

S O P A F

INTERIM MANAGEMENT REPORT AS AT 30 SEPTEMBER 2009

SOPAF S.p.A.

Registered office: Foro Buonaparte 24, 20121 Milan
Share capital: € 80,100,085.92 fully paid-up
Milan Register of Companies no. and tax code 05916630154
enrolled pursuant to Article 113, Consolidated Law on Banking at no.
20641

BOARD OF DIRECTORS

Chairman	Giorgio Cirila
Deputy Chairman and CEO	Giorgio Magnoni
Directors	Giancarlo Boschetti
	Renato Cassaro
	Adriano Galliani
	Guidalberto Guidi
	Luca Magnoni
	Renato Martignoni
	Mario Rey
	Marco Stella
	Giovanni Jody Vender

BOARD OF STATUTORY AUDITORS

Chairman	Stefano Morri
Standing Auditors	Enrico Grosso
	David Reali
Alternate Auditors	Alessandro Maruffi
	Davide Rossetti

Interim Management Report as at 30 September 2009

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GENERAL DESCRIPTION OF THE FINANCIAL POSITION AND ECONOMIC PERFORMANCE OF THE SOPAF GROUP

FOREWORD

This Interim Management Report as at 30 September 2009 of the Sopaf Group has been drawn up pursuant to Article 154-ter of Italian Legislative Decree no. 58 dated 24 February 1998 (TUF – Consolidated Law on Finance), as well as to the Issuers' Regulations issued by CONSOB. As it is an interim report, it also adopts the provisions of IAS 34 "Interim Financial Statements" exclusively and limited to the provisions for interim financial statements drawn up in a "concise" form and does not therefore provide complete accounting information in compliance with IAS 34.

Pursuant to the legislation on financial reporting, contained in Article 154-ter of the TUF, the Interim Management Report is set out in the form of a concise non-accounting report aimed at providing essential specifications based on economic-financial data that can be easily determined and that is indicative of the general performance of the company or of the Group.

Specifically sub-section 5 of Article 154-ter of the TUF provides that issuers with listed shares, which have Italy as source member state, must publish, within forty-five days of closure of the first and third quarter of the year, an interim management report that provides:

- a general description of the financial position and economic performance of the issuer and of its subsidiaries in the reporting period;
- an outline of the significant events and transactions that took place in the reporting period and their effect on the financial position of the issuer and its subsidiaries.

This Quarterly Interim Management Report has not been subject to audit.

SOPAF GROUP PERFORMANCE

At Sopaf Group level the quarter closes with a profit of EUR 0.6 million compared to a profit of EUR 1.9 million recorded in the same period of the previous year. The results of the first nine months of the year post a loss of EUR 17.6 million, against a loss of 2.5 million recorded in the period as at 30 September 2008. Group consolidated shareholders' equity as at 30 September 2009 totals EUR 97 million against EUR 100.2 million as at 30 June 2009.

The key Group figures relating to the July-September 2009 period, as well as those of the same period of 2008, are set forth in the tables provided in the next pages.

With regard to market conditions, the quarter was characterised by a tendential stabilisation of major world economies, which allows a degree of optimism about a slight recovery of economic cycles after a prolonged and intense negative trend. As outlined in detail in the half-year report, the Sopaf Group finalised agreements, including settlement agreements, with Cassa di Risparmio di San Marino, aimed at settling the existing or potential disputes between the parties concerning Delta. These agreements aim to facilitate disposal of control of Delta by the current controlling shareholders.

The quarter also saw finalisation of the agreement between Banco Popolare and Banca Network Investimenti governing a number of disputes and litigation relating to assignment of Banca Network Investimenti. This agreement allowed Sopaf to record at consolidated income statement level an overall positive effect of EUR 2.8 million, as price adjustment on the cost of the investment.

With regard to the main investees, it is reported that in the quarter Banca Network replaced its top management which, without amending the business plan, accelerated a number of initiatives that during the quarter led to the accounting of a number of non-recurring costs, affecting the pro-rata profit (loss) assimilated in Sopaf's consolidated financial statements. It is reminded that, as at 30 September 2009, the pro-rata result of the investee contributed to the Group result by approximately EUR 9 million.

Furthermore, as from the month of October, specific measures were implemented with a view to increasing the bank's revenues as already set forth in the aforesaid plan.

The management records for the month of October confirmed a recovery of the bank's operating activities.

KEY TRANSACTIONS COMPLETED DURING THE QUARTER

Financial and Insurance Services Segment

On 31 July 2009, Sopaf finalised agreements, including settlement agreements, with Cassa di Risparmio di San Marino ("CRSM") aimed at settling the existing or potential disputes between the parties concerning Delta. These agreements were finalised in order to facilitate rapid disposal of control of Delta by Cassa di Risparmio di San Marino as hoped by the Supervisory Authorities.

The agreements entered into specifically involve the following.

A. The Purchase Option

Sopaf has irrevocably granted, in favour of CRSM, pursuant to and for the purposes of Article 1331 of the Italian Civil Code, the right to purchase 15.95% of the share capital of Delta, together with all the pertinent administrative and property rights through person to be nominated by CRSM pursuant to Article 1401 of the Italian Civil Code, with consequent assignment to CRSM of the exclusive

right to purchase and sell and dispose of the entire investment up to the amount of the consideration. The Purchase Option may be exercised by 1 August 2014.

Provision has also been made for the release of the investment by Sopaf through the irrevocable transfer of the investment to a segregated, fixed deposit securities account registered, on behalf of SOPAF, in the name of a trust company incorporated under Italian law with registered office in Italy with simultaneous

- (i) written assignment to the trust company of irrevocable instructions to transfer the investment (together with all the pertinent administrative and property rights, including any dividends distributed and/or refunds of shareholders' equity made by Delta) upon order of CRSM to the purchaser;
- (ii) consignment to the trust company of a written declaration of irrevocable waiver of exercise of the rights to vote in the shareholders' meetings of Delta and of any other administrative right pertaining to the investment;
- (iii) written assignment to the trust company of irrevocable instructions to transfer to CRSM each and every sum and/or asset and/or security and/or valuable in general that the purchaser of the investment may be obliged to provide against purchase and transfer of the investment up to the amount of the consideration.

This transaction was finalised on 5 August 2009 through transfer of the investment in Delta S.p.A. to the trust company IFID S.r.l. – Istituto Fiduciario Italiano, with registered office in Via Santa Radegonda, 11, Milan, performing trust registration in favour of said trust company and at the same time fulfilling all the obligations set forth in paragraph A of the agreement, points (i), (ii), and (iii).

The agreements establish that the availability and purchase and sale of the investment by CRSM – and therefore also exercise of the Purchase Option – should occur in compliance with and within the limits provided by applicable laws, by any instructions issued by Banca d'Italia and subject to obtaining the necessary authorisations from Banca d'Italia and from any other competent authorities.

As consideration for granting the Purchase Option and releasing the investment, as well as for every other commitment prescribed by the agreements, CRSM consigned to Sopaf who became owner and holder thereof:

- deposit certificates, registered in the name of Sopaf S.p.A., for a par value of EUR 30 million, EURIBOR rate (for equivalent maturities), divided into two tranches, the first equal to EUR 20 million with maturity 31 December 2009, and the second equal to EUR 10 million with maturity 31 January 2010;
- deposit certificates, registered in the name of Sopaf S.p.A., for a par value of EUR 25 million, EURIBOR rate (for equivalent maturities) increased by 200 bps, divided into three tranches of equal value with maturity at 30 June 2010, 31 December 2010 and 30 June 2011.

With regard to the consideration, the agreements also provide that:

- if following reductions in Delta's capital and/or Delta's submission to liquidation or insolvency procedure and/or occurrence of any other event, the investment is written off or completely loses its value, Sopaf will continue to have full entitlement to the entire consideration, which will not be claimed back and
- in the event of execution of any acts of disposition concerning the investment, Sopaf will not issue any declaration and guarantee and the

consideration gained (together with any dividends distributed and/or shareholders' equity refunded by Delta) will exclusively accrue to CRSM up to the amount of the consideration, while any surplus will accrue to Sopaf.

B. The settlement agreements

From July 2007, the dissensions arising between the shareholders of Delta generated a series of disputes between Sopaf S.p.A., Delta, CRSM, Sviluppo Investimenti Estero S.p.A. ("SIE"), Onda S.p.A. and Estuari S.p.A. associated, as the case may be:

- (i) with activities implemented by the shareholders of Delta also in their capacity as parties to shareholders' agreements concerning the company signed on 21 December 2005, as integrated on 17 February 2006 (the "Shareholders' Agreements");
- (ii) the share capital increase against payment, with share premium, for a total of EUR 230,084,400 deliberated by the Extraordinary Shareholders' Meeting of Delta on 5 July 2007 (the "Share Capital Increase Resolution");
- (iii) the right of withdrawal exercised by SOPAF, with regard to Delta, pursuant to Articles 2437, sub-section 1, letter a) and 2497-quater, sub-section 1, letter c), of the Italian Civil Code (the "Right of Withdrawal") through notice dated 16 September 2008

and, more in general, the management of Delta, as well as control and exercise of the activity of direction and coordination of Delta (jointly, the "Disputes").

Pursuant to and for the purposes of Article 1965 and thereafter of the Italian Civil Code and following mutual concessions, the parties agreed on the following waivers:

- I. Sopaf, with regard to CRSM and SIE (as appropriate), irrevocably waived every right and action pertaining to the Share Capital Increase Resolution case and to the Shareholders' Agreements case as well as in general every right and action pertaining to the Disputes;
- II. Sopaf also waived, with setoff of costs, with regard to members of the corporate bodies, employees and consultants of the Delta Group, CRSM and Fondazione Cassa di Risparmio di San Marino each and every right, power, action and claim related to the disputes and also undertook to waive, upon written request of CRSM, without charges, expenses, costs, damages and liability for all the parties, with setoff of costs and through general settlement containing similar waivers in favour of Sopaf from the counterparties, the legal actions that have been taken or are being taken related to disputes against (i) Estuari, Onda and Estuari Holding S.p.A., as well as their respective directors, statutory auditors and consultants and (ii) the company entrusted with audit of Delta;
- III. Sopaf, with regard to Delta, waived, with setoff of costs, the "Cancellation of Share Capital Increase" case, the "Appointment of Expert" proceedings, the "Withdrawal" case, as well as in general, every right and action pertaining to the disputes;
- IV. CRSM, also on behalf of SIE and Fondazione Cassa di Risparmio di San Marino (as appropriate), pursuant to Article 1381 of the Italian Civil Code, irrevocably waived with regard to Sopaf and its directors and senior managers, with setoff of costs, the "Cancellation of Share Capital Increase" case, the "Shareholders' Agreements" case and, more in general, each and every action pertaining to the disputes.

Again on 31 July 2009, CRSM entrusted Sopaf S.p.A. with an advisory appointment expiring on 31 December 2013 pursuant to which Sopaf will offer the benefit of its experience by performing the following activities:

- (i) acting as arranger for the structuring of transactions of the following nature:
 - (1) incorporation, after verification and agreement on suitable market conditions, of special purpose companies jointly owned by CRSM and Sopaf – subject to agreement between the Parties on the shareholding structure and governance – that hold illiquid securities or securities of complex valuation that will be identified by mutual agreement between the parties;
 - (2) incorporation, after verification and agreement on suitable market conditions, of one or more special purpose companies, in which Sopaf may also hold an interest – subject to agreement between the Parties on the shareholding structure and governance – that will proceed to purchase assets wholly or partially owned by CRSM to be identified by mutual agreement between the Parties.
- (ii) provision, upon CRSM's request of consultation for the creation, organisation and structuring of transactions to optimise management of CRSM's portfolio or securities and receivables originating, directly or indirectly, from the Delta Group and structuring and funding activity for CRSM.

Against assignment of this appointment, CRSM will pay SOPAF a retainer fee equal to a total of EUR 15 million which will be disbursed in cash (and without accrual of any interest) as follows:

- EUR 3 million, as at 30 March 2010;
- EUR 4 million, as at 30 March 2011;
- EUR 4 million, as at 30 March 2012;
- EUR 4 million, as at 30 March 2013.

For performance of each of the activities prescribed by the Advisory Agreement, Sopaf will also be entitled to receive from CRSM specific considerations of which the amount, terms and conditions must be in line with those practised by leading specialised operators and each time will be agreed in advance by the parties using good faith.

Each time these considerations accrue they will be deducted from the amounts paid by way of retainer fee up to the entire respective amount and only any surplus will then be paid to Sopaf.

On 10 September 2009 Banco Popolare finalised an agreement with Banca Network Investimenti which ended the disputes and litigation concerning the original agreement for disposal of Banca Network Investimenti (former Bipiellenet). The agreement includes deletion of one clause of the original agreement which provided for recognition of a "price adjustment" by the purchasers linked to the possible exceeding of specific objectives in terms of assets under management at pre-established expiry dates. On the basis of this agreement, Sopaf recorded in the quarter a positive adjustment to the liability relating to the price adjustment reported in the financial statements as at 31 December 2008, equal to EUR 944 thousand. Furthermore, with regard to the indirect investment held by Sopaf in Banca Network Investimenti through Petunia SpA, the pro-rata result of the associate benefited in the quarter for the same reason outlined above from a positive adjustment equal to EUR 1,859 thousand. Hence the overall positive effect for Sopaf was equal to EUR 2.8 million.

On 30 September Sopaf S.p.A. paid in a total of EUR 8.9 million for the share capital increase of Banca Network Investimenti approved by the bank's Shareholders' Meeting on 30 April 2009.

