

<p style="text-align: center;"><b>TAMBURI INVESTMENT PARTNERS SpA</b> <b>Annual Financial Report for the year ended on 31 December 2009</b></p>
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**Disclaimer:** This document is a partial translation of the FY2009 Annual Financial Report of Tamburi Investment Partners SpA originally issued in Italian (“Bilancio di esercizio al 31 dicembre 2009”). “Partial” means that the translation does not include the reports of the Board of Statutory Auditors and of the Independent Auditor. This translation has been prepared solely for the convenience of non-Italian, English-speaking readers. Only the original Italian report, in its complete form, is legally valid and it shall always prevail over the English translation.

## **INDEX**

	<b>Page</b>
Corporate bodies	3
Management report	4
Financial statements	17
▪ Income statement	
▪ Statement of comprehensive income	
▪ Statement of financial position	
▪ Statement of cash flows	
▪ Statement of changes in equity	
Explanatory notes to financial statements	23
Appendices	
▪ Certification of Financial Reporting Officer	60
▪ List of equity investments owned	
▪ Changes in available-for-sale financial assets (measured at fair value)	
▪ Changes in investments carried at equity	
▪ Report of Board of Statutory Auditors	
▪ Report of Independent Auditor	
▪ Disclosure of independent auditing fees	

## Corporate bodies

### Board of Directors of Tamburi Investment Partners S.p.A.

Giovanni Tamburi (*)	President & Managing Director
Alessandra Gritti	Vice President & Managing Director
Claudio Berretti	Executive director & General Manager
Francesco Baggi Sisini	Independent director
Niccolò Branca di Romanico	Independent director
Cesare d'Amico	Independent director
Giuseppe Ferrero	Independent director
Claudio Gagnani (*)	Independent director
Mario Davide Manuli	Independent director
Sandro Alberto Manuli	Independent director
Marco Merati Foscarini	Independent director
Giancarlo Mocchi	Independent director
Edoardo Rossetti (*)	Independent director

### Board of Statutory Auditors

Giorgio Rocco	President
Enrico Cervellera	Standing statutory auditor
Emanuele Cottino	Standing statutory auditor
Maurizio Barbieri	Substitute statutory auditor
Paola Cossa	Substitute statutory auditor

### Independent Auditor

KPMG SpA

(\*) Member of the Compensation Committee

**Report on the operating performance of Tamburi Investment Partners SpA in the year ended on 31 December 2009**

An extremely recent Boston Consulting Group study starts as follows:

*"In December 2008 we predicted a significant shakeout in the private equity industry leading to the disappearance of 20 to 40 percent of private equity firms. Since then, several private equity firms have gone out of business, some have reduced their current fund commitment, and others have reduced their teams, including senior partners."*

This is the market environment in which Tamburi Investment Partners SpA (hereinafter also "TIP" or the "Company") operates.

In this environment, besides the considerable liquidity that TIP already has at its disposal, in February 2010 the TIP shareholders' meeting resolved – unanimously – not only merger with the associate SeconTip SpA (hereinafter "SeconTip") but also delegation of the Board of Directors enabling it to ask for approximately another € 200 million of financial resources to finance development of the business. And that is not all: in the last few months TIP has strengthened its equity team for the very purpose of addressing the period of investment that will characterize the Company during the current year and the year after.

The resolutions passed at the recent shareholders' meeting mark a very important turning point for TIP as the expected developments of the merchant banking market are now definite. When TIP championed the foundation of SeconTip, it was probably ahead of the times – but the corporate formula based on capital calls prevented this earliness from becoming a problem. Now, with the capital increase resolved partly underwritten and with the resolution concerning the convertible bond loan totally underwritten by "ex-SeconTip" shareholders, we have sought to make all this into an opportunity – it will be a question of taking it with the right investments. Given this recent turning point - and as we are drawing near to the fifth year since TIP went public, and to the tenth year since its foundation – we have deemed it useful to create a performance indicator. To do this we have compared the IPO share price with the relevant indexes in the period concerned. In the period from the date of our stock market listing to 31 December 2009, the FTSE Italia Micro Cap index (the index comprising TIP and all companies with capitalization lower than that of companies included in the FTSE MIB index) lost about -45% and TIP stock -30%.

A minus sign is never worthy of satisfactory – nevertheless, in relative terms, those who invested in TIP, besides having received dividends nearly every year, during the worst decade ever in financial markets' history, have defended their money better than the benchmark index..

But this is the past and it is a past that, as everyone knows, is worth very little compared with the potential consequences of a crisis that is redrawing the maps of global industry and finance in a way that has not been seen since the WWI post-war period. Today, as also illustrated in our previous reports, we are facing a severe selection – probably creation of a full-scale split – among businesses, banks, insurers, and financial institutions in general, the effects of which are extremely hard to imagine. Today the name of the game to be played is alliances and mergers, acquisitions of weaker

companies by those who were more prudent in the boom years and, inevitably, elimination from the market of those who – under the fond illusion of the effects of finance more in the miracle-worker category than in that of accompaniment or service – have taken on too much debt or stinted on investments, innovation and research.

TIP, even more so in this period, wants to flank entrepreneurs interested in playing an important role in this historic phase. It wants to be in that position as an advisor but above all as an investor. It wants to be in that position with its present investee companies and also with companies into which it will buy. We have already repeatedly pointed out on other occasions that nearly all our present investee companies are in capital and financial conditions that are healthy, good and, in some cases, excellent.

All of them are in any case natural aggregators and TIP therefore once again stresses that, above all, it wants to accompany them in their development, be it internally or externally driven.

Since the autumn of 2009, TIP has been increasing the number of dossiers analyzed and is assessing an ever increasing number of investments. And, even although there is no evident impression that the international economic turning point has been fully reached, we continue to be strongly determined to do equity deals or merchant banking deals, if preferred, according to the specific types of deals involved.

As regards the technical approaches of such deals, we must necessarily underline that – with even more reason given the lower rates of development assumable in the next few years – we do not intend to undertake deals acquiring majority stakes, or acting with the aid of major financial leverage, or with way-out provisions such as to be able to influence the normal course of a company's development. We will give preference to capital increases earmarked for investments that in turn aim to take the best opportunities to accelerate growth. And all this will be done with entrepreneurial parts able to provide adequate assurances in terms of management. As already highlighted, the focus will continue to be very much on the secondary market, particularly in alliances with partners –also international – in order to be able to take the opportunities that will be created by the now necessary “cleaning” of many financial players' balance sheets.

On the advisory front, we will seek to give added value, first and foremost, to investee companies.

Moving on to 2009 accounts, it must first be pointed out that 2009 was a year of transition, during which we continued to maintain a prudent attitude. The bottom-line result – with profit after tax of over € 1 million – was the effect of advisory business downsized compared with past but nevertheless still quite good and of investment and liquidity management operations substantially at breakeven.

As far as the advisory business concerned, among the most important operations during FY2009 we highlight the capital increases in Interpump Group SpA and in Bee Team SpA, both earmarked for capital reinforcement of companies featuring considerable growth potential.

In the merchant banking business, TIP also took part in the capital increase of NH Hoteles SA, which was very successful.

What instead was not successful was the public purchase & exchange offer launched by TIP during the summer for the entire capital of Management & Capitali SpA – a company specialized in turnarounds and/or so-called distressed-asset deals. This would have been able to round off TIP's business set-up, as planned, as well as being of great strategic significance given also the opportunities that the current historic phase will continue to offer.

Another feature that strongly characterized FY2009 was the ever increasing attention dedicated to foreign business, with further strengthening both of the investee company Palazzari & Turries in Asian markets, and of efforts to reinforce the international network Corporate Finance International.

As at 31 December 2009 TIP's balance sheet featured total investments in equity interests, net of disposals, of € 84.4 million (mn); about € 54 mn between cash and financial receivables; and goodwill relating to the advisory business of € 9.8 mn, as well as receivables and other assets amounting to approximately € 2 mn. This total was set against equity of over € 149 mn, i.e. € 1.40 per share outstanding.

In terms of the income statement, revenues of some € 3.6 mn were achieved from the advisory business. Besides this there was financial income of € 6.3 mn set against financial expense of € 4.6 mn. Staff costs decrease by a further 15% vs. 2008. In addition, income taxes of about € 0.5 mn were posted in the income statement vs. € 1.5 mn in FY2008.

## **EQUITY INVESTMENTS**

As at 31 December 2009, Tamburi Investment Partners SpA owned equity interests in the companies indicated below. The financial data indicated refer, when possible, to draft financial statements for the year ended on 31 December 2009 approved by investee companies' Boards of Directors. Otherwise they refer to prior quarterly reports.

### **A) ASSOCIATE COMPANIES**

#### **Data Holding 2007 Srl**

% ownership as at 31 December 2009: 46.72%

The company owns 34.2% of Bee Team SpA (hereinafter "Bee Team"), a company for which TIP and Mr. Rocco Sabelli had initiated a recapitalization operation in 2007 aimed at subsequent development.

During 2009 Bee Team positively completed a capital increase totalling € 29.8 mn, in which Data Holding Srl took part.

Once again during 2009, Bee Team's management team was appropriately strengthened to endow the company with resources able to handle the top-line expansion currently underway.

Bee Team's business has in fact steadily evolved from back office and payment systems to advisory services, to applications outsourcing for banks and insurance companies, and to

identification of solutions for utilities and telecommunications, going as far as security and video surveillance.

During FY2009 Bee Team achieved total revenues of € 70.5 mn and EBITDA of € 4.2 mn (with strong growth vs. € 0.4 mn in 2008), with a net loss of € -3.3 mn.

### **Gruppo IPG Holding Srl**

% ownership as at 31 December 2009: 16.86%

During 2009 Gruppo IPG Holding Srl, a company that owns about 26.6% of the share capital of Interpump Group SpA (hereinafter “Interpump”) took part in the capital increase totalling € 50 mn launched by the latter. Gruppo IPG Holding Srl thus made a total investment of € 13.7 mn financed by shareholders. Interpump’s capital increase was totally subscribed, also by the market.

Following this operation Interpump Group SpA is able to address the next period of consolidation in the sectors to which it belongs with a tangible larger capital endowment.

Interpump is an industrial group that is global leader in the production of piston pumps, power take-offs and hydraulic systems.

During FY2009 the group achieved total revenues of € 342.9 mn, EBITDA of € 46.9 mn and a net profit of € 14.0 mn.

During March 2010 the shareholders [more correctly “quotaholders” in Italy as the company is a private limited liability company] of Gruppo IPG Holding Srl entered into a new shareholder agreement, the main terms of which are as follows:

- (i) Object: the equity quotas representing the entire capital of Gruppo IPG Holding Srl the company that, as at agreement date, directly owns 25,705,443 shares, equal to 26.565%, of Interpump’s share capital, and 5,498,480 warrants, equal to 27.609% of the total warrants issued as part of Interpump’s capital increase. The warrants give the right to subscribe 3,379,274 newly issued shares.
- (ii) Duration: three years as from 10 March 2010 with the possibility of renewal upon expiry
- (iii) Restrictions - the agreement requires that its participants:
  - a. Neither sell nor transfer the ownership or disposability of their respective quotas, unless they have the prior written consent of participants owning quotas corresponding to at least 51% of the capital of Gruppo IPG Holding Srl owned by all participants other than the transferor participant;
  - b. Do not acquire for any reason (and/or exercise and/or convert, depending on the cases) any share or other financial instrument of Interpump (IPG), not even indirectly (saving excepts with the consent of the outright majority of the participants);
  - c. Do not acquire for any reason (and/or exercise and/or convert, depending on the cases) IPG financial instruments to an extent such as to exceed, even if only

- temporarily, the threshold triggering a mandatory PTO;
- d. Ensure that Gruppo IPG Holding Srl subscribes further shares exercising the warrants only when such exercise has been authorized beforehand by a Board of Directors' resolution unanimously passed by all directors;
- (iv) Provisions:
- a. A Board of Directors consisting of six directors, of which one designated by Mr. Cavallini, one by Mr. Sergio Erede, one by the Ferrero Group, one by Mais SpA, one by the Montipò family, and one by TIP;
  - b. The president of the Board of Directors of Gruppo IPG Holding Srl will be designated by TIP, the vice president & managing director by the Cavallini family and the managing director by TIP.

### **Palazzari & Turries Ltd.**

% ownership as at 31 December 2009: 30%

The business of Palazzari & Turries Ltd. is based on the skills and know-how built up in the People's Republic of China and in Hong Kong SAR by the company, which for years has been assisting numerous Italian companies in initial establishment, and in joint-venture and extraordinary finance deals in China.

Accounts for the year ended on 31 December 2009 (the last set of accounts available, expressed in Hong Kong dollars – as at 31 December 2009 1 HKD = € 11.1709) showed service revenues of HKD 4.5 mn, costs of some HKD 4.3 mn, and profit after tax of about HKD 0.1 mn.

### **SeconTip SpA**

% ownership as at 31 December 2009: 39.43%

SeconTip is an investment company active in the secondary private equity market. It operates via the purchase of units or stakes of funds or organizations active in the private equity sector and the purchase or equity stakes or portfolios owned by private equity funds, holding companies and insurance companies.

More specifically, SeconTip's priority in terms of purpose is to acquire: (i) portfolios of equity investments owned, also indirectly, by funds/private equity players, banks, insurers, and holding companies in listed and/or unlisted Italian companies, or by other companies interested in reducing their presence in the private equity sector; (ii) shares in private equity funds, either individually or packaged, owned by institutional investors, family offices and other private investors; (iii) equity interests in legal vehicles owning, also indirectly, shares in private equity funds; (iv) equity interests in organisations performing private equity or similar activities; and (v) equity interests active in the private equity sector. SeconTip can also be active in management company relaunches and so-called add-on acquisitions.

At present SeconTip has liquidity and bond investments amounting to about € 48 mn, as well as 58,950,422 shares of Management & Capitali SpA, accounting for 12.43% of the latter's capital.

