to 13,318 thousand euros.

The table that follows shows the net cash flow resulting from the Tarida acquisition:

<i>(in thousands of euros)</i>	
Consideration paid	(5,533)
Cash and cash equivalents at the acquisition date	13,318
Borrowings and bank account overdrafts at the acquisition date	-
Net cash and cash equivalents at the acquisition date	13,318
Net cash flow resulting from the acquisition	7,785

The acquisition of Tarida generated a revenue increase of 6,975 thousand euros and added 1,420 thousand euros to the Group's net profit for the period from May 2, 2013 (date of acquisition) to December 31, 2013.

The table below provides a breakdown of the fair value of the acquired assets and assumed liabilities at the acquisition date

<i>(in thousands of euros)</i>	Carrying amount	Purchase price allocation	Fair value
Trade receivables	3,590		3,590
Tax receivables	1,036		1,036
Other receivables	515		515
Other current assets	9		9
Cash and cash equivalents	13,318		13,318
Acquired assets	18,468		18,468
Employee benefits	356		356
Provisions for other liabilities and charges	822	2,500	3,322
Trade payables	5,957		5,957
Current tax payables	850		850
Other liabilities	393		393
Acquired liabilities	8,378	2,500	10,878
Net acquired assets	10,090	(2,500)	7,590

The adjustments made to the carrying amounts upon the measurement at fair value of the acquired assets and liabilities are related to a provision for other liabilities recognized in connection with pending disputes with employees of the acquired company. The Purchase Price Allocation (PPA) process was completed on December 31, 2013.

The gain of 2,057 thousand euros generated by the transaction was recognized in the income statement.

<i>(in thousands of euros)</i>	
Purchase price	5,000
Price adjustment	533
Consideration amount	5,533
Net acquired assets	7,590
Gain on business combination	(2,057)

7. SEGMENT INFORMATION

The operating segments identified by management, which encompass all of the services and products supplied to customers, are:

- Credit Information, which includes the supply of legal, commercial, accounting, economic and financial information;
- Marketing Solutions, which includes the supply of market information and analyses; and
- Credit Management, which includes services for the valuation and management of receivables and “problem assets” on behalf of third parties.

The results of the operating segments are measured and reviewed periodically by management by analyzing the trend for EBITDA, defined as earnings for the period before depreciation and amortization, asset impairment losses, nonrecurring charges, financial income and charges, gains or losses on investments in associates and income taxes.

Management believes that EBITDA provide a good indication of performance because they are not affected by the tax laws or depreciation and amortization policies.

The table that follows shows the Revenues and EBITDA of the operating segments:

<i>(in thousands of euros)</i>	Year ended December 31, 2013			
	Credit Information	Marketing Solutions	Credit Management	Total
Revenues by segment	223,455	11,954	32,334	267,743
Inter-segment revenues	-	-	(369)	(369)
Total revenues from outsiders	223,455	11,954	31,965	267,374
EBITDA	117,844	4,778	7,116	129,738
Nonrecurring income and charges				(6,771)
Depreciation and amortization				(55,468)
Operating profit				67,499
Pro rata interest in the result of associates valued by the equity method				166
Financial income				611
Financial charges				(52,957)
Profit before income taxes				15,319
Income tax expense				(11,379)
Net profit				3,940

Given the type of services and products sold by the Group, there are no instances of significant revenue concentration with individual customers.

8. REVENUES

A breakdown of revenues is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Sales in Italy	266,370
International sales	4,677
Total sales	271,047
Deferred revenues	(3,673)
Total	267,374

Deferred revenues originate from services invoiced at December 31, 2013 but not yet provided to customers and deferred to the following year in accordance with the accrual principle.

9. OTHER INCOME

A breakdown of this item is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Sundry income	96
Insurance settlements	69
Nonrecurring income	2,697
Total	2,862

Non recurring income, which is discussed in Note 16, includes 2.056 thousand euros for the recognition of the gain generated by the Tarida acquisition, as detailed in Note 6, and 641 thousand euros for the reimbursement received in 2-13 for an earnout related to the 2009 acquisition of CeBi S.p.A.

10. COST OF RAW MATERIAL AND OTHER MATERIALS

A breakdown of this item is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Consumables materials	172
Cost of sales	2,038
Fuel	492
Total	2,702

The cost of sales refers to the cost of goods bought and resold as part of the credit management activities. Consumable materials and fuel refer to cars used by employees.

11. COST OF SERVICES

A breakdown of this item is provided in the table below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Information services	26,106
Agents costs	16,514
Tax, administrative and legal consultancy	2,001
Advertising and marketing expenses	1,150
Maintenance and technical support costs	3,952
Utilities	1,798
Outsourced asset management services	4,629
Other consultancy and services costs	9,651
Nonrecurring costs	7,594
Total	73,395

Nonrecurring costs, which are reviewed in Note 16 below, consist mainly of charges and fees incurred by the Parent Company in connection with the Acquisition and related loan agreements.

12. PERSONNEL COSTS

A breakdown of this item is as follows:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Salaries and wages	38,295
Social security charges	13,363
Retirement benefits	2,291
Other personnel costs	999
Nonrecurring costs	1,873
Total staff costs	56,821
Associates' fees and contribution	122
Directors' fees and contribution	1,793
Total fees	1,915
Total	58,736

Nonrecurring costs, which are reviewed in Note 16 below, refer to separation incentives paid to some employees as part of the process of integrating the new companies and reorganizing the Group.

Detailed information about Employee benefits is provided in Note 35.

The table below shows a breakdown by category of the average number of Group employees:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Average number of employees	
Executives	56
Middle managers	219
Office staff	879
Total	1,154

13. OTHER OPERATING COSTS

A breakdown of this item is as follows:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Rent	3,348
Car rentals	1,682
Other costs	697
Janitorial services	382
Employee cafeteria expenses	857
Total	6,966

14. IMPAIRMENT OF RECEIVABLES AND OTHER PROVISIONS

A breakdown of this item is as follows:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Impairment of receivables	3,464
Accrual for other provision	2,006
Total	5,470

15. DEPRECIATION AND AMORTIZATION

A breakdown of depreciation and amortization is as follows:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Depreciation	3,212
Amortization	52,256
Total	55,468

16. NONRECURRING INCOME AND COSTS

During the year, the Group recognized nonrecurring income of 2,697 thousand euros, including 2,056 thousand euros for the gain generated by the Tarida acquisition, as explained in Note 6, and 641 thousand euros for the reimbursement of the earnout related to the 2009 acquisition of Centrale Bilanci SpA.

In 2013, the Group incurred nonrecurring costs totaling 9,467 thousand euros, including: (i) 7,594 thousand euros recognized as service costs, consisting mainly of charges and fees incurred by the Parent Company for the Acquisition; and (ii) 1,873 thousand euros recognized as personnel costs, corresponding to separation incentives paid to some employees as part of the process of integrating the new companies and reorganizing the Group.

