

S O P A F

**CONSOLIDATED QUARTERLY REPORT
AS AT SEPTEMBER 30, 2008**

SOPAF S.p.A.

Registered Office: Foro Buonaparte 24, 20121 Milan
Fully paid-up share capital: € 80,094,836.72
Companies Registry of Milan and T.C. 05916630154
registered with no. 20641 ex art 113 T.U.B. (Consolidated Banking Law)

BOARD OF DIRECTORS

Chairman	Giorgio Ciria
Vice Chairman and Managing Director	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	Riccardo Ronchi
Regular Auditors	Enrico Grosso
	David Reali
Alternate Auditors	Francesco Dori

Consolidated quarterly report as at September 30, 2008

DIRECTORS' REPORT

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DIRECTORS' REPORT

INTRODUCTION

This Quarterly Report as at September 30, 2008, "Interim Directors' Report" pursuant to art. 154 ter of Lgs. D. 58/1998, was drawn up in compliance with the said Legislative Decree and subsequent amendments, as well as with the Issuer Regulation by Consob.

This Quarterly Report has been drawn up in accordance with the International Accounting Principles ("IFRS") established by the International Accounting Standards Board ("IASB") and approved by the European Union

GROUP PERFORMANCE

The result of the Sopaf Group for the third quarter of the current financial year showed a profit of € 2.1 million, compared with a profit of € 0.1 million posted for the same period in 2007. The economic result for the first nine months of 2008 registered a loss of € 2.2 million, compared with a profit of € 40.3 posted for the same period in 2007. Consolidated shareholders' equity and minority interests totalled €178.9 million as at September 30, 2008, compared with € 179.4 million as at September 30, 2007. Consolidated shareholders' equity of the Group was € 172 million as at September 30, 2008, compared with € 176 million as at September 30, 2007.

The key figures for the Group in relation to the first nine months of the current financial year and the same period of 2007 are reported in the tables in the pages which follow. The 2007 financial year was characterised by the disposal of the investment in Omnipartecipazioni/Immsi that produced net capital gains for the Group totalling € 48.5 million.

In relation to market conditions, a strong deterioration of the economic framework continued during the quarter, accelerated in September by the serious crisis that involved the international financial world, with very uncertain future prospects on duration and intensity of the economic trend and on potential consequences on real economy. As a result of this deterioration, significant and continuous interventions were carried out by the main Governments involved, coordinated with their central banks to stem the propagation of the crisis from the financial to the production sector.

In these conditions where propensity to risk has greatly decreased and the financing conditions become extremely restrictive, the Sopaf Group registered a positive result totalling 2.1 million during the quarter. This result reflects the adjustment of the business strategy to the changed economic framework and is divided in the following lines:

- transfer of non-strategic assets in investment vehicles or placed with institutional investors, still sharing significantly the operating results by means of the delegation of management entrusted to Sopaf Capital Management SGR;
- concise transaction structuring on assets well-known by the Sopaf management that allow expected return arbitrage of such assets;
- reduction of operating structures by grouping together several functions;
- setting-up of Adenium Sicav, multi-sector open-ended investment company placed by the network of promoters of Banca Network Investimenti.

MAIN TRANSACTIONS CARRIED OUT DURING THE QUARTER

Product companies

On August 1, Sopaf Capital Management SGR started the Sopaf Small Cap Europe fund, after receiving the first subscription of shares totalling € 10 million by the parent company Sopaf SpA, as sponsor of the fund, on July 31.

On August 6, the Vintage Fund granted a management delegation to Sopaf Capital Management SGR; management commissions relevant to this delegation for 2008 shall amount to € 1.5 million.

Real Estate

During July and August, Sopaf S.p.A. subscribed new shares of the Tergeste real-estate fund amounting to € 7.5 million, liquidity used from the fund for executing some property deals including the purchase of a property in the town centre of Milan for an equivalent of € 27 million.

Industrial Investments

Within the rationalisation strategy of industrial investments that Sopaf started during 2007, on July 31, 2008 the Sopaf group transferred four industrial investments to a newly setup fund.

The initial investors of the fund are Paul Capital Partners IX, L.P., (American private equity fund) and Sopaf S.p.A. itself with a 5% share of the Fund for a total commitment of ca. € 2.5 million (including € 2 million already paid at the end of July).

The foreign fund called "Vintage Fund" (the "fund") purchased 28.9% of AFT S.p.A. from Sopaf SpA (i.e. half of the share held directly and indirectly by the group as at June 30, 2008), 28.4% of Green Bit S.p.A., 26.5% of Sila Holding Industriale S.p.A. and 24.7% of Res Finco AG. These three last shares were held directly and indirectly by LM & Partners SCA in liquidation, 100% controlled by Sopaf SpA.

The price of transfer for all the portfolio was equal to € 38.9 million and the agreement contemplates in favour of Sopaf earn-out clauses linked to values and time periods of the following divestments by the fund. Moreover, the fund will receive additional commitments from investors totalling € 12.5 million to allow additional investments in the acquired portfolio.

With reference to the disposal of the above-mentioned industrial investments, on August 1, the liquidator of LM & Partners SCA decided a partial distribution of income assigning € 22 million of liquidity to the sole shareholder, Sopaf SpA.

On last July 24, the Shareholders' meeting of Coronet S.p.A. in liquidation decided to annul the state of liquidation.

On August 31, the due date for the subscription of the increase in capital expired. Sopaf S.p.A. decided not to subscribe to the said increase.

In August, an interest-bearing loan was issued to Nova Fronda Srl, company that holds a controlling interest in a company working in the media field (production and distribution of documentary films by theme platforms).

Financial and insurance services

In July, the increase in capital of Essere Spa was executed; Sopaf SpA increased its shareholding from 35.77% to 81.87% by partially converting the capital contribution carried out in May totalling € 491,200.

On August 22, Sopaf notified Delta SpA the assertion of its own right of withdrawal for a number of 16,967,900 shares pursuant to art. 2437, sub-paragraph 1, let. a), following the Extraordinary Shareholders' Meeting, held on August 6, 2008, which approved the adoption of a new text of the articles of association that changes the business purpose allowing the company to carry on the activity of banking parent company.

With reference to the amendment to the articles of association concerning the business purpose and also considering the development of the economic, financial and managerial structure of Delta SpA, as well as its property structure, Sopaf considered it essential to protect its own interests by asserting the right of withdrawal and by reserving the right to start all the actions required for determining the break-up value as regulated by the Italian Civil Code.

In fact, in this regard, during the extraordinary shareholders' meeting of August 6, the directors of Delta SpA refused to recognise the right of withdrawal of the dissenting shareholders advancing as argument the fact that they did not consider the change of the business purpose significant enough for giving rise to the right.

In compliance with a decision of the meeting of April 29, 2008, on August 21 the shareholders of Banca Network executed an increase in share capital from € 16 million to € 30 million plus a share premium reserve equal to € 6 million.

Other financial transactions

On July 16, Sopaf S.p.A. subscribed the third and last tranche for an amount totalling \$ 5 million of the private equity Infrastructure and Growth Capital Fund managed by Abraaj Capital, leading company in infrastructure investments in the MENASA region (Middle East, North Africa and Southeast Asia). With this subscription, the Sopaf investment amounts to \$ 10 million, at 0.5% of the subscribed shares.

As to this last shareholding, on August 7 the fund recognised \$1.5 million by way of partial repayment of the subscription in that the fund, in turn, collected extraordinary liquidity deriving from the disposal of a company.

On August 6, the board of directors of China Opportunity SA Sicar approved the increase in capital in progress, subscribed and paid for a total of € 14.8 million. For the Sopaf group, Cutter Sarl subscribed the increase in capital of class A shares totalling € 151,300, whereas the increase in capital of class B shares was subscribed by Sopaf SpA for € 2.7 million in that the company of the Group that held the shareholding in the capital of the sicar, LM & Partners, (100% controlled by Sopaf SpA) is currently in liquidation, therefore the liquidator considered it consistent with his mandate the transfer of the right to subscribe the increase in capital to its sole shareholder.

During the same meeting, the board of directors of China Opportunity also decided the transfer of class B shares held by LM & Partners to Sopaf SpA by means of a partial distribution of the winding-up income, distribution formally carried out on the same date by the liquidator by assigning no. 5.000 class B shares to Sopaf SpA for an invested equivalent of € 5 million.

On September 12, the shareholders' meeting of Cutter Sarl decided the winding-up of the company with immediate effect, transferring the ownership of Class A shares of China Opportunity to the sole shareholder, Sopaf SpA.

On September 26, Sopaf acquired from third-party investors no. 20 shares of the private equity fund Igi Investimenti Quattro, for a subscription commitment totalling € 1 million.

On September 30, the winding-up of the Beven Finance Sarl vehicle was executed.
 On September 30, Sopaf SpA executed an asset swap transaction with a leading foreign banking counterpart that contemplates for Sopaf, in exchange for a fixed rate, the recognition of income flows related to the distribution of extraordinary dividends/income of the Fondo Immobili Pubblici.

SUMMARY STATEMENT OF THE MAIN SHAREHOLDINGS HELD BY THE SOPAF GROUP AS AT September 30, 2008

Investments in associated accounted for using the net equity method

Values in thousand of Euro

	30.09.2008	31.12.2007
Financial area		
Polis Fondi Sgr.p.A.	8,040	8,053
Five Stars S.A.	4,168	4,291
China Opportunity S.A. Sicàr	11,665	7,479
Pwm Aig multimanager Fund	-	13,582
Petunia S.p.A.	40,140	38,541
Banca Network Investimenti S.p.A.	19,984	19,172
Area Life Int ass. Limited	8,051	9,129
Aviva Previdenza SpA	15,469	-
Real Estate area		
Firanegocios S.L.	3,837	3,861

Financial assets available for sale accounted for at fair value

Values in thousand of Euro

	30.09.2008	31.12.2007
Financial area		
Delta S.p.A.	96,000	96,000
Management&Capitali SpA	-	3,663
Conafi Prestito' S.p.A.	2,880	4,004
The Infr.&Growth C.Fund	8,230	-
HSBC AM Monetarie	-	1,560
Vintage Fund Oeic	1,995	-
Real Estate area		
Immobiliare Appia S.r.l.	1,783	1,967
F.I.P. - Fondo Immobili Pubblici	-	19,017
Fondo Valore by Avere AM	2,488	2,000
Industrial area		
IMMSI SpA	2,943	-
Sadi S.p.A.	2,774	4,946
Advanced Accelerator Applications SA	-	14,884
IM3d S.r.l.	-	1,500

Investments held for sale

Values in thousand of Euro

	30.09.2008	31.12.2007
Industrial area:		
AFT S.p.A.	12,374	7,608
Sila S.p.A.	-	4,087
Nearco Sarl	-	1,433
Sfera S.r.l.	789	-
Sun System SpA	2,606	-
Green Bit S.p.A.	241	4,900
Res Finco AG	-	10,180
Advanced Accelerator Applications S.A.	14,883	-
IM3D S.r.l.	1,767	-
Cerma SA	850	-

With reference to the certifications set forth in art. 2.6.2 sub-paragraph 15 of the Stock-Exchange Regulations relevant to the adjustment to the conditions set forth in art. 36 et sequitur of the Market Regulation of CONSOB, the company does not control relevant companies set-up and governed by laws of non-EU countries according to the provisions set forth in heading VI, paragraph II of the regulation adopted by CONSOB with resolution no. 11971 of 1999 and subsequent amendments.

The provisions contained in sub-paragraph 1 of art. 36 of the Market Regulations cannot be applied.

As for the conditions provided by art. 37 of the Market Regulations, the company is not subject to the management and co-ordination activity of another company.