Following the PTO offer, already mentioned, launched by TIP during 2009, the Company is now assessing which strategy to adopt to get the best value out of the investment.

Management & Capitali in any case operates in a sector – investments in so-called distressed companies - as well as in the so-called turnarounds market, that, as is known, continue to be a major opportunity both in Italy and in general.

During 2009 SeconTip continued to analyze many opportunities in the secondary private equity market and still has numerous possible investments to hand, some also of a significant amount.

As regards SeconTip itself, it should be pointed out that partial disposal of Management & Capitali SpA shares during the year made it possible to make a pre-tax capital gain of approximately € 800,000.

Cash-in from Management & Capitali's distribution of reserves, which for SeconTip amounted to about € 44 mn, was immediately invested in bonds, with a particularly diversified portfolio.

Financial statements as at 31 December 2009 show total revenues of € 1,302,219, of which € 500,073 for interest income and € 801,836 for capital gains on the sale of equity investments. They show net profit of € 456,830 after operating costs of € 738,480, losses on financial assets of € 10,611, interest expense and costs of € 19,849, depreciation & amortization of € 21,353 and taxes of € 55,168.

## **B) OTHER COMPANIES**

### **EQUITY INVESTMENTS IN LISTED COMPANIES**

#### **Bolzoni Auramo SpA**

% ownership as at 31 December 2009: 3.71%

Listed on the Milan Bourse's electronic equity market (Mercato Telematico Azionario) – STAR segment

The Bolzoni Auramo group designs, produces and markets forklift truck attachments and industrial handling equipment

In FY2009 the group reported total revenues of € 76.9 mn, EBITDA of about € -2.7 mn and a pre-tax loss of € -9.7 mn, after having expensed non-recurring costs of approximately € 2.8 mn.

#### **d'Amico International Shipping SA**

% ownership as at 31 December 2009: 0.27%

Listed on the Milan electronic equity market – STAR segment

d'Amico International Shipping SA is a Luxembourg holding company heading a group active in international marine transportation. It is currently one of the world's top 10 operators in its sector.

d'Amico's market of reference is marine tanker transportation. In FY2009 the group reported total revenues of USD 185.4 mn (the USD is the industry's conventional currency of reference), EBITDA of USD 30.8 mn, and a net loss of USD -13.4 mn.

**Datalogic SpA**

% ownership as at 31 December 2009: 6.39%

Listed on the Milan electronic equity market – STAR segment

The Datalogic group is one of the leading global players in the production and marketing of systems and products in the field of identification, industrial automation, barcode readers, and portable devices.

In FY2009 the group reported revenues of € 312 mn, EBITDA of about € 19.6 mn and a net loss – also following non-recurring costs of about € 7.8 mn – of €12.1 mn.

During the year it invested approximately € 25 mn in research and development.

**MARR SpA**

% ownership as at 31 December 2009: 1.32%

Listed on the Milan electronic equity market - STAR segment

MARR is the leading company in Italy in the specialised distribution of food products to the away-from-home catering sector.

In FY2009 the group achieved revenues of € 1,138.4 mn, EBITDA of €73.8 mn, and a net profit after minority interest of € 38.5 mn.

**Monrif SpA**

% ownership as at 31 December 2009: 7.59%

Listed on the Milan electronic equity market

Monrif SpA is a holding company active in the following sectors: publishing, printing, hotels, real estate, Internet and multimedia technologies.

Its most important investment is the equity interest of some 62% in the Poligrafici Editoriale group, publisher of the Quotidiano Nazionale national daily, which comprises the local dailies Il Resto del Carlino, La Nazione, and Il Giorno. Its second most important investment is its 100% ownership of Emiliana Grandi Alberghi SpA, which owns three hotels in Milan and Bologna with a total of about 530 rooms, as well as two hotels under management. The value of the group's property and hotel assets is particularly major.

In FY2009 the group achieved total revenues of some € 263.1 mn, EBITDA of € 17.2 mn and a net profit of € 1.7 mn.

A few days ago the main investee company, Poligrafici Editoriali SpA placed on the market and obtained listing on the Italian AIM market of the subsidiary Poligrafici Printing SpA, gathering financial resources totalling about € 3.2 mn.

**Monti Ascensori SpA**

% ownership as at 31 December 2009: 2.71%

Listed on the Milan electronic equity market

Monti Ascensori SpA is one of the leading Italian players in maintenance services for elevator equipment.

In the first 9 months of FY2009 the company achieved total revenues of € 26.9 mn, EBITDA of € 4.2 mn, and a net profit of € 0.3 mn.

**NH Hoteles SA**

% ownership as at 31 December 2009: 0.32%

Listed on the Madrid Bourse

NH Hoteles is a Madrid-based multinational hotel operator, which manages approximately 400 hotels in various parts of the world.

During 2009 it executed a capital increase, in which TIP participated, designed to strengthen the group's capital structure in a period featuring declining profitability. The capital increased was fully subscribed.

In FY2009 the NH group reported total revenues of € 1,214.4 mn, EBITDA of € 70.1 mn and a net loss of € -97.1 mn.

**Servizi Italia SpA**

% ownership as at 31 December 2009: 1.70%

Listed on the Milan electronic equity market - STAR segment

Servizi Italia is the main Italian player in the sector of integrated rental, laundry, sterilisation, and logistical services for textile items (gowns, bed linen, and towels, etc.) and surgical equipment for hospitals.

In FY2009 the group achieved total revenues of € 184.7 mn, EBITDA of € 51.4 mn and a net profit of € 8.5 mn.

**Zignago Vetro SpA**

% ownership as at 31 December 2009: 1.00%

Listed on the Milan electronic equity market - STAR segment

Zignago Vetro is one of the main international players in the field of glass containers for food & beverages and for fragrances & cosmetics.

In FY2009 the group achieved total revenues of € 230.4 mn, EBITDA of € 62.3 mn and a net profit of € 27.8 mn.

**EQUITY INVESTMENTS IN UNLISTED COMPANIES****Borletti Group SCA**

% ownership as at 31 December 2009: 8.77%

Borletti Group owns 30% of Printemps, France's second most important department store chain. The remaining 70% of Printemps is owned by Reef (of the Deutsche Bank group).

The company ends its financial year on 31 March. In FY2008 Printemps reported total revenues of € 657.2 mn, EBITDA of € 48.9 mn and a net loss of € -59.7 mn, after having expensed non-recurring charges of some € 15 mn.

Based on the information available, FY2009 profitability was in line with that of the previous year.

### **Other minor equity investments**

As at 31 December 2009, TIP also owned equity interests in other companies, for a total amount of about € 5 mn, including:

- Assist Consulting Srl
- Between SpA
- Enervit SpA
- G.1 Trading SpA – being wound up
- Noemalife SpA
- Solgenia SpA
- TBS Group SpA (listed on the Milan Bourse during 2009)
- Valsoia SpA

Solgenia SpA is the company of which TIP became a shareholder following the swap with shares of Gruppo Pro SpA.

### **THE ADVISORY BUSINESS**

As already stated, 2009 was a year featuring contraction of advisory business, which nevertheless remained at satisfactory levels of revenue.

The Tamburi & Associati division acted as advisor in many deals for non-captive clients, for TIP's merchant banking business and also for some investee companies.

In the initial part of the year Tamburi & Associati completed some assigns in the debt-restructuring area, also for listed companies, including Gabetti Property Solutions SpA.

In addition, the division also obtained assignments from the listed companies Bee Team SpA and Interpump Group SpA in structuring and assistance for their capital increases, which were successfully completed.

### **EVENTS AFTER THE REPORTING PERIOD**

The TIP shareholders' meeting, which took place on first call in ordinary and extraordinary session on 26 February 2010, in duly acknowledging the most recent developments of the merchant banking, the main segment in which the Company is active, approved a series of operations aiming at (a) further capital reinforcement of the group with a view to launching a new investment phase and (b) merger of TIP and its investee company SeconTip SpA ("SeconTip")

Throughout the world the private equity market is experiencing a phase of major change, with leveraged buy-out deals now very difficult to complete, with related bank lending slowing sharply and, above all, with companies' business and commercial prospects no longer such as to enable investors to expect returns similar to those achieved previously. In this situation, the soundest players are steadily positioning themselves towards capital deals for development and in the so-called secondary market.

TIP had championed the creation of SeconTip with the very aim of taking similar opportunities. In view also of the considerable liquidity existing both in TIP and SeconTip, TIP deemed it advisable to propose to the other SeconTip shareholders a merger operation capable of enabling the two businesses to address the next possible acquisitions and investments in a manner co-ordinated as tightly as possible.

Going into greater detail, the TIP shareholders' meeting passed the following resolutions:

- (i) Granting without consideration to TIP shareholders, after absorption of the FY2008 loss, of a maximum number of 4,442,353 TIP treasury shares in proportion to the TIP shares already owned and at a ratio of 1 (one) treasury share for every 24 (twenty-four) TIP shares owned by each shareholders. To the treasury shares granted a maximum number of 13,327,059 warrants will be linked, without consideration, at a ratio of 3 (three) warrants for each TIP treasury share distributed, each of which will give the right to subscribe a newly issued TIP ordinary share ("Distribution").
- (ii) Issue of a maximum number of 13,327,059 warrants to be linked without consideration to the treasury shares granted to shareholders pursuant to the resolution as per point (i) above and the consequent capital increase, paid and divisible, of a maximum of € 23,988,706.20, inclusive of share premium, reserved for the holders of such warrants. The warrants will give their respective holders to subscribe 1 (one) newly issued TIP ordinary share for each warrant owned, at an exercise price of (a) € 1.50 per share (of which € 0.52 to be attributed to capital and € 0.98 to share premium) if the warrants are exercised during the exercise period starting on the thirtieth day of June 2011; (b) € 1.65 per share (of which € 0.52 to be attributed to capital and € 1.13 to share premium) if the warrants are exercised during the exercise period starting on the thirtieth day of June 2012; and (c) € 1.80 per share (of which € 0.52 to be attributed to capital and € 1.28 to share premium) if the warrants are exercised during the exercise period starting on the thirtieth day of June 2013.
- (iii) A paid capital increase, with exclusion of option right, pursuant to and for the purposes of Article 2441, fourth paragraph, first period, of the Italian Civil Code, of a total of € 32,899,276.28 (of which € 13,344,480.24 as par value and € 19,554,796.04 as share premium) to be discharged via contribution in kind of the full and exclusive ownership of shares of the company SeconTip SpA. In exchange for the subscription and discharge of this capital increase in kind, TIP will issue a maximum number of 25,662,462 ordinary shares at a per-share subscription price of € 1.282 (of which € 0.762 for share premium), having the same characteristics as those outstanding and with entitlement as of 1 January 2010.
- (iv) Delegation of the power to TIP's Board of Directors to increase, in one or more instalments and for a period of five years after resolution date, share capital, on a

paid and divisible basis, by a maximum total amount of € 150,000,000.00, inclusive of share premium, pursuant to and for the purposes of Article 2443 of the Italian Civil Code, via the issue of ordinary shares having the same characteristics as those outstanding and to be offered on option to shareholders. For this capital increase, some SeconTip shareholders have guaranteed subscription of the rights capital increase for a total amount of not less than € 23 mn, and

- (v) Delegation of power to TIP's Board of Directors, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by the end of 30 June 2013, (a) to issue a maximum number of 40,000 7-year bonds, of a par value of € 1,000.00 each, with an annual fixed return of 4.25%, for a total maximum amount of € 40,000,000.00, convertible, for a portion not exceeding 20% of related par value, into TIP ordinary shares, with exclusion of option right pursuant to Article 2441, fifth paragraph, of the Italian Civil Code, and (b) to increase share capital by a total maximum amount of € 8,000,000.00, solely to service partial conversion of the aforementioned bonds, to be discharged in one or more instalments via the issue of TIP ordinary shares having the same entitlement and characteristics as the ordinary shares outstanding on issue date. The subscription price of the new shares servicing conversion will be established when the delegated power is executed, based on € 1.282 augmented at an annual compound rate of 7% starting on 26 February 2010 and until the maturity date of the bond loan. Subscription of this loan is fully guaranteed.

Granting of the maximum number of 4,442,353 treasury shares took place after first having absorbed the loss of the financial year ended on 31 December 2008 (amounting to € -20,638,011) via utilization of the following reserves: (i) "Retained earnings" (€ 5,586,479), (ii) "Extraordinary reserve" (€ 4,035,885), (iii) "Other reserves" (€ 1,761,015), (iv) "Share-based transaction reserve" (€ 107,858), and (v) "Share premium reserve" (€ 9,146,774).

The Distribution was executed on 8 March 2010. It is planned to execute the capital increase pursuant to Article 2441, fourth paragraph, first part, of the Italian Civil Code by the end of March 2010. The powers delegated for the rights capital increase and for the bond loan will possibly be executed at a time subsequent to the capital increase in kind indicated in sub-paragraph (iii) above.

#### **EXPECTED BUSINESS PROGRESS**

The present situation of the financial and merchant banking markets features the collapse of leveraged buyout deals, default of many of the investments made (particularly by funds), and major difficulty in obtaining bank loans. But above all it features the growing need of many industrial and commercial enterprises to have a true medium-/long-term "partner" and therefore the need for equity, debt, and semi-equity capital operations for development and on the secondary market.

In this environment we believe TIP's role and the experience it has already built up both in minority merchant banking for development and in the financial advisory sector, together with SeconTip's skills, represent significant added value for diversification of investments and, more generally, for implementation of a more complete development plant for TIP.

Via execution of the capital increase in kind TIP will acquire control of SeconTip and, consequently, its shareholders will be able to be involved in investment in the secondary private equity market and take part both in TIP's business and, albeit indirectly, in that of SeconTip, thus broadening their investment portfolios.

Overall, between TIP and SeconTip the liquidity available already amounts to about € 90 mn, which will be jointed by the proceeds of the capital increases indicated earlier, partly guaranteed, and of the bond loan, subscription of which is fully guaranteed.

