Consolidated Financial Report
Half Year to 30 June 2009

Index

Interim Report
on the management of
Exprivia group

Corporate bodies

BOARD OF DIRECTORS

At 30 June 2009, the Board of Directors (BoD), whose appointment will terminate with the closure of the 2010 accounting period, was made up as follows:

BoD member	Position held	Executive/Non Executive	Place and date of birth
Domenico Favuzzi	President and managing director	Executive	Molfetta (BA) 18/04/1962
Dante Altomare	Vice president	Executive	Molfetta (BA) 18/09/1954
Giancarlo Di Paola	Vice president	Non executive	Bari 22/05/1952
Rosa Daloiso	Not independent director	Non executive	Margherita di Savoia (FG) 5/04/1966
Giorgio De Porcellinis	Not independent director	Non executive	Milan 21/01/1948
Pierfilippo Vito Maria Roggero	Independent director *	Non executive	Milan 22/06/1954
Alessandro Laterza	Independent director *	Non executive	Bari 9/02/1958

(*) Independent directors as per Article 3 of the Self-discipline Code adopted by the Italian Stock Exchange

Filippo Giannelli, executive director, appointed by the Exprivia shareholders' meeting of 31 March 2008, resigned on 18 June 2009 and, on 25 June 2009, the Board of Directors co-opted Giorgio De Porcellinis to replace him; the appointment of Mr De Porcellinis will be subjected to the approval of the next shareholders' meeting. Mr De Porcellinis was also appointed member of the Internal Control and Salaries Committees.

The Board of Directors is invested with the widest powers for the ordinary and extraordinary management of the company, without exception, with full authority for the implementation and achievement of the company aims. It can, therefore, undertake any type of obligation and carry out any capital provision without limitations of any kind, as everything which, by law, is not specifically reserved for deliberation by the shareholders' meetings is its responsibility (cf. Corporate Governance)

BOARD OF AUDITORS

The current Board of Auditors, appointed by the Exprivia shareholders' meeting of 31 March 2008 whose appointment will terminate with the closure of the 2010 accounting period, consists of:

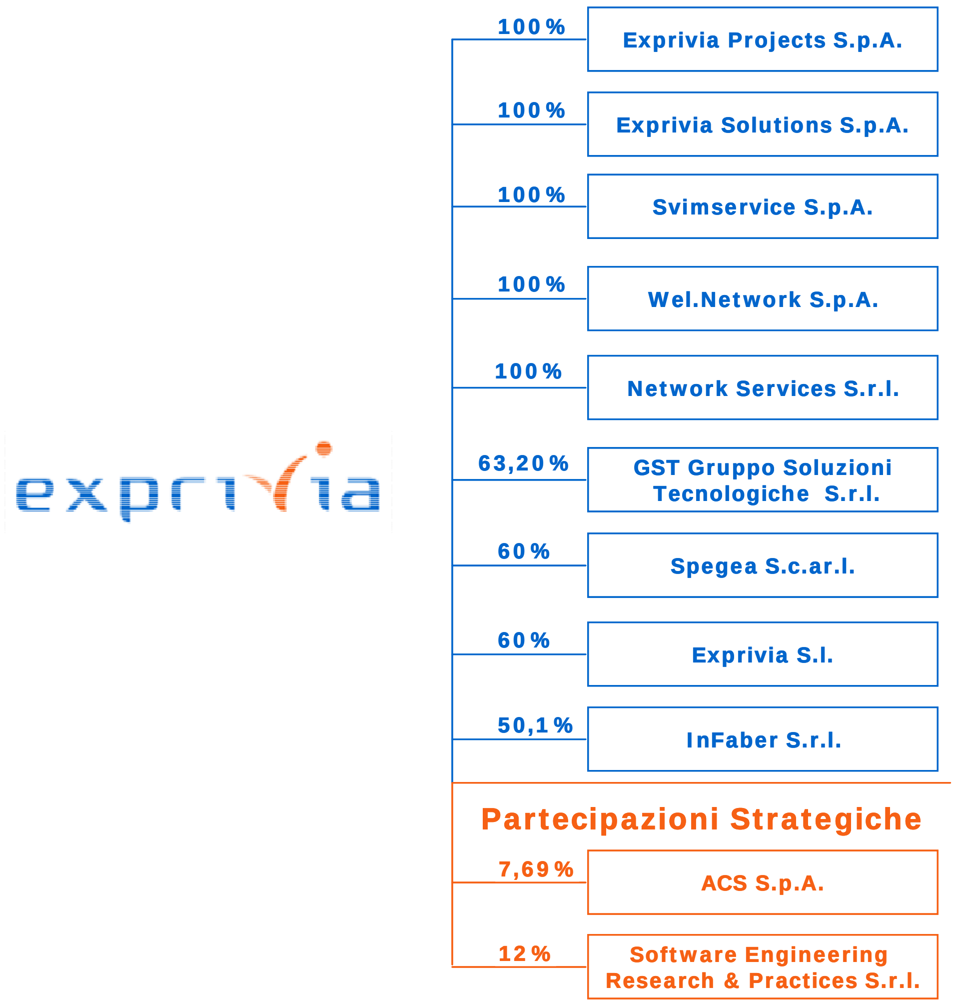
Board member	Position held	Place and date of birth
Renato Beltrami	President	Storo (TN) 07/12/1942
Gaetano Samarelli	Statutory auditor	Molfetta (BA) 07/12/1945
Ignazio Pellecchia	Statutory auditor	Bari 28/06/1968
Leonardo Giovanni Ciccolella	Substitute auditor	Bari 24/06/1964
Mauro Ferrante	Substitute auditor	Bisceglie (BA) 01/11/1964

Exprivia: one step ahead

THE COMPANY

Exprivia bases its foundations on a heritage of competences and experience matured in more than 20 years of constant work in Information Technology for the banking and finance, industry, telecommunications, utilities, transport, public administration and health markets. The company has always looked to the future in the constant search for technologies that are able to anticipate market trends in order to offer customers solutions and services able to improve their business processes. This strategic vision, plus the awareness of the specific needs of every single individual contact, the vertical offer system, the ability to manage complex projects and a research and development area of international excellence, form the distinctive elements of the group.

THE GROUP



SUBSIDIARIES

Exprivia Projects S.p.A. is 100% controlled by Exprivia; it is based in Rome and has a share capital of Euro 242.000.00 fully paid-up. It is specialised in the design, development and management of Call Centre, Contact Centre and Help Desk installations.

Exprivia Solutions S.p.A., held 100% by Exprivia, is based in Rome and has a share capital of Euro 170.795.00 fully paid-up. It is the group company dedicated to the creation and supply of high added value IT products and solutions for the Defence and Space, Services and local and central Public Administration markets.

Svimservice S.p.A. is 100% owned by Exprivia and is based in Bari; it has a share capital of Euro 1.548.000.00 fully paid-up. It has become established as a leading ICT company in the health service IT sector with an extension and geographical diversification of the customer portfolio and an offer of development and management of health service IT systems based on proprietary solutions and web-oriented technologies in addition to the field of IT systems and applications for local public administration (LPA).

Wel.Network S.p.A., 100% owned by Exprivia, is based in Piacenza and has a share capital of Euro 1.500.000.00 fully paid-up. It has matured considerable experience in many sectors typical of the IT world. In recent years, it has focused, in particular, on professional services distributed on SAP applications with particular penetration of the Industrial and Oil & Gas sectors. Alongside this there is conspicuous activity in the resale of third party software licences.

Network Services S.r.l., 100% owned by Exprivia, is based in Molfetta and has a share capital of Euro 99.000.00 fully paid-up. It is specialised in the development of software projects and the distribution of professional services, mainly on a SAP platform.

group Solutions Tecnologiche S.r.l – GST, in which Exprivia has a holding of 63.2%, is based in Trento and has a share capital of Euro 27.500.00 fully paid-up. The company focuses on the design and development of solutions for the voice recognition field. GST currently produces and sells software applications and evolved services using the best speech recognition technologies available on international markets.

Spegea S.C. a r.l., a Management School based in Bari, organises and manages specialist seminars, specific training courses for companies and public administration, and the ASFOR-accredited 'Master in Management and Industrial Development'. The company was set up 28 years ago at the instigation of Confindustria, Bari, with the support of banks and institutions; today, it is 60% controlled by Exprivia S.p.A.

Exprivia Sl, a company set up in Madrid in April 2008. It is start-up for the development of IT solutions and systems for the Health sector in the Spanish market. In July 2008, Exprivia S.p.A. acquired a majority holding of 60% underwriting an increase in capital.

InFaber S.r.l. is specialised in the supply of Manufacturing Execution System (MES) services and solutions for the Italian and international manufacturing market. It was set up on 5 September 2008 from the transformation of the company fully-controlled by Exprivia called AEMEDIA S.r.l.; Exprivia S.p.A. holds the majority with a share of 50.10%.

Svimservice S.p.A. holds 100% of the share capital of **Al Faro S.r.l.**, a company which is not active. Exprivia Solutions S.p.A. holds 100% of the share capital of **Farm Multimedia S.r.l.** in liquidation and **AISoftw@re Professional Services S.r.l.** in liquidation, companies which are not active.

STRATEGIC HOLDINGS

ACS S.p.A. has an important national and international role in the software and hardware sector for the acquisition, management and interpretation of satellite images. The company, with offices in Rome and Matera, has about 110 employees.

Software Engineering Research & Practices S.r.l, in which both Exprivia S.p.A. and Svimservice S.p.A. have 6% stakes, is a spin-off of the *Università degli Studi*, Bari with the aim of industrialising the results of university research in the software engineering field and their transfer into business processes.

OTHER HOLDINGS

ClinicHall S.r.l. was set up in 2004 to establish a research and development project for an innovative clinical IT system. Following the acquisition of the Aurora branch of the company (formerly in the Healthcare sector of Siemens S.p.A.), the holding in ClinicHall is in the process of being sold (see events occurring after 30/06/2009).

IQS New S.r.l, in which Exprivia S.p.A. has a 5% stake, is a company which was concerned with the development and management of web services; it has been put into liquidation.

CONSORTIA

Società cons. a r.l. Pugliatech, set up to participate in the fulfilment of the programme contract set out in the POR Puglia notice 2000-2006.

Società cons. a r.l. Conca Barese, set up for the management of the *Patto Territoriale Conca Barese* (Bari Territorial Agreement).

Consorzio Biogene, for the development of the project 'Public-private laboratory for the development of integrated bio-information instruments for genomics, transcriptomes and proteomics (LAB GTP)'.

Società cons. a r.l. 'DAISY – NET', set up to undertake initiatives appropriate for the development of a Centre of Technological Competence on ICT divided into a network of regional Centres of Competence.

Values and principles

Exprivia group puts the people in the group, and who are its main asset, at the centre of its growth strategy, increasingly satisfying the requirements of a market in rapid transformation and pursuing the technological evolution of ICT services. In the last few years, the Exprivia group has had a season of great organisational and market growth as a result of the technical excellence and very high level of professionalism of the people working in the group, implementing a strategy of acquisitions, and the relative integration programmes, increasing the weight and importance in the national scenario.

The group continues to look for efficiency and improvement, maintaining and increasing the attention on people. The aim of creating and supporting an atmosphere in which employees can constantly improve both their own performance and that of the company is pursued. The concept 'Our strength is in the people who work for us' is in force in the group and, as a result, it is committed to attracting collaboration and reciprocal trust, encouraging team spirit even among colleagues working in professional contexts which are distant, with different technological content and differentiated by type of customer. The daily commitment is oriented to increasing the effectiveness of people, improving their technical and managerial preparation, motivation, sense of belonging and responsibility, and the level of professional adhesion to the requirements of the group.

In Exprivia, relationships and behaviour, at all levels of the company, are based on principles such as **honesty, fairness, transparency, discretion, impartiality, diligence, loyalty and reciprocal respect**. Exprivia is committed to the following fundamental values:

- ✓ **Professional development, Enhancement of human resources and Equal Opportunities**

  Selection, training, management and development of human resources are based on criteria of individual merit, competency and professionalism, ensuring the protection of the principle of equal opportunities, in Exprivia. Career paths and salary increases are managed on these bases, guaranteeing transparency, seriousness and fairness in the methods of assessment applied. Exprivia offers all collaborators appropriate instruments and opportunities for professional growth as it considers the competency and professionalism of its staff two factors which have a considerable influence on the quality of the products and services supplied to its customers.

- **Clarity and transparency**

  Exprivia follows principles of transparency and clarity in the information towards its stakeholders in the performance of its work.

- **Fair competition**

  Exprivia believes in fair competition as a basic tool for the development of a healthy and efficient market. It is committed to operating with the maximum fairness, fully respecting its competitors and undertaking to not behave unfairly.

The Exprivia business model

THE MARKETS AND THE COMPETITIVE POSITIONING OF EXPRIVIA

Exprivia offers the market a range of System Integration services, project development, Application Management and solutions based on both proprietary and third party technologies. The added value is expressed by extensive knowledge of the business processes of its customers, careful selection of the appropriate competences for the services to be supplied, respect for the expected duration of the delivery and enhancement of company and individual experience. The company's productivity is expressed through the management of both transverse and vertical competences, per sector of the market served, which are at the basis of the services supplied and the development of specific solutions based on in-house technologies or which use the technological platforms of third parties, leaders in the market of the specific sector.

The Exprivia business model

Exprivia can mainly be found in the following spheres in the software and IT services sector:

1) **software**

   a. management applications;
   b. decision-support applications.

2) **services**
   a. system integration;
   b. consultancy;
   c. development and maintenance services;
   d. outsourcing and facilities management.

Commercial development by Exprivia is through dedicated organisational structures for each area of the market with the aim of both developing relationships with current customers and identifying potential customers, defining ad hoc offers and generating new relationships. During the first half of 2009, Exprivia implemented a new organisational structure aimed at integrating the competences, products and services of all the companies which entered the group from 2007-2009. This structure provides for Business Lines dedicated to each area of the market and a dedicated Business Unit for the Health and LPA market.

THE BUSINESS LINES

BANKING, FINANCE AND INSURANCE BUSINESS LINE

Exprivia has been operating in the banking for more than 20 years. In the sphere of the ‘automatic assessment of credit merit’, it has a complete suite of products and professionals with the common denominator of consolidated experience in matters relating to credit management, able to provide consultancy on the operational-management processes underlying the life-cycle of the loan. In addition, Exprivia has acquired experience over many years in application systems in the Finance area for which it has matured great competence on Murex platforms with significant experience in the design and development and management of systems at the main investment banks. With reference to more strictly technological aspects, Exprivia is able to supply a range of structures, methods and solutions for data security and Information Analytics. Lastly, the company supplies application management and technical operation services of systems and also solutions for video-collaboration and remote-control of work stations for some of the key players in that market.

INDUSTRY AND MEDIA BUSINESS LINE

The Exprivia offer for the Industry sector is based on the ability to interpret the business of its customers and convert the technological competences into lean and efficient solutions for the different operational contexts in which the value chain is developed. The result is a series of solutions and services which, in an integrated logic, cover both the primary processes (logistics, production and sales) and the support processes (administration and finance and human resources) with particular attention to the ERP, Extended ERP, Enterprise Application (EAI) and Manufacturing Execution System (MES) environments.

Exprivia creates real-time applications for the defence and aerospace sector, operating at both a national and international level, in accordance with civil and military quality standards since 1985. The company can boast consolidated competences in the creation of system software, command and control systems, embedded systems, graphic tools, and networking and prototyping of complex systems. Some of these are created in outsourcing, adopting a near-shore strategy regulated by specific Service Level Agreements. This production method has been extended to all the market sectors in which the group operates.

OIL, GAS AND TELECOMMUNICATIONS BUSINESS LINE

The Oil, Gas and Telecommunications Business Line has been set up recently. The convergence of the Oil & Gas and Telco markets into a single BL corresponds with the need to seize and capitalise on some affinities between the two markets:

- ✓ Both are oligopolistic markets (ENI, ERG and few others for hydrocarbons and Telecom Italia, Vodafone and few others in the telephony market);
- ✓ The large size of the players operating in the Oil & Gas and Telco markets has led to similar purchasing policies for IT services – tenders for IT services assigned to large international or local systems integrators. The same systems integrators (e.g. IBM, HP and ACCENTURE) operate in both markets; as a result, the Exprivia IT services offer should be in partnership with these companies.

Based on the many years of experience acquired by Wel.Network in the specific competences of the processes of extraction, transport, storage, refining and distribution of petroleum and natural gas, Exprivia has targeted the Oil & Gas market with both an ERP and Extended ERP offer, mainly based on sector verticalisation of the SAP platform, and a transverse offer on the EAI and Enterprise Content Management (ECM) platforms.

In the Telecommunications sector, in addition to transmitting an ERP and Business Intelligence (BI) offer, Exprivia is able to supply solutions on the core processes of the operators of mobile and fixed networks with a complete and innovative offer of Systems Integration, both in the sphere of business support systems and those supporting operations. In particular, Exprivia boasts experience and project ability at a fee scheduling/invoicing and CRM systems level, for the configuration and management of provisioning systems, order management, testing and quality control in the former while, in the latter, the company has designed developed and produced solutions for the efficient management of network infrastructures, remote database management, configuration management, network management and analysis of performance.

PUBLIC SECTOR, TRANSPORT & UTILITIES BUSINESS LINE

The Public Sector, Transport & Utilities Business Line addresses the different market segments of this area offering vertical solutions with typical features. In particular, the offer for the **Public sector** is aimed at central public administration (CPA) or companies under public control which carry out services for the CPA and are independent for expenditure, i.e., ministries, social welfare and assistance bodies, public law agencies and institutions, companies under public control which carry out direct functions for the development of central and local public administration, and non-government organisations. The Exprivia offer for this sector concerns the supply of solutions and services for the management and evolution of IT systems supporting internal processes and innovation programmes focused on the needs of businesses and townspeople in the sphere of the e-government plan.

The offer for the **Utilities and Transport sector,** is aimed at companies which offer public utility services to business and consumer customers - in particular, services of management electricity transmission and gas transport networks, distribution and sale of electricity, gas, water, etc., management of aqueducts and the sale of water and sewer services, refuse collection and treatment, services relating to public transport on roads (in and out of towns), by sea, railway and air, management and development of road and motorway networks, railway networks, port and airport systems, integrated, postal and logistics communications. Institutional agencies which carry out regulation and control in the sector of specific services are included. The Exprivia offer for this sector concerns the supply of solutions and services for:

- ✓ **ITO,** on the management and development in outsourcing of systems and IT applications IT through which the primary processes of a company (logistics, operations, marketing and sales, and services) are managed, and those for support (infrastructure, management human capital, management of technological resources and purchasing);
- ✓ **BPO,** for the management in outsourcing of some functions or business processes of companies including credit management.

THE BUSINESS UNIT

HEALTH AND LOCAL BODIES BUSINESS UNIT

Following the acquisition of the 'Aurora' branch from Siemens S.p.A., the intention of positioning Exprivia as one of the most relevant national players in the IT in health sector, implemented in 2007, can be considered to have been fulfilled. In this sector, in which aggregation of the leading suppliers with smaller companies is a current phenomenon, Exprivia now consolidates returns in excess of Euro 35 million. This makes it one of the top four national suppliers by size. The richness of the application offer allows Exprivia to put forward a complete range of solutions for all areas of the health market - ***regional*** (Regions and regional agencies), ***local*** (local health agencies) and ***hospitals*** (hospital companies and public and private health bodies). In the latter sector, Exprivia is the only Italian supplier able to offer the market complete cover in health and hospital clinical aspects with proprietary integrated software solutions including RIS/PACS for the management of diagnostic images, due to the consolidated experience in health diagnostics services.

Completion of the above offer enables Exprivia to participate with authority in regional tenders, over a large area, or health companies for the complete computerisation of hospital structures or groups of them. This strategy also enables Exprivia to suggest to its customers that it takes care of the complete computerisation of hospitals under construction or being renovated. The collaboration with SAP for the use of the latter's ERP systems, in integration with Exprivia systems in the sphere of SAP value proposition for Health and LPA, is assuming a particular importance.

In order to pursue the ambitious aim for positioning in the market, the evidence of business centred on software products has led Exprivia to adopt a Business Unit model for this sector, i.e., an integrated structure which allows the commercial, production and delivery work in the same organisational unit to be controlled.

The trend in the reference market in the first half of 2009

In 2008, the annual report of Assinform (February 2009) showed that the Italian IT market had reached Euro 20.343 million, a growth of 0.8% over the previous year. This was a slowdown in the trend for 2007 (+2%), mainly because of the contraction in the growth in investment in companies in the second half of the year and down-pricing, while the consumer market remained lively (+4.4%). More generally, the composition per sector of offer (hardware, software and services and technical assistance) shows that there was a slight rise in the software and services component in 2008, which amounted to Euro 13.825 million, a rise of 1.3% over the previous year. The software market (+3.4%, 4.470 million) is mainly responsible for the growth in the software and services area, with a rise in both the applications component (+2.5%, 2.744 million) and middleware (+5.7%, 1.107 million) and system software (619 million, +3.2%) within. The services sector remained substantially stable (+0.4%, 9.355 million), where the demand for embedded systems (+2.2%), outsourcing (+2.4%), consultancy +1.1% and systems integration (+1.1%) grew while the demand for processing services (-3.1%), development and maintenance (-1%) and education & training (-2.7%) fell.

According to Assinform, 2009 will also be a difficult year, with a considerable contraction in GDP which will have repercussions on the ICT market. The forecasts indicate a fall of 1.3% for the whole market. However, the aggregated data hides very different situations for IT and TLC. Telecommunications are expected to grow by a modest, yet appreciable 0.7%, while IT is expected to decrease significantly, by around 5.9%. It's also estimated that no IT sector can be considered to be sheltered from the recession, although forecasts indicate greater resistance of software (-3.6%) compared to services (-6.7%) and hardware (-6.4%).

The analysis of the market published by Assinform on 21 July 2009 confirms a worsening in the trend of the IT market, also with respect to the forecasts diffused at the time of the Assinform report of February. It was noted that more than 70% Italian companies were cutting the IT budget with a drastic reduction of turnover, orders and employment in the sector. Italy is spending 40% less on IT than the main European countries – a gap which could also become a great opportunity for development.

Trend in the results of Exprivia group

The trend in **income per area of business** showed a growth in the 'Health and Local Bodies' and the 'Central Public Administration' markets, notoriously anti-cyclical, and in that of 'Industry' while there was a reduction in other markets.

Gruppo Exprivia (valori in K €)	30/06/2009	30/06/2008	Variazioni %
Banche, Finanza e Assicurazioni	4.419	5.599	-21%
Industria & Media	5.786	5.415	7%
PAC, Trasporti & Utilities	7.181	8.513	-16%
Oil, Gas e Telecomunicazioni	6.233	7.799	-20%
Sanità ed Enti Locali	17.141	14.947	15%
Altro	754	201	275%
Totale	**41.515**	**42.474**	**-2%**

The details of the revenues for the first half 2009, compared with the data for the first half 2008, divided according to the type of work are shown below (values in K €).

Gruppo Exprivia (valori in K €)	30/06/2009	30/06/2008	Variazioni %
Progetti e servizi	34.260	35.769	-4%
Manutenzioni	4.108	2.690	53%
HW/ SW terze parti	1.095	2.198	-50%
Licenze proprietarie	1.299	1.617	-20%
Altro	754	201	275%
Totale	**41.515**	**42.474**	**-2%**

BANKING, FINANCE AND INSURANCE

At 30 June 2009, the **Banking, Finance and Insurance** Business Line had generated revenues of Euro 4.4 million, a reduction of 21% with respect to the same period in 2008. The reduction in IT expenditure in this sector, which had already been seen in the second half of 2008, worsened in the first half of 2009, not just because of an overall reduction in volumes but also as a result of the delay with which the banks used the expected budgets. Compared to the same period in 2008, Exprivia recorded a reduction in revenues from consolidated customers due both to the delay with which new projects started and the significant reduction in expenditure for the management the systems operating. As Exprivia group had to accept an important request for an economic review of Application Management and Technical Management of Systems collaboration, it arranged to convert that work into structured services which are supplied also at a distance. In particular, a Competence Centre on Murex application platforms which enables project and application management services to be supplied from the specially equipped office in Milan.
However, the difficulties of the market have not hindered the development of the business with new customers in the sector, transmitting both the two vertical offers in the 'Credits' sphere and 'Finance', new offers in the 'Data security' and 'Information Analytics' spheres. In the Credits sphere in particular, the evolution of the Exprivia proprietary platform for the management of 'Credit Risk' enabled new orders to be

acquired in the Co-operative Credit sphere, and also new customers in the ambit of an important national bank, while the group's consolidated and complete offer capacity on Murex applications enabled two new customers to be acquired.

