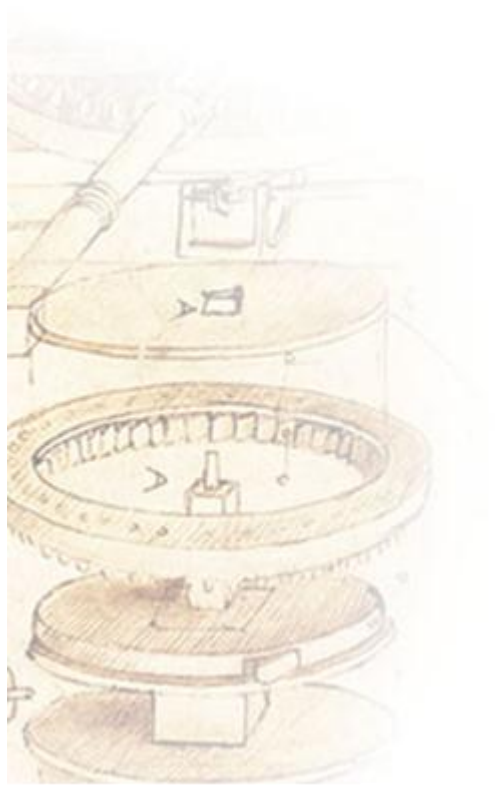




Interim Report on Operations as at 31 March 2013



Contents

| | |
|---|----|
| SUMMARY OF THE OPERATIONS IN THE FIRST QUARTER OF 2013..... | 5 |
| CORPORATE BODIES | 6 |
| EXPRIVIA: ONE STEP AHEAD | 8 |
| THE EXPRIVIA BUSINESS MODEL..... | 12 |
| MARKETS..... | 13 |
| UTILITIES..... | 17 |
| SOLUTIONS..... | 18 |
| SKILLS | 19 |
| TREND OF EXPRIVIA GROUP RESULTS..... | 20 |
| SIGNIFICANT EVENTS OF THE FIRST QUARTER OF 2013..... | 24 |
| EVENTS AFTER 31 MARCH 2013 | 24 |
| STAFF AND TURNOVER..... | 26 |
| INTER-COMPANY RELATIONS | 27 |
| RELATIONS WITH AFFILIATES AND ASSOCIATED COMPANIES | 28 |
| GROUP RELATIONS WITH PARENT COMPANIES..... | 30 |
| BUSINESS OUTLOOK | 31 |
| CONSOLIDATED BALANCE SHEET | 32 |
| CONSOLIDATED INCOME STATEMENT | 36 |
| STATEMENT OF COMPREHENSIVE INCOME (*) | 38 |
| STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY | 39 |
| CONSOLIDATED CASH FLOW STATEMENT..... | 40 |
| EXPLANATORY NOTES TO EXPRIVIA GROUP FINANCIAL STATEMENTS..... | 41 |

SIGNIFICANT GROUP FIGURES AND RESULT INDICATORS

The table below gives a summary of the main consolidated economic, capital and financial data of the Group as result from the Financial Statements referring to 31 March 2013, 31 March 2012 and 31 December 2012.

| | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|--------------|--------------|--------------|
| Total production revenues | 31,121,488 | 31,015,203 | 132,488,003 |
| net proceeds and variation to work in progress to order | 30,362,053 | 30,352,808 | 128,986,593 |
| increase to assets for internal work | 350,265 | 411,635 | 1,869,045 |
| other proceeds and contributions | 409,170 | 250,760 | 1,632,365 |
| Difference between costs and production proceeds (EBITDA) | 2,479,694 | 919,887 | 12,409,926 |
| % on production proceeds | 7.97% | 2.97% | 9.37% |
| Net operating result (EBIT) | 1,568,680 | (315,736) | 7,242,091 |
| % on production proceeds | 5.04% | -1.02% | 5.47% |
| Net result | 67,016 | (1,604,267) | 2,424,481 |
| Group net equity | 67,236,454 | 65,740,107 | 67,180,603 |
| Total assets | 190,058,787 | 201,846,633 | 187,120,765 |
| Capital stock | 26,979,658 | 26,979,658 | 26,979,658 |
| Net working capital (1) | 34,793,420 | 42,412,107 | 36,625,594 |
| Cash flow (2) | 2,578,371 | (980,812) | 5,833,084 |
| Fixed capital (3) | 90,576,172 | 88,256,333 | 90,324,982 |
| Investment | 1,100,555 | 1,240,601 | 4,048,426 |
| Cash resources/bonds (a) | 8,020,925 | 6,258,480 | 5,343,335 |
| Short-term financial debts (b) | (41,682,201) | (42,204,393) | (39,824,155) |
| Medium-/long-term financial debts (c) | (8,477,083) | (13,146,108) | (9,551,977) |
| Net financial position (4) | (42,138,359) | (49,092,021) | (44,032,797) |

- (1) **“Net working capital”** is calculated as the sum of total current assets less cash at bank and on hand and total current liabilities plus current bank debt.
- (2) **Cash flow** is calculated as the sum of net profit (loss) adjusted by amortisation, changes in employee severance indemnities and write-downs
- (3) **“Fixed capital”** is equal to total non-current assets
- (4) **Net financial position** = a – (b + c)

The table below shows the main economic indicators of the Group as at 31 March 2013, compared with the same period of the previous year.

| Exprivia Group | 31.03.2013 | 31.03.2012 |
|---|------------|------------|
| Index ROE (Net income / equity capital) | 0.10% | -2.44% |
| Index ROI (EBIT / Net Capital Invested) | 1.41% | -0.27% |
| Index ROS (EBIT / Revenues) | 5.17% | -1.04% |
| Financial charges / Net profit | 10.95 | -0.46 |

The table below shows the main capital and financial indicators of the Group as at 31 March 2013, 31 March 2012 and 31 December 2012.

| Exprivia Group | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|------------|------------|------------|
| Net Financial Debt / Equity Capital | 0.63 | 0.75 | 0.66 |
| Debt ratio (Total Liabilities / Equity Capital) | 2.83 | 3.07 | 2.79 |

SUMMARY OF THE OPERATIONS IN THE FIRST QUARTER OF 2013

A summary of the main consolidated economic, capital and financial data of the Group is reported below, prepared in accordance with International Financial Reporting Standards, and particularly with standard IAS 34, as emerging from the situation as at 31 March 2013, compared with the same period of the previous year.

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | Variazioni % |
|-------------------------------|------------|------------|--------------|
| Revenues | 31,121 | 31,015 | 0.34% |
| Net revenues | 30,362 | 30,353 | 0.03% |
| EBITDA | 2,480 | 920 | 169.57% |
| EBIT | 1,569 | -316 | 596.52% |
| Pre-tax result | 926 | -1,001 | 192.51% |
| Result | 67 | -1,604 | 104.18% |

The Exprivia Group ended the first quarter of 2013 with **consolidated revenues** totalling Euro 31.1 million, in line with the same period of 2012 (Euro 31.0 million). Consolidated net revenues amounted to Euro 30.4 million, in line with the same period of 2012.

Consolidated **EBITDA** totalled Euro 2.5 million (0.9 million in 2012), 8% of revenues, a significant growth compared with the same period of the previous year. Consolidated **EBIT** amounted to Euro 1.6 million, a significant growth compared with the amount reported in the previous year (Euro -316 thousand). **Profit before taxes** stood at Euro 927 thousand, 3% of revenues, a significant growth compared with the same period of 2012 (Euro -1 million):

The Group reported a significant growth in margins compared to the same period of 2012, as well as a remarkable performance in the Banks and Finance and Utilities market areas, while revenues in the International area are 11% of the Group's turnover.

The good performance of the parent company is worth noting, both regarding revenues, up by 3.8%, compared to the same period of 2012, and EBITDA, from a negative value of Euro 800 thousand in 2012 to Euro +3.1 million.

The **net financial position** as at 31 March 2013 was Euro -42.1 million, improved compared to 31 December 2012 when it was Euro -44.0 million (Euro 1.9 million). Group **Shareholders' Equity** as at 31 March 2013 was Euro 67.2 million, substantially unchanged compared to 31 December 2012.

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|-------------------------------|------------|------------|------------|
| Group Net Worth | 67,236 | 65,740 | 67,181 |
| Net Financial Position | (42,138) | (49,092) | (44,033) |

CORPORATE BODIES

BOARD OF DIRECTORS

As at 31 March 2013, following the appointment of Prof. Vito Albino as third independent director occurred on 12 March 2013, the Board of Directors, which will remain in office until the approval of the 2013 financial statements, is composed as follows:

| BoD Member | Office | Executive/Non-Executive | Place and Date of Birth |
|--------------------------------|--------------------------------------|-------------------------|--------------------------------------|
| Domenico Favuzzi | Chairman and Chief Executive Officer | Executive | Molfetta (BA) 18/04/1962 |
| Dante Altomare | Vice Chairman | Executive | Molfetta (BA) 18/09/1954 |
| Pierfilippo Vito Maria Roggero | Chief Executive Officer | Executive | Milan 22/06/1954 |
| Giancarlo Di Paola | Executive Officer | Executive | Bari 22/05/1952 |
| Marco Forneris | Executive Officer | Executive | Caluso (TO) 19/02/1951 |
| Rosa Daloiso | Non-independent Director | Non-Executive | Margherita di Savoia (FG) 05/04/1966 |
| Valeria Savelli | Non-independent Director | Non-Executive | Matera 15/10/1962 |
| Alessandro Laterza | Independent Director (*) | Non-Executive | Bari 09/02/1958 |
| Giorgio De Porcellinis | Independent Director (*) | Non-Executive | Milan 21/01/1948 |
| Vito Albino | Independent Director (*) | Non-Executive | Bari 10/09/1957 |

(*) Independent Directors under art. 3 of the Corporate Governance Code adopted by Borsa Italiana

For the purpose of their office all directors are domiciled at the registered offices of the Company in Molfetta (BA), Via Adriano Olivetti 11/A.

The Board of Directors is vested with all the broadest powers necessary for ordinary and extraordinary management of the company without any exception and all options are available to pursue the company purpose. Thus, it can undertake any type of obligation and perform any act without limitation as all operations fall within the scope of their competence with the exception of any matters expressly delegated by law to the shareholders' meeting (See Corporate Governance).

BOARD OF STATUTORY AUDITORS

As at 31 March 2013 the Board of Statutory Auditors, whose term of office will end when the year-end 2013 financial statements are approved, is composed as follows:

| Member | Office | Place and Date of Birth |
|------------------------------|--------------------------|---------------------------|
| Renato Beltrami | Chairman | Storo (TN) 07/12/1942 |
| Gaetano Samarelli | Standing Legal Auditor | Molfetta (BA) 07/12/1945 |
| Ignazio Pellecchia | Standing Legal Auditor | Bari 28/06/1968 |
| Leonardo Giovanni Ciccolella | Substitute Legal Auditor | Bari 24/06/1964 |
| Mauro Ferrante | Substitute Legal Auditor | Bisceglie (BA) 01/11/1964 |

INDEPENDENT AUDITORS

The Independent Auditors for the Exprivia Group are PKF Italia S.p.A.. Their appointment shall end on approval of the financial statements as at 31 December 2013.

EXPRIVIA: ONE STEP AHEAD

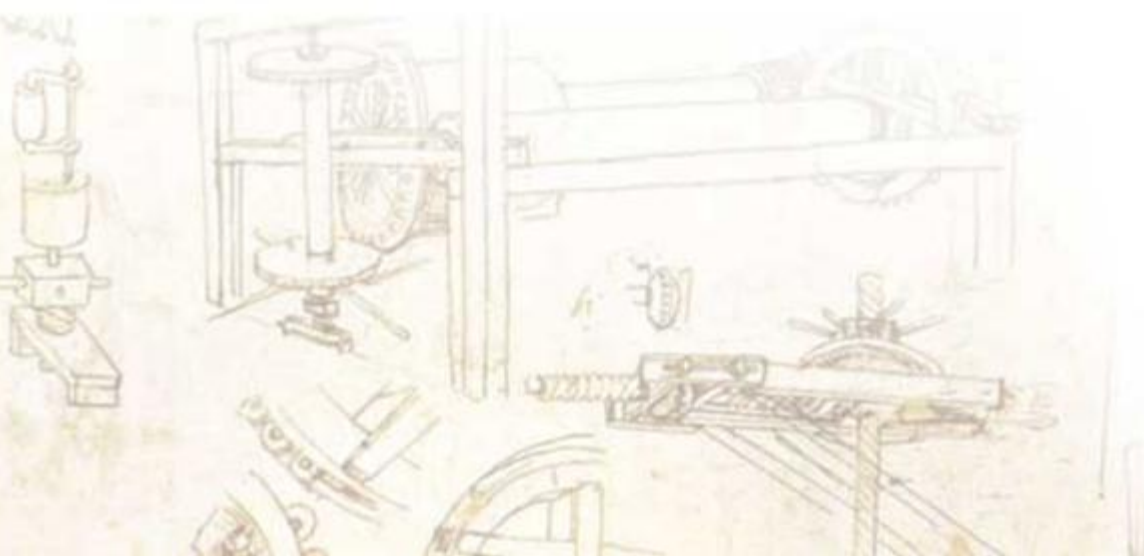
The Company

In Italy Exprivia is a leading international company in process consultancy, technological services and Information Technology solutions.