Other transactions

On 4 August 2009, as decided by the Board of Directors of China Opportunity Sa Sicar on 16 July 2009, Sopaf S.p.A, as holder of class A shares (with related right to subscribe capital increases of class B shares at par value), subscribed 3,114 class B shares for a total par value of EUR 62,280, at the same time increasing the cost of the investment by a further EUR 4.8 million, equal to the differential between the nominal subscription value and the last N.A.V. available for the company and already entered as at 30 June 2009 under *financial receivables from group investments*.

On 30 September Sopaf collected EUR 3.5 million, equal to the last and final instalment of the price for disposal of the investment in Life Science Capital S.p.A.

Summary statement of the main Group investments

Investments in associated companies carried by the equity method

Values in EUR/thousands

	30/09/2009	31/12/2008
Financial segment		
Polis Fondi Sgr.p.A.	8.171	8.134
Five Stars S.A.	2.945	2.568
China Opportunity S.A. Sicar	18.093	12.644
Petunia S.p.A.	42.112	40.264
Banca Network Investimenti S.p.A.	21.339	21.300
Area Life Int ass. Limited	12.626	13.346
Aviva Previdenza S.p.A.	16.025	13.415
Real estate segment		
Firanegocios S.L.	3.911	3.924

Available-for-sale financial assets carried at fair value

Values in EUR/thousands

	30/09/2009	31/12/2008
Financial segment		
Delta S.p.A.	-	80.000
Conafi Prestito' S.p.A.	2.229	1.469
The Infr.&Growth C.Fund	5.414	5.284
Real estate segment		
Immobiliare Appia S.r.l.	1.458	1.587
Fondo Valore by Avere AM	4.667	2.400
Demofonte S.r.l.	2.479	703
Industrial segment		
IMMSI S.p.A.	2.946	2.398
Sadi S.p.A.	1.408	1.363

SIGNIFICANT GROUP EVENTS AFTER 30 SEPTEMBER 2009

On 8 October 2009 the Court of Milan gave its authorisation to the procedure for arrangement with creditors of Ovo S.r.l., a company held by Nova Fronda S.r.l. (a

company which Sopaf left in January 2009, exercising the right of withdrawal), to which in July 2009 Sopaf addressed a purchase offer pertaining to the company's assets (approximately 1,000 audiovisual documentary clips) for a consideration of EUR 1 million, or EUR 1.2 million if the software platform was included with the clips. The offer was subordinate to the aforementioned approval of the procedure for arrangement with creditors and the payment on the part of one shareholder of Ovo of the sum of EUR 0.5 million.

On 9 October 2009 an agreement was finalised between Sopaf S.p.A. and an institutional investor for disposal of the units of Fondo Immobili Pubblici (FIP) held in the portfolio, and the contract is to be settled by 31 December 2009.

On 21 October 2009 Sopaf S.p.A. paid to Essere S.p.A., by way of reserve to cover losses for 2009, EUR 948 thousand and, at the same time, waived repayment of the shareholders' loans for EUR 250 thousand subscribed on 16 March 2009.

BUSINESS OUTLOOK

As in previous quarters, it is expected that in the last quarter the Group will continue in its endeavour to identify opportunities to implement transactions aimed at improving the income statement and reducing the net financial position in order to create the resources required for repositioning its activities.

Milan, 13 November 2009

For the Board of Directors
The Chairman
Giorgio Ciria

CONSOLIDATED INCOME STATEMENT

Values in EUR/thousands

	Notes	Quarter				
		01/07/2009	01/07/2008	01/01/2009	01/01/2008	01/01/2008
		30/09/2009	30/09/2008	30/09/2009	30/09/2008	31/12/2008
		3 months	3 months	9 months	9 months	12 months
Revenues	25	1.451	1.863	3.206	5.065	10.607
Other income	26	431	176	1.421	18.657	19.009
Purchase of materials and external services	27	(2.281)	(2.470)	(10.471)	(7.820)	(14.049)
Personnel costs	28	(719)	(1.233)	(4.231)	(4.984)	(6.780)
Other operating costs	29	(259)	(433)	(1.137)	(1.625)	(1.772)
Gross operating margin		(1.377)	(2.097)	(11.212)	9.293	7.015
Provisions for risk and write-downs		-	-	(209)	(4.577)	(1.682)
Depreciation and amortisation expense		(138)	(60)	(384)	(582)	(714)
Gains/Losses from disposal of non-current assets	30	4.624	3.127	4.624	5.622	(1.453)
Operating profit		3.109	970	(7.181)	9.756	3.166
Percentage of profit/loss on investments carried by the equity method	31	(240)	(84)	(3.014)	(5.110)	(10.241)
Result before interest and tax		2.869	886	(10.195)	4.646	(7.075)
Financial income		573	4.954	2.859	7.064	36.634
Financial charges		(2.341)	(4.600)	(10.133)	(12.458)	(18.762)
Net financial income/(charges)	32	(1.768)	354	(7.274)	(5.394)	17.872
Profit before tax		1.101	1.240	(17.469)	(748)	10.797
Current tax payable		3	305	(12)	(327)	(1.011)
Deferred taxes		103	1.069	340	(689)	(4.970)
Income taxes		106	1.374	328	(1.016)	(5.981)
Net result from operating activities		1.207	2.614	(17.141)	(1.764)	4.816
Income from assets under disposal	33	(618)	(661)	(486)	(731)	(1.446)
Net result		589	1.953	(17.627)	(2.495)	3.370
Attributable to:						
Minority interest result		7	(170)	(8)	(272)	(267)
Group result		596	2.123	(17.635)	(2.223)	3.637
Earnings per share (in Euro)						
From continuing operations:						
- Basic				(0,0423)	(0,0053)	0,0087
- Diluted				-	-	-
From assets under disposal:						
- Basic				(0,0012)	(0,0018)	(0,0035)
- Diluted				-	-	-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Values in EUR/thousands

	Quarter					
	Notes	01/07/2009	01/07/2008	01/01/2009	01/01/2008	01/01/2008
		30/09/2009	30/09/2008	30/09/2009	30/09/2008	31/12/2008
	3 months	3 months	9 months	9 months	12 months	
Net profit (loss) for the period (A)		589	1.953	(17.627)	(2.495)	3.370
Effective portion of profit (loss) on cash flow hedges	15	43	1	(168)	764	(358)
Profit (loss) after recalculation of available-for-sale financial assets	15	498	5.482	(21.868)	2.377	(32.857)
Profit (loss) after disposal of available-for-sale financial assets	15	(4.599)	(3.415)	(8.574)	(1.476)	1.261
Profit (loss) on investees carried by the equity method	15	13	(949)	(4)	(949)	(1.748)
Tax effect on Other Profit (loss)	15	188	(446)	(158)	651	1.450
Total Other Profit (loss) net of tax effect (B)		(3.857)	673	(30.772)	1.367	(32.252)
Total Comprehensive Profit (loss) (A) + (B)		(3.268)	2.626	(48.399)	(1.128)	(28.882)
Total Comprehensive Profit (loss) attributable to:						
Minority interest result		23	(4)	(1.133)	(124)	(2.643)
Group result		(3.291)	(40.341)	(47.266)	(43.975)	(26.239)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Values in EUR/thousands

	Notes	30/9/2009	31/12/2008
Goodwill	4	2.476	2.476
Intangible assets		60	130
Property, plant and equipment	5	2.415	2.619
Investments in associated companies/joint ventures	6	125.726	116.877
Financial assets	7	54.401	114.089
Tax credits	8	4.396	4.434
Prepaid taxes	9	2.579	2.778
Total non-current assets		192.053	243.403
Inventories	10	24.800	27.000
Trade receivables and other business		3.661	2.392
Other receivables and other assets	11	8.033	21.157
Derivatives	12	4.662	32.246
Other financial assets	13	57.840	3.055
Cash and cash equivalents		1.686	4.421
Total current assets		100.682	90.271
Assets under disposal	14	24.304	37.688
Total Assets		317.039	371.362
Capital		80.100	80.100
Treasury shares		(2.363)	(2.363)
Undivided profits		19.236	68.586
Group shareholders' equity	15	96.973	146.323
Minority interests	16	71	4.537
Total shareholders' equity		97.044	150.860
Bonds	17	45.698	44.669
Payables to banks and other lenders	18	31.759	73.105
Lease payables		508	534
Other liabilities	19	-	944
Pension scheme and Employee severance indemnity liabilities		324	465
Deferred tax liabilities		-	236
Provisions		816	1.028
Total non-current liabilities		79.105	120.981
Bonds - current share	20	269	754
Payables to banks and other lenders	21	120.045	66.889
Lease payables		34	40
Derivatives	22	841	616
Trade payables		2.971	4.762
Other liabilities	23	12.425	21.117
Total current liabilities		136.585	94.178
Liabilities under disposal	24	4.305	5.343
Total shareholders' equity and liabilities		317.039	371.362

CONSOLIDATED NET FINANCIAL POSITION

The net financial position of the Sopaf S.p.A. Group as at 30 September 2009 is negative by EUR 118,388 thousand and breaks down as follows:

Values in EUR/thousands

NET FINANCIAL POSITION	30/09/2009	30/06/2009	31/12/2008
A) Cash on Hand	12	14	10
B) Other cash equivalents	1.674	2.129	4.411
C) Securities and other financial assets held for trading	60.964	22.770	32.246
D) TOTAL CASH AND CASH EQUIVALENTS (A+B+C)	62.650	24.913	36.667
E) Current loans	1.538	1.538	3.055
F) Current bank payables	(70.909)	(64.009)	(55.370)
G) Current portion of non-current borrowings	(31.018)	(19.620)	(11.497)
H) Other current loans payable	(19.262)	(20.894)	(1.432)
I) CURRENT BORROWINGS (F+G+H)	(121.190)	(104.523)	(68.299)
J) NET CURRENT BORROWINGS (I-E-D)	(57.002)	(78.072)	(28.577)
K) Non-current loans	16.579	-	-
L) Non-current bank payables	(26.955)	(33.937)	(68.412)
M) Bond issues	(45.698)	(45.351)	(44.669)
N) Other non-current payables	(5.312)	(5.290)	(5.227)
O) NON-CURRENT BORROWINGS (K+L+M+N)	(61.387)	(84.578)	(118.308)
P) NET BORROWINGS (J+N)	(118.388)	(162.650)	(146.885)

The positive change in the net financial position, compared to the previous year, is mainly attributable to the increase in the items "Securities and other financial assets held for trading" and "Non-current financial assets" due to the entry of deposit certificates received from Cassa di Risparmio di San Marino, as consideration for issue of the option right/release of the investment in Delta S.p.A. for EUR 55 million, of which EUR 38.3 million with expiry within 12 months.

It is reported that the increase in the item "Other current financial payables", mainly consisting of repo transactions involving assets of Sopaf S.p.A. will decrease during the last quarter 2009 by a total of EUR 12.5 million as a result of the agreement finalised on 9 October 2009 for disposal of units of the Fondo Immobili Pubblici (FIP) held in the portfolio, with the related contract being settled by 31 December 2009.

Furthermore it is reported that the change in the item "Current bank payables" is mainly attributable to the reclassification, performed as at 30 June 2009, of the medium/long-term debt component for EUR 34,368 thousand relating to the syndicated loan entered into by Sopaf S.p.A. to support acquisition of Banca Network Investimenti S.p.A. and Area Life International Assurance Ltd. due to failure to satisfy two financial covenants, which are currently being renegotiated with the pool of banks. As at 30 September 2009, accounting of the deposit certificates received against release of the investment in Delta allowed one of the failed covenants to be restored following improvement of the net financial position.

EXPLANATORY NOTES TO THE INTERIM MANAGEMENT REPORT AS AT 30 SEPTEMBER 2009

1 FORM AND CONTENT OF THE INTERIM MANAGEMENT REPORT

This Interim Management Report as at 30 September 2009 of the Sopaf Group has been drawn up pursuant to Article 154-ter of Italian Legislative Decree no. 58 dated 24 February 1998 (TUF – Consolidated Law on Finance), as well as to the Issuers' Regulations issued by CONSOB. As it is an interim report, it also adopts the provisions of IAS 34 "Interim Financial Statements" exclusively and limited to the provisions for interim financial statements drawn up in a "concise" form and does not therefore provide complete accounting information in compliance with IAS 34.

Pursuant to the legislation on financial reporting, contained in Article 154-ter of the TUF, the Interim Management Report is set out in the form of a concise non-accounting report aimed at providing essential specifications based on economic-financial data that can be easily determined and that is indicative of the general performance of the company or of the Group.

Specifically sub-section 5 of Article 154-ter of the TUF provides that issuers with listed shares, which have Italy as source member state, must publish, within forty-five days of closure of the first and third quarter of the year, an interim management report that provides:

- a general description of the financial position and economic performance of the issuer and of its subsidiaries in the reporting period;
- an outline of the significant events and transactions that took place in the reporting period and their effect on the financial position of the issuer and its subsidiaries.

The above is confirmed by CONSOB which, with notice no. DEM/8041082 dated 30 April 2008, provided clarification on quarterly reporting by issuers of listed shares.

Sopaf S.p.A. has decided to provide quantitative information on the economic, equity and financial performance of the Group in compliance with the general principles governing disclosure of quantitative information and specifically:

- the figures are compared with those provided in the previous interim reports and tally with those contained in the annual financial statements and half-year reports that have been published;
- the quantitative information provided will be updated in subsequent interim reports; if different figures from those published in the past and disclosed to the market are used, a full explanation on the reasons for the change will be provided.

