



Board of Directors of Neurosoft S.A. approves 2013 Financial Results

- **Consolidated revenues in 2013 to € 5,84 million (€3,52 million in 2012)**
- **Gross profit in 2013 to € 2,36 million (€1,35 million in 2012)**
- **Net Profit in 2013 to € 0,72 million (€ 0,05) million in 2012)**
- **Net Financial Position as of 31 December 2013 to € 1,19 million € (1,0) million as of 31 December 2012)**

Athens, April 1st 2014 - The Board of Directors of **Neurosoft S.A.** met today and approved the 2013 audited consolidated financial statements, including the results for its subsidiaries, Rockberg Holding Ltd, Kestrel Information Systems S.A.. Neurosoft, traded on Milan's AIM Italia market ([GRS802003004](#), [Reuters NRST.MI](#), [Bloomberg NRST:IM](#)), has Integrae SIM as its Nominated Adviser.

Group turnover for the financial year of 2013 increased to euro 5,842,269 compared to euro 3,522,069 for financial year 2012.

"Management efforts to solidify existing customer base, product portfolio, expand sales and rationalize costs in 2013 has shown a notable effect which resulted to positive increase of Group's revenues and profits in all lines, increase in revenues by 66%, in EBITDA by 228%, in EBIT by 508% and in EBT by 929% . Furthermore, the company has managed such performance despite the continuous and unpredictable economic environment both in Greece as in Europe"
declared Nikolaos Vasilonikolidakis, Chief Executive Officer of Neurosoft.

2013 Key Financial Results

Neurosoft's **consolidated revenues** for 2013 amounted to € 5,84 million compared to € 3,52 million in 2012. **Cost of sales for the group** in 2013 amounted to € 3,48 million compared to € 2,18 million for financial year 2012. The turnover for the parent company amounted to euro € 2,18 million and for the Group amounted to € 5,84 million. The total cost of Neurosoft SA amounted to € 1, 54 million in 2013 compared to € 1, 52 million in 2012.

Net Profit in 2013 amounted to € 0,72 million compared to € (0,05) million of losses for financial year 2012.

EBITDA as of 31 December 2013 for the Group amounts to € 1, 48 compared to € 0,45 million as of 31 December 2012.

EBIT as of 31 December 2013 for the Group amounts to € 1,09 compared to € 0,18 million as of 31 December 2012.

Net financial debt as of 31 December 2013 for the Group amounts to € 1, 19 million compared to (€ 1, 00) million as of 31 December 2012.

Outlook

Neurosoft's business plan which has been followed from the beginning of the economic crisis both in Greece as in the global markets has proven to be efficient and promising. This resulted to positive EBITDA, EBIT and EBT for the second time during the economic crisis period as well as positive net profit. Thus the Board of Directors has decided, to proceed with steadily and strong steps forward expanding the company's and the Group's horizons into new geographical territories, such as Middle East and the Gulf area in Factoring and UK in Sports Betting.

In particular the outlook per business area is as follows:

1. Sports Betting

Loyalty of the customers and increased use of the products despite economic conditions in the markets of its customers the company managed to significantly increase its revenues. In addition, the company continued to expand in the retail market and achieved significant agreement to enter the operation space.

2. Factoring

Neurosoft having maintained its dominant position in the Greek market even after the Banking sector consolidation in 2013 and successfully continued to be aggressively engaged in international outreach activities aiming to establish itself as a regional player in eastern Europe, the Middle East and the Gulf area.

3. Telecoms

Kestrel I.S. had an exceptional year in 2013, where despite the crisis in the local market, managed to grow its business in both major segments it operates in: Field Services and Network Solutions. The Field Services department grew even more in terms of personnel but also in terms of services provided and geographical coverage. The Network Solutions department aside from the support contracts and usual line of business, designed and implemented a major nationwide telecommunications network after a public tender procedure. Finally in Q4 the company decided to invest in the Middle East market with local presence to pursue activities in Homeland- and Cyber- Security. We anticipate that 2014 will be a year of significant growth both in the local market but also in the Gulf Cooperation Council (GCC) area.

Auditors' opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Group and its subsidiaries as at December 31, 2013, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Guidance -Projected Estimations for year ending 31/12/2014

Year ending 31/12/2014	2014 (Estimation)
Revenues	9.75 million
EBITDA	3,23 million
EBIT	2,83 million

Neurosoft S.A., a Greek company listed on the AIM Italia market, organized and managed by the Italian Stock Exchange ([ISIN GRS802003004](#), [Reuters NRST.MJ](#), [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.