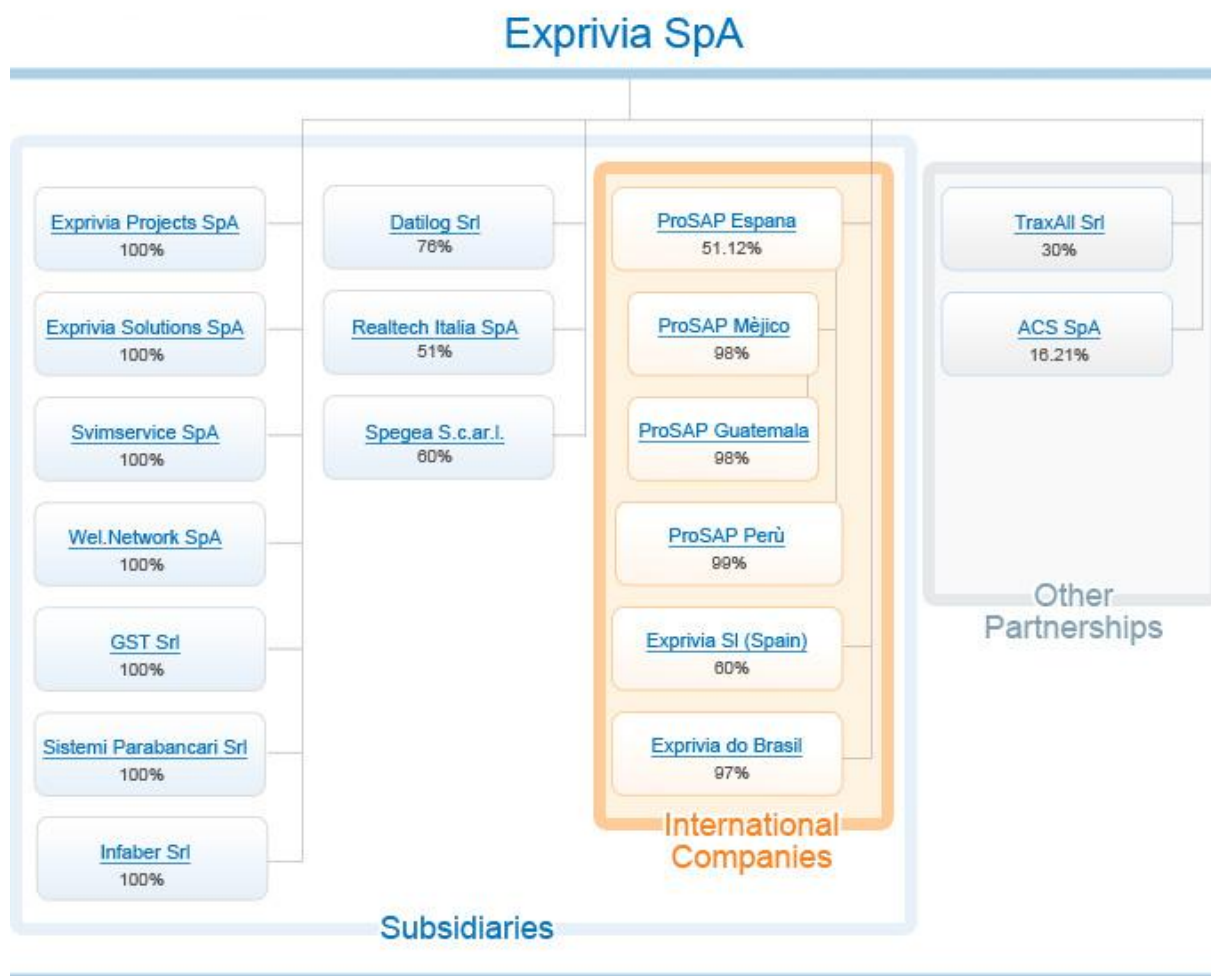
Our constant investments in research and development make us stand out as a benchmark for the creation of innovative solutions to meet the increasingly more sophisticated demands of our customers.

The Company has been listed on the Italian stock exchange since 2000 and in the STAR MTA segment since October 2007. Exprivia currently employs a team of over 1,800 people distributed among its headquarters in Molfetta (BA), branches in Italy (Milan, Rome, Piacenza, Trento, Bari, Vicenza, Genoa, and Padua) and abroad (Spain, Mexico, Guatemala, Peru, and Brazil).

Exprivia has developed a quality system conforming to UNI EN ISO 9001:2008 for the effective management of company processes, guaranteeing the greatest transparency inside and outside the company.



The Group



SUBSIDIARIES

Exprivia Projects S.p.A. is 100% owned by Exprivia. It is based in Rome and has Euro 242,000.00 share capital (fully paid-up). It is specialised in designing and managing services and infrastructure for Call Centres, Contact Centres and Helpdesk.

Exprivia Solutions S.p.A. is 100% owned by Exprivia. It is based in Rome and has Euro 170,795.00 share capital (fully paid-up). It is the Group company dedicated to developing and providing high value-added IT solutions and products to the Defence and Space markets and to a lesser degree also Services and National and Regional Public Administration.

Exprivia Solutions S.p.A. holds 100% of the share capital of **Farm Multimedia S.r.l.** (in liquidation).

Svimservice S.p.A. is 100% owned by Exprivia. It is based in Bari and has Euro 1,548,000.00 share capital (fully paid-up). It is a leading ICT company in the healthcare IT sector with a broad and diverse customer base. It develops and manages healthcare IT systems based on proprietary solutions and web-oriented technologies, in addition to operating in the field of IT systems and software applications for regional public administration.

Wel.Network S.p.A. is 100% owned by Exprivia. It is based in Piacenza and has Euro 1,500,000.00 share capital (fully paid-up). It has acquired in-depth experience in a wide variety of IT segments. In recent years

it has focused on professional services for SAP applications especially in the field of Industry and Oil & Gas, where a significant amount of business in reselling third-party software licences has been developed as well.

Gruppo Soluzioni Tecnologiche S.r.l. - GST is 100% owned by Exprivia, is based in Trento and has Euro 27,500.00 share capital (fully paid-up). It is focused on developing and designing speech recognition solutions. GST currently produces and sells sophisticated software applications and services using the best speech recognition technologies available on the international market.

GST S.r.l. holds 24.9% interest in the company **PerVoice S.p.a.**, a company specialised in voice recognition and processing technologies.

Sistemi Parabancari S.r.l. is 100% owned by Exprivia. Based in Milan and with Euro 580,000.00 share capital (fully paid-up), it is the leading company in outsourcing IT, legal and administrative services for factoring firms in Italy. Sis.Pa operates with about 60 employees and is now the only Italian company able to provide a wide range of business process outsourcing services for the financial services system and not strictly IT in nature.

InFaber S.r.l. is 100% owned by Exprivia. Based in Molfetta with Euro 110,000.00 share capital (fully paid-up), it is a company specialised in supplying Manufacturing Execution System (MES) services and solutions for the Italian and international manufacturing market.

Datilog S.r.l. is 76% owned by Exprivia. Based in Milan with Euro 10,400.00 share capital (fully paid-up), it is a company specialised in supplying Warehouse Management System (WMS) solutions for automating complex warehouses and large-scale distribution centres.

Realtech Italia S.p.A. is 51% owned by Exprivia and has Euro 1,520,000.00 share capital (fully paid-up). It is an Italian company specialised in designing and setting up IT solutions on the SAP platform. From 1996 until 2011, Realtech Italia was the Italian branch of the German multinational Realtech AG, which is listed on the Frankfurt stock exchange. It was then taken over by the company G&K Management S.r.l. through a management buy-out.

Spegea S.C.a r.l. is 60% owned by Exprivia and has Euro 125,000.00 share capital (fully paid-up). It is a School of Management based in Bari, which organises and manages specialised seminars, training courses for companies and public administration in addition to the "Master in Management and Industrial Development" programme certified by ASFOR. It was founded 28 years ago by Confindustria Bari with the support of banks and institutions.

"Consorzio Exprivia Scarl" was established on 6 September 2012. Exprivia SpA owns 55% of it and the remaining 45% is owned by the other Group companies that are 100% owned by the holding company. This Consortium aims to facilitate the participation of the Exprivia companies in public tenders for project development or service provision.

FOREIGN COMPANIES

Profesionales de Sistemas Aplicaciones y Productos S.L. (ProSap), a Spanish company in operation since 2002, also through its subsidiaries in Mexico, Guatemala and Peru, it provides professional services in the SAP environment and services for systems integration and application management for important medium and large customers. Exprivia SpA controls the company with a 51.12% share.

Exprivia S.L., incorporated in April 2008 in Madrid, is dedicated to the development of IT solutions and systems for the for the Spanish healthcare market. Exprivia controls the company with a 60% share

Exprivia do Brasil Serviços de Informatica Ltda, a Brazilian company specialised in IT Security solutions that operates with about 16 employees at its headquarters in Sao Paulo. Exprivia SpA controls the company with a 97.00% share.

STRATEGIC SHAREHOLDINGS

ACS S.p.A., 16.21% held by Exprivia, covers a significant role on an international scale in the sector of software and hardware for the acquisition, management and interpretation of satellite imagery. The company employs about 110 workers and is based in Rome and Matera.

Software Engineering Research & Practices S.r.l., 6% held by Exprivia S.p.A., is spin-off of the University of Bari. Its goal is to implement the results of university research in the field of software engineering and transfer them into business processes.

TraxAll Srl, 30% held by Exprivia S.p.A., is a start-up that uses the SAP application platform to manage travel & entertainment outsourcing for Italian and foreign companies.

CONSORTIA INITIATIVES

Società cons. a r.l. Pugliatech was formed to participate in the fulfilment of the programme agreement required by the 2000-2006 POR Puglia notice.

Società cons. a r.l. Conca Barese was formed to manage the Conca Barese Land Agreement.

Consorzio Biogene was formed to develop the project known as “Public-private laboratory for the development of integrated bioinformatic tools for Genomics, Transcriptomics, and Proteomics (LAB GTP)”. LabGTP is a public-private laboratory dedicated to bioinformatics and is based in Naples. Created in 2006, this laboratory has recently received the approval of the Ministry of Industry University and Research for 2 projects PON 2011, to continue its researches.

Società cons. a r.l. “DAISY – NET” was formed to undertake initiatives for the development of an I.C.T. technology centre to be part of a network of regional technology centres.

Distretto Tecnologico Pugliese (“DHITECH”), based in Lecce, intends to develop and integrate an interdisciplinary cluster for nanosciences, bioscience and infoscience according to the guidelines of the seventh framework programme and national research plan.

Distretto Tecnologico Nazionale per l’Energia (“DiTNE”), based in Brindisi, was formed to provide support for research in production sectors in the field of energy, to encourage the technology transfer needed by national and international players in the sector, and to favour connections between the worlds of research, production of goods and services, credit and the territory.

Distretto Agroalimentare Regionale (“D.A.Re.”), a consortium based in Foggia, acts as the interface for technology transfer from the Puglia research system to the agribusiness system. It provides services to support technological innovation by managing complex projects relating to industrial research and competitive development.

Distretto H-BIO Puglia, a consortium company named “Puglia technology district for the health of persons and biotechnologies”, based in Bari, will develop its operations in the strategic areas of molecular diagnostics and integrated diagnostics products, treatment and rehabilitation products, and bioinformatics products.

THE EXPRIVIA BUSINESS MODEL

The Exprivia Group is a leading Italian company specialised in designing, developing and integrating innovative software solutions and services with a wide range of skills gained from twenty years of working in the reference markets.

Its constant attention to the expansion and segmentation of the offer is confirmed by the over 2000 customers that are supported by the Group specialists on a daily basis with an extensive portfolio of proprietary solutions, and our main partners, combined with the high level technological skills that make them stand out.

The business model adopted by the Group is based on market segmentation as specified below:

- Banks and Financial Institutions
- Energy and Telecom
- Industry, Aerospace and Media
- Public Administration
- Health and Healthcare
- Utilities



MARKETS

Banks and Financial Institutions

Customers of banks and financial institutions are becoming increasingly demanding and require services that are available without interruption anywhere and from any device. Exprivia boasts more than 25 years of partnership with major groups and banks in Italy and abroad.