The Interim Management Report does not however include the same amount of information as is provided in full financial statements drawn up pursuant to IAS 1 and must be read together with the annual financial statements drawn up for the year as at 31 December 2008.

The quantitative information and the accounting schedules of this Interim Management Report have been prepared and drawn up in compliance with the preparation and measurement criteria provided by the international accounting standards ("IAS - IFRS") issued by the International Accounting Standards Board and adopted by the European Union.

As Sopaf holds controlling investments, the Quarterly Interim Management Report has been prepared on a consolidated basis. As in previous quarterly reports, all disclosures

included in this Interim Management Report therefore relate to Sopaf Group consolidated data.

The Interim Management Report as at 30 September 2009 is made up of consolidated accounting schedules consistent, in terms of form and content, where applicable, with those provided by the Interim Management Report as at 31 March 2009, by the abridged Half-Year Report as at 30 June 2009 and with the Financial Statements 2008.

The financial statements adopted by the Group in the Interim Management Report are the same as those applied in drawing up the annual financial statements for the year 2008, with the integrations introduced following application of Revised IAS 1. Specifically:

- separate reporting in the schedule of changes in consolidated shareholders' equity of the flows pertaining to the reserves on cash flow hedge transactions and on available-for-sale investments;
- inclusion of information relating to "Other comprehensive income statement components".

Information on the nature of the company's business, the business segments and the significant events after period end can be found in the report on the management performance drawn up by the directors.

2 GENERAL STANDARDS

The quantitative information and the accounting schedules of this Interim Management Report, as indicated above, have been prepared and drawn up in compliance with the preparation and measurement criteria provided by the international accounting standards ("IAS - IFRS") issued by the International Accounting Standards Board and adopted by the European Union.

The accounting standards and valuation criteria adopted in the Quarterly Interim Management Report are therefore the same as those used in drawing up the consolidated interim reports that have already been published and the consolidated financial statements as at 31 December 2008, outlined in the section 'Accounting Standards and Preparation Criteria', to which reference is made.

In drawing up this Interim Management Report no use has been made of estimates that are significantly higher than those used in preparing the annual accounts. The same accounting standards and valuation and consolidation criteria used in drawing up the Consolidated Financial Statements as at 31 December 2008 have been applied.

Drafting of the interim financial statements requires management to make estimates and assumptions that have an impact on revenues and costs, balance sheet assets and liabilities and on information regarding potential assets and liabilities as at the date of the interim report. If in the future such estimates and assumptions, based on management's best possible valuation at the interim reporting date, should differ from actual circumstances, they will be adjusted as appropriate in the period in which the circumstances change.

It is also reported that some valuation processes, especially the more complex ones such as determining impairment of non-current assets, are generally only performed in full when preparing the annual financial statements, when all the necessary information is available, unless impairment indicators requiring immediate impairment testing emerge.

The Interim Management Report has been prepared in thousands of EUR, unless indicated otherwise.

Consolidation criteria

The scope of consolidation includes the Parent Company Sopaf S.p.A. and the companies that it controls and namely those companies over which it has the direct or indirect power to determine financial and operating policies for the purpose of obtaining benefits from their activities.

The subsidiaries are consolidated from the date on which control is effectively transferred to the Group until the date on which control is transferred outside of the Group.

The quarterly reports of the subsidiaries, used in drawing up this Quarterly Interim Management Report, are those prepared by the respective administrative structures and reclassified, where necessary, to render them consistent with the Parent Company's report.

Specific criteria for recognition of interim results

Seasonality of transactions

The third quarter income statement is not significantly subject to phenomena linked to the seasonality of trends in the Group's core business.

Taxes

Taxes are calculated on the result for the period, based on the best estimate of the tax rate expected to apply to the result for the entire financial year.

Costs

Costs incurred in an irregular or non-linear manner during the year are prepaid and/or deferred to the end of the interim period only to the extent to which the prepayment and/or deferment complies with accounting standards used in drafting the annual financial statements.

Amendments and interpretations applied since 1 January 2009

The following accounting standards, amendments and interpretations, revised also after the 2008 annual improvement process conducted by IASB, have been applied for the first time by the Group since 1 January 2009.

Revised IAS 1 – Presentation of Financial Statements

On 6 September 2007 IASB issued a revised version of IAS 1 – Presentation of Financial Statements to be applied from 1 January 2009.

The new version requires separation of the changes in shareholders' equity that occur in own capital and in third party capital. The statement of changes in shareholders' equity includes only the details of transactions performed on own capital, while the changes in third party capital are presented in a single line.

Furthermore, the standard introduces the 'comprehensive income statement' which must present all the cost and revenue items recognised either in a single statement or in two interrelated statements ('Consolidated income statement' and "Consolidated comprehensive income statement").

This supplementary schedule to the income statement includes the profit items deferred to shareholders' equity, such as the change in the cash flow hedge and the change in the result of "available-for-sale financial assets".

The Group applied the revised version of the standard retrospectively from 1 January 2009, already choosing for the purposes of presentation of the abridged half-year report as at 30 June 2009, to highlight all the changes generated by transactions with non-shareholders in two statements measuring the performance in the period, respectively

entitled “Consolidated Income Statement” and “Consolidated Comprehensive Income Statement”.

The adoption of this standard did not produce any effect in terms of valuation of the balance-sheet items.

Improvement to IAS 28 – Investments in Associates

The improvement to IAS 28 – Investments in Associates - establishes that, in the case of investments valued by the equity method, any impairment must not be allocated to the individual assets (and in particular to any goodwill) which make up the investment’s book value, but to the value of the investee as a whole. Hence, where the conditions for a subsequent write-back occur, the write-back must be fully recognised. No accounting effect has arisen from adoption of this new standard as during 2009 the Group did not record any write-back of goodwill included in the book value of investments.

Amendments and interpretations applicable from 1 January 2009 that are not relevant to the Group

The following amendments and interpretations, applicable from 1 January 2009, govern situations and cases that are not present within the Group at the date of this Quarterly Interim Management Report:

- IAS 23 Revised – ‘Financial Charges’;
- Amendment to IFRS 2 – ‘Equity Based Payments: Vesting Conditions and Cancellations’;
- Improvement to IAS 16 – ‘Property, Plant and Equipment’;
- Improvement to IAS 19 – ‘Employee Benefits’;
- Improvement to IAS 38 – ‘Intangible Assets’;
- Improvement to IAS 20 – ‘Accounting for Government Grants and Disclosure of Government Assistance’;
- Amendment to IAS 32 – ‘Financial Instruments: Presentation and to IAS 1 – ‘Financial Statements Presentation’: Puttable Financial Instruments and Obligations Arising on Liquidation’;
- Improvement to IAS 29 – ‘Financial Reporting in Hyperinflationary Economies’;
- Improvement to IAS 36 – ‘Impairment of Assets’;
- Improvement to IAS 39 – ‘Financial Instruments: Recognition and Measurement’;
- Improvement to IAS 40 – ‘Investment Property’;
- IFRIC 13 – ‘Customer Loyalty Programmes’;
- IFRIC 15 – ‘Agreements for Construction of Real Estate’;
- IFRIC 16 – ‘Hedges of a Net Investment in a Foreign Operation’.

Accounting standards, amendments and interpretations not yet applicable and not adopted in advance by the Group

On 10 January 2008, IASB issued an updated version of IFRS 3 – Business Combinations, and amended IAS 27 - Consolidated and Separate Financial Statements. The main changes to IFRS 3 regard elimination of the mandatory assessment of individual assets and liabilities of a subsidiary at fair value for all subsequent acquisitions, where subsidiaries are acquired gradually. Goodwill will only be determined in the acquisition phase and will be equal to the differential between the value of the investment immediately before acquisition, the transaction price and the net value of assets acquired. Furthermore, in the event that the company does not acquire 100% of the investment, the interest held by third parties may be assessed at fair value or using the method previously provided by IFRS 3. Instead in the amendment to IAS 27, IASB established that changes in the holding that do not constitute a loss of control must be treated as an equity transaction and therefore have a corresponding entry in

shareholders' equity. The new rules must be applied prospectively from 1 January 2010.

As part of the 2008 Improvement Process conducted by IASB, the amendment made to IFRS 5 – 'Non-current assets held for sale and discontinued operations' establishes that, if a company is engaged in a disposal plan that leads to the loss of control over an investee, all the subsidiary's assets and liabilities must be reclassified as assets held for sale, even if after the disposal the company will continue to hold a minority interest in the subsidiary. The amendment must be applied prospectively from 1 January 2010.

On 5 March 2009, IASB issued an amendment to IFRS 7 – 'Financial Instruments: Additional Disclosures' to increase the level of reporting required in the case of fair value valuation and to strengthen the existing standards governing disclosures on liquidity risks of financial instruments. The amendment is applicable from 1 January 2009, and as at the date of this Interim Management Report, the competent authorities of the European Union have not yet completed the authorisation process necessary for its application.

On 31 July 2008 IASB issued an amendment to IAS 39 – 'Financial Instruments: Recognition and Measurement', which must be applied retrospectively from 1 January 2010. The amendment clarifies application of the standard for definition of the underlying subject to hedging in particular situations. It is deemed that adoption of this amendment will not have any significant effects on the Group's financial statements.

The following amendments, improvements and interpretations, applicable from 1 January 2010, govern situations and cases that are not present within the Group at the date of this Interim Management Report:

- Interpretation IFRIC 17 – 'Distribution of Non-Cash Assets to Owners';
- Interpretation IFRIC 18 – 'Transfer of Assets from Customers';
- Amendment to IFRIC 9 – 'Reassessment of Embedded Derivatives' and to IAS 39 – 'Financial Instruments: Recognition and Measurement' (amendments applicable retrospectively from 31 December 2009).

As at the date of this Interim Management Report, these interpretations and amendments are being examined by the competent EU authorities which have not yet completed the authorisation process necessary for their application.

3 SCOPE OF CONSOLIDATION

The consolidated financial statements have been drafted on the basis of accounting positions as at 30 September 2009 prepared by the respective consolidated companies and adjusted where necessary to align these with the classification criteria and accounting standards of the Group pursuant to IAS-IFRS.

The scope of consolidation as at 30 September 2009 is as follows:

GROUP SCOPE OF CONSOLIDATION

Company name	% direct	% indirect	% investment	Registered office	Country	Currency	Consolidation method
Parent company:							
Sopaf S.p.A.							
Direct subsidiaries:							
Sopaf Capital Management SGR S.p.A.	100,00%		100,00%	Milan	Italy	Euro	Full
Sopaf Asia Sarl	85,00%		85,00%	Luxembourg	Luxembourg	Euro	Full
Essere S.p.A. (*)	100,00%		100,00%	Milan	Italy	Euro	Full
Sopaf Real Estate Opportunity I	100,00%		100,00%	Milan	Italy	Euro	Full
Direct associated companies:							
Polis Fondi S.gr.p.A.	49,00%		49,00%	Milan	Italy	Euro	Equity method
Petunia S.p.A. (**)	59,38%		59,38%	Milan	Italy	Euro	Equity method
S.f.e.r.a. S.r.l. (*)	48,00%		48,00%	Agrate Brianza	Italy	Euro	Equity method
Five Stars S.A.	99,99%	-	99,99%	Luxembourg	Luxembourg	Euro	Equity method
Aft S.p.A. (*)	25,49%		25,49%	Milan	Italy	Euro	Equity method
Banca Network Investimenti S.p.A.	14,99%	29,64%	44,63%	Milan	Italy	Euro	Equity method
Area Life International Assurance ltd	45,00%		45,00%	Dublin	Ireland	Euro	Equity method
Aviva Previdenza S.p.A.	45,00%		45,00%	Milan	Italy	Euro	Equity method
ASM Lomellina Inerti S.r.l.	33,00%		33,00%	Vigevano	Italy	Euro	Equity method
Sopaf&Partners Re -Investimenti S.r.l.	40,00%		40,00%	Milan	Italy	Euro	Equity method
Westindustrie S.r.l.	22,00%		22,00%	Milan	Italy	Euro	Cost
China opportunity SA (***)	47,02%		47,02%	Luxembourg	Luxembourg	Euro	Equity method
Sun System S.p.A. (*)	15,94%		15,94%	Milan	Italy	Euro	Cost
Direct associated companies:							
Noventi Venture II LP	2,32%		2,32%	Menlo Parc CA	USA	Euro	Fair value
Volare S.p.A. (in receivership)	24,60%		24,60%	Vicenza	Italy	Euro	Cost
Sadi Servizi Industriali S.p.A.	2,54%		2,54%	Segrate	Italy	Euro	Fair value
Demofonte Srl	15,00%		15,00%	Monza	Italy	Euro	Fair value
Conafi Prestitò S.p.A.	4,13%		4,13%	Turin	Italy	Euro	Fair value
Value Secondary Inv. Sicar SCA	2,57%		2,57%	Luxembourg	Luxembourg	Euro	Fair value
Immsi S.p.a.	1,00%		1,00%	Mantova	Italy	Euro	Fair value
The Infr.&Growth C.Fund	0,50%		0,50%	Dubai	Arab Emirates	Euro	Fair value
Vintage Fund Sicav	5,00%		5,00%	Luxembourg	Luxembourg	Euro	Fair value
IGI Investimenti Quattro	0,95%		0,95%	Milan	Italy	Euro	Fair value
Green BIT S.p.A.	2,13%		2,13%	Grugliasco	Italy	Euro	Fair value
Blue H Technologies BV	1,83%		1,83%	Oosterhout	The Netherlands	Euro	Cost
Valore by Avere AM SCA	18,58%		18,58%	Luxembourg	Luxembourg	Euro	Fair value
Indirect subsidiaries:							
<i>- through Essere S.p.A.</i>							
Essere Tutela S.r.l. (*) in liquidation		100,00%	100,00%	S.M.Buon Albergo	Italy	Euro	Full
Bridge Financial Service S.r.l. (*)		100,00%	100,00%	Milan	Italy	Euro	Full
Indirect associated companies:							
<i>- through Petunia S.p.A.</i>							
Banca Network Investimenti S.p.A.		49,92%	44,63%	Milan	Italy	Euro	Equity method
<i>- through Sopaf Real Estate Opportunity I</i>							
Firanegocios SA		25,50%	25,50%	Barcelona	Spain	Euro	Equity method
Cose S.r.l.		50,00%	50,00%	Milan	Italy	Euro	Equity method
<i>- through Sopaf&Partners RE Invest. S.r.l.</i>							
Sprei 1 S.r.l.		100,00%	40,00%	Milan	Italy	Euro	Equity method
Sprei 2 S.r.l.		100,00%	40,00%	Milan	Italy	Euro	Equity method
Indirect associated companies:							
<i>- through Sopaf Real Estate Opportunity I</i>							
Immobiliare Appia		15,00%	15,00%	Milan	Italy	Euro	Fair value
Favonio S.r.l.		20,00%	20,00%	Milan	Italy	Euro	Fair value
<i>- through Five Stars S.A.</i>							
Fondo Immobili Pubblici		3,39%	3,39%	Rome	Italy	Euro	Fair value
<i>- through Sopaf&Partners Re Investimenti Srl</i>							
Hotel Tiberio Srl		20,00%	8,00%	Rome	Italy	Euro	Cost