INDUSTRY AND MEDIA

The **Industry and Media** Business Line recorded an increase in revenues of 7% compared to the same period in 2008. The good backlog at the end of 2008 and constant stimulus of the market in the search for new opportunities allowed this good performance to be achieved. Despite the recession which is also felt by Industry and Media, the clear and structured offer centred on ERP and Extended ERP, EAI and MES systems enabled relationships with customers acquired to be consolidated and seize the opportunities that a market in search of new equilibria offers, acquiring three new customers. In addition to the consolidated methodological approaches for the delivery of the projects and the supply of Application Management services enabled new projects to be created, transforming Application Management collaborations into structured services supplied, at least in part from a distance.

Although the business development effort in the SME market has not consolidated the hoped for results, as some negotiations were deferred to the 3rd and 4th quarters, Exprivia grew in the Medium and Large Enterprise sector in the first half, also as a result of competences on the real time systems and control consoles which enable the company to supply specific services in the Defence and Space sector.

CPA, TRANSPORT & UTILITIES

The **Central Public Administration, Transport and Utilities** Business Line generated revenues of about Euro 7.2 million, a fall of 16% compared to the same period in 2008. As forecast at the end of the first quarter, the natural contractual closure of some important collaborations at the end of 2008 and, at the same time, the delay in starting some significant orders acquired in the second half of 2008 for ENEL and Poste Italiane customers didn't allow Exprivia to maintain the results of the previous year in the first half and manage the cyclical nature of orders, which is typical of this sector, in the best way. Despite this, careful and systematic surveillance of the reference market, and a structure and method effective in the preparation of responses to calls for bid, enabled Exprivia to take part in more than 20 tenders (of which at least 50% are expected to be assigned) and acquire three new orders, which will already have a positive impact on the results of the second half.

OIL, GAS AND TELECOMMUNICATIONS

The recently set up **Oil, Gas and Telecommunications** Business Line was created from the convergence of the Oil & Gas and Telco markets into a single BL. Both business sectors had a similar trend in recent years as far as IT investment were concerned, still growing in the two years 2007-2008 (while IT expenditure in manufacturing and services sectors was falling) and with a stagnating trend forecast for 2009 which the precarious general conditions of the market transformed into negative growth. For Exprivia, this sector of industry showed a reduction in revenues of about 20% compared to the same period of 2008. The data was, however, continuous with the second half of 2008. From July 2008, the largest customers in this market made a considerable reduction in investment in addition to benefitting from the effects of rationalisation in the expenses obtained through full outsourcing contracts for the Application Management services.

In this scenario, Exprivia redrew the collaboration with its customers to satisfy their aims of reducing costs without impacting on its margins, on the synergies arising from the integration of Exprivia S.p.A. and Wel.Network S.p.A. delivery structures and, at the same time, making some work in different offices remote; the group also carried out intense business development which, on one hand, enabled the bases for a series of opportunities which could become concrete in the second half to be laid down and, on the other, to acquire some important Application Management orders for all the portals of a large national group for an overall value of more than € 8 million.

HEALTH AND LOCAL BODIES

The **Health & Local Bodies** Business Unit recorded positive results, in confirmation of a substantially anti-cyclical trend, despite the serious national and international recession. The overall value of the work falling under the BU increased by about 15%, passing from Euro 14.9 million in the first half of 2008 to the Euro 17.1 million of this year. The work of Exprivia Sl, the Spanish company of the group, also contributed to obtaining this result with about Euro 484,000 and the revenues in June 2009 alone, resulting from the acquisition of the company branch Aurora from Siemens S.p.A., completed on 1.6.2009.

The business of companies which were already within the scope of the work of the Business Unit in 2008 also had a very positive trend; the revenues of Svimservice S.p.A. recorded an increase of 8% and that of the medical company branch of the parent company Exprivia S.p.A. 30% compared to the same period of 2008.

Events and sponsorships

During the first half of 2009, the Exprivia group took part in and sponsored many events summarised below:

- Attendance at **SMAU Bari** at the *Fiera del Levante* on 28 and 29 January 2009. Mr Domenico Favuzzi, president and managing director, as president of the Innovative Service Industries and Communication sector of Confindustria Bari, made a speech at the inauguration ceremony of the Fair;
- Participation in the IX edition of '**Expolavoro**, Salon on the orientation to employment, professions and study', organised by the Young Businesspeople of Confindustria Bari held at the Bari campus on 17 and 18 February 2009;
- Participation in the **STAR Conference of the Italian Stock Exchange,** meeting the Italian and international financial community on Wednesday 25 March 2009, with a plenary presentation and many one-to-one meetings with leading institutional investors;
- Attendance at the seminar '**Project Management in Puglia - Innovation and Competitivity**'. Exprivia sponsored the seminar opened by a speech from Domenico Favuzzi, president and managing director of Exprivia S.p.A. and president of the Advanced Service Industries and Communication section of Confindustria, Bari. The seminar was an observatory of the state of Project and Programme Management in Puglia in different production contexts - research, Public Administration, large and small-medium companies;
- Sponsorship of the event **'Adriatic relations. Problems and perspectives'** organised by the journal EAST and the Faculty of Political Science, University of Bari, with the patronage of Puglia Region and Confindustria, Bari, at the Università degli Studi di Bari on 20 May 2009;
- Participation in the workshop '**Reuse of business services**' in the sphere of the ABILAB observatory on IT architecture with a speech by Mr Sergio De Gioia on SOA architecture. The event was held in the ABI offices, Milan, on 21 May 2009;
- Sponsorship of the event **'TELE-RADIOLOGY IN ITALY TODAY – What creation? What Risks?'** held in the Hotel Janus, Fabriano, on 21-22 May 2009. Exprivia had a stand there;
- Participation in an event in ABI (in the ABI offices in Milan), in the sphere of the **work of the ABI Lab emergency control centre** on informatics attacks, with a speech by Mr Dario Saracino. The meeting was focused on technical analyses of threat identification and monitoring solutions for the prevention of and fight against informatics fraud through the contribution of ABILAB technological partners;
- Sponsorship of the event organised by ABI **'BANKS AND SECURITY 2009'** held at Palazzo Altieri, Piazza del Gesù 49, Rome on 9 and 10 June. Exprivia, with ICCREA Banca presented an approach to the management of privileged users in compliance with the legislation on system administrators at the event. This approach, based on Cyber Ark technology, is also an effective solution for compliance with

the new legislation of the Privacy Watchdog which obliges tracing the accesses of all system administrators, DBMS, network apparatus and 'complex software systems' (e.g. ERP);

- ✓ On 23 June 2009, the round table on **'THE EVOLUTION OF MANAGEMENT ANALYSIS LEVERS – FROM 'PROFIT PERFORMANCE' TO 'CASH FLOW ANALYSIS',** organised by Exprivia in partnership with SAP Italia, was held in Bari.

GENERAL CLARIFICATION ON THE REPRESENTATION OF THE DATA IN THIS REPORT ON THE BALANCE SHEET

The data shown in this consolidated half-yearly financial report, set out in accordance with international IAS/IFRS accounting principles, include those of Spegea S.c.ar.l., (consolidated since 1 June 2008), Exprivia SL (consolidated since 1 July 2008) and Network Services S.r.l. (consolidated since 1 November 2008) for the first six months 2009.

Significant group data and results indicators

The table below gives a summary of the main consolidated economic, capital and financial data of the group as result from the balance sheet.

	dati progressivi		
	30.06.2009	30.06.2008	31.12.2008
Totale ricavi produzione	43.807.117	44.284.728	95.930.808
di cui ricavi netti e variazione dei lavori in corso su ordinazione	41.513.892	42.474.982	90.308.650
di cui incrementi di immobilizazioni per lavori interni	682.162	509.562	2.710.340
di cui altri ricavi e contributi	1.611.063	1.300.184	2.911.818
Differenza tra costi e ricavi della produzione (EBITDA)	6.344.099	6.149.315	15.231.854
% su ricavi della produzione	14,48%	13,89%	15,88%
Risultato operativo netto (EBIT)	4.919.759	5.005.271	12.233.988
% su ricavi della produzione	11,23%	11,30%	12,75%
Risultato netto	2.327.259	2.589.970	6.894.948
Patrimonio netto del Gruppo	58.422.331	48.419.500	57.976.413
Totale attivo	153.697.495	140.219.985	148.253.159
Capitale sociale	26.368.918	21.801.519	26.368.918
Capitale circolante netto (1)	25.812.460	23.281.468	26.630.384
Cash flow (2)	3.777.039	3.531.106	9.546.262
Capitale fisso (3)	80.181.891	74.917.249	76.986.827
Investimenti	4.202.455	36.164.665	6.355.351
Disponibilità liquide /titoli (a)	3.904.661	5.381.389	6.232.470
Debiti finanziari a breve termine (b)	(20.023.599)	(22.941.695)	(21.901.668)
Debiti finanziari a medio/lungo termine (c)	(20.443.307)	(22.583.569)	(19.606.072)
Posizione finanziaria netta (4)	(36.562.245)	(40.143.875)	(35.275.270)

(1) - Il **"capitale circolante netto"** è calcolato come somma del totale attività correnti, meno disponibilità liquide, meno totale passività correnti più debiti verso banche correnti
(2) - Il **Cash flow** è calcolato come somma del risultato netto rettificato degli ammortamenti variazioni TFR e svalutazioni
(3) - Il **"capitale fisso"** è uguale al totale attività non correnti
(4) - **Posizione finanziaria netta** = a - (b + c)

A table with the main economic indicators of the group relating to the first six months of 2009 and those of 2008 is shown below.

Exprivia Group	H1 2009	H1 2008
Index ROE (Net income / equity capital)	3,98%	5,35%
Index ROI (EBIT / Net Capital Invested)	5,16%	5,63%
Index ROS (EBIT / Revenues)	13,37%	12,67%
Financial charges / Net profit	51,46%	54,77%

The table below shows with the main financial and capital indicators of the group relating to the first half 2009, the first half 2008 and those to 31 December 2008.

Exprivia Group	H1 2009	H1 2008	31/12/2008
Net Financial Debt / Equity Capital	0,63	0,83	0,61
Debt ratio (Total Liabilities / Equity Capital)	2,63	2,90	2,56

Exprivia group closed the first half 2009 with **consolidated production revenues** of Euro 43.8 million, a slight fall on the figures of the first half 2008 (- 1.1%).

The **EBITDA** was Euro 6.3 million (+3.2% compared to the first half 2008); this growth can be attributed to a containment plan for operational costs activated in the first quarter 2009, in particular the rationalisation of operational sites.

The **EBIT** was Euro 4.9 million (-1.7% compared to the first half 2008) with a slight fall due to higher amortisements arising from the investment made in 2008.

Lastly, the group **net profit** was Euro 2.3 million (-10.1% with respect to the first half 2008) as a result of the greater impact of IRAP due to the increase in staff.

The consolidated **net financial position** at 30 June 2009 was Euro -36.6 million compared to Euro -35.3 million at 31/12/2008. The variation of Euro 1.3 million can basically be attributed to the following factors:

- ✓ Euro 5.1 million to the positive cash flow arising from current assets;
- ✓ Euro 2 million for the payment of the dividend;
- ✓ Euro 4.5 million relating to investment including the payment of the first instalment for the purchase of the company branch AuroraWeb.

The **Net Worth** of the group increased by Euro 400,000 at 30 June 2009 compared to Euro 58 million at 31 December 2008.

Investment

REAL ESTATE

All the real estate of the group is in the name of the parent company Exprivia S.p.A. The property in Viale Pio XI 40, Molfetta (BA) consists of two rooms totalling about 120 m2. The current registered and operational office of the company, in Via Adriano Olivetti s.n.c., Molfetta (BA), has a surface area of 7,950 m2 on which there is a building complex (consisting of four blocks, three of which are multi-storey, all for use as offices and warehouses for a usable total of about 5,000 m2, constructed on the basis of building permission 7584 dated 2 August 2002.

Training programmes on the most modern IT technologies for large groups of people are organised and created in the Molfetta office. The strategies of the evolution of the expertise of technical staff, both internal and that of customers, are based on the aim of continuous professional updating. The areas for IT instrumentation, equipped with sophisticated security systems, are perfectly able to host not only the current equipment necessary for the management and evolution of the infrastructure of the group and the Research and development laboratory, but also additional IT systems used to offer the market complete solutions of development projects and management in outsourcing with the most evolved security systems and non-stop operation.

From 1 March 2009, the complex in Via Adriano Olivetti has also housed the operational and administrative office of the subsidiary Svimservice S.p.A. with which a multi-year rental contract has been signed.

RESEARCH & DEVELOPMENT

Research and development work is one of the key factors of the Exprivia entrepreneurial model through which it has been possible to attain the results in terms of growth shown in the 2008 balance sheet presented to shareholders in February of this year. Therefore, 2009 opened with a renewed commitment of the group in this sphere. On 30 June 2009, the **FAR – ICT project,** aimed at the creation of a service centre able to supply SAP functions and the Supply Chain of a chain of production, in ASP mode, terminated normally. In this way, the creation of tools which allow SMEs to work in a network in the sphere of Supply Chain Management was agreed. The experimental stage consisted of measuring the benefit which micro-companies making up the pharmaceutical logistics supply chain obtained from the use of the operational model. During the first half 2009, an average of 15 people worked on the project, which achieved the following results:

- ✓ a SAP system for the management of the Supply Chain for the 4 chains involved in the project (pharmaceutical, publishing, market/nursery gardening and logistics) was created;
- ✓ a RFID interface with SAP was created which was used for the localisation, traceability and invoicing/billing of medicines;
- ✓ a portal for the on-demand supply of SAP transactions linked to the pharmaceutical logistics supply chain was implemented;
- ✓ a matrix of roles to keep the data handled by the service centre, and owned by each company in the chain, confidential was defined and implemented.

During the first half 2009, and jointly with groups of expert partners in the reference sectors, two new three-year research projects - LABGTP and SLIMPORT, were started. The first project, named **LAB GTP (Lab 8)** - ‘Public-private laboratory for the development of integrated bioinformatics instruments for genomics, transcriptomics and proteomics’ - is aimed at the creation of a bioinformatics laboratory for the study of methods and algorithms which allow the analysis of biological events; these generate a great quantity of data from distributed resources (informatics and clinical) which must be processed via suitable techniques and tools. The project, admitted for financing in accordance with Decrees 2628/Ric of 30 November 2006 and the following 1176/Ric of 7 November 2008, is in the contracting stage.

The second project, **SLIMPORT** – Security, Logistics, and InterModality of PORTs – concerns the creation of an innovative port project which integrates modular solutions based on info-telematic technological, plant and sensory components, aimed at making the operational transport processes of goods and people more efficient in the ambit of the last sea mile and first land mile. In this context, Exprivia will be the partner responsible of the sub-project SLIMSAFE whose aim is that of developing an intelligent, modular and scalable platform able to analyse, shape and supervise port activities. The identification of potentially dangerous processes and critical points in the performance of the work will allow the Slim-SAFE module to manage these in order to reduce the probability of an accident and the magnitude of the effects. The leader of the whole SLIMPORT project is Elsag Datamat S.p.A.

Following the managerial decree of 23 December 2008 (published in Official Gazette 18 dated 23 January 2009), the SLIMPORT project was located in a useful position for the grant of facilitations. The project therefore started officially on 1 May 2009.

RISKS AND UNCERTAINTIES

INTERNAL RISKS

RISKS RELATING TO THE EMPLOYMENT OF KEY STAFF

The success of the Exprivia group mainly depends on some key figures, such as the president and executive directors of the parent company Exprivia S.p.A., who have contributed to its development in a decisive manner. In addition, the Exprivia group has senior managers with many years' experience in the sector, with a decisive role in the management of the work. The loss of the services of one of the so-called key figures without an appropriate replacement, and also the inability to attract and keep new, qualified resources, could have negative effects on the prospects, work and economic and financial results of the Exprivia group. The management believes, however, that the Exprivia group has an operational and senior manager structure able to ensure continuity in the management of the company's business. Further, the group has adopted a stock option plan as a loyalty-inducing tool to keep the most able and merit worthy human resources.

RISKS CONNECTED WITH DEPENDENCE ON CUSTOMERS

The Exprivia group offers services to companies operating in different markets (Health, Central and Local Public Administration, Finance, Telco & Media, Manufacturing, Oil & Gas and Utilities). The revenue of the group is well distributed over different customers but, nevertheless, the withdrawal of certain leading customers from the portfolio could weigh on the economic, capital and financial situation of the Exprivia group.

RISKS CONNECTED TO CONTRACTUAL COMMITMENTS

The Exprivia group develops high value solutions with a high technological content and the relative underlying contracts may provide for the application of penalties for the respect of the time and the quality standards agreed. Application of these penalties could have negative effects on the economic and financial results of the Exprivia group. The group has also signed insurance policies with leading insurance companies, considered adequate to safeguard itself from the risks arising from professional responsibility (the so-called policy covering 'all IT risks') for a maximum annual overall amount of Euro 2.5 million. Moreover, if this cover was insufficient and Exprivia group was required to repay damages for an amount higher than the planned maximum limit, the economic, capital and financial situation of the Exprivia group could suffer significant negative effects.

EXTERNAL RISKS

RISKS ARISING FROM THE GENERAL CONDITIONS OF THE ECONOMY

The Information Technology market is naturally linked to the trend in the economy. An unfavourable economic phase, particularly at a domestic level, could slow the demand with the resulting capital, economic and financial impact.

RISKS CONNECTED TO IT SERVICES

The ICT consultancy services sector in which the Exprivia group operates features fast and profound technological changes and constant evolution of the composition of the professionalism and competences to collect in the creation of the services, with the need for the continuous development and updating of new products and services. The Exprivia group has always been able to anticipate these changes, and being ready for the needs of the market, also because of conspicuous investment in research and development.

RISKS CONNECTED TO COMPETITION

The ICT consultancy market is highly competitive and some competitors may be able to extend their market share. In addition, the intensification of the level of competition, also linked to the possible entrance of new entities with human resources and financial and technological ability which can offer greatly more competitive prices could condition the work of the Exprivia group and the possibility of consolidating or extending its competitive position in the reference sectors with the resulting repercussions on the work and the economic, capital and financial situation of the Exprivia group.

RISKS CONNECTED TO THE EVOLUTION OF THE LEGISLATIVE FRAMEWORK

The work carried out by Exprivia group is not subject to any particular sector legislation.

FINANCIAL RISKS

INTEREST RATE RISK

Over the years, Exprivia group has contracted various loans including some at a fixed, facilitated rate, linked to financed research and development projects. In 2008, a medium-long term, variable rate loan was negotiated to finance the acquisitions of Svimservice and Wel.Network against which two contracts arising from cover, of the interest rate swap type, were signed with the aim of reducing the risk of oscillations in the rates. The details relating to current loans and the relative covers are given in the explanatory notes to the balance sheet.

CREDIT RISK

Exprivia group doesn’t have significant concentrations of credit risks except for the work carried out in the Public Administration sector for which delays are conceded mainly linked to the payment policy adopted by public bodies. These often don’t respect the conditions set out in the contracts but, nevertheless, don’t lead to the risk of bad debts. The group also manages this risk through the selection of counterparts considered soluble by the market and with high credit standing. Periodically, all the credits are subjected to an analytical assessment of each individual customer, proceeding to depreciation in cases in which a possible loss of value is prospected. All the details relating to commercial credits are given in the explanatory notes to the balance sheet.

LIQUIDITY RISK

Prudent management of the liquidity risk is pursued through monitoring cash flows, financing needs and the liquidity of the Exprivia group with the aim of ensuring valid management of financial resources through opportune management of any surplus liquidity or surplus that can be liquidated and the signature of appropriate credit lines, including short-term ones.

FOREIGN EXCHANGE RISK

The preponderance of work conducted in the ‘Euro area’ by the Exprivia group limits exposure to foreign exchange risks arising from operations in different currencies from the functional one (Euro).

Significant events in the first half 2009

COMPANY EVENTS

On **20 April 2009**, the Ordinary Meeting of the Shareholders of Exprivia S.p.A. approved the balance sheet to 31/12/2008 and the distribution of a dividend of Euro 0.04 gross per ordinary share.

On **22 June 2009,** dividend No. 5 of the Exprivia share was registered with the consequent payment of the dividend on **25 June 2009.**

On **25 June 2009**, the Board of Directors of the company co-opted Mr Giorgio De Porcellinis as non-executive director of the company to replace the executive director Mr Filippo Giannelli who resigned from the position. Mr De Porcellinis was also appointed a member of the Internal Control and Salaries Committees.

SALES/PURCHASES IN THE AREA OF THE EXPRIVIA GROUP

On **10 February 2009**, Exprivia Solutions S.p.A., as sole shareholder of AISoftw@re Professional Services S.r.l., approved the balance sheet to 31 December 2008 and decided its liquidation, appointing Mr Simone De Cristofaro as liquidator.

On **1 June 2009,** Exprivia S.p.A. completed the acquisition of the company branch Aurora (belonging to the Healthcare sector of Siemens S.p.A.), focussed on the sale of licences and delivery and assistance services relating to the proprietary product ‘AuroraWeb’, an integrated Hospital Information System (HIS) which enables the full electronic management of all the main health processes generated in the hospital sphere, such as emergencies, outpatients’ management and admission.

On **26 June 2009**, the shareholders’ meeting of IQS New S.r.l., in which Exprivia S.p.A. had a 5% holding, decided its liquidation as the shareholders were not prepared to reschedule the losses made in the 2008 accounting period and reconstitute the share capital.

STOCK OPTION PLAN

On **20 April 2009**, following approval by the Shareholders’ Meeting on the Balance Sheet to 31/12/2008, the Board of Directors acknowledged that the maturity conditions of 1,028,200 option rights, assigned on 28 February 2008 with the third instalment, and 1,052,300 option rights, assigned on 9 April 2008 with the fourth instalment, had occurred. The options assigned with the third instalment could, therefore, be exercised in the period 01/03/2011-30/06/2011 while those assigned with the fourth instalment could be exercised in the period 11/04/2011-30/06/2011. In this way, the stock option plan, approved by the Shareholders’ Meeting of 3 August 2006, was completed with the maturity of all the 3,300,000 options assigned. Extensive information on the Stock Option Plan is published in the company web-site in the ‘Investor - Stock Option Plan’ sector. A summary table relating to the contracts used and the calculation of fair value of the option rights assigned with the three current instalments can be found below.

Descrizione	I tranche	III tranche	IV tranche
Prezzo azione	0,8905	1,6582	1,5770
Prezzo di esercizio	0,8905	1,6582	1,5770
Durata vita opzione (anni)	3,50	3,40	3,30
Volatilità	28,20%	62,12%	60,45%
Tassa risk Free	3,80%	4,00%	4.30%
Dividend Yield	0	0	0
Fair value opzione	0,2350	0,7742	0,7139

Events after 30/06/2009

SALES/PURCHASES IN THE AREA OF THE EXPRIVIA GROUP

On **16 July 2009**, Exprivia S.p.A. signed a preliminary contract for the sale of its holding of 44% in ClinicHall S.r.l. to the other reference shareholder, GPI S.p.A. which has an equivalent holding. This sale falls within the rationalisation strategy of the Health and LPA Business Unit following the acquisition of the proprietary product 'AuroraWeb', an integrated Hospital Information System (HIS), through the company branch Aurora.

Exprivia on the Stock Exchange

Exprivia shares were quoted on the *Mercato Telematico Azionario* (screen-based Stock Exchange) of the Italian Stock Exchange (MTA - STAR segment) from August 2000; Exprivia moved to the STAR segment on 28 September 2007. There are 50,709,458 shares in the share capital with a nominal value of Euro 0.52.