SIGNIFICANT EVENTS RELEVANT TO THE GROUP SUBSEQUENT TO September 30, 2008

On October 8, 2008, Sopaf S.p.A. executed the purchasing agreement of 51% of the share capital of Polis Fondi SGR p.A. by some co-operative credit banks for a total consideration of € 9.5 million.

The purchase is subject to the obtainment by the Supervisory Authorities, no later than March 2, 2009, of the required authorisations relevant (i) to the purchase of the shareholding and (ii) to the regulatory alterations of the Polis Fund regarding the introduction of an Advisory Committee.

On October 8, 2008 Sopaf purchased from third-party investors an additional 10.13% of the share capital of Essere, increasing its shareholding from 81.87 to 92%.

On October 10, 2008 the shareholders' meeting of Nearco Invest S.à r.l. decided the voluntary winding-up of the company and appointed the liquidator.

On October 15, SOPAF S.p.A. signed with Nova Fronda S.r.l. and another investor an investment agreement that contemplates the subscription by SOPAF of 25% of Nova Fronda S.r.l. by means of capital increase, reserved to it, to be discharged by setting off the loan of € 1.4 million issued in August, September and October 2008 and the relevant integration for an overall amount of € 230 thousand, amount paid by SOPAF in November 2008.

On October 15, Sopaf SpA, as sponsor of the initiative, set up the company of Luxembourg law, Adenium Sicav, multi-sector open-ended investment company for which it will shortly request the authorisation to the Supervisory Authorities for the placing in Italy, distribution that the OEIC shall exclusively assign to Banca Network.

On October 16, the Board of Directors of Sopaf SpA started a new disposal plan relevant to some industrial assets of the Group; the operation is part of the strategy of transforming part of the assets of the Group in Funds mainly subscribed by third-party investors whose management delegation is granted to the Asset Management Companies of the Group.

Within the reorganisation and simplification process of the Sopaf group, the Supervisory Authorities authorised the merger of PWM SGR into SCM SGR with a measure of October 22, 2008; the directors of both companies expect to complete the merger procedure no later than December 31, 2008.

OUTLOOK

In the current difficult economic outlook, the Sopaf management is re-designing its own activities by selling non-strategic assets, consequently improving the net financial position, expanding the activities related to asset management and decreasing structure costs.

The prospects for the close of the financial year have an upward trend compared to the result achieved as at September 30, 2008.

Milan, November 12, 2008

Chairman of the Board of Directors

Giorgio Ciria

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Values in thousand of Euro

	Notes	Quarter			
		01.07.2008	01.07.2007	01.01.2008	01.01.2007
		30.09.2008	30.09.2007	30.09.2008	30.09.2007
		3 months	3 months	9 months	9 months
Revenues	25	1,863	1,098	5,065	4,220
Other income	26	176	159	18,657	1,043
Purchase of materials and external services	27	(2,470)	(1,804)	(7,820)	(8,076)
Personnel costs	28	(1,233)	(1,108)	(4,984)	(3,750)
Other operating costs	29	(433)	(656)	(1,625)	(4,083)
EBITDA		(2,097)	(2,311)	9,293	(10,646)
Provisions for risks and writedowns/write-offs		-	-	(4,577)	(10,295)
Depreciation and amortisation		(60)	(226)	(582)	(656)
Gains (losses) from disposal of non-current assets	30	3,127	2,553	5,622	62,597
Operating profit		970	16	9,756	41,000
Group's share of the result of investments accounted for using the net equity method	31	(84)	686	(5,110)	1,911
EBIT		886	702	4,646	42,911
Financial income		4,954	360	7,064	4,690
Financial charges		(4,600)	(2,025)	(12,458)	(5,597)
Net financial income (charges)	32	354	(1,665)	(5,394)	(907)
Gross profit		1,240	(963)	(748)	42,004
Current taxes		305	87	(327)	(102)
Deferred taxes		1,069	824	(689)	(1,663)
Income taxes	33	1,374	911	(1,016)	(1,765)
Net result from continuing operations		2,614	(52)	(1,764)	40,239
Result from assets held for sale	34	(661)	-	(731)	-
Net result		1,953	(52)	(2,495)	40,239
Attributable to:					
Minority interests		(170)	(191)	(272)	(71)
Group		2,123	139 -	(2,223)	40,310

Earnings per share (in Euro)

From continuing operations and assets held for sale:

- Base	(0.0059)	0.09540
- Diluted	-	0.0840
From continuing operations:		
- Base	(0.0042)	0.09540
- Diluted	-	0.0840

CONSOLIDATED BALANCE SHEET

Values in thousand of Euro

	Note s	30.09.2008	31.12.2007
Goodwill	4	2,476	2,860
Intangible assets		146	684
Tangible assets	5	2,656	23,541
Investments in associates / jointly controlled entities	6	113,691	116,117
Financial assets	7	130,172	157,031
Other assets		25	-
Tax credits	8	4,526	18,208
Deferred tax assets	9	6,463	5,517
Total non-current assets		260,155	323,958
Inventories	10	28,392	94
Receivables and other trade receivables		1,176	876
Other receivables and other assets	11	22,841	14,451
Other financial assets	12	36,893	7,298
Financial derivative instruments	13	6,035	-
Cash and cash equivalents		7,886	21,727
Total current assets		103,223	44,446
Assets classified as held for sale	14	47,436	28,208
Total assets		410,814	396,612
Share capital		80,095	80,002
Treasury shares		(2,364)	(174)
Undivided profits		94,202	95,041
Group shareholders' equity	15	171,933	174,869
Minority interest	16	6,942	7,173
Total shareholders' equity		178,875	182,042
Bonds	17	44,328	43,390
Due to banks and other lenders	18	75,036	61,557
Financial leases payable		542	14,840
Other liabilities	19	10,441	10,612
Liabilities for pension benefits and severance pay		422	350
Deferred tax liabilities		124	303
Provisions		1,141	1,647
Total non-current liabilities		132,034	132,699
Bonds - Current portion	20	269	755
Due to banks and other lenders	21	79,637	59,099
Financial leases payable		37	1,023
Financial derivative instruments		20	11
Trade payables	22	2,899	4,896
Other liabilities	23	9,106	16,087
Total current liabilities		91,968	81,871
Liabilities related to Assets held for sale	24	7,937	-
Total shareholders' equity and liabilities		410,814	396,612

CONSOLIDATED NET FINANCIAL POSITION

Net financial position of the Sopaf S.p.A. Group as at September 30, 2008 shows a negative amount of € 149.035 thousand and is broken down as follows:

SOPAF GROUP

Values in thousand of Euro

NET FINANCIAL POSITION	30.09.2008	30.06.2008	31.03.2008	31.12.2007	30.09.2007
Cash	17	10	11	10	127
Other cash and cash equivalents	7,869	15,016	11,012	21,715	23,661
Derivative instruments and securities held for trading	15,337	735	1,821	3,017	1,176
TOTAL LIQUID ASSETS	23,223	15,761	12,844	24,742	24,964
Current financial receivables	27,590	22,835	22,199	4,282	3,042
Current bank debts	(79,612)	(81,191)	(75,760)	(57,963)	(48,294)
Other current financial debts	(330)	(22)	(11,173)	(2,914)	(738)
CURRENT BORROWING	(79,942)	(81,213)	(86,933)	(60,877)	(49,032)
NET CURRENT BORROWING	(29,129)	(42,617)	(51,890)	(31,853)	(21,026)
Non-current bank debts	(70,417)	(68,390)	(61,602)	(57,162)	(63,510)
Bonds issued	(44,328)	(43,981)	(43,639)	(43,390)	(43,314)
Other non-current debts	(5,161)	(5,095)	(19,216)	(19,234)	(8,067)
NON-CURRENT BORROWING	(119,906)	(117,466)	(124,457)	(119,786)	(114,891)
NET BORROWING	(149,035)	(160,083)	(176,347)	(151,639)	(135,917)

The change in the net financial position as to the previous financial period (June 30, 2008) is mainly attributable to the increase in *current financial receivables*, receivables deriving from the sale of non-strategic assets for the Group, receivables collected after September 30, 2008, and *derivatives and securities held for trading* where the derivative product on Fondo Immobili Pubblici and the shares of the Sopaf Small Cap Europe fund were classified, shares subscribed at the end of July 2008 by the parent company, Sopaf SpA, as sponsor of the fund.

The Group bank borrowing component remained practically unchanged compared to June 30, 2008 even though the bank borrowing of the parent company, Sopaf SpA, decreased from € 147 million at June 30 to € 129 million at September 30, whereas the bank borrowing of the Tergeste fund increased by € 19 million due to the acquisition of a new property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT SEPTEMBER 30, 2008

1 FORM AND CONTENTS OF THE QUARTERLY REPORT

This Quarterly Report as at September 30, 2008, *Interim Directors' Report pursuant to art. 154 ter of Lgs. D. 58/1998*, was drawn up in compliance with the said Legislative Decree and subsequent amendments, as well as with the Issuer Regulation by Consob. The Sopaf Group has drawn up this Quarterly Report in accordance with the International Accounting Standards issued by the International Accounting Standard Board and approved by the European Union, with the exception of IAS 34, as allowed by art. 82 of the aforementioned regulations.

Since Sopaf holds controlling interests in companies, the Quarterly report has been prepared on a consolidated basis. As in previous Quarterly reports, all of the information included in this report refers to the consolidated data of the Sopaf Group.

It is furthermore noted that the information contents of this report are not similar to those for a complete set of financial statements prepared in accordance with IAS 1.

GENERAL PRINCIPLES

As indicated above, this Quarterly Report has been prepared in conformity with the International Financial Reporting Standards (IFRS).

The accounting standards and evaluation criteria adopted in this Quarterly Report are the same as those used in the preparation of the previously published interim financial reports and the consolidated financial statements for the year ending December 31, 2007, which are illustrated in the section of the annual report entitled "Accounting standards and Basis for Preparation" to which reference is made.

The preparation of this report did not entail any significantly greater use of estimates vis-à-vis the preparation of the annual accounts; the evaluation and consolidation criteria used for the preparation of this report are the same as those used for the preparation of the consolidated financial statements as at December 31, 2007.

The quarterly reports of the subsidiary companies used for the preparation of this consolidated Quarterly Report are those made available by their administrative areas; such statements have been reclassified, if necessary, to bring them in line with the reports of the Parent company.

Unless otherwise specified, the figures in the quarterly report are denominated in thousands of euros.

CONSOLIDATION CRITERIA

The scope of consolidation includes the Parent company, Sopaf S.p.A., and the companies controlled by it, namely, those companies over which the parent company has the power, directly or indirectly, to determine the financial and operating policies for the purpose of obtaining the benefits therefrom.

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

AMENDMENTS AND INTERPRETATIONS APPLIED DURING THE PERIOD

On October 13, 2008, IASB issued an amendment to IAS 39 – “Financial Instruments: Recognition and Measurement” and to IFRS7 – “Derivatives – Additional information” that allows, in special circumstances, to reclassify some financial assets other than derivatives from the accounting category called “accounted for at fair value through profit and loss”. The amendment also allows to transfer loans and receivables from the “available for sale” accounting category to the “held to maturity” accounting category if the company intends and is able to hold such instruments for a certain period to come. The amendment is applicable as from July 1, 2008. However, its adoption did not imply significant accounting data in this Quarterly Report since the Group did not carry out any of the reclassifications allowed by it.

AMENDMENTS AND INTERPRETATIONS NOT YET APPLICABLE AND NOT ADOPTED IN ADVANCE BY THE GROUP

On November 30, 2006, IASB issued the IFRS 8 accounting principle – Operating Segments that must be applied as from January 1, 2009 instead of IAS 14 – Segment information. The adoption of this principles shall have no effect from the point of view of the evaluation of the balance-sheet items.