(*) Investments classed as assets held for sale

(**) Sopaf holds 49% of voting rights and 59.38% of equity

(***) Sopaf holds 47.02% of voting rights and 14.98% of equity

The scope of consolidation as at 30 September 2009 records the following changes compared to 31 December 2008:

SUBSIDIARIES NO LONGER INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Business Segment
With the line-by-line method		
<input type="checkbox"/> Life Science Capital S.p.A.	Italy	Industrial investment holding
<input type="checkbox"/> Li Tech S.p.A.	Italy	Medical equipment

ASSOCIATES NO LONGER INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Business Segment
With the equity method		
<input type="checkbox"/> Favonio S.r.l.	Italy	Real estate

The scope of consolidation as at 30 September 2009 records the following changes compared to 30 September 2008:

SUBSIDIARIES NO LONGER INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Business Segment
With the line-by-line method		
<input type="checkbox"/> Life Science Capital S.p.A.	Italy	Industrial investment holding
<input type="checkbox"/> Li Tech S.p.A.	Italy	Medical equipment
<input type="checkbox"/> PWM SGR S p A (incorporated into Sopaf Capital Management SGR S.p.A.)	Italy	Asset management
<input type="checkbox"/> LM&Partners SCA (liquidated)	Luxembourg	Equity investments

ASSOCIATES NO LONGER INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Business Segment
With the equity method		
<input type="checkbox"/> S.f.e.r.a. Srl	Italy	Equity investments
<input type="checkbox"/> Essere S.p.A.	Italy	Financial services
<input type="checkbox"/> Mirror Tre S.a.r.l. (liquidated)	Luxembourg	Equity investments
<input type="checkbox"/> Nearco Invest S.a.r.l	Luxembourg	Equity investments
<input type="checkbox"/> Favonio S.r.l.	Italy	Real estate

Main criteria adopted for definition of the scope of consolidation and application of investment valuation principles

The Group's scope of consolidation includes investments in associated companies if the investor holding exceeds 20%, since it is assumed that such a percentage gives the investor considerable influence, intended as the possibility of partaking of financial and management decisions of the investee company albeit without majority control. Investments in associated companies defined as such are valued by the equity method. The controlling investment in Essere S.p.A. and the related controlling investments in Bridge Financial Services S.r.l. and Essere Tutela S.r.l. (in liquidation), in AFT S.p.A., Sun System S.p.A. and S.F.E.R.A. S.r.l. have been classified as assets held for sale in light of the initiatives undertaken by the Parent Company's management in the last months of 2008 for the purpose of their disposal.

Furthermore it is reported that the Group holds 15.94% of Sun System S.p.A., but actually exercises significant influence over the investee through specific shareholders' agreements which regulate the company's governance and administration.

With regard to the investment in Five Stars S.A. it is reported that, although the Group holds the majority of share capital (99.9%), the company is not included within the scope of control as on 10 May 2006, the Board of Directors of Five Stars S.A. approved changes to the by-laws which cancelled the conditions precedent according to which warrant holders could not exercise the right to convert the warrants to class B shares. This circumstance (the immediate conversion into class B shares would give the absolute majority of voting rights to warrant holders), together with the existing condition whereby the current shareholder does not assume the majority of business risks linked to the initiative and benefits from the investment only to a lesser extent, were the reasons behind the full deconsolidation of Five Stars S.A. pursuant to IAS 27. In this respect, it is specified that free exercise of the warrants and the mechanism governing the replacement of Directors in practice confirms control of the Board of Directors by the warrant holders in that, should the current Directors make economic/financial decisions contrary to their wishes, this would trigger formal control (i.e. the conversion into shares).

The Group holds 59.38% of Petunia S.p.A. but does not control the company as it owns 49% of class A shares with voting rights and the remainder of the holding in class B shares, which only offer economic benefits without voting rights. The investment is therefore accounted for by the equity method.

The investment in Favonio S.r.l. (in which the Group holds a 20% interest), a special purpose company that directly and indirectly holds a series of investments in the real estate segment, is deemed not subject to significant influence by the Group with regard to its structure and management of corporate governance.

Hence, the investment in Favonio S.r.l. has been classified under available-for-sale financial assets adjusting its value on the basis of the related current value.

The investments in Hotel Tiberio S.r.l. and Westindustrie S.r.l. have been maintained at cost as valuation by the equity method is close to cost.

The investment in Blue H Technologies BV has been maintained at cost as it is close to the fair value.

INFORMATION ON THE CONSOLIDATED INTERIM BALANCE SHEET

The tables below provide a summary of the main Group balance sheet figures for the quarter ended as at 30 September 2009, which are compared with the figures for the half year as at 30 June 2009 and the last financial year as at 31 December 2008.

The income statement figures refer to the quarter ended as at 30 September 2009 and are compared with the figures of the same period of 2008.

ASSETS

NON-CURRENT ASSETS

4 Goodwill

Goodwill is equal to EUR 2,476 thousand and refers to the goodwill arising from consolidation of Sopaf Capital Management SGR S.p.A.

The item breaks down as follows:

	30/09/2009	30/06/2009	31/12/2008
Sopaf Capital Management SGR S.p.A.	2.476	2.476	2.476
	2.476	2.476	2.476

As at 30 September 2009 the recoverable value of the goodwill relating to Sopaf Capital Management Sgr S.p.A was not subject to impairment test as this assessment process is generally only performed in full when drawing up the annual financial statements, unless there is evidence of impairment that requires performance of impairment test.

5 Property, plant and equipment

As at 30 September 2009 this item is equal to EUR 2,415 thousand and records a net decrease of EUR 53 thousand in the quarter due to depreciation in the period for EUR 114 thousand and to new investments for EUR 61 thousand.

6 Investments in associated companies and joint ventures

This item is equal to EUR 125,726 thousand and has increased by EUR 12,711 thousand compared to the figures as at 30 June 2009.

The item breaks down as follows:

	30/09/2009	30/06/2009	31/12/2008
Investments in associated companies			
Polis Fondi Sgr.p.A.	8.171	8.042	8.134
Firanegocios S.L.	3.911	3.911	3.924
Five Stars S.A.	2.945	2.633	2.568
China Opportunity S.A. Sicàr	18.093	13.253	12.644
CO.SE. S.r.l.	33	55	71
Westindustrie S.r.l.	2	2	2
Petunia S.p.A.	42.112	37.566	40.264
Banca Network Investimenti S.p.A.	21.339	19.962	21.300
Area Life Int ass. Limited	12.626	12.654	13.346
Aviva Previdenza SpA	16.025	14.450	13.415
Sopaf&Partners RE S.r.l.	440	458	126
Favonio S.r.l.	-	-	1.054
ASM Lomellina Inerti S.r.l.	29	29	29
	125.726	113.015	116.877

Changes in the investments during the interim period are illustrated in an annex.

The increases during the quarter mainly refer to:

- EUR 5,929 thousand, for payment towards future capital increase made on 30 September 2009 for Petunia S.p.A.;
- EUR 2,998 thousand, payment towards capital increase made on 30 September 2009 for Banca Network Investimenti S.p.A.;
- EUR 4,958 thousand, the value of the performance fees of China Opportunity S.A. accrued by Sopaf S.p.A. in 2008 and entered under financial receivables for EUR 4,896 thousand as at 31 December 2008 and the value of the related capital increase subscribed on 4 August. This capital increase dedicated to class A shareholders as recognition of the 2008 performance fees, led to the subscription of 3,114 class B shares at the total par value of EUR 62,280;
- pro-rata profits for the quarter from the investments in Polis Fondi SGR.p.A. for EUR 129 thousand, Five Stars S.A. for EUR 301 thousand and Aviva Previdenza S.p.A. for EUR 1,575 thousand.

It is also reported that, with regard to the proposal, received by Banca Network Investimenti on 20 May 2009 from Banco Popolare, directed at settling all the disputes and litigation concerning the original agreement for disposal of Banca Network Investimenti (former Bipiellenet), on 10 September 2009 the parties (Banco Popolare, the purchasers and Banca Network) finalised a settlement agreement which includes deletion of one clause of the original agreement which provided for recognition of a "price adjustment" by the purchasers linked to the possible exceeding of specific objectives in terms of assets under management at pre-established expiry dates.

On the basis of final definition of this agreement, as at 30 September 2009 a positive adjustment was recorded of the liability relating to the price adjustment entered in the financial statements as at 31 December 2008, equal to EUR 944 thousand. Furthermore with regard to the indirect investment held by Sopaf S.p.A. in

Banca Network Investimenti S.p.A. through Petunia S.p.A., as at 30 September 2009 the pro-rata result of the associated company benefited for the reason mentioned above from a positive adjustment equal to EUR 1,858 thousand.

The decreases recorded during the quarter mainly refer to:

- the pro-rata adjustment for losses in the quarter of the investments in Co.Se S.r.l. by EUR 22 thousand, Area Life International Assurance Limited by EUR 28 thousand, Banca Network Investimenti S.p.A. by EUR 1,620 thousand and Petunia S.p.A. by EUR 1,383 thousand, the latter mainly attributable to the pro-rata losses of the investment held directly in Banca Network Investimenti S.p.A.;

With regard to the value of the investment in Banca Network Investimenti S.p.A. ("BNI") it is reminded that as at 31 December 2008 an impairment test was carried out, supported by a survey performed by an external assessor of Petunia S.p.A. This test was performed on BNI's 2009-2011 business plan approved by its Board of Directors in February 2009.

In this regard it is reported that the investee's result as at 30 September 2009 showed variances from the plan due to delays in implementation of a number of actions scheduled in the plan (like the review of loyalty mechanisms and the launch of new financial products).

However, following analyses performed with the bank's new management, it is believed that while the actions taken have had a limited impact on the results as at 30 September 2009, their results will be felt in the short term, as already foreseen in the industrial plan, even if with a different timeframe, supporting the related assumptions for determination of the investment's value.

At the end of the first year of implementation of the plan a new analysis will be performed to assess the state of progress of the measures planned and the significance of the variances between actual and forecast values.

7 Financial assets

This item totals EUR 54,401 thousand and has decreased by EUR 42,036 thousand compared to the values as at 30 June 2009.

The item includes the following categories of financial assets:

	30/09/2009	30/06/2009	31/12/2008
Available-for-sale financial assets	24.737	78.794	98.925
Bonds	908	891	856
Deposit certificates	16.579	-	-
Loans and receivables	11.643	16.224	13.809
Guarantee deposits	534	528	499
	54.401	96.437	114.089

Available-for-sale financial assets

This item includes instruments representing the shareholders' equity of companies recorded as available-for-sale financial assets, with breakdown as follows:

	30/09/2009	30/06/2009	31/12/2008
IMMSI SpA	2.946	2.932	2.398
Delta S.p.A.	-	54.689	80.000
Sadi S.p.A.	1.408	1.615	1.363
Volare S.p.A. (in receivership)	-	-	-
Immobiliare Appia S.r.l.	1.458	1.458	1.587
Conafi Prestito' S.p.A.	2.229	1.555	1.469
Newman Lowther & Associates Option	322	322	322
Noventi Field Venture LP	316	306	281
Value Sec Inv Sicar Sca	428	462	462
Fondo Valore by Avere AM	4.667	4.400	2.400
Blue H Group Ltd.	160	160	160
Demofonte S.r.l.	2.479	2.479	703
The Infr.&Growth C.Fund	5.414	5.608	5.284
IGI Invest. Quattro Fondo	415	312	312
Vintage Fund Sicav	2.038	2.038	1.943
Green Bit S.p.A.	457	458	241
	24.737	78.794	98.925

Changes in available-for-sale financial assets due to sale during the quarter are illustrated in an annex.