As regards the advisory business, we will continue providing assistance to companies, both investee and non-captive, able to aggregate other companies for the phases of consolidation of their businesses.

It is instead planned to scale down advisory activity dedicated to debt restructuring operations.

#### **CORPORATE GOVERNANCE**

For the relevant comment, reference should be made to Note 35 of the Explanatory notes to this financial report and to the Report on Corporate Governance & Ownership Structure.

#### **RESEARCH & DEVELOPMENT ACTIVITIES**

The company did not incur any research & development costs during FY2009.

#### **TREASURY SHARES**

See the statement of changes in equity and Notes 23 and 24.

**ALLOCATION OF THE YEAR'S EARNINGS**

To Our Shareholders

We ask you to approve FY2009 financial statements as submitted and we propose that you allocate the year's earnings in the following manner<sup>1</sup>:

- 5% to the legal reserve	€	51,275.00
- To ordinary shares in the amount of € 0.0088 per share for a total of (*)	€	974,233.00

In addition it is proposed

- to take from the share premium reserve the amount of	€	2,356,347.38
in such a way as to distribute to shareholders a total amount of € 0.03 per share for a total amount of (*)	€	3,330,580.38

(\*) Net of the 39,486 treasury shares held by the Company or of any different number of shares held by the Company at the time of dividend detachment, taking/paying the amount necessary from/to the share premium reserve.

On behalf of the Board of Directors

Giovanni Tamburi  
President

Milan, 25 March 2010

<sup>1</sup> For this purpose it is recalled that granting of the maximum number of 4,442,353 treasury shares took place after first having absorbed the loss of the financial year ended on 31 December 2008 (amounting to € -20,638,011) via utilization of the following reserves: (i) "Retained earnings" (€ 5,586,479), (ii) "Extraordinary reserve" (€ 4,035,885), (iii) "Other reserves" (€ 1,761,015), (iv) "Share-based transaction reserve" (€ 107,858), and (v) "Share premium reserve" (€ 9,146,774).

## Income statement Tamburi Investment Partners SpA

(Euro)	2009	2008	Note
Revenues from sales and services	3,225,161	6,156,862	4
Other revenues	335,678	168,637	
<b>Total revenues</b>	<b>3,560,839</b>	<b>6,325,499</b>	
Costs for materials, services, and other items	(1,641,736)	(1,485,382)	5
Payroll costs and employee benefits	(2,573,643)	(3,014,261)	6
Depreciation & amortisation and write-downs	(92,761)	(138,252)	
<b>Operating profit</b>	<b>(747,301)</b>	<b>1,687,604</b>	
Finance income	6,317,393	8,670,144	7
Finance expense	(4,619,149)	(1,231,041)	7
<b>Pre-tax profit before income from associates/impairment of investments</b>	<b>950,943</b>	<b>9,126,707</b>	
Share of profit (loss) of equity-accounted investments	722,068	481,702	8
Impairment of available-for-sale (AFS) assets	(132,381)	(28,782,383)	9
<b>Profit (loss) before tax</b>	<b>1,540,630</b>	<b>(19,173,974)</b>	
Income tax – current, deferred, and advance	(515,122)	(1,464,037)	10
<b>Profit (loss) after tax for the period</b>	<b>1,025,508</b>	<b>(20,638,011)</b>	
<b>Basic earnings (loss) per share</b>	<b>0.01</b>	<b>(0.19)</b>	25
<b>Diluted earnings (loss) per share</b>		<b>(0.19)</b>	
Number of share outstanding	106,701,816	107,493,132	

**Statement of comprehensive income  
Tamburi Investment Partners SpA**

<b>(Euro)</b>	<b>31 December 2009</b>	<b>31 December 2008</b>	<b>Note 24</b>
Income and expense recognized directly in equity			
Write-down of AFS financial assets	(2,289,698)	(7,379,367)	
<b>Net income (expense) recognized directly in equity</b>	<b>(2,289,698)</b>	<b>(7,379,367)</b>	
Profit (loss) after tax	1,025,508	(20,638,011)	
<b>Total recognized income (expense) for the period</b>	<b>(1,264,190)</b>	<b>(28,017,378)</b>	
<b>Total recognized income (expense) per share</b>	<b>(0.01)</b>	<b>(0.26)</b>	
<b>Number of shares outstanding</b>	<b>106,701,816</b>	<b>107,493,132</b>	

## Statement of financial position Tamburi Investment Partners SpA

(Euro)	31 December 2009	31 December 2008	Note
<b>Non-current assets</b>			
Property, plant, and equipment	92,975	75,401	11
Goodwill	9,806,574	9,806,574	12
Other intangible assets	2,071	2,226	
Investments in subsidiaries	0	1,862	13
Investments in equity-accounted associates	31,470,790	28,479,635	14
Investments in associates measured at fair value	8,085,000	3,185,000	15
Available-for-sale financial assets	44,861,908	65,390,571	16
Trade receivables	613,326	598,210	17
Tax receivables	13,922	186	
Deferred tax assets	191,024	598,089	18
<b>Total non-current assets</b>	<b>95,137,590</b>	<b>108,137,754</b>	
<b>Current assets</b>			
Trade receivables	1,693,891	1,869,238	17
Current financial assets	41,545,831	504,783	19
Available-for-sale financial assets	0	179,900	
Financial receivables	12,129,393	11,640,826	20
Cash & cash equivalents	424,285	30,795,325	21
Tax receivables	104,522	56,316	22
Other current assets	79,587	99,716	
<b>Total current assets</b>	<b>55,977,509</b>	<b>45,146,104</b>	
<b>Total assets</b>	<b>151,115,099</b>	<b>153,283,858</b>	
<b>Equity</b>			
Share capital	55,484,944	55,896,429	23
Reserves	107,591,839	110,345,657	24
Retained earnings	(15,051,532)	5,586,479	
Profit (loss) after tax for the period	1,025,508	(20,638,011)	25
<b>Total equity</b>	<b>149,050,759</b>	<b>151,190,554</b>	
<b>Non-current liabilities</b>			
Post-employment benefit & end-of-service obligations	145,397	145,944	26
Deferred tax liabilities	186,264	55,253	18
<b>Total non-current liabilities</b>	<b>331,661</b>	<b>201,197</b>	
<b>Current liabilities</b>			
Trade liabilities	343,232	353,223	
Current financial liabilities	54,166	74,395	27
Tax liabilities	85,903	144,739	28
Other liabilities	1,249,378	1,319,750	29
<b>Total current liabilities</b>	<b>1,732,679</b>	<b>1,892,107</b>	
<b>Total liabilities</b>	<b>2,064,340</b>	<b>2,093,304</b>	
<b>Total equity and liabilities</b>	<b>151,115,099</b>	<b>153,283,858</b>	

## Statement of cash flows

### Tamburi Investment Partners SpA

(€ '000)	31 December 2009	31 December 2008
<b>A - OPENING NET CASH &amp; CASH EQUIVALENTS</b>	<b>30,795</b>	<b>3,664</b>
<b>B - CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the year	1,026	(20,638)
Depreciation & amortisation	42	38
Impairment (revaluation) of non-current assets	0	0
Impairment (revaluation) of equity investments	(590)	28,301
Impairment (revaluation) of current financial assets	51	100
Change in employee benefits	(1)	(66)
Change in current and non-current provisions	0	0
Change in deferred tax assets and liabilities	538	215
	1,066	7,950
Decrease/(increase) in trade receivables	109	545
Decrease/(increase) in other current assets	20	196
Decrease/(increase) in tax receivables	(62)	(56)
Decrease/(increase) in financial receivables	(276)	(5,866)
Decrease/(increase) in other current securities	(40,861)	26,096
(Decrease)/increase in trade payables	(10)	26
(Decrease)/increase in tax liabilities	(59)	(713)
(Decrease)/increase in other current liabilities	(91)	(1,857)
<b>Cash flow from (absorbed by) operating activities</b>	<b>(40,164)</b>	<b>26,321</b>
<b>C - CASH FLOW FROM INVESTING ACTIVITIES</b>		
<b>Intangible assets</b>		
a) Purchases	0	0
b) Disposals	0	0
<b>Property, plant &amp; equipment and investment property</b>		
a) Purchases	(60)	(29)
b) Disposals	3	6
<b>Non-current financial assets</b>		
Disposal (purchase) of investment in subsidiaries	0	0
Disposal (purchase) of other equity investments		
a) Purchases	(8,975)	(19,485)
b) Disposals	22,897	32,221
<b>Cash flow from (absorbed by) investing activities</b>	<b>13,865</b>	<b>12,713</b>

(€ '000)	31 December 2009	31 December 2008
<b>D – CASH FLOW FROM FINANCING ACTIVITIES</b>		
Borrowing	0	0
Loan repayment	0	0
Capital increase (before tax effect)	0	198
Capital reduction due to purchase of treasury shares	(876)	(2,234)
Capital increase due to sale of treasury shares	0	0
Payment of dividends	0	(5,603)
Change in reserves	(3,196)	(4,264)
Increase in financial receivables for dividends approved and not yet received	0	0
<b>Cash flow from (absorbed by) financing activities</b>	<b>(4,072)</b>	<b>(11,903)</b>
<b>E – CASH FLOW FOR YEAR</b>	<b>(30,371)</b>	<b>27,131</b>
<b>F- NET CASH &amp; CASH EQUIVALENTS AT YEAR-END</b>	<b>424</b>	<b>30,795</b>
Year-end net cash & cash equivalents consisted of:		
Cash & cash equivalents	424	30,795
<b>Net cash &amp; cash equivalents at year-end</b>	<b>424</b>	<b>30,795</b>
<b>Further information on cash flows:</b>		
Interest paid	22	0
Interest received	951	1,283
Income taxes paid	95	1,346

## Statement of changes in equity Tamburi Investment Partners SPA

	Share capital	Share premium reserve	Legal reserve	Extraordinary reserve	Other reserves	Fair value reserve for AFS financial assets	Retained earnings	Share-based transaction reserve	Profit (loss) for year	EQUITY
<b>Balance at 1/1/2008</b>	<b>56,449,881</b>	<b>102,541,875</b>	<b>725,000</b>	<b>4,035,885</b>	<b>1,709,385</b>	<b>9,468,378</b>	<b>421,957</b>	<b>143,803</b>	<b>11,334,134</b>	<b>186,830,298</b>
Change in fair value of AFS assets net of tax						(7,379,367)				(7,379,367)
<b>Total income (expense) recognised directly in equity</b>						<b>(7,379,367)</b>				<b>(7,379,367)</b>
Profit (loss) for year ended 31 December 2008									(20,638,011)	(20,638,011)
<b>Total comprehensive income</b>						<b>(7,379,367)</b>			<b>(20,638,011)</b>	<b>(28,017,378)</b>
Dividend distribution									(5,602,905)	(5,602,905)
Allocation of FY2007 earnings			566,707				5,164,522		(5,731,229)	-
Capital reduction due to purchase of treasury shares	(625,602)	(1,607,958)								(2,233,560)
Capital increase due to stock options	72,150	126,264								198,414
Effects of stock option plan					51,630			(35,945)		15,685
<b>Balance 31/12/2008</b>	<b>55,896,429</b>	<b>101,060,181</b>	<b>1,291,707</b>	<b>4,035,885</b>	<b>1,761,015</b>	<b>2,089,011</b>	<b>5,586,479</b>	<b>107,858</b>	<b>(20,638,011)</b>	<b>151,190,554</b>
Change in fair value of AFS assets net of tax						(2,289,698)				(2,289,698)
<b>Total income (expense) recognised directly in equity</b>						<b>(2,289,698)</b>				<b>(2,289,698)</b>
Profit (loss) for year ended 31 December 2009									1,025,508	1,025,508
<b>Total comprehensive income</b>						<b>(2,289,698)</b>			<b>1,025,508</b>	<b>(1,264,190)</b>
Dividend distribution									-	-
Allocation of FY2008 earnings							(20,638,011)		20,638,011	-
Capital reduction due to purchase of treasury shares	(411,485)	(464,120)								(875,605)
Effects of stock option plan					107,858			(107,858)	-	-
<b>Balance at 31/12/2009</b>	<b>55,484,944</b>	<b>100,596,061</b>	<b>1,291,707</b>	<b>4,035,885</b>	<b>1,868,873</b>	<b>(200,687)</b>	<b>(15,051,532)</b>	<b>-</b>	<b>1,025,508</b>	<b>149,050,759</b>

**EXPLANATORY NOTES TO THE ANNUAL FINANCIAL REPORT  
AS AT AND FOR THE YEAR ENDED ON 31 DECEMBER 2009**

**(1) Group business activities**

Tamburi Investment Partners SpA performs independent investment-/merchant-banking activities focusing on medium-sized Italian companies. It does so performing:

1. Investment activities (merchant banking), investing directly as an active shareholder or in minority stakes in unlisted and listed medium-sized companies able to express excellence of various types
2. Investment banking activities, providing operating assistance for extraordinary finance operations to medium-sized Italian companies.

**(2) Accounting standards**

The Company has been incorporated as a joint-stock company under Italian law and is based in Italy.

The Company was listed in November 2005 on the Expandi market, organised and managed by Borsa Italiana SpA. On 1 December 2008 Borsa Italiana's Board of Directors resolved to merge the Expandi market with the main electronic equity market (Mercato Telematico – MTA). This merger took effect in the second half of 2009 with automatic transfer of Expandi companies to the Mercato Telematico. One year after the market merger, the Company - given its size, the entity of its market free float and possession of the necessary additional requisites - will be able to apply for qualification as a STAR company.

The Board of Directors approved the present set of year-end financial statements for the year ended on 31 December 2009 on 25 March 2010.

