

# S O P A F

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## PRESS RELEASE

### **The Board of Directors approves financial statements as of 31 December 2007:**

- *Consolidated net profit: €35.8 million (€10.1 million for the previous fiscal year of six months)*
- *Consolidated shareholders' equity: €174.9 million (€156.3 million as of 31 December 2006)*
- *Consolidated net financial position: €151.6 million (€121.7 million as of 31 December 2006)*
- *Sopaf S.p.A. net profit: 20.1 million (€1.8 million for the previous fiscal year of six months)*

### **and financial statements for the quarter ending 31 March 2008:**

- *Consolidated net profit: net loss of €2.2 million (€43.8 million net profit in the first quarter of 2007)*
- *Consolidated shareholders' equity: €167.8 million (€174.9 million as of 31 December 2007)*
- *Consolidated net financial position: €176.3 million (€151.6 million as of 31 December 2007)*

### **Two new alternative investment funds authorized for Sopaf Capital Management SGR.**

*Milan, 13 May 2008* – At a meeting held today, the Sopaf S.p.A. Board of Directors approved the consolidated financial statements and the draft of Sopaf S.p.A.'s financial statements as of 31 December 2007, the annual report on corporate governance, as well as the consolidated quarterly report as of 31 March 2008.

#### **Consolidated results for the year of 2007\***

As a result of a change in the Company's fiscal year, the annual results approved today are the first results for which the 12 months of the calendar year coincide with the fiscal year. Accordingly, the comparison with the previous year referring to six months of activity only is not highly significant.

The revenues and income from investment activity amount to €73.9 million and include €63.7 million of profits on the disposal of non-current assets and €10.2 million of profits accrued on shareholdings valued with the net equity method (€8.3 million and €10.7 million, respectively, for the six-month fiscal year ending 31 December 2006). Such revenues mainly

refer to the divestiture of the shareholdings in Immsi S.p.A. and in the real estate fund Aster, as well as the capital gain realized on the sale of 40% of Telma S.r.l. carried out by the real estate fund, Tergeste, which is wholly owned by the Sopaf Group.

The other revenues and income for year amounted to €6.2 million (€5 million during the previous year of six months), and include commissions generated by the product companies in the amount of roughly €4.7 million.

Deductions from revenues included operating expenses and purchases of services and materials roughly €26.6 million and writedowns of shareholdings of €13.6 million, with the latter amount referring almost exclusively to the investment in Coronet S.p.A. (€13.4 million).

The annual operating profit amounted to €28.9 million (€3.7 million during the preceding fiscal year of six months), while earnings before taxes and interest were equal to €39.1 million (€14.3 million for the preceding year).

Net financial charges came to €3.4 million, compared with €3.8 million for the preceding year of six months.

Profit before taxes equalled €35.7 million (€10.5 during the preceding fiscal year of six months).

After an income tax provision of €0.1 million, the Group's net earnings amounted to €35.8 million (compared with €10.1 million for the preceding year) and include €0.2 million of earnings accruing to minority interests.

Total shareholders' equity as of 31 December 2007 was €182.0 million (compared with €179.6 million as of 31 December 2006), including €7.2 million of minority interests (€23.3 million as of 31 December 2006), and the Group's share of €174.9 million (versus €156.3 million as of 31 December 2006).

The Group's total assets of €396.6 million as of 31 December 2007 increased over the €353.8 million reported at 31 December 2006 mainly for the effect of (i) the investments made in Banca Bipielle Network (which in January was renamed Banca Network Investimenti) and in Area Life International Ltd. and (ii) the reclassification of the investment in Delta as an "asset available for sale", and the consequent adjustment of the investment's value to fair value.

Incorporating the effect of the aforementioned acquisitions, the Group's net financial position as of 31 December 2007 rose to €151.6 million, compared with €121.7 million as of 31 December 2006. It is noted that in August, the Company perfected the issuance of the "SOPAF 2007-2012 3.875% convertible bonds" which made it possible for Sopaf to tap funding of €49.7 million.