Together with more than 100 customers, Exprivia has searched and developed innovative technological solutions to control strategic processes, particularly in the credit, risk control and financial market field.

FINANCE

The financial market is constantly changing, thus forcing companies to continuously review their business model. Exprivia's experience in the Capital Markets means that it can provide each of its customers with innovative solutions that are customised to keep up with the continuously evolving market. Thanks to the skills gained from the **Murex** technological platform and the experience gathered together with major financial organisations, Exprivia is able to propose specific services and solutions for all the processes that are characteristic of the financial market.

CREDIT & RISK MANAGEMENT

For 25 years Exprivia has been present in banking, leasing and factoring instructions of all sizes spread across Europe. The proprietary solutions support the various phases of the credit life cycle in both operating and decisional terms: from the screening and resolution to periodic monitoring and dispute management.

OPERATIONAL MANAGEMENT

Exprivia supports its customers with services that assist them in the operating management of IT systems in the financial sectors, provided in on-site and nearshoring mode. As regards operating management, Exprivia proposes comprehensive IT infrastructure optimisation services ranging from project consultancy to architectural designs and their implementation.

IT SECURITY

Compliance, reputation and operating risks: these are the main issues that banks, and all the companies featuring systems that are accessible to a broad range of users, are trying to solve through "security technological instruments". These days the value of security for banks is driven by several factors, which all converge in a univocal need: having secure infrastructures, accesses and processes.

In the IT sector Exprivia supports its customers with its extensive security-related technological expertise combined with years of experience regarding the characteristic issues of the banking market.

MULTICHANNEL

As support for marketing, sales and customer service Exprivia has devised web 2.0 based services, solutions to manage unstructured information and mobile payment products.

Energy and Telecommunications

In the Energy and Telecommunications industry, Exprivia's experience derives from 10 years of partnership with the main multinationals in the sector, allowing it to propose innovative solutions and services that make companies competitive by optimising the sector-specific processes.

ENERGY

In the Energy market Exprivia has consolidated its position over the years through its ability to combine its knowledge of the best practices in the IT sector with specific skills related to processes for the extraction, transportation, storage, refining and distribution of oil and natural gas.

The in-depth understanding of the processes concerning the entities that operate in the oil and natural gas markets, combined with the knowledge of the innovative technological platforms, makes the Group an ideal partner for projects on both core (Work & Asset Management, Engineering & Automation) and non-core processes (AFC, HR, dematerialisation and storage).

TELECOMMUNICATIONS

The Telecommunications sector is characterised by the continuous search for added value services to be offered to customers and by the need for competitive prices in order to maintain the acquired market share. In the telecommunications market, Exprivia supplies solutions for the core processes of mobile and landline network operators with a complete and innovative range of systems integration for both business support and operational support.

The expertise in this sector includes design activities and the creation of customer care & billing, pricing model configuration and CRM systems based on Business Process Management methods to encourage the integration of processes and information systems.

Exprivia also proposes solutions for the configuration and management of provisioning, order management, testing and quality control systems and the efficient management of network infrastructures, security, remote database management, configuration management, network management and performance analysis. Its technological skills allow the provision of cloud services, application management, ERP, payment systems and others, in partnership with telco providers.



Industry, Aerospace and Media

The value of IT only emerges when the instruments and the solutions are perfectly integrated in accordance with the individual peculiarities of each industry: size, production chain and distribution models. Exprivia supports large and small sized companies with flexible and modular technologies designed for each individual company requirement and for each of its production and organisational process.

The association with SAP, which started over 10 years ago, makes Exprivia one of the main reference partners in the Italian and international markets, also thanks to six hundred certified professionals specialised in ERP and logistics.

The widespread presence in Italy means that Exprivia can assist companies all over the country, also thanks to the innovative models for the provisions of services in nearshoring mode.

LARGE CORPORATIONS

Thanks to its consolidated expertise in the SAP sector, Exprivia is able to create integration projects through ERP, CRM, SCM, Business Intelligence and Analytics application and middleware platforms.

Implementations based on Simatic IT, Siemens Industry Software and with Service Oriented architectures are created in the Manufacturing Execution System (MES) sector.

In the Retail and Wholesale sector, Exprivia designs innovative solutions for any type of process, from back office to points of sale, for any reporting and analysis requirement and for any type of activity, BtB or BtC.

The history of Exprivia is full of Best Practices that have enabled it to create implementation models for the specific requirements of any market: Automotive, Aerospace, Consumer Products, Chemical & Pharma, Engineering and Construction, Food, Manufacturing Discrete and Process.

SME

Small-sized enterprises can also benefit from all the IT advantages of large corporations, with solutions and costs that reflect their smaller size. With this in mind, Exprivia has designed tools for SMEs featuring advanced functions that cover all the main core processes of the enterprise in the financial, commercial and logistic sector. IT management, service desk, server and desktop virtualisation services are also available to meet infrastructure needs.

In the Application Management field, the widespread presence all over Italy and abroad enables Exprivia to propose structured offers while guaranteeing high service levels.

MEDIA

In the Media market Exprivia assists companies with solutions that support digital marketing by defining an integrated strategy that includes content management, Web 2.0 applications, search engines all the way to social media to obtain a synergy among contents, user profile and information programmes.

Public Administration

The Public Administration market features IT solutions that simplify the processes of organisations to increase quality and speed of the services provided to citizens and corporations. The modernisation policy of the Public Administration has generated a great demand for operating tools and models aiming to significantly improve the services and substantially rationalise public spending.

The Public Administration's objective of combining optimal expenditure with service quality can only be achieved by focusing on state-of-the-art technologies that make the provision of services more efficient.

In this scenario Exprivia has identified new effective solutions to computerise processes, ensure elastic and transparent management as well as improve and intensify communications among the various administrations, citizens and companies.

Exprivia's 10-year presence in the National and Regional Public Administration means that the Group's customers can benefit from its knowledge of both peripheral and central processes to better manage their complexity.

Public Administration reforms have significantly stimulated the adoption of innovative IT technologies to quickly achieve tangible results in terms of optimised expenditure and process industrialisations. To achieve these objectives the Group supports national and regional organisations on a daily basis, proposing the most suitable solutions to obtain efficient processes and reduce their expenditure.

For each area concerned by changes Exprivia offers solutions and services created with innovative technologies, in complete compliance with the strategic guidelines defined by the competent institutional bodies.

The range is divided into design, creation and management services in the following fields:

- products and services for the management area of Regional Bodies (financial statements and accounts, personnel, management control, demographic services, document management, personal services, etc.)
- eGovernment aimed at citizens, companies and institutions
- eProcurement to support purchase processes and the monitoring of suppliers' performance
- solutions for the management, storage and sharing of electronic documents
- solutions for planning and control through business intelligence platforms and business analytics
- performance measurement systems in Public Administration processes
- solutions to support administrative processes concerning self governance and cooperation between administrations based on the SOA paradigm
- web based solutions for the information exchange among bodies, citizens and companies via a single access point
- system integration, business continuity and disaster recovery solutions

Health and Healthcare

Care for patients has always been a pivotal point for all the activities of the healthcare system.

Starting from our focus on the patients and the continuous improvement of the healthcare services destined for them, Exprivia has devised its offer for the healthcare market with innovative solutions for governance and control at regional level, local care provided by local healthcare providers (ASL) and hospital care.

250 healthcare institutions and hospitals totalling 20 million assisted citizens: this is the result of the daily commitment ensured by a team of 350 professionals and the thirty years of experience in the healthcare segment.

For the Health and Healthcare market Exprivia has developed **e4cure**, a suite of solutions that brings together into one circuit all the players in the regional healthcare system, from health authorities to family doctors and accredited private clinics, also providing online services to the public. **e4cure** addresses all the needs of the healthcare market: from governance and control at **regional level** (Regions, Regional Agencies), to **local care** provided by local healthcare providers (ASL) and **hospital care** (hospitals, clinics and public and private healthcare facilities).

Utilities

The companies in the utilities sector are experiencing a complex historical period characterised by profound changes related to the liberalisation process and company mergers that generate an increasingly marked competitive pressure.

The Public Utility Services sector, which also includes energy, postal, environmental, water and transport services, has undergone significant transformations in the last ten years, which are related to the conversion into a joint stock company, the definition of service contracts to fulfil the public service obligations, the introduction of service charters for consumer protection, the regulation by independent authorities or the ministers in charge, the laying of the legislative and regulatory basis to start competition or the regulation of the regime for the concession of natural monopolies.

The separated management of the infrastructure (networked) from the services, the efficient management and profit control as well as the measuring of the service level are among the main aspects of importance in this context.

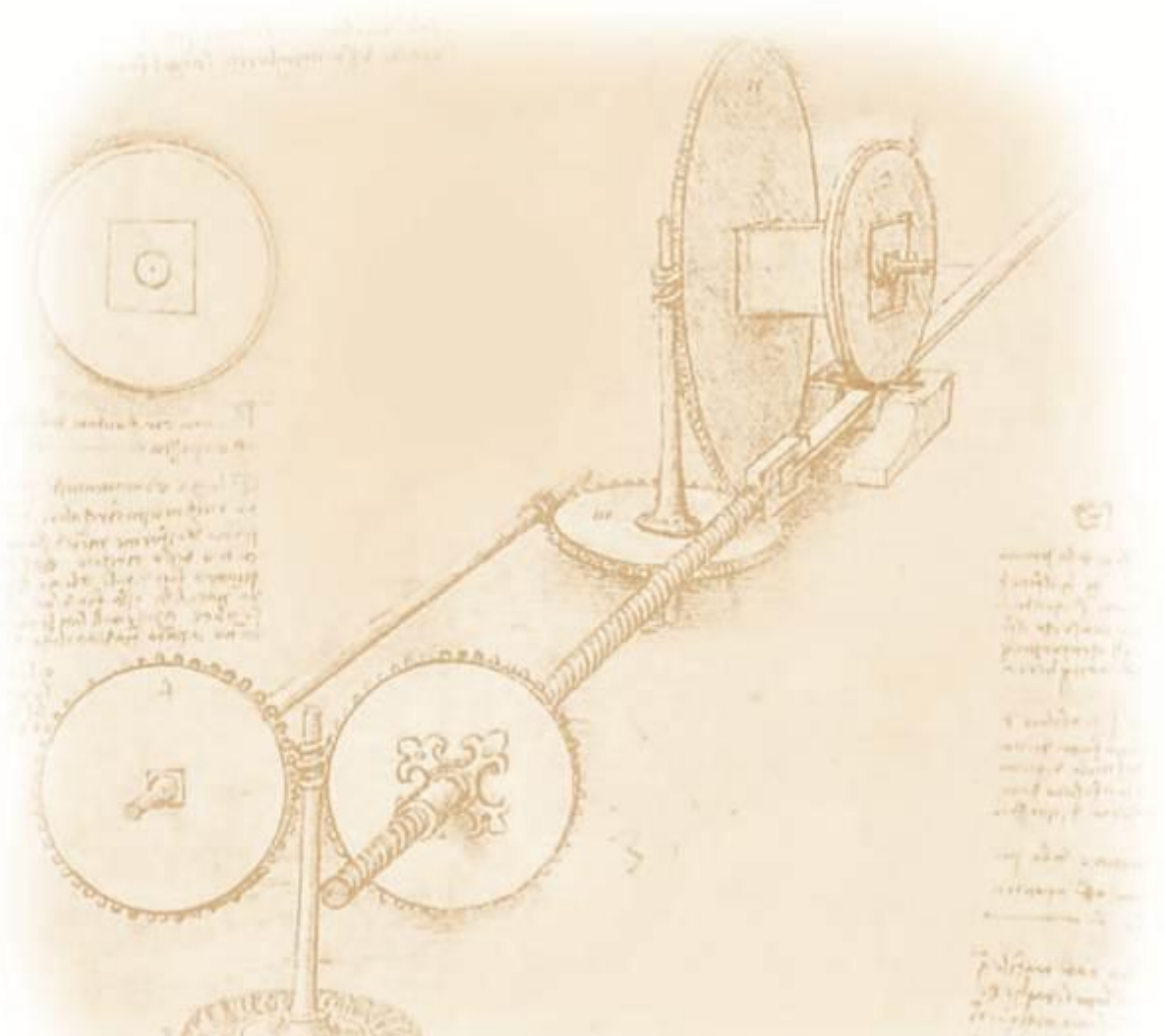
Exprivia assists its customers with solutions for the development and management of transversal and characteristic processes. In particular it proposes solutions aimed at ensuring an integrated management of administrative processes, efficient operating processes, the quality of customer services, process performance and compliance with service levels.

SOLUTIONS

Expri^{via} has always looked towards the future in a constant search for technologies that anticipate market trends so that customers can be provided with solutions and services that actually improve their business processes.

