
BOARD OF AUDITORS' REPORT ON EXPRIVIA S.P.A.'S SHAREHOLDERS' MEETING IN ACCORDANCE WITH ART. 153 DECREE LAW 58/98

Dear Shareholders,

The Board of Auditors herewith reports on the auditing activity carried out and that required by Decree Law No 58 of 24 February 1998 and art 2479 of the Civil Code, referring also to Consob Communication No DEM/1025564 of 6 April 2001 (of which this report follows the descriptive outline). Said supervisory activity not only regarded ordinary management but also extraordinary operations, and was carried out according to the Board of Auditors' code of conduct approved by the National Council of Accountants and Bookkeepers.

Our interventions as a whole were recorded in the minutes of the 9 board meetings held during the course of 2006.

The Company's balance sheet that closed on 31/12/2006 presents an operating profit of Euro 1,098,875 and was communicated to the Board of Auditors together with the management report in accordance with the law. The Board of Auditors verified observance of the applicable regulations by means of audits and information provided by the auditing Company.

Our work was firstly based on monitoring observance of the law and deed of incorporation as well as appropriate management standards.

1. Directors reported the most important economic, financial and asset related operations carried out by Exprivia Spa during 2005 to the Board of Auditors. Said operations are summarised hereunder and described in greater detail in the Management Report drawn up by the Directors, which should be consulted for further detail:

- On 3 August 2006 the extraordinary shareholders' meeting deliberated an increase in capital at the service of a stock option plan, excluding the call option in accordance with article 2441, comma 4, second period of the Civil Code. The capital increase is of Euro 1,716,000, achievable issuing 3,300,000 new shares of the nominal value of Euro 0.52 each. The plan expires on 30/06/2009 and the last date for underwriting the capital increase is 30/06/2011. The recipients of said plan include the Chairman, Managing Directors, Managers, Employees and Collaborators of Exprivia Spa and other companies of the group. The options will be assigned in different tranches decided, from time to time, by the Board of Directors prior consulting the Pay Committee. The price to exercise said options is the arithmetic average Exprivia share price noted the month prior their assignment.

- On 31 January 2006 the extraordinary meeting decided to transfer the company's registered office to Molfetta (BA), at Via Adriano Olivetti s.n.c., and change its name to Exprivia S.p.A.. However, the company may also use its previous names, already known on the market, such as AISoftw@re S.p.a. or AIS S.p.a..
- On 28/10/2006 Exprivia Spa acquired a 7.69% share of A.C.S. Spa's company capital, company that works in the satellite imaging acquisition, management and interpreting software and hardware sector. Said acquisition was carried out by the English company Infusion 2002 Ltd (company of the Brainspark Plc group) transferring the Exprivia Group credit with the Israeli company, Geosim System Ltd, of USD 1,000,000 (around Euro 782,000) to Brainspark.

Amongst the most significant events following the balance sheet close date we note the company is thinking about listing Exprivia Spa shares on the STAR segment of the Milan Stock Exchange. A formal application will probably be submitted in the next few months.

In the Board's opinion the operations carried out are in accordance with the law and articles of association, meet the Company's interests, are prudent and not in contrast with those resolutions adopted by the Meeting and Board of Directors.

2. Apart from the extraordinary operations described above, the Board of Auditors, in comparing notes with the Auditing Company, has not noted any atypical and/or unusual operations with third parties, affiliates or within the group.

As regards ordinary operations between Exprivia Spa and affiliates, exchanges and collaborations have taken place at normal market conditions and in accordance with the Company's interest as aimed at rationalising group resources. These exchanges are mentioned in the "Relationships between subsidiaries of the Group and Relationships with affiliates" paragraph of the Management Report.

The Board believes that the information provided in the Management Report drawn up by directors as regards infragroup operations and those with affiliates is sufficient, as well as such to clarify the company's interest in carrying out said operations.