During the quarter the item 'Available-for-sale financial assets' increased by:

- EUR 674 thousand, for positive adjustment of the fair value valuation of Conafi Prestito' S.p.A. based on the related stock exchange price as at 30 September 2009;
- EUR 267 thousand, for positive adjustment of the fair value valuation of the Fondo Valore SA;
- EUR 103 thousand, from an increase of EUR 112 thousand for payment towards subscription of units of the closed-end investment fund IGI Investimenti Quattro and from a decrease of EUR 9 thousand for losses on the fair value valuation of said financial asset determined on the basis of the fund's NAV as resulting from the related report as at 30 June 2009;
- EUR 10 thousand, from an increase of EUR 21 thousand for payment towards subscription of units of the foreign fund Noventi Field Venture LP made on 1 July 2009 and from a decrease of EUR 11 thousand for exchange adjustment as at 30 September 2009 of the valuation of the fund expressed in US\$;
- EUR 14 thousand, for positive adjustment of the fair value valuation of IMMSI S.p.A. based on the related stock exchange price as at 30 September 2009.

During the quarter the item 'Available-for-sale financial assets' decreased by:

- EUR 54,689 thousand, for disposal of the investment in Delta S.p.A. following the agreements finalised by Sopaf S.p.A. on 31 July 2009;
- EUR 207 thousand, for losses on the fair value valuation of Sadi S.p.A. based on the related stock exchange price as at 30 September 2009;
- EUR 34 thousand, for losses on the fair value valuation of Value Sec Inv Sicar SCA based on the fund's NAV as resulting from the related report as at 30 June 2009;
- EUR 194 thousand, for exchange adjustment losses of the foreign fund Infrastructure and Growth Capital Fund for exchange adjustment as at 30 September 2009 of the fund's fair value expressed in US\$.

With regard to the investment in Delta S.p.A., it is specified that disposal of the investment was recorded in the quarter following the agreements finalised on 31 July

2009 by Sopaf S.p.A. and Cassa di Risparmio di San Marino (“CRSM”). These agreements, which included settlement agreements, were directed at settling the existing or potential disputes between the parties concerning Delta S.p.A.

With regard to the aforesaid agreements finalised on 31 July 2009 and already reported in detail in the paragraph “Key transactions completed during the quarter”, the directors of Sopaf S.p.A. decided to record disposal of the investment in Delta S.p.A. given that, as a result of this agreement, conditions allowing substantial transfer of the financial asset are deemed to have been met, as all the risks and benefits associated with ownership thereof have been substantially transferred.

In this regard the international accounting standards demand verification of the extent to which transfer of a financial asset involves the retaining or transfer of the risks and benefits associated with ownership of the financial asset and, hence, verification of the assignor’s effective exposure to risk of variability of the fair value of the assigned asset which can be determined on the basis of the expected cash flows for the purpose of the related recoverable value discounted at an appropriate current market interest rate.

In compliance with the reference international accounting principles (IAS 39 – AG 36), the verification to be performed to conclude derecognition of a financial asset from the assignor’s balance sheet is based on ascertainment of the following:

- effective transfer of the contractual rights to receive the cash flows relating to the financial assets;
- verification of the effective transfer/retaining of all the risks and benefits related to the financial assets;
- verification of the conditions that may show whether or not the assignor has maintained control over the financial assets.

On this matter IAS 39.21 establishes that “The transfer of risks and benefits is assessed by comparing the exposure of the entity, before and after transfer, with the variability in the amounts and in the timeframes of the net financial flows of the transferred assets. An entity has substantially retained all the risks and benefits of ownership of a financial asset if its exposure to the variability of the current value of the net future financial flows of the asset does not change significantly as a result of transfer. An entity has substantially transferred all the risks and benefits of ownership of the financial asset if its exposure to such variability is no longer significant in relation to the total variability in the current value of net future financial flows associated with the financial assets”.

Valuation of the conditions that qualify the related derecognition of the financial assets has taken account of the main risk factors that may be associated with the investment. Any reasonably possible variability in the related net financial flows has been taken into consideration with greater weight also being given to those results that are more likely to be achieved.

Furthermore, the existence has been ascertained of the assumptions aimed at sustaining whether control of the financial asset has effectively been retained by Sopaf S.p.A. with regard to the assignee’s effective capacity to assign to third parties the asset acquired without placing further limitations, restrictions or conditions to the transfer, acting independently and unilaterally.

It is in fact specified that, according to the agreement finalised with CRSM, Sopaf S.p.A. irrevocably grants to CRSM the right to acquire the investment in Delta S.p.A. together with all the administrative and equity rights relating thereto with consequent assignment to CRSM of the exclusive right to purchase and sale and to dispose of the entire

investment up to the amount of the agreed consideration of EUR 55 million. As well as granting this option, it is agreed that Sopaf S.p.A. waives, again irrevocably and immediately, exercise of the rights to vote in the shareholders' meetings of Delta S.p.A. and every other administrative right pertaining to the investment. To guarantee punctual fulfilment of the commitments undertaken by Sopaf S.p.A., with regard to both transfer of the investment and waiver of the administrative and equity rights to the investment, the agreement with CRSM has also provided for transfer of the investment to a trust company chosen by CRSM, which has received irrevocable instructions from Sopaf S.p.A. in the interest of CRSM as required by the agreement.

To summarise, from a substantial point of view, the transaction implemented can be likened to a sale, or in any case has the same effects, given that Sopaf S.p.A. dispossesses itself and immediately waives: (i) the right to dispose of the investment, which obviously cannot be sold or otherwise transferred unless the option is exercised by CRSM, and (ii) all the rights abstractly associated (right of intervention and vote in the shareholders' meetings and, more in general, all the other administrative rights – such as the right to request information – and equity rights).

It is also reported that the amount of the consideration established in the agreement for disposal of the investment equal to EUR 55 million confirms the final nature of the transaction, as provided in the agreement according to which each and every sum and/or asset and/or security and/or instrument in general, that the purchaser of the investment was obliged to provide for acquisition, must be considered irrevocably assigned to CRSM up to the full amount of the aforesaid consideration of EUR 55 million. Only any surplus would go to Sopaf S.p.A., as any possible integrative price element of the fixed consideration agreed.

Hence, on the basis of the considerations set forth above, the directors deemed that substantial transfer of the financial asset has occurred and is effective, providing for the related derecognition which led to the recording of the difference between the recognised accounting value of EUR 50.4 million and the consideration received of EUR 55 million, as well as the residual accumulated net profit carried to shareholders' equity (after adjustment for losses on the fair value valuation entered in the first half 2009 for EUR 25.3 million) for a total of EUR 4.6 million in the consolidated income statement for the quarter.

Other financial assets

This item totals EUR 29,664 thousand and has increased by EUR 12,021 thousand compared to the values as at 30 June 2009.

	30/09/2009	30/06/2009	31/12/2008
Loans to associated companies			
CO.SE. S.r.l.	4.276	4.276	4.276
Immobiliare Appia S.r.l.	390	390	390
China Opportunity SA Sicar	749	5.396	4.896
Sopaf&Partners RE Srl	4.405	4.362	3.899
Five Stars S.A.	254	252	-
Favonio S.r.l.	1.454	1.454	-
ASM Lomellina Inerti S.r.l.	66	66	-
	11.594	16.196	13.461
Other loans	49	28	348
	49	28	348
Deposit certificates	16.579	-	-
Bonds	908	891	856
Guarantee deposits	534	528	499
	29.664	17.643	15.164

The financial receivable of EUR 390 thousand due from Immobiliare Appia refers to an interest-free shareholders' loan.

The financial receivable due from CO.SE. S.r.l. includes a portion of an interest-free shareholders' loan equal to EUR 276 thousand, while EUR 4,000 thousand is represented by an interest-bearing loan disbursed to the investee by Fondo Soreo (formerly Tergeste).

The item 'Various financial receivables' includes for EUR 749 thousand a receivable referring to the performance fees accrued by Sopaf S.p.A. for the interim period as at 30 September 2009, in its capacity as holder of class A shares.

These performance fees are recognised as variable commission to be paid with subscription of class B China Opportunity Sa Sicar shares on the basis of the respective par value and is determined as 20% of the increase in China Opportunity's NAV between the beginning and the end of the year.

In this regard it is reported that the financial receivable relating to the 2008 performance fees has been carried in the quarter to increase the investment in China Opportunity Sa Sicar by EUR 4,958 thousand, as on 4 August 2009 Sopaf S.p.A. participated in the capital increase dedicated to recognition of the 2008 performance fees by subscribing 3,114 class B shares for a total par value of EUR 62.3 thousand.

The receivable due from Sopaf & Partners Re S.r.l. refers to an interest-bearing loan granted for a total of EUR 4,405 thousand (inclusive of interest) to be used partly for acquisition of a property/hotel complex in Capri, through establishment of the company Hotel Tiberio S.r.l., which is 20% owned by Sopaf & Partners Re S.r.l., and partly to support new transactions.

Bonds

Sopaf S.p.A. has subscribed to a convertible bond loan issued by South African company Newman Lowther & Associates Ltd., operating in the financial consulting sector, for EUR 1,000 thousand, repayable in 2011.

In the event of conversion into shares, Sopaf S.p.A. will have the right to 30 per cent of the current share capital. With regard to repayment of the bond, a coupon is envisaged for 43% of the distributed dividend.

The loan component of the financial instrument is represented here and is equal to EUR 908 thousand. The Sopaf call option component intrinsic to the instrument, equal to

EUR 322 thousand, is excluded from the bond loan and is classified among 'available-for-sale financial assets'.

8 Tax receivables

This item is equal to EUR 4,396 thousand and includes receivables from the tax authorities claimed back by the Parent Company Sopaf S.p.A. and assigned to a factoring company.

9 Prepaid taxes

This item relates to prepaid taxes of EUR 2,579 thousand, net of deferred tax liabilities of EUR 910 thousand.

As envisaged in the reference accounting standards, prepaid taxes are recognised when the realisation of positive taxable income is considered likely in future financial years, thus allowing recovery through utilisation of the amount recorded under assets. The forecasts are based on taxable income to be generated with reasonable certainty given the current performance of Sopaf S.p.A. and based on the outlook for the Group.

As at 30 September 2009, retained losses deductible up to 2008 of Sopaf S.p.A. total approximately EUR 3,870 thousand, corresponding to a prepaid tax asset value recorded as at 30 September 2009 of EUR 1,064 thousand.

Deferred tax liabilities total EUR 910 thousand and mainly include deferred taxes recorded in the year against the deferred tax effect of the value adjustment resulting from available-for-sale financial assets carried at fair value.

CURRENT ASSETS

10 Inventories

This item totals EUR 24,800 thousand, recording an increase of EUR 300 thousand in the quarter.

Inventories entirely refer to a property purchased by the Soreo fund (formerly Tergeste), the value of which was aligned to the market value inferred from other real estate transactions similar in terms of zone and type as at 30 June 2009.

11 Other receivables and current assets

This item is equal to EUR 8,033 thousand and has decreased by EUR 3,259 thousand compared to the values as at 30 June 2009.

	30/09/2009	30/06/2009	31/12/2008
VAT credits	717	616	549
Tax credits	1.229	1.158	15.564
Other receivables	4.512	7.975	4.851
Accrued liabilities and deferred expense	1.575	1.543	193
	8.033	11.292	21.157

“VAT credits” mainly refer to VAT credits deriving from monthly payments as at 30 September 2009.

The item “Tax credits” mainly includes credits due from the tax authorities in favour of Sopaf S.p.A., and concerns:

- EUR 1,002 thousand, IRES tax credits for previous years;
- EUR 124 thousand, tax credits for withholding tax on dividends and interest;
- EUR 50 thousand, tax credits for sundry withholdings and taxes.

Compared to the previous year, it is reported that during June 2009 the credits due from the tax authorities recorded the collection of EUR 14,254 thousand following refund from the tax authorities of IRPEG and IRAP credits relating to the year 1997 of which EUR 10,329 thousand for principal and EUR 3,925 thousand for interest.

The item “Other receivables” totalling EUR 4,512 thousand recorded a decrease in the quarter of EUR 3,463 thousand for collection of a residual receivable of EUR 3,561 thousand due from the company Fin Posillipo S.p.A. relating to disposal of the investment in Life Science Capital S.p.A. The item mainly includes:

- EUR 580 thousand, receivables due from the company Coemi Property S.p.A., maturing on 31 December 2009, as partial settlement of the loan granted by Sopaf to the transferred company S. Apostoli S.r.l.;
- EUR 1,629 thousand, residual receivable due from Dascal S.p.A., maturing on 31 December 2009, relating to disposal of an investment;
- EUR 31 thousand, receivables for advances to service providers;
- EUR 1,500 thousand, receivable arising after Sopaf S.p.A.’s exercise of the right of withdrawal from the investment in Nova Fronda S.r.l. formalised on 29 January 2009.

The item “Accrued liabilities and deferred expense” includes deferred instalments due on contractual fees in future periods (EUR 803 thousand), deferred interest expense payable in future periods and other deferred expenses for portions of prepaid costs pertaining to subsequent periods.

12 Financial instruments - Derivatives

This item equals EUR 4,662 thousand and breaks down as follows:

	30/09/2009	30/06/2009	31/12/2008
Forward purchases - FIP units	-	-	26.990
Forward sales - FIP units	-	-	713
Equity Linked Swaps - FIP units	4.662	4.662	4.543
	4.662	4.662	32.246

In the previous year the items relating to the forward purchase and sale of FIP units referred to the fair value of transactions involving forward purchase and sale of investments in the FIP fund entered into in December 2008 and settled in March 2009.

The item "Equity Linked Swap – FIP Units" refers to the fair value as at 30 June 2009 of an asset swap transaction concluded on 30 September 2008 and maturing on 7 October 2019 with a leading foreign banking counterparty. For Sopaf S.p.A. the transaction provides, in exchange for payment of a fixed rate, for recognition of the income flows linked to the distribution of dividends/extraordinary financial income of Fondo Immobili Pubblici on an initial notional amount of EUR 30 million.