This strategic vision, together with the knowledge of specific market needs, the ability to manage complex projects and an internationally renowned research and development department, have made it possible to develop proprietary technological platforms and choose high quality third-party solutions, and in particular:

- Healthcare solutions
- Trading room solutions
- Credit & Risk Management solutions
- Mobile solutions
- IT infrastructure monitoring solutions
- SAP Suite solutions
- Security solutions
- Voice recognition solutions



SKILLS

Exprivia proposes a high-quality and competitive range of services to the market, with a market value that is expressed through the accurate planning of the right mix of professional profiles, technological skills and in-depth knowledge of the specific markets.

The quality and competitiveness of the service provided is guaranteed by an offer that focuses on **Competence Centres** specialised on specific topics (Murex, Tibco, SAP, Java, proprietary applications, etc.), to share personal experience and the experience gained in companies in order to always ensure that the most suitable knowledge and expertise are delivered to the customer.

By structuring and formalising the processes, the Competence Centres accumulate the knowledge needed to make application management, project development and training services efficient both on site and remotely, all the way to the full outsourcing.

In methodological terms the Competence Centre is a mix between the ITIL best practices and the methodology of analysis for Jacobson's BPR processes.

This service model proposed by Exprivia ensures a suitable governance of the activities relating to:

- SLA (Service Level Agreement) monitoring
- Business continuity
- Change management
- Capacity management

The Group relies on a team of experts with domain functional and technical skills specialised in the various technological aspects:

- Capital Market
- Credit & Risk Management
- SAP
- Social & WEB 2.0
- IT Governance & Infrastructure
- Business Analytics
- Business Process Management & Enterprise Application Integration
- Business Process Outsourcing

TREND OF EXPRIVIA GROUP RESULTS

The trend of **revenues per business area** in the first quarter of 2013 is substantially in line with the same period of 2012.

The details of the revenues concerning 31 March 2013, compared with the figures of the same period of 2012, broken down by business area are shown below (in K €).

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | Variations % |
|----------------------------------|---------------|---------------|--------------|
| Banks and Financial Institutions | 5,162 | 4,643 | 11% |
| Industry, Aerospace and Media | 4,335 | 4,548 | -5% |
| Energy and Telcom | 3,704 | 3,535 | 5% |
| Health and Healthcare | 5,639 | 7,083 | -20% |
| Utilities | 6,920 | 5,907 | 17% |
| Public Administration | 1,426 | 1,680 | -15% |
| International Business | 2,882 | 2,419 | 19% |
| Other | 293 | 537 | -45% |
| Total | 30,363 | 30,353 | 0.03% |

The details of the revenues concerning 31 March 2013, compared with the figures of the same period of 2012, broken down by type of business are shown below (in K €).

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | Variations |
|-------------------------------|---------------|---------------|--------------|
| Projects and Services | 25,036 | 26,697 | -6% |
| Maintenance | 3,946 | 2,191 | 80% |
| HW/ SW third parties | 577 | 730 | -21% |
| Own licences | 511 | 198 | 158% |
| Total | 30,363 | 30,353 | 0.03% |

The details of the revenues concerning 31 March 2013, compared with the figures as at 31 March 2012, broken down by private and public sector are shown below (in K €).

| Exprivia Group (value in K €) | 31.03.2013 | Effect % | 31.03.2012 | Effect% | Variations% |
|-------------------------------|---------------|----------|---------------|---------|--------------|
| PRIVATE | 23,232 | 76.5% | 21,352 | 70.3% | 8.8% |
| PUBLIC | 7,131 | 23.5% | 9,000 | 29.7% | -20.8% |
| TOTAL | 30,363 | | 30,353 | | 0.03% |

The details of the revenues concerning 31 March 2013, compared with the figures as at 31 March 2012, broken down by geographic area are shown below (in K €).

| Exprivia Group (value in K €) | 31.03.2013 | Effect % | 31.03.2012 | Effect % | Variations % |
|-------------------------------|---------------|----------|---------------|----------|--------------|
| ITALY | 27,102 | 89.3% | 27,756 | 91.4% | -2.4% |
| FOREIGN | 3,261 | 10.7% | 2,597 | 8.6% | 25.6% |
| TOTAL | 30,363 | | 30,353 | | 0.03% |

BANKS AND FINANCIAL INSTITUTIONS

In the first quarter of 2013, revenues for the **Banks and Finance** Business Line totalled Euro 5.2 million, compared to Euro 4.6 million reported in the same period of the previous year, up by 11%. These results are due a specialised offer in the Finance market (Capital Market applications) provided to leading financial institutions. The offer in the factoring sector was expanded with the contribution of Sis.Pa, a subsidiary of Exprivia S.p.A.. The credit, credit and risk management solutions also showed growth of approximately 10%, safeguarding the installed base.

Developing areas include multichannel banking and payment systems, which started operations with new banking customers.

Last but not least, the IT security/compliance sector managed significant projects in GRC (governance and risk management). Testing began in leading banks in one of Exprivia's primary skill areas (business intelligence), as well as in innovative projects and big data and analytics.

INDUSTRY, AEROSPACE AND MEDIA

Revenues YoY remained unchanged, despite a contracting market, the **Industry, Aerospace and Media** business line reported a 5% fall in the first quarter of 2013, from Euro 4.5 million (Q1 2012) to Euro 4.3 million (Q1 2013).

Specifically the drop is attributable to the defence market, while a growth was reported in industrial sectors where the Group's market shares increased, such as, for example, in the manufacturing, retail, fashion and chemical sectors.

The customer base was provided with design services, application management services and in-cloud services, as part of mature offers such as those relating to ERP, HCM and extended ERP processes, rather than relating to highly innovative issues.

Of great importance for growth prospects are the experiences acquired in the area of mobility and analytics. Investments made on the SA Hana platform have positioned us among the leaders on the Italian market. Positive results in terms of the offer were achieved in the development of web solutions and portals, bringing the efforts capitalised in our Research and Development laboratories to the market.

Value for our customers is represented by the services provided by our factories, spread throughout Italy, which enable us to combine quality and competitive prices, with a time-tested model for organising work.

ENERGY AND TELECOM

In the first quarter 2013, revenues for the **Energy and Telcom** Business Line totalled Euro 3.7 million, compared to Euro 3.5 million in the same period of the previous year, up by 5%. This result can be attributed to the share of revenues in professional services, from projects from customers and to the effort made in marketing the Exprivia's overall offer in segments with higher added value.

It is important to note that for our leading customer in the Energy sector, as well as for our presence in the traditional ERP segment, we developed analytics applications, portals and self service applications (web) designed to transform the user's internal and external relationship with the company. Another important area is IT security, which initiated projects and developed prospects in the Energy and Telecommunications sector.

In this latter sector, the focus of sales actions on global offer partnerships (ERP, BI, Security, etc.) is increasing the development of the market, and taking the form of new projects, both immediate and in the medium-term 2013 -2014.

HEALTH AND HEALTHCARE

Revenues in the **Health and Healthcare** Business Line amounted to Euro 5.6 million in the first quarter of 2013, down by 20% compared to revenues reported in Q1 2012. This is mainly due to the expiration of two important agreements in the **Region and Territory** sector, expressed by the company Svmservice. Revenues in this sector totalled over Euro 3.2 million. Revenues in the **Medical and Hospital** sector amounted to over Euro 1.8 million, substantially in line with the first quarter of 2012. Revenues of projects acquired during 2012 and the Company is completing the investments in the key application area, i.e. imaging area and new integrated solution e4cure.

Lastly, as regards the **Voice Recognition** sector, expressed by the GST company, revenues reported the excellent result of Euro 0.5 million, up by over 170% compared to the corresponding period of 2012.

UTILITIES

The **Utilities** Business Line recorded revenues of Euro 6.9 million in the first quarter of 2013, an increase of around 17% compared to the same period of 2012.

The positive result was reported above all in the Business Process Outsourcing area, which recorded the highest revenues in this quarter.

The Business Line confirms the positive trend also thanks to the awarding of core services for leading customers.

Exprivia continues to exploit the growing trend in progress of major energy players to increasingly outsource internal administrative processes, thereby turning the customer-supplier relationship into a logic of partnership. Internationalisation in the sector of Utilities plays an important role and is a great opportunity for Exprivia, as long as the company will be able to act as a global partner.

PUBLIC ADMINISTRATION

During the quarter, the **Public Administration** Business Line recorded revenues of Euro 1.4 million, an increase of 15% compared to the same period of 2012. This result is due to the postponement of some items from the first quarter to the subsequent quarters. It is worth noting the remarkable improvement of margins compared to the same period of the previous year, due to a streamlining of costs and delivery modes. The positive revenues should be considered significant, as they were achieved in a period where the tightening of expenditure reduction policies has led public bodies to reduce their ICT investments.

In the breakdown of revenues, there is an extremely high percentage in the “services” segment, to the detriment of sales of user licences. These “services” relate to proprietary software installed at customers’ premises and system integration and application management activities.

In 2013, Exprivia will be involved in various important tenders: some for the renewal of existing contracts and other regarding new prospects. On the Local Public Administration market, the new version of the accounting product will be presented, which will take account of the regulations on the “Harmonisation of Accounting Systems” in Public Administration.

INTERNATIONAL BUSINESS

International development in 2013 was concentrated in consolidating the presence in the Spanish market and in developing the Latin America and Brazil market.

In Spain, where the Exprivia Group is present through two subsidiaries, the characteristic product range based on ERP applications and SAP services for industry and distribution, with Business Intelligence solutions for the Healthcare sector, and web services (marketing and online sales) for Banks and large distribution companies, has been expanded.

In Mexico, where the Exprivia Group operates directly through **Prosap Mexico**, an important project is being completed. Its purpose is to update the ERP SAP-based management information system of an important infrastructure building company. Prosap Mexico is a Gold Partner of SAP.

Activities continue for **Prosap Guatemala**, which operates also in other Central America countries, and **Prosap Perú**, start-up focused on the industry sector and public administration, and is a partner of SAP Andina.

In Brazil, activities to expand the business of **Exprivia do Brasil Serviços de Informatica Ltda** into the IT Security sector is continuing, and targeted measures having the goal of carrying the offer of solutions and services into the medical sector and the ERP SAP products in the forthcoming months have been defined.

SIGNIFICANT EVENTS OF THE FIRST QUARTER OF 2013

COMPANY EVENTS

The Exprivia Board of Directors meeting of 12 March 2013 co-opted Prof. Vito Albino as a third Independent Director, bringing the number of members of the Board of Directors to ten.

On 12 March 2013, the Board of Directors of Exprivia SpA assigned the non executive director Ms. Valeria Savelli the position of head of Internal Audit

EVENTS AFTER 31 MARCH 2013

COMPANY EVENTS

On 18 April 2013, the shareholders' meeting of Exprivia SpA met on first call to approve the financial statements as at 31 December 2012.

The Corporate Governance and Ownership Report and the Remuneration Report for Directors and Management with strategic responsibility of the Exprivia Group were approved during the same shareholders' meeting. Both reports are published on the company's website in the "Investor Relations - Corporate Governance - Corporate Information" section.

The shareholders' meeting also confirmed the appointment of Prof. Vito Albino as Independent Director.

Lastly, the shareholders' meeting withdrew a new authorisation to purchase and dispose of treasury shares, pursuant to articles 2357 and 2357-ter of the Italian Civil Code.

ACQUISITIONS/SALES IN THE EXPRIVIA GROUP

On 10 April 2013, the shareholders' meeting of Exprivia do Brasil Serviços de Informatica Ltda approved the capital increase by Exprivia SpA for an amount of Euro 510,000.00 and by Simest SpA for an amount of Euro 490,000.00. Both payments are made by 31 March 2013. By virtue of this increase, the company is now owned as follows: Exprivia SpA: 53.680 % , Simest SpA: 46.145 % and Christian Roberto Maggioni 0.175 %.

On 23 April 2013, the Company made a payment of Euro 194,046.00 to cover losses and maintain a minimum share capital of the company Datilog S.r.l., as provided for by law. By reason of the fact that the minority interest did not take part in this transaction, Exprivia SpA became sole shareholder of Datilog S.r.l..