#### **Holding company's results for the year of 2007**

The holding company, Sopaf, closed the year with a net profit of 20.1 million (€1.8 million during the preceding fiscal year of six months) and shareholders' equity of €131.0 million (€82.8 million as of 31 December 2006).

#### **Proposal to the shareholders' meeting**

The Board of Directors passed a resolution to submit a proposal to the shareholders' meeting recommending that the annual earnings be allocated toward covering part of the losses carried forward since 30 June 2005, or €22.8 million.

The Board of Directors will submit another proposal to the shareholders' meeting covering a plan to restructure the shareholders' equity of Sopaf S.p.A. so as to cover all losses carried forward with the use of reserves existing as of 31 December 2007.

### **Consolidated results for the first quarter of 2008\***

The revenues and income from investment activity amount to €2.1 million compared with €50.9 million for the first quarter of 2007 (mostly related to the sale of Immsi) and include the capital gain realized on the sale of 128 units of the fund, FIP Fondo Immobili Pubblici (€2.1 million) and the Group's share of losses of the Banca Network Investimenti (€1.1 million).

The revenues and income for the quarter of €1.5 million (€1.2 million in the first quarter of 2007) include roughly €0.9 million of commissions generated by the product companies.

The operating expenses and purchases of services and materials during the quarter amounted to €4.4 million and thus declined with respect to the €5 million posted for the first quarter of 2007.

At the level of earnings before taxes and interest, the Group sustained a loss of €1.1 million (compared with a profit of €46.9 million in the first quarter of 2007).

The net financial charges amounted to €1.5 million, compared with net financial income of €1.8 million for the first quarter of 2007.

The pre-tax loss was €2.6 million (versus a profit of €48.7 million for the first quarter of 2007).

After the usage of deferred tax provisions of €0.3 million, the Group's net loss was €2.2 million (compared with €43.8 million of profits for the first quarter of 2007).

Total shareholders' equity as of 31 March 2008 came to €174.1 million (compared with €182.0 million as of 31 December 2007), including €6.3 million of minority interests (€7.2 million as of 31 December 2007) and the Group's share of €167.8 million (versus €174.9 million as of 31 December 2007).

The Group's total assets as of 31 March 2008 amounted to €413.3 million (€396.6 million as of 31 December 2007).

The Group's net financial debt as of 31 March 2008 stood at €176.3 million, compared with €151.6 million as of 31 December 2007.

### **Outlook for 2008**

Management remains confident about the possibility of capitalizing on new investment opportunities consistent with the Group's business model so as to maintain a satisfactory

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\* *The area of consolidation has changed with respect to the period of reference; the changes are the result of changes within the portfolio of shareholdings and the use of a different consolidation criterion for several companies in which investments are held.*

level of profitability. In consideration thereof, Sopaf is refocusing its investment activity, and specifically, via a review of its portfolio of shareholdings.

### **Material events during the first quarter of 2008 and subsequent events**

- On 11 January 2008, Sopaf S.p.A. purchased 45% of Aviva Previdenza S.p.A. (€14.4 million).
- During the first few months of 2008, Sopaf S.p.A. purchased the remaining interest of 23% of the capital of PWM SGR, with a view toward streamlining the company's structure; the perfection of the transaction is subject to the approval of the regulatory authorities, and once perfected, PWM SGR will be merged into Sopaf Capital Management SGR.
- On 3 March, the affiliate company, AFT/LINKEM, was adjudicated the right to use WiMax licenses for 13 regions of Italy, which are home to more than 75% of the country's resident population (for a total investment of €34 million). On 1 April, Sopaf disbursed €18.5 million of financing to the affiliate.
- On 12 March, Sopaf acquired 16% of Sun System, a company active in the photovoltaic business (€2.5 million).
- During the first quarter, Sopaf perfected a series of purchases and sales of securities issued by Management&Capitali, Immsi and Conafi Prestitò, and as a result of such transactions, held 3.52%, 1% and 4.13% in the capital of such companies as of 31 March 2008.
- On 7 May 2008, the Bank of Italy authorized the rules for two funds: "Sopaf Small Cap Europe" and "Sopaf Global Private Equity Funds". The funds will be managed by Sopaf Capital Management SGR, the group's fund management company that is active in the alternative funds business.