17. FINANCIAL INCOME

The table below provides a breakdown of financial income.

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Bank interest income	332
Other interest income	83
Dividends	196
Total	611

18. FINANCIAL CHARGES

Financial charges refer mainly to interest paid on the bond issue floated in January 2013.

A breakdown of financial charges is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Interest expenses on borrowings	51,487
Interest expenses on retirement benefit obligations	200
Fees and other interest expense	997
Fair value measurement of derivative	273
Total	52,957

19. INCOME TAX EXPENSE

A breakdown of income taxes is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Current regional taxes (IRAP)	6,664
Current corporate income taxes (IRES)	17,820
Prior-period tax benefits and charges	(1,695)
Prepaid and deferred income taxes	(11,598)
Substitute tax	188
Total	11,379

The table below provides a reconciliation of the statutory tax rate to the actual tax rate.

<i>(in thousands of euros and as a percentage of profit before income taxes)</i>	Year ended December 31, 2013	%
Profit before income taxes	15,319	
Income taxes at statutory rate	4,213	27.5%
IRAP	6,664	43.5%
Other	502	3.3%
Actual income tax expense	11,379	
Actual income tax rate		74.3%

The Group's average corporate income tax (IRES) rate was quite high, due mainly to the following development affecting the Parent Company:

- addition to taxable income of 17.8 million euros for amortization of the intangible assets allocated as part of the PPA process;
- addition to taxable income of 10.2 million euros for non-deductible interest expense;
- a tax benefit related to Decree Law No. 201/2011 ("ACE"), which offset to some extent the negative effects of the factors mentioned above.

20. PROPERTY, PLANT AND EQUIPMENT

The following changes affecting the components of property, plant and equipment occurred in 2013:

<i>(in thousands of euros)</i>	Balance at 1/9/13	Change in scope of consolidation	Additions	Disposals	Depreciation	Balance at 12/31/13
HISTORICAL COST						
Land and buildings	-	16,229	379	-	-	16,608
Electronic equipment	-	17,654	1,059	(432)	-	18,281
Furniture and fixtures	-	2,833	109	(16)	-	2,926
Other assets	-	9,553	2,008	(10)	-	11,551
Total	-	46,269	3,555	(458)	-	49,366
ACCUMULATED DEPRECIATION						
Land and buildings	-	(4,972)	-	-	(958)	(5,930)
Electronic equipment	-	(15,194)	-	428	(1,178)	(15,944)
Furniture and fixtures	-	(1,945)	-	16	(158)	(2,087)
Other assets	-	(7,888)	-	9	(918)	(8,797)
Total	-	(29,999)	-	453	(3,212)	(32,758)
NET BOOK VALUE						
Land and buildings	-	11,257	379	-	(958)	10,678
Electronic equipment	-	2,460	1,059	(4)	(1,178)	2,337
Furniture and fixtures	-	888	109	-	(158)	839
Other assets	-	1,665	2,008	(1)	(918)	2,754
Total	-	16,270	3,555	(5)	(3,212)	16,608

At December 31, 2013, Property, plant and equipment consisted mainly of assets acquired through the business combinations carried out by the Group during the year, which are described in detail in Note 6.

Additions for the year, amounting to 3,555 thousand euros, involve mainly upgrades and replacements of electronic machines, hardware and other equipment.

At December 31, 2013 there were no restrictions affecting the Company's title to and ownership of its Property, plant and equipment and no purchasing commitments.

21. INTANGIBLE ASSETS

The following changes occurred in the carrying amount of the individual components of intangible assets:

<i>(in thousands of euros)</i>	Balance at 1/9/13	Change in scope of consoli-dation	Additions	Dis-posals	Amorti-zation	Balance at 12/31/13
HISTORICAL COST						
Software	-	54,536	8,360	-	-	62,896
Trademark and other rights	-	78,372	480	(17)	-	78,835
Customer relationships	-	397,230	-	-	-	397,230
Economic info. databases	-	227,737	8,973	-	-	236,710
Other intangibles	-	3,427	1,308	-	-	4,735
Total	-	761,302	19,121	(17)	-	780,406
ACCUMULATED AMORTIZATION						
Software	-	(38,861)	-	-	(9,806)	(48,667)
Trademark and other rights	-	(42,501)	-	-	(2,435)	(44,936)
Customer relationship	-	-	-	-	(18,403)	(18,403)
Economic info. databases	-	(144,566)	-	-	(20,326)	(164,892)
Other intangibles	-	(1,129)	-	-	(1,286)	(2,415)
Total	-	(227,057)	-	-	(52,256)	(279,313)
NET BOOK VALUE						
Software	-	15,675	8,360	-	(9,806)	14,229
Trademark and other rights	-	35,871	480	(17)	(2,435)	33,899
Customer relationships	-	397,230	-	-	(18,403)	378,827
Economic info. databases	-	83,171	8,973	-	(20,326)	71,818
Other intangibles	-	2,298	1,308	-	(1,286)	2,320
Total	-	534,245	19,121	(17)	(52,256)	501,093

At December 31, 2013, Intangible assets consisted mainly of assets acquired through the business combinations carried out by the Group during the year, which are described in detail in Note 6.

Additions for the year, totaling 19,121 thousand euros, involve mainly software, projects carried out during the year to develop new products and economic information databases.

22. GOODWILL

A breakdown of Goodwill is provided below:

<i>(in thousands of euros)</i>	Year ended December 31, 2013
Cerved Data Services (CDS) goodwill	820
CERVED Group goodwill	707,813
Total	708,633

The following changes affected goodwill in 2013:

<i>(in thousands of euros)</i>	2013
Balance at January 9, 2013	-
Acquisition	708,633
Impairment	-
Other changes	-
Balance at December 31, 2013	708,633

The goodwill recognized at December 31, 2013 was generated in its entirety by the allocation of the purchase prices of the business combinations completed during the year and described in Note 6, which should be consulted for additional information. The cash generating units (CGUs) to which goodwill was allocated correspond to the operating segments, which encompass all of the services and products supplied to customers, as described in detail in Note 7:

- Credit Information;
- Marketing Solutions; and
- Credit Management.

The table below shows the allocation of goodwill to the various operating segments/CGUs at December 31, 2013:

<i>(in thousands of euros)</i>	At December 31, 2013
Credit Information	608,919
Marketing Solutions	41,872
Credit Management	57,842
Total	708,633

As required by the reference accounting principles, Goodwill was tested for impairment at December 31, 2013, which entailed determining its value in use.