Stock Exchange ISIN code: IT0001477402

Code: XPR

Specialist Banca IMI

COMPOSITION OF SHAREHOLDERS:

At 30 June 2009, the shareholders of Exprivia were made up as follows:

Abaco Systems & Services S.r.l.:	51.222% (through Abaco Innovazione SpA)
Merula S.r.l:	5.510%
Data Management S.p.A.:	2.127%
Cattolica Partecipazioni SpA:	1.614%
Other shareholders (< 2%):	39.527%

TREND IN QUOTATION IN THE HALF YEAR:

Exprivia: +20.34% - Star : +18.11% - Small Caps: +15.72% - All Shares: +1.38%

HUMAN RESOURCES

STAFF

The following table summarises the staff situation of the group at 30 June 2009 in comparison with that at 31 March 2009 and 31 December 2008.

Azienda	Dipendenti 30/06/09	Dipendenti 31/03/09	Dipendenti 31/12/08	Collaboratori 30/06/2009	Collaboratori 31/03/09	Collaboratori 31/12/08
Exprivia S.p.A.	552	521	528	54	56	53
Wel.Network S.p.A.	122	126	126	1	1	1
Svimservice S.p.A.	271	278	278	2	2	15
Exprivia Solutions S.p.A.	55	66	68	3	3	3
Exprivia Projects S.p.A.	113	120	124	-	-	-
GST Srl	17	17	16	1	1	-
Network Service Srl	32	26	28	19	24	26
Infaber Srl	14	14	-	2	1	-
Spegea S.c.a r.l.	11	11	11	-	-	-
Totale	*1187*	*1179*	*1179*	*82*	*88*	*98*
di cui Dirigenti	*24*	*24*	*25*			
di cui Quadri	*103*	*99*	*93*			

At 30 June 2009, there were 1187 employees in the group, compared to 1179 at the end of 2008. The increase is mainly due to the rise in the number of employees of Exprivia S.p.A., mainly linked to the acquisition of the company branch Aurora (belonging to the Healthcare sector of Siemens S.p.A), which had 21 employees and 4 collaborators.

MANAGERIAL TRAINING AND DEVELOPMENT

As already reiterated in other paragraphs in this Report, Exprivia considers the people who work for it ‘its main force’, so the group undertakes to enhance its resources as much as possible with all the means available. The increased centrality of people in the strategy followed by the group has led to the creation of a new top function specifically oriented to this, on the staff of the managing director, in the first half of 2009. The role of the newly set-up Organisational Development function is that of supplying new adequate support for all group functions, focussing on internal organisational development through the optimal use of both existing resources and new ones to be put into the field quickly. The function of Organisational Development is intended to be flexible, competitive and well-integrated. It will operate parallel to and in close contact with the Human Resources Division of the group, redefining and improving operational instruments such as the identification and management of talent, wide range training and systems of incentives.

For 2009, the training requirement for all group divisions was measured and a training plan, called Training Master Plan 2009, defined. The following should be noted among the operations started in the first half of 2009:

- ✓ **Course on the Development of Organisational Behaviour**

  The aim of the training is that of preparing middle management to grasp the new challenges in their managerial role, on one hand developing communicative, relationship and negotiating abilities and, on the other, the ability to analyse and plan. The course was held for 48 participants in three editions in the three main offices of the group - Molfetta, Rome and Milan;

- ✓ **Courses on safety (Legis. Dec. 81/08)**

  Three training courses have been created on ‘Training supervisors’ Art. 37 sub-para. 7 Legis. Dec. 81/08; ‘First Aid’ Art. 37 sub-para. 9 Legis. Dec. 81/08 and Art. 3 and App. 3 of decree 388/03; ‘Fire Prevention and Management of Emergencies’ Art. 37 sub-para. 9 Legis. Dec. 81/08;

- ✓ **ICT Skills Leap training courses**

  The training featured the creation of specialist updating and specialisation courses for employees operating in technical divisions. The project was targeted on employees of Exprivia S.p.A. and Svimservice S.p.A. operating the Puglia offices of the companies. The training project started from a careful survey of the needs of the companies targeted by the operation and focussed on the development of vertical competences in the ICT sphere with the aim of improving production techniques and methods and developing mastery of new technologies. Certification of the competences is planned at the end of the training course on the basis of international exams on the certification programmes developed by key players in the market for IT technologies (Microsoft, Sun, VMWare, etc.). The areas of operation of the training project are divided into ‘Systems’ (management of network servers, network services and security), ‘Development’ (production and maintenance of applications software), ‘Database’ (implementation and management of databases), ‘Networking’ (network infrastructure and apparatus) ‘ERP’ (design and development and implementation of ERP systems) and ‘Project Management’ (project management models and systems).

  In addition to being a feature of the map of competences of technical staff of the companies, the training plan will also have an important role from the motivational and team building point of view of the staff of the destinee companies, contributing to the development of opportunities for comparisons between technicians and the exchange of best practice and experience. It should be highlighted that this project was managed by Spegea S.c.a r.l., a company of the Exprivia group specialised in the training area.

- ✓ **Planning and development of a cycle of Managerial Workshops**

  The first of three managerial workshops, to be held in the offices Molfetta, Milan and Rome in outdoor mode, has been developed. The operation is aimed at the top levels of the organisation. The three meetings are aimed at (i) increasing reciprocal internal trust, creating team spirit, (ii) improving interpersonal communication between group managers, (iii) consolidating strategic objectives operatively.

It should be noted that the training courses mentioned involve participants from all group companies and so promote the integration of people from different organisational cultures.

Organisation, management and control model Legis. Dec. 231/2001

With effect from 31/03/2008, Exprivia adopted its own Organisation, Management and Control Model, as per Legis. Dec 231/2001, and has set up a Surveillance Body, appointed for the whole group and consisting of the following, who are not part of any Board of Directors in the group: Mr Angelantonio De Palma, president, Mr Giulio Guarino member and Ms Mariacecilia Guglielmi member. This Model is integrated with the principles and provisions of the Exprivia Ethics Code. The unique nature of the Exprivia processes government system and policies is thus confirmed, including the development of a company Ethics culture, in full harmony with the behavioural principles of the whole of Exprivia. The Surveillance body carried out its work respecting the tasks assigned it by the Model and the Regulations/Statute which it independently adopted, with the aim of checking the operation of the Model and arranging for it to be updated.

Training of the top levels of the company and the directors of subsidiaries was completed with sessions on: (i) Framework of legislation; (ii) the Ethics code and Surveillance body; (iii) Organisation Model parte - general special parts.

Exprivia S.p.A. arranged for the updating of its model to the legislative provisions on the breach of the laws on Health and Safety at Work (Legis. Dec. 81/2008) and cyber crimes during 2009.

The Organisation, Management and Control Model is published on the company web-site in the *'Investor – Company Information*' section.

Data security planning Legis. Dec. 196/2003

It should be noted that group companies have a Data Security Document, as set out by Legis. Dec. 196/03 and subsequent amendments and integrations. The document is subject to continuous revision and updating to adapt it to organisational and technological evolutions and is re-issued in accordance with the law.

Quality certifications of the group

The Quality Management System, conforming to ISO 9001:2000 regulations, has been operational in Exprivia S.p.A. since 2003. This system enables effective management of company processes, guaranteeing the greatest transparency inside and outside the company. The other group companies with ISO 9001:2000 certifications are: Exprivia Solutions S.p.A., Svimservice S.p.A., Wel.Network S.p.A., Spegea S.c.a r.l. and GST Gruppo Soluzioni Tecnologiche S.r.l.

Relationships between group companies

The new organisational structure became effective on 1 June 2009 and functionally integrates all staff services in the Central Services Division, optimising the operational structures of the individual companies to ensure effectiveness and efficiency in the support of the group business. The administrative, fiscal, tax, accounting and supply of goods and services functions have been integrated into the Administration and Finance Division; the Division manages the receivable/payable cash flows for all group companies guaranteeing the optimisation of financial resources and relationships with credit institutes. The Human Resources Division ensures the performance of all the work of administrative management, relationships with employment agencies, personnel recruiting, preparation of employment contracts in accordance with the laws in force, internal company reporting, planning and control of employment costs, the management of trade union-management relationships and, with the support of the Legal Office, employment law disputes on behalf of the whole group.

The Planning and Control Unit gives all group companies and organisational units support in the preparation of prospectus economic-financial plans, ensuring timely reporting on the trend of the company and the information necessary for management control.

The General, Logistics, ICT Infrastructure Services and company technological goods Unit consists of the functions:

- ✓ ICT Infrastructure and company technological goods, whose responsibility guarantees data security and manages and develops the IT and correlated internal services infrastructure, fixed telephony and work stations in the different offices of the Exprivia group, pursuing efficiency in management and flexibility;

- General and Logistics Services, which manage consumables and ensure secretarial, travel agency, telephone switchboard and reception, messenger, mail management and document collection, and control and maintenance services for all group offices.

The Quality, Processes and company IT System Unit ensures the maintenance and improvement of the Quality Management System, Organisation, Management and Control Model in accordance with Legis. Dec. 231/2001 and the Environmental Management System. It contributes to maintaining the organisational model updated on the basis of the processes described in the Quality Management System; it is also responsible for the analysis, design and development of IT systems and collaborates with the managers of the user-functions in the definition of organisational operations connected with the automation of unit IT systems. The unit guarantees adaptation of company regulations to the laws on health and safety at work and protection of privacy.

The Legal Office gives all group companies and organisational units support in the preparation of commercial contracts, the friendly resolution of conflicts, and credit recovery, and manages cases. It takes care of company aspects relating to participation in consortia and unconsolidated group companies. It assists units in the Business Area in the preparation of administrative documentation for participation in calls for bid.

Significant collaborations in the commercial, technological and applications fields were created between group companies some time ago. In particular there is:

- widespread use within the group of the specific corporate marketing and communication competences with the creation of paper, digital and web promotional material;
- centralised management for the supply of specialist technical resources between group companies to handle critical turnover situations and enable highly specialist technical competences to be enjoyed by all the operational units;
- co-ordinated participation in public calls for bid by Exprivia with the contribution of all companies according to the specific competence.

Relationships with associated and affiliated companies

See the indications of the international accounting principles and especially IAS 24, adopted in accordance with the procedure as per Art. 6 of EC Regulation 1606/2002 for the current notion of associated company, as detailed in Article 2 (h), of CONSOB Regulations adopted with decision No. 11971 of 14 May 1999 and subsequent amendments and integrations (the ‘Issuer Regulations’). Operations with associated companies set up by the company fall under normal company management and are regulated by normal market conditions. The procedure for carrying out infra-group company operations and those with other associated parties is published in the company web-site in the *‘Investor – Company Information’* section. The table below shows the debit and credit relationships, costs and revenues, both of a commercial and financial nature, between companies of the Exprivia group and the associated parties:

Receivables with associated and affiliated companies

Descrizione	30/06/2009	31/12/2008	Variazione
Aplomb Srl	355.078	392.953	(37.875)
Axception Srl		16.966	(16.966)
Clinichall Srl	243.429	211.217	32.212
Domenico Di Paola		2.509	(2.509)
Maria Teresa Di Paola	51.646	51.646	-
S2B Scrl	26.105	26.105	-
TOTALI	***676.258***	***701.396***	***(25.138)***

Payables to associated and affiliated companies

Descrizione	30/06/2009	31/12/2008	Variazione
Axception Srl	2.640		2.640
Clinichall Srl	36.900	30.750	6.150
S2B Scrl	1.443	1.443	-
TOTALI	***40.983***	***32.193***	***8.790***

Costs with associated and affiliated companies

Descrizione	H1 2009	H1 2008	Variazione
Aplomb Srl	244.113	350.876	(106.763)
TOTALI	***244.113***	***350.876***	***(106.763)***

Relationships of the group with parent companies

Exprivia S.p.A. has relationships of a commercial nature with its parent company Abaco Innovazione S.p.A.; in detail, these consist of the supply of logistics services, consultancy and support. It should also be noted that, with the closure of the balance sheet to 30 June 2009, Network Services S.r.l. has reached the six-monthly target for industrial margin set out in the purchase contract for the company and has, therefore matured the relative earn-out of Euro 350,000 to be paid to the seller Abaco Innovazione S.p.A.. With reference to the maturation target of the earn-out, the Exprivia BoD found a formal error in the draft of the purchase contract which was immediately resolved through the signature of an addendum to the notarial deed by both parties. The details of this variation can be seen on the company’s web-site in the Investor section, and also in the information document relating to the purchase operation. The relationships between Exprivia group and the parent company Abaco Innovazione S.p.A. to 30 June 2009 are shown below:

Receivables

Descrizione	30/06/2009	31/12/2008	Variazione
Exprivia S.p.A.	211.586	197.143	14.443
Network Services Srl	562.311	553.636	8.675
TOTALI	***773.897***	***750.779***	***23.118***

Payables

Descrizione	30/06/2009	31/12/2008	Variazione
Exprivia S.p.A.	350.000	350.000	-
TOTALI	*350.000*	*350.000*	-

Proceeds

Descrizione	H1 2009	H1 2008	Variazione
Network Services Srl	8.676	4.127	4.549
TOTALI	*8.676*	*4.127*	*4.549*

Expected evolution of the management

The phase of integration of the different companies of the group into a single organisation and the centralisation of staff functions with the formalisation of an integrated group structure continued in the early months of 2009. The work on the optimisation of the Exprivia group from a logistics and infrastructural, and company structural, point of view, already under way, will continue in the coming months. The current year, 2009, is proving to be a period of great financial, economic and industrial discontinuity in which new opportunities for growth and development may be seized. The recession which the world economy is experiencing, not just in our sector, advises prudence; as a result, the preparation of a new industrial plan which will define new aims in economic and, in particular, markets, applications and international development terms, has been slowed at the moment awaiting a reduction in the high level of volatility of the current scenario, which makes any forecast extremely difficult. Exprivia group intends to not only minimise the impact of the recession but continue its development using its distinctive features and putting forward some clear and definite strategic actions:

- ✓ improvement of the positioning of the Exprivia brand as leader in the national market because of its ability in innovation and the speed with which innovative solutions are proposed and created;
- ✓ extension of the commercial and offer cover to foreign markets through the development of strategic alliances with leading institutions and local companies;
- ✓ increase in its competitive ability due to an excellent services distribution model which also provides for distribution in near-shoring;
- ✓ start of new production and commercial initiatives, also in collaboration with other partners, to accelerate growth internally and for external ranges in market sectors featuring a high technological content and significant growth expectations;
- ✓ consolidation of group structures operating in market sectors which are the core business.

INFORMATION ON THE MANAGEMENT AND CO-ORDINATION WORK

In accordance with Art. 2497 et seq. of the Italian Civil Code, disciplining transparency in the exercise of company management and co-ordination work, it is acknowledged that this work is carried out by Abaco Innovazione S.p.A., with offices in Viale Adriano Olivetti, Molfetta (BA), tax code and VAT No. 05434040720. It should be noted that:

- ✓ Abaco Innovazione S.p.A. has not caused any damage to the interests and property of our company;

- full transparency of infra-group relationships was ensured to the extent that all those who are interested can check observation of the previous principle;
- the operations made with Abaco Innovazione S.p.A. and the other companies controlled by it were made at market conditions, i.e., with conditions that would have been applied between independent parties,

in relation to this work.

Relationships of an economic, capital and financial nature between Abaco Innovazione S.p.A. and its subsidiaries are highlighted in the paragraph in the Management Report 'Relationships with Exprivia group companies and affiliates'. Further, in accordance with Art. 2497 et seq. disciplining in the exercise of company management and co-ordination work, the summary data referring to the last balance sheet of Abaco Innovazione S.p.A. is given below.

		31/12/2008	31/12/2007
ATTIVITA' NON CORRENTI			
Partecipazioni		32.558.685	33.132.177
	Partecipazioni in imprese controllate	32.558.685	33.132.177
TOTALE ATTIVITA' NON CORRENTI		*32.558.685*	*33.132.177*
ATTIVITA' CORRENTI			
Crediti Commerciali e altri		355.404	259.603
	Crediti verso imprese controllate	350.000	250.000
	Crediti tributari	5.404	9.603
Disponibilita' Liquide		8.820	1.322
	Banche Attive	8.772	1.233
	Assegni e Valori in cassa	48	89
TOTALE ATTIVITA' CORRENTI		*364.224*	*260.925*
TOTALE ATTIVITA'		***32.922.909***	***33.393.102***
PATRIMONIO NETTO			
Capitale Sociale		1.000.000	1.000.000
	Capitale Sociale	1.000.000	1.000.000
Azioni Proprie		(152.920)	(152.920)
	Azioni proprie	(152.920)	(152.920)
Altre Riserve		22.627.991	21.853.913
	Riserva Legale	200.000	200.000
	Riserva Straordinaria	3.776.399	3.002.321
	Riserva da transazione IAS	(8.408)	(8.408)
	Riserva da concambio	18.660.000	18.660.000
Utili/Perdite esercizi precedenti		4.586	4.586
	Utili / Perdite a nuovo	4.586	4.586
Utile/Perdite dell'esercizio		813.170	774.077
TOTALE PATRIMONIO NETTO		24.292.827	23.479.656
PASSIVITA' NON CORRENTI			
Debiti v/banche non correnti		3.500.000	4.900.000
	Debiti v/banche non correnti	3.500.000	4.900.000
TOTALE PASSIVITA' NON CORRENTI		*3.500.000*	*4.900.000*
PASSIVITA' CORRENTI			
Debiti v/banche correnti		3.456.263	3.582.863
	Debiti v/banche quota corrente	3.456.263	3.582.863
Debiti v/Fornitori		166.282	137.571
	Debiti verso fornitori	166.282	137.571
Altre Passivita' Finanziarie		921.211	760.647
	Debiti verso imprese controllate	750.777	715.724
	Debiti verso altri	170.434	44.923
Debiti Tributari		29.005	4.925
	Debiti tributari	29.005	4.925
Altre Passivita' Correnti		557.321	527.440
	Debiti v/istituti previdenza e sicurezza sociale	18.710	20.938
	Altri debiti	485.522	440.523
	Ratei passivi	53.089	65.979
TOTALE PASSIVITA' CORRENTI		*5.130.082*	*5.013.446*
TOTALE PASSIVITA'		***32.922.909***	***33.393.102***

RICAVI		200.000	200.000
	Ricavi delle vendite e delle prestazioni	200.000	200.000
ALTRI PROVENTI		4.957	250.419
	Altri ricavi e proventi	4.957	250.419
	Plusvalenze		
TOTALE RICAVI PRODUZIONE		***204.957***	***450.419***
COSTI CONNESSI AI BENEFICI PER I DIPENDENTI		49.950	385.472
	Retribuzioni e compensi	45.000	347.272
	Oneri sociali	4.950	38.200
ALTRI COSTI		133.662	224.300
	Altri costi per servizi	75.803	131.324
	Oneri diversi di gestione	57.859	92.976
TOTALE COSTI PRODUZIONE		***183.612***	***609.772***
DIFFERENZA TRA COSTI E RICAVI DELLA		**21.345**	**(159.353)**
PROVENTI E ONERI FINANZIARI		(848.394)	(950.147)
	Proventi da partecipazioni da controllate	(1.390.729)	(175.333)
	Proventi diversi dai precedenti con separata	(183.782)	(1.266.914)
	Interessi e altri oneri finanziari	701.462	490.340
	Oneri finanziari verso controllate	24.655	1.760
RISULTATO ANTE IMPOSTE		869.739	790.794
IMPOSTE SUL REDDITO		56.569	16.717
	IRES	44.300	
	IRAP	3.200	10.000
	IMPOSTE ANNI PRECEDENTI	9.069	
	IMPOSTE DIFFERITE		6.717
UTILE O PERDITA D'ESERCIZIO		***813.170***	***774.077***

Half-year Balance Sheet of the Exprivia group

Consolidated Statement of Assets and Liabilities

		30.06.2009	30.06.2008	31.12.2008
NON-CURRENT ASSETS				
Property, plant & machinery		**8.963.349**	**8.311.407**	**8.419.590**
	Land and buildings	6.833.514	6.391.971	6.622.041
	Assets under construction and payments on acc	96.516	64.128	134.609
	Other assets	2.033.319	1.855.308	1.662.940
Goodwill and other undefined assets		**63.205.093**	**60.943.308**	**62.408.751**
	Goodwill	29.720.502	26.382.290	26.367.568
	Consolidation difference	33.484.591	34.561.018	36.041.183
Other intangible assets		**5.576.870**	**2.396.861**	**3.992.573**
	Intangible assets	2.079.710	379.333	524.777
	Research and development costs	3.140.435	2.017.528	3.212.984
	Assets under construction and payments on acc	356.725		254.812
Shareholdings		**1.817.045**	**1.864.272**	**1.867.290**
	Shareholdings in subsidiaries	-		
	Shareholdings in associated companies	409.409	450.835	453.198
	Shareholdings in other companies	1.407.636	1.413.437	1.414.092
Other financial assets		**169.731**	**296.592**	**122.940**
	Receivables to subsidiaries	20.388	31.097	19.388
	Receivables to associated companies			
	Receivables to affiliated companies	51.646	51.646	51.646
	Other accounts receivable	97.697	213.849	51.906
	Other bonds			
Deferred tax assets		**449.802**	**1.104.809**	**175.683**
	Tax advances/deferred taxes	449.802	1.104.809	175.683
TOTAL NON-CURRENT ASSETS		**80.181.891**	**74.917.249**	**76.986.827**

	30.06.2009	30.06.2008	31.12.2008
CURRENT ASSETS			
Trade receivables and others	**56.188.242**	**53.205.503**	**56.078.061**
Receivables to customers	42.777.765	43.332.303	44.874.564
Receivables to subsidiaries	269.534	198.386	254.288
Receivables to parent companies	773.897	429.142	750.779
Receivables to affiliated companies	355.078	422.969	392.953
Other accounts receivable	7.742.073	7.206.763	7.098.524
Tax credits	2.450.482	401.079	1.970.485
Prepaid expenses and accrued income	1.819.413	1.214.861	736.468
Stock	**776.227**	**726.552**	**691.015**
Stock	776.227	726.552	691.015
Work in progress to order	**12.646.156**	**5.988.724**	**8.262.814**
Work in progress to order	12.646.156	5.988.724	8.262.814
Current financial assets	**318**	**568**	**1.972**
Other bonds	318	568	1.972
Own shares			
Cash resources	**3.904.661**	**5.381.389**	**6.232.470**
Current banks	3.892.449	5.368.366	6.219.619
Cheques and unpresented effects	12.212	13.023	12.851
TOTAL CURRENT ASSETS	73.515.604	65.302.736	71.266.332
TOTAL ASSETS	***153.697.494***	***140.219.985***	***148.253.159***

	30.06.2009	30.06.2008	31.12.2008
NET WORTH			
Capital stock	**26.368.918**	**21.801.519**	**26.368.918**
Capital stock	26.368.918	21.801.519	26.368.918
Receivables to shareholders for payments still due			
Own shares	**(89.970)**	**(52.198)**	**(312.211)**
Own shares	(89.970)	(52.198)	(312.211)
Premium reserve	**17.645.059**	**12.215.082**	**17.645.059**
Share premium	17.645.059	12.215.082	17.645.059
Revaluation reserve	**2.907.138**	**2.672.905**	**2.907.138**
Revaluation reserve	2.907.138	2.672.905	2.907.138
Other reserves	**4.381.990**	**7.344.171**	**1.939.229**
Legal reserve	394.488	158.860	158.860
Payment on account for future capital increase		5.000.000	
Riserva Straordinaria	3.105.075		82.000
Other reserves	503.209	1.813.328	1.319.151
IAS transaction reserve	101.875	124.949	101.875
IAS reserve available	501.236	378.051	501.236
IAS tax effect	(223.893)	(131.017)	(223.893)
Profits/Losses for previous periods	**5.315.338**	**2.115.668**	**2.905.461**
Profits/losses brought forward	5.315.338	2.115.668	2.905.461
Dividends for distribution			
Profit/Loss for the period	**2.327.259**	**2.589.970**	**6.894.948**
TOTAL NET WORTH	58.855.732	48.687.117	58.348.542
Minority interest	433.402	267.617	372.129
TOTAL GROUP NET WORTH	***58.422.331***	***48.419.500***	***57.976.413***

