

EXPRIVIA S.p.A.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

INDEPENDENT AUDITOR'S REPORT
PURSUANT TO ART. 156 OF LEGISLATIVE DECREE No. 58 OF FEBRUARY 24, 1998

(Translation from the original Italian version)

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PURSUANT TO ART. 156 OF LEGISLATIVE DECREE No. 58 OF FEBRUARY 24, 1998

To the shareholders of
Exprivia S.p.A.

1. We have audited the consolidated financial statements of Exprivia S.p.A. and its subsidiaries (the Exprivia Group) for the year ended December 31, 2009, which comprise the balance sheet, the statements of income, comprehensive income, changes in shareholders' equity, cash flows and the accompanying explanatory notes. These consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union are the responsibility of Exprivia S.p.A. directors. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards recommended by CONSOB, the Italian Commission for listed companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the prior year consolidated financial statements, the balances of which are presented for comparative purposes, reference should be made to our audit report dated March 20, 2009.
3. In our opinion, the consolidated financial statements of Exprivia S.p.A. for the year ended December 31, 2009 are prepared in conformity with the International Financial Reporting Standards (IFRS) adopted by the European Union; consequently, they present fairly the consolidated financial position, the results of operations, changes in shareholders' equity and cash flows of the Exprivia Group for the year then ended.
4. The directors' report on the Group management prepared conforming to the requirements of the law is the responsibility of Exprivia S.p.A. directors. Our responsibility is to express an opinion on the consistency of the directors' report and information provided by comma 1, points c), d), f) l), m) and comma 2, point b) of art. 123-bis of Legislative Decree n. 58/1998 with the financial statements as required by art. 156, comma 4bis, point d) of Legislative Decree n. 58/1998.

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2.

In this regard, we have applied the procedures specified in the auditing standard PR001 issued by the national committee of "Dottori Commercialisti ed Esperti Contabili" and recommended by Consob. In our opinion, the directors' report and information per comma 1, points c), d), f), l), m) and comma 2, point b) of art. 123-bis of Legislative Decree n. 58/1998 presented in the specific section of the same report are consistent with the consolidated financial statements of Exprivia S.p.A. for the year ended December 31, 2009.

5. As emphasis paragraphs, we recall the following information disclosed in the explanatory notes:

5.1 With reference to the group subsidiary (owned by Exprivia Solutions SpA) Aisoftw@re Professional Services S.r.l. in liquidation, the following principal legal proceedings have to be noticed:

- Financing granted by the Abruzzo Region (POP contributions revoked for Euro/000 250): appeal proposed to the "Consiglio di Stato" against the Abruzzo Region. On 1st April 2009, the resolution of the "Consiglio di Stato" was pronounced rejecting the appeal proposed against the Abruzzo Region for the same reasons recognized in the first pronouncement. With this final resolution the long judicial claim process against the Region for the cancellation of the regional management decision to revoke POP contributions has reached its conclusion. Following the excussion by the Abruzzo Region of the guarantee rendered by Atradius, this latter has opened a claim against Aisoftw@re Professional Services Srl for reimbursement of Euro/000 250 excussed as guarantee on the financing by the Abruzzo Region. The claim presented at the Rome Court is in its initial phase, with a first hearing fixed on 23 September 2010, and obligation to constitute as plaintiff within 20 days.
- Tax recharge for undue ten-year tax exemption (1991-2000) from IRPEG/ILOR (approximately Euro/000 843); following the Regional Tax Court pronouncement contrary to the Company, appeal was proposed to "Cassazione" on the ground of principles and the date for discussion has not yet been fixed. In the meanwhile the "Agenzia delle Entrate" issued a tax bill for Euro/000 28 as accrued interest on the capital amount. On 11 December 2009, the Company request for suspension was discussed: waiting for decision.
- Tax recharge by the "Agenzia delle Entrate" ("Guardia di Finanza") on undue tax credits per law 388/2000 for Euro/000 250: as a result of the pronouncement by the provincial tax court (Aquila) favourable to the Company, the "Agenzia delle Entrate" have proposed appeal to the regional tax court, and their resolution on 23 November 2009 accepted the appeal. It is now under evaluation whether to continue the claim by proposing a final level appeal (Cassazione).
- INPS Avezzano ("Guardia di Finanza") – Recharge for undue benefits per law 407 for years 2002/2005: the appeal ex art. 23 of law n. 88/1989 proposed by the Company on November 2007 has remained without reply. On 10 April 2009, the Company received a bill from INPS for Euro/000 249 recharge: appeal was proposed to the labour court (Avezzano). At the hearing on 12 January 2010, the judge allowed a term up to 30 May 2010 for the deposit of the memories and the list of personnel and postponed the hearing to 18 May 2010.
- On 29 December 2008, a tax bill was received from "Agenzia delle Entrate" for Euro/000 123 for penalties and accrued interest for delays in payment of withholding taxes "Modello 770/2005 tax year 2004" Latest hearing on 28 January 2010: waiting for pronouncement.
- On 13 December 2008, a tax bill (approximately Euro/000 34) was received for social contributions INPDAI (now INPS) for years 2000 / 2001 / 2002; the bill includes prior years claims for social contributions year 2002 for which the Company already supported documentation to prove the payments made. The Company has now provided INPS (Avezzano) with documentation of all payments made in years 2000 / 2001 / 2002 with a request for suspension of the bill. On 13 January 2010, INPS (Avezzano) confirmed to accept the request for supervision, in order to verify the Company position.