### **Plan for acquiring and transferring own shares**

The share purchase plan approved by the ordinary meeting of the shareholders on 27 November 2007 is in the completion phase, and as of 31 March 2008, the Group held 4,286,605 Sopaf S.p.A. shares.

The Board has thus proposed to submit a request to the forthcoming shareholders' meeting to secure authorization, for a period of no more than 18 months from the date of the shareholder resolution, pursuant to Article 2357-ter of the Italian Civil Code, so that the Board, in accordance with the law and regulations as from time to time applicable and with the regulations handed down by Borsa Italiana S.p.A. and in observance of the EU provisions on the subject, may sell the shares purchased through the plan, or shares already held by Sopaf, via the following alternatives:

1. cash transactions: in which case, the sales will be made in regulated markets and/or outside of regulated markets, at a price no less than 95% of the average prices of reference registered by the Borsa Italiana screen-based system in the three sessions preceding any single transaction;
2. transactions involving the exchange, conveyance, conferral or other transaction to make the shares available within the framework of business projects or extraordinary

financing transactions. In such case, the economic terms of the transfer, including therein the valuation of the shares to be traded, shall be determined with the assistance of independent experts, in relation to the nature and characteristics of the transaction, including by taking into account the market trend of the prices of the Sopaf S.p.A. shares.

### **Notice of shareholders' meeting**

The Board has approved a resolution to convene a meeting of the shareholders on 21 June (first session) and **28 June (second session)** for the purpose of approving the 2007 financial statements. The shareholders' meeting will also be called upon to pass resolutions in relation to: (i) the plan for acquiring and transferring Sopaf S.p.A. shares; (ii) the appointment of an acting statutory auditor; and (iii) the appointment of a director.

*The executive in charge of the preparation of the corporate accounting documents (Alberto Ciaperoni) declares pursuant to Paragraph 2, Article 154-bis of the Consolidated Financial Act that the accounting information contained in this press release corresponds to the documented results, books and accounting records.*

#### ***For additional information***

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The exhibits to this press release include: the profit and loss statement, the balance sheet, the statement of changes in consolidated financial position, the statement of changes in the holding company's financial position in relation to the year ending 31 December 2007; and the profit and loss statement, the balance sheet, and the statement of changes in consolidated financial position for the first quarter of 2008. The data set out in such exhibits have not been certified by the independent audit firm nor audited by the board of statutory auditors.

# SOPAF GROUP

## CONSOLIDATED PROFIT AND LOSS STATEMENT

in €000's

	<b>01.01.2007</b>	<b>01.07.2006</b>
	<b>31.12.2007</b>	<b>31.12.2006</b>
Revenues	4.680	2.952
Other income	1.506	2.071
Materials purchases and external services	(13.446)	(4.394)
Personnel expense	(6.878)	(2.076)
Other operating expenses	(6.240)	(2.978)
<b>Gross profit</b>	<b>(20.378)</b>	<b>(4.425)</b>
Risk provisions and writedowns	(13.600)	(59)
Depreciation and amortization	(791)	(141)
Gains (losses) from sale of non-current assets	63.677	8.306
<b>Operating profit</b>	<b>28.908</b>	<b>3.681</b>
Earnings accrued on shareholdings valued with net equity method	10.208	10.659
<b>Profit before interest and taxes</b>	<b>39.116</b>	<b>14.340</b>
<i>Financial income</i>	5.235	2.563
<i>Financial charges</i>	(8.664)	(6.394)
Financial income (charges). net	<b>(3.429)</b>	<b>(3.831)</b>
<b>Profit before taxes</b>	<b>35.687</b>	<b>10.509</b>
<i>Current taxes</i>	(428)	(1.654)
<i>Deferred taxes</i>	280	1.179
Income taxes	<b>(148)</b>	<b>(475)</b>
<b>Net profit from continuing operations</b>	<b>35.539</b>	<b>10.034</b>
Net profit from operations sold	-	-
<b>Net profit</b>	<b>35.539</b>	<b>10.034</b>
<b>Allocable to:</b>		
Minority interests	(214)	(57)
<b>Group</b>	<b>35.753</b>	<b>10.091</b>
<b>Earnings per share (in €)</b>		
- Primary	0,0843	0,0239
- Diluted	0,0744	0,0229