	30.06.2009	30.06.2008	31.12.2008
NON-CURRENT LIABILITIES			
Payables to non-current banks	**20.443.307**	**22.583.569**	**19.606.072**
Payables to non-current banks	20.443.307	22.583.569	19.606.072
Other financial liabilities	**412.618**	**893.373**	**412.618**
Payables to other financiers			
Payables for tax and social security beyond the period	412.618	893.373	412.618
Provision for risks and charges	**1.171.814**	**559.197**	**1.177.699**
Other provisions	1.171.814	559.197	1.177.699
Staff-related funds	**7.534.603**	**7.311.446**	**7.413.124**
Retirement fund			
Severance pay	7.534.603	7.311.446	7.413.124
Deferred tax liabilities	**1.457.338**	**603.709**	**989.959**
Deferred tax funds	1.457.338	603.709	989.959
TOTAL NON-CURRENT LIABILITIES	**31.019.680**	**31.951.294**	**29.599.472**

	30.06.2009	30.06.2008	31.12.2008
CURRENT LIABILITIES			
Payables to current banks	**20.023.599**	**22.941.695**	**21.901.668**
Payables to current quota banks	20.023.599	22.941.695	21.901.668
Payables to suppliers	**14.394.260**	**11.939.664**	**12.022.256**
Payables to suppliers	14.394.260	11.939.664	12.022.256
Advances on work in progress to order	**3.216.751**	**2.459.107**	**2.801.687**
Payments on account	3.216.751	2.459.107	2.801.687
Other financial liabilities	**3.615.656**	**2.566.439**	**3.572.515**
Payables to subsidiaries	17.451		
Payables to associated companies	40.983	1.443	1.443
Payables to parent companies	350.000	250.000	350.000
Payables to affiliated companies		275.552	
Other accounts payable	3.207.222	2.039.444	3.221.072
Tax debits	**6.413.049**	**5.978.294**	**5.983.673**
Tax debits	6.413.049	5.978.294	5.983.673
Other current liabilities	**16.158.767**	**13.696.375**	**14.023.347**
Payables to welfare and social security institutions	2.941.138	2.605.395	3.718.082
Other payables	9.062.238	7.244.007	7.365.572
Deferred revenue	313.778	379.502	342.261
Accrued liabilities	3.841.613	3.467.471	2.597.432
Liabilities including aggregates			
TOTAL CURRENT LIABILITIES	63.822.082	59.581.574	60.305.146
TOTAL LIABILITIES	***153.697.494***	***140.219.985***	***148.253.159***

Consolidated Income Statement

	30.06.2009	30.06.2008	31.12.2008
Revenues	**36.806.858**	**39.504.530**	**84.844.719**
Proceeds of sales and services	36.806.858	39.504.530	84.844.719
Other revenues	**1.611.063**	**1.300.184**	**2.911.818**
Other proceeds	696.291	455.000	1.296.654
Invest. grants tfr to P&L account	914.772	845.184	1.615.164
Capital gains			
Variation in stock of finished products and products being processed	**5.389.196**	**3.480.014**	**8.174.271**
Var. stock of products being processed, semi-finished item	82.395	440.386	426.420
Variation in work in progress to order	4.624.639	2.530.066	5.037.511
Increase in assets for internal work	682.162	509.562	2.710.340
TOTAL PRODUCTION REVENUES	43.807.117	44.284.728	95.930.808
Raw materials and consumables used	**1.690.960**	**2.436.311**	**5.972.288**
Costs of raw, subsid. & consumable mat. and goods	1.690.960	2.436.311	5.972.288
Costs connected with employee-related benefits	**26.670.220**	**24.382.251**	**50.174.208**
Salaries and wages	20.104.582	18.394.707	37.547.266
Social charges	5.072.579	4.677.638	9.583.200
Severance Pay	1.104.645	1.080.809	2.440.498
Other staff costs	388.414	229.097	603.244
Other costs	**9.101.838**	**11.316.851**	**24.552.458**
Other costs for services	7.459.422	9.814.105	20.641.761
Costs for leased assets	869.116	967.398	1.952.297
Sundry management charges	746.677	535.348	1.100.255
Stock and payments on account	26.623		858.145
Extraordinary charges			
TOTAL PRODUCTION COSTS	37.463.018	38.135.413	80.698.954
DIFFERENCE BETWEEN PRODUCTION COSTS AND REVENUES	6.344.099	6.149.315	15.231.854

	30.06.2009	30.06.2008	31.12.2008
Depreciation and devaluation	**1.424.340**	**1.144.044**	**2.997.866**
Ordinary amortisement of intangible assets	839.006	516.948	1.577.799
Ordinary amortisement of tangible assets	489.295	517.811	1.065.460
Devaluation of credits included in working capital	96.039	109.285	354.607
OPERATIVE RESULT	**4.919.759**	**5.005.271**	**12.233.988**
Proceeds and financial charges	**1.207.819**	**1.294.528**	**3.150.374**
Proceeds from shareholdings from subsidiaries			
Proceeds from parents companies	(8.676)		(4.127)
Proceeds from others shareholdings	(57)	(1.646)	(1.698)
Other proceeds with separate indication	(32.096)	(118.870)	(76.964)
Interest and other financial charges	1.197.637	1.418.521	3.095.728
Profit and loss on foreign exchange	767	(3.477)	(3.602)
Devaluation of shareholding	50.244		141.037
PRE-TAX RESULT	**3.711.940**	**3.710.743**	**9.083.614**
Income tax	**1.384.681**	**1.120.773**	**2.188.666**
IRES	55.200		
IRAP	1.238.987	1.091.821	2.294.025
Tax in previous years		(117.024)	
Deferred taxes	564.734	177.427	1.433.224
Tax paid in advance	(474.240)	(31.451)	(1.538.583)
PROFIT OR LOSS FOR THE PERIOD	***2.327.259***	***2.589.970***	***6.894.948***
Shareholders of parent company	2.313.278	2.572.023	6.877.056
Minority shareholder	13.981	17.947	17.892

Overall Income Statement(*) for the half years to 30 June 2009, 30 June 2008 and 31 December 2008

	H 1 2009	H 1 2008	31.12.2008
Bank interest income	2.327.259	2.589.970	6.894.948
Income (loss) resulting from the change in costs to increase CS		(104.372)	(456.460)
Income (loss) arising from the revaluation properties			234.233
Income (loss) from the sale of treasury shares	74.838		
tax effect of changes	0	0	0
Income/(expense) for the period recognized in equity	*74.838*	*(104.372)*	*(222.227)*
Total profit	**2.402.097**	**2.485.598**	**6.672.721**
attributable to:			
	2.388.116	2.467.651	6.654.829
Derived products reserve	13.981	17.947	17.892

(*) It should be noted that accounting principle IAS 34, paragraph 8 A, in force from 1 January 2009, provides for the presentation of the Overall Income Statement, either as:

- ✓ a single summary prospectus of the income statement;
- ✓ a separate summary prospectus of the overall income statement.

The presentation of a separate summary prospectus of the overall income statement was considered preferable.

Prospectus of the variations in Consolidated Net Worth at 30 June 2008, 31 December 2008 and 30 June 2009

Operazioni	Capitale Sociale	Azioni proprie	Riserva da sovrap. azioni	Altre riserve	Riserva da rivalutaz.	Utili (Perdite) portati a nuovo	Utile (perdita) del periodo	Interessi di minoranza	Utile complessivo	Totale Patrimonio Netto	Totale Patrimonio Netto di Gruppo
Saldo al 31/12/2007	***21.801.519***	***-***	***12.215.082***	***7.076.021***	***2.672.905***	***(1.341.424)***	***3.483.361***	***246.358***		***45.907.465***	***45.661.107***
Acquisto azioni proprie		(52.198)								(52.198)	
Destinazione del risultato a riserva legale				103.916			(3.483.361)			(3.379.445)	
Destinazione del risultato in utili/perdite a nuovo						3.379.445				3.379.445	
Costi sostenuti per aumenti capitale										-	
Stock Option				280.714						280.714	
Riserva IAS				(12.108)						(12.108)	
Variazioni area di consolidamento						77.647				77.647	
Utile (perdita) del periodo							2.589.970	17.947	2.589.970	2.589.970	
Proventi e oneri riconosciuti a patrimonio netto				(104.372)					(104.372)	(104.372)	
Saldo al 30/06/08	***21.801.519***	***(52.198)***	***12.215.082***	***7.344.171***	***2.672.905***	***2.115.668***	***2.589.970***	***267.636***	***2.485.598***	***48.687.117***	***48.419.500***
Acquisto azioni proprie		(260.013)								(260.013)	
Aumento Capitale Sociale	4.567.399		5.429.977	(5.000.000)						4.997.376	
Stock Option				(3.758)						(3.758)	
Riclassificazione riserve IAS				112.219						112.219	
Effetto fiscale IAS				(104.985)						(104.985)	
Adeguamento azioni proprie				(56.330)						(56.330)	
Variazioni area di consolidamento						789.793				789.793	
Utile (perdita) del periodo							4.304.978	(55)	4.304.978	4.304.978	
Proventi e oneri riconosciuti a patrimonio netto				(352.088)	234.233				(117.855)	(117.855)	
Saldo al 31/12/08	***26.368.918***	***(312.211)***	***17.645.059***	***1.939.229***	***2.907.138***	***2.905.461***	***6.894.948***	***372.129***	***6.672.721***	***58.348.542***	***57.976.413***
Riclassifica valore sovr. Azioni dal valore nominale		123.323		(123.323)						-	
Acquisto azioni proprie		(72.682)		(49.139)						(121.821)	
Riclassificazione utile anno precedente a utili esercizi precedenti						6.894.948	(6.894.948)			-	
Stock Option				565.589						565.589	
Variazioni area di consolidamento						8.742				8.742	
Vendita azioni proprie		171.600		134.093						305.693	
Destinazione del risultato				1.840.703		(3.862.160)				(2.021.457)	
Variazioni area di consolidamento						(631.653)				(631.653)	
Utile (perdita) del periodo							2.327.259	13.981	2.327.259	2.327.259	
Proventi e oneri riconosciuti a patrimonio netto				74.838					74.838	74.838	
Saldo al 30/06/09	***26.368.918***	***(89.970)***	***17.645.059***	***4.307.152***	***2.907.138***	***5.315.338***	***2.327.259***	***433.402***	***2.402.097***	***58.855.732***	***58.422.331***

Movements in Consolidated Net Worth

Operazioni	Capitale Sociale	Azioni proprie	Riserva da sovrap. azioni	Altre riserve	Riserva da rivalutaz.	Utili (Perdite) portati a nuovo	Utile (Perdita) del periodo	Totale Patrimonio Netto	Interessi di minoranza	Totale Patrimonio Netto di Gruppo
Saldo al 31/12/2006	*17.642.488*	*(53.557)*	*1.999.113*	*7.512.875*	*3.033.230*	*(2.688.101)*	*1.111.972*	*28.558.020*	*177.039*	*28.380.981*
Vendita azioni proprie		53.557						53.557		
Piano Stock Option				121.275				121.275		
Destinazione del risultato:				54.944		1.057.028	(1.111.972)	-		-
Modifica perimetro di consolidamento						159.240		159.240		
Acquisto azioni proprie		(99.597)						(99.597)		
Aumento di capitale per effetto acquisizioni WelNetwork	560.828		1.814.172					2.375.000		
Aumento di capitale per effetto acquisizione Svimservice	1.452.988		4.547.012					6.000.000		
Utilizzo riserva conto futuro aumento Capitale da parte di Abaco Innovazione Spa	2.145.215		3.854.785	(6.000.000)				-		
Vendita azioni proprie		99.597						99.597		
Rilascio riserva disponibile per effetto rettifiche IAS				360.325	(360.325)	130.409		130.409		
Versamento c/ futuro aumento di capitale da parte di Abaco Innovazione Spa				5.000.000				5.000.000		
Costi sostenuti per aumenti capitale				(129.516)				(129.516)		
Effetto fiscale IAS				17.087				17.087		
Stock Option				139.031				139.031		
Risultato al 31/12/2007							3.483.361	3.483.361	69.319	
Saldo al 31/12/2007	*21.801.519*	*0*	*12.215.082*	*7.076.021*	*2.672.905*	*(1.341.424)*	*3.483.361*	*45.907.464*	*246.358*	*45.661.107*
Acquisto azioni proprie		(312.211)						(312.211)		
Adeguamento delle azioni proprie al valore di mercato				(56.330)				(56.330)		
Destinazione del risultato a riserva legale				103.916			(3.483.361)	(3.379.445)		
Destinazione del risultato in utili/perdite a nuovo						3.379.445		3.379.445		
Costi sostenuti per aumenti capitale				(456.460)				(456.460)		
Stock Option				276.956				276.956		
Riserva IAS				100.111				100.111		
Effetto fiscale IAS				(104.985)				(104.985)		
Rivalutazione immobili					234.233			234.233		
Aumento Capitale Sociale	4.567.399		5.429.977	(5.000.000)				4.997.376		
Acquisto azioni proprie								-		
Variazioni area di consolidamento						867.440		867.440		
Risultato al 31/12/08							6.894.948	6.894.948	125.772	
Saldo al 31/12/08	*26.368.918*	*(312.211)*	*17.645.059*	*1.939.229*	*2.907.138*	*2.905.461*	*6.894.948*	*58.348.542*	*372.129*	*57.976.413*
Riclassifica valore sovr. Azioni dal valore nominale		123.323		(123.323)				-		
Acquisto azioni proprie		(72.682)		(49.139)				(121.821)		
Riclassificazione utile anno precedente a utili esercizi precedenti						6.894.948	(6.894.948)	-		
Stock Option				565.589				565.589		
Variazioni area di consolidamento						8.742		8.742		
Vendita azioni proprie		171.600		208.931				380.531		
Destinazione del risultato				1.840.703		(3.862.160)		(2.021.457)		
Variazioni area di consolidamento						(631.653)		(631.653)		
Risultato al 30/06/09							2.327.259	2.327.259	61.273	
Saldo al 30/06/09	*26.368.918*	*(89.970)*	*17.645.059*	*4.381.990*	*2.907.138*	*5.315.338*	*2.327.259*	*58.855.732*	*433.402*	*58.422.331*

Consolidated Financial Statement

	30.06.2009	30.06.2008	31.12.2008
Operating activities:			
- Profit (loss)	2.327.259	2.589.970	6.894.948
- Amortisation, depletion and depreciation of assets	1.328.301	1.034.759	2.643.259
- Provision for Severance Pay Fund	1.104.645	1.080.809	2.440.498
- Advances/Payments Severance Pay	(983.166)	(1.174.432)	(2.432.443)
- Adjustment of value of financial assets			
Cash flow arising from operating activities	**3.777.039**	**3.531.106**	**9.546.262**
Increase/Decrease in net working capital:			
- Variation in stock and payments on account	(4.468.554)	(5.551.651)	(7.790.204)
- Variation in receivables to customers	2.096.799	(2.563.777)	(4.106.038)
- Variation in receivables to parent/subsidiary/associated company	(489)	(289.221)	(636.744)
- Variation in other accounts receivable	(1.121.892)	795.105	(667.466)
- Variation in payables to suppliers	2.372.004	935.847	1.018.439
- Variation in payables to parent/subsidiary/associated company	43.141	(117.089)	722.524
- Variation in tax and social security liabilities	(347.568)	(141.193)	496.118
- Variation in other accounts payable	2.111.730	(109.079)	355.066
- Variation in prepaid expenses and accrued income	(1.082.945)	(611.113)	(132.720)
- Variation in deferred revenue	1.215.698	(709.085)	(1.616.365)
- Variation in risk funds reserve	461.494	68.719	1.073.471
Cash flow arising (used) from current assets and liabilities	**1.279.418**	**(8.292.537)**	**(11.283.919)**
Cash flow arising (used) from current activities	**5.056.458**	**(4.761.431)**	**(1.737.658)**
Investment activities:			
- Variation in tangible assets	(1.033.054)	(359.850)	(1.015.682)
- Variation in intangible assets	(3.219.645)	(1.188.736)	(5.310.743)
- Variation in financial assets	(270.666)	(66.707)	1.033.053
Cash flow arising (used) from investment activities	**(4.523.365)**	**(1.615.293)**	**(5.293.371)**
Financial activities:			
- Other loans			
- Changes in financial assets that are not permanent			
- Variation in other reserves	(1.820.068)	189.683	5.546.130
- Unlike reserves for Change in scope of consolidation			
- Change in Minority			
Cash flow arising (used) from financial activities	**(1.820.068)**	**189.683**	**5.546.130**
Increase (decrease) in cash	**(1.286.975)**	**(6.187.041)**	**(1.484.899)**
Banks and cash profits at start of year	6.232.470	6.171.365	6.171.365
Banks and cash losses at start of year	(41.507.740)	(40.128.199)	(39.961.736)
Banks and cash profits at end of period	3.904.661	5.381.389	6.232.470
Banks and cash losses at end of period	(40.466.906)	(45.525.264)	(41.507.740)
Increase (decrease) in liquidity	**(1.286.975)**	**(6.187.041)**	**(1.484.899)**

EXPLANATORY NOTES TO THE HALF-YEARLY BALANCE SHEET OF EXPRIVIA GROUP TO 30 JUNE 2009

REFERENCES TO REGULATIONS

In accordance with the provisions of Art. 154(c) of the TUF (as amended by Legis. Dec. 195/2007), the Exprivia group presents the Six-monthly Consolidated Financial Report as at 30 June 2008 including:

- ✓ the six-monthly balance sheet of the Exprivia group at 30 June 2009;
- ✓ the Interim Management Report;
- ✓ the certification set out by Art. 154(b) sub-para. 5.

As set out by the above Article, and accounting principle IAS 34, this balance sheet has been drawn up exclusively in consolidated form, as our company is obliged to draw up the Consolidated Balance Sheet (with the exclusion of the Balance Sheet of the parent company Exprivia S.p.A.).

NEW ACCOUNTING PRINCIPLES

ACCOUNTING PRINCIPLES, AMENDMENTS AND INTERPRETATIONS APPLICABLE BY THE GROUP

IAS 1 REVIEWED – PRESENTATION OF THE BALANCE SHEET

The reviewed version of IAS 1 – Presentation of the balance Sheet, no longer allows the presentation of the components of income such as income and expenses (defined as ‘variations generated by transactions with non-partners’) in the prospectus of the variations of net worth. Instead, it requires a separate indication with respect to the variations generated by transactions with partners. According to the revised version of IAS 1, all the variations generated by transactions with non-partners must be highlighted in a single separate prospectus which shows the trend for the period (prospectus of the overall profits and losses found) or two separate prospectuses (income statement and prospectus of the overall profits or losses found). These variations must also be separately highlighted in the prospectus of the variations in net worth.

The group applied the revised version of the principle from 1 January 2009 in a retrospective manner, choosing to highlight all the variations arising from transactions with non-partners in two prospectuses measuring the trend for the period, respectively entitled ‘Consolidated income statement’ and ‘Prospectus of profits and losses found in the net worth for the half-years to 30 June 2009 and 30 June 2008’. As a result, the group changed the presentation of the prospectus of the variations in net worth.

Further, an amendment to revised IAS 1 was published in the sphere of the Annual Improvement Process 2008 conducted by IASB. This states that the assets and liabilities arising from derivative financial instruments as cover are classified in the balance sheet, distinguishing between current and non-current assets and liabilities. With reference to this, it should be noted that adoption of this amendment has not led to any change in the presentation of the entries relating to the assets and liabilities from derivative financial instruments as a result of the form of mixed presentation of the current and non-current distinction adopted by the group and allowed by IAS 1.

AMENDMENT TO IFRS 2 – MATURATION AND CANCELLATION CONDITIONS

The amendment to IFRS 2 – *Maturation and cancellation conditions* establishes that only the service and performance conditions can be considered vesting conditions for the purposes of the assessment of remuneration instruments based on shares. Any other clauses must be considered non-vesting conditions and incorporated in the definition of fair value at the date of grant of the conditions. The amendment also clarifies that, if the conditions are annulled, the same accounting treatment must be applied whether the annulment comes from the company or the counterpart. Accounting effects for the group have not emerged from its application as the current stock option about to mature in the period does not provide for maturation conditions different from those of performance and service as defined in the amendment and there were no cancellations of plans in the periods considered.

IMPROVEMENT TO IAS 19 – BENEFITS TO EMPLOYEES

The improvement to IAS 19 – *Benefits to employees* clarifies the definition of cost/proceeds relating to the past performance of assets and establishes that, if a plan is reduced, the immediate effect on the income statement must only include the reduction of benefits relating to future periods, while the effect arising from any reduction connected to past periods of service must be considered a negative cost in relation to past performance of assets. This change is applicable prospectively to the changes made to plans from 1 January 2009. It should also be noted that no significant accounting effect has been found following the adoption of this amendment at 30 June 2009.

IMPROVEMENT TO IAS 20 – ACCOUNTING AND INFORMATION ON PUBLIC CONTRIBUTIONS

The improvement to IAS 20 – *Accounting and information on public contributions* sets out that the benefits arising from loans from public bodies granted at a lower interest rate than that of the market must be treated as public contributions and so follow the rules of recognition/payment set out by IAS 20. The previous version of IAS 20 set out that if there was financing at a favourable rate of interest received as a public contribution, the company couldn't obtain any benefit. Now, at the time of supply of such loans, the financial debt must be recorded at fair value and there must be deferred income against the contributions on the favourable interest rate to be received for an amount equal to the difference between the fair value of the debt and what has been received. This value will be found in the income statement when and only when all the necessary conditions for the payment of the contribution have been systematically satisfied to correlate it to the costs that are meant to be compensated.

There have been relevant effects for the group through the application of this principle.

IMPROVEMENT TO IAS 28 – SHAREHOLDINGS IN AFFILIATES

The improvement to IAS 28 – *Shareholdings in affiliates* sets out that for shareholdings valued according to the net worth method, any loss of value must not be allocated to the individual activities (and, in particular, any goodwill) which make up the book value of the shareholding, but to the value of the shareholding overall. As a result, if there are the conditions for a subsequent restoration of value, this must be paid in full. In accordance with the rules of transition set out by the improvement, the group will apply this amendment prospectively manner to the restorations of value made from 1 January 2009. Nevertheless, no accounting effect has arisen from the adoption of this new principle because the group has not found any restoration of value of goodwill included in the book value of the shareholdings during the first half-year 2009.

IFRS 8 OPERATIONAL SECTORS

The IASB issued IFRS 8 in November 2006; it replaces IAS 14 Sector Information for accounting periods which start from 1 January 2009. The new accounting principle requires the company to base the information shown in the sector information on the elements which the management uses to make its operational decisions. Therefore, it requires the identification of operational segments on the base of internal reporting which is regularly reviewed by the management for the purposes of the allocation of resources to the different segments and the analysis of performance.

The application of this principle has not had any effect for the group as the information was already based on these assumptions.

AMENDMENTS AND INTERPRETATIONS APPLIED SINCE 1 JANUARY 2009 NOT RELEVANT FOR THE GROUP

The following amendments and interpretations, applicable from 1 January 2009, discipline the matter in hand and cases not in the group at the date of this Consolidated Financial Report for the half-year to 30 June 2009:

- ✓ Amendment to IAS 23 – Financial charges
- ✓ Amendment to IAS 32 – Financial instruments - Presentation and IAS 1, Presentation of the Balance Sheet
- ✓ Financial instruments.
- ✓ Improvement to IAS 29 – Accounting information in hyper-inflated economies.
- ✓ Improvement to IAS 36 – Losses of value in assets.
- ✓ Improvement to IAS 38 – Intangible assets.
- ✓ Improvement to IAS 39 – Financial instruments - measurement and assessment.
- ✓ Improvement to IAS 40 – Property investment.
- ✓ IFRIC 13 – Customer-loyalty generation programmes.
- ✓ IFRIC 15 – Contracts for the construction of property.
- ✓ IFRIC 16 – Cover of a shareholding in a foreign company.