- 5.2 With reference to the Medium Term Financing from a pool of banks led by BNL with property guarantees, it is noted that the banks have allowed Exprivia S.p.A. medium term credit lines under the condition to meet all the requirements and the specific parameters, as fully described in the explanatory notes. In the case the Company does not meet these requirements and the specific parameters provided in the Medium Term Financing agreement, this will give the option by the lenders to call Exprivia S.p.A. for immediate reimbursement of the financing which will have significant negative impact on the economic and financial position of Exprivia S.p.A. and the entire Exprivia Group. Considering extraordinary operations and investments made by Exprivia S.p.A. in the three years 2007/2009, subsequent to entering into the medium term financing, the Company has requested for a revision of the financial parameters in order to establish - for the next application date on 30 April 2010 – the new financial parameters that should be applied.
- 5.3 With reference to the parent Company Exprivia S.p.A., the following tax claim is noted:
- Relating to the report by the tax inspectors (“Guardia di Finanza”) notified on December 18, 2007, where issues were raised against the Company for undeductible deductions for goodwill amortization, contributions of funded research projects, losses from adjustments, costs for restructure and investments devaluation provisions, the tax office (Agenzia delle Entrate / Milano 3) issued on 29 December 2008 provisional tax assessments relating to years 2002 and 2003 and on 25 March 2009 provisional assessment relating to year 2004 referring to the some issues. For these years the Company filed a request for agreed assessment and, due to expiration of terms to propose opposition, has proposed separate appeals to the regional tax Court of Milan.
- 5.4 With reference to the subsidiary Wel.Network S.p.A., the following tax claim is noted:
- Tax claim raised by the subsidiary Wel.Network S.p.A, which was notified on 18 December 2009 by the “Agenzia delle Entrate” – Direzione Provinciale Piacenza”, a proposed tax assessment for year 2004. The assessment is directly related to the general tax inspection for income tax year 2004 and the inspection for Value Added Tax (VAT) for years 2005 and 2006. The above tax inspections resulted in the report notified by the tax inspectors on 7 December 2007, where issues were raised for asserted violations of the tax law on VAT, untaxed gains, entertainment expenses not deductible and software costs capitalized. To contrast those claims, the Company presented an extensive memory of defence filed on 25 October 2007, annexed to the tax report, where all the issues raised were rejected, providing an exhaustive documentation to support all the operations performed.

Milan, 31 March 2010

PKF Italia S.p.A.
Signed on the original
Eliseo Piana
(Partner)