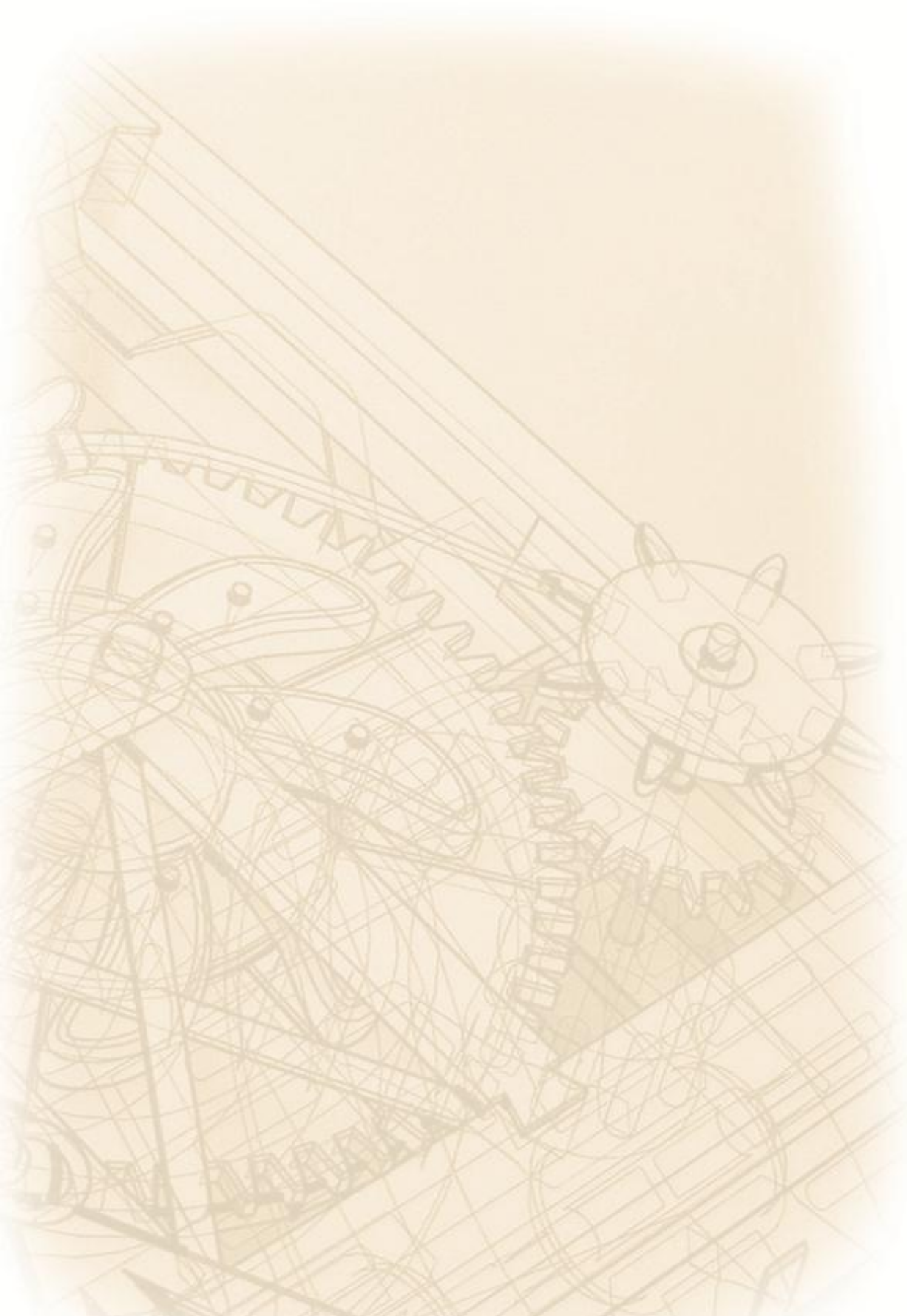
On 30 April 2013, the sale agreement was concluded with the shareholder G&K for the sale of Realtech Italia SpA's shares to Exprivia SpA, which became the sole shareholder, against a payment of Euro 600,000.00, which will be paid during the following 12 months.

On 3 May 2013, the sales agreement was concluded by Exprivia SpA for the sale of TraxAll Srl's shares owned by the company to the majority interest UVET SpA.

The project for merger by incorporation of Exprivia Solutions SpA and Infaber Srl into Exprivia SpA, after the approval of the corresponding administration bodies, was lodged at the Company's Register of Bari and Rome. The 30-day term within which the related resolutions should be completed started on 7 May, day of registration at the Company's Register.

On 8 May 2013, the extraordinary shareholders' meetings of the subsidiaries Exprivia Solutions SpA, Exprivia Projects SpA, Svmservice SpA and Wel.Network SpA were held to approve the change of the

juridical form from joint stock companies into private limited companies, with the possible appointment of one single supervisory body as an alternative to the board of statutory auditors. One single Auditor for each of the 4 companies, to replace the existing Boards of Statutory Auditors, was appointed in the same meetings.



STAFF AND TURNOVER

| Company | Employees 31.12.2012 | Employees 31.03.2013 | Temporary Workers 31.12.2012 | Temporary Workers 31.3.2013 |
|---|-------------------------|-------------------------|---------------------------------|--------------------------------|
| Exprivia SpA | 750 | 737 | 70 | 68 |
| Wel.Network SpA | 104 | 101 | 2 | 1 |
| Svimservice SpA | 266 | 262 | | |
| Exprivia Solutions SpA | 108 | 106 | 9 | 7 |
| Exprivia SL (Spain) | 14 | 13 | | |
| Exprivia Projects SpA | 287 | 357 | | |
| GST Srl | 11 | 10 | | |
| Realtech Italia Spa | 138 | 120 | 4 | 2 |
| Datilog Srl | 4 | 3 | 1 | |
| Prosap (Group) SL | 145 | 147 | | |
| InFaber Srl | 21 | 21 | | |
| Sispa Spa | 56 | 56 | 1 | 1 |
| Spegea S.c. a r.l. | 9 | 9 | 2 | 1 |
| Exprivia do Brasil Serviços de Informática Ltda | 10 | 10 | 5 | 5 |
| Totale | 1923 | 1952 | 94 | 85 |
| <i>of which Management</i> | 34 | 34 | | |
| <i>of which Middle Management</i> | 187 | 188 | | |

As at 31 March 2013, there were 410 people working part-time (around 21% of the total) in various configurations of contractual working hours.

INTER-COMPANY RELATIONS

The organisational structure of the Exprivia Group functionally integrates all staff services of the Group subsidiaries within the consolidation area, thereby optimising the operational structures of each company to ensure effectiveness and efficiency in supporting the business of the Group.

On 1 January 2013, a new top level organisational structure of the Exprivia Group became operational, which made changes to the organisational structure implemented on 1 June 2012.

The Administration, Finance and Control Department aggregates the Group Finance function with the Administration and Control functions, reporting to the Chairman of the Exprivia Group.

The Human Resources Department reports directly to the Chairman of the Exprivia Group, who is the head of the department ad interim.

The Internal Audit, Mergers & Acquisitions, Corporate Affairs and International Business Departments, as well as the CEO/Chief Executive Officer, also report to the Chairman.

The operational structure under the CEO/Chief Executive Officer is based on the "Matrix Model" and it is organised into:

- **2 Commercial Divisions**, with market development functions: the Private Market Division, divided into Industry – Banking and Insurance – Oil, Telecom & Media, and the Public Markets Division, divided into CPA & RPA – Utilities & Public Services – Healthcare. These Divisions are in charge of developing their specific markets to achieve the revenue/profit targets and, in synergy with the production and delivery divisions, identifying area for improvement/expansion of the offer of products and solutions.
- **8 Production and Delivery Departments**, specialised according to technology and type of services, which supplement and oversee all the expertise and skills provided by the companies in the Group. Each Department is fully responsible for the profit & loss of the business achieved transversally across the various markets.
- **3 Functional Staff Units** that operate transversally to support the Divisions and Departments at Group level. These are: Marketing & Communication, Corporate IT System and Quality and Legal Office.

The Group companies constantly collaborate with each other for commercial, technological and application development. In particular the following should be pointed out:

- Widespread use of specific corporate marketing and communication skills within the Group including the production of paper, digital and web-based promotional material;
- Centralised management for the supply of specialist technical resources between Group companies to manage critical points in turnover and to give all operational units access to highly specialised technical skills;
- Coordinated participation by Exprivia in public contract tenders with the contribution of all companies according to their specific skills.

The table below shows the financial receivables due from subsidiaries of Exprivia, not included in the consolidation area.

| Description | 31.03.2013 | 31.12.2012 | Variation |
|---------------------|---------------|---------------|-----------|
| Farm Srl winding up | 20,388 | 20,388 | - |
| TOTAL | 20,388 | 20,388 | - |

RELATIONS WITH AFFILIATES AND ASSOCIATED COMPANIES

In compliance with applicable legislative and regulatory provisions, and in particular with:

(i) the new "Regulations on transactions with affiliated parties – CONSOB resolution no. 17221 of 12 March 2010" as amended by resolution no. 17389 of 23 June 2010; (ii) the outcome of the subsequent "consultation" published by CONSOB on 24 September 2010; (iii) the CONSOB notice on guidelines for applying the regulations published on 24 September 2010; (iv) CONSOB notice no. 10094530 of 15 November 2010 with additional clarifications;

On 27 November 2010 the Board of Directors of the Company adopted a new Procedure for Transactions with Affiliates, setting forth provisions concerning transactions with affiliates in order to ensure transparent and correct operations with affiliates in substance and procedure carried out directly or through companies that are directly and/or indirectly controlled by Exprivia ("Exprivia Group").

This new procedure replaced the one previously in force, which had been introduced on 26 March 2007.

Transactions with affiliates are part of normal business management and are carried out under normal market terms.

During the first quarter of 2013, no relevant transactions were carried out pursuant to the procedure of transactions with affiliates.

On 23 April 2013, Exprivia SpA made a transaction with an affiliate of minor importance by granting an interest-bearing loan of Euro 400,000.00 to its subsidiary Abaco Innovazione SpA. This loan is subjected to an interest rate equal to 3-month Euribor, + 5 percentage points, to be repaid in two half-year instalments of the same amount. The first instalment shall be paid after 12 months from the supply of the loan and the second instalment after 18 months, less one day. The loan is secured by a commitment to sell Exprivia shares of equivalent value in the event the loan is not repaid on maturity. This transaction was previously evaluated and approved by the Risk and Control Committee.

The procedure for performing inter-company transactions and transactions with associated companies is published on the company website in the section "Investor Relations – Corporate Governance – Corporate Information".

The table below shows economic and equity relations, both commercial and financial, between the companies of the Exprivia Group and associated companies as at 31 March 2013.

RECEIVABLES FROM AFFILIATES AND ASSOCIATED COMPANIES

| Description | 31.03.2013 | 31.12.2012 | Variation |
|-----------------|----------------|----------------|---------------|
| Pervoice S.p.A. | 249 | | 249 |
| Traxall Srl | 178,052 | 125,345 | 52,707 |
| TOTAL | 178,301 | 125,345 | 52,956 |

PAYABLES TO AFFILIATES AND ASSOCIATED COMPANIES

| Description | 31.03.2013 | 31.12.2012 | Variation |
|-----------------|---------------|---------------|--------------|
| Pervoice S.p.A. | 36,246 | 34,390 | 1,856 |
| Traxall Srl | 38,115 | 38,115 | - |
| TOTAL | 74,361 | 72,505 | 1,856 |

COSTS WITH AFFILIATES AND ASSOCIATED COMPANIES

| Description | 31.03.2013 | 31.12.2012 | Variation |
|--------------|--------------|------------|--------------|
| Pervoice SpA | 7,500 | | 7,500 |
| TOTAL | 7,500 | | 7,500 |

REVENUES FROM AFFILIATES AND ASSOCIATED COMPANIES

| Description | 31.03.2013 | 31.12.2012 | Variation |
|--------------|---------------|------------|---------------|
| Traxall Srl | 31,224 | | 31,224 |
| Pervoice SpA | 186 | | 186.00 |
| TOTAL | 31,410 | | 31,410 |

GROUP RELATIONS WITH PARENT COMPANIES

The tables below show relations between the Exprivia Group and the parent company Abaco Innovazione SpA as at 31 March 2013, compared with 31 December 2012 for the equity data and with the same period of the previous year for economic data.

RECEIVABLES

| Description | 31.03.2013 | 31.12.2012 | Variation |
|---------------------------|------------------|------------------|--------------|
| Exprivia S.p.A. | 439,975 | 437,446 | 2,529 |
| Exprivia Solutions S.p.A. | 614,487 | 611,901 | 2,586 |
| TOTAL | 1,054,462 | 1,049,347 | 5,115 |

It is worth noting that receivables, in the amount of Euro 814,487 are of the financial, interest-bearing type.

REVENUES AND INCOME

| Description | 31.03.2013 | 31.12.2012 | Variation |
|---------------------------|--------------|--------------|----------------|
| Exprivia S.p.A. | | 1,250 | (1,250) |
| Exprivia Solutions S.p.A. | 3,435 | 3,847 | (412) |
| TOTAL | 3,435 | 5,097 | (1,662) |

BUSINESS OUTLOOK

In a context where, according to the preliminary estimates of the Assinform report on 2013, traditional IT and the service area in particular will collapse (-5.8% YoY), the performance of the Exprivia Group reported in the first quarter of 2013 go against the market trend and is an evidence of the efficiency of the measures defined for the Group management in 2013:

- streamlining the company and governance of the Group;
- rationalising and optimising operating costs;
- reinforcing the Group's international operations; (commercial and geographical)

these are key factors on which the Group management will focus during the year.