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

The following amendments and interpretations discipline cases in point and cases that the group has decided not to adopt in advance in this half-year balance sheet to 30 June 2009 -

- ✓ IFRS 2 – Payments based on shares -
- ✓ IFRS 3 – Company aggregations, and has amended IAS 27 – Consolidated and separate balance sheets.
- ✓ IFRS 5 – Non current assets available for sale and discontinued operational assets
- ✓ IFRS 8 – Operational sectors
- ✓ IAS 1 – Presentation of the balance sheet
- ✓ IAS 7 – Financial statement
- ✓ IAS 17 – Leasing
- ✓ IAS 36 – Reduction in value of assets
- ✓ IAS 38 – Intangible assets

- IAS 39 – Financial instruments - measurement and assessment
- IFRIC 17 – Distribution of non-liquid assets
- IFRIC 18 – Transfer of assets from customers
- IFRS 7 – Financial instruments - integrating information
- IFRIC 9 – Redefinition of the value of incorporated derivatives and IAS 39, Financial instruments, measurement and assessment.

DECLARATION OF CONFORMITY TO INTERNATIONAL IFRS ACCOUNTING PRINCIPLES

The half-year balance sheet of the Exprivia group to 30 June 2009 was drawn up in complete form in accordance with the international accounting principles homologated by the European Community (indicated below individually as IAS/IFRS or together as IFRSs) and, in particular, principle IAS 34 relating to interim balance sheets. In conformity with the provisions of IFRS Principle 1, we state that we have applied all the international IAS/IFRSs accounting principles in force at the date of the preparation of this consolidated half-year financial report to 30 June 2009.

CONSOLIDATION CRITERIA

The consolidation area includes the balance sheet of the parent company Exprivia S.p.A. with those of the subsidiary and affiliated companies except for the shareholdings held for subsequent sale. Subsidiary companies mean those in which the parent company holds control. The existence of control is presumed when more than half the effective or potentially exercisable voting rights in the shareholders' meeting at the accounting date are held, directly or indirectly. Affiliated companies mean those in which the parent company exercises a significant influence. This is presumed when 20% or more of the effective or potentially exercisable voting rights at the accounting date are held.

Subsidiary and affiliated companies are consolidated from the date in which the group acquires control of them and deconsolidated from the date control is lost or when there are decisions, events and evidence relating to the future assignment of the shareholding that changes its status, causing it to become a shareholding held for subsequent disposal/sale. The acquisition of subsidiaries and affiliates is accounted for on the basis of the method of purchase. The cost of acquisition corresponds to the current value of the assets sold, shares issued or liabilities assumed at the date of acquisition plus the directly attributable costs. The excess of the cost of acquisition over the share of pertinence of the group of the current value of the net assets of the company acquired is accounted for in the total assets as goodwill for subsidiaries while it is included in the value of the shareholding for associated companies. Any negative goodwill is accounted for in the Income Statement at the date of acquisition.

The overall integration method is applied for the purposes of the consolidation of subsidiaries, i.e., assuming the whole amount of total assets and liabilities and all the costs and revenues apart from the effective participation percentage. The accounting value of the consolidated shareholdings is, therefore, eliminated in the face of the relative net worth. The operations and balances, and also the profits and losses not realised on infra-group transactions are eliminated. The quotas of net worth and so the responsibility of minority shareholders are highlighted respectively in a special entry of the net worth and in a separate line of the consolidated Income Statement. After acquisition, the shareholdings in associated companies are accounted for by the net equity method noting the quota relevant to the group in the result and movements of the reserves respectively in the income statement and net worth. The profits and losses not realised on infra-group operations are eliminated for the quota of interest. When the relevant quota for the group of the losses of an associated company is equal to or higher than the value of the shareholding, the group does not recognise further losses unless it has duties to cover losses or has made payments on behalf of the associated company.

VALUATION CRITERIA

The accounting principles adopted for drawing up this half-yearly consolidated balance sheet are the same as those adopted for drawing up the annual consolidated balance sheet of the group for the financial year which closed on 31 December 2008.

INTANGIBLE ASSETS

Intangible assets are accounted for at the cost of acquisition or production. The cost of acquisition is the price paid to acquire the asset and all direct costs borne to prepare the asset for its use. The cost of acquisition is the equivalent cash price at the date of accounting. Therefore, if payment of the price is deferred beyond the normal terms of extension of credit, the difference compared to the equivalent cash price is accounted for as interest throughout the period of extension. For intangible assets generated internally, the process of the formation of the asset is separated into the stages of research (not capitalised) and development (capitalised). If the two stages cannot be distinguished, the whole project is considered as research. The financial charges borne for the acquisition are never capitalised.

GOODWILL AND OTHER ASSETS WITH AN INDEFINITE LIFE

Goodwill arising from acquisition or merger operations accounted for on the basis of the purchase method, in accordance with IFRS principle 3, if there are not the suppositions for the identification of a definite useful life, are not subject to amortisement but subject to the 'impairment test' at least once a year. These values are allocated to one or more independent cash generating units from the date of acquisition or the end of the accounting period following this for this purpose. Any reductions in value emerging from the impairment test are not adjusted in the following periods. Any goodwill to which a definite useful life can be associated is subject to amortisement on the estimated useful life (usually 10-15 years).

OTHER INTANGIBLE ASSETS

The other intangible assets, such as development costs, industrial patent and intellectual property rights, assignments, licences, brands and similar rights, and software, are valued at cost net of accumulated amortisements, decided on the basis of the criterion at constant quotes throughout the expected period of use, on average, unless for specific cases of 3/5 years, and any losses of value. The amortisement criteria used, the useful lives and residual values are re-examined and redefined at least at the end of each administrative period to take account of any significant variations.

TANGIBLE ASSETS

Tangible assets are accounted for at the purchase or production price. This is represented by the price paid to purchase or produce the assets and any other cost directly sustained to prepare the asset for its use. The cost paid to acquire or produce the asset is the equivalent cash price at the accounting date; as a result, if payment is deferred beyond the normal terms of extension of the credit, the difference with respect to the equivalent cash price is accounted for as interest throughout the period of extension. The financial charges borne for the acquisition or production of the asset are never capitalised. Capitalisation of the costs relating to the extension, modernisation or improvement of the structural elements of property or in use by third parties is only carried out within the limits in which they respond to the requirements to be separately classified as an asset or part of an asset.

After the initial accounting, tangible assets written down at cost, net of the accumulated depreciation and any losses of value. The depreciated value of each significant component of a tangible asset, with a different useful life, is divided over the expected period of use in constant rates. Considering the homogeneity of the assets included in the individual categories of the balance sheet, it is assumed that the useful life per category of assets is the following, unless there are specific relevant cases:

Land	indefinite useful life
Industrial buildings	33 years
Plant and machinery	4-7 years
Office fittings & electronic mach.	5-8 years
Equipment and vehicles	4-7 years

The amortisement criteria used, the useful lives and the residual values are re-examined and redefined at the end of every administrative period, at the least, to take any significant variations into consideration. Costs that can be capitalised for improvements to third party assets are attributed to the classes of fixed assets to which they refer and amortised for the shorter time between residual period on the rental contract and the useful residual life of the asset to which the improvement relates. The accounting value of tangible assets is maintained in the balance sheet within the limits in which it highlights that such a value could be recovered through use. If symptoms are noted which could indicate difficulties in recovering the net accounting value, the impairment test is carried out in order to decide any loss of value (see the paragraph below). Restoration of value is made if the reasons at the basis of the loss of value no longer apply.

ASSETS IN FINANCIAL LEASING

The machinery owned through financial leasing contracts, for which the group has substantially assumed the risks and benefits which would from ownership, are recognised as assets on the basis of the criteria indicated by IAS 17. They are amortised according to the estimated useful life. The debt with the lessor can be found in the balance sheet among the ‘Payables to Suppliers’.

CONTRIBUTIONS

Contributions are accounted for if they exist, independently of whether there is a formal assignment decision, if there is a reasonable certainty that the company will respect the conditions set out for the assignment and that the contributions will be received. A public collectable contribution like compensation of expenses and costs already borne or with the aim of giving immediate financial assistance to the body without having future costs related to it, is accounted for as a proceed in the accounting period in which it becomes payable.

LOSS OF VALUE OF ASSETS

A loss of value occurs every time the book value of an asset is greater than its recoverable value. The possible existence of indicators which suppose a loss of value is checked at every balance sheet date. If those indicators are found, an impairment test is carried out and the any depletion is accounted for. The impairment test is carried out at least once a year, independently of the existence of the indicators, for assets not yet available for use, those accounted during the current accounting period and goodwill. The recoverable value of an asset is the greater between its fair value, net of sale costs, and its use value. The recoverable value is calculated with reference to a single asset, unless it is unable to generate incoming financial flows deriving from continuative use extensively independent from the incoming financial flows generated by other assets or groups of assets, in which case the test is carried out at the level of the smallest unit generating independent flows which include the asset in question (Cash Generating Unit).

FINANCIAL ASSETS AND LIABILITIES

The financial assets are classified in the following categories:

- *financial assets at fair value offset in the Income statement:* financial assets mainly acquired with the intention of making a profit from the fluctuations in price in the short term (a period of not more than 3 months) or designated as such from the start;
- *financial assets held to expiry:* investments in financial assets with a preset expiry with fixed payments or that can be decided that the group intends and is able to maintain through to expiry;
- *loans and other financial receivables:* financial assets with fixed payments or that can be decided, not quoted on a two way market and different from those classified as financial assets at fair value from the origin offset in the Income Statement or financial assets available for assignment;
- *financial assets available for assignment:* financial assets other than those above or those designated as such from the start.

The group decides the classification of the financial assets at the time of the acquisition, the initial accounting is made at the fair value of the date of acquisition, taking into account the transaction costs; date of acquisition and assignment means the settlement date. After the initial accounting, the financial assets at fair value with offset in the Income Statement and the assets available for assignment are valued at fair value, the financial assets held to expiry and also the loans and other financial receivables are valued at the depreciated cost.

Profits and losses arising from the variations in the fair value of the financial assets at fair value offset in the Income Statement are accounted in the Income Statement of the accounting period in which they occur. Unrealised profits and losses arising from variations in fair value of classified assets as available for assignment are accounted for in net worth. The fair values of financial assets are determined on the basis of the offer prices quoted or through the use of financial models. The fair values of financial assets not quoted are estimated using special assessment techniques adapted to the specific situation of the issuer. Financial assets for which the current value cannot be determined in a reliable manner are accounted for at reduced cost because of the loss of value.

The existence of loss of value indicators is checked at the date of each balance sheet. Recording the depletion is specular to the criterion of the increase in value of the financial assets in the Income Statement or net worth. The loss of value previously recorded is eliminated if the circumstances leading to the valuation no longer apply, except for assets valued at cost.

Financial liabilities are initially valued at the fair value of the amounts collected, net of the transaction costs borne, and then valued at the depreciated cost.

STOCK

The stock was recorded at the lesser of the purchase price, determined in accordance with the average weighted cost, and the net sales price. The cost is represented by the fair value of the price paid and every other cost directly attributable except for financial charges. The net sales value is the estimated sale price in the normal assets net of the costs of completion and sales. Any depletion is eliminated in the following accounting periods if the reasons no longer exist.

LIQUID ASSETS

The liquid assets consist of very liquid short-term investments (generally not more than 3 months), easily convertible into considerable amounts of cash and subject to an irrelevant risk of changes of value were taken at fair value. For the purposes of the financial statement, the liquid assets were made up of cash, demand deposits in banks, other short-term, high liquidity financial assets, with original expiry of not more than 3 months, and overdraft facilities. For the purposes of drawing up the balance sheet, the latter are included in the debts in the current liabilities.

NET WORTH

SHARE CAPITAL

The item is formed of capital underwritten and paid up. Costs strictly correlated to the issue of shares are classified in reduction of the net worth in other reserves as long as these are variable marginal costs directly attributable to the operation of capital and cannot be otherwise avoided.

OWN SHARES

Own shares are noted in a special net worth reserve. No profit (loss) is noted in the Income statement for the acquisition, sale, issue or cancellation of own shares.

FAIR VALUE RESERVE

The item groups variations in fair value, gross of the effect of taxes, entries accounted for at fair value offset in the net worth.

OTHER RESERVES

The items consist of reserves of capital for specific destinations relating to the parent company.

PROFITS (LOSSES) BROUGHT FORWARD

The item includes the economic results of the accounting period in progress and previous ones neither distributed nor set aside in the reserves (for profits) or reprogrammed (for losses), transfers from other assets when freed from the constraints to which they were subjected, and also the effects of noting the changes of accounting principles and relevant errors.

OVERALL PROFIT

Following the application of accounting principle IAS 34, paragraph 8 A, the item 'overall profit' shows the overall result of proceeds and charges recognised in the net worth.

BENEFITS FOR EMPLOYEES

SHORT-TERM BENEFITS

Short-term benefits for employees are accounted for in the Income Statement of the period in which the work was performed.

DEFINITE BENEFIT PLANS

The group pays its employees benefits for the Severance Pay Fund (TFR). These benefits fall within the definition of definite benefit plans decided in being and total but with uncertain maturity. The liability is determined as a current value of the service duty defined at the date of the balance sheet in conformity with the current regulations, adjusted to take account of actuarial (profits) losses. The total of the defined service duty is calculated annually by an external actuary on the basis of the 'Projection of the credit units method'. Actuarial profits and losses are fully accounted for in the relative financial year without application of the so-called 'corridor method'.

DEFINED CONTRIBUTION PLANS

The group takes part in publicly or privately managed pension plans with a defined contribution on an obligatory, contractual or voluntary basis. Payment of the contributions fulfils the group's duty towards its employees. As a result, the contributions form a charge for the period in which they were due.

PROVISION FOR LIABILITIES AND CHARGES, POTENTIAL ASSETS AND LIABILITIES

The funds for risks and charges are probable liabilities of an uncertain amount and/or due date deriving from past events whose fulfilment will lead to the use of economic resources. The amounts are only set aside if there is a current, legal or implicit obligation which makes the use of economic resources necessary, as long as a reliable estimate of the obligation can be made. The amount noted as set aside is the best estimation of the necessary charge for fulfilment of the obligation at the date of the balance sheet. Set aside funds are re-examined at every balance sheet date and rectified so that they are the best current estimate. Where financial disbursement relating to the obligation is planned and occurs after the normal payment terms and the effect of the discounting back is relevant, the amount set aside is represented by the current value of future expected payments to cancel the obligation.

The potential assets and liabilities of an unlikely but possible or remote nature are not noted in the balance sheet; nevertheless, appropriate information is given concerning the possible potential assets and liabilities.

DERIVED INSTRUMENTS

Derived contracts were noted in the statement of assets and liabilities at the fair value. The accounting data of variations of fair value is different according to the designation of the financial instruments (speculative or hedging) and the nature of the risk covered (Fair Value Hedge or Cash Flow Hedge). For contracts designated as speculative, the variations of fair value were directly noted in the Income statement.

Fair Value Hedge is accounted for by noting the variations of fair value of the cover (hedge) instrument and the instrument covered (hedged) independently of the criterion of assessment adopted for the latter in the Income statement. In particular, the rectification of the accounting value of interest-bearing hedged financial instruments is amortised in the Income statement throughout the residual contractual life of the hedged profit/loss element through the effective interest method.

Cash Flow Hedge is accounted for by suspending the portion of variation of fair value of the hedging instrument recognised as effective cover in the net worth, and noting the ineffective portion in the Income statement. The variations noted directly in the net worth were issued to the Income statement in the same period or periods in which the asset or liability covered (hedged) influences the Income statement.

REVENUES AND CHARGES

The receipts arising from the assignment of assets were noted at the time of transfer of the risks which usually occurs with the despatch, at the fair value of the payment received or due taking any discounts into account. Receipts arising from the provision of services were defined on the basis of the completion percentage, defined as the ratio between the services performed at the date of reference and the total value of the planned services.

The costs were attributed in accordance with similar criteria to those of revenue recognition and, in any case, according to the accruals basis. The interest receivable/payable was noted on the criterion of accrual basis, taking residual liabilities in capital manner and the effective tax applicable in the period to the deadline/expiry into account.

Dividends were accounted for in the period in which distribution was decided.

TAXES

The taxes on the period were defined on the basis of the presumed charges to be paid on the application of the current tax laws. In addition, the deferred taxes and those paid in advance were accounted for on the temporary differences between the asset values written into the balance sheet and the corresponding values recognised for tax purposes, shown brought forward with tax losses or unused tax credits, as long as it is probable that the recovery (discharge) reduces (increases) future tax payments with respect to those that would have occurred if that recovery (discharge) had not had effects on tax. The tax effects of operations or other events were noted, in the Income statement or directly in the net worth, with the same methods as the operations or events from which the tax imposition arose.

FOREIGN CURRENCY

Operations in foreign currency were converted into the currency of presentation at the rate of exchange on the date of the operation. The profits and losses on exchange arising from the liquidation of those operations and the conversion of the monetary assets and liabilities into foreign currency were accounted for in the Income statement.

CONSOLIDATION AREA

At 30 June 2009, the six-monthly consolidated balance sheet included the capital, economic and financial situations of the parent company Exprivia S.p.A. and subsidiary companies. The following table shows the companies subject to consolidation:

Company	Area
Al Faro	Public Administration, Transport & Utilities
Exprivia Projects S.p.A.	Industry, Telecommunications & Media/Public Administration, Transport & Utilities
Exprivia SL	Health and Medical
Exprivia Solutions S.p.A.	Industry, Telecommunications & Media/Public Administration, Transport & Utilities
GST S.r.l.	Health and Medical
Infaber Srl (ex Aemedia Srl)	Industry, Telecommunications & Media
Network Services Srl	Industry, Telecommunications & Media/Public Administration, Transport & Utilities/Health and Medical
Spegea Scarl	Others (Training)
Svimservice S.p.A.	Health & Medical/Public Administration, Transport & Utilities
Wel.Network S.p.A.	Industry, Telecommunications & Media

Most of the above-mentioned subsidiaries, consolidated with full consolidation method, are summarised below.

Company	H.O.	Company capital	Results for period	Net worth	Value of production	Total Assets	% of holding
AISoftware Professional Services Srl	Roma	50.000	(48.212)	7.863		61.253	100,00%
Al Faro Srl	Bari	52.000	(28.829)	18.308		18.609	100,00%
Exprivia Projects S.p.A.	Roma	242.000	121.597	303.828	2.021.556	2.934.996	100,00%
Expriva SL	Madrid (Spagna)	8.250	45.199	128.149	484.361	487.852	60,00%
Exprivia Solutions S.p.A.	Roma	170.795	412.702	977.384	2.846.130	5.044.783	100,00%
GST S.r.l.	Trento	27.500	(70.929)	703.268	950.443	2.701.522	63,20%
Infaber S.r.l.	Molfetta (BA)	110.000	48.147	155.743	551.780	548.965	50,10%
Network Services Srl	Molfetta (BA)	99.000	98.638	307.255	1.192.290	890.155	100,00%
Spegea Sc a rl	Bari	125.000	(5.055)	114.059	791.843	4.510.288	60,00%
Svimservice S.p.A.	Molfetta (BA)	1.548.000	2.092.802	4.285.897	12.789.089	23.913.946	100,00%
Wel.Network S.p.A.	Piacenza	1.500.000	(188.273)	1.385.066	6.754.374	11.765.837	100,00%

Farm Multimedia S.r.l. in liquidation and AISoftware Professional Service S.r.l. in liquidation, 100% owned, are not included in the consolidated companies as not relevant.

The consolidation area underwent a variation compared to 31 December 2008 as a result of the exclusion of **AISoftw@re Professional Services S.r.l in liquidation** from the consolidation area, as described above.

INFORMATION ON THE CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

All the entries making up the assets and liabilities in the Consolidated Statement of Assets and Liabilities are shown in detail, drawn up in accordance with international IAS/IFRS accounting principles. All the figures shown in the tables below are in Euros.

NON-CURRENT ASSETS

PROPERTY, PLANT AND MACHINERY

The net consistency of '**Property, plant and machinery**' totalled Euro 8,963,349 compared to Euro 8,419,590 at 31 December 2008.

Categories	Historical cost 01/01/09	Inc.	Dec.	Historical cost at 30/06/09	Reserve prov. at 01/01/09	Reserve prov. new consolid. Area	Provision for period	Dec.	Cum. prov.	Net value at 30/06/09
Land	247.716	0	0	247.716	0	0	0	0	0	247.715
Buildings	7.363.700	324.804	0	7.688.504	(989.374)	0	(113.331)	0	(1.102.705)	6.585.799
Others	12.301.652	763.183	(87.286)	12.977.548	(10.638.711)	0	(375.964)	70.443	(10.944.229)	2.033.319
Fixed assets in progress	134.609	0	(38.093)	96.516	0	0	0	0	0	96.516
TOTAL	***20.047.676***	***1.087.987***	***(125.379)***	***21.010.284***	***(11.628.085)***	***0***	***(489.295)***	***70.443***	***(12.046.934)***	***8.963.349***

The increase in the entry 'Buildings' (Euro 324,804) refers to the costs borne for extension work at the offices in Via A. Olivetti, Molfetta, made necessary to host the subsidiary Svimservice S.p.A., which transferred its operational and administrative offices there from 1 March 2009.

The variation in 'Others' (Euro 763,183) was mainly due to the costs borne for electronic office machinery (Euro 356,143), furniture and furnishings (Euro 95,791) and leased assets (Euro 296,240).

It should be noted that, for items of financial leasing, the net accounting value was Euro 536,533 and related to electronic office machinery. It should also be noted that the minimum future payments within one year were Euro 120,146, while those for one to five years were Euro 228,396.

GOODWILL AND OTHER ASSETS WITH AN INDEFINITE LIFE

'**Goodwill and other assets with an indefinite life'** showed a balance of Euro 63,205,093 at 30 June 2009 compared to Euro 62,408,751 at 31 December 2008. The variation with respect to this date can be attributed to the following factors:

- an increase of Euro 1,600,000 relating to goodwill forming as a result of the purchase of the company branch Aurora by the parent company Exprivia S.p.A. This goodwill, as permitted by IFRS 3, has been allocated in a provisional manner;
- an increase of Euro 8,998 as the result of the variation in the percentage held in GST S.r.l. controlled by the parent company Exprivia (from 64.972% to 63.20%);
- a decrease of Euro 658,105 caused by the difference in consolidation and the restoration of goodwill (for the purchase of a company branch) relating to AISoftware Professional Service S.r.l. in liquidation, deconsolidated as irrelevant (as described in the 'Consolidation Area' paragraph);

- a decrease of Euro 154,551 relating to the amortisement of minor goodwill elements for which a definite useful life has been identified (10-15 years).

The table below shows the detail of the entries:

Categories	Historical cost 01/01/09	Increases	Adj. for deconsolid. IAS	Total historical cost at 30/06/09	Depreciation fund at 01/01/09	Deprec. quota for period	Accum. deprec.	Net value at 30/06/09
COST OF GOODWILL ABACO MERGER	461.168	-	-	461.168	-	-	-	461.168
GOODWILL DIVESTMENT AZ AIS PS BRANCH	1.767.655	-	-	1.767.655	-	-	-	1.767.655
GOODWILL DIVESTMENT KTONES BRANCH	517.714	-	-	517.714	-	-	-	517.714
DIFFERENCE ETA BETA MERGER	3.040.710	-	-	3.040.710	-	-	-	3.040.710
DIFFERENCE AIS MEDICAL MERGER	3.913.766	-	-	3.913.766	-	-	-	3.913.766
GOODWILL AURORA BRANCH	-	1.600.000	-	1.600.000	-	-	-	1.600.000
GOODWILL DIVESTMENT EX. PROJECTS BRANCH	600.000	-	(600.000)	-			-	-
GOODWILL	18.631.899	-	-	18.631.899	(197.687)	(14.721)	(212.408)	18.419.489
GOODWILL RECO MERGER	64.058		(64.058)	-				-
DIFFERENCE FROM CONSOLIDATION	36.139.403	8.998	(2.425.761)	33.722.640	(98.220)	(139.830)	(238.050)	33.484.591
TOTAL	***65.136.373***	***1.608.998***	***(3.089.819)***	***63.655.552***	***(295.907)***	***(154.551)***	***(450.458)***	***63.205.093***

The following table shows the calculation of the consolidation difference for every consolidated company.