The determination of the value in use was based on discounting to present value the projected data for each CGU ("**DCF Method**") for the four-year period from 2014 to 2017, as approved by the Company's Board of Directors on March 27, 2014. The projected data for each CGU were determined taking into consideration the growth rates for revenues, EBITDA and cash flow, based both on economic and profitability performance and future expectations.

The terminal value of each CGU was determined in accordance with the criterion of the perpetual return of the cash flow of each CGU, referenced to the last period of the projected data used (2017), assuming a zero growth rate and using an after-tax discount rate (WACC) of 8.4%.

The discount rate (WACC) used to discount the cash flows for all of the periods in question and the terminal value was 8.40%, which is the weighted average of the cost of capital of 9.06%, including a market risk premium of 5.00%, and the after tax cost of debt of 3.92%.

The impairment test provided no indication that the value of the carried goodwill was impaired.

The surplus recoverable value of each CGU, determined based on the parameters described above, before the abovementioned writedown, amounts to:

<i>(in thousands of euros)</i>	At December 31, 2013
Credit Information	137,077
Marketing Solutions	23,748
Credit Management	39,964
Total	200,789

The table below shows the change that would occur in the surplus recoverable value of each CGU as a result of a change of 0.5% in the value assigned to the WACC, all other parameters being equal:

<i>(in thousands of euros)</i>	-0.5%	+0.5%
Credit Information	206,403	75,555
Marketing Solutions	28,111	19,878
Credit Management	46,907	33,808

The table below shows the change that would occur in the surplus recoverable value of each CGU as a result of a change of 5.0% in the level of cash flow, all other parameters being equal:

<i>(in thousands of euros)</i>	-0.5%	+0.5%
Credit Information	69,623	204,532
Marketing Solutions	19,821	27,674
Credit Management	33,036	46,893

The table below shows WACC level and the reduction in cash flow that would make the recoverable value of each CGU equal to its carrying amount:

	WACC	Cash flow
Credit Information	9.6%	(10.2%)
Marketing Solutions	12.9%	(30.3%)
Credit Management	13.3%	(28.9%)

23. INVESTMENTS IN ASSOCIATES VALUED BY THE EQUITY METHOD

As a result of the acquisition, the Group hold an equity investment in the associate Experian Cerved Information Services SpA (“**ECIS**”). ECIS was established on April 13, 2012 within the framework of a collaborative arrangement developed by the Cerved Group and Experian Group for the purpose of integrating the Credit Information System (CIS) already operated by the two companies.

More specifically, pursuant to the collaboration agreement, Experian and Cerved Holding SpA implemented this collaborative relationship executing some ancillary contracts, as follows:

- (i) Experian Holding Italia Srl and CERVED, in their capacity as ECIS shareholders, entered into shareholders’ agreements governing the governance and operating procedures of ECIS;
- (ii) ECIS and CERVED signed an agency agreement, pursuant to which the latter will operate as the agent for the services offered by ECIS.

In addition, in a contract signed on July 23, 2012, the parties agreed to a series of stipulations for the management of ECIS, which are detailed in Note 25 below.

At December 31, 2013, Experian and CERVED owned, respectively, 95% and 5% of ECIS’s share capital.

The Company consolidated its interest in ECIS, qualified as an investment in an associate over which the Group can exercise a significant influence due to the abovementioned governance stipulations set forth in the shareholders’ agreements, by applying the equity method.

The table below shows the financial highlights of the subsidiary valued by the equity method; the data are taken from the financial statements closed at March 31, 2013:

<i>(in thousands of euros)</i>	Total asset	Total shareholders’ equity	Total revenues	Net profit/loss for the period
Experian Cerved Information Services SpA	12,092	7,642	13,904	5,163

24. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets include: (i) the fair value of the financial instruments related to the ECIS transaction (8,750 thousand euros); (ii) the value of other unconsolidated equity investments held by the Group (2,887 thousand euros); and (iii) some security deposits for the balance.

Financial instruments related to the ECIS transaction

The financial instruments related to the ECIS transaction, described in detail in Note 23 above, include the following options:

- a “deadlock call option” that gives Experian the option of buying CERVED’s interest in the event of a deadlock;
- a “CERVED call option,” pursuant to which, under certain conditions, CERVED may purchase an additional interest of up to 35% in ECIS (in addition to the 5% it already owns);
- a “first CERVED put option” and a “second CERVED put option,” pursuant to which, under certain conditions, CERVED may sell to Experian all (and not less than all) of the ECIS shares it holds;
- an “Experian call option,” pursuant to which, under certain conditions, Experian may acquire all of the ECIS shares held by CERVED;
- a “non-performance call option,” pursuant to which, under certain conditions, Experian may acquire all of the ECIS shares held by CERVED.

Please note that, because these options are not traded on an active market, their fair value was determined using valuation techniques commonly adopted in business practices to value a business enterprise.

Unconsolidated equity investments held by the Group

Information about the equity investments held is provided below:

<i>(in thousands of euros)</i>	Registered office	Share capital	Shareholders' equity at 12/31/12	% interest (indirect)	Carrying amount at 12/31/13
SIA-SSB	Milan	22,091	195,276	0.77%	2,823
Class CNBS SpA	Milan	628	2,259	1.24%	39
Internet N.V.	Netherlands Antilles	n.a.	n.a.	5.90%	15
Consult Wolf srl	Belluno	10	27,353	34.00%	10
Banca Credito Cooperativo Roma	Rome	20,999	644,163	0.00%	0
					2,887

The amounts shown refer to annual financial statements prepared in accordance with each company’s reference accounting principles. At December 31, 2013, there were no indicators showing that the value of these equity investments was impaired and that a writedown was required.

25. INVENTORY

Inventory, amounting to 1,312 thousand euros, consists exclusively of goods that the Group purchased as part of its credit management activities during the closing months of the year and had not resold at the end of the reporting period.

26. TRADE RECEIVABLES

Trade receivables totaled 151,474 thousand euros, net of the corresponding Provision for impairment of receivables. A breakdown of Trade receivables is provided below:

<i>(in thousands of euros)</i>	At December 31, 2013
Trade receivables	162,043
Provision for impairment of receivables	(10,569)
Total	151,474

The table below shows the changes in the Provision for impairment of receivables:

<i>(in thousands of euros)</i>	Balance at 1/9/13	Change in scope of consolidation	Additions	(Utilizations)	Balance at 12/31/13
Provision for impairment of receivables	-	10,200	3,464	(3,095)	10,569

The addition to the provision for impairment reflects the estimated realizable value of uncollected receivables at December 31, 2013. Utilizations for the period were recognized in the case of receivables for which elements of certainty and accuracy, or the existence of composition with creditors proceedings, required that the position be written off.

There are no receivables with a remaining duration of more than five years or receivables denominated in a currency different from the euro.