On March 29, 2007, the IASB issued a revised IAS 1 – Presentation of Financial Statements that must be applied as from January 1, 2009.

At the date of this quarterly report, the competent bodies of the European Union have not yet completed the approval process required for applying this principle.

On January 10, 2008, the IASB issued an updated version of IFRS 3 – Business Combinations and amended IAS 27 – Consolidated and Separate Financial Statements.

The new rules must be applied in perspective as from January 1, 2010.

At the date of this quarterly report, the competent bodies of the European Union have not yet completed the approval process required for applying the principle and the amendment.

On January 17, 2008 IASB issued an amendment to IFRS2 – Vesting conditions and cancellations in measuring share-based payments. The amendment must be applied as from January 1, 2009. At the date of this quarterly report, the competent bodies of the European Union have not yet completed the approval process required for applying the amendment.

SPECIFIC CRITERIA FOR REPORTING INTERIM RESULTS

Seasonality

The profit and loss account for the third quarter is not influenced to any significant extent by seasonal factors.

Tax

Taxes are calculated on interim results on the basis of the tax rate that is expected to be applied for the full year.

Costs

Costs that are incurred unevenly during a financial year are anticipated and/or deferred to the end of the quarter if the anticipation or deferral complies with the accounting principles used for the preparation of the annual financial statements.

3 SCOPE OF CONSOLIDATION

The consolidated financial statements have been prepared with reference to the accounting statements as at September 30, 2008 that have been submitted by the respective consolidated companies, and adjusted, where necessary, to bring them into line with the Group's classification criteria and accounting principles (IFRS).

The table below shows the companies included in the scope of consolidation as at September 30, 2008.

Company name	Directly	Indirectly	Shareholding %	Registered office	Country	Currency	Consolidation method
Parent Company:							
Sopaf S.p.A.							
Direct subsidiary companies:							
LM & Partners S.C.A. (in liquid.)	100.00%		100.00%	Luxembourg	Luxembourg	Euro	Full
PWM Sgr.p.A. (**)	100.00%		100.00%	Milan	Italy	Euro	Full
Tergeste	100.00%		100.00%	Milan	Italy	Euro	Full
Sopaf Capital Management SGR S.p.A.	100.00%		100.00%	Milan	Italy	Euro	Full
Life Science Capital S.p.A.	68.19%		68.19%	Milan	Italy	Euro	Full
Sopaf Asia Sarl	85.00%		85.00%	Luxembourg	Luxembourg	Euro	Full
Essere S.p.A.	81.87%		81.87%	Milan	Italy	Euro	Full
Direct associated companies:							
Polis Fondi S.gr.p.A.	49.00%		49.00%	Milan	Italy	Euro	Net equity method
Petunia S.p.A.	59.38%		59.38%	Milan	Italy	Euro	Net equity method
S.f.e.r.a. S.r.l.	48.00%		48.00%	Agrate Brianza	Italy	Euro	Net equity method
Five Stars S.A.	99.99%		99.99%	Luxembourg	Luxembourg	Euro	Net equity method
Aft S.p.A.	28.32%	5.10%	33.42%	Milan	Italy	Euro	Net equity method
Banca Network Investimenti S.p.A.	14.99%	29.64%	44.63%	Milan	Italy	Euro	Net equity method
Area Life International Assurance ltd	45.00%		45.00%	Dublin	Ireland	Euro	Net equity method
Nearco Invest Sarl	49.00%		49.00%	Luxembourg	Luxembourg	Euro	Net equity method
Aviva Previdenza S.p.A.	45.00%		45.00%	Milan	Italy	Euro	Net equity method
ASM Lomellina Inerti S.r.l.	33.00%		33.00%	Vigevano	Italy	Euro	Net equity method
Sopaf&Partners Re -Investimenti S.r.l.	40.00%		40.00%	Milan	Italy	Euro	Net equity method
China opportunity SA	44.28%		44.28%	Luxembourg	Luxembourg	Euro	Net equity method
Direct investments:							
Noventi Field Venture II LP	2.32%		2.32%	Menlo Parc CA	USA	Euro	Cost
Volare S.p.A. (in liquidation)	24.60%		24.60%	Vicenza	Italy	Euro	Cost
Sadi Servizi Industriali S.p.A.	2.54%		2.54%	Milan	Italy	Euro	Fair value
Demofonte Srl	15.00%		15.00%	Monza	Italy	Euro	Cost
Delta S.p.A.	15.95%		15.95%	Bologna	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%	Mantua	Italy	Euro	Fair value
Ezechiele Lda	19.90%		19.90%	Portugal	Portugal	Euro	Cost
The Infr.&Growth C.Fund	0.50%		0.50%	Dubai	Arab Emirates	Euro	Fair value
Sun System S.p.A.	15.94%		15.94%	Milan	Italy	Euro	Cost
Vintage Fund Oeic	5.00%		5.00%	Luxembourg	Luxembourg	Euro	Fair value
Small Cap Europe Fund	100.00%		100.00%	Milan	Italy	Euro	Fair value
IGI Investimenti quattro	0.99%		0.99%	Milan	Italy	Euro	Fair value
Indirect subsidiary companies:							
<i>- through Life Science capital S.p.A.</i>							
Li Tech S.p.A.		94.00%	64.10%	Monterotondo	Italy	Euro	Full
<i>- through Essere S.p.A.</i>							
Essere Assicurazioni S.r.l.		100.00%	81.87%	Milan	Italy	Euro	Net equity method
Bridge Financial Service S.r.l.		100.00%	81.87%	Milan	Italy	Euro	Net equity method
Indirect associated companies:							
<i>- through LM & Partners S.C.A.(in liquid.)</i>							
Mirror tre S.a.r.l. (in liquidation)		25.00%	25.00%	Luxembourg	Luxembourg	Euro	Net equity method
Westindustrie S.r.l.		22.00%	22.00%	Milan	Italy	Euro	Cost
<i>- through Petunia S.p.A.</i>							
Banca Network Investimenti S.p.A.		49.92%	44.63%	Milan	Italy	Euro	Net equity method
<i>- through Tergeste Fund</i>							
Firanegocios SA		25.50%	25.50%	Barcelona	Spain	Euro	Net equity method
Cose S.r.l.		50.00%	50.00%	Milan	Italy	Euro	Net equity method
Falonio S.r.l.		20.00%	20.00%	Milan	Italy	Euro	Net equity method
<i>- through Nearco S.a.r.l.</i>							
Aft S.p.A.		10.41%	33.42%	Milan	Italy	Euro	Net equity method
<i>- through Sopaf&Partners RE Invest. S.r.l.</i>							
Sprei 1 S.r.l.		100.00%	40.00%	Milan	Italy	Euro	Net equity method
Sprei 2 S.r.l.		100.00%	40.00%	Milan	Italy	Euro	Net equity method
Indirect investments:							
<i>- through LM & Partners S.C.A.(in liquid.)</i>							
Green BIT S.p.A.		2.18%	2.18%	Grugliasco	Italy	Euro	Fair value
Blue H Goup		1.28%	1.28%	Oosterhout	Holland	Euro	Cost
Valore by Avere AM SCA		11.90%	11.90%	Luxembourg	Luxembourg	Euro	Cost
<i>- through Tergeste Fund</i>							
Immobiliare Appia		15.00%	15.00%	Milan	Italy	Euro	Fair value
<i>- through Life Science capital S.p.A.</i>							
Advanced Accellerator Applications S.A.		16.27%	11.09%	Saint Genis Pouilly	France	Euro	Fair value
IM3d S.p.A.		17.86%	12.18%	Turin	Italy	Euro	Cost
Cerma SA		17.90%	12.21%	Archamps	France	Euro	Cost
<i>- through 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 classified as assets held for sale
(**) also through treasury shares equal to 9.99%

Changes in the scope of consolidation as at September 30, 2008 compared to December 31, 2007:

SUBSIDIARY COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Activity
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Full consolidation method

<input type="checkbox"/> Essere SpA	Italy	Financial services
<input type="checkbox"/> Essere Assicurazioni S.r.l.	Italy	Financial services
<input type="checkbox"/> Bridge Financial Service S.r.l.	Italy	Financial services

SUBSIDIARY COMPANIES EXCLUDED FROM THE SCOPE OF CONSOLIDATION	Country	Activity
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Full consolidation method

<input type="checkbox"/> Cutter Sarl	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Siskin SA	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Eolia SA	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Tenerani Srl	Italy	Investments in shareholdings

ASSOCIATED COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Activity
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Net equity method

<input type="checkbox"/> Aviva Previdenza S.p.A.	Italy	Insurance services
<input type="checkbox"/> Sprei 1 S.r.l.	Italy	Real estate
<input type="checkbox"/> Sprei 2 S.r.l.	Italy	Real estate
<input type="checkbox"/> Falonio Srl	Italy	Real estate
<input type="checkbox"/> Sopaf&Partners RE S.r.l.	Italy	Real estate

ASSOCIATED COMPANIES EXCLUDED FROM THE SCOPE OF CONSOLIDATION	Country	Activity
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Net equity method

<input type="checkbox"/> AFT SpA and its subsidiaries	Italy	Industrial
<input type="checkbox"/> Essere SpA and its subsidiaries	Italy	Financial services
<input type="checkbox"/> Sila SpA	Italy	Industrial
<input type="checkbox"/> PWM AIGGIG Multimanager Fund	Italy	Investment trust
<input type="checkbox"/> Beven Finance Sarl	Luxembourg	Investments in shareholdings

Changes in the scope of consolidation as at September 30, 2008 compared to September 30, 2007:

SUBSIDIARY COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Activity
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Full consolidation method

<input type="checkbox"/> Essere SpA	Italy	Financial services
<input type="checkbox"/> Essere Assicurazioni S.r.l.	Italy	Financial services
<input type="checkbox"/> Bridge Financial Service S.r.l.	Italy	Financial services
<input type="checkbox"/> Li Tech S.p.A.	Italy	Medical equipment

SUBSIDIARY COMPANIES EXCLUDED FROM THE SCOPE OF CONSOLIDATION	Country	Activity
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Full consolidation method

<input type="checkbox"/> LM Real Estate S.p.A. (merged into Sopaf S.p.A.)	Italy	Investment property
<input type="checkbox"/> IDA S.r.l. (merged into Sopaf S.p.A.)	Italy	Investments in shareholdings
<input type="checkbox"/> LM IS S.a.r.l. (wound-up)	Luxembourg	Management company
<input type="checkbox"/> Vector 102 S.r.l.	Italy	Real estate
<input type="checkbox"/> Acal S.p.A. (merged into Sopaf S.p.A.)	Italy	Investments in shareholdings
<input type="checkbox"/> Cutter Sarl (wound-up)	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Siskin SA	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Eolia SA	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Tenerani Srl	Italy	Investments in shareholdings

ASSOCIATED COMPANIES INCLUDED IN THE SCOPE OF CONSOLIDATION	Country	Activity
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Net equity method

<input type="checkbox"/> ASM Lomellina Inerti S.r.l.	Italy	Waste disposal
<input type="checkbox"/> Sprei 1 S.r.l.	Italy	Real estate
<input type="checkbox"/> Sprei 2 S.r.l.	Italy	Real estate
<input type="checkbox"/> Aviva Previdenza S.p.A.	Italy	Insurance services
<input type="checkbox"/> Sopaf&Partners RE S.r.l.	Italy	Real estate
<input type="checkbox"/> Falonio Srl	Italy	Real estate

ASSOCIATED COMPANIES EXCLUDED FROM THE SCOPE OF CONSOLIDATION	Country	Activity
Net equity method		
<input type="checkbox"/> Telma S.r.l.	Italy	Real estate
<input type="checkbox"/> TauCeti S.r.l.	Italy	Real estate
<input type="checkbox"/> Buena Suerte S.r.l.	Italy	Real estate
<input type="checkbox"/> Agorà S.r.l.	Italy	Real estate
<input type="checkbox"/> Valim S.r.l.	Italy	Real estate
<input type="checkbox"/> Intarch S.r.l.	Italy	Real estate
<input type="checkbox"/> Facere S.r.l.	Italy	Real estate
<input type="checkbox"/> AFT SpA and its subsidiaries	Italy	Industrial
<input type="checkbox"/> Essere SpA and its subsidiaries	Italy	Financial services
<input type="checkbox"/> Sila SpA	Italy	Industrial
<input type="checkbox"/> PWM AIGGIG Multimanager Fund	Italy	Investment trust
<input type="checkbox"/> Beven Finance Sarl	Luxembourg	Investments in shareholdings
<input type="checkbox"/> Second Mirror SA (in liquidation)	Luxembourg	Industrial

Consolidation criteria and valuation of shareholdings

The scope of consolidation includes investments in associates whenever the investing company owns more than 20 percent, a percentage deemed sufficient for presuming the investing company's significant influence, but not control, over the financial and operating policies of the associated company.

