

2017 SECOND- QUARTER EARNINGS FORECAST

Under the provisions of Article 17 of the Regulation (EU) No 596/2014 regarding market abuse and article 228 of the modified text of the Spanish Stock Market Act, approved by Spanish Royal Legislative Decree 4/2015, of 23 October and related provisions, as well as Circular 15/2016 of the Spanish Alternative Investment Market (MAB), we are hereby informing you of the following information relating to LLEDIANETWORKS SERVEIS TELEMÀTICS, S.A. (hereinafter, “Lleida.net” or the “Company”)

The information outlined in this report is an estimate of the LLEIDA.NET Income Statement during the second half of first year 2017 which was prepared based on the unaudited accounting information made available to the Board of Directors. Therefore, this information does not in any way substitute or may be considered the equivalent of the annual financial information provided for by Circular 9/2010 MAB, which will be communicated within the term established in said Circular.

OUTSTANDING FACTS:

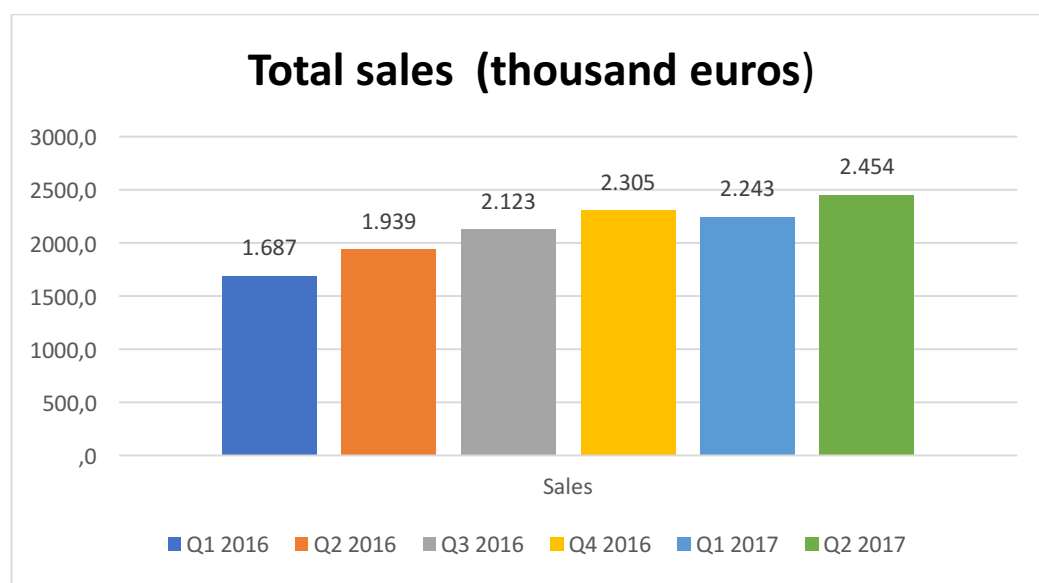
- The quarterly sales figure has increased 27% compared to the third quarter published the previous 2016 year.
- The gross operating profit is 60% higher in the second half of 2017 compared to the same period in 2016 (an increase of 454 thousand euros).
- EBIDTA, with no exceptional expenditures or activations, is positive at 34 thousand euros, being the fourth quarter that the company has positive figures.
- The decrease in activations carried out by the company is marked by an accounting criterion of prudence to avoid possible subsequent adjustments in the motivated reports made by the independent third party. The company continues to carry out the same research effort regardless of the amount capitalized to further improve its processes and services.