Quarterly Consolidated Financial Statements of the Exprivia Group



Consolidated Balance Sheet

| (million euro) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|--------------------|--------------------|--------------------|
| Land and buildings | 6,421,479 | 6,446,830 | 6,469,466 |
| Work in progress and advances | 1,644,822 | 273,969 | 898,331 |
| Other assets | 4,007,223 | 4,201,449 | 4,353,117 |
| Property, plant and machinery | 12,073,524 | 10,922,248 | 11,720,914 |
| Goodwill | 29,417,045 | 29,446,488 | 29,424,407 |
| Consolidation difference | 39,617,327 | 39,729,657 | 39,645,410 |
| Goodwill and other assets with an indefinite useful life | 69,034,372 | 69,176,145 | 69,069,817 |
| Intangible assets | 1,377,822 | 1,367,833 | 1,440,500 |
| Research and development costs | 2,939,036 | 3,136,127 | 2,956,859 |
| Work in progress and advances | 748,926 | 368,720 | 680,446 |
| Other Intangible Assets | 5,065,784 | 4,872,680 | 5,077,805 |
| Investments in subsidiaries | | 51,646 | |
| Investments in associates | 175,188 | 249,224 | 218,599 |
| Investments in other companies | 903,335 | 1,621,335 | 903,335 |
| Equity investments | 1,078,523 | 1,922,205 | 1,121,934 |
| Receivables from associates | 20,388 | 22,488 | 20,388 |
| Other receivables | 1,983,282 | 262,439 | 1,977,936 |
| Other financial assets | 2,003,670 | 284,927 | 1,998,324 |
| Tax advances/deferred taxes | 1,320,299 | 1,078,129 | 1,336,189 |
| Deferred tax assets | 1,320,299 | 1,078,129 | 1,336,189 |
| NON-CURRENT ASSETS | 90,576,172 | 88,256,333 | 90,324,982 |
| Trade receivables | 58,874,634 | 62,691,859 | 62,615,049 |
| Receivables from associates | 178,301 | 13,620 | 125,345 |
| Receivables from parent companies | 1,054,462 | 835,111 | 1,049,347 |
| Other receivables | 13,336,832 | 14,389,550 | 11,610,375 |
| Tax receivables | 1,368,179 | 1,973,792 | 1,503,321 |
| Trade receivables and other | 74,812,408 | 79,903,932 | 76,903,437 |
| Inventories | 280,888 | 171,462 | 171,054 |
| Inventories | 280,888 | 171,462 | 171,054 |
| Work in progress contracts | 16,368,394 | 27,256,426 | 14,377,957 |
| Work in progress contracts | 16,368,394 | 27,256,426 | 14,377,957 |
| Held at bank | 7,991,585 | 6,232,145 | 5,310,083 |
| Cheques and cash in hand | 29,340 | 26,335 | 33,252 |
| Cash at bank and on hand | 8,020,925 | 6,258,480 | 5,343,335 |
| CURRENT ASSETS | 99,482,615 | 113,590,300 | 96,795,783 |
| ASSETS | 190,058,787 | 201,846,633 | 187,120,765 |

| (million euro) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|-------------------------------------|-------------------|-------------------|-------------------|
| Share Capital | 26,979,658 | 26,979,658 | 26,979,658 |
| Share capital | 26,979,658 | 26,979,658 | 26,979,658 |
| Treasury shares | (514,450) | (82,585) | (494,012) |
| Treasury shares | (514,450) | (82,585) | (494,012) |
| Share premium | 18,081,738 | 18,081,738 | 18,081,738 |
| Share Premium Reserve | 18,081,738 | 18,081,738 | 18,081,738 |
| Revaluation reserve | 2,907,138 | 2,907,138 | 2,907,138 |
| Revaluation reserve | 2,907,138 | 2,907,138 | 2,907,138 |
| Legal reserve | 3,182,603 | 3,021,831 | 3,182,603 |
| Other reserves | 9,395,117 | 7,969,938 | 9,399,821 |
| Other reserves | 12,577,720 | 10,991,769 | 12,582,424 |
| Retained earning/loss | 9,189,764 | 9,665,701 | 6,199,449 |
| Profits/Losses for previous periods | 9,189,764 | 9,665,701 | 6,199,449 |
| Profit/Loss for the period | 67,016 | (1,604,267) | 2,424,481 |
| SHAREHOLDERS' EQUITY | 69,288,584 | 66,939,152 | 68,680,875 |
| Minority interest | 2,052,130 | 1,199,045 | 1,500,272 |
| GROUP SHAREHOLDERS' EQUITY | 67,236,454 | 65,740,107 | 67,180,603 |

| (million euro) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|--|--------------------|--------------------|--------------------|
| Non-current bank debt | 8,477,083 | 13,146,108 | 9,551,977 |
| Non-current bank debt | 8,477,083 | 13,146,108 | 9,551,977 |
| Trade payables after the financial year | 674,235 | 485,610 | 697,665 |
| Payables to other lenders | | 359,894 | |
| Payables for equity investments | 1,740,396 | 1,957,996 | 1,740,396 |
| Tax liabilities and amounts for social security payable after the financial year | 164,569 | 262,105 | 191,085 |
| Other financial liabilities | 2,579,200 | 3,065,605 | 2,629,146 |
| Other provisions | 1,527,921 | 1,629,747 | 1,612,698 |
| Provision for risks and charges | 1,527,921 | 1,629,747 | 1,612,698 |
| Employee severance indemnities | 8,539,635 | 8,624,760 | 8,699,275 |
| Employee provisions | 8,539,635 | 8,624,760 | 8,699,275 |
| Provisions for deferred taxes | 1,295,893 | 1,317,155 | 1,295,785 |
| Deferred tax liabilities | 1,295,893 | 1,317,155 | 1,295,785 |
| TOTAL NON-CURRENT LIABILITIES | 22,419,732 | 27,783,375 | 23,788,881 |
| Current bank debt | 41,682,201 | 42,204,393 | 39,824,155 |
| Current bank debt | 41,682,201 | 42,204,393 | 39,824,155 |
| Trade payables | 18,506,114 | 19,315,483 | 18,260,095 |
| Trade payables | 18,506,114 | 19,315,483 | 18,260,095 |
| Advances | 2,863,831 | 5,466,216 | 3,065,134 |
| Advances payment on work in progress contracts | 2,863,831 | 5,466,216 | 3,065,134 |
| Payables to associated companies | 74,361 | 11,830 | 72,505 |
| Other payables | 2,641,280 | 8,748,297 | 2,761,627 |
| Other financial liabilities | 2,715,641 | 8,760,127 | 2,834,132 |
| Tax liabilities | 10,750,826 | 8,347,121 | 11,703,372 |
| Tax liabilities | 10,750,826 | 8,347,121 | 11,703,372 |
| Amounts payable to pension and social security institutions | 3,524,854 | 3,488,439 | 4,735,262 |
| Other payables | 18,307,004 | 19,542,327 | 14,228,859 |
| Other current liabilities | 21,831,858 | 23,030,766 | 18,964,121 |
| CURRENT LIABILITIES | 98,350,471 | 107,124,106 | 94,651,009 |
| LIABILITIES | 190,058,787 | 201,846,633 | 187,120,765 |

Consolidated Income Statement

| (million euro) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|--|-------------------|-------------------|--------------------|
| Revenue from sales and services | 28,383,412 | 31,387,650 | 137,421,919 |
| Revenues | 28,383,412 | 31,387,650 | 137,421,919 |
| Other revenues and income | 205,517 | 44,195 | 508,108 |
| Grants related to income | 203,653 | 206,565 | 1,124,257 |
| Other income | 409,170 | 250,760 | 1,632,365 |
| Changes in inventories of work in progress | 95,609 | 34,527 | 42,204 |
| Changes in work in progress contracts | 1,883,032 | (1,069,369) | (8,477,530) |
| Increase in capitalised expenses for intenal projects | 350,265 | 411,635 | 1,869,045 |
| Changes in inventories of finished goods and work in progress | 2,328,906 | (623,207) | (6,566,281) |
| PRODUCTION REVENUES | 31,121,488 | 31,015,203 | 132,488,003 |
| Costs of raw, subsid. & consumable mat. and goods | 1,607,520 | 1,143,130 | 7,429,209 |
| Raw materials and consumables used | 1,607,520 | 1,143,130 | 7,429,209 |
| Salaries | 15,597,159 | 15,907,387 | 61,335,697 |
| Social security charges | 4,291,631 | 4,310,611 | 16,718,142 |
| Employee severance indemnities | 873,470 | 933,074 | 4,012,832 |
| Other staff costs | 268,427 | 305,686 | 1,123,978 |
| Costs related to employee benefits | 21,030,687 | 21,456,758 | 83,190,649 |
| Other costs for services | 4,397,332 | 5,824,381 | 22,664,387 |
| Costs for leased assets | 1,269,012 | 1,215,617 | 4,931,809 |
| Sundry operating expenses | 305,526 | 335,550 | 1,606,243 |
| Provisions | 31,717 | 119,880 | 255,780 |
| Other costs | 6,003,587 | 7,495,428 | 29,458,219 |
| TOTAL PRODUCTION COSTS | 28,641,794 | 30,095,316 | 120,078,077 |
| DIFFERENCE BETWEEN PRODUCTION COSTS AND REVENUES | 2,479,694 | 919,887 | 12,409,926 |

| (million euro) | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|------------------|--------------------|------------------|
| Ordinary amortisement of intangible assets | 409,448 | 417,193 | 2,068,899 |
| Ordinary depreciation of tangible assets | 429,373 | 213,855 | 1,272,782 |
| Othe write-downs | 56,494 | 28,083 | 897,406 |
| Doubtful receivables included in current assets | 15,700 | 576,492 | 928,749 |
| Amortisation, depreciation and write-downs | 911,015 | 1,235,623 | 5,167,836 |
| OPERATIVE RESULT | 1,568,680 | (315,736) | 7,242,091 |
| Income from parents companies | (3,435) | (3,847) | (13,245) |
| Income from other investments | (46) | (401) | (39) |
| Other income other than the above | (10,803) | (16,747) | (71,580) |
| Interest and other financial charges | 734,007 | 733,449 | 3,025,454 |
| Profit and loss on currency exchange | (77,576) | (27,677) | 77,639 |
| Financial income and charges | 642,147 | 684,777 | 3,018,229 |
| PRE-TAX RESULT | 926,533 | (1,000,513) | 4,223,862 |
| IRES | 213,549 | (9,508) | 1,746,354 |
| IRAP | 634,979 | 615,246 | 2,605,956 |
| Taxes previous years | 13,817 | | (2,533,326) |
| Deferred taxes | 109 | 109 | (33,812) |
| Tax paid in advance | (2,937) | (2,093) | 14,209 |
| Income tax | 859,517 | 603,754 | 1,799,381 |
| PROFIT OR LOSS FOR THE PERIOD | 67,016 | (1,604,267) | 2,424,481 |
| Attributable to: | | | |
| Shareholders of holding company | 34,311 | (1,465,042) | 2,151,958 |
| Minority interest | 32,704 | (139,224) | 272,523 |

Statement of Comprehensive Income (*)

| Description | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|---------------|--------------------|------------------|
| Profit for the period | 67,016 | (1,604,267) | 2,424,481 |
| Net income (loss) from sale of own shares | | | (45,788) |
| Net income / (expense) for the period recognized in equity | - | - | (45,788) |
| TOTALE COMPREHENSIVE INCOME | 67,016 | (1,604,267) | 2,378,693 |
| <i>attributable to:</i> | | | |
| Group | 34,311 | (1,465,043) | 2,106,170 |
| Minority interest | 32,704 | (139,224) | 272,523 |

(*) It should be noted that accounting standard IAS 1, paragraph 81, in force since 1 January 2009, prescribes that the Statement of Comprehensive Income should be presented as one of the following:

- a single summary of the income statement
- a separate statement of comprehensive income

The presentation of a separate statement of comprehensive income was considered preferable.