## CONSOLIDATED BALANCE SHEET

in €000's

	31.12.2007	31.12.2006
Goodwill	2.860	1.599
Intangible fixed assets	684	81
Tangible fixed assets	23.541	7.365
Shareholdings in affiliate companies / jointly controlled companies	116.117	99.517
Financial assets	157.031	169.633
Tax credits	18.208	17.840
Deferred tax assets	5.517	8.964
<b>Total non-current assets</b>	<b>323.958</b>	<b>304.999</b>
Inventories	94	-
Customer receivables and other trade receivables	876	594
Other receivables and other assets	14.451	42.613
Other financial assets	7.298	3.132
Cash and cash equivalents	21.727	2.420
<b>Total current assets</b>	<b>44.446</b>	<b>48.759</b>
Non-current assets held for sale	28.208	-
<b>Total assets</b>	<b>396.612</b>	<b>353.758</b>
Capital	80.002	80.000
Own shares	(174)	-
Undivided profits	95.041	76.306
<b>Shareholders' equity</b>	<b>174.869</b>	<b>156.306</b>
Minority interests	7.173	23.323
<b>Total shareholders' equity</b>	<b>182.042</b>	<b>179.629</b>
Bonds	43.390	-
Due to banks and other lenders	61.557	41.360
Financial leases payable	14.840	4.600
Other liabilities	10.612	12.552
Pension and employment-severance liabilities	350	249
Deferred tax liabilities	303	4.403
Provisions	1.647	2.660
<b>Total non-current liabilities</b>	<b>132.699</b>	<b>65.824</b>
Bonds – current portion	755	-
Due to banks and other lenders	59.099	81.326
Financial leases payable	1.023	-
Financial instruments – derivatives	11	-
Trade accounts payable	4.896	3.115
Other liabilities	16.087	23.864
<b>Total current liabilities</b>	<b>81.871</b>	<b>108.305</b>
Liabilities related to assets held for sale	-	-
<b>Total liabilities and shareholders' equity</b>	<b>396.612</b>	<b>353.758</b>

# SOPAF GROUP

in €000's

## STATEMENT OF CHANGES IN CONSOLIDATED FINANCIAL POSITION

31.12.2007 31.12.2006

### OPERATING ACTIVITY

<b>Net profit (loss) for the period</b>	<b>35.753</b>	<b>10.091</b>
<i>Adjustments for:</i>		
Quota of affiliate companies' profits (losses)	(10.208)	(10.659)
Dividends received	(3.858)	(977)
Financial charges	8.664	6.393
Financial income	(5.235)	(2.563)
Income taxes	428	1.659
Deferred income taxes	(280)	(1.179)
Depreciation of property, plant and equipment	692	127
Writedowns of financial assets available for sale	13.600	59
Amortization of other intangible assets	99	14
<b>Cash flow from operating activity before changes in working capital</b>	<b>39.655</b>	<b>2.965</b>
(Increase)/Decrease in receivables and other assets	27.878	(27.249)
(Increase)/Decrease in inventories	(94)	77.636
Increase/(Decrease) in trade accounts payable and other current liabilities	(6.424)	20.004
Increase/(Decrease) in other non-current liabilities	(1.940)	-
<b>Cash generated from operating activity</b>	<b>59.075</b>	<b>73.356</b>
Interest paid	(7.675)	(6.393)
Net change in reserves for risks and charges	(1.013)	930
Net change in employment-severance liabilities	101	117
Writedown of financial assets available for sale	(13.600)	(59)
Change in non-current tax credits	(368)	18.470
Change in deferred taxes	(3.743)	3.616
Interest and deferred charges not paid on convertible bonds	1.446	-
<b>NET CASH ARISING FROM OPERATING ACTIVITY</b>	<b>34.222</b>	<b>90.037</b>