27. TAX RECEIVABLES

A breakdown of tax receivables at December 31, 2013 is provided below:

<i>(in thousands of euros)</i>	At December 31, 2013
VAT receivable	316
IRAP receivable	29
Other tax receivables	1,007
Total	1,352

Other tax receivables reflects primarily the IRES credit for the deductibility from the IRES of the IRAP paid on Personnel costs in the years before 2012, in accordance with the provisions of Article 4 of Decree Law No. 16/2012. This amount was recognized as extraordinary income in the Income tax expense line item.

28. OTHER RECEIVABLES

A breakdown of other receivables, which totaled 4,543 thousand euros at December 31, 2013, is provided below:

<i>(in thousands of euros)</i>	At December 31, 2013
Advances to agents	404
Sundry receivables	3,866
Other receivables from related parties	273
Total	4,543

Sundry receivables refers mainly to amounts owed by some former controlling companies for the corporate income tax (IRES) credit for the regional tax (IRAP) deductible from the IRES during the years when certain Group companies filed a consolidated income tax return.

29. OTHER CURRENT ASSETS

Other current assets consist mainly of prepaid agents' commissions. The costs incurred in connection with new contracts for the sale of services not yet provided are suspended and recognized in profit or loss based on customer usage progress.

A breakdown of this item is presented below:

<i>(in thousands of euros)</i>	At December 31, 2013
Prepaid commercial costs	7,535
Other prepaid commercial expenses	1,231
Total	8,766

30. CASH AND CASH EQUIVALENTS

The table below shows a breakdown of cash and cash equivalents:

<i>(in thousands of euros)</i>	At December 31, 2013
Deposits in bank and postal accounts	50,324
Cash on hand	22
Total	50,346

31. SHAREHOLDERS' EQUITY

Share capital

At December 31, 2013, the Parent Company's fully subscribed and paid-in share capital amounted to 50,000,000.00 euros and was comprised of 50,000,000 common shares, par value 1 euros each.

Other reserves

A breakdown of Other reserves is provided below:

<i>(in thousands of euros)</i>	Reserve for actuarial gains (losses)	Consolidation reserve	Reserve for capital increase	Other reserves	Minority interest in reserves
Balance at January 9, 2013	-	-		-	-
Net profit	-	-		-	
Actuarial gain (loss) for employee benefits	(1,110)	-		(1,110)	
Actuarial gain (loss) for employee benefits – tax effect	305			305	
Net comprehensive income	(805)	-		(805)	
Advance on future share capital increase	-	-	367.448	367.448	
Share capital increase	-		(49.880)	(49.880)	
Acquisition of minority interests		(557)		(557)	
Dividend distribution	-	(91)		(91)	1,052
Total transactions with owners	-	(648)	317.568	316.920	1,052
Balance at December 31, 2013	(805)	(648)	317.568	316.115	1,052

32. EARNINGS PER SHARE

The table below shows the computation of basic and diluted earnings per share.

	Year ended December 31, 2013
Net profit (in thousands of euros)	3,017
Number of common shares at the end of the period	50,000,000
Average weighted number of shares outstanding for basic earnings per share purposes	31,224,944
Average weighted number of shares outstanding for diluted earnings per share purposes	31,224,944
Basic net profit per share (in euros)	0.10
Diluted net profit per share (in euros)	0.10

33. CURRENT AND NON-CURRENT BORROWINGS

The table below provides a breakdown of the Group's borrowings at December 31, 2013, shown net of incidental expenses, as required by the IFRS.

<i>(in thousands of euros)</i>	At December 31, 2013
Bond issues	(771,604)
Other borrowings	(681)
Derivatives	(273)
Total	(772,558)
Current portion	(16,747)
Non-current portion	(755,811)

Bond issues

On January 29, 2013, the Company floated three bond issues for a total of 780 million euros (the "Bond Issues") traded on the unregulated Irish Stock Exchange and the Extra MOT PRO market (the multilateral trading system of Borsa Italiana S.p.A. for debt instruments).

A breakdown of the bond issues outstanding is provided in the table below:

<i>(in thousands of euros)</i>	Rate	Coupon	Maturity	Outstanding balance at 12/31/13
Senior fixed-rate bonds	6.375%	Semiannual	January 15, 2020	300,000
Senior variable-rate bonds	3 month Euribor+spread 5.375%	Quarterly	January 15, 2019	250,000
Senior subordinated bonds	8%	Semiannual	January 15, 2021	230,000
Gross total before incidental expenses				780,000
Incidental borrowing costs				(28,590)
Accrued interest				20,194
Total				771,604

The table below shows the market value of these loans on the date the financial statements were prepared, based on prices quoted on the securities markets:

<i>(In migliaia di Euro)</i>	Outstanding balance at 12/31/13	Market value
Senior fixed-rate bonds	300,000	318,000
Senior variable-rate bonds	250,000	257,863
Senior subordinated bonds	230,000	244,950
Total	780,000	820,813

Please note that, concurrently with the placement of the Bond Issues, a pool of banks, with Unicredit AG as Agent Bank, provided the Company with a revolving credit line for a total amount of 75 million euros, effective as of January 11, 2013 (the “**Revolving Loan Agreement**”). The Revolving Loan Agreement has a duration of five years and nine month and accrues interest at a rate indexed to the Euribor plus a spread of 4.50%. This spread can be reduced over time, based on changes in the net financial debt/EBITDA ratio, measured on a consolidated basis, as shown in the table below:

Net financial debt/EBITDA	Annual spread
> 4.75:1	4.50%
> 4.25:1 and ≤ 4.75:1	4.25%
≤ 4.25:1	4.00%

The revolving credit line was never used in 2013.

The terms and conditions of the Bond Issue and the Revolving Loan Agreement require, consistent with market practice for similar transactions, compliance by the Company with a series of restrictions on its ability to execute certain transactions, unless certain financial parameters are complied with (so-called incurrence based covenants).

For example, pursuant to these covenants, the Company’s ability to take on or guarantee additional debt is tied, with a few exceptions, to its compliance with specific levels of the Fixed Charge Cover Ratio (defined as the ratio between consolidated EBITDA and fixed charges) and its ability to pay dividends is tied to its compliance with specific levels of the Consolidated Leverage Ratio (defined as the ratio between net financial debt and consolidated EBITDA).

At December 31, 2013, the Group was in compliance with both parameters.

Ability to take on or guarantee additional debt

The ability to contract additional debt is restricted, it being understood that Cerved Group S.p.A. shall be allowed to contract additional debt:

- (i) if the fixed charge coverage ratio of Cerved Group S.p.A. and its restricted subsidiaries is 2.0 or greater; and
- (ii) excluding the subordinated bonds, to the extent that the senior debt is guaranteed and provided certain conditions are complied with. The foregoing conditions notwithstanding, Cerved Group S.p.A. can contract debt in the form of a credit line for a maximum principal amount of not more than 100.00 million euros. Moreover, Cerved Group S.p.A. may contract debt the maximum amount of which shall not be more than 4.9% of its total assets or 35.0 million euros, whichever is greater.