Statement of Changes in Consolidated Shareholders' Equity

| Operations | Company Capital | Own shares | Share Premium Fund | Reval. Reserve | Other Reserves | Profits (Losses) brought forward | Profit (Loss) for the period | Minority Interests | Minority Interests | Total Net Worth | Total Group Net Worth |
|---|-----------------|------------|--------------------|----------------|----------------|----------------------------------|------------------------------|--------------------|--------------------|-----------------|-----------------------|
| Balance at 31.12.2010 | 26,979,658 | - | 18,081,738 | 2,907,138 | 7,478,094 | 6,243,417 | 4,929,299 | 829,160 | 4,590,447 | 66,619,344 | 65,790,184 |
| Reclassification previous year's profit to previous year's profit | | | | | | 4,929,299 | (4,929,299) | | | - | |
| Destination of the period result | | | | | 5,308,350 | (5,308,350) | | | | - | |
| Dividend distribution | | | | | (2,075,358) | | | | | (2,075,358) | |
| Stock Option | | | | | 297,742 | | | | | 297,742 | |
| Purchase of own shares | | (46,508) | | | (10,007) | | | | | (56,515) | |
| Changes in consolidated companies | | | | | | 540,959 | | | | 540,959 | |
| Profit (loss) of the period | | | | | | | 3,206,289 | 462,694 | 3,206,289 | 3,206,289 | |
| Balance at 31.12.2011 | 26,979,658 | (46,508) | 18,081,738 | 2,907,138 | 10,998,820 | 6,405,325 | 3,206,289 | 1,291,854 | 3,206,289 | 68,532,460 | 67,240,606 |
| Reclassification previous year's profit to previous year's profit | | | | | 1,607,041 | 1,599,248 | (3,206,289) | | | - | |
| Dividend distribution | | | | | | (1,603,295) | | | | (1,603,295) | |
| Purchase of own shares | | (530,471) | | | (54,766) | | | | | (585,237) | |
| Sale of own shares | | 82,967 | | | 77,116 | | | | | 160,083 | |
| Changes in consolidated companies | | | | | | (201,829) | | | | (201,829) | |
| Profit (loss) of the period | | | | | | | 2,424,481 | 208,418 | 2,424,481 | 2,424,481 | |
| Net income / (expense) for the period recognized in equity | | | | | - | | | | (45,788) | (45,788) | |
| Balance at 31.12.2012 | 26,979,658 | (494,012) | 18,081,738 | 2,907,138 | 12,628,211 | 6,199,449 | 2,424,481 | 1,500,272 | 2,378,693 | 68,680,875 | 67,180,603 |
| Reclassification previous year's profit to previous year's profit | | | | | | 2,424,481 | (2,424,481) | | | - | |
| Purchase of own shares | | (20,438) | | | (4,703) | | | | | (25,141) | |
| Changes in consolidated companies | | | | | | 565,834 | | | | 565,834 | |
| Profit (loss) of the period | | | | | | | 67,016 | 551,858 | 67,016 | 67,016 | |
| Net income / (expense) for the period recognized in equity | | | | | - | | | | - | - | |
| Balance at 31.03.2013 | 26,979,658 | (514,450) | 18,081,738 | 2,907,138 | 12,623,508 | 9,189,764 | 67,016 | 2,052,130 | 67,016 | 69,288,584 | 67,236,454 |

Consolidated Cash Flow Statement

| | 31.03.2013 | 31.03.2012 | 31.12.2012 |
|---|--------------------|--------------------|--------------------|
| Operating activities: | | | |
| Profit (loss) | 67,016 | (1,604,267) | 2,424,481 |
| Amortisation, depletion and depreciation of assets | 838,821 | 631,048 | 3,341,681 |
| Provision for Severance Pay Fund | 873,470 | 933,074 | 4,012,832 |
| Advances/Payments Severance Pay | (1,033,110) | (940,667) | (3,945,910) |
| Cash flow arising from operating activities | 746,197 | (980,812) | 5,833,084 |
| Increase/Decrease in net working capital: | | | |
| Variation in stock and payments on account | (2,301,574) | 1,493,938 | 12,775,740 |
| Variation in receivables to customers | 3,740,415 | (4,540,849) | (4,464,039) |
| Variation in receivables to parent/subsidiary/associated company | (58,071) - | 18,854.00 | (344,815) |
| Variation in other accounts receivable | (1,591,315) | (1,461,677) | 1,787,969 |
| Variation in payables to suppliers | 246,019 | (285,811) | (1,310,201) |
| Variation in payables to parent/subsidiary/associated company | 1,856 | 1,889 | 62,564 |
| Variation in tax and social security liabilities | (2,162,954) | (339,559) | 4,263,515 |
| Variation in other accounts payable | 3,957,798 | 2,650,589 | (9,445,520) |
| Cash flow arising (used) from current assets and liabilities | 1,832,174 | (2,500,334) | 3,325,213 |
| Cash flow arising (used) from current activities | 2,578,371 | (3,481,146) | 9,158,297 |
| Investment activities: | | | |
| Variation in tangible assets | (781,983) | (264,105) | (2,121,698) |
| Variation in intangible assets | (361,982) | (916,497) | (2,667,000) |
| Variation in financial assets | 53,955 | (87,261) | (1,258,447) |
| Cash flow arising (used) from investment activities | (1,090,011) | (1,267,863) | (6,047,144) |
| Financial activities: | | | |
| Changes in financial assets not held as fixed assets | (134,615) | | (513,913) |
| Variation in other reserves | 540,693 | 10,959 | (2,276,065) |
| Cash flow arising (used) from financial activities | 406,078 | 10,959 | (2,789,979) |
| Increase (decrease) in cash | 1,894,438 | (4,738,050) | 321,174 |
| Banks and cash profits at start of year | 5,343,335 | 7,473,881 | 7,473,881 |
| Banks and cash losses at start of year | (49,376,132) | (51,827,852) | (51,827,852) |
| Banks and cash profits at end of period | 8,020,925 | 6,258,480 | 5,343,335 |
| Banks and cash losses at end of period | (50,159,284) | (55,350,501) | (49,376,132) |
| Increase (decrease) in liquidity | 1,894,438 | (4,738,050) | 321,174 |

EXPLANATORY NOTES TO EXPRIVIA GROUP FINANCIAL STATEMENTS

DECLARATION OF COMPLIANCE WITH IFRS

The quarterly report as at 31 March 2013 of the Exprivia Group was prepared in accordance with International Financial Reporting Standards approved by the European Commission (hereafter IAS/IFRS individually or IFRS as a whole).

- The form and content of this quarterly report as at 31 March 2013 conform to the information set out by IAS 34 "Interim Financial Statements", in compliance with art. 154-ter of Legislative Decree 58/1998 of the Consolidated Finance Act (TUF) as amended.
- The financial statements were drawn up in accordance with IAS 1 while the notes were prepared in an abbreviated form, applying the right set out by IAS 34, and consequently do not include all the information required for an annual report drawn up in accordance with IFRS.

Consolidation Area

The consolidated financial statements as at 31 March 2013 include the equity, economic and financial situations of the Holding Company Exprivia S.p.A. and subsidiaries, and is not subject to changes with respect to 31 December 2012.

The table below shows the companies under consolidation:

| Company | Area |
|---------------------------|---|
| Consorzio Exprivia | Energy and Telecom |
| Datilog S.r.l. | Industry, Aerospace and Media |
| Exprivia Projects S.p.A. | Utilities |
| Exprivia Do Brasil | International Business |
| Exprivia SL | International Business |
| Exprivia Solutions S.p.A. | Industry, Aerospace and Media |
| GST S.r.l. | Healthcare |
| Infaber Srl | Industry, Aerospace and Media |
| ProSap | International Business |
| Realtech S.p.A. | Industry, Aerospace and Media/Public Administration/Utilities/ Banks and Finance/ Energy and Telecom/Healthcare |
| SiSpa Srl | Banks and Finance |
| Spegea Scarl | Other |
| Svimservice S.p.A. | Healthcare/ Public Administrations |
| Wel.Network S.p.A. | Industry, Aerospace and Media/Energy and Telco |

The table below provides the main data on the aforementioned subsidiaries consolidated using the line-by-line method.

| Company | H.O. | Company capital | Results for period | Net worth | Value of production | Total Assets | % of holding |
|----------------------------------|---|-----------------|--------------------|-----------|---------------------|--------------|--------------|
| Consorzio Exprivia S.c.a.r.l | Milano | 20,000 | (310) | 19,329 | | 20,000 | 100.00% |
| Datilog Srl | Cinisello Balsamo (MI) | 10,400 | (16,927) | (200,973) | 91,880 | 370,362 | 76.00% |
| Exprivia SL | Madrid (Spagna) | 8,250 | 54,216 | 757,210 | 503,186 | 1,591,501 | 60.00% |
| Exprivia Do Brasil Servicos Ltda | Rio de Janeiro (Brasile) | 60,781 | 23,179 | 1,581,378 | 239,410 | 1,804,397 | 53.71% |
| Exprivia Projects S.p.A. | Roma | 242,000 | 120,777 | 470,403 | 2,362,714 | 4,710,281 | 100.00% |
| Exprivia Solutions S.p.A. | Roma | 170,795 | 82,317 | 861,880 | 1,928,382 | 9,317,136 | 100.00% |
| GST S.r.l. | Trento | 27,500 | 29,218 | 398,809 | 568,088 | 2,317,712 | 100.00% |
| Infaber S.r.l. | Molfetta (BA) | 110,000 | 40,693 | 558,543 | 414,083 | 1,261,471 | 100.00% |
| Gruppo ProSap | Madrid (Spagna)/Città del Messico/Città del Guatemala | 197,904 | 400,066 | 794,552 | 2,170,184 | 5,781,291 | 51.12% |
| Realtech S.p.A. | Agrate Brianza (MB) | 1,520,000 | (308,349) | 1,545,599 | 1,880,076 | 5,820,469 | 51.00% |
| SiSpa Srl | Milano | 580,000 | 174,660 | 1,590,191 | 1,732,231 | 4,183,252 | 100.00% |
| Spegea S c a rl | Bari | 125,000 | (73,750) | 368,251 | 271,527 | 1,852,354 | 60.00% |
| Svimservice S.p.A. | Molfetta (BA) | 1,548,000 | 257,869 | 3,131,410 | 4,093,935 | 20,924,776 | 100.00% |
| Wel.Network S.p.A. | Piacenza | 1,500,000 | 22,241 | 1,175,813 | 3,017,192 | 15,317,573 | 100.00% |

Farm Multimedia S.r.l., in liquidation, 100% owned, is not included in the consolidation area as it is considered irrelevant.

Information on the consolidated balance sheet and income statement

Details are provided below on the items in the Balance Sheet and Income Statement, drawn up in accordance with international accounting standards (IAS/IFRS).

All the figures reported in the tables below are in Euro.

SHAREHOLDERS' EQUITY

SHARE CAPITAL

"Share Capital", fully paid up, amounted to Euro 26,979,658.16 and is represented by 51,883,958 ordinary shares at Euro 0.52 nominal value each. This is the same as at 31 December 2012.

TREASURY SHARES

At 31 March 2013 **"treasury shares"** amounted to Euro -514,450 compared to Euro -494,012 as at 31 December 2012 and refer to the purchase/sale of treasury shares under the plan approved by the shareholders' meeting of 18 April 2013. The number of treasury shares amounts to 989,326.

SHARE PREMIUM RESERVE

As at 31 March 2013 the **"share premium reserve"** amounted to Euro 18,081,738 and is the same as at 31 December 2012.

REVALUATION RESERVE

At 31 March 2013 the **"revaluation reserve"** amounted to Euro 2,907,138 and is the same as 31 December 2012.

OTHER RESERVES

The balance of item **"other reserves"** amounts to Euro 12,577,720 compared to Euro 12,582,424 as at 31 December 2012 and pertains to:

- Euro 3,182,603 for the **"legal reserve"**, which remained unchanged with respect to 31 December 2012;
- Euro 1,636,092 for the **"extraordinary reserve"**, which remained unchanged with respect to 31 December 2012;
- Euro 7,904,776 to the **"Provision for Investments in the Regione Puglia Programme Agreement"** under the General Regulations governing aid no. 9 of 26 June 2009 as amended – Title VI "Aid to the investment programmes promoted by Large Enterprises to be granted through Regional Programme Agreements";
- Euro 78,143 to **"other reserves"** compared to Euro 82,846 as at 31 December 2012. The decrease of Euro 4,703 pertains to the share premium value resulting from transactions to purchase/sale treasury shares.

- Euro -236,486 **“IAS/IFRS tax effect reserve”** represents the tax effect calculated on changes after adopting IFRS and is the same as at 31 December 2012;
- Euro 12,593 **“available IAS/IFRS tax effect reserve”** represents the tax effect calculated on changes after adopting IFRS and is the same as at 31 December 2012.

PROFIT FROM PREVIOUS PERIODS

At 31 March 2013 **profit from previous periods** amounted to Euro 9,189,764 compared to Euro 6,199,449 as at 31 December 2012.

NON-CURRENT LIABILITIES

NON-CURRENT BANK DEBT

At 31 March 2013 the item **“non-current bank debt”** amounted to Euro 8,477,083 compared to Euro 9,551,977 at 31 December 2012, and pertains to medium-term bank debt from major credit and financial institutions and to low-interest loans for specific investment programmes.