### INVESTMENT ACTIVITY

Interest received	5.235	1.585
Dividends received from affiliate companies	306	70
Dividends received from financial investments	3.858	907
Quota of affiliate companies' profits (losses)	7.610	10.659
Increases in shareholdings in affiliate companies	(60.235)	-
Decreases due to sales of shareholdings in affiliate companies	4.668	23.181
Decreases due to sales of assets available for sale	120.014	754
Liquidation of shareholdings	40	267
Goodwill on acquisition of shareholdings in subsidiary companies	(1.261)	(1.599)
Capital subscriptions in companies in which investments are held	(47.358)	(15.257)
Increases in financial assets available for sale	(43.314)	(36.331)
Changes in net assets in consolidation area	3.928	-
Decreases due to writedown of financial assets available for sale	13.600	-
Net increases for properties under financial lease	(16.868)	(6.264)
Purchases of intangible fixed assets	(702)	(66)
Change in financial derivatives	11	990
Change in non-current financial receivables	(3.395)	(3.602)
<b>NET CASH EMPLOYED IN INVESTMENT ACTIVITY</b>	<b>(13.863)</b>	<b>(24.706)</b>

### FINANCIAL ACTIVITY

Cash proceeds of bond issue	48.416	-
Increases in liabilities for financial leases	11.263	4.600
Increase (decrease) in current accounts with banks	(3.019)	12.435
Change in current financial assets	(4.166)	(3.132)
Change in financial debt	-	(73.338)
Change in minority interests	(16.150)	(33.701)
Changes in net assets in consolidation area	-	(2.552)
Changes in shareholders' equity	(9.188)	4.550
<b>NET CASH ARISING FROM (EMPLOYED IN) FINANCIAL ACTIVITY</b>	<b>27.155</b>	<b>(91.138)</b>
Change in assets held for sale	(28.208)	-
<b>INCREASE (DECREASE) NET OF CASH AND CASH EQUIVALENTS</b>	<b>19.307</b>	<b>(25.807)</b>
<b>CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD</b>	<b>2.420</b>	<b>28.227</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>21.727</b>	<b>2.420</b>

# SOPAF S.p.A.

## PROFIT AND LOSS STATEMENT

in €

	<b>31.12.2007</b>	<b>31.12.2006</b>
Dividends and other income from shareholdings	4.164.186	-
Capital gains (losses) on sale of shareholdings	54.856.181	7.971.364
(Writedowns) writebacks to value of shareholdings	(13.400.000)	(227.070)
Other operating revenues	1.591.851	140.973
Purchase of materials and external services	(8.584.609)	(2.341.515)
Personnel expense	(4.477.191)	(887.116)
Other operating expenses	(3.598.771)	(768.805)
Depreciation and amortization	(646.992)	(40.881)
Provisions to reserves for future charges	-	-
Profits (losses) from disposal of non-current assets	-	-
<b>Operating profit</b>	<b>29.904.655</b>	<b>3.846.950</b>
<i>Financial income</i>	878.226	331.806
<i>Financial charges</i>	(9.935.364)	(2.721.524)
Net financial income (charges)	<b>(9.057.138)</b>	<b>(2.389.718)</b>
<b>Profit before taxes</b>	<b>20.847.517</b>	<b>1.457.232</b>
Income taxes	(771.853)	340.755
<b>Net profit from continuing operations</b>	<b>20.075.664</b>	<b>1.797.987</b>
Net profit from operations sold	-	-
<b>Net profit</b>	<b>20.075.664</b>	<b>1.797.987</b>
<b>Earnings per share (in €)</b>		
- Primary	0,04760	0,00426
- Diluted	0,04591	0,00408