The financial statements for the year ended on 31 December 2009 have been prepared assuming ongoing business operation and continuation of the company as a going concern. They have also been prepared in compliance with the accounting criteria established by the IAS/IFRS international accounting and financial reporting standards (hereinafter "IFRSs") issued by the International Accounting Standards Board (IASB) and with related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the Commission of the European Communities with regulation no. 1725/2003 as subsequently amended, as per regulation no. 1606/2002 of the European Parliament.

In accordance with Revised IAS 1, applied as from 1 January 2009, annual financial statements consist of the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flow, and explanatory notes,

accompanied by the management report on operating performance. Financial statements have been prepared in Euro units, without decimals.

The accounting standards and calculation methods used to draw up the present financial statements are the same as those used to prepare financial statements for the FY ending on 31 December 2008, saving the differences described later on in the “New accounting standards” section.

Presentation and disclosure concerning financial instruments are based on the requirements of IAS 32, as amended and supplemented by IFRS 7.

During the FY no exceptional cases occurred making it necessary to depart from IFRS requirements as per the eventualities envisaged in IAS 1 (Presentation of Financial Statements).

Financial statements as at 31 December 2009 and 2008 have been prepared according to the general criterion of historical cost, with the exception of derivative financial instruments, investments in associates measured at fair value, current financial assets and AFS (available-for-sale) financial assets, which are measured at fair value

Preparation of annual financial statements requires evaluations, estimates, and assumptions to be made that influence application of accounting standards and the amounts of assets, liabilities, costs, and revenues recognised in accounts. These estimates and related assumptions are based on previous experience and on other factors deemed reasonable in the cases in point. It must be pointed out, however, that, since estimates are involved, the actual results obtained will not necessarily be the same as those shown here. As regards preparation of the present annual financial statements, the significant judgements made by management concerning application of accounting standards and the main sources of uncertainty are the same as those applied for preparation of consolidated financial statements for the FY ending on 31 December 2008. Estimates have been used to recognise provisions for doubtful debts, fair-value measurement of financial instruments, impairment tests, employee benefits, and income tax.

The main accounting policies followed in constructing the annual financial report, together with the content and changes in individual items of the same, are shown below.

### **New accounting standards**

We point out that the IASB and IFRIC have approved improvements to IFRSs that are applicable for financial years as from 1 January 2009.

IAS 1 revised - “Presentation of financial statements” – effective as from 1 January 2009. The revised standard introduces the “statement of comprehensive income”, which represents changes occurring in equity during the period other than those arising from transactions with parties who acted as holders of instruments classified in equity.

We point out that the IASB and the IFRIC have both approved some modifications to existing

IFRSs and issued new IFRSs and new IFRIC interpretations. As the date of these documents' coming into force is deferred, they have not been used for preparation of the present set of financial statements. The main changes relate to:

- IAS 24 "Related-party disclosures": the revised version of IAS 24 will be applicable for financial years as from 1 January 2011. EU endorsement is currently pending.
- IAS 27 "Consolidated and separate financial statements", IAS 28 "Investments in associates" and IAS 31 "Interests in joint ventures" have been amended following issued of the new version of IFRS 3 "Business Combinations"..

The revised versions of IASs 27, 28 and 31, endorsed with Reg. (CE) no. 494/2009, will be applicable for financial years as from 1 January 2010.

- IAS 32 "Financial derivatives: presentation". The new IAS 32 will be applicable for financial years as from 1 January 2011.
- IAS 39 "Financial instruments: recognition and measurement" introduces clarification of aspects concerning accounting treatment of hedging transactions.

The amendments made to IAS 39, endorsed with Reg. (CE) no. 839/2009, will be applicable for financial years as from 1 January 2010.

- IFRS 1 "First-Time Adoption of International Financial Reporting Standards". The revised version of IFRS 1, endorsed with Reg. (CE) no. 1136/2009, will be applicable for financial years as from 1 January 2010.
- IFRS 2, "Share-based payments", underwent some changes during 2009 that will come into force as of 1 January 2010 with retroactive application. These have led to cancellation, in force on the same date, of IFRIC "Scope of IFRS 2" and of IFRIC 11 "Group and treasury share transactions".
- IFRS 3 "Business Combinations" has been totally revised. The revised version of IFRS 3, endorsed with Reg. (CE) no. 495/2009, will be applicable for financial years as from 1 January 2010.
- IFRS 9, "Financial Instruments" is the new IFRS issued on 12 November 2009 that marks completion of the first step of a 3-step project for total replacement of IAS 39 "Financial Instruments: Recognition and Measurement". 1 January 2013 has been fixed as the date for the mandatory entry into force of IFRS 9. We point out that the EU Commission responsible for IFRSs announced that it had interrupted the IFRS 9 endorsement process, intended to achieve endorsement with a CE regulation, on the same day of its publication by the IASB. The Internal Market Commissioner explained this decision highlighting the fact that IFRS 9 is only the first step of IAS 39. The Commission has decided to examine adoption of IFRS 9 together with the other two steps established for full revision and total replacement of IAS 30, which are expected to be completed during 2010.

- IFRIC 12, “Service concession arrangements”. IFRIC 12, endorsed with Reg. (CE) no. 254/2009, will be applicable as from 1 January 2010.
- IFRIC 14, IAS 19, “The limit on a defined-benefit asset, minimum funding requirements and their interaction”, endorsed with Reg. (CE) no. 1263/2008 and that came into force as from 1 January 2009, was changed during 2009. The amendments made to IFRIC 14 must be obligatorily adopted as from 1 January 2011.
- IFRIC 15, “Agreements for the construction of real estate”. IFRIC 15, endorsed with Reg. (CE) no. 535/2009, will be applicable as from 1 January 2010, with retroactive application.
- IFRIC 16, “Hedges of a net investment in a foreign operation”, endorsed with Reg. (CE) no. 460/2009, will be applicable as from 1 January 2010, with prospective or retroactive application, as chosen by the company.
- IFRIC 17, “Distribution of non-cash assets to owners”, endorsed with Reg. (CE) no. 1142/2009, will be applicable as from 1 January 2010, with prospective application.
- IFRIC 18, “Transfers of assets from customers”, endorsed with Reg. (CE) no. 1162/2009, will be applicable as from 1 January 2010, with prospective application.
- IFRIC 19, “Extinguishing financial liabilities with equity instruments”, will be applicable as from 1 January 2011. Its endorsement is pending.

During 2008 the IASB started a new process of annual revisions of IFRSs already issued, the main aim of which is clarification and detailing of some concepts that did not seem sufficiently explanatory in the original version.

The first document developed as part of this process, called Improvements to International Financial Reporting Standards, was issued on 22 May 2008 and contained 35 amendments to IFRSs, divided into two parts:

- Part I – amendments that have an impact on accounting methods for presentation, recognition and measurement purposes
- Part II – amendments that are terminology or editorial changes.
- The main amendments included in this first document, endorsed with Reg. (CE) no. 70/2009, came into force as from 1 January 2009, with the exception of the one concerning IFRS 5 “Non-current assets held for sale”. The second document developed as part of the process called Improvements to International Financial Reporting Standards was issued on 16 April 2009 and contains 16 amendments to 12 IFRSs. This second collection of amendments, issued as part of the annual IFRS revision process, mainly concern minor items of non-urgent application

The Company is currently carefully assessing the impact of application of the new standards and amendments to existing standards that take mandatory effect as from 1 January 2010. Preliminary analyses performed have not revealed any significant impact.

## Accounting policies

The accounting standards and policies used to draw up year-end financial statements as at 31 December 2009 are shown below:

### PROPERTY, PLANT, AND EQUIPMENT

Tangible assets are recognised at historical cost, inclusive of ancillary costs directly attributable and necessary to bring the asset to working condition for the intended use for which it was purchased. If significant parts of such tangible assets have different useful working lives, these components are accounted for separately.

Tangible assets are stated net of related cumulative depreciation and of any impairment losses calculated according to the methods described later on.

Depreciation is calculated on a straight-line basis according to the asset's estimated useful working life for the company, which is reviewed annually. Any changes, when necessary, are made prospectively. The main economic/technical depreciation rates used are as follows:

- Furniture and fittings	12%
- Equipment and sundry plant items	15%
- Electronic office machinery	20%
- Mobile telephones	20%
- Equipment	15%
- Cars	25%

Tangible assets' carrying value is reviewed regularly, in order to recognise any impairment losses, if events or changes of circumstances suggest that carrying value is not recoverable. If such an indication exists and if carrying value exceeds presumed recoverable value, assets are written down to reflect their recoverable value. Tangible assets' recoverable value is the higher between net selling price and value in use. In defining value in use, expected future cash flows are discounted to present value using a pre-tax discount rate that reflects the current market estimate of the time value of money and the risks specific to the asset. Impairment losses are recognised in the income statement among costs for depreciation & amortisation and write-downs. These impairment losses are reversed if the reasons causing them cease to exist.

When an asset is sold, or when its use is not expected to generate future economic benefits, it is derecognised and any loss or gain (calculated as the difference between disposal value and carrying value) is recognised in the income statement in the year when such derecognition occurs.

### GOODWILL

Business combinations are accounted for applying the purchase method. Goodwill is the excess of purchase cost over the acquirer's share of the net fair value of identifiable assets and of present and contingent liabilities. After initial recognition, goodwill is decreased by any cumulative impairment losses, calculated using the methods described below.

Goodwill stemming from acquisitions made prior to 1 January 2004 is recognised on the basis of deemed cost, i.e. the value recorded for the item in the last set of annual accounts prepared according to the accounting standards previously applied (31 December 2003). When the IFRS-compliant opening balance sheet was prepared, acquisition deals completed before 1 January 2004 were in fact not restated.

Goodwill is tested for recoverability annually or more frequently if events or changes of circumstances occur that may cause impairment losses to emerge. On acquisition date, any goodwill emerging is allocated to each of the cash-generating units (CGUs) that are expected to benefit from the acquisition's effects. Any impairment of value is identified by means of assessments of each CGU's ability to generate cash flows able to recover the portion of goodwill allocated to it, using the methods indicated earlier in the section on Property, plant, and equipment. If the CGU's recoverable value is lower than the carrying value attributed to it, the related impairment loss is recognised.

This impairment loss is not reversed if the reasons causing it cease to exist.

#### OTHER INTANGIBLE ASSETS

Other intangible assets are recognised at cost, calculated according to the same approach indicated for tangible assets.

Intangible assets with a finite useful life are posted net of their related cumulative amortisation and of any impairment losses calculated in the same way as previously indicated for tangible assets.

Useful life is reviewed annually and any changes, when necessary, are applied prospectively.

Gains or losses arising from disposal of an intangible asset are calculated as the difference between the asset's disposal value and carrying value. They are recognised in profit or loss at the time of disposal.

#### EQUITY INVESTMENTS IN EQUITY-ACCOUNTED ASSOCIATE COMPANIES

Associate companies are entities over whose financial and operating policies considerable influence is exercised, even without owning control. Considerable influence is assumed to exist when between 20% and 50% of another entity's voting rights are owned (between 10% and 50% if the entity is listed). Associates are accounted for at equity and are initially recognised at cost. Investments include goodwill identified at the time of acquisition, net of any cumulative impairment. Financial statements comprise the relevant share of the profits or losses of equity-accounted investee companies, net of the adjustments necessary to align accounting standards, commencing from the start date of considerable influence or joint control and continuing until the date when such influence or control ceases. When the share of the relevant losses of an equity-accounted investee company exceeds the latter's carrying value, the investment is written off and the share of any further losses is not recognised, except in cases when legal or constructive obligations have been taken on or payments have been made on the investee company's behalf.

**EQUITY INVESTMENTS IN ASSOCIATE COMPANIES MEASURED AT FAIR VALUE**

Equity investments in associate companies in the so-called “business turnaround” segment, whose activity is set in the so-called venture capital area, are measured at fair value with recognition in profit or loss of changes in value.

**AVAILABLE-FOR-SALE FINANCIAL ASSETS**

Available-for-sale financial assets (AFS assets) consist of other equity interests. They are measured at fair value with the effects of changes in value recognised in equity. If the reduction of value versus acquisition cost is an impairment loss, the effect of the adjustment is recognised in the income statement. If the conditions leading to adjustment for impairment cease to exist, the reinstatement of value is recognised in equity.

In the case of equities listed in active markets, fair value is identified as being the stock-exchange value on the end date of the reporting period. In the case of equity interests in unlisted companies, fair value is identified as being the value in use based on valuation techniques. These valuation techniques include comparison with values emerging in recent similar transactions and other valuation techniques based substantially on analysis of the investee company’s ability to generate future cash flows, discounted to present value to reflect the time value of money and the specific risks of the business activity.

Investments in equity instruments that do not have a price quoted in a regulated market, and whose fair value cannot be measured reliably, are measured at cost.

As regards equities listed in active markets, for the Company – in relation to the nature of its investment book featuring Italian small-mid caps – objective evidence of impairment is considered to be (a) a market price as at balance-sheet date at least 50% lower than the original purchase price or (b) the prolonged presence, for over 18 months, of market value lower than cost. In any case, we have also analysed the stocks featuring values within the threshold and – where deemed appropriate – written them down. For the sake of completeness, reference should also be made to Note 9.

In the case of companies whose stocks are considered illiquid, for which, de facto, there has been no active market because there have not been sufficient market trades both relatively to the company’s capital and also in outright terms, the following policy is applied. Technical valuation of the companies has been performed. This has mostly been based on comparison with the market multiples underlying companies with similar characteristics (and obviously considered “liquid”) or has been substantially based on analysis of the investee company’s ability to generate future cash flows, discounted to reflect the time value of money and the specific risks of the business activity concerned.

**TRADE AND FINANCIAL RECEIVABLES**

Receivables are initially recognised at fair value and subsequently measured at amortised cost, adjusted as appropriate for sums considered uncollectible.

#### CURRENT FINANCIAL ASSETS

Current financial assets consist of securities that are short-term investments of cash. They are therefore classified as held for trading and measured at fair value, with the effects of changes in value recognised in profit or loss.

