



BoD of Neurosoft S.A. approves 2014 First Half Year Results

- **Consolidated revenues in the first half 2013 €5,03 million (€ 1,97 million at 2013 midyear)**
- **Gross profit € 3,1 million (€ 0,69 million at 2013 midyear)**
- **EBITDA € 1,9 million (€ 0,23 million at 2013 midyear)**
- **Profit before income taxes € 1,78 million (€ 0,019 million at 2013 midyear)**
- **Net Profit (loss) € 1,67 million (€ (0,072) million at 2013 midyear)**
- **Net Financial Position (cash) is equal to € (0,73) million**

Athens, 29 July 2014 - The Board of Directors of **Neurosoft S.A.** met today and approved the first half year results ended 30th June 2014, including the results for its subsidiaries Rockberg Holdings Ltd, Kestrel Information Systems S.A., Neurosoft, traded on Milan's AIM Italia market ([GRS802003004](#), [Reuters NRST.MI](#), [Bloomberg NRST:IM](#)), has Integrae SIM SpA as its Nominated Adviser.

Neurosoft's consolidated half year revenues were € 5,03 million showing a significant improvement to the prior-year period. The Group's Profit before income taxes for the first half of 2014 was €1,78 million, compared to € 0,019 of the previous year.

Commenting on the Group's half year results, Neurosoft CEO **Nick Vasilonikolidakis** said: "We had a very good first half, driven mainly by our successful achievements in the Sports Betting Unit consistent of significant projects on software development in Business Intelligence, BOLT, and Qualytor. At the same time territorial expansion in our Factoring and Telecoms Units continued strong in this semester. We made significant progress in our product pipeline as we developed a number of enhancements, additions, extensions and interfaces to third party systems in order to best serve the needs of our clients. Based on our half year performance, I am quite confident that we will meet our full-year targets."

Performance by Business Unit

Neurosoft Sports Betting Unit

- Neurosoft has been assigned to develop a number of enhancement, additions, extensions and interfaces to third party systems to/from BOLT in order to best serve OPAP's needs on sports betting. BOLT is now the consolidated liability system at OPAP, connected to its new online system (MM2) and existing retail system.
- Qualytor has successfully gone-live in Lottomatica through the cloud services of Neurosoft in order to offering real-time feed and analysis of the competition within the Italian market. Lottomatica has already integrated the solution into their betting pricing and process software.
- Neurosoft, in order to facilitate, book building and pricing models for its BOOM product, has completed its new software platform Alkemi which is fully integrated to BOLT. In that respect, Neurosoft has a complete solution for BOOM, tailored to the exact needs of the product.

Factoring Unit

- Neurosoft has been assigned to install, customize and connect to the central bank system of Sberbank in Serbia. an international tender that lasted more than 3 months and won against the largest vendors in factoring systems. Sberbank is one of the largest Russian banks offering services to Individuals, small business, corporate clients and financial institutions. Sberbank Serbia is a member of Sberbank Europe AG which manages a banking network of nine universal banks in eight Central and Eastern European countries
- Neurosoft was appointed for the installation, customization and connection to the central bank system to Piraeus Bank Romania. The system will undertake major changes to reflect the way factoring is practiced in Romania.
- Neurosoft was appointed to install Proxima+ at Salento Mutui in Italy. Apart from the system parametrization, the system will be connected with Italy's Central Bank for compliance, fraud and anti-money laundering watchdog. The contract is under the SaaS model

Telecoms Unit

- Neurosoft's subsidiary KESTREL Information Systems S.A. has signed a contract with the Stavros Niarchos Foundation Cultural Center (SNFCC Project). The project awarded, concerns IT and Telecommunications infrastructure equipment and works at the Stavros Niarchos Foundation Cultural Center SNFCC. The project entails the design, provision, installation, commissioning and support of equipment and software with the major manufacturers being Juniper Networks and IBM.
- KESTREL Information Systems S.A. was selected from a list of competitive suppliers to provide SNFCC with its advanced and competitive solutions in such a pioneering endeavour for Greek standards.
- KESTREL Information Systems S.A. signed an agreement with OPAP undertaking the activity to assist OPAP to enhance its enterprise IT security posture while in the meantime providing consulting services in the area of IT security towards the new projects that OPAP is launching.
- KESTREL Information Systems S.A. has continued the Business Development effort towards projects in Critical Infrastructure Protection both the Middle East and in the local market. The first tenders are expected in August. Involvement in those projects is expected to create yet another Business Unit for an additional revenue source.

Neurosoft S.A., a Greek company listed on the AIM Italia market, organized and managed by the Italian Stock Exchange ([ISIN GRS802003004](#), [Reuters NRST.MI](#), [Bloomberg NRST:IM](#)), today is a software provider supplying solutions that optimize business and operational processes with a view to maximize customer profitability. Neurosoft's innovative integrated software systems in factoring, sports betting, business intelligence, liability management, transactional systems, and the implementation of mission critical applications have provided tools to financial institutions, stock exchanges, telecom companies and sports betting operators to increase operating efficiencies, act on well-depicted real-time risk and liability analysis, and increase revenues and bottom line capitalizing on sophisticated predictive analytics. Neurosoft was founded in 1994 and became the first company to be floated in the AIM Italia market of the Milan Stock Exchange in 2009. Based in Athens, Neurosoft has a multinational presence in Romania, Albania, Serbia, Bulgaria Cyprus and Abu Dhabi. Integrae SIM S.p.A is Neurosoft's Nominated Adviser for the AIM Italia market.