Investments in such associates are accounted for using the net equity method.

The controlling interest in Essere SpA and of the relevant controlling interests in Essere Assicurazioni Srl and Bridge Financial Services S.r.l. were classified among assets held for sale in the light of the initiatives undertaken by the management of the Parent Company over the last months of 2008 directed to their disposal within an aggregation project with other financial intermediaries.

The controlling interest in Life Science Capital S.p.A. and of the relevant investments in Advanced Accelerator Applications SA, Li Tech S.p.A., IM3D S.p.A., Cerma S.A., the Sun System S.p.A. and AFT S.p.A. and the associated shareholding, Sfera S.r.l., were classified among assets held for sale in the light of the initiatives undertaken by the management of the Parent Company over the last months of 2008 directed to the transfer of industrial shares held by the Group to some investors.

Although the Group holds the majority in Five Stars S.A. (99.9 percent), the investment is not fully consolidated inasmuch as the company's board of directors decided statutory amendments on May 10, 2006, thereby eliminating the conditions precedent for the holders of warrants to exercise and convert their warrants into Class B shares. In the light of this circumstance (the immediate conversion into Class B shares would give an absolute majority of the voting rights to the warrant holders), and the fact that the current shareholder does not assume the majority of the business risks related to the company and enjoys only a limited portion of the benefits of the investment, the Group no longer fully consolidates the investment, as provided by IAS 27. In this regard, the free exercise of the warrants and the mechanism that governs the substitution of the directors are elements that automatically vest the control of the board of directors with the warrant holders (in other words, if the current directors were to take business/financial decisions against the warrant holders' will, the formal control of the

company, via the conversion of the warrants into shares, would be effected immediately).

On August 1, Sopaf Capital Management SGR started the Sopaf Small Cap Europe fund, after receiving the first subscription of shares totalling € 10 million by the parent company Sopaf S.p.A., as sponsor of the fund, on July 31. Such hedge fund is intended for trading investments in “small cap” shares listed on European markets and the relevant participating investment is registered in the financial assets held for trading and therefore designated at fair value recognised in the profit and loss account consistent both with the methods of management and evaluation of the investment trend and with the investment strategy of the group and of the related risk management policies and of the internal management disclosure lines of the Group.

The Group holds 59.4% of Petunia S.p.A., however it does not control the company since it holds 49% of class A shares that assign the voting rights and the remaining percentage in class B shares that grant exclusively economic rights but without the right to vote. Therefore the shareholding was accounted for using the net equity method.

INFORMATION ON THE CONSOLIDATED BALANCE SHEET

The following tables summarise the main economic and financial data of the Group. The economic figures refer to the quarter as at September 30, 2008 and are compared with the figures of the same period of 2007.

The financial data refers to the quarter as at September 30, 2008 and is compared with the data of the interim period as at June 30, 2008 and of the last financial year as at December 31, 2007.

ASSETS

NON-CURRENT ASSETS

4 Goodwill

This item amounts to € 2,476 thousand and includes the goodwill deriving from the consolidation of PWM SGR S.p.A. totalling € 1,599 thousand and of Sopaf Capital Management SGR S.p.A. totalling € 877 thousand.

The decrease compared to June 30, 2008 of € 384 thousand refers to the goodwill of the Li Tech S.p.A. shareholding that, following the disposal plan in progress related to the same shareholding, was reclassified in assets held for sale.

The item is broken down as follows:

	30.09.2008	30.06.2008	31.12.2007
PWM SGR S.p.A.	1,599	1,599	1,599
Li Tech S.p.A.	-	384	384
Sopaf Capital Management SGR S.p.A.	877	877	877
	2,476	2,860	2,860

5 Tangible assets

They amount to € 2,656 thousand and reflect a decrease of € 20,885 thousand as to December 31, 2007 mainly due to the transfer of financial lease contracts (totalling a net overall value of € 20,984 thousand) stipulated at that time with Locat S.p.A. and concerning the property and relevant furniture located in Foro Buonaparte in Milan, transfer that determined an overall capital gain of € 16,864 thousand during the first half-year of 2008.

During the quarter as at September 30, 2008, the item decreases by € 43 thousand mainly due to the depreciations for the period.

6 Investments in associates / jointly controlled entities

This item amounts to € 113,691 thousand and reflects a decrease of € 1,898 thousand compared to the values as at June 30, 2008.

The item is broken down as follows:

	30.09.2008	30.06.2008	31.12.2007
Investments in associates			
Polis Fondi Sgr.p.A.	8,040	7,877	8,053
Beven Finance S.àr.l.	-	11,079	11,126
Firanegocios S.L.	3,837	3,885	3,861
Five Stars S.A.	4,168	4,872	4,291
China Opportunity S.A. Sicàr	11,665	7,395	7,479
Essere S.p.A.	-	1,494	277
Mirror Tre S.àr.l. (in liquidation)	-	-	-
CO.SE. S.r.l.	90	103	113
S.F.E.R.A. S.r.l.	-	778	461
Westindustrie S.r.l.	2	2	2
Nearco Sarl	1,409	1,415	-
Pwm Aig multimanager Fund	-	-	13,582
Petunia S.p.A.	40,140	35,149	38,541
Banca Network Investimenti S.p.A.	19,984	17,452	19,172
Area Life Int ass. Limited	8,051	8,157	9,129
Aviva Previdenza SpA	15,469	15,875	-
Sopaf&Partners RE S.r.l.	38	33	-
Falonio S.r.l.	769	-	-
ASM Lomellina Inerti S.r.l.	29	23	30
	113,691	115,589	116,117

The changes in shareholdings during the quarter are reported in the Enclosure.

The increases during the quarter total € 14,379 thousand and mainly refer to:

- capital grants reserve carried out for Petunia S.p.A. for the increase in capital of Banca Network Investimenti S.p.A. for € 5,905 thousand;
- the payment and subscription of 14.99% of the increase in capital with price above par of Banca Network investimenti S.p.A. on August 19, 2008, for € 2,997 thousand;
- the subscription of 20% of the share capital of Falonio S.r.l. by the subsidiary company, Fondo Tergeste, for € 769 thousand;
- the subscription of the increase in capital of China Opportunity S.A. occurred on August 6 - increase in capital subscribed for an overall amount of € 14.8 million - for € 2,817 thousand;
- The adjustment of the Group's share of quarterly earnings of the following companies in which investments are held: Polis Fondi SGR.p.A. (€ 163 thousand), Five Stars S.A. (€ 249 thousand), China Opportunity SA (€ 1,453 thousand), ASM Lomellina Inerti S.r.l. (€ 5 thousand), Beven Finance Sàrl (€ 3 thousand) and Sopaf&Partners RE S.r.l. (€ 6 thousand).

The decreases during the quarter total € 16,277 thousand and mainly refer to:

- the adjustment of the Group's share of quarterly losses for the following companies in which investments are held: Co.Se S.r.l. (€ 13 thousand), Nearco S.a.r.l. (€ 6 thousand), Firanegocios S.L. (€ 48 thousand), Sfera Srl (€ 8 thousand), Area Life International Assurance Limited (€ 105 thousand), Aviva Previdenza S.p.A. (€ 405 thousand), Banca Network Investimenti S.p.A. (€ 464 thousand) and Petunia S.p.A. (€ 914 thousand) mainly due to the Group's share of quarterly losses of the investment directly held in Banca Network;
- the termination of the winding-up procedure of Beven Finance Sarl from which the subsidiary company, LM&Partners SCA (in liquidation), obtained the assignment of credits towards Sopaf S.p.A. totalling € 10.694 thousand for € 11,082 thousand;
- the reclassification of the Essere S.p.A. shareholding that was fully consolidated through the assets held for sale as from the quarter as at September 30, 2008 for € 1,494 thousand. In July 2008 Sopaf S.p.A. increased its shareholding from 35.77% to 81.87% by reforming the share capital for € 552 thousand, thanks to the partial conversion of the capital contribution carried out during the first-half of 2008;
- the reclassification of the associate, Sfera S.r.l., in the item called "Assets held for sale" for € 789 thousand; following a plan to sell additional industrial shares to some third-party investors compared to the one already finalised during the quarter, the Directors reclassified this investment as assets held for sale;
- the adjustment at fair value of the investment held by Five Stars in Fondo Immobili Pubblici (FIP) on the basis of the NAV fund as at June 30, 2008 net of the income distributed during the month of September 2008 for € 949 thousand.

7 Financial assets

They amount to € 130,172 thousand and reflect a decrease of € 8,645 thousand compared to the values as at June 30, 2008.

The item comprises the following categories of financial assets:

	30.09.2008	30.06.2008	31.12.2007
Financial assets available for sale	121,570	134,207	153,683
Bond securities	840	824	792
Loans and receivables	7,200	3,217	2,548
Guarantee deposits	562	569	8
	130,172	138,817	157,031

Financial assets available for sale

The item includes instruments representing the shareholders' equity of companies recorded as financial assets available for sale, and is broken down as follows:

	30.09.2008	30.06.2008	31.12.2007
IMMSI SpA	2,943	2,425	-
Delta S.p.A.	96,000	96,000	96,000
Sadi S.p.A.	2,774	3,173	4,946
Advanced Accelerator Applications SA	-	14,884	14,884
IM3d S.r.l.	-	1,634	1,500
Volare S.p.A. (in liquidation)	-	-	-
Immobiliare Appia S.r.l.	1,783	1,783	1,967
Conafi Prestito' S.p.A.	2,880	2,536	4,004
Opzione Newman Lowther & Associates	322	322	322
Cerma SA	-	850	850
F.I.P. - Fondo Immobili Pubblici	-	-	19,017
Parc Eolien De S.Riquier	-	-	16
Noventi Field Venture LP	227	194	146
Tessitura Pontelambro SpA	-	289	344
Value Sec Inv Sicar Sca	695	381	381
Management&Capitali SpA	-	-	3,664
Raffaele Caruso SpA	-	-	101
Ezechiele Ltd.	-	46	46
Fondo Valore by Avere AM	2,488	2,488	2,000
Blue H Group Ltd.	159	160	159
Demofonte S.r.l.	703	703	703
The Infr.&Growth C.Fund	8,230	3,733	-
IGI Invest. Quattro Fondo	361	-	-
Stichting Adm. Vintage Fund	10	-	-
Vintage Fund Oeic	1,995	-	-
Fondo PWM GILV	-	-	1,073
Sun System SpA	-	2,606	-
Hsbc Monétaire	-	-	1,560
	121,570	134,207	153,683

The changes in financial assets available for sale during the quarter are reported in the Enclosure.