Purchases and sales of securities are recognised and derecognised on settlement date.

#### CASH & CASH EQUIVALENTS

Cash and cash equivalents comprise liquid items, i.e. those items that meet the requirements of on-demand or extremely short-term availability, successful outcome, and absence of collection costs.

For the purposes of the Statement of Cash Flows, net cash & cash equivalents consist of cash & cash equivalents net of bank overdrafts as at the statement's date of reference.

#### TRADE PAYABLES

Trade payables are initially recognised at fair value and subsequently measured at amortised cost.

#### EMPLOYEE BENEFITS AND PAYROLL COSTS

Employee benefits paid out upon or after termination of the employment relationship via defined-benefit programmes (severance indemnities, for example) are recognised in the period when such rights accrue. The liability relating to defined-benefit programmes, net of any assets servicing the plan, is calculated on the basis of actuarial assumptions and recognised on an accrual accounting basis consistently with the employee service necessary to obtain the benefits. Independent actuaries measure this liability.

#### TREASURY SHARES

Treasury shares are recognised as a deduction from equity. Treasury shares' original cost and revenues from any subsequent sales are recognised as equity movements.

#### REVENUES

Revenues are recognised to the extent that their fair value can be reliably determined and it is probable that related economic benefits will be enjoyed. According to the type of transaction, revenues are recognised according to the specific criteria indicated below:

- Revenues for the rendering of investment banking services are recognised according to activities' completion status. For practical reasons, when services are rendered via an indeterminate number of actions in a definite period of time, revenues are recognised on a straight-line business in the definite period, unless it is evident that other methods provide better representation of such services' completion status.
- Success fees that accrue upon execution of a significant act are recognised as revenues when the significant act has been completed.

If it is not possible to determine revenue value reliably, revenues are recognised to the extent of costs borne deemed to be recoverable.

#### INCOME FROM THE SALE OF INVESTMENTS AND SECURITIES

Income and costs arising from the sale of investments and securities are recognised on an accrual accounting basis, also allocating to profit or loss the changes in fair value previously recognised in equity.

#### FINANCE INCOME AND EXPENSE

Finance income and expense are recognised on an accrual accounting basis according to interest accruing on the net value of related financial assets and liabilities using the effective interest rate.

#### DIVIDENDS

Dividends are recognised in the FY when shareholders' right to receive the payment concerned is established. As regards dividends received from equity-accounted investments, these are recognised as a reduction of the investment's value.

#### INCOME TAXES

Current income taxes for the period are calculated on the basis of estimated taxable income and in compliance with current regulations. Deferred tax liabilities and assets are calculated on the temporary timing differences between balance sheet amounts recognised in the financial statements and the corresponding amounts recognised for tax purposes. Deferred tax assets are recognised when their recovery is considered likely, i.e. when there are expected to be sufficient future tax profits to permit realisation of these assets. The recoverability of deferred tax assets is reviewed at the end of each reporting period. Deferred taxes are always recognised in compliance with IAS 12 requirements.

#### DERIVATIVE FINANCIAL INSTRUMENTS

The Company uses derivative financial instruments to hedge its exposure to the risks inherent in the investment in equities.

Derivative financial instruments are initially measured at fair value. Attributable transaction costs are recognised in the income statement when they are incurred. After initial recognition, derivatives are measured at fair value and any changes in fair value are recognised in profit or loss.

### **(3) Basis of presentation**

Below we summarise the choices made by the Company as regards financial statements' presentation:

- Statement of financial position: according to Revised IAS 1, assets and liabilities must be classified as current and non-current or, alternatively, according to order of liquidity. The Company has opted for the current/non-current classification criterion
- Income statement and statement of comprehensive income: Revised IAS 1 alternatively requires classification of items based on either their nature or function. The Company has decided to use the format based on items classified by their nature.

- Statement of cash flows: in accordance with IAS 7, the statement of cash flows presents cash flows occurring in the period, classifying them between operating, investing, and financing activity.

The subsidiary StarTip Srl has not been consolidated, as it did not operate during 2009.

#### **(4) Segment reporting**

##### **Primary segmentation – business segments**

The company performs investment banking and merchant banking business. The activity performed by top management in these two business areas, in terms of marketing initiatives, outward institutional initiatives, and involvement in the various deals, is highly integrated.

Furthermore, also as regards execution activity, this has been reorganised to make “on-call” use of analysts as needed in advisory or equity activities more flexible.

As regards this choice, it is impossible to provide separate operating and financial representation of the two business areas. This is because splitting the cost of the work of top management and analysts based on a series of estimates, linked in turn to parameters that may be superseded by actual operations, would lead to significant distortion of business segments’ levels of profitability, thus making such information meaningless.

Given this, in this annual financial report, we provide only the detail of the trend in revenues for services relating solely to the advisory business:

<b>euro</b>	<b>FY2009</b>	<b>FY2008</b>
Revenues from sales and services	3,225,161	6,156,862

FY2009 featured less positive performance for the advisory business than in FY2008 vs. which revenues decreased by approximately -48%. It is pointed out that this result was set in an FY that featured sharp downsizing of activity in the market as a whole due to the crisis of financial markets and in which business mainly concerned debt-restructuring activities.

Revenues arising from work for the associate company SeconTip amounted to € 500,000, accounting for approximately 15% of total revenues.

During 2009 TIP earned revenues of € 149,992 relating to the remuneration earned by Giovanni Tamburi and Alessandra Gritti, in their capacity as directors of Management & Capitali SpA, and by Claudio Berretti in his capacity as a member of the latter’s investment committee.

#### **(5) Costs for materials, services, and other items**

The item comprises:

<b>euro</b>	<b>FY2009</b>	<b>FY2008</b>
1. Services	990,206	976,375
2. Use of third-party assets	347,181	330,304
3. Other costs	304,349	178,703
<b>Total</b>	<b>1,641,736</b>	<b>1,485,382</b>

**(5) 1. Services**

Service costs related mainly to professional and legal advisory services (€ 303,782), services received (€ 229,474), overhead expenses (€ 131,287), commercial expenses (€ 52,772), administrative expenses (€ 24,096), and to remuneration of members of the Board of Statutory Auditors and Oversight Committee (€ 66,989).

**(5) 2. Costs for use of third-party assets**

The item refers to various hire costs and to rentals.

**(5) 3. Other costs**

These costs related mainly to non-deductible VAT (€ 81,100), losses on receivables (€ 166,272), and to taxes (other than income tax) relating to the FY.

**(6) Payroll costs and employee benefits**

The item consisted of:

<b>euro</b>	<b>FY2009</b>	<b>FY2008</b>
Wages & salaries	1,016,111	1,228,709
Social security charges	270,883	370,277
Equity-settled share-based payments	0	15,685
Directors' remuneration	1,257,588	1,355,309
Provision for post-employment benefit	29,061	44,281
<b>Total</b>	<b>2,573,643</b>	<b>3,014,261</b>

The items "Wages & salaries" and "Directors' remuneration" comprise both the fixed and variable part accruing in the period. The wages & salary item shows a decrease vs. FY2008 relating to the reduction of employee headcount..

"Directors' remuneration" underwent a decrease due to the decrease in the variable portion relating to executive directors. As regards this, we recall the fact that the "Directors' remuneration" item does not include the salary of the executive director holding office as the Company's general manager and whose managerial compensation is included in "Wages and salaries".

In 2009 the stock option plan for employees ceased.

"Provision for post-employment benefit" is based on an actuarial evaluation.

For details of remuneration paid to members of corporate bodies, reference should be made to Note 33.

As at 31 December 2009 and 2008 the company's employee headcount was as follows::

<b>Number of employees</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
White-collars	8	14
Middle managers	1	0
Managers	2	2
<b>Total</b>	<b>11</b>	<b>16</b>

It is pointed out that the President & Managing Director and Vice President & Managing Director are not employees of the Company. We also highlight the fact that the company usually

hosts interns.

## (7) Finance income (expense)

This item included:

euro	FY2009	FY2008
1. Investment income	4,628,811	5,567,351
2. Income from securities held as current financial assets	506,856	646,836
3. Sundry income	1,181,726	2,455,957
<b>Total finance income</b>	<b>6,317,393</b>	<b>8,670,144</b>
4. Interest and other finance expense	(4,619,149)	(1,231,041)
<b>Total finance expense</b>	<b>(4,619,149)</b>	<b>(1,231,041)</b>
<b>Total net finance income (expense)</b>	<b>1,698,244</b>	<b>7,439,103</b>

### (7).1. Investment income

euro	FY2009	FY2008
Dividends	929,321	1,797,143
Capital gains made on investment disposals	3,699,490	3,770,208
<b>Total</b>	<b>4,628,811</b>	<b>5,567,351</b>

During FY2009 dividends were collected from the following investee companies:

Between SpA	9,453
Bolzoni SpA	28,909
d'Amico International Shipping SA	33,864
Datalogic SpA	130,688
Enervit SpA	18,955
Intek SpA	12,329
Marr SpA	376,808
Monti Ascensori SpA	7,203
Panaria Group SpA	5,749
Servizi Italia SpA	44,165
Sol SpA	778
Valsoia SpA	24,427
Zignago SpA	235,993
<b>Total</b>	<b>929,321</b>

As at 31 December 2009 capital gains related to sale of the following investments:

B.T. Italia SpA	1,503,022
Enervit SpA	11,372
Engineering SpA	1,246,313
Intek SpA	77,371
Mirato SpA	81,749
Monrif SpA	21,180
Monti Ascensori SpA	192,166
Nh Hoteles SA	486,060
Sol SpA	80,257
<b>Total</b>	<b>3,699,490</b>

**(7).2. Income from securities held as current assets**

euro	FY2009	FY2008
Capital gain on sale of securities	52,192	0
Gain on valuation of securities	34,712	6,055
Interest earned on securities held as current assets	419,952	640,781
<b>Total</b>	<b>506,856</b>	<b>646,836</b>

**(7).3. Sundry income**

euro	FY2009	FY2008
Interest on bank deposits	332,946	553,903
Interest earned on repurchase agreements (repos)	0	88,582
Gains on repos	0	678
Interest earned on loans	198,119	373,630
Capital gain on sale S&PMIB options	634,883	1,415,775
Discounting to present value of trade receivables	15,116	22,520
Others	662	869
<b>Total</b>	<b>1,181,726</b>	<b>2,455,957</b>

**(7).4. Interest and other finance expense**

euro	FY2009	FY2008
Interest on bank overdrafts & borrowing	21,665	471
Discounting and finance expense	62,442	35,854
Losses on repos	0	1,273
Losses on sale of securities	29,508	741,213
Valuation loss on mark-to-market of securities	322,557	0
Loss on difference of average price of securities	5,823	0
Capital loss on sale of investments	3,808,184	334,654
Loss on sale of S&PMIB options	365,070	38,625
Valuation loss on mark-to-market of options	0	45,600
Discounting to present value of trade liabilities	0	24,407
Fees and suretyship expenses	587	244
Finance expense of post-employment benefit obligation	3,313	8,700
<b>Total</b>	<b>4,619,149</b>	<b>1,231,041</b>

**(8) Share of profit (loss) of equity-accounted investee companies**

The item included:

euro	FY2009	FY2008
<b>1. Share of profits of associates</b>	<b>722,068</b>	<b>838,000</b>
<b>Total write-ups</b>	<b>722,068</b>	<b>838,000</b>
<b>2. Share of losses of subsidiaries</b>	<b>0</b>	<b>(5,666)</b>
<b>3. Share of losses of associates</b>	<b>0</b>	<b>(24,792)</b>
<b>4. Share of losses of joint ventures</b>	<b>0</b>	<b>(325,840)</b>
<b>Total write-downs</b>	<b>0</b>	<b>(356,298)</b>
<b>Net write-ups (write-downs)</b>	<b>722,068</b>	<b>481,702</b>

The equity interests in StarTip Srl and Open Family Office SIM SpA did not give rise to any share of result as they were liquidated during the year.

**(8).1. Share of profits of associates**

euro	FY2009	FY2008
Gruppo IPGH Srl	0	838,000
SeconTip SpA	683,728	0
Palazzari & Turries Limited	38,340	0
<b>Total</b>	<b>722,068</b>	<b>838,000</b>

**(8).2. Share of losses of subsidiaries**

euro	FY2009	FY2008
StarTip S.r.l. in liquidazione (being wound up)	0	(5,666)
<b>Total</b>	<b>0</b>	<b>(5,666)</b>

**(8).3. Share of losses of associates**

euro	FY2009	FY2008
Palazzari & Turries Limited	0	(21,079)
SeconTip SpA	0	(3,713)
Gruppo IPGH Srl	0	0
<b>Total</b>	<b>0</b>	<b>(24,792)</b>

The investment in IPGH has been kept at the same value as at 31 December 2008 even although the company made a profit in the year at consolidated level. The entity of the change that it would have generated (about € 160,000) is any case of a limited amount.

The share of profits and losses refer to recognition of the proportional share of results achieved by equity-accounted investments.

The write-up of the investment in SeconTip considers the effect of the investment made by the latter in Management & Capitali SpA. For the purposes of valuation of SeconTip in TIP, in compliance with IFRSs the investment in the associate company Management & Capitali has been measured according to the equity method.

Write-up of the investment in Palazzari & Turries Ltd. has been calculated based on the draft financial statements as at 31 December 2009.

**(8).4. Share of losses of joint ventures**

euro	FY2009	FY2008
Open Family Office SIM SpA	0	(325,840)
<b>Total</b>	<b>0</b>	<b>(325,840)</b>

**(9) Impairment of available-for-sale (AFS) financial assets**

euro	FY2009	FY2008
Impairment of AFS financial assets	(132,381)	(28,782,383)
<b>Total</b>	<b>(132,381)</b>	<b>(28,782,383)</b>

As regards AFS financial assets – consisting of minority interests in listed companies – these have been measured at fair value with changes in value recognized in equity. In the case of investments in listed companies in active markets, fair value has been identified as stock market value on the end date of the reporting period. If reduction of value vs. purchase cost adds up to long-lasting impairment, this is recognized in the income statement.