As at 30 June 2009 the company asked an independent surveyor to value the derivative by analysing evolution of the fund's business plan (disposal of the real estate portfolio) with regard to the expected future cash flows and the estimated growth trend of the real estate market for the next decade. The mark-to-market valuation that ensued is equal to EUR 4,662 thousand. An option has also been provided for the banking counterparty to request closure of the swap as from 2013 with physical consignment of the residual capital units of FIP.

No update was made on the fair value of this derivative financial instrument as the change compared to 30 June 2009 would be attributable to the time effect only as there has been no change in the other valuation elements.

Furthermore, on 31 March 2008, Sopaf S.p.A. entered into an asset swap agreement relating to 128 units of Fondo Immobili Pubblici with a notional value of EUR 19,840 thousand. According to the contractual provisions Sopaf pays a variable rate and receives a portion of the operating income disbursed by the fund. As it is a trading instrument, the agreement has a 7-year duration and also provides Sopaf with a purchase option on 64 units of Fondo Immobili Pubblici to be exercised against the counterparty and provides the counterparty with the option to withdraw from the derivative agreement without paying a penalty. Valuation of all the elements making up the asset swap and the counterparty's withdrawal option led to the directors to determine the instrument's value as equal to zero as at 30 September 2009.

13 Other financial assets

These total EUR 57,840 thousand and break down as follows:

	30/09/2009	30/06/2009	31/12/2008
Bonds	1.408	1.643	-
Deposit certificates	38.373	-	-
Investment fund units:			
F.I.P. - Fondo Immobili Pubblici units	16.521	16.622	-
Loans:			
Loan to Demofonte S.r.l.	1.508	1.508	1.508
Loans for repayment of Small Cap Europe units	-	-	1.517
Loan to third parties	30	30	30
	57.840	19.803	3.055

The item has increased in the quarter by EUR 38,037 thousand mainly due to entry of the fair value of deposit certificates deriving from payment of the consideration for assignment by Sopaf S.p.A. of a right of option/release pertaining to the entire investment held in Delta S.p.A. representing 15.95% of the share capital, as well as waiver by Sopaf S.p.A. of the right of withdrawal from Delta S.p.A. as well as of all the

legal actions that have been or may be brought against Cassa di Risparmio di San Marino S.p.A and Delta S.p.A for a consideration of EUR 55 million.

Specifically, payment of this consideration occurred through consignment from Cassa di Risparmio di San Marino to Sopaf S.p.A., who became owner and holder thereof, of:

- deposit certificates, registered in the Issuer's name, with a par value of EUR 30 million, EURIBOR rate (for equivalent maturities), divided into two tranches, the first worth EUR 20 million with expiry 31 December 2009, and the second worth EUR 10 million with expiry 31 January 2010;
- deposit certificates, registered in the Issuer's name, with a par value of EUR 25 million, EURIBOR rate (for equivalent maturities), increased by 200 bps, divided into three tranches of equal amount with maturity as at 30 June 2010, 31 December 2010 and 30 June 2011 respectively.

The fair value of the deposit certificates of EUR 55 million was determined using a pricing model that considers the timeframes involved in financial settlement of the consideration, as well as the credit spreads deferred from official prices of instruments that are essentially similar in terms of risk factors as at the date of consignment of the deposit certificates.

The item also mainly includes:

- EUR 16,521 thousand, equal to the value of 125 units of the FIP fund remaining after settlement of the forward purchase and sale contracts described in note 16 below and following subsequent disposal of 225 FIP units. As already outlined in the section "Significant group events after 30 September 2009", on 9 October 2009 an agreement was finalised for assignment of the units in the portfolio and the related contract will be settled by 31 December 2009;
- EUR 1,408 thousand, for investments in bonds purchased and held for trading purposes.

Loans include EUR 1,508 thousand for an interest-free loan provided by the Parent Company Sopaf S.p.A. to Demofonte S.r.l.

14 Assets under disposal

This item is equal to EUR 24,304 thousand and includes:

	30/09/2009	30/06/2009	31/12/2008
Investments in associated companies:			
AFT S.p.A.	16.398	16.398	13.718
Sfera S.r.l.	762	762	762
Sun System SpA	2.606	2.606	2.606
Available-for-sale financial assets:			
Advanced Accelerator Applications S.A.	-	-	7.305
IM3D S.r.l.	-	-	1.768
Cerma SA	-	-	850
Nova Fronda	-	-	1.500
Subsidiary assets held for sale:			
Essere SpA Group	4.538	5.626	5.686
Life Science Capital SpA (formerly LM LS SpA)	-	-	2.123
Li Tech S.p.A.	-	-	1.370
	24.304	25.392	37.688

Changes in assets classified as held for sale during the interim period are illustrated in a special section (Statement of Assets Held for Sale).

Compared to 31 December 2008, assets under disposal have decreased by EUR 13,384 thousand, mainly as a result of disposal of the controlling investment in Life Science Capital S.p.A. and of the investments that it held in Li Tech S.p.A., Advanced Accelerator Applications S.A., IM3D S.p.A. and Cerma SA.

Furthermore, the item has decreased compared to the previous year by EUR 1,500 thousand with regard to disposal of the investment in Nova Fronda S.r.l., following Sopaf's exercise of the right of withdrawal formalised on 29 January 2009.

The controlling investment in Essere S.p.A. has been classified under held-for-sale assets in view of a series of initiatives undertaken by the management of Sopaf S.p.A. for the purpose of its disposal through assignment or business combination agreements with other investors.

The total net assets under disposal referring to the controlling investment in the Essere S.p.A. Group as at 30 September 2009 is detailed below:

	Essere SpA Group
Non-current assets	2.302
Current assets	2.236
	4.538

Essere is completing a restructuring plan and in the last quarter it will reach financial break-even.

This was possible thanks to a considerable reduction in management costs and stable revenues linked to finalisation of commercial agreements with new banking partners. The investments in the associates AFT S.p.A., Sfera S.r.l and Sun System S.p.A. have been classified under assets held for sale in view of the resolution passed by the Board of Directors on 18 October 2008 which approved the plan to dispose of these investment by the end of 2009.

Furthermore, compared to the previous year, the item has increased by EUR 2,680 thousand, due to subscription of a further capital increase of AFT S.p.A. by Sopaf S.p.A. to guarantee sufficient capitalisation to launch the scheduled implementation of the business plan.

LIABILITIES

15 Group shareholders' equity

Group shareholders' equity totals EUR 96,973 thousand, posting a decrease in the quarter of EUR 3,276 thousand.

A breakdown of Group shareholders' equity is provided in the table below:

	30/09/2009	30/06/2009	31/12/2008
Capital	80.100	80.100	80.100
Treasury shares	(2.363)	(2.363)	(2.363)
Legal reserve	1.760	1.760	-
Bond capital reserve	3.991	3.991	3.991
Cash flow hedge reserve	(480)	(511)	(358)
Valuation reserve	(2.985)	888	26.524
Retained earnings (losses)	34.585	34.585	34.792
Profit (loss) for the period	(17.635)	(18.201)	3.637
Undivided profits	19.236	22.512	68.586
	96.973	100.249	146.323

The changes in shareholders' equity during the interim period are detailed in the appropriate attached annex.

Cash flow hedge reserve

The 'Cash flow hedge reserve' relates to the effective portion of the change in value of the hedging derivative instruments used to adjust the value of interest in the income statement and is reported according to hedge accounting rules.

Valuation reserve

The 'Valuation reserve' relates to the fair value adjustment of the following financial assets represented by investment securities classed as available for sale, net of related tax effects.

The breakdown and changes in the valuation reserve and the cash flow hedge reserve in the interim period are illustrated below:

VALUATION RESERVE CARRIED AT FAIR VALUE	Increases/Decreases					Values as at 30/09/2009 (A+B)	Minority interests share (A)	Group share (B)
	Values as at 01/01/2009	Changes in fair value		Reserve released to the income statement due to financial asset disposals	Deferred taxes			
		Increases	Decreases					
Available-for-sale financial assets:								
IMMSI S.p.A.	(1.509)	548	-	-	(551)	(1.512)	-	(1.512)
Five Stars S.à.r.l.	668	-	(4)	-	-	664	-	664
Green Bit S.p.A.	-	117	-	-	(32)	85	-	85
Immobiliare Appia 2005 S.r.l.	1.035	-	(129)	-	-	906	-	906
Sadi S.p.A.	(2.716)	45	-	-	(1)	(2.672)	-	(2.672)
Advanced Accelerator Applications S.A.	3.975	-	-	(3.975)	-	-	-	-
Conafi Prestito S.p.A.	(3.243)	760	-	-	(65)	(2.548)	-	(2.548)
Demofonte S.r.l.	691	1.776	-	-	(24)	2.444	-	2.444
The Infr&Growth Fund	(615)	130	-	-	(36)	(521)	-	(521)
Valore by Avere	290	267	-	-	(73)	484	-	484
Noventi Filed Venture	(3)	-	(5)	-	1	(7)	-	(7)
IGI Investimenti Quattro	(23)	-	(9)	-	2	(30)	-	(30)
Vintage Fund Sicav SIF	(154)	-	(19)	-	5	(168)	-	(168)
Value Sec Inv	(83)	-	(35)	-	10	(108)	-	(108)
Favonio S.r.l.	-	-	(2)	-	-	(2)	-	(2)
Delta S.p.A.	29.351	-	(25.312)	(4.599)	560	-	-	-
	27.665	3.642	(25.514)	(8.574)	(204)	(2.985)	-	(2.985)
Cash flow hedges:								
Interest rate hedges	(358)	-	(168)	-	46	(480)	-	(480)
	27.307	3.642	(25.682)	(8.574)	(158)	(3.465)	-	(3.465)

Other profits/ (losses)

The value of Other profits/ (losses) breaks down as follows:

CONSOLIDATED INCOME STATEMENT

	01/01/2009			Minority interests			Group result		
	01/01/2009	01/01/2009	01/01/2008	01/01/2009	01/01/2009	01/01/2008	01/01/2009	01/01/2009	01/01/2008
	30/09/2009	30/06/2009	31/12/2008	30/09/2009	30/06/2009	31/12/2008	30/09/2009	30/06/2009	31/12/2008
Net profit (loss) for the period (A)	(17.627)	(18.216)	3.370	8	(15)	(267)	(17.635)	(18.201)	3.637
Effective portion of profit (loss) on cash flow hedges	(168)	(211)	(358)	-	-	-	(168)	(211)	(358)
Profit (loss) after recalculation of available-for-sale financial assets	(21.868)	(22.366)	(32.857)	(1.141)	(1.141)	(2.376)	(20.727)	(21.225)	(30.481)
Profit (loss) after disposal of available-for-sale financial assets	(8.574)	(3.975)	1.261	-	-	-	(8.574)	(3.975)	1.261
Profit (loss) on investees carried by the equity method	(4)	(17)	(1.748)	-	-	-	(4)	(17)	(1.748)
Tax effect on Other Profit (loss)	(158)	(346)	1.450	-	-	-	(158)	(346)	1.450
Total Other Profit (loss) net of tax effect (B)	(30.772)	(26.915)	(32.252)	(1.141)	(1.141)	(2.376)	(29.631)	(25.774)	(29.876)
Total Comprehensive Profit (loss) (A) + (B)	(48.399)	(45.131)	(28.882)	(1.133)	(1.156)	(2.643)	(47.266)	(43.975)	(26.239)

16 Minority interest shareholders' equity

A breakdown of the minority interest is provided in the following table:

	30/09/2009	30/06/2009	31/12/2008
Minority interest capital and reserves	63	63	4.804
Profit (Loss)	8	(15)	(267)
	71	48	4.537

NON-CURRENT LIABILITIES

17 Convertible bonds

As at 30 September 2009 this item includes EUR 45,698 thousand as the non-current portion of the "SOPAF 2007-2012 convertible 3.875%" bond loan.

When released the "SOPAF 2007-2012 convertible 3.875%" bond loan was made up of 56,520,463 bonds convertible into new-issue ordinary SOPAF S.p.A. shares, for a total value of EUR 49,738 thousand.

After issue, the conversion to ordinary shares of 113,734 convertible bonds was requested.

The bonds are convertible to ordinary company shares at any time during the duration of the loan based on a conversion ratio of one share for every bond held.

If any bonds remain unconverted, these will be repaid at par for a unit value of EUR 0.88 each. A 3.875% interest rate is paid per year up to maturity of the bond loan.

18 Payables to banks and other lenders

This item is equal to EUR 31,759 thousand and has decreased by EUR 6,951 thousand compared to the figures as at 30 June 2009.

	30/09/2009	30/06/2009	31/12/2008
Bank borrowing	26.955	33.937	68.412
Payables to other lenders	4.804	4.773	4.693
	31.759	38.710	73.105

The item "Bank borrowings" includes the instalments repayable after 12 months of the following loans:

- EUR 1,681 thousand for the medium-long term portion of two unsecured loans, with amortisation plan up to 2011;
- EUR 1,173 thousand for the medium-term portion of a loan secured by a pledge on shares;
- EUR 5,144 thousand for the medium-long term portion of an unsecured loan, with amortisation plan up to 2012, granted to help meet the company's liquidity requirements;
- EUR 18,957 thousand, the medium-term portion of a variable rate mortgage loan with maturity 2010 raised by the Soreo fund (formerly Tergeste) during the previous year.