During the quarter, the "Financial assets available for sale" item increased by:

- € 29,215 thousand due to the acquisition of no. 209 shares of FIP - Fondo Immobili Pubblici fund carried out during the quarter;
- € 34 thousand as a result of an additional subscription of increase in capital of Noventi Field Venture LP carried out during the quarter;
- € 314 thousand as a result of an additional subscription of increase in capital of Value Sec Inv. Sicar SCA carried out during the quarter;
- € 133 thousand as a result of the subscription of the share of the increase in capital of IM3D Srl carried out by the subsidiary company, Life Science Capital S.p.A., during the quarter;
- € 361 thousand due to the acquisition of no. 20 shares of the closed-end property investment fund, IGI Investimenti Quattro, carried out during the quarter;
- € 1,995 thousand due to the acquisition of 5% of the shares of the Vintage Fund Sicav carried out during the quarter;

- € 3,149 thousand due to the payment made on July 16, 2008 of the third and last tranche equal to \$ 5 million relevant to the commitment of Sopaf S.p.A. to subscribe all in all 0.5% of the capital of the private equity Infrastructure and Growth Capital Fund managed by Abraaj Capital, leading company in infrastructure investments in the MENASA region (Middle East, North Africa and Southeast Asia). With this subscription, the Sopaf investment amounts to \$ 10 million;
- € 2,321 thousand due to the fair value adjustment of the Private Equity Infrastructure and Growth Capital Fund as at September 30, 2008;
- € 343 thousand due to the fair value adjustment of Conafi Prestitò S.p.A. on the basis of the relevant listing as at September 30, 2008;
- € 517 thousand due to the fair value adjustment of IMMSI S.p.A. on the basis of the relevant listing as at September 30, 2008.

During the quarter, the “Financial assets available for sale” item decreased by:

- € 49 thousand as a result of the transfer of the shareholding in Ezechiele Limited;
- € 289 thousand as a result of the transfer of the shareholding in Tessitura Pontelambro S.p.A.;
- € 29,215 thousand as a result of the transfer of all the investment of no. 209 shares of the FIP - Fondo Immobili Pubblici fund (purchased during the same quarter) from which a capital gain of € 881 thousand was realised;
- € 973 thousand, equal to \$1.5 million, that on August 7, 2008 the private equity Infrastructure and Growth Capital Fund acknowledged to Sopaf S.p.A. and to all the other subscribers by way of share redemption in that the fund collected extraordinary liquidity deriving from the disposal of a company;
- € 400 thousand due to fair value losses of the Sadi S.p.A. shareholding on the basis of the relevant listing as at September 30, 2008;
- € 20,106 thousand as a result of the reclassification of some shareholdings in the “Financial assets available for sale” item that are part of a plan to sell an industrial company package to be carried out within the rationalisation strategy of investments that the Group started during 2007. This package includes the Sun System S.p.A. shareholding totalling € 2,606 thousand and the subsidiary company, Life Science S.p.A., that in turn, includes the investments in Advanced Accelerator Applications S.A. for € 14,883 thousand, in IM3D S.r.l. for € 1,767 thousand, in Cerma S.A. for € 850 thousand.

For what concerns the Delta S.p.A. shareholding, on August 22, Sopaf notified Delta SpA the assertion of its own right of withdrawal for a number of 16,967,900 shares pursuant to art. 2437, sub-paragraph 1, let. a), following the Extraordinary Shareholders' Meeting, held on August 6, 2008, which approved the adoption of a new text of the articles of association that changes the business purpose allowing the company to carry on the activity of banking parent company.

With reference to the amendment to the articles of association concerning the business purpose and also considering the development of the economic, financial and managerial structure of Delta SpA, as well as its property structure, Sopaf considered it essential to protect its own interests by asserting the right of withdrawal and by reserving the right to start all the actions required for determining the break-up value as regulated by the Italian Civil Code. In fact, in this regard, during the extraordinary shareholders' meeting of August 6, the directors of Delta SpA refused to recognise the right of withdrawal of the dissenting shareholders advancing as argument the fact that they did not consider the change of the business purpose significant enough for giving rise to the right.

Although Sopaf S.p.A. considered groundless the position of the directors of Delta S.p.A., also considering the fact that the break-up value of the withdrawal has not been

determined, it kept the investment in the “Financial assets available for sale” item at the corresponding fair value, which is unchanged compared to the one recorded as at December 31, 2007, since objective requirements for a value adjustment did not exist.

Other financial assets

They amount to € 8,602 thousand and reflect an increase of € 3,992 thousand compared to the values as at June 30, 2008.

	30.09.2008	30.06.2008	31.12.2007
Financial receivables due from companies in which investments are held			
Nearco Sarl	22	22	22
CO.SE. S.r.l.	4,172	172	188
Immobiliare Appia S.r.l.	390	390	390
Sopaf & Partners RE S.r.l.	1,460	1460	-
S.F.E.R.A. S.r.l.	15	15	15
Res Rennergys A.G.	-	-	1,236
	6,059	2,059	1,851
Other financial receivables	1,141	1,158	697
Bond securities	840	824	792
Guarantee deposits	562	569	8
	8,602	4,610	3,348

Financial receivables due from Immobiliare Appia, Nearco Sarl and Sopaf&Partners RE S.r.l. represent non-interest-bearing shareholders' loans.

The financial receivable due from CO.SE S.r.l. increases during the quarter by € 4,000 thousand and refers to an interest-bearing loan on the basis of a market interest rate and falling due on December 2011, issued by the Tergeste fund for supporting a real-estate development operation finalised in July 2008.

The “Other financial receivables” item includes € 1,013 thousand for 2007 performance commissions accrued by the Sopaf Group for managing China Opportunity Sarl.

Bond securities

Sopaf S.p.A. subscribed a € 1,000 thousand convertible bond issued by the South African firm Newman Lowther & Associates Ltd., which operates in financial consulting. The bonds are redeemable in 2011.

Should the bond issue be converted into shares, Sopaf S.p.A. will own 30% of the company's current share capital. The coupon payment on the bonds is to be equal to 43% of the dividend paid.

The bond securities reported at a value of € 840 thousand represent the financing component of the financial instrument. The call option that can be exercised by Sopaf has a value of € 322 thousand and is stripped from the bond; it is classified among the financial assets available for sale.

8 Tax credits

They amount to € 4,526 thousand include tax credits of € 4,360 thousand claimed by the Parent company, Sopaf S.p.A., and transferred to factoring companies.

9 Deferred tax assets

The item refers to deferred tax assets totalling € 6,463 thousand net of deferred tax liabilities totalling € 2,421 thousand.

Deferred tax assets have mainly originated from tax losses carried forward entered by Sopaf S.p.A. of € 5.9 million and by Sopaf Capital Management SGR of € 758 thousand.

As provided by the accounting principles, these taxes have been entered considering the probability that the Group will generate sufficient taxable income in coming years against which the amounts recorded in the assets can be used.

Deferred tax liabilities mainly include deferred taxes related to the valuation at fair value of financial assets available for sale and deferred tax liabilities related to the convertible bond in that, when the loan was issued, the fair value of the liability was determined by using the market value of an equivalent non-convertible bond and therefore the amount of these deferred taxes represents the tax factor relevant to the cost items of the loan that shall be amortised during its period of validity.

CURRENT ASSETS

10 Inventories

They amount to € 28,392 thousand and reflect an increase of € 28,291 thousand compared to the values as at June 30, 2008.

Inventories as at September 30, 2008 wholly refer to a property intended for a trading activity valued at the lower of cost and market value taken from similar transactions of properties for what concerns zone and type. The cost of acquisition is increased by any additional expense borne until the moment of sale.

Compared to June 30, 2008, the item decreases by the inventory value for works in progress and raw materials of the subsidiary, Li Tech S.p.A., totalling € 101 thousand, whose value as at September 30, 2008 was classified in the "Assets classified as held for sale" item considering the disposal plan of which this investment is part.

11 Other receivables and other current assets

They amount to € 22,841 thousand and reflect a decrease of € 5,182 thousand compared to the values as at June 30, 2008.

	30.09.2008	30.06.2008	31.12.2007
VAT tax credits	551	2,076	2,391
Tax credits	15,644	1,394	2,101
Other receivables	4,711	24,245	9,742
Accrued income and prepaid expenses	1,935	308	217
	22,841	28,023	14,451

"VAT tax credits" refer to VAT credits deriving from the monthly payment as at September 30, 2008.

“Tax credits” refer to credits of the Parent company Sopaf S.p.A. for an amount of € 15.634.

The item includes:

- € 10,329 thousand for claimed IRPEG credits relevant to 1997 plus interests equal to € 3,568 thousand, credits transferred as guarantee to credit institutions for lines of credit; compared to June 30, 2008, these credits have been reclassified by non-current assets considering the foreseeable conclusion of the refund procedure no later than the first half of 2009;
- € 1,327 thousand for IRES and IRAP tax credits of previous financial years that decrease compared to December 31, 2007 due to tax set-off by € 516 thousand and due to IRAP tax liabilities estimated as at September 30, 2008 by € 145 thousand;
- € 347 thousand for tax credits due to withholding taxes on dividends;
- € 13 thousand for tax credits due to deductions on dividends and interests.

The “Other receivables” item decreases by € 19,534 thousand during the quarter mainly due to the collection of the amount receivable of € 19,136 thousand deriving from the transfer operations of financial lease contracts executed during the first half of the year.

12 Other financial assets

This item totals € 36,893 thousand and increases by € 33,194 thousand during the quarter. It mainly consists of:

- a non-interest-bearing loan of the Parent Company, Sopaf S.p.A., to Demofonte S.r.l. totalling € 1,508 thousand, which shall be paid-off no later than December 31, 2008;
- a residual credit of € 9,417 thousand deriving from the transfer of the shares held in the PWM AIG Multimanager Fund, following the claim for refund submitted on March 26, 2008;
- the credit following the assertion of the right of withdrawal on no. 19,397,468 shares of Management&Capitali S.p.A. of € 14,358 thousand. On September 18, 2008, the issuer notified the cancellation of the shares purpose of the right of withdrawal, therefore the equivalent value deriving from the right of withdrawal has been classified as financial credit. On October 1, Sopaf collected the above-mentioned credit;
- participating financial instruments of € 9,302 thousand deriving from the subscription of 100% of the shares of the hedge fund, Sopaf Small Cap Europe, intended for trading investments in “small cap” shares listed on European markets. Such investment is registered in the financial assets held for trading and therefore designated at fair value recognised in the profit and loss account consistent both with the methods of management and evaluation of the investment trend and with the investment strategy of the group and of the related risk management policies and of the internal management disclosure lines of the Group.

13 Financial derivative instruments

The item amounts to € 6,035 thousand as at September 30, 2008, and refers to the fair value as at September 30, 2008 of some derivative instruments subscribed by Sopaf S.p.A.:

- an IRS of € 735 thousand subscribed in February 2008, falling due in June 2012 hedging the risk of interest-rate change of medium-term loans for a notional value equal to € 21,250 thousand. The fair value of such derivative instruments is determined on a six-month basis. This instrument has been recorded with the option provided by the IAS 39, *hedge accounting*;

- € 5,300 thousand with regard to the fair value of an asset swap contract subscribed during the quarter by Sopaf with an important financial counterpart that has a notional value of no. 209 shares of Fondo Immobili Pubblici equal to the countervalue of € 30 million. The contract contemplates the payment by Sopaf S.p.A. of a fixed rate equal to 5.5% in exchange for a variable flow equal to the income issued by the fund increased by 50% of the extraordinary capital gains acknowledged to the subscribers for the disposal of real-estate assets of the Fund. This is a trading instrument, it falls due on October 7, 2019 and contemplates the option of an acceleration of the close of the contract at the end of the fifth year when certain conditions occur. The valuation at fair value of the elements of this derivative instrument was determined on the estimate of the discounted future cash flows deriving from the carrying out of the expected business; this valuation was ascribed to the profit and loss account excluding additional expenses for commissions totalling € 752 thousand.