With reference to the companies whose shares are considered illiquid – i.e. Valsoia SpA, Noemalife SpA and Bolzoni SpA – the analyses performed revealed the absence of an active market, as this was not supported by sufficient market trades either in relative terms with respect to the companies' capital or in absolute terms. In these specific cases, we performed a technical valuation of the companies mainly based on comparison with the market multiples underlying companies with similar characteristics (and obviously considered "liquid") or substantially based on the investee company's ability to produce future cash flows, discounted over time to reflect the time value of money and the risks specific to each company's business. This analysis showed that the companies' fair value was in line with the value already reported in financial statements as at 31 December 2008.

In the case of Valsoia SpA, this company was valued based on prospective cash flows discounted to present value only at the cost of equity (7.54%) and also – as a "double check" – based on the 2010E EV/EBITDA multiple of comparable companies (8x on average).

As regards Noemalife SpA, we measured it based both on the 2010E EV/EBITDA multiples of the main comparables (12.7x on average) and on discounting to present value of expected future cash flows (based on WACC of 5.94% - calculated on the basis of a 5.0% cost of debt, levered beta of 0.72%, 7.54% cost of equity, and a capitalization ratio of 40.7% debt and 59.3% equity).

As regards Bolzoni SpA, the company was measured based both on the 2010E EV/EBITDA multiples of the main comparables (9.8x on average) and on discounting to present value of expected future cash flows (based on WACC of 8.76% - calculated on the basis of a 5.0% cost of debt, levered beta of 1.25%, 11.63% cost of equity, and a capitalization ratio of 35% debt and 65% equity).

For the detail of write-downs, reference should be made to Appendix 2 in this report.

## **(10) Income taxes – current, deferred and advance**

Income taxes posted in the income statement were as follows:

<b>euro</b>	<b>FY2009</b>	<b>FY2008</b>
Current income taxes	88,112	1,050,965
Advance income taxes	407,065	506,490
Deferred income taxes	19,945	(93,418)
<b>Total</b>	<b>515,122</b>	<b>1,464,037</b>

Below we provide a statement of reconciliation between the theoretical and actual tax burden:

	<b>2009</b>			<b>2008</b>		
	<b>Amount</b>	<b>Taxes</b>	<b>%</b>	<b>Amount</b>	<b>Taxes</b>	<b>%</b>
<b>Reported profit before taxes</b>	1,540,629			(19,173,974)		
Theoretical tax rate and burden	27.5%	<b>423,673</b>		27.5%	<b>(5,272,843)</b>	
<b>Permanent differences - minus:</b>						
Dividends	(882,855)	(242,785)	16%	(1,741,473)	(478,905)	2%
Tax-exempt capital gains	(3,191,251)	(877,594)	57%	(2,957,230)	(813,238)	4%
Capital losses	(342,044)	(94,062)	6%	-	-	
Other permanent minus differences	(172,604)	(47,466)	3%	(37,823)	(10,401)	0%
		<b>(1,261,907)</b>			<b>(1,302,544)</b>	
<b>Permanent differences – plus:</b>	4,069,151	<b>1,119,017</b>	<b>73%</b>	29,176,340	<b>8,023,492</b>	<b>42%</b>
<b>Temporary differences</b>						
Differences that will reverse in future FYs	668,673	183,885	12%	1,209,429	332,593	2%
Reversal of prior years' differences	(2,207,274)	(607,000)	39%	(3,741,689)	(1,028,964)	5%
		<b>(423,115)</b>			<b>(696,371)</b>	
<b>IRES (corporate income tax)</b>	(517,575)	<b>(142,332)</b>	9%		<b>751,734</b>	4%
<b>IRAP (regional business tax)</b>		<b>86,845</b>			<b>294,015</b>	
Changes in deferred tax assets/liabilities		<b>427,010</b>			<b>413,072</b>	
Tax on income of foreign associate companies		<b>1,267</b>			<b>0</b>	
Substitute tax (box EC of tax return [alignment of tax and accounting value])		<b>0</b>			<b>5,216</b>	
<b>Total income taxes</b>		<b>515,122</b>			<b>1,464,037</b>	

### Deferred taxes recognised directly in equity

The Company recognised an increase in deferred taxes of € 111,066 directly in equity in FY2009 vs. a decrease in deferred taxes of € 198,130 in FY2008, relating to adjustments to the value of AFS financial assets, as indicated in Note 18.

### (11) Property, plant, and equipment

The following table illustrates the changes occurring in the item:

<b>euro</b>	<b>Land &amp; buildings</b>	<b>Plant &amp; machinery</b>	<b>Industrial &amp; commercial equipment</b>	<b>Other assets</b>	<b>Total</b>
<b>Net value at 1 January 2008</b>	<b>13,940</b>	-	-	<b>74,005</b>	<b>87,945</b>
Increases	-	-	-	22,869	22,869
Decreases	-	-	-	(6,635)	(6,635)
Decreases of accrued depreciation	-	-	-	6,635	6,635
Annual depreciation	(6,970)	-	-	(28,443)	(35,413)
<b>Net value at 31 December 2008</b>	<b>6,970</b>	-	-	<b>68,431</b>	<b>75,401</b>
Increases	-	-	-	59,028	59,028
Decreases	-	-	-	(7,405)	(7,405)
Decreases of accrued depreciation	-	-	-	6,955	6,955
Annual depreciation	(6,970)	-	-	(34,034)	(41,004)
<b>Net value at 31 December 2009</b>	<b>0</b>	-	-	<b>92,975</b>	<b>92,975</b>

The “Land & buildings” item mainly refers to leasehold improvements. Of the increase in “Other assets”, € 4,643 referred to electronic machinery, € 53,901 to cars, and € 484 to mobile telephones. Decreases consisted of the disposal of furnishings and electronic machinery.

**(12) Goodwill and other intangible assets**

The **Goodwill** item of € 9,806,574 arose following merger by incorporation of the subsidiary Tamburi & Associati SpA in TIP SpA.

IAS 36 establishes that the value of goodwill, as it is an intangible asset with an indefinite useful life, must not be amortised but subjected to impairment testing at least annually.

Recoverable value was estimated based on value in use, which was calculated making the following assumptions:

- Forecast normalised perpetual cash flows of the advisory business
- Terminal value based on a perpetual growth rate of 2%
- A discount rate corresponding to unlevered cost of equity of 8.99%

reaching the conclusion that the value attributed to goodwill was fair and recoverable.

The following table illustrates the changes occurring in **Other intangible assets**:

<b>euro</b>	<b>Patents and intellectual property rights</b>	<b>Concessions, licenses, and trademarks</b>	<b>Total</b>
<b>Net value as at 1 January 2008</b>	<b>2,511</b>	<b>1,750</b>	<b>4,261</b>
Increases	-	668	668
Decreases	-	-	-
Annual amortisation	(2,286)	(417)	(2,703)
<b>Net value as at 31 December 2008</b>	<b>225</b>	<b>2,001</b>	<b>2,226</b>
Increases	728	-	728
Decreases	-	-	-
Annual amortisation	(466)	(417)	(883)
<b>Net value as at 31 December 2009</b>	<b>487</b>	<b>1,584</b>	<b>2,071</b>

**(13) Investments in equity-accounted subsidiaries**

<b>euro</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Investments in subsidiaries	0	1,862
<b>Total</b>	<b>0</b>	<b>1,862</b>

The company StarTip Srl in liquidazione (= being “wound up”) has been extinguished. It was cancelled from the Companies Register on 28 April 2009.

**(14) Investments in equity-account companies**

	<b>31 December 2009</b>	<b>31 December 2008</b>
1. Investments in associates	31,470,790	28,105,475
2. Investments in joint ventures	0	374,160
<b>Total</b>	<b>31,470,790</b>	<b>28,479,635</b>

**(14.1) Investments in associates**

€ 8,671,586 of total investments in associates refers to the equity investment in Gruppo IPG Holding Srl (a company that must be considered an associate company by virtue of the

shareholder agreements made upon foundation of the new company, which comprises relative majority ownership of Interpump Group SpA); € 22,568,626 to the investment in SeconTip SpA; and € 230,578 to the investment in Palazzari & Turries Ltd., which is based in Hong Kong SAR. The latter was measured according to equity as at 31 December 2009.

<b>Company</b>	<b>Registered location</b>	<b>Share/quota capital</b>	<b>Number of shares/quotas</b>	<b>Number of shares/quotas owned</b>	<b>% ownership</b>
Gruppo IPG Holding Srl	Milan	142,437.50	142,437.50	24,013.27	16.859
SeconTip SpA	Milan	55,000,000	55,000,000	21,686,500	39.43
Palazzari & Turries Ltd.	Hong Kong	300,000 (1)	300,000	90,000	30.00

1) In HKD.

As regards the associate Gruppo IPGH Srl, besides the capital increase of € 2,855,405, TIP provided interest-free shareholder loans for a total amount as at 31 December 2009 of € 4,978,290, thus bringing total financial receivables up to € 10,501,668. For proper representation of these operations, the present value of such loans, calculated on 31 December 2010 at TIP's payee rate, has been reclassified in financial receivables, while the benefit granted to the investee company, consisting of the difference between the present and face value of the interest-free loans granted, has been posted as a write-up of the investment's value as at 31 December 2009.

#### **(14).2 Investments in joint ventures**

The company Open Family Office SIM SpA has been extinguished. It was cancelled from the Companies Register on 17 June 2009.

#### **(15) Investments in associates measured at fair value**

This item refers to the equity investment in the company Data Holding 2007 Srl.

<b>Company</b>	<b>Registered location</b>	<b>Quota capital</b>	<b>Number of quotas</b>	<b>Number of quotas owned</b>	<b>% ownership</b>
Data Holding 2007 Srl	Rome	11,218,790	11,218,790	5,240,550	46.72

On 28 September 2009 TIP subscribed the capital increase of Data Holding 2007 Srl (hereinafter "DH") reserved as an option for shareholders [called "quotaholders" in Italian private limited liability companies], via conversion into equity of the shareholders' loan of € 4,900,000 granted in March 2008. On the same date Orizzonti NR (a company pertaining to Mr. Rocco Sabelli) in turn subscribed, in the same manner, DH's capital increase for an amount of € 5,100,000. DH in turn, as part of the rights capital increase of its investee company Bee Team totalling € 30 mn, which took place in the same period, converted shareholder loans for future capital increases into Bee Team equity for a total amount of € 10 mn, as well as subscribing further Bee Team shares for an amount of just under € 100 thousand.

Apart from finalization of the capital increase indicated above (fully subscribed) – which in any case permitted considerable capital and financial reinforcement of the company – during 2009

Bee Team completed rationalization of the group's various activities, while at the same time managing significant top-management reorganization, also because of the lesser operating involvement of Mr. Rocco Sabelli.

Bee Team achieved stably positive EBITDA during FY2009 and the level of the same (about € 4 mn) is significant if compared with previous years – and above all if one considers the constantly growing trend of the various quarters in FY2009.

Taking into account the intrinsic characteristics of an entrepreneurial turnaround investment, as a consequence of the:

- Constantly improving results during FY2009
- Restructuring of operating activities, which has now reached a stage of “structural” completion, as emerged during the process of approval of the 2010 budget and basic plan guidelines
- The capital increase completed in FY2009 (fully subscribed), which has permitted considerable capital and financial reinforcement
- The stock's high intrinsic volatility due to the fact that it is a scarcely liquid “micro cap”, even more so in the present market environment
- The lock-up pact existing between shareholders controlling the group
- Expected plan result

the intrinsic value of the equity interest in DH is consistent with the carrying value indicated.

#### **(16) Available-for-sale financial assets**

These financial assets refer to minority interests owned in listed and unlisted companies.

<b>Euro</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Investments in listed companies	39,069,736	51,434,994
Investments in unlisted companies	5,792,172	13,955,577
<b>Total</b>	<b>44,861,908</b>	<b>65,390,571</b>

The list of the equity investments owned and changes in their fair value are shown in Appendices 1 and 2. As regards valuations of investments in listed companies, readers should also refer to Note 9 and Note 24.

As regards the investment in Borletti Group SCA, no new information emerged such as to change the fundamental parameters on which its valuation was based in the previous FY. The value attributed in financial statements as at 31 December 2009 comprises the amount paid following subscription of equity stakes and the amount paid as an interest-free shareholder loan, as the two investment modes feature a similar risk/reward profile.

The changes occurring in “AFS financial assets” during FY2009 were caused by:

<b>Opening balance as at 1/1/2008</b>	<b>euro</b>	<b>125,902,840</b>
Increases - purchases	euro	3,511,078
Decreases – sales (historical cost)	euro	(27,663,467)
Decreases - sales (reversal of fair value)	euro	(4,477,038)
Increases – changes in value	euro	34,317
Decreases – reversal of write-downs to income statement	euro	(3,134,776)
Impairment charged to income statement	euro	(28,782,383)
<b>Closing balance as at 31/12/2008</b>	<b>euro</b>	<b>65,390,571</b>
Increases - purchases	euro	1,219,399
Decreases – sales (historical cost)	euro	(19,437,049)
Decreases – change in value	euro	(3,084,644)
Increases – change in value	euro	2,292,511
Decreases - sales (reversal of fair value)	euro	(1,386,499)
Impairment charged to income statement	euro	(132,381)
<b>Closing balance as at 31/12/2009</b>	<b>euro</b>	<b>44,861,908</b>

The following table shows the detail of changes

	Carrying value at 1 January 2009	Modification/ reclassification	Purchases or incorporations	Sales	Reversal of fair value	Increases of fair value	Decreases of fair value	Impairment in P&L	Carrying value at 31 December 2009
Unlisted companies	13,955,577	(155,009) (1)	114,554	(6,830,634)	(1,375,969)	462,100	(323,759)	(54,688)	5,792,172
Listed companies	51,434,994	155,009 (1)	1,104,845	(12,606,415)	(10,530)	1,830,411	(2,760,885)	(77,693)	39,069,736
<b>Total</b>	<b>65,390,571</b>	<b>0</b>	<b>1,219,399</b>	<b>(19,437,049)</b>	<b>(1,386,499)</b>	<b>2,292,511</b>	<b>(3,084,644)</b>	<b>(132,381)</b>	<b>44,861,908</b>

(1) The investment in TBS Group SpA has been reclassified from unlisted to listed companies for an amount of € 155,009 following listing of the company in December 2009.