As a result of not meeting some financial parameters at 31 December 2012, the company deemed it necessary, in accordance with IAS 1, paragraph 74, to reclassify the non-current part of medium-term borrowing (Euro 5,357,137) provided by the pool of banks with lead company BNL into **“current bank debt”**.

It is worth noting that the Company has started the renegotiation of financial parameters set out in the Medium Term Borrowing with BNL bank, in order to adjust them to the new economic and capital situation of the Group.

PRODUCTION REVENUES

REVENUES

Revenue from sales and services in the first quarter of 2013 amounted to Euro 28,383,412 compared to Euro 31,387,650 in the first quarter of 2012. See the section 'Trends in Exprivia Group results' in the Report for details and information on revenue from sales and services for the business segments (including changes in inventories in progress).

The table below provides details on the revenue from sales and services (Euro 28,383,412), including changes in inventories of work in progress (Euro 95,609) and fluctuation in work in progress contracts (Euro 1,883,032) pertaining to the first quarter of 2013, compared to the figures of the first quarter of 2012 and broken down by business area (in K Euro).

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | Variations % |
|----------------------------------|---------------|---------------|--------------|
| Banks and Financial Institutions | 5,162 | 4,643 | 11% |
| Industry, Aerospace and Media | 4,335 | 4,548 | -5% |
| Energy and Telcom | 3,704 | 3,535 | 5% |
| Health and Healthcare | 5,639 | 7,083 | -20% |
| Utilities | 6,920 | 5,907 | 17% |
| Public Administration | 1,426 | 1,680 | -15% |
| International Business | 2,882 | 2,419 | 19% |
| Other | 293 | 537 | -45% |
| Total | 30,363 | 30,353 | 0.03% |

The details of the revenues concerning 31 March 2013, compared with the figures of the same period of 2012, broken down by type of business are shown below (in K €).

| Exprivia Group (value in K €) | 31.03.2013 | 31.03.2012 | Variations |
|-------------------------------|---------------|---------------|--------------|
| Projects and Services | 25,036 | 26,697 | -6% |
| Maintenance | 3,946 | 2,191 | 80% |
| HW/ SW third parties | 577 | 730 | -21% |
| Own licences | 511 | 198 | 158% |
| Total | 30,363 | 30,353 | 0.03% |

CHANGES IN INVENTORIES

Changes in inventories of work in progress, semi-finished and finished goods

In the first quarter of 2013 the item **“changes in inventories of work in progress, semi-finished and finished goods”** amounted to Euro 95,609 compared to Euro 34,527 in the same period of the previous year. It refers to changes in finished products for the medical sector.

Fluctuation in work in progress contracts

In the first quarter of 2013 the item **“fluctuation in work in progress contracts”** amounted to Euro 1,883,032 compared to Euro -1,069,369 of the same period of 2012 and refers to the change in work in progress contracts pertaining to the reporting period.

Increases in fixed assets for internal work

In the first quarter of 2013 the item **“Increases in fixed assets for internal work”** amounted to Euro 350,265 compared to Euro 411,635 in the first quarter of 2012 and mainly refers to expenses incurred in the period to develop products for the banking, healthcare and manufacturing sectors.

PRODUCTION COSTS

RAW MATERIALS, CONSUMABLES AND GOODS

In the first quarter of 2013 the item **“raw materials, consumables and goods”** amounted to Euro 1,607,520 compared to Euro 1,143,130 in the same period of the previous year. The table below provides details on the items.

| Description | 31.03.2013 | 31.03.2012 | Variation |
|---|------------------|------------------|----------------|
| Purchase of HW-SW products | 797,161 | 684,100 | 113,061 |
| Purchase of HW-SW maintenance | 673,093 | 301,241 | 371,852 |
| Stationery and consumables | 43,477 | 50,844 | (7,367) |
| Fuel and oil | 66,204 | 74,134 | (7,930) |
| Transport and freight rates on purchases | 18,600 | 8,381 | 10,219 |
| Warranty services on our customers activities | 8,986 | 24,430 | (15,444) |
| TOTAL | 1,607,520 | 1,143,130 | 464,390 |

STAFF COSTS

In the first quarter of 2013 the item “**staff costs**” amounted to Euro 21,030,687 compared to Euro 21,456,758 in the first quarter of 2012. The table below provides details on the item:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|--------------------|-------------------|-------------------|------------------|
| Salaries and wages | 15,597,159 | 15,907,386 | (310,227) |
| Social charges | 4,291,631 | 4,310,612 | (18,981) |
| Severance Pay | 873,470 | 933,074 | (59,604) |
| Other staff costs | 268,427 | 305,686 | (37,259) |
| TOTAL | 21,030,687 | 21,456,758 | (426,071) |

The number of group employees at 31 March 2013 amounted to 2,037 workers, 1,952 of which employees and 85 temporary workers, compared to 2,017 (1,923 employees and 94 temporary workers) at 31 December 2012.

OTHER COSTS

Other costs for services

In the first quarter of 2013, the item “**other costs for services**” amounted to Euro 4,397,332 compared to Euro 5,824,381 of the first quarter of 2012. The table below provides details on the items:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|--|------------------|------------------|--------------------|
| Technical and commercial consultancy | 1,785,422 | 2,406,276 | (620,853) |
| Administrative/company/legal/other consultancy | 328,810 | 355,747 | (26,937) |
| Consultancy to subsidiary companies | 4,394 | | 4,394 |
| Data processing service | 82,548 | 351,514 | (268,966) |
| Auditors' fees | 171,116 | 173,113 | (1,997) |
| Travel and transfer expenses | 776,290 | 1,011,832 | (235,542) |
| Other staff costs | 7,881 | 53,338 | (45,457) |
| Utilities | 325,773 | 337,502 | (11,729) |
| Advertising and agency expenses | 76,561 | 102,396 | (25,836) |
| HW and SW maintenance | 206,227 | 229,755 | (23,528) |
| Insurance | 77,336 | 101,744 | (24,408) |
| Costs of temporary staff | 195,042 | 71,368 | 123,673 |
| Other costs | 267,974 | 453,294 | (185,320) |
| Research costs | | 98,336 | (98,336) |
| Mail services | 91,957 | 78,164 | 13,793 |
| TOTAL | 4,397,332 | 5,824,381 | (1,427,049) |

Costs for leased assets

In the first quarter of 2013 the item **“costs for leased assets”** amounted to Euro 1,269,012 compared to Euro 1,215,617 in the same period of the previous year. The table below provides details on the items:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|------------------------|------------------|------------------|---------------|
| Rental expenses | 524,812 | 481,018 | 43,795 |
| Car rental/leasing | 317,226 | 351,643 | (34,418) |
| Rental of other assets | 401,488 | 351,160 | 50,328 |
| Royalties | 21,337 | 23,871 | (2,534) |
| Leasing payments | 3,545 | 7,776 | (4,230) |
| Other costs | 602 | 149 | 453 |
| TOTAL | 1,269,012 | 1,215,617 | 53,395 |

Sundry operating expenses

In the first quarter of 2013 the item **“sundry operating expenses”** amounted to Euro 305,526 compared to Euro 335,550 of the first quarter of 2012. The table below provides details on the items:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|------------------------------|----------------|----------------|-----------------|
| Annual subscriptions | 34,493 | 19,852 | 14,641 |
| Books and magazines | 2,090 | 8,652 | (6,562) |
| Taxes | 56,251 | 62,564 | (6,313) |
| Stamp duty | 17,743 | 23,033 | (5,290) |
| Penalties and fines | 4,098 | 1,297 | 2,801 |
| Charitable donations | 2,120 | - | 2,120 |
| Contingency liabilities | 23,145 | 87,813 | (64,668) |
| Bank charges and commissions | 108,348 | 71,786 | 36,562 |
| Write-offs | - | 27,410 | (27,410) |
| Sundry expenses | 57,238 | 33,144 | 24,094 |
| TOTAL | 305,526 | 335,550 | (30,024) |

Inventories and provisions

In the first quarter of 2013 the item **“inventories and provisions”** amounted to Euro 31,716 compared to Euro 119,880 of the first quarter of 2012. It refers to the provisions for risks related to research projects.

AMORTISATION, DEPRECIATION AND WRITE-DOWNS

Amortisation and depreciation

The item **“amortisation and depreciation”** amounts to Euro 838,821 compared to Euro 631,048 in the first quarter of 2012 and refers to Euro 409,448 for intangible assets and Euro 429,373 for tangible assets.

Other write-downs

The item **“other write-downs”** amounts to Euro 56,494 compared to Euro 28,083 in the same period of the previous year and refers to the write-down of several investments in associates and other companies, and to the write-down of intangible assets.

Doubtful receivables included in current assets

The balance of **“write-downs”** amounts to Euro 15,700 compared to Euro 576,492 in the first quarter of 2012 and refers to doubtful receivables unlikely to be collected.

FINANCIAL INCOME AND CHARGES

Income from parent companies

In the first quarter of 2013 the item **“income from parent companies”** amounted to Euro 3,435 compared to Euro 3,847 in the first quarter of 2012 and refers to interest accrued by the Parent Company Abaco Innovazione S.p.A. for loans with some subsidiaries.

Other financial income

In the first quarter of 2013 the item **“other financial income”** amounted to Euro 10,803 compared to Euro 16,747 in the same period of 2012. The table below provides details on the item:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|-------------------------------------|---------------|---------------|----------------|
| Bank interest receivable | 2,327 | 6,785 | (4,457) |
| Revenues from financial derivatives | 2,119 | - | 2,119 |
| Other interest income | 2,888 | 9,891 | (7,003) |
| Rounding up of assets | 3,469 | 71 | 3,398 |
| TOTAL | 10,803 | 16,747 | (5,943) |

Interest and other financial charges

In the first quarter of 2013 the item **“interest and other financial charges”** amounted to Euro 734,007 compared to Euro 733,449 in the same period of the previous year. The table below provides details on the items:

| Description | 31.03.2013 | 31.03.2012 | Variation |
|--|----------------|----------------|------------|
| Bank interest payable | 344,982 | 287,356 | 57,626 |
| Interest on loans and mortgages | 174,388 | 271,482 | (97,094) |
| Sundry interest | 198,191 | 83,079 | 115,112 |
| Charges on financial products and sundry items | - | 34,628 | (34,628) |
| Rounding up/down | (293) | 144 | (437) |
| Other financial charges | 16,739 | 56,761 | (40,022) |
| TOTAL | 734,007 | 733,449 | 559 |

Profit and loss on currency exchange

In the first quarter of 2013 **“profit on currency exchange”** amounted to Euro 77,576 compared to a profit on currency exchange of Euro 27,677 in the first quarter of 2012.

INCOME TAXES

In the first quarter of 2013, **“income taxes”** amounted to Euro 859,517 compared to Euro 603,754 in the first quarter of 2012. The following table shows the breakdown of the items.

| Description | 31.03.2013 | 31.03.2012 | Variation |
|-----------------------|----------------|----------------|----------------|
| IRES | 213,549 | (9,508) | 223,057 |
| IRAP | 634,979 | 615,246 | 19,733 |
| Taxes previous year | 13,817 | | 13,817 |
| Deferred taxes | 109 | 109 | - |
| Taxes paid in advance | (2,937) | (2,093) | (844) |
| TOTAL | 859,517 | 603,754 | 255,764 |

The Holding Company Exprivia S.p.A. acts as the consolidating company and determines a single taxable result for the companies under National Tax Consolidation in accordance with art. 117 of T.U.I.R.

Each company under Tax Consolidation contributes taxable income or tax loss to Exprivia S.p.A. as a payable/receivable for the consolidating company, depending on their IRES.

PROFIT (LOSS) FOR THE PERIOD

The income statement for the first quarter of 2013 closed with a consolidated profit (after tax) of Euro 67,016.

Information on the Cash Flow Statement

The **Net Financial Position** as at 31 March 2013 was Euro -42.1 million, improved by Euro 1.9 million with respect to 31 December 2012 thanks to a remarkable cash generation from current assets of Euro 2.6 million, partly used for investments of Euro 1.1 million and the capital contribution by Simest, by Euro 0.5 million, thanks to the development of the Brazilian IT market.

DECLARATION IN ACCORDANCE WITH ART. 154-BIS. PAR. 2 OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998. ON THE PROVISIONS ON BROKING AND SUBSEQUENT AMENDMENTS

The undersigned Gianni Sebastiano, Executive manager responsible for preparing the corporate accounts, in accordance with Art. 154-bis, par. 2 of Legislative Decree no. 58 of 24 February 1998, introduced by Law no. 262 of 28 December 2005, states that the information and data on the economic, capital and financial situation contained in this Interim Report on Operations as at 31 March 2013 referring to the Consolidated Financial Statements correspond to the documentary results of the accounting records.

Molfetta, 13 May 2013

Executive Manager responsible for Preparing the Corporate Accounts



Gianni Sebastiano