As regards the introduction of International Accounting Standards (IAS), it is brought to the partners' attention that the company has decided to apply said criteria, both as regards the parent company's civil balance sheet and the group's consolidated balance sheet, since 2005.

4. No facts censurable in accordance with art. 2408 of the Civil Code have been reported to the Board up until today.
5. The Board of Auditors is not aware of any claims, complaints or petitions.
6. PKF Italia Spa has been assigned the following duties during 2006:
 - provide advice on the price of shares issued to increase the capital excluding call option in accordance with art. 2441, comma 4, of the Civil Code, deliberated on 03/08/06. PKF Italia received Euro 10,000.00 for this work, as well as Euro 480.00 expenses.
 - provide advice on the economic and financial impact of the stock option plan approved by Exprivia Spa management on 2007-2011. PKF Italia received Euro 7,500.00 for this work.
7. Exprivia Spa did not assign work to subjects linked to the auditing company, PKF Italia, during the year.
8. The Board of Auditors did not issue advice in accordance with the law during the year. The Board approved the use of the share surplus reserve to purchase own shares in accordance with art. 2357 of the Civil Code during the meeting of 03/08/06 even though not obliged by the law.
9. The Board of Auditors approved the pay due Directors invested with special duties.
10. The Board of Auditors met 9 times during 2006. Moreover, auditors took part in 11 Board of Directors' meetings. The executive committee was not appointed. As indicated in regulation 8.C.4 of the Code of Self Discipline of listed companies reviewed during March 2006, the Chairman of the Board also took part in those Internal Audit Committee meetings held up until today.
11. The Board of Auditors has become acquainted with and monitored respect of correct management standards, by means of direct inspections, collecting information from those in charge of the company and meeting with those in charge of the auditing company to exchange important data and information. There is nothing to report in merit.

12. The Board has also become acquainted with and monitored the Company's organisational structure and chart. There is nothing to report in merit.
13. The Board has also monitored the internal auditing system. This was carried out by working with those in charge of coordinating group administrative procedures and exchanging information with the auditing company. It is noted that, despite repeated letters from the Board, the company assigned Ms. R. Daloso the job of managing internal audit functions.
14. The administrative and accounting system is sufficient and provides a reliable representation of the management facts. In particular, it is noted that, as from 01/01/2007, all companies included in the consolidation, adopted the same information system standardising group procedures.
15. Exprivia Spa has informed subsidiary companies of those provisions necessary to fulfil those communication obligations set out by the law on public information (art. 114, comma 2 of Decree Law 58/98).
16. We have analysed the auditing company's reports on the company's balance sheet and consolidated balance sheet to be issued in the next few days in accordance with art. 156 of Decree Law 58/98. Moreover, we have also been in contact with the aforementioned to verify the contents thereof. Said reports, that deem the operating and consolidated balance sheets to be a reliable representation of the company's accounts, contain references to information shared by the Board of Auditors, and therefore the relative reports should be consulted.
17. As regards Corporate Governance the Company applies a model that refers to the Code of Self-Discipline of listed companies in its most significant aspects. In particular:
 - the Board of Directors, made up of No 7 members, contains No 2 non-executive and independent members. The Board made sure that the criteria and procedures adopted to assess the independence of its members were applied correctly. Criteria adopted are in accordance with that set out in articles No 2 and 3 of the Code of Self-Discipline.

- the Board of Directors has set up a Pay Committee consisting of 2 independent members and a non-executive director.
- an internal audit committee has been set up to verify internal audit system operation. The committee consists of 2 independent members of the Board of Directors and a non-executive director.

18. Auditing activities carried out by the Board of Auditors has not highlighted any omissions, censurable facts or irregularities that need to be reported to the shareholders and controlling bodies.

In conclusion, Exprivia S.p.A.'s Board of Auditors proposes to approve the Company's balance sheet as at 31 December 2006 as drawn up by the Board of Directors and has no objections as regards the proposed disposition of the operating result.

Milan, 10 April 2007

On behalf of the Board of Auditors

The Chairman Renato Beltrami