## (17) Trade receivables

<b>euro</b>	<b>31 December 2009</b>	<b>31 December 2008</b>
Trade receivables (before bad debt provision)	1,800,237	2,074,214
Bad debt provision	(106,346)	(204,977)
<b>Net total</b>	<b>1,693,891</b>	<b>1,869,238</b>
Trade receivables due after more than 12 months	613,326	598,210
<b>Total due after more than 12 months</b>	<b>613,326</b>	<b>598,210</b>

The trend in trade receivables is strictly linked to the different sales mix between service revenues for success fees and those for pure services. It is also pointed out that TIP has a credit of € 613,326 vis-à-vis Data Holding 2007 Srl relating to restructuring of the group, collection of which has prudently been envisaged with an average value date of more than 12 months, with consequent discounting to present value.

Bad debt provision amounted to € 106,346. Provision decreased by € 149,506 due to the elimination of some trade receivables and also increased by € 50,875 due to prudential inclusion of assumptions of more difficult collectability of some trade receivables

**(18) Deferred tax assets and liabilities**

The following table illustrates the breakdown of the item as at 31 December 2009 and 2008:

euro	Assets		Liabilities		Net	
	31/12/2008	31/12/2009	31/12/2008	31/12/2009	31/12/2008	31/12/2009
Other intangible assets	246,279	1,289	-	-	246,279	1,289
Non-current AFS financial assets	95,403	-	(46,283)	(177,294)	49,120	(177,294)
Current financial assets	8,762	-	-	-	8,762	-
Result for period	30,095	16,566	(8,970)	(8,970)	21,125	7,596
Post-employment benefit	11,778	-	-	-	11,778	-
Other liabilities	205,772	173,169	-	-	205,772	173,169
<b>Total</b>	<b>598,089</b>	<b>191,024</b>	<b>(55,253)</b>	<b>(186,264)</b>	<b>542,836</b>	<b>4,760</b>

Movements of net deferred tax assets and liabilities were as follows:

euro	31 December 2008	Movements		31 December 2008
		through profit or loss	Movements in equity	
Other intangible assets	246,279	(244,990)	-	1,289
Non-current AFS financial assets	49,120	(115,348)	(111,066)	(177,294)
Current financial assets	8,762	(8,762)	-	-
Result for period	21,125	(13,529)	-	7,596
Post-employment benefit	11,778	(11,778)	-	-
Other liabilities	205,772	(32,603)	-	173,169
<b>Total</b>	<b>542,836</b>	<b>(427,010)</b>	<b>(111,066)</b>	<b>4,760</b>

**(19) Current financial assets**

euro	31 December 2009	31 December 2008
Bonds and other debt securities	41,545,831	504,783

Current financial assets refer mainly to government securities and to bonds held for trading.

The table below shows the only security held as at 31 December 2009 indicating its par and carrying value.

Description of security	Par value as at 31 December 2009	Maturity date	Interest rate (%)	Value as at 31 December 2008
EIB	830,000	October 2009	Variable rate	874,400
GENERALI FIN. PERP. TM SUB	2,000,000	June 2016	5.317%	1,845,306
CTZ 30/9/2009 – 30/9/2011 (Italian Treasury certificates)	7,250,000	September 2011	zero coupon	7,048,270
GENERALI	5,000,000	November 2014	4.5%	5,350,690
GE.C.EU.	5,000,000	September 2011	5.75%	5,351,704
DEPFA ACS BANK	5,000,000	March 2011	3.5%	5,173,541
ALLIED IRISH BANKS	6,000,000	October 2012	4.5%	5,932,615
ALLIED IRISH BANKS	5,000,000	September 2010	2.125%	5,025,459
ALLIED IRISH BANKS.00	5,000,000	October 2012	4.5%	4,943,846
<b>Total</b>	<b>41,080,000</b>			<b>41,545,831</b>

**(20) Financial receivables**

euro	31 December 2009	31 December 2008
Receivable for loans	12,129,393	11,640,826
<b>Total</b>	<b>12,129,393</b>	<b>11,640,826</b>

Loan receivables refer to an interest-free loan of € 10,501,668 paid out to the associate company Gruppo IPG Holding Srl. (the receivable was discounted to present value at 3-month Euribor + 0.50% spread and the difference between present and face value posted as an adjustment to the investment's value). They also refer to a loan of € 1,627,725, inclusive of interest, calculated at market value, paid out to the associate company Data Holding 2007 Srl.

**(22) Cash & cash equivalents**

The item shows the balance of bank deposits based on the face value of bank current accounts.

euro	31 December 2009	31 December 2008
Bank deposits	421,032	30,791,288
Cash and equivalents on hand	3,253	4,037
<b>Total</b>	<b>424,285</b>	<b>30,795,325</b>

The following table shows the breakdown of our net financial position.

euro	31 December 2009	31 December 2008
<b>A</b> Cash and cash equivalents	424,285	30,795,325
<b>B</b> Securities held for trading	41,545,831	504,783
<b>C Liquidity (A+B)</b>	<b>41,970,116</b>	<b>31,300,108</b>
<b>D</b> Financial debts	(54,166)	(74,395)
<b>E Net financial position</b>	<b>41,915,950</b>	<b>31,225,713</b>

**(22) Tax receivables**

The breakdown of this item was as follows:

euro	31 December 2009	31 December 2008
Receivable from Inland Revenue – tax credits (within 12 months) for:		
IRES (corporate income tax) carried forward	89,896	45,582
IRAP (regional business tax) carried forward	0	5,435
INAIL (state accident insurance agency) receivable	923	0
Other taxes withheld	13,703	5,299
<b>Total (within 12 months)</b>	<b>104,522</b>	<b>56,316</b>
Receivable from Inland Revenue – tax credits (after 12 months)	186	186
Receivable from Inland Revenue – IRAP rebate	13,736	0
<b>Total (after 12 months)</b>	<b>13,922</b>	<b>186</b>

**(23) Share capital**

The composition of share capital is shown below:

	<b>Shares</b>	<b>Number</b>	<b>Par value (€)</b>
Ordinary shares		111,058,832	0.52
<b>Total</b>		<b>111,058,082</b>	<b>0.52</b>

As at 31 December 2009, share capital fully paid in and subscribed amounted to € 57,750,592.64 and consisted of 111,058,832 ordinary shares with a par value of € 0.52 each.

Treasury shares held as at 31 December 2009 numbered 4,357,016.

**(24) Reserves**

The following table details the changes in the reserve for fair-value valuation of financial assets available for sale, which represents total income and losses recognised directly in equity:

	<b>Carrying value at 1.1.2009</b>	<b>Increases of fair value</b>	<b>Reversal of fair value</b>	<b>Decreases of fair value</b>	<b>Carrying value at 31.12.2009</b>
Equity investments	2,123,770	2,292,511	(1,386,499)	(3,084,644)	(54,862)
Tax effect: deferred and advance taxes	(34,759)		(111,066)		(145,825)
<b>Total reserve</b>	<b>2,089,011</b>		<b>(2,289,698)</b>		<b>(200,687)</b>

The table shows the change occurring in investments' latent surplus value between 1 January 2009 and 31 December 2009 net of the potential tax burden as at balance sheet date, which is recognised offsetting it in equity in "Fair-value reserve for AFS assets". The amount of € -2,289,698 is the sum of € 2,292,511 for "Increases in fair value", of € -3,084,644 for "Decreases of fair value" and of € -1,386,499 for "Reversal of fair value" – i.e. the capital gains made via sales of investments during FY2009, previously classified in the item "Available-for-sale financial assets". All this is net of € -111,066, which is the tax effect (for this latter item reference should also be made to Note 18). For greater clarity, reference should also be made to Appendix 2 – Changes in available-for-sale assets measured at fair value (columns "Increases of fair value", "Decreases of fair value" and "Reversal of fair value").

For changes in the Company's equity and its components, reference should be made to the specific statement.

Below we instead analyze the statutory and tax nature of equity components.

Item/Description	Amount	Possibility of use	Available portion	Use in previous 3 FYs to cover losses	Use in previous 3 FYs for other reasons
Share capital	55,484,944				
Legal reserve	1,291,707	B	1,291,707		
Share premium reserve	100,596,061	A, B, C (*)	90,337,649		
Extraordinary reserve	4,035,885	A,B,C	4,035,885		
Fair value reserve for AFS financial assets	(200,687)				
Other reserves	1,868,873	A,B,C	1,868,873		
Retained earnings	5,586,479	A,B,C	5,586,479		
Losses carried forward	(20,638,011)				
<b>Total</b>	<b>148,025,251</b>		<b>95,504,711</b>		
Undistributable portion (**)	<b>31,097,110</b>				

A = for capital increases; B = for coverage of losses; C = for distribution to shareholders

\* Distributability to shareholders is limited to an amount of € 90,337,649 because the legal reserve has not yet reached the limit established by Article 2430 of the Italian Civil Code.

\*\* It consists of:

- The amount of the share premium reserve (€ 10,258,412) necessary to reach the limit – set by Article 2430 of the Italian Civil Code – for the legal reserve (€ 11,550,119). The amount of the legal reserve has been calculated based on statutory share capital
- The amount necessary to cover losses carried forward (€ -20,638,011) and the Fair-value reserve for AFS financial assets (€ -200,687).

The changes in equity already resolved by the shareholders' meeting held on 26 February 2010 are indicated in Note 36. We provide the following complementary information on equity as at 31 December 2009.

#### *Share capital*

Share capital net of treasury shares for a total nominal amount of € 2,265,648 amounted to € 55,484,944.

Paid-up and subscribed share capital amounted to € 57,750,592.64 and consisted of 111,058,832 ordinary shares with a par value of € 0.52 each.

#### *Legal reserve*

It amounted to € 1,291,707 and did not change vs. 31 December 2008.

#### *Share premium reserve*

The share premium reserve amounted to € 100,596,061 and decreased by € 464,120 vs. 31 December 2008 due to the net effect of purchase of treasury shares.

#### *Extraordinary reserve*

It amounted to € 4,035,885 and did not change vs. 31 December 2008. Part of the extraordinary reserve is not distributable because it was generated by application of IFRSs.

#### *Fair value reserve for AFS financial assets*

It was negative by € -200,687. It is an unavailable reserve because it refers to changes in fair value vs. the purchase value of equity investments owned.

#### *Other reserves*

They totalled € 1,868,873. € 1,709,385 of this amount referred to the goodwill reserve and € 159,488 to a part of the share-based transaction reserve transferred to unrestricted reserves for options relating to the stock option plan that have been exercised.

*Retained earnings*

Net retained earnings amounted to € -15,051,532.

*Profit for the year*

It amounted to € 1,025,508.

**(25) Profit after tax**

*Basic earnings per share*

As at 31 December 2009, basic earnings per share amounted to € 0.01 (as at 31 December 2008 there was a loss of € -0.19 per share). The balance of the item has been calculated based on the profit attributable to shareholders, i.e. € 1,025,508 (as at 31 December 2008 the company had a loss of € -20,638,011) divided by the number of ordinary shares outstanding as at 31 December 2009, calculated taking into account treasury shares owned as at the same date.

On 9 May 2009 the deadline for options granted on TIP shares expired for all recipients. Given this, their dilutive effect was no longer calculated.

**(26) Post-employment benefit and end-of-service obligations**

As at 31 December 2009, the item's balance referred to post-employment benefits payable to all company employees at the end of the employment relationship.

The liability is based on actuarial measurement, which, in turn, is based on assessments of relevant parameters given the staffing mix (managers, middle managers, and white-collars), FY2009 salary increases, and according to possible salary increases and staff turnover rate, discussed with top management and based on the historical and projected trend of such variables.

The discount rate used for post-employment benefits is that of the interest-rate swap curve (4.848% as at 31 December 2009 and 4.845% as at 31 December 2008).

**Provision for post-employment benefit and end-of-service obligations**

euro	31 December 2009	31 December 2008
Value as at 1 January	145,944	211,565
Increase	24,734	40,634
Transfer to pension funds	(17,028)	(19,981)
Utilisation	(8,253)	(86,274)
<b>Total</b>	<b>145,397</b>	<b>145,944</b>

The increases shown also include the financial component of the actuarial calculation, classified among finance expense. In FY2009 it amounted to € 3,313 and in FY2008 to € 8,700.

**(27) Current financial liabilities**

The item consists of dividends not yet collected by shareholders.

**(28) Tax liabilities**

The breakdown of the item was as follows:

euro	31 December 2009	31 December 2008
IRES (corporate income tax)	0	0
IRAP (regional business tax)	6,845	0
VAT	15,468	64,732
Withholdings	56,501	72,440
Substitute tax for alignment of tax and accounting values	2,627	5,216
Tax on income of foreign associates	1,267	0
Substitute tax on post-employment benefit provision	0	56
Others	3,195	2,295
<b>Total</b>	<b>85,903</b>	<b>144,739</b>

**(29) Other liabilities**

The item consists mainly of amounts payable for directors' emoluments and of those payable to employees.

euro	31 December 2009	31 December 2008
Amounts payable to directors	628,788	726,509
Amounts payable to employees	299,710	289,456
Amounts payable to pension & welfare agencies	64,333	57,693
Others	256,547	246,092
<b>Total</b>	<b>1,249,378</b>	<b>1,319,750</b>

Amounts payable to directors refer to the variable part accrued by directors on FY2009 results.