14 Assets classified as held for sale

The item amounts to € 47,436 thousand and consists of:

	30.09.2008	30.06.2008	31.12.2007
Investments in associates:			
AFT S.p.A.	12,374	26,108	7,608
Sila S.p.A.	-	3,924	4,087
Nearco Sarl	-	-	1,433
Sfera S.r.l.	789	-	-
Sun System SpA	2,606	-	-
Fondo PWM AIGGIG Multimanager	-	12,417	-
Other investments:			
Green Bit S.p.A.	241	4,900	4,900
Res Finco AG	-	13,828	10,180
Advanced Accelerator Applications S.A.	14,883	-	-
IM3D S.r.l.	1,767	-	-
Cerma SA	850	-	-
Par Eolien De S.Riquier	-	15	-
Management&Capitali S.p.A.	-	14,359	-
Financial receivables:			
Res Finco AG	-	1,236	-
Shareholdings in subsidiaries held for sale:			
Gruppo Essere SpA	10,290	-	-
Life Science Capital SpA (ex LM LS SpA)	2,649	-	-
Li Tech S.p.A.	987	-	-
Tenerani S.r.l.	-	94	-
Eolia S.A.	-	3	-
Siskin S.A.	-	38	-
	47,436	76,922	28,208

The changes in assets classified as held for sale during the half-year is indicated in the special section (Statement of assets held for sale).

During the quarter the item decreases as follows:

- € 37,396 thousand due to the targeted transfer in July 2008 of investments in associates and of financial assets available for sale. In particular, these transfers concerned investments in AFT S.p.A. for € 13,734 thousand, Sila S.p.A. for € 3,924 thousand, Green Bit S.p.A. for € 4,659 thousand, ResFinco AG for € 13,828

thousand, Parc Eolien de S.Riquier Sas for € 15 thousand and the assignment of the financial credit to ResFinco AG for € 1,236 thousand;

- € 12,417 thousand due to the reclassification of the shares of the PWM AIG Multimanager Fund registered at the NAV representing countervalue as at June 30, 2008, NAV of reference for the repayment of the shareholding;
- € 14,359 thousand due to the reclassification of the Management&Capitali S.p.A. investment for which the issuer notified the cancellation of the shares purpose of the right of withdrawal on September 18, 2008. On October 1, Sopaf S.p.A. collected the above-mentioned receivable;
- € 135 thousand as a result of the disposal, occurred in July 2008, of the assets of the subsidiary companies, Tenerani S.r.l., Eolia SA (subsidiary of Tenerani S.r.l.) and Siskin SA, companies used as "vehicle companies" during the implemental phases of the transfer operations of the block of industrial shares described above.

During the quarter, the item increased as follows:

- € 3,636 thousand as a result of the assets relevant to the controlling interests that were classified among the assets held for sale considering a series of initiatives undertaken by the management of Sopaf S.p.A. directed to the transfer to some investors of a block of industrial shares held by the Group. These assets refer for € 2,649 thousand to Life Science Capital S.p.A. and for € 987 thousand to Li Tech S.p.A.;
- € 20,895 thousand as a result of investments and financial assets available for sale that were classified among the assets held for sale considering the series of initiatives already mentioned above undertaken by the management of Sopaf S.p.A. directed to the transfer to some investors of a block of industrial shares held by the Group. Reclassified investments include Sfera S.r.l. for € 789 thousand and Sun System S.p.A. for € 2,606 thousand. Reclassified financial assets include Life Science Capital S.p.A. and investments held by it (Advanced Accelerator Applications S.A. for € 14,883 thousand, IM3D S.p.A. for 1,767 thousand and Cerma SA for 850 thousand);
- € 10,290 thousand as a result of the assets relevant to the controlling interest, Essere S.p.A. (consolidated during the third quarter) that were classified among the assets held for sale since a project of association with other financial intermediaries is in progress.

LIABILITIES

15 Group shareholders' equity

Group shareholders' equity amounts to € 171,933 thousand, increasing by € 2,629 thousand compared to June 30, 2008.

The breakdown of the Group shareholders' equity is indicated in the following table:

	30.09.2008	30.06.2008	31.12.2007
Share capital	80,095	80,095	80,002
Legal Reserve	-	-	-
Treasury shares	(2,364)	(2,364)	(173)
Capital reserve from convertible bonds	3,991	3,991	3,991
Valuation reserve	61,875	56,755	56,410
Profits (losses) brought forward	30,559	35,173	(1,114)
Net profit (loss) for the year	(2,223)	(4,346)	35,753
Undivided profits	91,838	89,209	94,867
	171,933	169,304	174,869

Changes in shareholders' equity during the quarter are indicated in detail in the relevant enclosed table.

16 Minority's share of shareholders' equity

The breakdown of minority's share of shareholders' equity is indicated in the following table:

	30.09.2008	30.06.2008	31.12.2007
Capital and reserves attributable to minority shareholders	7,214	6,606	7,387
Profit (Loss)	(272)	102	(214)
	6,942	6,708	7,173

NON-CURRENT LIABILITIES

17 Convertible bonds

As at September 30, 2008, the item includes the non-current portion of the issued bond loan, "SOPAF 2007-2012 3.875% convertible", for € 44,328 thousand.

On September 4, 2007, a bond loan of no. 56,520,463 bonds convertible into newly issued Sopaf S.p.A. ordinary shares of the "SOPAF 2007-2012 3.875% convertible" bond loan was issued under option to the Sopaf S.p.A. shareholders.

Since the bonds are convertible in ordinary shares of the company at any moment during the period of validity of the loan on the basis of a conversion ratio equal to one share for every bond held, the conversion into ordinary shares of no. 107,769 bonds was requested from the issue date.

18 Due to banks and other lenders

The item amounts to € 75,036 thousand and reflects an increase of € 2,101 thousand compared to the values as at June 30, 2008.

	30.09.2008	30.06.2008	31.12.2007
Bank loans	70,417	68,389	57,162
Due to other lenders	4,619	4,545	4,395
	75,036	72,935	61,557

The "Bank loans" item of € 70,417 thousand includes:

- € 26,597 thousand for the medium-long term portion of the pool loan supporting the acquisition of Banca Network Investimenti S.p.A., Area Life International Assurance Ltd. and Aviva Previdenza S.p.a. disbursed for a total of € 65,000 thousand falling due on September 30, 2012. The pool loan is secured by lien 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. that in turn holds 49.92% of Banca Network Investimenti S.p.A., on the shares of Area Life and Aviva Previdenza S.p.A. held by Sopaf S.p.A.; On August 7, 2008, Sopaf repaid part of the loan relevant to the acquisition of Aviva Previdenza S.p.A. equal to € 11 million discharging the lien encumbering on the shares of the company;
- € 5,236 thousand for the medium-long term portion of two loans secured by lien on no. 23,001 shares of LM & Partners SCA (in liquidation) held by Sopaf S.p.A.;
- € 10,000 thousand for an unsecured loan issued by an important bank supporting the liquidity requirements of the company;
- € 7,997 thousand for three unsecured bank loans including 2 falling due in 2009 and one in 2012;
- € 1,707 thousand for the medium-term portion of a loan secured by no. 22,759 shares of Sun System S.p.A.
- for € 18,880 thousand, the medium term portion of a variable-rate mortgage loan falling due in 2010 taken out by the Tergeste fund during the quarter.

The pool loan supporting the acquisition of Banca Network Investimenti S.p.A. and Area Life is assisted by some contract guarantees such as the observance of predetermined financial parameters (shareholders' equity and borrowing/shareholders' equity ratio) of the borrowing company and of the companies whose shares are pawned; on August 21, 2008 the increase in capital of Banca Network Investimenti S.p.A. from € 16 million to € 30 million plus a share premium reserve amounting to € 6 million was executed. This recapitalisation, together with an additional financial support intervention scheduled by the shareholders within the end of the 2008 financial year, shall allow to restore the observance of the financial parameter related to the shareholders' equity of the bank.

The "Due to other lenders" item, amounting to € 4,619 thousand, concerns exclusively the amount due to factoring companies for the transfer of tax credits.

19 Other liabilities

Other liabilities amount to € 10,441 thousand and include € 10,390 thousand for the non-current portion of debts contracted with outside shareholders of LM & Partners S.C.A. (in liquidation) for the purchase of the minority shares of the company due beyond one year that are to be paid out according to a repayment plan providing for principal payments in December 2009. These debts bear interests at a rate of 4%.

CURRENT LIABILITIES

20 Convertible bonds

The item, entered for € 269 thousand, concerns the amount of interests payable accrued in favour of the bondholders from August 10, 2008 to September 30, 2008, limited to the bonds that are not converted.

21 Due to banks and other lenders

The item amounts to € 79,637 thousand and reflects an increase of € 283 thousand compared to the values as at June 30, 2008.

	30.09.2008	30.06.2008	31.12.2007
Bank loans	79,307	79,332	56,185
Financial debts due to associated companies	22	22	225
Due to other lenders	308	-	2,689
	79,637	79,354	59,099

The "Bank loans" item of € 79,307 thousand mainly includes:

Bank loans item mainly includes:

- € 26,696 thousand for the short-term portion of the pool loan supporting the acquisition of Banca Network Investimenti S.p.A., Area Life International Assurance Ltd. and Aviva Previdenza S.p.A. disbursed for a total of € 65,000 thousand and that was widely described in the paragraph relevant to non-current liabilities; in March 2008, a short-term loan was renewed with the new expiry date as at December 31, 2008;
- € 4,945 thousand for a pool loan secured by claimed tax credits;
- € 4,488 thousand for the current portion of some loans borrowed from an important bank (as already described in non-current liabilities);
- € 286 thousand for the current portion of a loan secured by Sun System S.p.A.
- shares totalling € 32,895 thousand, loans granted by important banks used for short-term liquidity requirements, including € 14 million secured by the credit from Management&Capitali S.p.A. for the assertion of the right of withdrawal, for € 4.5 million from the Conafi S.p.A. and Immsi S.p.A. shareholdings;
- € 8,875 thousand concerns ordinary current-account overdrafts and short-term interests payable being accrued on loans, including € 3,350 thousand secured by Sadi S.p.A. shares.
- € 1,120 thousand for the current portion of a variable-rate mortgage loan due in 2010 taken out by the Tergeste fund during the quarter.

The Payables to associated companies item includes an amount payable of € 22 thousand to ASM Lomellina for capital appropriations of Sopaf S.p.A..

22 Financial derivative instruments

They amount to € 20 thousand and represent the valuation at fair value as at September 30, 2008 of the derivative contract (I.R.S) related to a loan of € 3 million due in June 2011.

23 Other liabilities

They total € 9,106 thousand and consist of the following:

	30.09.2008	30.06.2008	31.12.2007
VAT tax debts	36	52	15
Tax debts	246	478	1,003
Payables for current taxes	9	44	-
Due to social-security institutions	325	414	761
Other payables	8,359	18,823	13,856
Accrued liabilities and deferred income	131	579	452
	9,106	20,390	16,087

The Other payables item mainly includes:

- amounts payable contracted with outside shareholders of LM & Partners S.C.A. (in liquidation) for the purchase of the minority shares of the company. These payables amount to € 7,054 thousand (including interests accrued);
- due to employees for deferred monthly salaries accrued totalling € 482 thousand;
- compensation due to the members of the board of directors and board of statutory auditors totalling € 234 thousand.