Company	Date of acquis.	Controlling share	Value of holding	Ref. Net worth	Depreciation fund at 01/01/09	Deprec. quota for period	Difference from consolidation generated
Al Faro S.r.l.	30/11/07	100,000%	51.646	24.716		13.465	13.465
Exprivia Customer Services Srl	11/06/04	100,000%	10.329	(11.752)		11.040	11.041
Exprivia Projects S.p.A.	11/06/04	100,000%	1.741.391	406.891			1.334.500
Exprivia SL	19/05/08	60,000%	104.158	62.293		20.932	20.932
Exprivia Solutions S.p.A.	14/04/05	100,000%	2.017.000	1.504.338			512.662
GST S.r.l.	14/04/05	63,200%	625.525	320.948			304.577
Infaber Srl	14/04/05	50,010%	77.200	55.011		11.095	11.094
Network Services Srl	31/10/08	100,000%	1.328.650	205.350	98.220	56.165	968.915
Reco Sistemi Srl	29/12/05	63,200%	77.500	23.234		27.133	27.133
Spegea S c.a.r.l.	31/05/08	60,000%	0	0			0
Svimservice S.p.A.	30/11/07	100,000%	27.030.299	4.721.011			22.309.288
Wel.Network S.p.A.	30/11/07	100,000%	10.050.830	2.079.846			7.970.984
TOTAL			***43.114.527***	***9.391.886***	***98.220***	***139.830***	***33.484.591***

The **Consolidation difference** was generated through the effect of the integral consolidation of the subsidiaries, included in the consolidation area through the elimination of the value of the shareholdings against their net worth. The values of goodwill and the consolidation differences were found to be recoverable in the light of the impairment test made in accordance with the provisions of principle IAS 36.

The table below shows the 'difference from consolidation' with the variations arising at 30 June 2009 compared to 31 December 2008.

Company	30/06/2009	31/12/2008	Variation
AISoftw@re Professional Services Srl	-	2.425.761	(2.425.761)
Al Faro Srl	13.465	26.930	(13.465)
Exprivia Customer Services Srl	11.041	22.081	(11.040)
Exprivia Projects S.p.A.	1.334.500	1.334.500	-
Exprivia SL	20.932	41.864	(20.932)
Exprivia Solutions S.p.A.	512.662	512.662	-
GST S.r.l.	304.577	295.578	8.999
Infaber Srl	11.094	22.189	(11.095)
Network Service Srl	968.915	1.025.080	(56.165)
Reco Sistemi Srl	27.133	54.266	(27.133)
Svimservice S.p.A.	22.309.289	22.309.289	-
Wel.Network S.p.A.	7.970.984	7.970.984	-
TOTAL	*33.484.591*	*36.041.183*	*(2.556.592)*

OTHER INTANGIBLE ASSETS

The entry **Other intangible assets** shows a balance, net of amortisements, of Euro 5,576,870 at 30 June 2009 compared to Euro 3,992,573 at 31 December 2008. The summary of the entries is shown in the following table.

Categories	Historic cost 01/01/09	Increases at 30/06/09	Variation to consol. of cos	Dec. al 30/06/09	Total historic cost at 30/06/09	Deprec. fund at 01/01/09	Variation to consol. of cos	Deprec. quota for period	Cumulated deprec. 30/06/09	Net value at 30/06/09
Cost of plant and extension	119.588	-	-	-	119.588	(119.588)	-	-	(119.588)	-
Development of advertising	24.315.497	580.250		(35.500)	24.860.247	(21.102.776)		(617.036)	(21.719.812)	3.140.435
Patents and Intellectual Property Rights	3.075.348	1.590.532	(600)	-	4.665.280	(2.846.634)	(20.400)	(42.335)	(2.909.369)	1.755.911
Permits, brands	409.167	164	-	-	409.331	(120.472)	-	(12.375)	(132.847)	276.484
Assets under constr. & payment on a/c	254.812	101.913	-	-	356.725	-	-	-	-	356.725
Sundries	960.621	52.394	-	-	1.013.015	(952.991)	-	(12.710)	(965.701)	47.315
TOTAL	*29.135.034*	*2.325.253*	*(600)*	*(35.500)*	*31.424.187*	*(25.142.460)*	*(20.400)*	*(684.456)*	*(25.847.317)*	*5.576.870*

The increase for the period of Euro 2,325,253 can be mainly attributed to **development** investment (Euro 580,250) for the creation of software applications in the banking and medical spheres, Euro 1,577,182 for the purchase of software licenses to be installed on all the server systems planned in the creation of the New Health IT System project for Puglia ('N-SISR'). The licenses will be amortised throughout the life of the order, starting from the time in which they start to produce economic benefits for the company, which should coincide with the date the N-SISR starts operation.

SHAREHOLDINGS

At 30 June 2009, the balance of **'Shareholdings'** totalled Euro 1,817,045 compared to Euro 1,867,290 at 31 December 2008. The composition of the shareholdings is described below.

SHAREHOLDINGS IN SUBSIDIARIES

The group holds a 100% shareholding in Farm Multimedia S.r.l. in liquidation and AISoftw@re Professional Services S.r.l. in liquidation, whose accounting value is zeroed

SHAREHOLDINGS IN AFFILIATES

At 30 June 2009, the balance of **'Shareholdings in affiliates'** totalled Euro 409,409; it had decreased to Euro 43.789 compared with 31 December 2008.

It should be noted that the group also has a shareholding of 32.80% in the bankrupt company Mindmotion S.r.l. whose accounting value has been zeroed.

At 30 June 2009, the purchase price was rectified for the shareholdings in ClinicHall S.r.l. (quota of 44%) and Axception S.r.l. (quota of 37.20%) as a result of the assessment of the shareholdings at their net worth.

Description	30/06/2009	31/12/2008	Variation
Clinichall	96.160	114.959	(18.799)
Pervoice	300.000	300.000	-
Axception Srl	(86)	24.904	(24.990)
S2B Soc. Consortile	13.335	13.335	-
TOTAL	*409.409*	*453.198*	*(43.789)*

SHAREHOLDINGS IN OTHER COMPANIES

The balance of **'Shareholdings in other companies'** at 30 June 2009 was Euro 1,407,636 compared to Euro 1,414,092 at 31 December 2008. The details of the entries are shown in the table below:

Description	30/06/2009	31/12/2008	Variation
Mo.ma	6.197	6.197	-
Ultimo Miglio Sanitario	2.500	2.500	-
Certia	516	516	-
Conai	9	9	-
Finapi	775	775	-
Cered Software	104	104	-
Società Consortile Piano del Cavaliere	516	516	-
Consorzio Pugliatech	2.000	2.000	-
Iqs New Srl	-	1.291	(1.291)
Consorzio Conca Barese	2.000	2.000	-
Software Engineering Research	24.000	24.000	-
Advanced Computer Systems	1.235.816	1.235.816	-
Consorzio Biogene	3.000	3.000	-
SELP	100.000	100.000	-
Consorzio Daisy-Net Partecipation	1.500	1.500	-
Cattolica Popolare Soc. Cooperativa	23.491	23.491	-
Banca di Credito Cooperativo	2.179	2.179	-
ENFAPI CONFIND Partecipation	1.033	1.033	-
Moda Mediter Partecipation	2.000	2.000	-
Consorzio Campus Virtuale	-	5.165	(5.165)
TOTAL	*1.407.636*	*1.414.092*	*(6.456)*

OTHER FINANCIAL ASSETS

RECEIVABLES TO SUBSIDIARIES

At 30 June 2009, the balance of **'Receivables to subsidiaries'** was Euro 20,388 with respect to Euro 19,388 at 31 December 2008. It refers to credits claimed from Farm Multimedia S.r.l. in liquidation, not consolidated as insignificant.

RECEIVABLES TO AFFILIATES

The balance of **'Receivables to affiliates'** was Euro 51,646 at 30 June 2009 and had not undergone a variation with respect to 31 December 2008.

OTHER ACCOUNTS RECEIVABLE

At 30 June 2009, the balance of **'Other accounts receivable'** was Euro 97,697, with an increase of Euro 45,791 with respect to 31 December 2008. The variation can be attributed to the increase in security deposits (Euro 75,801) and the reduction through the reimbursement of credits with employees (Euro 30,010).

Description	30/06/2009	31/12/2008	Variation
Credits for calls and puts	13.333	13.333	-
Long-term deposits	84.364	8.563	75.801
Loans receivable	-	30.010	(30.010)
TOTAL	*97.697*	*51.906*	*45.791*

DEFERRED TAX ASSETS

The balance of **'Deferred tax assets'** was Euro 449,802 compared to Euro 175,683 of 31 December 2008 and refer to taxes on temporary variations arising from the effect of the application of the international accounting principles IAS/IFRS.

CURRENT ASSETS

COMMERCIAL RECEIVABLES AND OTHERS

RECEIVABLES TO CUSTOMERS

The balance of **'Receivables to customers'**, net of the bad debts provision, amounted to Euro 42,777,765 with respect to Euro 44,874,564 at 31 December 2008. The following table shows the detail of the accounting entries, including the comparison with 31 December 2008.

Description	30/06/2009	31/12/2008	Variation
To Italian customers	29.752.554	33.975.701	(4.223.147)
To foreign customers	1.413.070	2.168.782	(755.711)
To public bodies	15.080.585	12.102.486	2.978.099
S-total receivables to customers	*46.246.210*	*48.246.969*	*(2.000.759)*
Less: provision for bad debts	(3.468.444)	(3.372.404)	(96.040)
Total receivables to customers	*42.777.765*	*44.874.564*	*(2.096.799)*

Receivables to customers were made up as specified below.

Details	30/06/2009	31/12/2008	Variation
To third parties	37.012.938	41.519.988	(4.507.050)
Invoices for issue to third parties	9.233.272	6.726.981	2.506.292
TOTAL	*46.246.210*	*48.246.969*	*(2.000.759)*

The value of invoices to issue reflects the particular type of business in which group companies operate so, although many contracts can be invoiced on a monthly basis, others must follow an authorising process which does not necessarily finish in the reference month for their issue. The amount shown in the balance sheet relates to what had been matured up to June inclusive and will be invoiced in the immediately following months.

RECEIVABLES TO AFFILIATED COMPANIES

The balance of **'Receivables to affiliated companies'** totalled Euro 269,534 with respect to Euro 254,288 at 31 December 2008. The table below shows the composition of the entry compared with the data at 31 December 2008.

Description	30/06/2009	31/12/2008	Variation
Clinichall	243.429	211.217	32.212
Axception Srl	-	16.966	(16.966)
S2B S.c.r.l.	26.105	26.105	-
TOTALI	*269.534*	*254.288*	*15.246*

RECEIVABLES TO CONTROLLING COMPANIES

The balance of **'Receivables to controlling companies'** amounted to Euro 773,897 compared to Euro 750,779 at 31 December 2008 and refers to the credit of both the parent company (Euro 211,586) and the subsidiary Network Services S.r.l. (Euro 562,311) towards the controlling company Abaco Innovazione S.p.A..

RECEIVABLES TO ASSOCIATED COMPANIES

The balance of **'Receivables to associated companies'** amounted to Euro 355,078 compared to Euro 392,953 at 31 December 2008 and refers to the credit of the subsidiary Svimservice S.p.A. with Aplomb S.r.l., for which there is a plan for payment by instalments by this company.

OTHER ACCOUNTS RECEIVABLE

The balance of **'Other accounts receivable'** was Euro 7,742,073 compared to Euro 7,098,524 at 31 December 2008. The Table below shows the movements occurring.

Description	30/06/2009	31/12/2008	Variation
EU/Indep. Province Trento/Regione Lazio contributions	588.941	587.736	1.205
Receivables to consortia	-		-
Receivables area agreement for contribs. decided	-	18.231	(18.231)
Receivables CNOS project	1.343.398	1.343.398	-
Receivables to POR Puglia- Pugliatech	1.121.075	1.121.075	-
Receivables to POR Puglia- Formazione	-		-
Receivables to Lab. 8	698.125	-	698.125
Recaivables to SlimSafe	451.111	-	451.111
Receivables to PIA Innovazione	1.974.014	2.146.831	(172.817)
Receivables L. 488/92 for contrib. decided	684.508	684.508	-
Receivables L. 598/94	317.745	317.745	-
Receivables to s/holders for holdings/spin-offs	19.109	19.109	-
Tax credit recruitment	0	0	-
Advances to suppliers for services	27.888	3.668	24.220
Sundry credits	106.730	92.318	14.412
Receivables to factoring	133.601	419.906	(286.305)
Receivables to welfare institutes/INAIL	79.980	89.556	(9.576)
Receivables to employees	84.796	30.892	53.904
Guaranteed securities	111.050	223.551	(112.501)
TOTAL	*7.742.073*	*7.098.524*	*643.549*

The credits relating to contributions, the collected quota of which has a contra entry in ‘Other Accounts Payable’ in the Liabilities of the Statement of Assets and Liabilities, refer to provisional assignment decisions of admission to facilitation. These entries will be zeroed with the deposit of the balance of the contributions following the respective final tests by the respective Ministries.

TAX CREDITS

At 30 June 2009, the **‘Tax credits’** totalled Euro 2,450,482 compared to Euro 1,970,485 at 31 December 2008 and are made up as per the table below.

Description	30/06/2009	31/12/2008	Variation
Receivables to tax a/c - IRES	40.764	37.899	2.865
Receivables to tax a/c - IRAP	178.775	137.177	41.598
Tax authority w/holding taxes on interest income	24.201	20.281	3.920
Art. R&S L. 296/06 tax credits	254.905		254.905
Tax authority deductions on foreign payments	12.743	13.163	(420)
Credits to tax authority for VAT	198.458	149.672	48.786
Credits on substitute severance fund tax	16.160	16.160	-
Credits with tax authority	26.233	29.592	(3.359)
Advanced Tax Credits	1.574.552	1.442.850	131.702
Art. 8 tax credits	123.691	123.691	-
TOTAL	***2.450.482***	***1.970.485***	***479.997***

It should be noted that **'R&D Law 296/06 tax credit'** refers to the tax credit on research costs matured in 2008 and 2009, net of the amount used in compensation.

It should be noted that **'Advance tax credits'** refers to Euro 1,308,652 for tax on financial losses which are expected to be used in the following accounting period, and Euro 265,900 for taxes on costs set aside in the current accounting period mad whose tax effects will be felt in the next accounting period.

ACCRUALS AND DEFERRALS

The **'Accruals and deferrals'** totalled Euro 1,819,413 and include accrued income of Euro 66,965 prepaid assets of Euro 1,752,448. The following tables with the details of the entries for accruals and deferrals with the comparison with 31 December 2008.

Accrued income

Description	30/06/2009	31/12/2008	Variation
Bank interest income	2.193	855	1.338
Contributions projects	64.772		64.772
Deferred tax	-	6.000	(6.000)
Derived products reserve	-	-	0
TOTAL	***66.965***	***6.855***	***60.110***

Prepaid assets

Description	30/06/2009	31/12/2008	Variation
Interest on INPS instalments	115.216	157.080	(41.864)
Car rental payments	12.097	35.938	(23.841)
Insurance	83.948	38.146	45.802
Stock Option	282.795	-	282.795
Sundry services and maintenance	1.258.392	498.449	759.943
TOTAL	*1.752.448*	*729.613*	*1.022.835*

STOCK

'Stock' totalled Euro 776,227 compared to Euro 691,015 del 31 December 2008 and refers to software and hardware products purchased by group companies for resale.

WORK IN PROGRESS TO ORDER

'Work in progress to order' totalled Euro 12,646,156 compared to Euro 8,262,814 at 31 December 2008 and refers to orders being processed; it should be noted that Euro 4,952,297 of this entry refers to the value of the order of the 'New Regional Health System' of Puglia Region (N-SISR Puglia), Euro 1,695,443 refers to the creation of RIS-PACS systems for 19 hospitals in four areas of Marche, and Euro 3,457,831 for training orders. With reference to these, they are separated into 'accounting orders' and 'market orders'; the former are training projects financed by public bodies, subject to accounting of the costs and checks on them while the latter are the so-called 'market' orders consisting of training projects not subject to accounting as the customers are represented by public bodies or private companies which do not request it, or private citizens.
The value of the work in progress is shown in the balance gross of the payments on account by customers, shown in a special entry of the liabilities which totalled Euro 3,216,751 at 30 June 2009.

CURRENT FINANCIAL ASSETS

OTHER SHARES

'Other shares' totalled Euro 318 compared to Euro 1,972 at 31 December 2008.

LIQUIDITY

'Liquidity' totalled Euro 3,904,661 compared to Euro 6,232,470 at 31 December 2008 and refers to current banks (Euro 3,892,449) and cheques and cash (Euro 12,212).

NET WORTH

SHARE CAPITAL

The **'Share capital'**, fully paid up, totalled Euro 26,368,918.16 and was represented by 50,709,458 ordinary shares with a nominal value of Euro 0.52 and had not undergone variations with respect to 31 December 2008.

OWN SHARES

On 30 June 2009, the balance of **'Own shares'** was Euro -89,970 compared to Euro –312,211 at 31 December 2008. The variation can be attributed to the reclassification of the share premium compared to their nominal value among the **'Other reserves'** (Euro 123,323) and to the net value resulting from the purchase and sales operations during the half year, carried out in accordance with the plan decided by the Shareholders' Meeting of 17 November 2008 (Euro 98,918). The total number of own shares held by the parent company was 173,019 at 30 June 2009.

SHARE PREMIUM RESERVE

The **'Share premium reserve'** amounted to Euro 17,645,059 at 30 June 2009 and had not undergone variations with respect to 31 December 2008.

REVALUATION RESERVE

The **'Revaluation reserve'** totalled Euro 2,907,138 at 30 June 2009 and had not varied compared to 31 December 2008. The balance relates to the adjustment to the fair value of the buildings owned by Exprivia S.p.A.

OTHER RESERVES

The balance of **'Other reserves'** at 30 June 2009 totalled Euro 4,381,990 and refers to the following detail:

- ✓ Euro 394,488 **'Legal reserve'**, increased by Euro 235,628 compared to 31 December 2008 following the destination of 5% of the result of the parent company Exprivia S.p.A. from the previous year, as decided by the Shareholders' Meeting on 20 April 2009;
- ✓ Euro 3,105,075 for the **'Extraordinary reserve'** compared to Euro 82,000 at 31 December 2008. The variation can be attributed to the reclassification of contributions received which became available from the 'other reserves' (Euro 1,418,000), the destination of the 2008 result of the parent company Exprivia S.p.A. (Euro 1,598,154), as decided by the Shareholders' Meeting on 20 April 2009 and Euro 6,920.76 relating to the dividend, not distributed, relating to own shares held by Exprivia at the date of payment;
- ✓ Euro 503,209 **'Other reserves'** compared to Euro 1,319,151 at 31 December 2008. The variation can be attributed to:
  - Euro –1,418,000 relating to the destination of reserves of contributions received to the Extraordinary reserve;
  - Euro 36,469 which is the net value of the share premium resulting from purchase and sale operations of own shares occurring in the six months, carried out in accordance with the plan decided by the Shareholders' Meeting of 17 November 2008;

- Euro 565,589 relating to the increase in the ‘Stock option reserve’, set up to highlight the amount relating to the exercise of option rights following the implementation of the Stock Option plan, which went from Euro 543,458 at 31 December 2008 to Euro 1,109,047 at 30 June 2009.

- ✓ Euro 101,875 **‘IAS/IFRS Transition Reserve’** arising from the variations made following adoption of IFRS; there are no variations with respect to 31 December 2008 **(NdT l’originale dice 2009!)**;
- ✓ Euro 501,236 **‘IAS/IFRS Available Transition Reserve’** essentially relating to the revaluation reserve and the IAS/IFRS transition reserve made available as an effect of the amortisements matured. There are no variations with respect to 31 December 2008;
- ✓ Euro -236,486 **‘IAS/IFRS Tax Effect Reserve’** is the tax effects calculated on the variations made following the adoption of the IFRS accounting principles with no variations with respect to 31 December 2008;
- ✓ Euro 12,593 **‘IAS/IFRS Available Tax Effect Reserve’** is tax effects calculated on the variations made following the adoption of the IFRS accounting principles; there are no variations with respect to 31 December 2008.

PROFIT IN PREVIOUS PERIODS

The **profit in previous periods** at 30 June 2009 was Euro 5,315,338 and had undergone a variation compared to 31 December 2008 as a result of the deconsolidation of AISoftware Professional Services S.r.l. in liquidation, no longer consolidated as irrelevant.

RECONCILIATION BETWEEN THE BALANCE SHEET OF THE PARENT COMPANY AND THE CONSOLIDATED BALANCE SHEET

DESCRIPTION	Result to 31/12/2008	Sundries	Net Worth at 31/12/2008	Result for period to 31/12/08	Sundries	Net Worth at 31/12/08
Exprivia S.p.A.	*4.712.567*	*4.678.689*	*52.410.293*	*4.097.585*	*(1.197.157)*	*55.310.721*
Contribution of subsidiaries	3.896.877		5.858.403	2.379.117		8.237.520
Depreciation and cover for losses of subsidiaries	315.000		3.322.000			3.322.000
Elimination capital gain divestment of Exprivia Projects branch/Elimination Svimservice dividends	(1.472.401)		(2.072.401)	(3.705.058)		(5.777.459)
Elimination intercompany licence purchases/Elimination WelNetwork dividends	(557.095)		(677.095)	(324.296)		(1.001.391)
Elimination capital gain divestment AIS Professional branch			(1.767.655)			(1.767.655)
				49.966		
				(170.055)		
Variation in consolidation of companies		867.438	1.274.997		(743.000)	531.997
Contribution of third parties to net worth		(125.772)	(372.129)		(61.273)	(433.402)
TOTAL GROUP NET WORTH	*6.894.948*	*5.420.355*	*57.976.413*	*2.327.259*	*(2.001.430)*	*58.422.331*

NON-CURRENT LIABILITIES

NON-CURRENT PAYABLES TO BANKS

The balance of the entry **'Non-current payables to banks'** at 30 June 2009 amounted to Euro 20,443,307 compared to Euro 19,606,072 at 31 December 2008, and relates to medium-term financing and mortgages set up with leading credit institutes. The table below shows the detail of the entries with the record of the non-current payables quota (Euro 20,443,307) and current (Euro 6,566,095).

Financial institute	Type	Contractual amount	Amount distrib. at 30.06.09	Date of contract	Expiry date	Repay-ment date	Rate applied	Residual capital at 30.06.09	To be repaid in 12 mths	To be repaid beyond 12 mths
Banca Nazionale del Lavoro	Finanziamento	18.000.000	18.000.000	30/11/07	30/11/15	semestrale	Euribor 6 mesi + 1,7%	16.714.286	2.571.429	14.142.857
Banca Nazionale del Lavoro	Finanziamento	2.500.000	2.500.000	08/05/08	30/11/09	unica soluzione	Euribor 6 mesi + 1,5%	2.500.000	2.500.000	
Banca Nazionale del Lavoro	Mutuo	2.400.000	2.400.000	15/10/04	30/09/14	semestrale	Euribor 6 mesi + 1,2%	1.552.941	282.353	1.270.588
Deteuche Bank	Finanziamento	1.500.000	1.500.000	16/07/09	20/09/09	trimestrale	Euribor 3 mesi + 0,9%	1.500.000	281.250	1.218.750
MPS Capital Services	Finanziamento	1.783.332	1.480.166	05/08/03	05/08/13	annuale	0,96%	896.570	296.006	600.564
Ministero dell'Università e della Ricerca	Finanziamento	1.430.905	575.698	12/04/07	01/07/16	semestrale	0,50%	575.698	87.357	488.341
Cassa di Risparmio di Parme e Piacenza	Finanziamento	380.000	380.000	21/01/09	21/10/12	trimestrale	Euribor 3 mesi + 1,375%	337.247	42.942	294.305
Cassa Rurale di Aldeno e Cadine	Finanziamento	300.000	300.000	25/09/07	25/12/12	mensile	Euribor 1 mese + 0,9%	203.859	23.795	180.064
Centrobanca	Finanziamento	2.025.228	1.822.705	28/12/04	05/08/16	annuale	0,96%	1.484.698	370.248	1.114.450
Cassa Depositi e Prestiti	Finanziamento	1.244.100	1.119.600	27/07/09	30/06/14	semestrale	0,50%	1.119.690	110.715	1.008.975
Banca Popolare di Bari	Finanziamento	138.234	124.413	27/07/09	30/06/14	semestrale	2,65%	124.413		124.413
TOTAL								*27.009.402*	*6.566.095*	*20.443.307*

MEDIUM-TERM FINANCING CONTRACT

On 8 May 2008, Exprivia signed the medium-term financing for a maximum overall amount of Euro 20,500,000.00 (twenty million five hundred thousand/00 Euros) with a syndicate of banks consisting of BNL, as leader and lead arranger, *Centrobanca-Banca di Credito Finanziario e Mobiliare S.p.A.*, *Unicredit Corporate Banking S.p.A.* and *Banca Antonveneta S.p.A.* In particular, in accordance with the provisions of the medium-term financing, the financing banks granted the following lines of medium-term credit to Exprivia:

1) a cash line, called ‘Line A’, for an overall maximum amount of Euro 3,000,000.00 (three million/00) to finance the payment of the Svimservice share premium and to be repaid by 30 November 2015;
2) a cash line, called ‘Line B’, for an overall maximum amount of Euro 15,000,000.00 (fifteen million/00) for refinancing part of the bridging loan and to be repaid by 30 November 2015;
3) a revolving line to be used for cash called ‘Revolving Line’ for an overall maximum amount of Euro 2,500,000.00 (two million, five hundred thousand/00) to finance the working capital and the general cash needs of the company, to be repaid by 30 November 2010.