Neurosoft SA: ir@neurosoft.gr

Nominated Adviser Integrae Sim SpA: Luca DiLiddo lucadiliddo@integraesim.it, Luigi Giannotta luigi.giannotta@integraesim.it

INTERIM STATEMENT OF COMPREHENSIVE INCOME

	Notes	01.01- 30.06.2014 <u>Unaudited</u>	01.01- 30.06.2013 <u>Unaudited</u>
Revenues	3	5.033.226	1.966.388
Cost of services	5	(1.943.958)	(1.280.283)
Gross profit		3.089.268	686.105
Selling and distribution expenses	5	(808.642)	(330.316)
Administrative expenses	5	(476.714)	(301.107)
Other income		13.065	-
Financial income	4	5.442	3.650
Financial costs	4	(45.209)	(39.314)
Profit before income taxes		1.777.210	19.018
Income taxes	6	(101.755)	(91.169)
Net Profit (loss) (A)		1.675.455	(72.150)
Other total comprehensive income after tax (B)		-	-
Total comprehensive profit (losses) after tax (A)+(B)		1.675.455	(72.150)
Profit (Loss) attributable to:			
Equity holders of the parent		1.655.171	(102.886)
Non-controlling interests		20.284	30.735
		1.675.455	(72.150)
Profit (Loss) per share (Basic)		0,0662	(0,0041)
Profit (Loss) per share (Diluted)		0,0662	(0,0041)
Weighted Average Number of Shares (Basic and diluted)		25.000.000	25.000.000

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

INTERIM STATEMENT OF FINANCIAL POSITION

		30.06.2014	31.12.2013
	Notes	Unaudited	Audited
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	149.984	128.180
Intangible assets	7	941.000	983.769
Investments in associates accounted under the equity method		37.000	37.000
Other non-current assets		37.164	37.164
Deferred tax asset		385.156	316.511
Total Non-Current Assets		1.550.304	1.502.623
Current Assets			
Inventories		723.623	357.092
Trade accounts receivable	9	1.958.884	1.925.983
Prepayments and other receivables	9	993.904	695.447
Financial assets at fair value through statement of comprehensive income		-	-
Cash and cash equivalents	10	1.629.376	2.386.177
Total Current Assets		5.305.787	5.364.699
TOTAL ASSETS		6.856.090	6.867.322
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital		8.750.000	8.750.000
Share premium		600.000	600.000
Other reserves		196.067	196.067
Retained earnings		(5.595.557)	(7.250.907)
		3.950.510	2.295.160
Minority interests		283.968	263.864
Total Equity		4.234.478	2.559.024
Non-Current Liabilities			
Long term finance lease obligations		-	-
Reserve for staff retirement indemnities		109.476	90.196
Deferred tax liability		-	22.602
Total Non-Current Liabilities		109.476	112.798
Current Liabilities			
Trade accounts payable	11	529.623	1.721.161
Short-term borrowings		899.933	1.195.409
Short-term portion of finance lease obligations		-	-
Income tax payable		216.087	200.054
Accrued and other current liabilities	12	866.493	1.078.876
Total Current Liabilities		2.512.136	4.195.500
Total Liabilities		2.621.611	4.308.298
TOTAL LIABILITIES AND EQUITY		6.856.090	6.867.322

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements

INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

GROUP	Attributable to equity holders of the parent company					Non- controlling interest	Total Equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2013	8.750.000	600.000	163.331	(7.861.018)	1.652.313	183.348	1.835.661
Loss for the period	-	-	-	(102.886)	(102.886)	30.735	(72.150)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-
Balance at 30 June 2013	8.750.000	600.000	163.331	(7.963.904)	1.549.427	214.083	1.763.511
Balance at 1 January 2014	8.750.000	600.000	196.067	(7.250.728)	2.295.339	263.684	2.559.024
Profit for the period	-	-	-	1.655.171	1.655.171	20.284	1.675.455
Total comprehensive income	-	-	-	-	-	-	-
Balance at 30 June 2014	8.750.000	600.000	196.067	(5.595.557)	3.950.510	283.968	4.234.478

INTERIM CASH FLOW STATEMENT

	01.01- 30.06.2014	01.01- 30.06.2013
Cash flows from Operating Activities		
Profit before income taxes	1.777.210	19.018
Adjustments for:		
Depreciation and amortisation	190.073	175.359
Provisions	19.280	-
Financial (income)/expenses	(50.651)	(42.964)
Decrease/(increase) in financial assets	-	-
Operating loss before working capital changes	1.935.912	151.413
(Increase)/Decrease in:		
Inventories	(366.531)	(14.737)
Trade accounts receivable and prepayments and other	(331.358)	(244.068)
Other non current assets	-	1.500
Increase/(Decrease) in:		
Trade accounts payable	(1.225.473)	70.794
Accrued and other current liabilities	(212.383)	127.490
Interest paid	(45.209)	(39.314)
Tax paid	(50.606)	-
Net cash from/(used in) Operating Activities	(295.648)	53.078
Cash flows from Investing Activities		
Capital expenditure for property, plant and equipment	(171.119)	(2.131)
Purchase/development of intangible assets	-	-
Interest and related income received	5.442	3.650
Net cash used in Investing Activities	(165.677)	1.519
Cash flows from Financing Activities		
Net change in short-term borrowings	(295.476)	15.880
Net Change in finance leases	-	(8.845)
Net cash from Financing Activities	(295.476)	7.035
Net decrease in cash and cash equivalents	(756.801)	61.633
Cash and cash equivalents at the beginning of period	2.386.177	158.532
Cash and cash equivalents at the end of the period	1.629.376	220.165

The accompanying notes are an integral part of the Interim Condensed Consolidated Financial Statements