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2013

	Note	Group	
		01.01- 31.12.2013	01.01- 31.12.2012
Revenues	4	5.842.269	3.522.069
Cost of services	8	(3.477.349)	(2.175.329)
Gross profit		2.364.921	1.346.740
Selling and distribution expenses	8	(363.012)	(314.704)
Administrative expenses	8	(949.144)	(908.421)
Other income		35.015	55.026
Financial income	7	7.570	2.501
Financial costs	7	(92.647)	(83.734)
Profit before income taxes		1.002.702	97.408
Income taxes	9	(279.340)	(147.062)
Net Profit (Loss) (A)		723.362	(49.654)
Other total comprehensive income after tax (B)		-	-
Total comprehensive losses after tax (A)+(B)		-	-
Profit (Loss) attributable to:		723.362	(49.654)
Equity holders of the parent		643.026	(25.862)
Non-controlling interests		80.336	(23.792)
		723.362	(49.654)

The accompanying notes are an integral part of Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2013

	Note	Group	
		31.12.2013	31.12.2012
ASSETS			
Non-Current Assets			
Property, plant and equipment	11	128.180	151.454
Intangible assets	12	983.769	1.124.942
Investments in associates accounted under the equity method		37.000	37.000
Other non-current assets		37.164	35.198
Deferred tax asset	9	316.511	460.925
Total Non-Current Assets		1.502.623	1.809.519
Current Assets			
Inventories	13	357.092	359.407
Trade accounts receivable	14	1.925.983	1.224.996
Prepayments and other receivables	14	695.447	945.764
Financial assets at fair value through profit and loss		-	165
Cash and cash equivalents	15	2.386.177	158.532
Total Current Assets		5.364.699	2.688.864
TOTAL ASSETS		6.867.322	4.498.382
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent company			
Share capital	16	8.750.000	8.750.000
Share premium		600.000	600.000
Other reserves	17	196.067	163.331
Retained earnings		(7.250.907)	(7.861.197)
Total equity		2.295.160	1.652.134
Minority interests		263.864	183.528
Total equity		2.559.024	1.835.662
Non-Current Liabilities			
Long term finance lease obligations			
Reserve for staff retirement indemnities	22	90.196	90.939
Deferred tax liability		22.602	-
Total Non-Current Liabilities		112.798	90.939
Current Liabilities			
Trade accounts payable	20	1.721.161	506.907
Short-term borrowings	19	1.195.409	1.155.626
Short-term portion of finance lease obligations		-	1.652
Income tax payable		200.054	54.336
Accrued and other current liabilities	21	1.078.876	853.260
Total Current Liabilities		4.195.500	2.571.781
Total Liabilities		4.308.298	2.662.720
TOTAL LIABILITIES AND EQUITY		6.867.322	4.498.382

The accompanying notes are an integral part of Financial Statements

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED DECEMBER 31, 2013

Group	Share	Share premium	Other	Retained	Total	Minority interest	Total
	Capital		reserves	earnings			
Balance at 1 January 2012	8.750.000	600.000	163.331	(7.835.335)	1.677.996	207.320	1.885.316
Transfer to reserves	-	-	-	-	-	-	-
Loss for the period	-	-	-	(25.682)	(25.682)	(23.972)	(49.654)
Absorption of subsidiary	-	-	-	-	-	-	-
Non consolidated subsidiaries	-	-	-	-	-	-	-
Balance at 31 December 2012	8.750.000	600.000	163.331	(7.861.018)	1.652.313	183.348	1.835.662
Balance at 1 January 2013	8.750.000	600.000	163.331	(7.861.018)	1.652.313	183.348	1.835.662
Transfer to reserves	-	-	32.736	(32.736)	-	-	-
Profit for the period	-	-	-	643.026	643.026	80.336	723.362
Absorption of subsidiary	-	-	-	-	-	-	-
Non consolidated subsidiaries	-	-	-	-	-	-	-
Balance at 31 December 2013	8.750.000	600.000	196.067	(7.250.728)	2.295.339	263.684	2.559.024

The accompanying notes are an integral part of Financial Statements

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2013

	Group	
	01.01- 31.12.2013	01.01- 31.12.2012
Cash flows from Operating Activities		
Profit before income taxes	1.002.702	97.408
Adjustments for:		
Decrease/(increase) in financial assets		
Depreciation and amortisation	387.833	275.981
Other Provisions	41.963	-
Financial (income)/expenses	3.666	74.733
Results of investments	-	(2.418)
Operating profit before working capital changes	1.436.164	445.705
(Increase)/Decrease in:		
Inventories	2.315	13.263
Trade accounts receivables	(700.987)	537.195
Prepayments and other receivables	250.317	(496.293)
Trade accounts payable	1.323.977	150.980
Accrued and other current liabilities	225.616	(128.245)
Interest paid	(92.647)	(83.283)
Tax paid	(25.083)	(30.514)
Payment for staff indemnity	(14.807)	(3.276)
Other long term liabilities	(1.966)	2.151
Net cash from/(used in) Operating Activities	2.402.899	407.682
Cash flows from Investing Activities		
Capital expenditure for property, plant and equipment	(221.119)	(476.037)
Increase of participation in affiliated company	-	-
Interest and related income received	7.570	2.501
Financial assets at fair value through income statement	165	775
Net cash used in Investing Activities	(213.384)	(472.761)
Net Change in finance leases	(1.652)	(14.202)
Net change in short-term borrowings	39.783	(26.472)
Net cash from Financing Activities	38.131	(40.674)
Net increase (decrease) in cash and cash equivalents	2.227.646	(105.783)
Cash and cash equivalents at the beginning of period	158.532	264.284
Cash and cash equivalents at the end of the period	2.386.178	158.532

The accompanying notes are an integral part of Financial Statements