The medium-term financing is aided by the following collateral securities:

1) a second lien, granted by the controlling company Abaco Innovazione S.p.A., on a number of Exprivia shares such that the ratio between the value on the Stock Exchange of those shares and the residual loan is always 125%;
2) a lien on 100% of the share capital of Svimservice and Wel.Network;
3) the second mortgage on the property owned by the company in Viale Adriano Olivetti snc, Molfetta;
4) the assignment as guarantee of credits and indemnities arising from the purchase contracts of Wel.Network S.p.A. and Svimservice S.p.A.;
5) assignment as guarantee of credits arising from the supply contracts for services and/or software signed by the company for an amount sufficient to cover the debt servicing for at least one year, at any time; this guarantee can be replaced and/or integrated by a current account lien on which sums of money sufficient to cover 50% of the difference between a year of debt servicing and the value of the credits sold as guarantee will be deposited by the company.

Exprivia will be obliged to repay the medium-term loan in advance, destining the relative net proceeds to the advance repayment if the following circumstances occur:

1) issues (public or private), bonds (including convertible ones), securitisation operations, or other collections made by the company;

2) individual rights of tangible and/or intangible assets for any reason (including, as an example, property, company shareholdings, branches of companies or other activities) owned by the company which are higher than Euro 1,000,000.00 (one million/00) per individual right i.e., if less, they can be accumulated and will go for compulsory advance reimbursement on reaching the sum of Euro 2,000,000.00 (two million/00), unless those proceeds are reinvested within 3 (three) months of their receipt, in the purchase of similar tangible or intangible assets;

3) sums received for any reason by the direct and indirect partners of the company;

4) payments as indemnity, price adjustment or other title in accordance with the purchase contracts;

5) 50% of the excess cash flow generated by the company;

6) payment (including partial payment) of increases in capital of the company other than the increase in equity option for the part underwritten by Abaco;

7) payment of insurance indemnities by the insurance companies, with the exception of the proceeds which will be used within 6 (six) months of the relative receipt for the purchase of assets functionally similar and of a technological level not less than those damaged or for the restoration of the pre-damage situation from which the right to reimbursement arose.

The medium-term loan provides for the respect of the financial parameters indicated below for the whole of its duration:

Reference date	**Net Financial Debt /EBITDA** *not more than*	**Net Financial Debt/Net Worth** *not more than*	**Free Cash Flow/Debt services** *not less than*	**Overall investment** *not more than*
31.12.2008	2.3	0.6	1.0	3.500
30.06.2009	2.3	0.6	1.0	3.500
31.12.2009	1.9	0.5	1.0	3.500
30.06.2010	1.9	0.5	1.0	3.500
31.12.2010	1.6	0.5	1.0	3.500
30.06.2011	1.6	0.5	1.0	3.800
31.12.2011	1.2	0.5	1.0	3.800
30.06.2012	1.2	0.5	0.9	3.800
31.12.2012	1.0	0.5	0.9	3.800
30.06.2013	1.0	0.5	0.9	4.200
31.12.2013	1.0	0.5	1.0	4.200
30.06.2014	1.0	0.5	1.0	4.200
31.12.2014	1.0	0.5	1.0	4.200
30.06.2015	1.0	0.5	1.0	4.200
31.12.2015	1.0	0.5	1.0	4.200

These financial parameters on a consolidated basis will be measured every six months by 30 April and 30 September of each year and will refer to the 12 months preceding the 30 June and the 31 December of each year, using standard calculation criteria agreed by the parties. Failure to respect the above-mentioned parameters and the undertakings set out in the medium-term loan will give the financing banks the right to ask Exprivia for immediate reimbursement, a circumstance which will have negative effects on the economic, capital and financial situation of Exprivia and the overall group.

The measurement of the financial parameters made on 30 April 2009 referring to the 12 months prior to 31 December 2008 showed the failure to respect the parameter ‘Free Cash Flow/Debt servicing’. Following this event, BNL, as leader of the syndicate, did not make use of the right to ask for repayment of the loan in advance. In addition, it should be noted that, in the sphere of the agreements relating to the medium-term loan, Exprivia transferred any indemnity that the seller of Wel.Network was required to pay to Exprivia, as guarantee to BNL, following the ascertained breach in fiscal and tax matters (see the details of the entry ‘Funds for Risks and Charges’) as set out by the Wel.Network contract; the collection of this indemnity and its resulting transfer to BNL, would go to the reduction of the residual debt on the medium-term loan. if, instead, this indemnity was paid directly to Wel.Network, it would not non come under the guarantee sold to BNL and would remain in the total availability of Wel.Network.

In addition to the above, specific limitations and duties are set out for Exprivia S.p.A. such as, *inter alia*:

1) the undertaking to maintain, directly or indirectly through a subsidiary company, a holding of 100% of the share capital of Svimservice and Wel.Network;
2) the maintenance in being of the insurance cover on its activity and assets in conformity with good commercial practice with leading insurance companies corresponding, however, to those currently in being;
3) the undertaking to not create real or contractual limitations of any kind to guarantee its own bonds and/or those of third parties, for tangible or intangible assets or its own shareholdings in companies or its credits without the prior consent of the financing banks;
4) the undertaking to not sell, assign, transfer, exchange, or however dispose of its assets in any way, except for the case in which the act of disposal (i) concerns one or more obsolete fixed assets and its own shares; or (ii) the value is not higher than Euro 3,000,000.00 for each act of disposal;
5) the undertaking to not distribute dividends totalling more than 50% of the net profit for the duration of the medium-term loan, as long as all the financial parameters set out by the loan are respected following the distribution of dividends;

Exprivia and the other companies of the Exprivia group will not be able to make any extraordinary operation, including mergers, spin-offs, company restructuring, make conveyances, purchase companies or branches of companies, modify its body of shareholders unless for operations already decided by the board of directors of the company and extraordinary operations previously authorised in writing by the financing banks. Further, in accordance with the medium-term loan, there is an undertaking to ensure that the duty to repay any financing received from present or future partners, in any technical form, is entirely retained and subordinated to the complete repayment of the loan. Lastly, the medium-term loan sets out so-called cross default clauses, as a result of which the occurrence of certain events set out by other financing contracts as causes of non-fulfilment (such as the failure to repay the sums supplied or the loss of the benefit of the term) is also considered as non-fulfilment by the medium-term loan. These events could, therefore, result in the accelerated expiry and the consequent duty to also repay the medium-term loan. A non-fulfilment of that financing contract could then further result in the acceleration of other loans with cross acceleration or cross default clauses.

BNL mortgage

The mortgage for Euro 2,400,000, originally underwritten by Abaco Innovazione S.p.A. on 15 October 2004 for financial support for the creation of industrial buildings, was subsequently assumed by Exprivia following merger by takeover with Abaco Information Services on 15 October 2005, to which Abaco Innovazione S.p.A. had sold the company branch with all its industrial activities. The financing is assisted by a first charge mortgage guarantee on the property of Exprivia in Viale Adriano Olivetti snc, Molfetta, for a maximum of Euro 6,700,000. At 30 June 2009, the residual debt totalled Euro 1,552.941 of which Euro 282,353 **(NdT: la cifre è giusta? E’ uguale all’anno scorso)** is to be repaid in the next twelve months (and so is included in the short-term liabilities) and the residual Euro 1,270,588 to be reimbursed from 2010-2014 (and included in the long-term liabilities).

Deutsche Bank financing

The financing contract of Euro 1,500,000 was signed on 23.06.2008 with supply on 20.08.2008. On 16 July 2009, as set out by the contract, the financing was converted from short- to medium-term, to be repaid in quarterly instalments from 23 October 2009, terminating on 23 June 2013. The rate of interest applied is Euribor 3 months + spread 0.90. The financing was used for cash in hand. The residual debt at 30 June 2009 totalled overall Euro 1,500,000, of which Euro 281,250 is to be paid in the next twelve months (and therefore included in the short-term liabilities) and the residual Euro 1,218,750 is to be repaid from 2010-2013 (and is included in the long-term liabilities). The financing in question is not aided by collateral securities.

MPS Capital Services Banca per le Imprese S.p.A. facilitated credit

Financing allocated for Euro 1,783,332.00 and originally underwritten by Abaco on 5 August 2003 of which Euro 1,480,166 had been allocated at 31 December 2008. It is for financial support for the creation of a research and development project as per Measure 2.1.of the Integrated Facilitation Package, PIA Innovazione, set out by P.O.N. 'Local Entrepreneurial Development' first announcement. It expires on 5 August 2011 and there is interest payable at a fixed facilitated annual rate of 0.96%. It was taken on by Exprivia following the merger by takeover with Abaco Information Services, as already described previously. The financing was granted in accordance with provisional concession decree 127.336 of 5 August 2003 of the Ministry for Production, General Division for the co-ordination of incentives for businesses. At 30 June 2009, the residual debt totalled Euro 896,570 of which Euro 296,006 is to be repaid in the next twelve months (and is, therefore, written into the short-term liabilities) with the remaining Euro 600,564 to be repaid from 2010 to 2013 (and so written into the long-term liabilities). The financing in question is not aided by collateral securities.

Ministry of Universities and Research facilitated credit

Financing allocated for Euro 1,430,905.00, underwritten by Exprivia on 12 April 2007, of which Euro 429,271 had been distributed at 31 December 2008. It is the financial support for the creation of a research and development project as per the Financing Law, Ministerial Decree 593 of 8 August 2000 and expires on 1 July 2016. The interest payable is at a fixed facilitated annual rate of 0.50%. This financing was granted as per the following MIUR concession decrees: 1769/ric. of 1 August 2005, 107/ric. of 26 January 2006 and 2386/ric. of 16 November 2006. At 30 June 2009, the residual overall debt totalled Euro 575,698, of which Euro 87,357 is to be repaid in the next twelve months (and so written into the short-term liabilities). The residual Euro 488,341 is to be repaid from 2010 to 2016 (and so written into the long-term liabilities). The financing in question is not aided by collateral securities.

Cassa di Risparmio di Parma e Piacenza S.p.A. financing

Financing of Euro 380,000 underwritten by Wel.Network on 21 October 2008 for the financial restructuring of the company; it expires on 21 October 2012 and has interest payable at Euribor rate at three months with a spread of 1.375%. The residual overall debt at 30 June 2009 totalled Euro 337,247, of which Euro 42,942 to be repaid in the next twelve months (and so written into the short term liabilities) with the residual Euro 294,305 to be repaid during 2010-2012 (and so written into the long-term liabilities).

Cassa Rurale di Aldeno e Cadine – Banca di Credito Cooperativo

An unsecured loan of Euro 300,000 underwritten by GST on 25 September 2007 for the financial support of the extraordinary investments of the company; it expires on 25 December 2012 and has interest payable at the monthly Euribor rate with a spread of 0.9%.

At 30 June 2009, the residual overall debt was Euro 203,859, of which Euro 23, 795 is to be repaid in the next twelve months (and so written into the short-term liabilities) and the residual Euro 180,064 to be repaid from 2010-2012 (and written into the long-term liabilities).

Centrobanca S.p.A. facilitated credit

Financing decided for Euro 2,025,228.00, underwritten by Svimservice on 28 December 2004 of which Euro 1,822,705 had been distributed at 31 December 2008; its purpose is financial support for the creation of a research and development project as per the Financing Law 46/82 F.I.T, Project A17/0472/P concerning Measure 2.1. Integrated Facilitation Package, PIA Innovazione set out by P.O.N. 'Local Entrepreneurial Development'. It expires on 5 August 2016 and has interest payable at a fixed facilitated annual rate of 0.96%. This financing was granted as per concession decree 127358 dated 05/08/2003. At 30 June 2009, the residual debt totalled Euro 1,484,698, of which Euro 370,248 will be repaid during the next twelve months (and so written into the short-term liabilities) with the residual Euro 1,114,450 to be repaid in 2010-2016 (and so written into the long-term liabilities). The financing in question is not aided by collateral securities.

Cassa Depositi e Prestiti/Banca Popolare di Bari Loan

Svimservice signed contract no. 10673/5672 on 27/07/2009 for financing for the creation of a Development Programme covered by project no. A 20/1469/P 29921-13 for a sum of Euro 1,535,960.00. This financing was granted as follows:

a) Facilitated credit no. B 69758/01 for Euro 1,244,100.00 from the *Cassa Depositi e Prestiti*,

b) Bank financing no. B 69758 for Euro 138,236.40 from Banca Popolare di Bari.

A first amount of Euro 1,244,102.76 of the financing was supplied on 14 April 2009 (of which Euro 1,119,690.00 from the facilitated credit and Euro 124,412.76 from the bank financing). The amortisation plans of the principal are divided thus:

- ✓ Facilitated credit to be repaid in 10 six-monthly instalments with the first payment of Euro 110,715.11 due on 31/12/2009;
- ✓ Bank financing to be repaid in 5 six-monthly instalments, with the first payment due on 30/06/2012.

Interest is payable every six months, deferred, on the sum distributed from the facilitated credit, at a nominal fixed annual rate of 0.50%. The sums distributed from the total of the bank financing will generate interests of an initial nominal annual amount of 5.30% to be divided for the purposes of calculating the six-monthly rate, payable every six months deferred. The residual debt at 30 June 2009, relating to the facilitated credit totalled an overall Euro 1,119,690, of which Euro 110,715 is to be repaid in the next twelve months (and so written into short-term liabilities) and the residual Euro 1,008,975 is to be repaid from 2010 to 2014 (and written into the long-term liabilities). The residual debt, relating to the bank financing, totalled an overall Euro 124,413 at 30 June 2009 to be repaid from 2012 to 2014 (and written into the long-term liabilities).

OTHER FINANCIAL LIABILITIES

The balance of **'Other financial liabilities'** was Euro 412,618 at 30 June 2009 and there were no variations with respect to 31 December 2009. It refers to INPS debts from previous years relating to the quota beyond 12 months for which payment by instalments is continuing.

PROVISION FOR RISKS AND CHARGES

At 30 June 2009, the **'Provision for risks and charges'** was Euro 1,171,814 compared to Euro 1,177,699 at 31 December 2008; the table below shows the composition of the entry in detail:

Description	30/06/2009	31/12/2008	Variation
Fund to cover losses	44.283	44.543	(260)
Fund for stock related risks	100.000	100.000	-
Fund for tax litigation risks	200.000	200.000	-
Fund for staff related risks	54.066	56.314	(2.248)
Fund for contribution related risks	544.268	517.645	26.623
Fund for tax bill related risks	229.197	259.197	(30.000)
TOTAL	*1.171.814*	*1.177.699*	*(5.885)*

The provision of Euro 44,283 relating to the **'Loss coverage fund'** concerns the subsidiary Farm S.r.l. in liquidation.

The provision of Euro 100,000 relating to the **'Fund for stock-related risks'** refers to possible risks for the final tests of work in progress.

The provision of Euro 200,000 refers to the **'Fund for tax dispute risks'**.

The provision of Euro 54,066 relating to the **'Fund for staff-related risks'** refers to allocations made in relation to current disputes with former employees.

The provision of Euro 544,268 relating to the **'Fund for contribution-related risks'** refers to allocations for any missing payments of contributions following final tests on research projects.

The provision of Euro 229,197, relating to the **'Fund for risks on tax bills'** refers to allocations made for disputed tax bills. The decrease of Euro 30,000 with respect to 31 December 2008 is due to the deconsolidation of AISoftw@re Professional Service S.r.l. in liquidation and, therefore, of the fund attributable to it.

The details of the entry are as follows:

- ✓ Euro 190.000 for the failure of the Revenue Office to pay a tax credit for relating to 2000 to Abaco Innovazione; the competence for this file was reflected in Exprivia S.p.A. in relation to the duties arising from the conveyance of the business complex from Abaco Innovazione S.p.A. to Abaco Information Services S.r.l., subsequently incorporated into the company. The Regional Tax Commission, to which the company had appealed, rejected the appeal; the company then moved to the next level of appeal;
- ✓ Euro 15,875 for a tax bill issued to the parent company Exprivia S.p.A. relating to the tax on refuse for the preceding years for which checks with the issuing body are ongoing;
- ✓ Euro 23,322 in confirmation of the provision made at 31 December 2007 with reference to Wel.Network S.p.A. A formal notice of assessment was issued by the Piacenza control office of the Revenue Office on 7 December 2007 relating to a tax check for the 2004 accounting period. The document alleges presumed breaches of the VAT regulations by the company, undeclared capital gains, irrelevant entertainment costs and software capitalisation. The company arranged for an extensive memorandum, lodged on 25 October 2007, attached to the document by the Revenue Office. The memorandum in question carefully rebutted the declarations made giving appropriate evidence of the operations performed. However, on 4 February 2008, the company sent the Revenue Office, Piacenza, a letter in which further comments were made on the Advice Notice, requesting an additional examination of the statements made.

With reference to AISoftw@re Professional Services S.r.l. in liquidation, deconsolidated, the following disputes should be noted:

- ✓ Financing Abruzzi Region (revocation of POP contributions for about Euro 250,000): appeal made before the State Council against Abruzzi Region; the case was discussed in the hearing of 11.11.2008 and notification of the sentence is awaited.

- With reference to the request of Abruzzi Region for the enforcement of the guarantee given by Atradius to the financing granted, no judicial initiative has been taken by the latter against the company.
- Recovery of the ten-year exemption 1991-2000 on the taxes IRPEG–ILOR (about Euro 843,000). The company has made an appeal to the Court of Cassation following the unfavourable sentence of the Regional Tax Commission; the date of the hearing is awaited. In the meantime, the Tax Collection Agency has issued an account for € 29,586.98 in charges and suspension interest matured to the sentence of the Regional Commission; an appeal is being lodged with the Provincial Commission of Aquila whose work is still blocked because of the earthquake.
- Recovery of tax credits for Law 388/2000. Following the sentence of the Provincial Tax Commission of Aquila in favour of the company, the Avezzano Tax Collection Agency has appealed to the Regional Tax Commission; the case was heard on 23 February 2009 and a decision is awaited. Delays resulting from the earthquake which hit the province of Aquila are expected.
- Tax Collection Agency, Rome - recovery of tax credits for Labornet Systems (a company which merged by incorporation with AIS Professional, worth about €K€ 32). Appeal presented at the Regional Tax Commission, Rome; a suspension was obtained and the hearing was held on 25 June 2009; the sentence is awaited.
- Recovery of the CFL facilitations as a result of the sentence of the European Commission (about €K 452). The Court of Avezzano, Employment section, upheld the appeal presented by the company opposing the tax bill issued for the recovery by INPS. The latter lodged an appeal with the Court of Appeal, Aquila, which set the date of the hearing for 7 May. The situation is suspended because of the earthquake.
- Recovery of the facilitations of Law 407 for 2002-2005. An administrative appeal presented by the company ex Art. 23 Law 88/89 in November 2007 has not been answered. On 10 April 2009, INPS issued a bill for the recovery of € 260,150.96 against which an appeal has been lodged with the Employment Tribunal, Avezzano.
- On 13.12.2008, the company received a tax bill (about Euro 34,000) relating to INPDAI contributions (now managed by INPS) for 2000/2001/2002; this bill includes the contentions already made relating to the contributions for 2002 which the company made, which it supported by sending the documentation proving the payments made. The company sent INPS, Avezzano, a copy of all the payments made in 2000, 2001 and 2002 accompanied by a request for the suspension of the tax bill. On 13 January 2009, INPS Avezzano formally advised acceptance of the suspension in order to allow the position to be checked.
- On 29.12.2008, the company received a tax bill (about Euro 123,000) relating to fines and interest for the late payment of Form 770/2005, tax year 2004. On 01.06.2005, AIS PS transferred all its tax debts (IRPEF for employees, IRPEF severance fund, IRPEF for independent workers, and regional and council taxes) to Exprivia S.p.A. with the deed of sale of the company branch. As a result, Exprivia S.p.A. is responsible for the payment of the sum due. A petition of self-defence was presented requesting the reduction of the fine; the reduction was not upheld and an appeal was presented to the Provincial Commission of Aquila on 6 March 2009. The situation is suspended because of the earthquake.
- With reference to the above disputes, also following the opinions of their legal advisers, the directors consider that there are no risks for any liabilities that may be the responsibility of Exprivia Solutions S.p.A. and hence the parent company Exprivia S.p.A. since AISoftw@re Professional Services S.r.l. in liquidation, as a sole administrator, is responsible for the liabilities, answering itself with its own capital.

With reference to Exprivia Projects S.p.A., the following dispute should be noted:

- Recovery of tax credit as per Law 388/2000. Following the tax bills advised on 18 October 2006 and 13 June 2007 for an overall amount of Euro 165,133, the company presented appeals to the Provincial Tax Commission, Rome, on 10 January 2007 and 27 July 2007; on 24 July 2008, the company obtained suspension following the request for tax assessment settlement.
- The following disputes should be noted for Exprivia S.p.A.:

- following the check made in 2007 on Abaco Innovazione S.p.A., relating to the 2004 tax year, the €Tax Collection Agency issued a notice of assessment on 18 May 2007 declaring costs of €K 280 as non-deductible and demanding the tax; on 13 July 2007, the company presented defence memoranda aimed at demonstrating the groundlessness of the request. The competence for this tax bill was deferred to Exprivia S.p.A. as a result of the payments arising from the conveyance of the business complex to Abaco Information Services S.r.l. by Abaco Innovazione S.p.A. and the subsequent incorporation in the company.
- referring the notice of assessment issued by the Finance Police on 18 December 2007, the Tax Collection Agency, Milan 3, generated a 'notice of assessment' relating to the 2002/2003 accounting periods on 29 December 2008. On 25 March 2009, another notice was issued for the 2004 tax year with identical contentions. After the presentation of 'tax settlement proposal', the company lodged separate claims with the Provincial Tax Commission, Milan, in consideration of the expiry of the term for opposing the notices.

  Based on the opinions of the professionals engaged to follow the dispute on behalf of the company, the directors of Exprivia considered it unnecessary to make special provisions.

STAFF-RELATED FUNDS

SEVERANCE PAY FUND

The Severance Pay Fund (S.F.), calculated in accordance with the provisions of IAS 19, totalled Euro 7,534,603 on 30 June 2009 compared to Euro 7,413,124 at 31 December 2008. The fund is net of the quotas deposited with the INPS treasury and the relevant Pension Funds.

DEFERRED TAX LIABILITY

The **'Deferred tax fund'** totalled Euro 1,457,338 compared to Euro 989,959 at 31 December 2008. It refers to the sum set aside following the temporary variations occurring as a result of the application of the IFRS accounting principles.

PROFIT (LOSS) ON SHARES

The information on the data used for the calculation of the earnings per share and the dilution is supplied, as requested by IAS 33.