The Parent Company Sopaf S.p.A. is party to a syndicated loan to support acquisition of Banca Network Investimenti S.p.A. and Area Life International Assurance Ltd. disbursed for a total of EUR 41,111 thousand with maturity 30 September 2012. This syndicated loan is secured by a pledge on the shares of Banca Network Investimenti S.p.A. held directly by Sopaf S.p.A., on the shares of Petunia S.p.A. which in turn holds 49.92% of Banca Network Investimenti S.p.A., and on the shares of Area Life held by Sopaf S.p.A.

It is also reported that this syndicated loan is secured by a number of contractual covenants such as compliance with pre-established financial parameters. The financial parameters in question refer to the value of shareholders' equity and the debt/shareholders' equity ratio of both the borrowing company and the company whose shares are pledged.

If one or more of the covenants are not respected, within the contractual term provided commencing from the date of notice of breach of the covenants to the lenders, the company has to take the necessary steps to provide remedy, with the understanding that the steps have to be completed within the contractual term provided after their adoption.

Mainly due to finalisation of the aforementioned agreements relating to the investment in Delta S.p.A., two financial covenants relating to the Sopaf Group prescribed by the loan agreement were not satisfied as at 30 June, hence, the residual medium-term debt relating to the loans, equal to EUR 34,368 thousand, was fully reclassified under current liabilities, in compliance with the provisions of IAS 1. As at 30 September 2009, accounting of the deposit certificates received for release of the investment in Delta allowed the net financial position to improve and the consequent recovery of one of the two covenants that had not been satisfied.

In August 2009, Sopaf S.p.A. obtained the lead arranger's agreement to renegotiation of the covenants and therefore the formal initiatives for definition of an agreement amending the terms of the contract was commenced.

The item "Payables to other lenders", amounting to EUR 4,804 thousand, refers exclusively to amounts due to factoring companies for the disposal of tax credits, as outlined in note 7.

The amortisation plans of the aforesaid loans do not contain instalments with maturities exceeding 5 years.

19 Other liabilities

In the previous year the item referred by EUR 944 thousand, to the payable to Banco Popolare for adjustment of the price for acquisition of BNI.

In this regard it is specified that with regard to the proposal received by Banca Network Investimenti on 20 May 2009 from Banco Popolare, directed at settling all the disputes and litigation concerning the original agreement for disposal of Banca Network Investimenti (former Bipiellenet), on 10 September 2009 the parties (Banco Popolare, the purchasers and Banca Network) reached a final agreement which includes deletion of one clause of the original agreement which provided for recognition of a "price adjustment" by the purchasers linked to the possible exceeding of specific objectives in terms of assets under management at pre-established expiry dates.

Finalisation of this agreement led to a positive adjustment of the liability relating to the price adjustment entered in the financial statements as at 31 December 2008 which was completely discharged and the recognition of total proceeds of EUR 2.8 million.

CURRENT LIABILITIES

20 Convertible bonds

This item, totalling EUR 269 thousand, refers to the interest expense matured in favour of bondholders from 10 August 2008 to 30 September 2009, restricted to unconverted bonds.

21 Payables to banks and other lenders

This item totals EUR 120,045 thousand and has increased by EUR 18,134 thousand compared to the figures recorded as at 30 June 2009.

	30/09/2009	30/06/2009	31/12/2008
Bank borrowing	101.927	83.630	66.867
Loans payable to associated companies	5.592	5.457	22
Payables to other lenders	12.526	12.824	-
	120.045	101.911	66.889

The item "Bank borrowings" totalling EUR 101,927 thousand mainly includes:

- EUR 561 thousand, as the short-term portion of a loan secured by shares;
- EUR 4,061 thousand, as the short-term portion of an unsecured loan, with amortisation plan up to 2012, granted to meet the company's liquidity requirements;
- EUR 2,775 thousand, the current portion of two unsecured loans (as described in non-current liabilities);
- EUR 5,000 thousand, a credit line granted by a bank for a duration of 18 months less one day and used for short-term liquidity requirements;
- EUR 11,000 thousand, for a loan with a bank maturing by the end of 2009 secured by a pledge on shares;
- EUR 3,100 thousand, for an uncommitted loan secured by a pledge on listed shares;

- EUR 6,000 thousand, for a bank loan expiring on 31 December 2009 to be used to participate in the capital increase of the associate Banca Network Investimenti S.p.A., subscribed in October 2009;
- EUR 5,500 thousand, for 3 uncommitted loans to meet cash requirements;
- EUR 5,000 thousand, for a loan secured by pledge on units of a fund and the result of reorganisation of two short-term credit lines in 2008; repayment is scheduled in July 2010;
- EUR 365 thousand, for interest accrued up to 30 September 2009, but not yet collectible;
- EUR 7,463 thousand, for ordinary current account overdrafts;
- EUR 10,000 thousand, for opening of credit with maturity as at 31 December 2009 and secured by a deposit certificate of the same amount maturing on 31 January 2010;
- EUR 41,110 thousand, Sopaf S.p.A.'s syndicated loan to support acquisition of Banca Network Investimenti S.p.A. and Area Life International Assurance Ltd. disbursed for a total of EUR 54,000 thousand with maturity 30 September 2012. It is reminded that this syndicated loan is secured by a pledge on the shares of Banca Network Investimenti S.p.A. held directly by Sopaf S.p.A., on the shares of Petunia S.p.A. which in turn holds 49.92% of Banca Network Investimenti S.p.A., and on the shares of Area Life held by Sopaf S.p.A.

Payables for bank borrowings are entered on the basis of the amounts used as at 30 September 2009, net of costs relating to the transaction and valued at amortised cost using the effective interest rate method.

The item "Payables to associate companies" refers to payables to China Opportunity SA Sicar and includes:

- EUR 4,314 thousand, a financial payable for an interest-bearing loan;
- EUR 1,278 thousand, a payable for a repurchase agreement involving debt securities entered against repurchase with effect from 30 September 2009 of the same securities sold at spot for a consideration of EUR 1,251 thousand.

The item "Other loans" totalling EUR 12,526 thousand concerns a repurchase agreement, pertaining to 125 class A units of the "FIP – Fondo immobili Pubblici".

The financial assets involved in the repurchase agreement were not written off the balance sheet as, given the commitment for their forward repurchase, the right to receive the corresponding cash flows is not considered discharged and therefore all the risks and benefits associated with holding the asset have not been substantially transferred.

The repurchase agreement was entered at amortised cost on the basis of the purchase price of the financial assets net of the financial charges relating to the transactions using the effective interest rate method.

It is reported that the item "Other financial payables" will decrease during the last quarter 2009 by the same amount following the agreement finalised on 9 October 2009 for assignment of the units of Fondo Immobili Pubblici (FIP) held in the portfolio, with the contract being settled by 31 December 2009.

22 Financial instruments - Derivatives

This item totals EUR 841 thousand as per the following table:

	30/09/2009	30/06/2009	31/12/2008
Interest Rate Swaps	164	148	99
Interest Rate Swaps (Hedge accounting)	677	721	517
	841	869	616

The item "Interest rate swap" refers to the fair value valuation of an IRS derivative contract relating to a loan (former LM Real Estate S.p.A.) of EUR 3 million with maturity June 2011 originally entered into to reduce the risk of interest rate fluctuation and accounted as a generic hedging instrument.

The negative fair value as at 30 September 2009 is equal to EUR 164 thousand.

The item "Interest Rate Swap (Hedge accounting)" refers to the fair value valuation as at 30 September 2009 of three IRS derivative contracts entered into in February 2008, maturing in June 2012, as interest rate hedges on medium-term financing of EUR 21,250 thousand. The timeframe deemed significant for management of the risk of interest rate change is defined as a minimum of 18 months of residual duration of the transaction.

Hedge accounting is used from the date the derivative contract is entered into up to the date of its discharge or maturity, documenting with special report the risk subject to hedging and the purpose of the hedging relationship and regularly verifying its effectiveness. The cash flow hedge method provided by IAS 39 is specifically used. According to this method the effective portion of the change in value of the derivative is reflected in a shareholders' equity reserve which is used to adjust the value of the income statement interest subject to hedging.

The Cash Flow Hedge Reserve entered under shareholders' equity as at 30 September 2009 with regard to these derivative instruments is negative by EUR 480 thousand, net of the related prepaid taxes.

Assessment of the effectiveness aims to show the high correlation between the technical/financial characteristics of the hedged liabilities (maturity, amount, etc.) and those of the hedging instrument by carrying out special retrospective and prospective tests.

The fair value of the Interest Rate Swap contracts is obtained by using a cash flow model on the basis of the values of the forward curve recorded as at 30 September 2009.

The main characteristics of the IRS derivative instruments are the following:

Fixed rate at maturity

- ☐ notional value EUR 21.25 million; fixed rate: 3.885% ; maturity: September 2012
- ☐ notional value EUR 3 million; fixed rate: 3.7% ; maturity: June 2011

Variable rate at maturity

- ☐ 3 month EURIBOR; maturity: September 2012
- ☐ 6 month EURIBOR; maturity: June 2011

23 Other liabilities

This item is equal to EUR 12,425 thousand and breaks down as follows:

	30/09/2009	30/06/2009	31/12/2008
VAT payables	17	1	11
Tax payables	357	523	1.178
Social security payables	212	312	349
Other payables	11.602	11.836	18.968
Accrued liabilities and deferred expense	237	330	611
	12.425	13.002	21.117

The item "Tax payables" mainly refers to withholding taxes to be paid to the tax authorities on wages and salaries and considerations to contract and self-employed consultants paid in September 2009.

The item "Other liabilities" has decreased compared to the previous year by EUR 7,366 thousand and mainly includes:

- EUR 10,778 thousand, as payables maturing on 31 December 2009 (inclusive of interest accrued) due to minority shareholders of LM & Partners S.C.A. (liquidated in 2008) for the acquisition of minority interest shares in the company;
- EUR 399 thousand, as fees payable to the Board of Directors and Board of Statutory Auditors;
- EUR 340 thousand, as amounts due to personnel for considerations accrued and deferred monthly payments as at 30 September 2009;

The accrued liabilities and deferred expense relate mainly to interest expense on bank borrowings and operating expenses.

24 Liabilities under disposal

These are equal to EUR 4,305 thousand and include:

	30/09/2009	30/06/2009	31/12/2008
Essere S.p.A.	4.305	4.772	4.523
Life Science Capital SpA (formerly LM LS SpA)	-	-	261
Li Tech S.p.A.	-	-	559
	4.305	4.772	5.343

As at 30 September 2009 the item includes the liabilities relating to the controlling investment in the Essere S.p.A. Group which were classified among liabilities under disposal, in view of a project for assignment or business combination with other financial investors.

Total liabilities under disposal referring to the controlling investment in the Essere S.p.A. Group as at 30 September 2009 break down as follows:

	Essere SpA Group
Current liabilities	3.899
Non-current liabilities	406
	4.305

INFORMATION ON THE CONSOLIDATED INTERIM INCOME STATEMENT

The tables below provide a summary of the Group's main income statement figures. The figures refer to the third quarter and to the first nine months of 2009 and are compared with the corresponding figures of the third quarter 2008 and of the first nine months of 2008.

25 Revenues

This item is equal to EUR 3,206 thousand and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Revenues from services	621	187	626	693
Revenues from commissions	830	1.676	2.580	4.372
	1.451	1.863	3.206	5.065

'Revenues from services' include the commissions for financial advice provided to Cassa di Risparmio di San Marino pursuant to an advisory assignment, expiring on 31 December 2013, as outlined in the section "Key transactions completed during the quarter".

Proceeds of EUR 566 thousand were recorded in the quarter, on a total consideration defined contractually as EUR 15,000 thousand with cash settlement in four annual tranches to be paid by March 2013.

In consideration of the services provided and that will be provided pursuant to the advisory contract, revenues are to be recorded on a straight line basis in the contractual reference period as provided by IAS 18.

26 Other income

The item is equal to EUR 1,421 thousand and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Income from leases	150	153	468	368
Contingent assets	143	-	353	1.360
Capital gains from disposal of financial leases	-	-	-	16.864
Income-related grants	-	-	-	42
Other income	138	23	600	23
	431	176	1.421	18.657

27 Purchase of materials and external services

This item is equal to EUR 10,471 thousand and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Changes in inventories	-	7	-	0
Write-down of inventories	-	-	2.500	0
Consulting services	427	421	2.148	1.758
Advisory and placement commission expense	134	217	393	778
General services and maintenance	201	205	657	627
Administrative, organisational and audit services	202	206	511	655
Bank commissions	11	0	36	0
Cost of project-based contracts and strategic consult	276	242	762	818
Legal services	13	5	110	258
Directors' and Statutory Auditors' fees	307	313	950	1.227
Reimbursement of expenses	45	46	172	259
Leases	504	618	1.675	773
Rentals	64	46	205	205
Insurance	47	54	140	167
Utilities	69	82	186	240
Purchase of goods and materials	7	0	27	0
Other operating costs	-	8	-	56
	2.281	2.470	10.471	7.820

The total increase in expenses for “purchases of materials and external services” compared to the same period of the previous year is mainly due to the costs for rental of the head office (in 2008 Sopaf paid the lease rental, which was carried to the income statement in the form of amortisation, distributed on the basis of the property’s useful life, and of interest) equal to approximately EUR 1,100 thousand and to the impact of the EUR 2,500 thousand write-down of the inventories of properties held for sale of the Soreo fund (formerly Tergeste), executed to align the cost to the lower current market value estimated by an independent expert when performing periodic assessment of the fund’s assets.