Ability to pay dividends

The Indentures restricts the ability of Cerved Group S.p.A. and its Restricted Subsidiaries to declare or pay any dividend or make any other payment unless according with the provisions regulating Restricted Payments and Permitted Payments.

In particular, the Restricted Payments (which include, *inter alia*, payment of dividend,

the purchase or repayment of capital stock of the issuer, subordinated debt and certain Restricted Investments) are permitted if, at the time Cerved Group S.p.A. or the relevant Restricted Subsidiary makes the relevant Restricted Payment, (i) no Default has occurred and is continuing under the Indentures, (ii) Cerved Group S.p.A. is able to incur an additional Euro 1.00 of indebtedness (pursuant to the Indentures) after giving effect *pro forma*, to such payment and (iii) the aggregate amount of such Restricted Payment and all other Restricted Payments made subsequent to the date of issue of the notes, including certain Permitted Payments (including the Permitted Payments described below) does not exceed the sum of (without duplication) (“*Build-Up Basket*”): (i) 50% of consolidated net income for the period from the first day of the fiscal quarter commencing prior to the issue date of the notes, to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment (or, in the case such consolidated net income is a deficit, minus 100% of such deficit) (ii) 100% of the aggregate net cash proceeds, and the fair market value of property or assets or marketable securities, received by Cerved Group S.p.A. from the issue or release of its capital stock or subordinated shareholder funding subsequent to the issue date of the notes (and subject to certain exceptions), (iii) 100% of the aggregate net cash proceeds and the fair market value of property or assets or marketable securities, received by Cerved Group S.p.A. or by a Restricted Subsidiary from the issuance or sale by Cerved Group S.p.A. or any Restricted Subsidiary, of any indebtedness that has been converted into or exchanged for, capital stock of Cerved Group S.p.A. or subordinated shareholder funding (and subject to certain exceptions), (iv) 100% of the aggregate net cash proceeds and the fair market value of property or assets or marketable securities received by Cerved Group S.p.A. or any Restricted Subsidiary from the disposition of any Unrestricted Subsidiary or the disposition or repayment of any investment constituting a Restricted Payment made after the issue date of the notes; (v) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary, or the Unrestricted Subsidiary is merged or consolidated into Cerved Group S.p.A. or a Restricted Subsidiary, 100% of such amount received in cash and the fair market value of any property or marketable securities received by Cerved Group S.p.A. or the Restricted Subsidiary in respect of any such event, excluding the amount of any investment in such Unrestricted Subsidiary that constituted a Permitted Investment (as defined therein) and (vi) 100% of any dividends or distributions received by the Issuer or a Restricted Subsidiary after the date of issue of the notes, from an Unrestricted Subsidiary.

The foregoing provisions will not prohibit any of the payments defined in the Indentures as Permitted Payments, which include, *inter alia*, insofar as there is no Default e/o Event of Default outstanding:

- the declaration and payment by Cerved Group S.p.A. of dividends on the common stock or common equity interests of Cerved Group S.p.A. or any parent following a Public Offer (as defined in the Indentures) of such common stock or common equity interests, in an amount not to exceed in any fiscal year the greater of (a) 6% of the net cash proceeds received by Cerved Group S.p.A. from such public offering or contributed to the equity of Cerved Group S.p.A. or as shareholder funding and (b) following the Initial Public Offering (as defined in the Indentures, an “**IPO**”), an amount equal to the greater of (i) (A) 7% of the market capitalization at the time the dividend is paid and (B) 7% IPO market capitalization, provided that in the case of clause (i) after giving *pro forma* effect to such loans, advances, dividends or distribution, the consolidated leverage ratio shall be equal to or less than 3.0 to 1.0 and (ii) the greater of (A) 5% of the market capitalization at the time the dividend is paid and (B) 5% of the IPO market capitalization, provided that in the case of clause (ii) after giving *pro forma* effect to such loans, advances, dividends and distributions, the consolidated leverage ratio shall be equal to, or less than, 3.375-1.0;
- payment of any dividend, distribution, loan or other payment to any parent company, provided that the consolidated leverage ratio does not exceed, 2.5 to 1.0 on a *pro forma* basis after giving effect to any such dividend, distribution, loan or other payment;
- Restricted Payments in an aggregate amount outstanding at any time not to exceed the greater of Euro 25.0 million and 3.5% of the total assets of Cerved Group S.p.A. and the Restricted Subsidiaries.

Security

The following security was created, as security for the notes (excluding the senior subordinated notes) and the revolving facility agreement:

- a pledge over the shares in Cerved Group S.p.A.;
- a pledge over the shares in Finservice S.p.A. owned by Cerved Group S.p.A.;
- a pledge over the shares in Consit S.p.A. owned by Cerved Group S.p.A.;
- a pledge over the claims arising under the agreement for the acquisition of Cerved Holding S.p.A. by Cerved Technologies S.p.A.;
- a pledge granted by Cerved Group S.p.A. over trade receivables arising under certain commercial contracts;
- a pledge over certain IP rights of Cerved Group S.p.A..

The revolving facility agreement is also secured by a special privilege ex art. 46 of legislative decree 1 September 1993, no. 385, over certain moveable assets of Cerved Group S.p.A..

The senior subordinated notes are secured, on a second ranking basis, solely by the share pledge over shares in Cerved Group S.p.A.

We note that pursuant to the Indentures part of the covenants and limitations mentioned above with reference to the notes will cease to apply when the notes reach (and for as long as they maintain) an investment grade status, defined as a rating of at least BBB- (S&P) and Baa3 (Moody's).

The table below lists the main features of the Bond Issue, including the ratings in effect at [Date of Prospectus]:

	Repayment modality	Coupon	S&P rating	Moody's rating
Senior fixed-rate bonds	Lump sum	Semiannual	B	B2
Senior variable-rate bonds	Lump sum	Quarterly	B	B2
Senior subordinated bonds	Lump sum	Semiannual	CCC+	B3

The Company inability to generate sufficient cash to meet its repayment obligations or its failure to comply with the abovementioned commitments and restrictions would constitute an event of default, which would authorize the lender banks and/or the bondholders to demand the immediate repayment of the loaned amounts and the enforcement of the abovementioned collateral, with potentially negative effects on the activities and outlook of the Group, as well as on its income statements, financial position and cash flow.

Please note that, under certain conditions, the senior fixed-rate bonds, the senior subordinated bonds and the senior variable-rate bonds may be redeemed in advance, in whole or in part, starting on their issue date. The value of these early repayment options was not extrapolated from the value of the bond issues because it was deemed to be closely linked to the value of the bond issues.