24 Liabilities related to Assets held for sale

The item amounts to € 7,937 thousand and consists of:

	30.09.2008	30.06.2008	31.12.2007
Essere SpA	6,567	-	-
Life Science Capital SpA (ex LM LS SpA)	419	-	-
Li Tech S.p.A.	951	-	-
Tenerani S.r.l.	-	22	-
Eolia S.A.	-	3	-
Siskin S.A.	-	1	-
	7,937	26	-

The item includes liabilities related to controlling interest that, as already previously indicated, were classified among the assets held for sale considering a series of initiatives undertaken by the management of Sopaf directed to the transfer to some investors of a block of industrial shares held by the Group and, with reference to the investment in Essere S.p.A., to a project of association with other financial intermediaries.

INFORMATION ON THE PROFIT AND LOSS ACCOUNT

The following tables summarise the main economic data of the Group.

The economic data refers to the third quarter and to the first nine months of 2008 and is compared with the corresponding data of the third quarter of 2007 and of the first nine months of the 2007 financial year.

25 Revenues

They total € 5,065 thousand and consist of the following:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Revenues from services	187	-	693	816
Commission revenues	1,676	1,098	4,372	3,404
	1,863	1,098	5,065	4,220

The "Revenues from services" item mainly includes revenues deriving from consultancy and commercial services and other revenues from services related to real-estate activities.

Commission revenues refer to management commissions accrued by PWM SGR S.p.A., Sopaf Capital Management Sgr S.p.A. and Sopaf Asia Sarl.

26 Other income

They total € 18,657 thousand and consist of the following:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Rental income	153	16	368	116
Capital gains on transfer of lease contracts	-	-	16,864	-
Extraordinary and other income	-	-	1,360	784
Subsidies for operations	-	-	42	-
Other capital gains	23	143	23	143
	176	159	18,657	1,043

The Capital gains on the transfer of financial lease contracts item refers to the transfer of financial lease contracts stipulated at that time with Locat S.p.A. concerning buildings and related fittings located in Foro Buonaparte in Milan that determined an overall capital gain of € 16,864 thousand.

27 Purchase of materials and external services

They total € 7,820 thousand and consist of the following:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Change in inventories	7	-	-	-
Consulting services	696	270	2,711	2,594
Commissions on financial assets	217	303	778	890
General and administrative services	511	360	1,146	1,103
Legal services	5	47	258	509
Directors' fees	180	435	1,227	1,675
Reimbursement of expenses	46	84	259	216
Leases	618	59	773	322
Rentals	46	90	205	240
Insurance	54	85	167	194
Utilities	82	51	240	255
General office expenses	8	20	56	78
	2,470	1,804	7,820	8,076

28 Personnel expense

They total € 4,984 thousand and consist of the following:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Wages and salaries	887	793	3,195	2,763
Social-security contributions	238	257	830	802
Employees' severance indemnity fund	76	58	224	185
Other personnel costs	32	-	735	-
	1,233	1,108	4,984	3,750

Personnel expense as at September 30, 2008 compared to the same period as at September 30, 2007 increased mainly due to the hiring of personnel by Sopaf Capital Management SGR and to the extraordinary charges relevant to incentives to early retirement of € 611 thousand paid during the first half-year.

29 Other operating expenses

They total € 1,625 thousand and consist of the following:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Bank charges	83	88	290	500
Duties and Taxes	130	381	673	1,361
Other operating expenses	283	112	445	917
Losses on shareholdings	-	4	-	4
Extraordinary losses	(63)	71	217	1,301
	433	656	1,625	4,083

During the quarter, extraordinary losses decrease due to the full deconsolidation of Li Tech S.p.A. whose results as at September 30, 2008 are represented in the Profit/loss from assets held for sale. In this regard, it is specified that the extraordinary losses of Li Tech S.p.A. as at June 30, 2008 amounted to € 109 thousand.

30 Gains/losses on the disposal of non-current assets

In order to make it easier to measure the actual trend of normal operations, the revenue and expense components arising from the disposal of non-current assets are indicated separately.

The "Gains/losses on the disposal of non-current assets" item consists of:

- capital gains/losses on the sale of investments in subsidiary companies;
- capital gains/losses on the sale of those shareholdings classified as assets available for sale and entered in the other non-current financial assets item.

During the quarter as at September 30, 2008, the item is broken down as follows:

	01.07.2008 30.9.2008	01.07.2007 30.9.2007	01.01.2008 30.09.2008	01.01.2007 30.09.2007
Capital losses/gains on distribution for closing of liquidation of subsidiary companies:				
Cutter Sarl (in liquidation)	(25)	-	(25)	-
Star Venture I S.c.p.A. (in liquidation)	-	-	-	(890)
	(25)	-	(25)	(890)
Capital gains on transfer of non-current financial assets:				
Emery S.a.r.l.	2,770	-	2,770	-
Omnipartecipazioni SpA/IMMSI S.p.A.	-	-	-	49,176
Fondo Aster	-	2,553	-	17,248
Immsi SpA	-	-	-	-
Management&Capitali S.p.A.	-	-	-	4,369
Sadi S.p.A.	-	-	35	-
Raffaele Caruso SpA	1	-	2	-
FIP - Fondo Immobili Pubblici	878	-	2,994	-
	3,649	2,553	5,801	70,793
Capital losses and charges related to the transfer of assets available for sale:				
Fondo Aster	-	-	-	(6,595)
Sadi S.p.A.	(1)	-	(5)	-
Omnipartecipazioni S.p.A.	-	-	-	(711)
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)	7,306
Gains (losses) from disposal of non-current assets	3,127	2,553	5,622	62,597

31 Group's share of the result of investments accounted for using the net equity method

The item includes the Group's portion of income (losses) on investments accounted for using the net equity method and net gains (losses) from the transfer of investments in associates; it is broken down as follows:

	01.07.2008 30.9.2008	01.07.2007 30.9.2007	01.01.2008 30.09.2008	01.01.2007 30.09.2007
Group's share of income				
Polis Fondi Sgr.p.A	163	102	331	253
Delta S.p.A.	-	-	-	368
Five Stars S.A.	249	788	830	1,260
Sopaf Capital Management SGR S.p.A.	-	-	-	17
Essere S.p.A.	-	-	-	222
China Opportunity SA	1,453	-	1,369	92
Asm Lomellina Inerti Srl	5	-	-	-
Beven Finance S.à.r.l.	3	-	-	-
Veicoli Telma	-	47	-	108
AFT S.p.A.	-	113	-	144
Sopaf&Partners RE S.r.l.	6	-	-	-
Aviva Previdenza SpA	-	-	585	-
Nearco Sarl	-	-	-	8
	1,879	1,050	3,115	2,472
Group's share of losses				
Essere S.p.A.	-	(79)	(489)	-
Cose S.r.l.	(13)	(6)	(23)	(6)
Nearco Sarl	(6)	-	(24)	-
Veicoli Telma	-	(18)	-	(42)
Telma S.r.l.	-	(127)	-	(89)
Asm Lomellina Inerti Srl	-	-	(1)	-
S.F.E.R.A. S.r.l.	(8)	(2)	(48)	(4)
Beven Finance S.à.r.l.	-	(6)	(44)	(15)
Petunia S.p.A.	(914)	(9)	(4,306)	(22)
Firanegocios S.L.	(48)	(46)	(24)	(15)
China Opportunity SA	-	(51)	-	-
Area Life International Assurance Limited	(105)	-	(1,080)	-
Sopaf&Partners RE S.r.l.	-	-	(1)	-
Aviva Previdenza SpA	(405)	-	-	-
Banca Network Investimenti S.p.A.	(464)	-	(2,185)	-
	(1,963)	(344)	(8,225)	(193)
Capital gains/(Capital losses) on transfer				
AFT S.p.A.	-	-	-	(348)
Pwm Aig multimanager fund	-	(20)	-	(20)
	-	(20)	-	(368)
Group's share of income/(losses)	(84)	686	(5,110)	1,911

32 Net financial income (charges)

The item is broken down as follows:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Interest income	208	357	943	825
Dividends	-	-	224	3,858
Income from financial derivative instruments	4,684	-	4,684	-
Income from shareholdings	-	-	1,006	-
Capital gains on securities and other financial asse	31	1	175	1
Exchange profit	31	2	32	6
Financial income	4,954	360	7,064	4,690
Foreign exchange losses	-	(9)	(6)	(12)
Capital losses on securities and other financial ass	(9)	(31)	(44)	(34)
Losses on securities and other financial assets	(698)	-	(698)	-
Interests on bond loan	(656)	(428)	(2,297)	(428)
Interests payable	(3,237)	(1,557)	(9,413)	(5,123)
Financial charges	(4,600)	(2,025)	(12,458)	(5,597)
Net financial income (charges)	354	(1,665)	(5,394)	(907)

33 Income taxes

The item is broken down as follows:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
- IRES	(6)	68	(154)	(60)
- IRAP	333	2	(151)	(42)
- Other taxes	(22)	17	(22)	-
Total current taxes	305	87	(327)	(102)
Deferred income taxes	98	(311)	(47)	(590)
Deferred tax assets/liabilities	971	1,135	(642)	(1,073)
Total deferred taxes	1,069	824	(689)	(1,663)
Total Income taxes	1,374	911	(1,016)	(1,765)

The deferred tax assets/liabilities item mainly consists of the issuing of deferred tax assets for € 3,415 thousand against current income taxes accrued during the period, on the basis of the best estimate of the average rate expected for all the 2008 financial year and of an increase of deferred tax assets for deductible tax losses of € 3,006 thousand (€ 1,673 thousand as at June 30, 2008) deriving from an update of the expected utilisation of the available tax losses.

34 Profit/loss from assets held for sale

The item includes capital gains/losses deriving from the transfer of investments held for sale and losses for the period of controlling interests in Essere S.p.A. (as from July 1, 2008), Li Tech S.p.A. and Life Science Capital S.p.A. and, in particular, it is broken down as follows:

	01.07.2008	01.07.2007	01.01.2008	01.01.2007
	30.9.2008	30.9.2007	30.09.2008	30.09.2007
Green Bit S.p.A.	50	-	50	-
Sila S.p.A.	268	-	268	-
Eolia SA	72	-	30	-
Management& Capitali SpA	840	-	840	-
Siskin Sarl	141	-	121	-
Capital losses on transfer of investments held for sale:				
AFT S.p.A.	(686)	-	(686)	-
Tenerani Srl	(84)	-	(92)	-
Group's share of income/(losses) of investments in subsidiaries held for sale:				
Essere SpA (from 1.7.08 to 30.9.08)	(563)	-	(563)	-
Li Tech SpA (from 1.1.08 to 30.9.08)	(201)	-	(201)	-
Life Science Capital SpA (from 1.1.08 to 30.9.08)	(498)	-	(498)	-
	(661)	-	(731)	-

ENCLOSURES

**DECLARATION PURSUANT TO ARTICLE 154-BIS, SUB-PARAGRAPH 2 OF
LEGISLATIVE DECREE 58/1998 (CONSOLIDATED FINANCIAL ACT)**

The undersigned, Giorgio Magnoni, Vice Chairman and Managing Director, and Alberto Ciaperoni, as the executive in charge of the preparation of the corporate accounting documents of Sopaf S.p.A.

declare

that, in compliance with the provisions of sub-paragraph 2 of Article 154-bis of the Consolidated Financial Act, the accounting information relevant to the consolidated quarterly report as at September 30, 2008 of Sopaf S.p.A. corresponds to the documentary results, the accounting books and records.