28 Personnel costs

This item is equal to EUR 4,231 thousand and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Wages and salaries	526	919	2.261	3.227
Social security costs	156	238	613	830
Extraordinary charges	-	-	1.285	703
Employee severance indemnity	37	76	72	224
	719	1.233	4.231	4.984

Personnel costs as at 30 September 2009 decreased compared to the corresponding period of the previous year, mainly due to staff reductions implemented by Sopaf S.p.A. and Sopaf Capital Management Sgr, despite the extraordinary expense for staff leaving incentives paid in the first half 2009 for EUR 1,285 thousand and in the same period of the previous year for EUR 703 thousand.

29 Other operating costs

This item is equal to EUR 1,137 thousand and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Bank charges	-	83	-	290
Taxes	124	130	690	673
Other operating expenses	122	220	252	445
Contingent liabilities	13	0	195	217
	259	433	1.137	1.625

30 Gains/losses from disposals of non-current assets

In order to more reliably measure the actual performance of normal business operations, the Operating Profit item gives a separate indication of the net result of cost and revenue components deriving from the disposal of non-current assets.

The item "Gains/losses from disposal of non-current assets" includes:

- capital gains/losses from disposal of investments in subsidiaries;
- capital gains/losses from disposal of available-for-sale investments included under other non-current financial assets.

In the quarter as at 30 September 2009 the item breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Capital losses/gains from liquidation of subsidiaries:				
Cutter Sarl (in liquidation)	-	(25)	-	(25)
	-	(25)	-	(25)
Capital gains from non-current financial asset disposals:				
Emery S.a.r.l.	-	2.770	-	2.770
Delta S.p.A.	4.624	-	4.624	-
Sadi S.p.A.	-	-	-	35
Raffaele Caruso SpA	-	1	-	2
FIP - Fondo Immobili Pubblici	-	878	-	2.994
	4.624	3.649	4.624	5.801
Capital losses and related charges from available-for-sale asset disposals:				
Sadi S.p.A.	-	(1)	-	(5)
Management&Capitali S.p.A.	-	(348)	-	-
Tessitura Pontelambro S.p.A.	-	(59)	-	(59)
Ezechiele SpA	-	(44)	-	(44)
Fondo PWM Global Income Low Volatility	-	(45)	-	(45)
Raffaele Caruso SpA	-	-	-	(1)
	-	(497)	-	(154)
Gains/(Losses) from non-current asset disposals	4.624	3.127	4.624	5.622

31 Portion of profit (loss) of investments carried with the equity method

The item includes the pro-rata profit (loss) of the investments carried with the equity method and the net profit (loss) from disposal of investments in associated companies and breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Gains pro quota				
Polis Fondi Sgr.p.A	129	163	432	331
Five Stars S.A.	301	249	381	830
China Opportunity SA	574	1.453	491	1.369
ASM Lomellina Inerti srl	-	5	-	-
Beven Finance S.àr.l.	-	3	-	-
Sopaf&Partners RE S.r.l.	-	6	-	-
Aviva Previdenza SpA	1.575	-	2.610	585
	2.579	1.879	3.914	3.115
Losses pro quota				
Essere S.p.A.	-	-	-	(489)
Cose S.r.l.	(22)	(13)	(38)	(23)
Nearco Sarl	-	(6)	-	(24)
ASM Lomellina Inerti srl	-	-	-	(1)
S.F.E.R.A. S.r.l.	-	(8)	-	(48)
Beven Finance S.àr.l.	-	-	-	(44)
Petunia S.p.A.	(3.242)	(914)	(5.940)	(4.306)
Firanegocios S.L.	-	(48)	(13)	(24)
Area Life International Assurance Limited	(720)	(105)	(720)	(1.080)
Sopaf&Partners RE S.r.l.	(18)	-	(62)	(1)
Aviva Previdenza SpA	-	(405)	-	-
Banca Network Investimenti S.p.A.	(1.620)	(464)	(2.958)	(2.185)
	(5.622)	(1.963)	(9.731)	(8.225)
Capital gains/(losses) due to price differences				
Petunia S.p.A.	1.859	-	1.859	-
Banca Network Investimenti S.p.A.	944	-	944	-
	2.803	-	2.803	-
Gains/(Losses) pro quota	(240)	(84)	(3.014)	(5.110)

32 Net financial income/charges

The item breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Interest income	(531)	208	976	943
Dividends	-	-	228	224
Income from derivatives	221	4.684	221	4.684
Income from investments	527	-	542	1.006
Capital gains from securities and other financial assets	325	31	852	175
Exchange gains	31	31	40	32
Financial income	573	4.954	2.859	7.064
Exchange losses	(21)	-	(32)	(6)
Capital losses on securities and other financial assets	(17)	(707)	(1.880)	(742)
Interest on bond loan	(833)	(656)	(2.473)	(2.297)
Interest expense	(1.470)	(3.237)	(5.748)	(9.413)
Financial charges	(2.341)	(4.600)	(10.133)	(12.458)
Net financial income/(charges)	(1.768)	354	(7.274)	(5.394)

33 Result from assets sold and under disposal

The item breaks down as follows:

	01/07/2009 30/9/2009	01/07/2008 30/9/2008	01/01/2009 30/09/2009	01/01/2008 30/09/2008
Net income from assets under disposal				
Essere S.p.A. Group	(618)	(563)	(2.351)	(563)
Li Tech S.p.A.	-	(201)	-	(201)
Life Science Capital SpA	-	(498)	-	(498)
Capital gains (losses) from asset disposals:				
Life Science Capital S.p.A.	-	-	(585)	-
Advanced Accelerator Applications S.A.	-	-	2.834	-
Li Tech S.p.A.	-	-	(384)	-
Green Bit S.p.A.	-	50	-	50
Sila S.p.A.	-	268	-	268
Eolia SA	-	72	-	30
Management&Capitali S.p.A.	-	840	-	840
Siskin Sarl	-	141	-	121
Tenerani S.r.l.	-	(686)	-	(686)
AFT S.p.A.	-	(84)	-	(92)
	(618)	(661)	(486)	(731)

ANNEXES

DECLARATION PURSUANT TO ARTICLE 154-BIS SUB-SECTION 2 OF ITALIAN LEGISLATIVE DECREE 58/1998 (CONSOLIDATED FINANCIAL LAW)

The undersigned Alberto Ciaperoni, in his capacity as executive in charge of drawing up the corporate accounting documents of Sopaf S.p.A.,

declares

that, in compliance with the provisions of sub-section 2 of Article 154-bis of the Consolidated Financial Law, the accounting disclosures contained in the Consolidated Quarterly Interim Management Report as at 30 September 2009 of Sopaf S.p.A. are consistent with the documentary results, accounting books and entries.

The Executive in Charge

Alberto Ciaperoni

INTERIM SCHEDULE OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY AS AT 30 SEPTEMBER 2009

Values in EUR/thousands

	Capital	Treasury shares	Capital reserves	Result reserves	Convertible bond reserve	Cash flow hedge reserve	Reserve for available-for-sale financial assets	Comprehensive profit (loss) on investees carried by the equity method	Minority Interest	Total
Balance as at 1 January 2008	80.002	(174)	-	35.008	3.991	-	53.626	2.416	7.173	182.042
Changes in shareholders' equity:										
Share capital increase	98	-	-	-	-	-	-	-	-	98
Purchase of treasury shares	-	(2.189)	-	-	-	-	-	-	-	(2.189)
Effects of changes in the scope of consolidation during the year	-	-	-	(216)	-	-	-	-	7	(209)
Other changes	-	-	-	-	-	-	-	-	-	-
Confirmed distribution of dividends	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Profit (loss)	-	-	-	3.637	-	(358)	(27.770)	(1.748)	(2.643)	(28.882)
Balance as at 1 January 2009	80.100	(2.363)	-	38.429	3.991	(358)	25.856	668	4.537	150.860
Changes in shareholders' equity:										
Share capital increase	-	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Effects of changes in the scope of consolidation in the period	-	-	-	-	-	-	-	-	(3.333)	(3.333)
Other changes	-	-	-	-	-	-	-	-	-	-
Confirmed distribution of dividends	-	-	-	(2.084)	-	-	-	-	-	(2.084)
Total Comprehensive Profit (loss)	-	-	-	(17.635)	-	(122)	(29.505)	(4)	(1.133)	(48.399)
Balance as at 30 September 2009	80.100	(2.363)	-	18.710	3.991	(480)	(3.649)	664	71	97.044

SCHEDULE OF INVESTMENTS IN ASSOCIATES

Values in EUR/thousands

		Changes in the period										
Company name	% held	Values as at 01/01/2009	Acquisitions	Grants	Share capital increases	Disposals	Gains pro quota	Distribution of dividends	Losses pro quota	Reclassification to financial assets	Fair value adjustments	Values as at 30/09/2009
Associated companies												
Polis Fondi S.G.R.P.A.	49,00%	8.134	-	-	-	-	432	(395)	-	-	-	8.171
Co.Se. S.r.l.	50,00%	71	-	-	-	-	-	-	(38)	-	-	33
Five Stars S.a.r.l.	99,99%	2.568	-	-	-	-	381	-	-	-	(4)	2.945
China opportunity S.A. Sicar (**)	47,02%	12.644	-	-	4.958	-	491	-	-	-	-	18.093
Petunia S.p.A.(***)	59,38%	40.264	-	5.929	-	-	-	-	(4.081)	-	-	42.112
Westindustrie S.r.l.	22,00%	2	-	-	-	-	-	-	-	-	-	2
Firanegocios S.L.	25,50%	3.924	-	-	-	-	-	-	(13)	-	-	3.911
ASM Lomellina Inerti S.r.l.	33,00%	29	-	-	-	-	-	-	-	-	-	29
Area Life Int ass. Limited	45,00%	13.346	-	-	-	-	-	-	(720)	-	-	12.626
Aviva Previdenza S.p.A.	45,00%	13.415	-	-	-	-	2.610	-	-	-	-	16.025
Sopaf&Partners RE S.r.l.	40,00%	126	-	376	-	-	-	-	(62)	-	-	440
Favonio S.r.l.	20,00%	1.054	-	-	-	-	-	-	-	(1.054)	-	-
Banca Network Investimenti S.p.A. (*)	14,99%	21.300	-	-	2.998	-	-	-	(2.959)	-	-	21.339
		116.877	-	6.305	7.956	-	3.914	(395)	(7.873)	(1.054)	(4)	125.726

(*) Sopaf S.p.a. has a total investment of 44.63% in Banca Network Investimenti S.p.A., also indirectly through Petunia S.p.a.

(**) Sopaf holds 47.02% of voting rights and 14.98% of equity

(***) Sopaf holds 49% of voting rights and 59.38% of equity

SCHEDULE OF AVAILABLE-FOR-SALE FINANCIAL ASSETS

Values in EUR/thousands

Company name	% held	Values as at 01/01/2009	Changes in the period				Fair value adjustments	Values as at 30/09/2009
			Acquisitions	Share capital increases	Disposals	Other changes		
Immsi S.p.A.	1,00%	2.398	-	-	-	-	548	2.946
Demofonte S.r.l.	15,00%	703	-	-	-	-	1.776	2.479
Immobiliare Appia S.r.l.	15,00%	1.587	-	-	-	-	(129)	1.458
Delta S.p.A.	15,95%	80.000	-	-	(54.689)	-	(25.311)	-
Sadi S.p.A.	2,54%	1.363	-	-	-	-	45	1.408
Fondo Valore sa	18,58%	2.400	2.000	-	-	-	267	4.667
Blue H Group Ltd.	1,22%	160	-	-	-	-	-	160
Noventi Field Venture LP	2,32%	281	-	40	-	-	(5)	316
Value Sec Inv Sicar Sca	2,57%	462	-	-	-	-	(34)	428
The Infr.&Growth c. Fund	0,50%	5.284	-	-	-	-	130	5.414
Conafi Prestito S.p.A.	4,13%	1.469	-	-	-	-	760	2.229
IGI Invest. Quattro Fondo	0,99%	312	-	112	-	-	(9)	415
Vintage Fund Sicav	5,00%	1.943	-	116	-	-	(21)	2.038
Green BIT S.p.A.	2,13%	241	-	100	-	-	116	457
Favonio Srl	20,00%	-	-	-	-	2	(2)	-
Newman Lowther & Associates Ltd Option		322	-	-	-	-	-	322
		98.925	2.000	368	(54.689)	2	(21.869)	24.737

SCHEDULE OF ASSETS UNDER DISPOSAL

Values in EUR/thousands

Company name	% held	Values as at 01/01/2009	Changes in the period					Values as at 30/09/2009
			Other changes	Acquisitions	Share capital increases	Disposals	Fair value adjustments	
Investments:								
AFT S.p.A.	25,49%	13.718	-	-	2.680	-	-	16.398
Advanced Accelerator Applications S.A.	15,31%	7.305	-	-	-	(7.305)	-	-
IM3D S.r.l.	17,86%	1.768	-	-	-	(1.768)	-	-
Cerma SA	17,90%	850	-	-	-	(850)	-	-
Sfera S.r.l.	48,00%	762	-	-	-	-	-	762
Sun System S.p.A.	15,94%	2.606	-	-	-	-	-	2.606
Nova Fronda	25,00%	1.500	-	-	-	(1.500)	-	-
Subsidiary assets								
Essere SpA Group	100,00%	5.686	(1.148)	-	-	-	-	4.538
Life Science Capital S.p.A. (formerly LM LS S.p.)	68,19%	2.123	-	-	-	(2.123)	-	-
Li Tech S.p.A.		1.370	-	-	-	(1.370)	-	-
		37.688	(1.148)	-	2.680	(14.916)	-	24.304