## BALANCE SHEET

in €

	<b>31.12.2007</b>	<b>31.12.2006</b>
Intangible fixed assets	156.545	50.837
Tangible fixed assets	23.157.038	251.612
Shareholdings	168.827.306	145.709.877
Financial assets	131.315.513	22.499.452
Tax credits	18.076.091	17.838.963
Deferred tax assets	5.224.435	8.910.346
<b>Total non-current assets</b>	<b>346.756.928</b>	<b>195.261.087</b>
Customer receivables and other trade receivables	780.878	193.159
Other receivables and other assets	13.408.879	19.229.130
Other financial assets	4.280.015	3.131.704
Cash and cash equivalents	9.783.972	225.141
<b>Total current assets</b>	<b>28.253.744</b>	<b>22.779.134</b>
Non-current assets held for sale	5.422.698	-
<b>Total assets</b>	<b>380.433.370</b>	<b>218.040.221</b>
Share capital	80.001.851	80.000.000
Other reserves	29.851.390	21.038.651
Own shares	(173.848)	-
Merger equity difference	(23.110.447)	-
Valuation reserves	46.985.789	4.424.835
Retained earnings (losses carried forward)	(22.663.007)	(24.460.994)
Profit (loss) for the period	20.075.664	1.797.987
<b>Total shareholders' equity</b>	<b>130.967.392</b>	<b>82.800.479</b>
Obbligazioni	43.389.715	-
Due to banks and other lenders	61.557.237	21.886.683
Due to financial institutions for financial leases	14.839.758	-
Other liabilities	16.763.368	41.356.096
Pension and employment-severance liabilities	170.252	127.993
Provisions	807.500	289.000
<b>Total non-current liabilities</b>	<b>137.527.830</b>	<b>63.659.772</b>
Bonds – current portion	755.070	-
Due to banks and other lenders	80.547.797	47.481.220
Due to financial institutions for financial leases	1.023.276	-
Financial instruments – derivatives	10.967	-
Trade accounts payable	2.642.862	1.536.881
Other liabilities	26.958.176	22.561.869
<b>Total current liabilities</b>	<b>111.938.148</b>	<b>71.579.970</b>
Liabilities related to assets held for sale	-	-
<b>Total liabilities and shareholders' equity</b>	<b>380.433.370</b>	<b>218.040.221</b>

