

CONSOLIDATED BALANCE SHEET	30 June 00	30 June 99	31 Dec. 99
(Lit. millions)	(Unaudited)	(Unaudited)	(Audited)
Asset			
Receivables from shareholders for due payments	-	-	-
Fixed assets:			
Intangible. net:			
Start-up costs	29	16	23
Research and development costs	8.148	6.292	5.637
Licences and other similar rights	339	441	240
Goodwill	5.447	460	398
Assets under development	1.369	1.939	3.062
Other	145	207	109
Total intangible. net	15.477	9.355	9.468
Tangible. net:			
Buildings	304	-	-
Other	774	285	251
Investments			
Shareholdings in associated companies	21	-	-
Shareholdings in subsidiaries	6.113	-	3.375
Shareholdings in other Enterprise	4.064	12	12
Receivables from subsidiaries	-	-	-
Receivables from other	117	74	73
Total fixed assets	26,869	9.726	13.179
Current assets:			
Inventories. net:			
Work-in-progress	-	-	-
Finished products and goods	2.188	829	711
Payments on account	1.298	512	718
Total inventories. net	3.486	1.341	1.429
Receivable. net:			
Trade receivables	21.093	9.915	15.872

Trade receivables from subsidiaries	70	-	-
Trade receivables from associated companies	575	-	792
Other receivables due within one year	1.964	718	5.469
Other receivables due after one year	1.422	39	1416
Current financial assets:			
Other assets	662	-	-
Cash and bank current accounts:			
Bank accounts	22.215	-	28.568
Cash-in-hand	130	5	8
Total current assets	51.617	12.017	53.554
Accruals and deferrals	314	73	211
Total assets	78.800	21.816	66.944
Shareholders' equity			
Share capital	5.873	2.550	5.770
Reserves	42.008	21	46.206
Profit (loss) brought forward	-80	-48	-48
Net profit (loss) for the period	-5.296	-2.723	-5.357
	42.505	-200	46.571
Minority Interest	1.733	-	-
Liabilities			
Provision for future risks	92	-	-
Employees' leaving entitlement	1.541	777	841
Payables			
Payables to banks due within one year	16.579	9.192	4.047
Payables to banks due after one year	3.616	4.900	4.256
Other financial liabilities	-	174	-
Payments on account	18	5	-
Trade payables	5.875	3.719	8.732
Tax payables	2.556	1.058	1.034
Payable to social security institutions	604	872	332
Other payables	2.837	1.277	652
Accruals and deferrals	844	42	478
Total liabilities	34.562	22.016	20.373
Total liabilities and shareholders' equity	78.800	21.816	66.944
Memorandum accounts	1.142	1.248	3.588

CONSOLIDATED INCOME STATEMENT (Lit. millions)	3 Month ended June, 30		6 Month ended June, 30		31 Dec
	2000	1999	2000	1999	1999
			Unaudited	Unaudited	Audited
Revenues:					
Revenues from sales and services	12.007	3.699	16.309	5.147	18.743
Changes in work in progress	-	-180	-	-179	-179
Capitalised software costs	1.052	1.147	1.946	1.911	3.780
Other revenues	166	-36	243	45	184
Grants	424	103	424	248	479
	13.649	4.734	18.922	7.172	23.007
Operating costs:					
Cost of goods	-3.803	-394	-4.050	-612	-3.945
Service costs	-4.245	-1.361	-6.716	-2.948	-5.821
Leases and rental expenses	-455	-166	-702	-451	-900
Personnel	-4.656	-1.723	-7.516	-3.389	-6.626
Depreciation, amortisation and write-downs	-1.687	-849	-2.679	-1.645	-3.567
Changes in inventory	708	-123	546	-156	-258
Other provision	19	-	-30	-	-16
Other operating costs	-315	-21	-315	-60	-581
	-14.433	-4.637	-21.462	-9.261	-21.714
Operating result	-785	97	-2.540	-2.089	1.293
Financial income and charges:					
Financial income:					
From other	269	10	517	19	171
Interest charges and other financial charges					
From banks	-473	-274	-637	-577	-1.244
	-205	-265	-120	-558	-1.073
Adj. Financial Activities					
Rivaluation	-	-	-	-	2
Svaluation	-261	-	-261	-	-
Extraordinary income and expense:					
Other	-638	-	-638	-	-6.822
Extraordinary income and expense	32	-	-	-	-
Profit (loss) before taxes	-1.857	-168	-3.560	-2.647	-6.599
Income tax for the period	-1.263	-76	-1.263	-76	-130
Deffered taxes	-	-	-	-	1.373
Net profit (loss) for the period	-3.119	-244	-4.822	-2.723	-5.356
Minority Interest	-253	-	-473	-	-
Net profit (loss) for the Group for the period	-3.372	-244	-5.295	-2.723	-5.356

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT (Lit. millions)	6 Month ended June.30	
	2000	1999
Cash flow from operating activities		
Net income (loss)	-5.296	-2.723
Adjustments to reconcile net profit for the period to net cash provided by operating activities:		
Depreciation and amortisation	2.628	1.612
Employees' leaving entitlement	946	144
Employees' leaving entitlement matured during the period	-246	-63
Changes in operating assets and liabilities:		
Inventory	-2.057	362
Trade receivables	-5.074	2.860
Other receivables	3.499	218
Trade payables	-2.857	-401
Other payables	3.997	-337
Accrual and deferrals	355	-79
Net cash provided by (used in) operating activities	-4.105	1.593
Cash flows from investing activities:		
Tangible fixed assets	-991	-38
Intangible assets	-8.473	-2.043
Increase of financial assets	-6.855	28
Net book value of tangible assets sold	-	5
Net cash provided by (used in) investing activities	-16.319	-2.048
Cash flow from financial activities		
Payables to banks	12.532	-1.781
Increase in payables due after 12 months	-641	2.200
Other Financial Assets	-663	-
Capital increase	1.230	-
Minority Interest	1.733	-
Net cash provided by (used in) operating activities	14.192	419
Increase (decrease) in cash	-6.232	-36
Cash and bank at the beginning of the year	28.576	41
Cash and bank at the end of the period	22.344	5
Increase (decrease) in cash	-6.232	-36