Other financial debt

The main components of other financial debt, amounting to 681 thousand euros, include bank loans payable (520 thousand euros) and fees for failing to utilize the facility under the Revolving Loan Agreement (131 thousand euros).

Derivatives

In 2013, the Parent Company executed two IRS derivative contracts expiring in 2017 with top rated credit institutions to hedge the risk of interest rate fluctuations on the Senior variable-rate bonds, for the original notional amounts of 150,000 thousand euros and 100,000 thousand euros. Under these contracts the swapped interest rates are fixed rates of 0.550% and 0.554%, respectively.

34. NET FINANCIAL DEBT

The table below presents the Group's net financial debt at December 31, 2013, determined in accordance with the provisions of paragraph 127 of the recommendations provided by ESMA in Document No. 81 of 2011 in implementation of Regulation (EC) 809/2004:

<i>(in thousands of euros)</i>	At December 31, 2013
Net financial position	
A. Cash	50,346
B. Other liquid assets	-
C. Securities held for trading	
D. Liquidity (A)+(B)+(C)	50,346
E. Current loans receivable	
F. Current bank debt	(397)
G. Current portion of non-current borrowings	(16,077)
H. Other current financial debt	(273)
I. Current financial debt (F)+(G)+(H)	(16,747)
J. Net current financial debt (I)+(E)+(D)	33,599
K. Non-current bank debt	(284)
L. Bonds outstanding	(755,527)
M. Other non-current financial debt	
N. Non-current financial debt (K)+(L)+(M)	(755,811)
O. Net financial debt (J)+(N)	(722,212)

35. EMPLOYEE BENEFITS

The Retirement benefit obligation, amounting to 10,721 thousand euros is the main component of this item. The balance includes an employee benefit provision of 161 thousand euros recognized in connection with a long-term incentive program established by the Group in February 2013. This plan calls for the award of a cash bonus upon the achievement of certain exit conditions by the CVC shareholder, pegged to the Group's performance in future years.

A breakdown of the changes in the retirement benefit provision is provided below:

<i>(in thousands of euros)</i>	Employee benefits
Balance at January 9, 2013	-
Change in scope of consolidation	10,802
Current cost	161
Financial charges	200
Actuarial losses (gains)	1,110
Contributions added – Benefits paid	(1,392)
Balance at December 31, 2013	10,881

The amount shown for the retirement benefit obligation has been discounted to present value, as required by the IAS 19 accounting standard.

The main economic and demographic assumptions used for actuarial valuation purposes are listed below:

	At December 31, 2013
Economic assumptions	
Inflation rate	2.00%
Discount rate	3.15%
Provision rate of increase	3.00%

The discount rate used was determined using as a reference the iBoxx Eurozone Corporates AA 10+ index on the valuation date.

A sensitivity analysis of the main actuarial assumptions included in the computation model was performed using as the base scenario the scenario described earlier in these notes and increasing and decreasing the average annual discount rate, the average inflation rate and the turnover rate by half a percentage point, a quarter of a percentage point and two percentage points, respectively. The results obtained are summarized in the table that follows:

<i>(in thousands of euros)</i>	Annual discount rate		Annual inflation rate		Annual turnover rate	
	+0.50%	-0.50%	+0.25%	-0.25%	+2.00%	-2.00%
Past service liability	9,822	10,729	10,394	10,126	10,289	10,226

There are no dedicated plan assets for defined-benefit plans.

36. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

The table that follows shows the changes that occurred in the Provisions for other liabilities and charges in 2013.

<i>(in thousands of euros)</i>	Balance at 1/9/13	Change in scope of consolidation	Additions	Utilizations/Reversals	Balance at 12/31/13
Provision for liabilities and charges	-	11,426	1,471	(729)	12,168
Provision for agents' indemnity	-	1,372	195	(218)	1,349
Other provisions	-	1,118	340	-	1,458
Total	-	13,916	2,006	(947)	14,975

The provision for liabilities and charges, which amounted to 12,168 thousand euros at December 31, 2013, refers mainly to tax disputes and disputes with some employees and agents and suppliers.

An overview of the main tax disputes is provided below:

- On April 2, 2012, the Group was served with a notice of a Tax Audit Report for a tax audit of Cerved Group launched in October 2011 by the Lombardy Regional Tax Office. The main disputed items are the deductibility for tax purposes of financial charges for the Senior and Bridge facilities received by Gemma 4 S.r.l. (now Cerved Group S.p.A.) for the acquisition of a majority interest in Centrale dei Bilanci S.r.l., subsequently merged by absorption into Gemma 4 S.r.l. The additional taxes demanded in the Tax Audit Report in connection with the financing charges amount to 16 million euros for the 2009 reporting year and 12 million euros for the 2010 reporting year, corresponding to potential higher taxes of 4 million euros in 2009 and 3 million euros in 2010. The Company, comforted by the advice of its tax counsel, believes that it acted correctly.

Other minor disputed items concern the tax treatment of a dividend declared by Centrale dei Bilanci in 2009, prior to its merger with Cerved Group (higher corporate income taxes of 194 thousand euros for 2009) and the use of accelerated depreciation rates in 2009 and 2010 (higher corporate income taxes of 304 thousand euros for 2009 and 2010).

Taking a conservative approach, a provision of 1 million euros was recognized in 2012 for the charges related to the dividend and the accelerated depreciation, plus penalty and interest.

As of the date of this report, the Company has not received a notice of assessment.

- On November 14, 2013, the Milan Revenue Agency served the Cerved Group Credit Management Srl subsidiary with a notice of adjustment and collection (hereinafter the "Notice") for the 2011 tax year, concerning the recomputation of the registration

tax applicable to the business operations sold to the Company by Italease Gestione Beni S.p.A. Please note that the fairness of the sales price of the business operations stated in the sales agreement was supported by a special appraisal prepared at the time by an independent expert.

On December 17, 2013, in order to protect its rights, the Company filed an application offering to pay the assessed tax but avoid all penalties and asked an independent expert to render an opinion regarding the conclusions put forth by the Revenue Agency in its Notice. On January 29, 2014, as part of this process, the company filed its briefs and the expert's opinion.

Based on the discussions carried out thus far with the Revenue Agency and the opinion of its tax counsel, the Company recognized a provision for risks amounting to 350,000 euros; this provision is deemed adequate to cover the contingent tax liability resulting from the issues raised in the Notice.

The Provision for agents' indemnity, which at December 31, 2013 had a balance of 1,349 thousand euros, including 65 thousand euros for the Provision for meritocracy indemnity, was estimated based on the statutes that govern agency relationships and is deemed adequate to cover any liabilities that may arise in the future.