**STATEMENT OF CHANGES IN FINANCIAL POSITION**

<b>OPERATING ACTIVITY</b>		
<b>Net profit (loss) for the period</b>	<b>20.076</b>	<b>1.798</b>
<i>Adjustments for:</i>		
Current and deferred taxes	772	(341)
Depreciation of tangible fixed assets	556	31
Amortization of intangible fixed assets	91	10
Financial income	(878)	(332)
Financial charges	9.935	2.722
Provisions to reserves for risks and charges	-	-
Writedowns of financial assets	13.400	227
<b>Cash flow from operating activity before changes in working capital</b>	<b>43.952</b>	<b>4.115</b>
(Increase)/Decrease in receivables and other current assets	5.304	(15.868)
Increase/(Decrease) in payables	1.106	724
<b>Cash generated from operating activity</b>	<b>50.362</b>	<b>(11.029)</b>
Net change in reserves for risks and charges	519	-
Net change in employment-severance liabilities	42	29
Other changes in non-current liabilities	(24.593)	41.356
Other changes in current liabilities	4.396	21.827
Change in tax liabilities	(772)	341
Change in tax assets	(237)	6.670
Change in deferred taxes	1.107	(346)
Interest paid	(9.701)	(2.500)
Interest and deferred charges not paid on convertible bonds	1.446	-
<b>NET CASH ARISING FROM OPERATING ACTIVITY</b>	<b>22.569</b>	<b>56.348</b>
<b>INVESTMENT ACTIVITY</b>		
Interest received	878	332
Investments in shareholdings for:		
<i>Acquisitions</i>	(100.780)	(162.477)
<i>Contribution of merger</i>	(28.290)	-
<i>Recapitalization of subsidiary companies</i>	-	(4.696)
Decreases in shareholdings due to:		
<i>merger-by-incorporation transactions</i>	77.391	-
<i>settlements and principal repayments</i>	10.411	-
<i>classification as assets held for sale</i>	5.423	-
<i>Increases in assets held for sale</i>	(5.423)	-
Other investments (tangible and intangible fixed assets and other financial assets)	(23.685)	(202)
Proceeds from sale of:		
<i>Shareholdings</i>	12.657	115.795
<i>Other non-current assets (tangible and intangible fixed assets and other assets)</i>	27	5
<b>NET CASH EMPLOYED IN INVESTMENT ACTIVITY (A)</b>	<b>(51.391)</b>	<b>(51.243)</b>
Changes due to merger by incorporation of subsidiary companies:		
<i>Decrease in shareholdings due to merger of subsidiary companies</i>	(62.597)	-
<i>Change in assets</i>	105.578	-
<i>Change in liabilities</i>	(78.146)	-
<i>Change in reserves for fair value of financial assets available for sale</i>	(992)	-
<i>Deficit attributed to financial assets available for sale</i>	10.430	-
Deficit from merger transactions (B)	(25.727)	-
<b>NET CASH EMPLOYED IN INVESTMENT ACTIVITY (A) + (B)</b>	<b>(77.118)</b>	<b>(51.243)</b>
<b>FINANCIAL ACTIVITY</b>		
Change in financial assets	(75.458)	15.837
Cash proceeds of bond issue	48.415	-
Increase (decrease) in amounts due to banks and other lenders	88.377	(25.744)
Changes in shareholders' equity	2.948	4.490
Purchase of own shares	(174)	-
<b>NET CASH ARISING FROM (EMPLOYED IN) FINANCIAL ACTIVITY</b>	<b>64.108</b>	<b>(5.417)</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>9.559</b>	<b>(312)</b>
<b>CASH AND CASH EQUIVALENTS AT THE START OF THE PERIOD</b>	<b>225</b>	<b>537</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>9.784</b>	<b>225</b>

## SOPAF GROUP

### CONSOLIDATED PROFIT AND LOSS STATEMENT

in € 000's

	<b>1.01.2008</b>	<b>01.01.2007</b>	<b>01.01.2007</b>
	<b>31.03.2008</b>	<b>31.03.2007</b>	<b>31.12.2007</b>
	<i>3 mesi</i>	<i>3 mesi</i>	<i>12 mesi</i>
Revenues	1.155	1.099	4.680
Other income	300	98	1.506
Materials purchases and external services	(2.426)	(2.270)	(13.446)
Personnel expense	(1.567)	(1.215)	(6.878)
Other operating expenses	(396)	(1.503)	(6.240)
<b>Gross profit</b>	<b>(2.934)</b>	<b>(3.791)</b>	<b>(20.378)</b>
Risk provisions and writedowns	-	-	(13.600)
Depreciation and amortization	(250)	(171)	(791)
Gains (losses) from sale of non-current assets	2.560	48.465	63.677
<b>Operating profit</b>	<b>(624)</b>	<b>44.503</b>	<b>28.908</b>
Earnings accrued on shareholdings valued with net equity method	(440)	2.388	10.208
<b>Profit before interest and taxes</b>	<b>(1.064)</b>	<b>46.891</b>	<b>39.116</b>
<i>Financial income</i>	1.855	4.339	5.235
<i>Financial charges</i>	(3.353)	(2.493)	(8.664)
Financial income (charges). net	<b>(1.498)</b>	<b>1.846</b>	<b>(3.429)</b>
<b>Profit before taxes</b>	<b>(2.562)</b>	<b>48.737</b>	<b>35.688</b>
<i>Current taxes</i>	-	(4.427)	(428)
<i>Deferred taxes</i>	290	(343)	280
Income taxes	<b>290</b>	<b>(4.770)</b>	<b>(148)</b>
<b>Net profit</b>	<b>(2.272)</b>	<b>43.967</b>	<b>35.540</b>
<b>Allocable to:</b>			
Minority interests	(42)	(160)	(214)
<b>Group</b>	<b>(2.230)</b>	<b>43.807</b>	<b>35.753</b>
<b>Earnings per share (in €)</b>			
- Primary	(0,0054)	0,1039	0,0843
- Diluted	(0,0043)	0,0998	0,0744