Giorgio Magnoni

Alberto Ciaperoni

SOPAF GROUP

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

in € 000's

	Capital	Own Shares	Reserve for Convertible Bonds	Valuation Reserve	Undivided Profits	Profit (Loss) for the Period	Shareholders' Equity	Minority Interests	Total Shareholders' Equity
Balance as of 1 January 2007	80,000	-	-	69,905	(3,690)	10,091	156,306	23,323	179,629
Allocation of prior year profit (loss)	-	-	-	-	10,091	(10,091)	-	-	-
Change in fair value of financial assets available for sale	-	-	-	(22,002)	-	-	(22,002)	-	(22,002)
Deferred taxes on revaluing financial assets available for sale at fair value	-	-	-	1,390	-	-	1,390	-	1,390
Profits (losses) booked to shareholders' equity during the period	-	-	-	(20,612)	10,091	(10,091)	(20,612)	-	(20,612)
Transfer to profit and loss statement due to sale of financial assets available for sale	-	-	-	-	-	65,087	65,087	-	65,087
Net profit (loss) for the period	-	-	-	-	-	(24,777)	(24,777)	(71)	(24,848)
Total profits (losses) reported during the period	-	-	-	-	-	40,310	40,310	(71)	40,239
Incremental value on purchase of incremental share of investment in subsidiary company	-	-	-	-	(4,022)	-	(4,022)	-	(4,022)
Effects of changes in the consolidation area during the period	-	-	-	-	-	-	-	(19,635)	(19,635)
Capital reserve on equity component of convertible bonds	-	-	5,562	-	-	-	5,562	-	5,562
Deferred taxes on equity component of convertible bonds	-	-	(1,571)	-	-	-	(1,571)	-	(1,571)
Other entries	-	-	-	-	(153)	-	(153)	-	(153)
Dividends	-	-	-	-	-	-	-	-	-
Balance as of 30 September 2007	80,000	-	3,991	49,293	2,226	40,310	175,820	3,617	179,437
Balance as of 1 January 2008	80,002	(174)	3,991	56,042	(745)	35,753	174,869	7,173	182,042
Allocation of prior year profit (loss)	-	-	-	-	35,753	(35,753)	-	-	-
Change in fair value of financial assets available for sale	-	-	-	(196)	-	-	(196)	148	(48)
Deferred taxes on revaluing financial assets available for sale at fair value	-	-	-	860	-	-	860	-	860
Profits (losses) booked to shareholders' equity during the period	-	-	-	664	35,753	(35,753)	664	148	812
Transfer to profit and loss statement due to sale of financial assets available for sale	-	-	-	-	-	(1,476)	(1,476)	-	(1,476)
Net profit (loss) for the period	-	-	-	-	-	(747)	(747)	(272)	(1,019)
Total profits (losses) reported during the period	-	-	-	-	-	(2,223)	(2,223)	(272)	(2,495)
Capital increase	93	-	-	-	-	-	93	-	93
Increase in fair value of hedging derivatives	-	-	-	555	-	-	555	-	555
Effects of changes in the consolidation area during the period	-	-	-	-	-	-	-	(107)	(107)
Other entries	-	(2,190)	-	-	165	-	(2,025)	-	(2,025)
Dividends	-	-	-	-	-	-	-	-	-
Balance as of 30 September 2008	80,095	(2,364)	3,991	57,261	35,173	(2,223)	171,933	6,942	178,875

STATEMENT OF SHAREHOLDINGS IN ASSOCIATED / JOINTLY CONTROLLED COMPANIES

in € 000's

Company	% Held	Opening Balances		Changes During the Period										Values as of 30.9.2008	
		Values as of 31.12.2007	Changes in Consolidation Area	Repayment from Liquidation	Purchases	Capital Contributions	Capital Increases (Reductions)	Sales	Pro-Rata Share of Profits	Dividends Paid	Pro-Rata Share of Losses	Changes in Fair Valuation	Reclassified from Assets Held for Sale		Reclassified as Assets Held for Sale
Associated companies															
Polis Fondi S.G.R.P.A.	49.00%	8,053	-	-	-	-	-	-	331	(344)	-	-	-	-	8,040
Essere S.p.A.	81.87%	277	-	-	-	-	1,706	-	-	-	(489)	-	-	(1,494)	-
Co.Se. S.r.l.	50.00%	113	-	-	-	-	-	-	-	-	(23)	-	-	-	90
Five Stars S.a.r.l.	99.99%	4,291	-	-	-	-	(4)	-	830	-	-	(949)	-	-	4,168
China opportunity SA	44.28%	7,479	-	-	-	-	2,817	-	1,369	-	-	-	-	-	11,665
Sfera S.r.l.	48.00%	461	-	-	-	-	376	-	-	-	(48)	-	-	(789)	-
Beven Finance S.à.r.l.		11,126	-	(11,082)	-	-	-	-	-	-	(44)	-	-	-	-
Petunia S.p.a.	59.38%	38,541	-	-	-	5,905	-	-	-	-	(4,306)	-	-	-	40,140
Westindustrie S.r.l.	22.00%	2	-	-	-	-	-	-	-	-	-	-	-	-	2
Pwm Aig multimanager fund		13,582	-	-	-	-	-	-	-	-	-	-	-	(13,582)	-
Firanegocios L.S.	25.50%	3,861	-	-	-	-	-	-	-	-	(24)	-	-	-	3,837
ASM Lomellina Inerti S.r.l.	33.00%	30	-	-	-	-	-	-	-	-	(1)	-	-	-	29
Area Life Int ass. Limited	45.00%	9,129	-	-	2	-	-	-	-	-	(1,080)	-	-	-	8,051
Aviva Previdenza SpA	45.00%	-	-	-	15,435	-	-	-	585	(551)	-	-	-	-	15,469
Sopaf&Partners RE S.r.l.	40.00%	-	-	-	39	-	-	-	-	-	(1)	-	-	-	38
Nearco sarl	49.00%	-	-	-	-	-	-	-	-	-	(24)	-	1,433	-	1,409
Falonio srl	20.00%	-	-	-	769	-	-	-	-	-	-	-	-	-	769
Banca Network Investimenti S.p.A. (*)	14.99%	19,172	-	-	-	-	2,997	-	-	-	(2,185)	-	-	-	19,984
		116,117	-	(11,082)	16,245	5,905	7,892	-	3,115	(895)	(8,225)	(949)	1,433	(15,865)	113,691

(*) Sopaf S.p.A. has a total interest of 44.63%, including through Petunia S.p.A.

STATEMENT OF AVAILABLE-FOR-SALE FINANCIAL ASSETS

in € 000's

Company	% Held	Values as of 31.12.2007	Changes During the Period							Fair Value Adjustments	Values as of 30.9.2008
			Changes in Consolidation Area	Purchases	Capital Increases	Sales	Capital Reimbursements	Reclassified as Assets Held for Sale			
Immsi S.p.A.	1.00%	-	-	4,479	-	-	-	-	-	(1,536)	2,943
Advanced Accelerator Applications S.A.	16.27%	14,883	-	-	-	-	-	-	(14,883)	-	-
Demofonte S.r.l.	15.00%	703	-	-	-	-	-	-	-	-	703
IM3D S.r.l.	17.86%	1,500	-	-	267	-	-	-	(1,767)	-	-
Immobiliare Appia S.r.l.	15.00%	1,967	-	-	-	-	-	-	-	(184)	1,783
Delta S.p.A.	15.95%	96,000	-	-	-	-	-	-	-	-	96,000
Sadi S.p.A.	2.54%	4,946	-	-	-	(259)	-	-	-	(1,913)	2,774
Fondo Valore sa	11.90%	2,000	-	-	-	-	-	-	-	488	2,488
Blue H Group Ltd.	1.28%	159	-	-	-	-	-	-	-	-	159
Fondo PWM Global income low volatility		1,073	-	-	-	(1,073)	-	-	-	-	-
HSBC AM Monetarie		1,560	-	-	-	(1,560)	-	-	-	-	-
Noventi Field Venture LP	2.32%	146	-	81	-	-	-	-	-	-	227
Parc Eolien De S.Riquier		16	-	-	-	-	-	-	(16)	-	-
Cerma SA	17.90%	850	-	-	-	-	-	-	(850)	-	-
FIP - Fondo Immobili Pubblici		19,017	-	29,215	-	(48,232)	-	-	-	-	-
Tessitura Pontelambro SpA		344	-	-	-	(289)	-	-	-	(55)	-
Value Sec Inv Sicar Sca	2.57%	381	-	-	314	-	-	-	-	-	695
Management&Capitali SpA		3,664	-	16,818	-	(2,713)	-	-	(17,769)	-	-
Raffaele Caruso SpA		101	-	-	-	(101)	-	-	-	-	-
Ezechiele Ltd		46	-	3	-	(49)	-	-	-	-	-
Sun System SpA	15.94%	-	-	2,606	-	-	-	-	(2,606)	-	-
The Infr.&Growth c. Fund	0.50%	-	-	6,357	-	-	-	(973)	-	2,846	8,230
Conafi Prestito SpA	4.13%	4,004	-	346	-	-	-	-	-	(1,470)	2,880
IGI Invest. Quattro Fondo	0.99%	-	-	361	-	-	-	-	-	-	361
Stichting Adm. Vintage F		-	-	10	-	-	-	-	-	-	10
Vintage Fund Sicav	5.00%	-	-	1,995	-	-	-	-	-	-	1,995
Opzione Newmann Lowther&Associates Ltd		322	-	-	-	-	-	-	-	-	322
		153,683	-	62,271	581	(54,276)	(973)	(37,891)	(1,824)		121,570

STATEMENT OF ASSETS HELD FOR SALE

in € 000's

Company	% Held	Values as of 31.12.2007	Changes During the Period							Fair Value Adjustments	Values as of 30.9.2008
			Changes in Consolidation Area	Purchases	Capital Increases	Sales	Reclassification from Financial Receivables	Reclassified as Assets Held for Sale	Writedowns		
Shareholdings:											
AFT S.p.A.	28.32%	7,608	-	-	18,500	(13,734)	-	-	-	-	12,374
Nearco sarl	49.00%	1,433	-	-	-	-	-	(1,433)	-	-	-
Advanced Accelerator Applications S.A.	16.27%	-	-	-	-	-	-	14,883	-	-	14,883
IM3D S.r.l.	17.86%	-	-	-	-	-	-	1,767	-	-	1,767
Cerma SA	17.90%	-	-	-	-	-	-	850	-	-	850
Green BIT S.p.A.	2.18%	4,900	-	200	-	(4,859)	-	-	-	-	241
Sila S.p.A.		4,087	-	-	-	(4,087)	-	-	-	-	-
Management&Capitali SpA		-	-	-	-	(14,359)	-	17,769	(3,410)	-	-
Pwm Aiggig Multimanager fund		-	-	-	-	(12,416)	-	13,582	(1,166)	-	-
Sfera S.r.l.	48.00%	-	-	-	-	-	-	789	-	-	789
Sun system S.p.A.	15.94%	-	-	-	-	-	-	2,606	-	-	2,606
Res Finco AG		10,180	-	-	3,262	(13,828)	-	-	-	386	-
Financial Receivables:											
Res Finco AG		-	-	-	-	(1,236)	1,236	-	-	-	-
Assets of direct subsidiary companies											
Gruppo Essere SpA	81.87%	-	-	-	-	-	-	10,290	-	-	10,290
Life Science Capital S.p.A. (Ex LM LS S.p.A.)	68.19%	-	-	-	-	-	-	2,649	-	-	2,649
Tenerani srl		-	-	-	-	(94)	-	94	-	-	-
Eolia SA		-	-	-	-	(3)	-	3	-	-	-
Parc Eolien De S.Riquier		-	-	-	-	(16)	-	16	-	-	-
Li Tech S.p.A.		-	-	-	-	-	-	987	-	-	987
Siskin		-	-	-	-	(39)	-	39	-	-	-
		28,208	-	200	21,762	(64,671)	1,236	64,891	(4,576)	386	47,436