Other provisions of 1,458 thousand euros refer to an estimate of the bonuses for a multi-year strategic project aimed at increasing the commercial loyalty of the salesforce.

37. DEFERRED TAX ASSETS AND LIABILITIES

<i>(in thousands of euros)</i>	At December 31, 2013
Deferred tax assets	10,631
Deferred tax liabilities	(130,384)
Total	(119,753)

Deferred tax assets concern certain temporary differences between statutory profit and taxable income related to service costs that are deductible in future years. Deferred tax liabilities refer mainly to intangible assets booked in connection with business combinations and are not recognized for tax purposes.

The table below shows the changes that affected deferred tax assets and liabilities:

<i>(in thousands of euros)</i>	Balance at January 9, 2013	Change in scope of consolidation	Additions/ Reversals in profit or loss	Additions/ Reversals in comprehensive profit or loss	Balance at December 31, 2013
Deferred tax assets					
Tax deductible goodwill of Cerved BI	-	4,413	(960)	-	3,453
Provision for impairment of receivables	-	1,980	804	-	2,784
Provision for liabilities and charges	-	3,340	84	-	3,424
Provision for employee benefits and meritocracy indemnity	-	378	34	-	412
Other differences	-	503	55	-	558
Total deferred tax assets	-	10,614	17	-	10,631
Deferred tax liabilities					
Customer relationships	-	(124,730)	5,774	-	(119,055)
Trademarks	-	(11,084)	647	-	(10,409)
Buildings	-	(996)	157	-	(869)
Databases	-	(4,730)	4,730	-	-
Other	-	(425)	273	-	(51)
Total deferred tax liabilities	-	(141,965)	11,581	-	(130,384)
Total net deferred taxes	-	(131,351)	11,598	-	(119,753)

38. TRADE PAYABLES

<i>(in thousands of euros)</i>	At December 31, 2013
Payables to outside suppliers	30,090
Payables to related parties	45
Total	30,135

There are no payables denominated in a currency different from the functional currency and there are no trade payables collateralized with Company assets or with a duration of more than five years.

39. CURRENT TAX PAYABLES

A breakdown of tax payables is as follows:

<i>(in thousands of euros)</i>	At December 31, 2013
Corporate income tax (IRES) payable	10,146
Regional tax (IRAP) payable	1,860
Total	12,006

40. OTHER TAX PAYABLES

A breakdown of other tax payables is provide below:

<i>(in thousands of euros)</i>	At December 31, 2013
VAT payable	5,969
Withholdings payable	1,740
Substitute tax payable	8,858
Total	16,567

The liability for the substitute tax refers to the Group's decision to make amortizable for tax purposes certain intangible assets, recognized in connection with the allocation of the purchase price of business combination completed in 2013, through the payment of a substitute tax, as allowed under the "realignment" provisions of Article 172, Section 10-bis, of the Uniform Income Tax Code.

41. OTHER LIABILITIES

<i>(in thousands of euros)</i>	At December 31, 2013
Social security and other taxes	6,121
Payables to personnel	10,949
Deferred revenues	90,619
Accrued expenses	2,309
Other payables	1,069
Total	111,067

The main components of Other liabilities at December 31, 2013 included liabilities for Deferred revenues of 90,619 thousand euros and Payables to personnel amounting to 10,949 thousand euros.

42. OTHER INFORMATION**Contingent liabilities**

Except as noted in Note 36 "Provisions for other liabilities and charges" there are no pending judicial or tax proceedings that involve any Group company.

Commitments

At December 31, 2013, the Group had undertaken commitments not reflected in the financial statements totaling 2,577 thousand euros, consisting mainly of sureties provided by Unicredit (775 thousand euros) for the benefit of the lessor of the offices in Milan and by MPS and Banca Popolare di Bergamo (1,000 thousand euros and 223 thousand euros, respectively) for the benefit of Infocamere, a supplier of the Group. In addition, the Group is the lessee in leases for automobiles provided to employees and in leases for offices.

A breakdown by maturity of the various leases and rental agreements is provided below:

<i>(in thousands of euros)</i>	At December 31, 2013
Within 1 year	5,453
Between 2 and 4 years	10,897
More than 4 years	3,597
Total	19,947

Third party assets held in storage and on deposit

At December 31, 2013, the Group managed assets held on deposit valued at 22.764 thousand euros. These assets consist of personal property derived from finance leases for which the Company provides custodial services, operational management, sales and any services related to or instrumental for those activities.

Compensation of Directors, Statutory Auditors and General Managers

The table below shows the compensation awarded to Directors, Statutory Auditors and General Managers:

First and last name	Post held	End of term of office	Fees for post held (3)	Non-cash benefits	Bonus and other incentives	Other compensation	Total compensation
Fabio Cerchiai (1)	Chairman	Approval of financial statement at 12/31/13	200,000				200,000
Gianandrea De Bernardis (1)	Chief Executive Officer	Approval of financial statement at 12/31/13	350,000		242,000	20,000	612,000
Emanuela Brero (1)	Director	Approval of financial statement at 12/31/13					-
Francisco Javier Guijarro De Jaime (1)	Director	Approval of financial statement at 12/31/13					-
Giorgio De Palma (1)	Director	Approval of financial statement at 12/31/13					-
Giampaolo Galli (1)	Director	Approval of financial statement at 12/31/13	60,000				60,000
Giampiero Mazza (1)	Director	Approval of financial statement at 12/31/13					-
Arturo Patarnello (1)	Director	Approval of financial statement at 12/31/13	60,000				60,000
Federico Quitadamo (2)	Director	Approval of financial statement at 12/31/13					-
Total			670,000	-	242,000	20,000	932,000

First and last name	Post held	End of term of office	Fees for post held (4)	Non-cash benefits	Bonus and other incentives	Other compensation	Total compensation
Paolo Ludovici (4)	Chairman	Approval of financial statement at 12/31/15	30,000				
Ezio Maria Simonelli (4)	Statutory Auditor	Approval of financial statement at 12/31/15	20,000				
Fabio Oneglia (4)	Statutory Auditor	Approval of financial statement at 12/31/15	20,000				
Roberto Gianelli (4)	Alternate	Approval of financial statement at 12/31/15	-				
Luca Neri (4)	Alternate	Approval of financial statement at 12/31/15	-				
Total			70,000				

First and last name	Post held	Gross annual compensation
Marco Nespolo	General Manager	360,000
Edoardo Romeo	General Manager	255,456
Total		615,456

Notes:

1. Elected by the Shareholders' Meeting on July 24, 2013.
2. Elected by the Shareholders' Meeting on December 19, 2013.
3. Compensation on an annual basis determined by the Shareholders' Meeting on July 24, 2013 and the Board of Directors on July 25, 2013.
4. Board of Statutory Auditors elected by the Shareholders' Meeting on July 24, 2013.