The earnings per share is calculated by dividing the net profit for the period, as shown in the consolidated annual balance sheet, drawn up according to the international IAS/IFRS accounting principles, attributable to ordinary shareholders of the parent company for the average number of ordinary shares in circulation during the period. For the purposes of calculating the basic earnings per share, the economic result for the period less the quota attributable to third parties was used in the numerator. Further, there are no privileged dividends, conversion of privileged shares and other similar effects which could adjust the economic result attributable to holders of ordinary capital instruments.

It should be noted that in the first half 2008, the basic profit per share was Euro 0.0614 while that per diluted share was Euro 0.0552. In the first half 2009, the basic profit per share was Euro 0.0459 and that per diluted share was Euro 0.0471; the details of the calculation are shown in the following table:

Profits (Euro)	30/06/2009
Profits for determining basic earnings per share (Net profit due to shareholders of parent company)	2.313.278
Profit for determining the earnings per basic share	2.313.278
Number of shares	**30/06/2009**
Number of ordinary shares at 1 January 2008	50.709.458
Purchase of own shares at 16 January 2008	(173.019)
Average weighted number ordinary shares for calculation of basic profit	50.450.549
Earnings per share (Euro)	**30/06/2009**
Profit (loss) per basic share	0,0459
Diluted earnings (loss) per share (*)	0,0471

(*) For the purposes of calculating the profit per diluted share, it should be noted that the dilution effect results from the stock option plan as explained in the Report in the 'Stock Option Plan' paragraph.

CURRENT LIABILITIES

PAYABLES TO CURRENT BANKS

'Payables to current banks' totalled Euro 20,023,599 at 30 June 2009, compared to Euro 21,901,668 at 31 December 2008. They refer to the current quota of debts for financing and mortgages (as described extensively at the entry for 'Payables to non-current banks') of Euro 6,566,095 and current account debts with leading credit institutes (Euro 13,457,504).

PAYABLES TO SUPPLIERS

'Payables to suppliers' amounted to Euro 14,394,260 compared to Euro 12,022,256 at 31 December 2008.

ADVANCES ON WORK IN PROGRESS TO ORDER

ADVANCES

The entry **'Advances'** was Euro 3,216,751 at 30 June 2009, compared to Euro 2,801,687 at 31 December 2008 and refers to advances received from customers. See the entry **'Work in progress to order'** for greater detail.

effect

Description	30/06/2009	31/12/2008	Variation
Payables to tax authority for VAT	3.613.049	3.587.991	25.058
Payables to tax authority for IRAP	1.719.093	523.793	1.195.300
Payables to tax authority for IRES	55.200	-	55.200
Payables to tax authority for IRPEF employees	599.436	1.131.957	(532.521)
Payables to tax authority for IRPEF freelance workers	48.202	34.077	14.125
Payables Debiti verso Erario per tassazione straordinari	728	216	512
Payables to tax authority for IRPEF collaborators	30.158	46.430	(16.272)
Payables to tax authority	19.558	8.459	11.099
Payables to tax authority for IRPEF severance fund	49.150	64.610	(15.460)
Payables to tax authority for Regional and Municipal add	31.207	7.730	23.477
Payables to tax authority for refuse taxes	7.467	2.471	4.996
Tax Credit R&D Law n. 296/06	-	316.730	(316.730)
Payables to tax authority for interest and penalties	239.802	259.209	(19.408)
TOTAL	*6.413.049*	*5.983.673*	*429.376*

OTHER CURRENT LIABILITIES

PAYABLES TO WELFARE AND SOCIAL SECURITY INSTITUTES

The balance of **'Payables to welfare and social security institutes'** was Euro 2,941,138; the Table below shows the movements occurring during the period compared with those to 31 December 2008:

Description	30/06/2009	31/12/2008	Variation
INPS with contributions	1.571.674	2.098.283	(526.609)
Payables to pension funds	140.869	167.253	(26.384)
INPS with contributions by instalment	200.961	411.507	(210.546)
PREVINDAI-FASI-ALDAI-INPDAI-FASDAPI-PREVINDAPI	11.569	51.539	(39.969)
Contributions on accrued holiday pay and year-end bonus	866.951	558.809	308.141
INPS with contributions on accrued bonuses	10.187	230.554	(220.367)
INPS with contributions for collaborators	42.689	72.826	(30.136)
Contributions to suppl. benefit funds	286	286	-
Payables to regional fd for employment of disabled	9	16.444	(16.435)
Payables for penalties and interest	30.223	14.884	15.339
INAIL with contributions	65.720	95.697	(29.978)
TOTAL	*2.941.138*	*3.718.082*	*(776.944)*

OTHER PAYABLES

The balance of **'Other payables'** amounted to Euro 9,062,238 and the Table below highlights the variations occurring during the period compared with that to 31 December 2008:

Description	30/06/2009	31/12/2008	Variation
Payables to employees/collaborators for expenses	27.646	44.915	(17.270)
			0
Directors' pay for settlement	34.295	143.986	(109.691)
Employees/Collaborators for fees accrued	3.497.175	4.180.979	(683.804)
Debts to purchase shareholdings	22.274	31.866	(9.592)
	1.396.568		1.396.568
Accrued holidays, festivities, summer & yr-end bonuses	3.609.395	2.219.580	1.389.815
Payables to associations	5.976	23.778	(17.802)
			0
Factoring advances	55.748	238.817	(183.069)
Payables to partners for bids	83.942	113.388	(29.446)
Sundry payables	329.219	368.262	(39.043)
Debiti verso correlate			0
TOTAL	*9.062.238*	*7.365.572*	*1.696.666*

It should be noted that the entry **'debts to purchase company branches'** mainly refers to the debt for the purchase of the company branch Aurora belonging to the Healthcare sector of Siemens S.p.A.

ACCRUED LIABILITIES

The balance of **'Accrued liabilities'** was Euro 313,778 compared to Euro 342,261 at 31 December 2008; the table below shows the movements:

Description	30/06/2009	31/12/2008	Variation
Bank charges and interest	252.340	112.378	139.962
Interest on PIA Innovazione fin.	3.514	3.514	-
Transazioni con fornitori	23.100	32.500	(9.400)
Sundry costs	6.516	12.435	(5.919)
Insurance	19.502	6.143	13.359
Sundry interest paid	8.806	175.291	(166.485)
TOTAL	*313.778*	*342.261*	*(28.483)*

DEFERRED REVENUE

The balance of **'Deferred revenue'** was Euro 3,841,613 compared to Euro 2,597,432 at 31 December 2008 and mainly refers to deferments of contributions not accrued in the period.

INFORMATION ON THE INCOME STATEMENT

All the entries of costs and revenues making up the Income statement are shown in detail, drawn up according to the international accounting principles (IAS/IFRS) relating to the first half of 2009 compared to the same period in the previous accounts. It should be noted that the data for the first half 2009 also includes that of Spegea S.c.ar.l., Exprivia SL and Network Services S.r.l. (consolidated from 1 June 2008, 1 July 2008 and 1 November 2008 respectively).

PRODUCTION REVENUES

REVENUES

The **revenues from sales and services** in the first half 2009 were Euro 36,806,858 compared to Euro 39,504,530 in the first half 2008. See the paragraph 'The Trend in Exprivia group results' in the Interim Report on Group Management for the details and relative information per area of business on revenues of sales and services (including the variations in stock in progress to order), as per the provisions of IFRS 8.

Gruppo Exprivia (valori in K €)	30/06/2009	30/06/2008	Variazioni %
Progetti e servizi	34.260	35.769	-4%
Manutenzioni	4.108	2.690	53%
HW SW terze parti	1.095	2.198	-50%
Licenze proprietarie	1.299	1.617	-20%
Altro	754	201	275%
Totale	**41.515**	**42.474**	**-2%**

Gruppo Exprivia (valori in K €)	Ricavi H1 2009	Ricavi H1 2008	Variazioni %	EBITDA H1 2009	EBITDA H1 2008	Variazioni %
Banche, Finanza e Assicurazioni	4.419	5.599	-21%	914	804	14%
Industria & Media	5.786	5.415	7%	665	390	71%
PAC, Trasporti & Utilities	7.181	8.513	-16%	380	113	236%
Oil, Gas e Telecomunicazioni	6.233	7.799	-20%	323	710	-55%
Sanità ed Enti Locali	17.141	14.947	15%	4.028	4.107	-2%
Altro	754	201	275%	34	24	42%
Totale	**41.515**	**42.474**	**-2%**	**6.344**	**6.149**	**3%**

OTHER INCOME

OTHER REVENUES

In the first half of 2009, '**other revenues'** amounted to Euro 696,291 compared to Euro 455,000 for the same period in the previous accounts. The details of the entries are shown in the following table.

Description	H1 2009	H1 2008	Variation
Contingency assets	540.768	284.257	256.511
Penalità su clienti/damages	13.746	8	13.738
Rental income	28.087	29.966	(1.879)
Revenues from related	0	0	0
Travel expenses to be charged to clients	43.164	-	43.164
Other revenue	51.424	118.298	(66.874)
Pay in lieu of notice	15.570	16.762	(1.192)
Riaddebiti costi v/partner per gare	0	0	0
Income from assignment of vehicles to staff	2.667	5.530	(2.863)
Income from staff on secondment	0	0	0
capital gains	865	179	686
TOTAL	***696.291***	***455.000***	***241.291***

REVENUE GRANTS

In the first half 2009, **'Revenue grants'** totalled Euro 914,772 compared to Euro 845,184 in the first half 2008 and refer to contributions and tax credits proper to or authorised in the period and refer to research and development projects.

VARIATION OF THE STOCK IN HAND

VARIATION OF THE STOCK ON HAND OF PRODUCTS BEING PROCESSED, SEMI-FINISHED AND FINISHED PRODUCTS

The balance of **'variation of the stock on hand of products being processed, semi-finished and finished products'** in the first half 2009 amounted to Euro 82,395 compared to Euro 440,386 for the same period in the previous accounts. It refers to variations in finished products relating to the medical sector reporting to the parent company and its subsidiaries GST and Svimservice.

VARIATIONS IN WORK IN PROGRESS ON ORDERS

The balance of **'variation on work in progress on orders'** totalled Euro 4,624,639 in the first half 2009, compared to Euro 2,530,066 for the same period of 2008.

INCREASES IN FIXED INVESTMENT FOR INTERNAL WORK

The balance of **'increases in fixed investment for internal work'** to 30 June 2009 was Euro 682,162 compared to Euro 509,562 in the first half 2008. It refers to costs borne during the period for the development of projects in the banking area (Euro 141,373), Oil & Gas market (Euro 46,465) and medical sector (Euro 494.324).

PRODUCTION COSTS

RAW AND SUBSIDIARY MATERIALS, CONSUMABLES AND GOODS

The balance of the item **'raw and subsidiary material, consumables and goods'** for the first half 2009 totalled Euro 1,690,960 compared to Euro 2,436,311 for the same period in the previous accounts. The detail of the entries can be found in the table below.

Description	H1 2009	H1 2008	Variation
Purchase of HW-SW products	1.373.576	2.147.581	(774.005)
Purchase of HW-SW maintenance	201.781	162.340	39.441
Purchase of equipment for plant	-	145	(145)
Stationery and consumables	55.690	67.648	(11.958)
Fuel and oil	52.655	56.341	(3.686)
Transport and freight on purchases	0	0	0
Transport and freight rates on purchases	1.971	2.256	(285)
Purchase of sundries	5.286	-	5.286
Warranty services on our customers activities	0	0	0
TOTAL	*1.690.960*	*2.436.311*	*(745.351)*

STAFF COSTS

The balance for **'staff costs'** amounted overall to Euro 26,670,220, of which Euro 20,104,582 for salaries and fees, Euro 5,072,579 for social charges, Euro 1,104,645 for the staff severance fund and Euro 388,414 for other costs in the first half 2009.

The number of staff in the group as at 30 June 2009 was 1,269, of whom 1,187 were employees and 82 collaborators, compared to 1,277 (1,179 employees and 98 collaborators) at 31 December 2008 and 1,165, of whom 1,076 employees and 89 collaborators at 30 June 2008.

OTHER COSTS

OTHER SERVICE COSTS

The consolidated balance of **'other service costs'** in the first half 2009 totalled Euro 7,459,422 compared to Euro 9,814,105 for the first half 2008. The table below shows the detail of the entries:

Description	H1 2009	H1 2008	Variation
Technical and commercial consultancy	2.833.209	3.941.200	(1.107.991)
Administrative/company/legal consultancy	419.903	621.750	(201.847)
Consultancy to associated companies	-	1.194.903	(1.194.903)
Data processing service	526.263	411.326	114.937
Auditors' fees	132.581	145.015	(12.433)
Travel and transfer expenses	1.263.318	1.144.957	118.361
Other staff costs	73.567	282.433	(208.866)
Utilities	440.367	489.951	(49.584)
Advertising and agency expenses	134.338	124.744	9.595
HW and SW maintenance	397.672	132.550	265.122
Insurance	141.279	139.187	2.092
Costs of temporary staff	683.324	640.119	43.205
Other costs	413.599	545.971	(132.372)
TOTAL	*7.459.422*	*9.814.105*	*(2.354.684)*

It should be noted that the reduction in consultancy to infra-group companies was due to the different consolidation area as the supplying company Network Services S.r.l. became consolidated from November 2008.

COSTS FOR THE USE OF THIRD-PARTY ASSETS

The consolidated balance for **‘costs for the use of third-party assets’** in the first half 2009 amounted to Euro 869,116 compared to Euro 967,398 for the corresponding period in the previous year. The table below shows the details of the entries:

Description	H1 2009	H1 2008	Variation
Rental expenses	545.879	683.286	(137.408)
Car rental/leasing	245.584	221.035	24.549
Rental of other assets	48.155	39.770	8.385
Royalties	26.909	17.839	9.070
Leasing payments	-	5.468	(5.468)
Other costs	2.589	-	2.589
TOTAL	*869.116*	*967.398*	*(98.282)*

It should be noted that the decrease in the entry ‘leasing payments’ is mainly due to the termination of rental payments for the offices of the subsidiary Svimservice S.p.A. as it moved into the complex owned by the parent company Exprivia S.p.A. from 1 March 2009.

SUNDRY MANAGEMENT CHARGES

The consolidated balance for **'sundry management charges/'** in the first half 2009 totalled Euro 746,677 compared to Euro 535,348 in the first half 2008. The detail of the entries is shown in the table below.

Description	H1 2009	H1 2008	Variation
Annual subscriptions	39.548	35.790	3.758
Books and magazines	15.430	20.392	(4.962)
Taxes	136.581	85.759	50.821
Stamp duty	18.064	9.624	8.440
Penalties and fines	3.301	3.373	(72)
Charitable donations	22.561	92.139	(69.578)
Contingency liabilities	234.750	148.221	86.529
Bank charges and commissions	133.297	111.986	21.311
Write-offs	21.389	-	21.389
Sundry expenses	17.656	27.338	(9.683)
Penalties and damages	100.000	724,07	99.276
Capital losses on disposals	4.101	-	4.101
TOTAL	***746.677***	***535.348***	***211.329***

With reference to the entry 'Penalties and Damages', the figure of Euro 100,000 refers to the penalty paid by Svimservice for the restoration of the offices in Via Massaua, Bari, following termination of the lease.

STOCK ON HAND AND PROVISIONS MADE

The consolidated balance of the entry **'Stock on hand and provisions made'** totalled Euro 26,623 in the first half 2009 and refers to provision for the risks on lack of payment of welfare contributions (Euro 15,623), and provision for risks on the lack of final tests relating to research projects (Euro 11,000).

AMORTISEMENT AND DEPRECIATION

AMORTISEMENTS

The **'amortisements'** totalled Euro 1,328,301 compared to Euro 1,034,759 in the first half 2008. They refer to Euro 839,006 relating to the amortisements on intangible assets and Euro 489,295 for those on tangible assets. The details of these entries are shown in the Comment in the Statement of Assets and Liabilities in the entry 'Tangible and Intangible Assets'.

DEPRECIATION

The balance of **'depreciation'** totalled Euro 96,039 and refers to the depreciation of unrecoverable credits.

FINANCIAL PROCEEDS AND CHARGES

REVENUE FROM PARENT COMPANIES

The balance of the entry **'revenue from parent companies'** for the first half 2009 totalled Euro 8,676 and related to the interest paid by Abaco Innovazione to Network Services S.r.l. for current financing.

REVENUE FROM OTHER COMPANIES

The balance of the entry **'revenue from other companies'** for the first half 2009 amounted to Euro 57 compared to Euro 1,646 fro the first half 2008. It related to revenue distributed by *Credito Cooperativo* in which Wel.Network S.p.A. holds a stake.

SUNDRY FINANCIAL REVENUE

The balance of the entry **'sundry financial revenue'** for the first half 2009 totalled Euro 32,096 with respect to Euro 118,870 for the same period 2008. The table below gives the details of the entry.

Description	H1 2009	H1 2008	Variation
Bank interest receivable	21.579	16.777	4.802
Revenues from financial derivatives	-	100.044	(100.044)
Capital gains from own shares	-	105	(105)
Other interest income	10.370	1.376	8.994
Rounding up of assets	147	568	(421)
TOTAL	*32.096*	*118.870*	*(86.773)*

INTEREST AND OTHER FINANCIAL CHARGES

The balance of the entry **'interest and other financial charges'** for the first half 2009 amounted to Euro 1,197,637 compared to the Euro 1,418,521 for the same period in the previous accounts. The Table below shows the details of the entries.

Description	H1 2009	H1 2008	Variation
Bank interest payable	361.523	483.105	(121.582)
Interest on loans and mortgages	621.022	774.774	(153.752)
Sundry interest	92.076	102.999	(10.924)
Charges on financial products and sundry items	122.931	57.603	65.328
Rounding up/down	84	39	45
TOTAL	*1.197.637*	*1.418.521*	*(220.884)*

PROFITS AND LOSSES ON FOREIGN EXCHANGE

There were **'losses on exchange'** of Euro 767 in the first half of 2009.

DEVALUATIONS OF HOLDINGS

There were **'devaluations of holdings'** of Euro 50,244, mainly referring to the adaptation of the purchase price of the stake in the associate ClinicHall S.r.l. (Euro 18,798), and Axception S.r.l. (Euro 24,990) against their net worth in the first half of 2009.

INCOME TAX

In the first half 2009, the **'income taxes'** amounted to Euro 1,384,681 and refer to taxes set aside of which Euro 55,200 for IRES, Euro 1,238,987 for IRAP, Euro 564,734 for deferred taxes and Euro -474,240 for taxes paid in advance.

PROFIT (LOSS) FOR THE PERIOD

The Profit and Loss Account for the first half 2009 closed with a consolidated profit, after tax, of Euro 2,327,259.

INFORMATION ON THE FINANCIAL REPORT

The consolidated **net financial position** to 30 June 2009 was Euro -36.6 million compared to Euro -35.3 million at 31/12/2008. The variation of Euro 1.3 million can basically be attributed to the following factors:

- ✓ Euro 5.1 million for the positive cash flow arising from current activity;
- ✓ Euro 2 million for the payment of the dividend;
- ✓ Euro 4.5 million relating to investment including payment of the first amount for the purchase of the company branch AuroraWeb.

CERTIFICATION OF THE BALANCE OF ACCOUNTS FOR THE PERIOD AS PER ART. 81-C OF CONSOB REGULATION NO. 11971 DATED 14 MAY 1999 AND SUBSEQUENT AMENDMENTS AND INTEGRATIONS

The undersigned Domenico Favuzzi, president and managing director, and Pietro Sgobba, senior manager responsible for drawing up the company accounts of Exprivia S.p.A., certify the following, taking into account the provisions of Art. 154-b, sub-paras. 3 and 4, of Legislative Decree 58 of 24 February 1998:

- ✓ the adequacy in relation to the features of the group and
- ✓ the effective application of the administrative and accounting procedures for the formation of the consolidated financial report closed on 30 June 2009.

Further, it is also certified that the consolidated financial report for six months:

a) corresponds to the results of the accounting records;

b) has been drawn up in conformity with the international accounting principles International Financial Reporting Standards (IFRS) adopted by the European Commission with regulation 1725/2003 and subsequent amendments and, and as far as is known, is suitable for giving a true and correct representation of the equity, economic and financial situation of the business;

c) the Interim Report on the Management of the group includes a reliable analysis consistent with the balance sheet, the trend and the results of the management, and also the situation of the company and the subsidiaries included in the consolidation, together with the description of the main risks and uncertainties.

Molfetta, 6 August 2009

(Domenico Favuzzi)

President and managing director

(Pietro Sgobba)

Senior Manager responsible for drawing up the accounting documents

REPORT OF THE BOARD OF AUDITORS ON THE INTERIM REPORT OF THE EXPRIVIA GROUP TO 30 JUNE 2009

Dear Shareholders,

The following considerations have been drawn up in accordance with CONSOB issuer regulation 11971 dated 14 May 1999, and subsequent amendments and integrations, currently being refined. The Board notes that it received the interim report on management trends in the first half of 2009 for the Exprivia group, approved by the Board of Directors on 6 August 2009, respecting the term set out by Art. 2428, sub-para. 3 of the Italian Civil Code. The following considerations are made on the report:

- During the period highlighted in the accounting prospectus drawn up by the company as at 30/06/2009, we carried out the surveillance work set out by the law in accordance with the principles of behaviour of the Board of Auditors recommended by the National Boards of Accountants and Accounting experts.
- The half-yearly interim report was drawn up as set out by the aforementioned CONSOB regulation, in conformity with the specific provisions of that regulation, and also the civil laws on balance sheets.
- Accounting criteria and homogenous consolidation principles were used for the formation of the consolidated balance sheet of the parent company for the first six months of 2009 with respect to those adopted for the final accounts, taking account of the adaptations required because of the six-monthly data. The directors prepared the report in conformity with international accounting principles.
- The lay-out of the Assets and Liabilities statement and the Income Statement adopted for the accounting prospectuses in the half-year report conform to the regulatory provisions issued by CONSOB. Please note that the consolidated companies have changed with respect to 31.12.2008 as AISoftw@re Professional Services S.r.l. in liquidation has been excluded as considered irrelevant, as indicated in detail in the directors' report.
- Referring to the comments on the management, the information supplied is consistent and complete in relation to the provisions of the CONSOB decision indicated above. The most important economic, financial and capital operations carried out by Exprivia S.p.A. during the first half 2009 were periodically and fully advised to the Board of Auditors by the directors. These operations are analysed in the Interim Management Report prepared by the directors which

should be referred to for further details. The management report also highlights important events arising after 30 June 2009, which are summarised below:

- Acquisitions/Sales in the Exprivia group:

- On 16 July 2009, Exprivia S.p.A. signed a preliminary contract for the sale of its holding of 44% in ClinicHall S.r.l. to the other reference partner GPI S.p.A., possessor of a similar holding. This sale falls within the rationalisation strategy of the Health and LPA Business Unit following the acquisition of the proprietary product ‘AuroraWeb’, an integrated Hospital Information System (HIS), through the Aurora branch of the company, as shown in the Management Report.

- With reference to the constantly evolving system of internal control and the administrative-accounting organisation, it is considered that these are appropriate to the requirements of the group and reliable for the correct presentation of the management.

- The Board of Auditors has become aware of and supervised respect for the principles of correct management for the area of its competence through direct observation, participation in meetings of the Board, internal control and salaries committees, the collection of information from company directors and meetings with managers of the auditing company for the reciprocal exchange of relevant data and information.

- The six-monthly report was subjected to limited auditing by PKF Italia S.p.A., auditors, who are currently preparing their report. On the basis of the information exchanged by the control bodies and on the basis of the work done, the auditors note that there is no reason to suspect the six-monthly consolidated balance sheet of the company has not been drawn up respecting the important aspects, in conformity with the international accounting principle applicable for interim financial information (IAS 34). The auditing company will limit itself to highlighting references to information referring, in particular, to current disputes in subsidiaries, which should be examined for a full discussion.

- In relation to the above, the Board of Auditors has no other considerations to make in addition to the above, as per the aforementioned CONSOB decision, on the half-yearly report to 30 June 2009.

On behalf of the Board of Auditors

Renato Beltrami
President

Molfetta, 21 August 2009