<i>Figures in thousands of euros</i>	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Variation Q2 2016/Q22017	
Sales	1.687	1.939	2.123	2.305	2.243	2.454	515	27%
Sales costs	(950)	(1.179)	(858)	(923)	(938)	(1.240)	(61)	5%
Gross Margin	737	760	1.265	1.382	1.305	1.214	454	60%
Personnel expenses	(468)	(487)	(488)	(543)	(600)	(617)	(130)	27%
External services	(445)	(513)	(438)	(555)	(564)	(565)	(52)	10%
Other incomes				(5)	5	2	2	
EBIDTA, with no exceptional expenditures or activations	(176)	(240)	339	279	146	34	274	114%
Activations	280	257	194	188	184	203	(54)	-21%
EBIDTA with no exceptional expenditures	104	17	533	467	330	237	220	1294%
Other results	(100)	(382)			0	0	382	100%
Staff compensation			(85)		(67)	0	0	
EBIDTA	4	(365)	448	467	263	237	602	165%
Depreciation	(305)	(303)	(267)	(267)	(251)	(271)	32	-11%
Impairment and earnings for disposal		(481)		(174)		0	0	481
Ordinary activities results	(301)	(1.149)	181	26	12	(34)	1.115	370%

1. TURNOVER AND GROSS MARGIN EVOLUTION

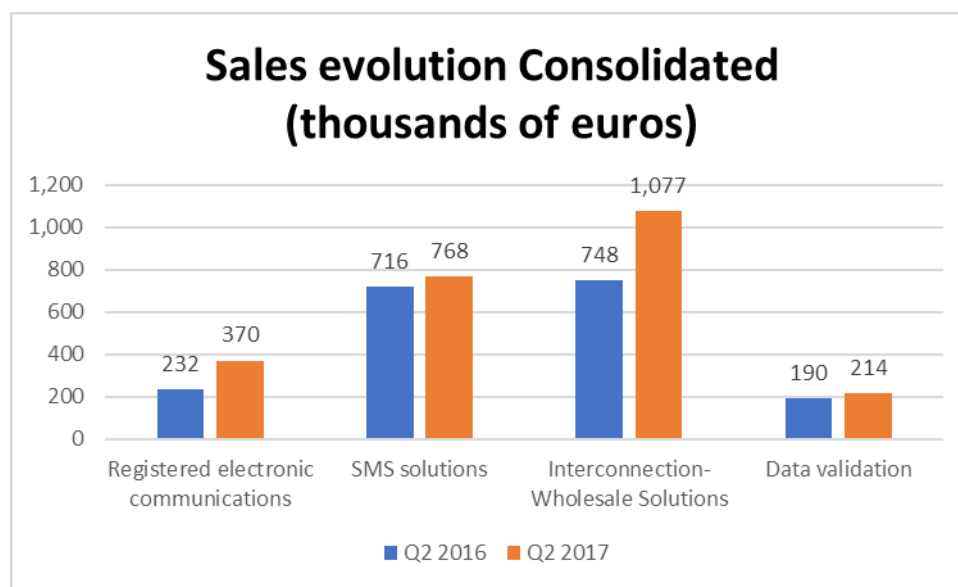
Turnover of 2.4 million euros in the first quarter of 2017 represents an increase of half a million euros compared to the same period in 2016.

Sales in the second quarter exceeded sales in the fourth quarter of fiscal year 2016, the quarter that historically usually concentrates most of the sales of the year due to seasonality.



The increase in sales is due to the acquisition of large accounts in all Lleida.net business lines.

Total Sales (thousand euros)	Q1 2016	Q2 2016	Q3 2017	Q4 2017	Q1 2017	Q2 2017	Variation Q2 2016/Q22017	
Registered electronic communications	178	232	346	420	474	370	138	59%
SMS solutions	661	716	719	795	711	768	52	7%
Interconnection- Wholesale Solutions	691	748	815	830	838	1.077	329	44%
Data validation	165	190	213	236	201	214	24	13%
Other operations	(8)	53	30	24	19	25	(28)	-53%
Total	1.687	1.939	2.123	2.305	2.243	2.454	515	27%



The main milestones achieved by business lines are:

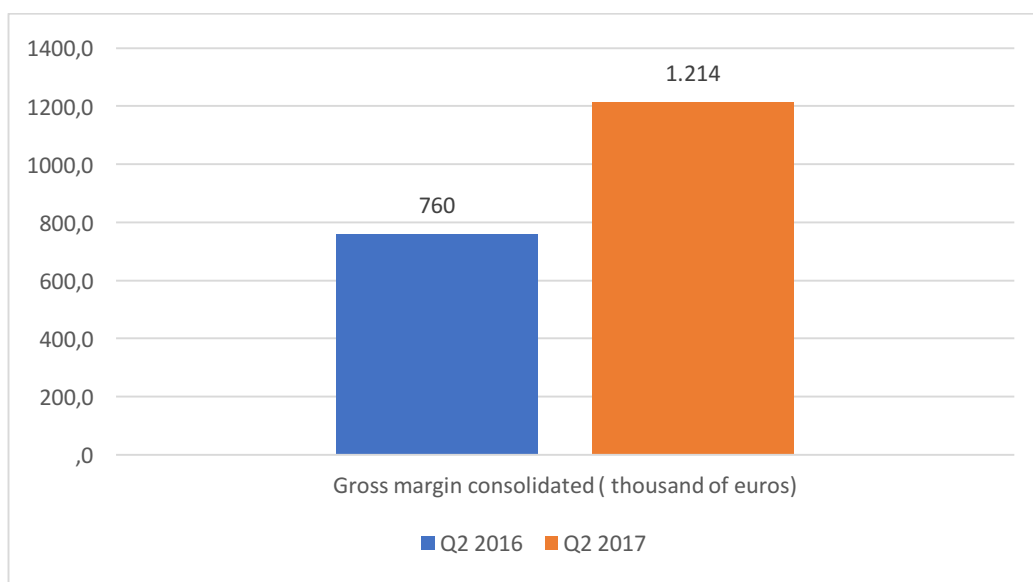
- Electronic communications sales increased by 59% compared with the previous quarter in comparison with the prior 2017-year quarter.
- Turnover for data validation increased by 13% with respect to the same third quarter of fiscal year 2016.
- Cumulative figures of sales of SMS Solutions increased from 1,845 thousand euros in the first quarter of 2017 which represents an increase of 26% compared to same period previous year.

2. GROSS MARGIN EVOLUTION:

The company's gross margin stands at 50% compared to the sales during the first quarter of 2017 when it was 39% for 2016.

The gross margin growth is based on the following factors:

- The change in the sales mix, with an increasingly weight in registered communications and data validation sales.
- The optimization of the processes through the R & D projects have enabled a more efficient management of the traffic of the SMS giving thus an increase in their profitability.
- The globalization of the Interconnection and sales department have given rise to new clients and to potential suppliers.



3. EVOLUTION OF OPERATING EXPENSES AND PERSONNEL EXPENSES

The Company has grown from an average workforce to March 30, 2016 from 42 people to 58 people in June 30 2017, that is an increase of 38%. The cost of independent third parties providing services to the company has been included as personnel costs. The incorporation of new staff is intended to strengthen the commercial and the international departments.

As per foreign services, the increase is marked by international expansion, with the outsourcing of resources for international sales, as well as the leasing of offices abroad.

4. NET DEBT EVOLUTION

Net financial debt (DFN) at the end of June 2017 amounted to 2 million euros (-13% compared to year-end 2016). The 12-month DFN / EBITDA ratio would be 2 times. At year end the same ratio was 4 times.

(DEBT) Thousands of euros	31/03/2016	31/12/2016	31/03/2017	30/06/2017
LONG TERM DEBTS	2,965	1,924	1,924	1,346
SHORT TERM DEBTS	2,614	3,185	2,568	2,631
Financial debt	5,579	5,109	4,492	3,977
Treasury	2,210	1,494	638	824
SHORT TERM FINANCIAL INVESTMENTS	1,050	1,253	1,253	1,103
Net Financial debt	2,319	2,362	2,601	2,050