The independent auditors PricewaterhouseCoopers SpA, responsible for performing the statutory, independent audit of the financial statements of CERVED Group SpA, received 205 thousand euros for its auditing services. The fees paid to PricewaterhouseCoopers SpA by other Group companies for statutory independent auditing of their financial statements amounted to 117 thousand euros.

Warrants

On February 27, 2013, Chopin Holding Sarl, the Company's Parent, approved the issuance of warrants that give the right to purchase Chopin shares.

Those warrants have been acquired or subscribed, to some managers of the Cerved Group who have paid a purchase or subscriber price equal to the fair value of the same instruments assured, on the issuance date, by an independent expert and based on most practiced financial valuation models.

- The rights conveyed by these instruments are exercisable by each subscriber, during the exercise period approved by the Board of Directors of Chopin Holding S.à.r.l. and within 10 years from the date of issuance of the warrant, for each series of warrants against payment of a contractually stipulated strike price per warrant. The exercise of the warrants gives the right to obtain a number of Chopin shares based on the normal value of the Chopin shares on the exercise date; in addition, if the subscriber chooses to exercise the instrument, the issuer has the option of paying to the subscriber an amount equal to the normal value of the shares instead of issuing the underlying shares.

The exercise is also allowed on the following dates:

- Within 30 days from the sale of more than 30% of the Cerved Group by the current majority shareholder;
- Within 30 days from a Cerved Group IPO, if the IPO entails the sale of more than 50% of the shares of the Cerved Group by the current shareholder.

Moreover, the warrant regulations give the issuer the option of buying back the warrants at any time from the moment the buyback occurs at a price based on the value of the underlying shares, determined at the time of the buyback, and the warrant subscription price paid by the beneficiary.

The regulations also call for a maximum exercise period of not more than 10 years and give the issuer the option of changing the warrant exercise price.

43. TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties were carried out in the normal course of business and were settled on standard market terms.

The table below provides an overview of receivables and payables from transactions with related parties:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL	TOTAL FINANCIAL STATEMENT ITEM	% OF FINANCIAL STATEMENT ITEM
Trade receivables	297	-	297	151,474	0.20%
Other receivables	273	-	273	4,543	6.01%
Trade payables	(45)	-	(45)	(30,135)	0.15%
Other liabilities	-	(839)	(839)	(111,067)	0.76%

The table that follows summarized the revenues and costs from transactions with related parties attributable to the year:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL	TOTAL FINANCIAL STATEMENT ITEM	% OF FINANCIAL STATEMENT ITEM
Revenues	255	-	255	267,374	0.10%
Pro rata interest in the result of companies valued by the equity method	166	-	166	166	100.00%
Cost of services	(137)	-	(137)	(73,395)	0.19%
Personnel costs	-	(3,470)	(3,470)	(58,736)	5.90%

Trade receivables, other receivables and trade payables to affiliated companies refer exclusively to the ECIS affiliate and concern commercial transactions.

The table below shows the cash flows with related parties:

<i>(in thousands of euros)</i>	Affiliated companies	Top management	TOTAL	TOTAL FINANCIAL STATEMENT ITEM	% OF FINANCIAL STATEMENT ITEM
Cash flow from operating activities	(358)	(2,631)	(3,628)	55,655	(6.52%)
Cash flow from investing activities	-	-	-	-	-
Cash flow from financing activities	-	-	-	-	-

Top management

Transactions with top management refer to compensation payable to the Directors of the Parent Company and the compensation of executives with strategic responsibilities, a breakdown of which is provided below:

<i>(in thousands of euros)</i>	Wages, salaries and social security contributions	Termination indemnity	Total
Compensation of Directors	805	-	805
Executives with strategic responsibilities	2.547	118	2.665
Total	3,352	118	3.470

44. EVENTS OCCURRING AFTER DECEMBER 31, 2013

Subsequent to the end of the year, on February 13, 2014, the Group, through its Fin-service SpA subsidiary, acquired the entire share capital of Linctec Srl, a company that was already a supplier of the Group, specialized in the development of software applications for outsourced credit management. This acquisition is consistent with the Group's vertical integration strategy.

In addition, as part of the Company's future development projects and investments, on March 6, 2014, the Board of Director agreed to retain the services of some advisors to assess the possibility of listing the Company on the stock exchange in Italy.

Any decision to implement the stock listing process will be the subject of further resolutions by the Company's governance bodies, once the assessment process is completed.

Milan, March 27, 2014

The Board of Directors
by: Fabio Cerchiai
Chairman





**AUDITORS' REPORT IN ACCORDANCE WITH ARTICLE 14 OF LEGISLATIVE DECREE
N° 39 OF 27 JANUARY 2010**

To the shareholder of
Cerved Group SpA

- 1 We have audited the consolidated financial statements of Cerved Group SpA and its subsidiaries (the "Cerved Group") as of 31 December 2013, which comprise the statement of consolidated financial position, statement of consolidated comprehensive income, statement of changes in consolidated equity, statement of consolidated cash flows and related notes. The directors of Cerved Group SpA are responsible for the preparation of these consolidated financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union. 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 issued by the Italian accounting profession, Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili, and recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards 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.

The company was incorporated on 9 January 2013. The year ended 31 December 2013 is the Company's first financial year and therefore the consolidated financial statements do not present any comparative data.

- 3 In our opinion, the consolidated financial statements of the Cerved Group as of 31 December 2013 comply with the International Financial Reporting Standards as adopted by the European Union; 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 Cerved Group for the period then ended.

- 4 We highlight that:
 - On 27 February 2013 the Company (formerly Cerved Technologies SpA) completed the acquisition of the entire share capital of Cerved Holding SpA for an amount equal to Euro 806 million. A description of the transaction, in accordance with IFRS 3, is included in note 6 "Business Combinations" to the financial statements;

PricewaterhouseCoopers SpA

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- On 29 January 2013 the Company issued three bonds for a total amount of Euro 780 million traded on the unregulated market of the Irish stock exchange and on the Extra MOT PRO market; in connection with the issuance of the bonds a pledge over the shares of the Company was created. Details of the bonds and of the pledge are included in note 33 “Current and Non-current Borrowings” to the financial statements;
 - The company effected transactions with related parties as reported in note 43 “Transactions with Related Parties” to the financial statements.
- 5 The directors of Cerved Group SpA are responsible for the preparation of a report on operations in compliance with the applicable laws. Our responsibility is to express an opinion on the consistency of the report on operations 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 Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili and recommended by Consob. In our opinion, the report on operations is consistent with the consolidated financial statements of Cerved Group SpA as of 31 December 2013.

Milan, 31 March 2014

PricewaterhouseCoopers SpA

Signed by

Andrea Martinelli
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers.



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