## CONSOLIDATED BALANCE SHEET

in € 000's

	<b>31.3.2008</b>	<b>31.12.2007</b>
Goodwill	2.860	2.860
Intangible fixed assets	654	684
Tangible fixed assets	23.501	23.541
Shareholdings in affiliate companies / jointly controlled companies	131.685	116.117
Financial assets	153.896	157.031
Tax credits	18.290	18.208
Deferred tax assets	6.988	5.517
<b>Total non-current assets</b>	<b>337.874</b>	<b>323.958</b>
Inventories	129	94
Customer receivables and other trade receivables	1.286	876
Other receivables and other assets	10.768	14.451
Other financial assets	24.021	7.298
Cash	11.023	21.727
<b>Total current assets</b>	<b>47.227</b>	<b>44.446</b>
Non-current assets held for sale	28.208	28.208
<b>Total assets</b>	<b>413.309</b>	<b>396.612</b>
Capital	80.095	80.003
Own shares	(1.949)	(174)
Undivided profits	89.644	95.041
<b>Shareholders' equity</b>	<b>167.790</b>	<b>174.869</b>
Minority interests	6.274	7.173
<b>Total shareholders' equity</b>	<b>174.064</b>	<b>182.042</b>
Bonds	43.639	43.390
Due to banks and other lenders	65.978	61.557
Financial leases payable	14.840	14.840
Other liabilities	10.713	10.612
Pension and employment-severance liabilities	418	350
Deferred tax liabilities	299	303
Provisions	1.708	1.647
<b>Total non-current liabilities</b>	<b>137.595</b>	<b>132.699</b>
Bonds – current portion	1.082	755
Due to banks and other lenders	85.052	59.099
Financial leases payable	799	1.023
Financial instruments – derivatives	25	11
Trade accounts payable	2.664	4.896
Other liabilities	12.028	16.087
<b>Total current liabilities</b>	<b>101.650</b>	<b>81.871</b>
Liabilities related to assets held for sale	-	-
<b>Total liabilities and shareholders' equity</b>	<b>413.309</b>	<b>396.612</b>

**SOPAF GROUP**

in € 000's

<b>NET FINANCIAL POSITION</b>	<b>31.03.2008</b>	<b>31.12.2007</b>	<b>31.03.2007</b>
A) Cash on hand	11	11	967
B) Other cash and cash equivalents	11.012	21.715	15.649
C) Securities held for trading	1.821	3.017	-
<b>D) TOTAL LIQUIDITY (A+B+C)</b>	<b>12.845</b>	<b>24.743</b>	<b>16.616</b>
E) Current financial receivables	22.199	4.282	3.172
F) Current bank debt	(7.374)	(27.198)	(13.302)
G) Current maturities of long-term debt	(68.386)	(30.765)	(19.194)
H) Other current financial debt	(11.174)	(2.914)	(2.819)
<b>I) CURRENT FINANCIAL DEBT (F+G+H)</b>	<b>(86.934)</b>	<b>(60.877)</b>	<b>(35.315)</b>
<b>J) NET CURRENT FINANCIAL DEBT (I-E-D)</b>	<b>(51.890)</b>	<b>(31.852)</b>	<b>(15.527)</b>
K) Non-current bank debt	(61.602)	(57.162)	(41.707)
L) Bonds issued	(43.639)	(43.390)	-
M) Other non-current debt	(19.216)	(19.235)	(4.763)
<b>N) NON-CURRENT FINANCIAL DEBT (K+L+M)</b>	<b>(124.457)</b>	<b>(119.787)</b>	<b>(46.470)</b>
<b>O) NET FINANCIAL DEBT (J+N)</b>	<b>(176.347)</b>	<b>(151.639)</b>	<b>(61.997)</b>