Amounts payable to employees include bonuses accrued during FY2009.

Other liabilities include accrued liabilities relating to holidays and leaves of absence accrued and not taken, and social security charges. They also include amounts payable to the statutory auditors and to the Oversight Committee for emoluments accrued and not yet paid.

**(30) Commitments and guarantees given**

As at 31 December 2009, TIP SpA, for the capital increase approved and already fully subscribed of the associate company SeconTip SpA, had a residual investment commitment of € 16,561,850. This commitment ceased to exist following cancellation of the shareholders' agreement consequent to contribution of SeconTip shares to TIP, as described in Note 36.

As at 31 December 2009, for the deal involving investment in Borletti Group SCA, the residual investment commitment was € 1,250,000, of which € 650,000 backed by suretyship.

### **(31) Financial instruments**

#### **Financial risk management**

By virtue of the nature of its business, the Company is exposed to various types of financial risk and, in particular, to equity price risk in terms of changes in investments' fair market value and, marginally, to interest rate risk.

Below we illustrate the financial risk management policies adopted by the Company.

#### ***Interest rate risk***

The Company is exposed to interest rate risk as regards the value of current financial assets consisting of government securities and bonds held for trading.

#### ***Equity price risk***

The Company, by virtue of the nature of its business, is exposed to the risk of changes in the value of its investments.

As regards investments in listed companies, today there is no instrument for efficient hedging of a portfolio with characteristics such as that held by the Company (small-mid caps with certain characteristics).

As instead regards investments in unlisted companies, the risks associated with:

- a) Valuation of such investments, given (i) the absence in such companies of control systems similar to those required for companies with listed stocks, with the consequent lack of an information flow at least equal to that available for the latter in terms of quantity and quality and (ii) the difficulty of performing independent checks in such companies and, therefore, of assessing the thoroughness and accuracy of the information they provide
- b) The possibility of influencing the management of such investments and aiding their growth, which is the prerequisite for investment, based on the group's relations with the management team and shareholders, and therefore subject to the verification and development of such relations
- c) The monetizability of such investments, which are not traded in a regulated market

have not been hedged via specific derivatives since such instruments do not exist. The Company seeks to minimise the risk – albeit in a merchant banking activity, which is therefore risky by definition – via careful analysis of the company and its sector of reference at the time of entry into its capital, plus attentive monitoring of the development of investee companies' business also after entry into their capital.

In any case, since 2007 TIP, based on the major stock of listed equities on its books and the presumable trend of markets, has been purchasing and selling put options on Italian indexes in order to counterbalance the effects of the performance of investments in listed companies. During 2009 this flow generated capital gains of € 634,883 and capital losses of € 365,070.

**Credit risk**

The Company's exposure to credit risk depends on the specific characteristics of each client as well as on the type of activity performed.

Before accepting an engagement, thorough analyses are performed of the client's credit worthiness drawing on the wealth of knowledge and contacts enjoyed by the company. In the case of advisory activity concerning restructuring operations, the credit risk is higher.

**Liquidity risk**

The Company's approach to liquidity management is to assure that, as far as possible, there are always sufficient funds to honour its obligations on due date.

Historically speaking, because of the nature of its business, the Company has never resorted to debt. In the latter months of FY2009 the Company, in the light of the liquidity available, gave up two stand-by lines of credit for € 65 mn, while it kept a € 15-mn line in place. None of the three lines had in any case ever been secured.

**Capital management**

The policies for capital management by the Board of Directors envisage maintenance of a high level of equity in order to maintain a trust-based relationship with investors, thus permitting business growth.

The Company purchases its own shares on the market with timing that depends on market prices.

**(32) Shareholdings owned in group companies by members of corporate management and control bodies and by general managers**

The following table indicates TIP financial instruments directly or indirectly owned at year-end, also via fiduciary companies, by members of the Board of Directors. The table also indicates the financial instruments purchased, sold, and effectively possessed by the above parties during 2008 and 2009.

Office	Name	No. of shares held as at 31/12/2008	No. of shares bought since 31/12/2008	No. of shares sold since 31/12/2008	No. of shares held as at 31/12/2009
President & Managing Director	Giovanni Tamburi	7,265,078	19,365	-	7,284,443
Vice President & Managing Director	Alessandra Gritti	1,464,379	-	-	1,464,379
Director & General Manager	Claudio Berretti	221,000	12,000	-	233,000
Director	Niccolò Branca di Romanico	2,201,879	-	-	2,201,879
Director	Francesco Baggi Sisini (1)	3,636,710	-	-	3,636,710
Director	Mario Davide Manuli (2)	5,787,404	-	-	5,787,404
Director	Sandro Alberto Manuli (3)	4,887,404	39,507	-	4,926,911
Director	Marco Merati Foscarini (4)	405,000	-	-	405,000
Director	Edoardo Rossetti (5)	601,168	-	-	601,168
Director	Cesare d'Amico (6)	6,569,224	2,129,736	-	8,698,960
Director	Claudio Gragnani (7)	2,000,000	-	-	2,000,000

- (1) Francesco Baggi Sisini holds his equity interest in TIP via Arbus Srl, a company that he legally controls under Article 2359, first paragraph, of the Italian Civil Code.
- (2) Mario Davide Manuli holds his equity interest in TIP via DAM Srl, a company that he legally controls under Article 2359, first paragraph, of the Italian Civil Code.

- (3) Sandro Alberto Manuli holds his equity interest in TIP via Realmargi Srl, a company that he legally controls under Article 2359, first paragraph, of the Italian Civil Code.
- (4) Marco Merati Foscarini holds his equity interest in TIP via a fiduciary company in which he does not own any equity interest for 330,000 shares, whilst holding 75,000 shares as a natural person.
- (5) Edoardo Rossetti holds his equity interest in TIP via Finross SpA, a company that he legally controls under Article 2359, first paragraph, of the Italian Civil Code.
- (6) Cesare d'Amico owns his equity interest in TIP via d'Amico Società di Navigazione SpA, a company in which he owns (directly and indirectly) a 50% equity interest
- (7) Claudio Gragnani owns his equity interest in TIP via a fiduciary company in which he does not own any equity interest.

Office	Name	No. of shares held as at 31/12/2008	No. of shares bought since 31/12/2008	No. of shares sold since 31/12/2008	No. of shares held as at 31/12/2009
President of Board of Statutory Auditors	Giorgio Rocco	838,234	-	-	838,234
Standing statutory auditor	Enrico Cervellera	-	-	-	-
Standing statutory auditor	Emanuele Cottino	-	-	-	-

### (33) Compensation paid to members of corporate bodies for any reason and in any form

The following tables and related notes indicate, in euro, for FY2009, the compensation paid to members of corporate bodies, for any reason and in whatsoever form.

Office in TIP	Name	Fixed compensation 31/12/2009	Variable compensation 31/12/2009
President and Managing Director	Giovanni Tamburi	384,000 (1)	349,059 (2)
Vice President and Managing Director	Alessandra Gritti	250,000 (1)	175,529 (2)
Director & General Manager	Claudio Berretti	200,000	200,000 (3)
Director	Niccolò Branca di Romanico	10,000	-
Director	Francesco Baggi Sisini	10,000	-
Director	Mario Davide Manuli	10,000	-
Director	Sandro Alberto Manuli	10,000	-
Director	Marco Merati Foscarini	10,000	-
Director	Giuseppe Ferrero	10,000	-
Director	Maurizio Petta	10,000	-
Director	Edoardo Rossetti	10,000	-
Director	Cesare d'Amico	10,000	-
Director	Claudio Gragnani	10,000	-

Office in TIP	Name	Compensation 31/12/09
President of Board of Statutory Auditors	Giorgio Rocco	27,424
Standing statutory auditor	Enrico Cervellera	18,283
Standing statutory auditor	Emanuele Cottino	18,283

1. Amount before mandatory withholdings. The figure indicated is the annual fixed compensation resolved by the Board of Directors on 20 December 2006, then confirmed by the Board of Directors on 6 November 2007, besides the benefits that had already been attributed (car, mobile telephone, and Blackberry).
2. Amount before amounts withheld as legally required. As regards the President and the Vice President &

Managing Director, variable gross annual compensation is equal respectively to 7% and 3.5% of revenues coming from advisory activities, stated in the item "Revenues from sales and services", plus respectively 5.5% and 2.75% of annual pre-tax profit, as resolved by the Board of Directors on 6 November 2007.

3. Amount for amounts withheld as legally required. Compensation established according to the results achieved by the Company and in any case using a method similar to that established for the President and Vice President, plus benefits consisting of a car, mobile telephone and Blackberry.

Compensation payable to the Oversight Committee for FY2009 amounted to € 3,000.

In addition, the company has stipulated two insurance policies – a D&O (Directors' & Officers' Liability) policy and a professional TPL (third-party liability) policy - with Chubb Insurance Company of Europe SA for directors and statutory auditors of TIP, of subsidiaries, and of investee companies in which TIP has positions in corporate bodies, as well as for the General Manager, to cover any damage caused to third parties by the insured in performance of their functions. The annual premium paid by TIP for the policies is € 55,000 for the D&O policy and € 52,000 for the professional TPL policy.

### **(34) Related-party transactions**

The associate company SeconTip SpA has signed a service agreement with TIP for all areas of activity. Against services rendered TIP is accorded an annual flat-rate fee ("management fee") of € 500,000 + VAT. The agreement includes an earn-out clause if SeconTip successfully sells any of the equity investments acquired. In FY2009, revenues from activity provided for SeconTip accounted for approximately 15% of the Company's total revenues for services.

In FY2009 transactions took place with entities related to TIP. We believe that services provided to all the parties listed below were rendered at market contractual and monetary terms and conditions.

Such transactions concerned billing – for services rendered – of natural persons and/or legal entities relating to TIP directors for a total of € 91,581 in FY2009, i.e. about 3% of total revenues (vs. € 128,175 in FY2008).

Service costs instead included services in 2009 rendered by a firm where a TIP supplementary statutory auditor works, for a total of € 121,465 (vs. € 118,325 in 2008).

As regards dealings with associate companies, during FY2009 TIP paid out an interest-free loan to Gruppo IPG Holding Srl amounting to € 4,978,290. During FY2009 interest income on the loans in place with Data Holding 2007 Srl amounted to € 198,119. As at 31 December 2009, TIP had credits vis-à-vis the company of € 613,326.

In the period 1 January-31 December 2009, TIP billed Management & Capitali SpA, an associate investment of SeconTip SpA, for € 149,992 in consideration of the reversibility accorded on the emoluments of the directors of M&C Giovanni Tamburi and Alessandra Gritti and of the member of the M&C investment committee Claudio Berretti.

On 9 May 2009 the deadline expired for all recipients for options granted in relation to the stock option plan.

### **(35) Corporate Governance**

#### **Administrative liability of the Company – Italian Legislative Decree 231/2001**

With reference to Italian Legislative Decree 231/2001 – which introduced in Italian law the concept of so-called “administrative liability” of companies for specific crimes committed, in their interest or to their benefit, by persons holding functions of representation, administration, and direction - the company has long adopted the requisite Organizational Model, Code of Ethics, and operating procedures for areas of risk, subsequently amended with the merger by incorporation of Tamburi & Associati in Tamburi Investment Partners SpA.. As part of the ongoing activity of monitoring and updating of the Model, and in the light of expansion of the list of crimes that cause legal entities to become liable under the decree, the need emerged to update the Organizational Model. During its meeting on 26 March 2009, the Board of Directors approved the new version of the Organizational Model pursuant to Italian Legislative Decree 231/2001 designed to prevent the following types of crimes (Application Criteria 8.C.2):

1. Crimes against the Public Administration
2. Corporate crimes
3. Market abuse crimes
4. Crimes of manslaughter and serious or extremely serious bodily harm
5. Crimes of receiving, laundering and use of money, goods or utilities of unlawful provenance
6. Computer crimes
7. Occupational safety.

In addition, on 15 May 2009 we drew up the Risk Assessment document pursuant to Article 17, paragraph 1, letter a), of Italian Legislative Decree 81/2008 [the Italian Consolidated Occupational Health & Safety Act]. It was further updated on 23 November 2009.

#### **Code for the protection of personal data**

As regards the Privacy Code, the company, pursuant to Italian Legislative Decree no. 106 of 30 June 2003, has prepared the relevant policy document for FY2009.

#### **Observance of corporate governance rules**

For its corporate governance, TIP uses as its model of reference the rules of the Italian Corporate Governance Code promoted by Borsa Italiana SpA.

The FY2009 report on corporate governance and ownership structure has been prepared based on the “Format for the report on corporate governance and ownership structure” issued by Borsa Italiana in February 2010. This report is approved by the Board of Directors and published annually on the Company’s site [www.tipspa.it](http://www.tipspa.it) in the “Corporate Governance” section.

In order to come into line with some recommendations contained in the Corporate Governance

Code prepared by the Italian committee for the corporate governance of listed companies ("Corporate Governance Code"), on 29 June 2005 the Ordinary Shareholder Meeting approved adoption, pursuant to Article 13 of the Corporate Government Code, of a shareholder meeting regulation (a) indicating the procedures to be followed for orderly and functional proceedings of TIP's Ordinary and Extraordinary Shareholder Meetings and (b) assuring each shareholder's right to take the stand and speak on agenda items. This regulation came into force and took effect as from the start date of trading of TIP shares on the Expandi market.

In compliance with the aforementioned shareholders' resolution, as well as with the new requirements of Article 114 of the Italian Consolidated Finance Act (ICFA), and pursuant to the Issues Regulation, the Board of Directors adopted a code of conduct (the so-called "Internal Dealing Code"), effective as from the start date of trading of TIP shares. The purpose of the code is to regulate, in a compulsorily effective manner, company exponents' notification obligations vis-à-vis TIP, the CONSOB (Italian securities & exchange commission), and the market.

On 28 July 2005, TIP's Board of Directors approved adoption of procedures for the handling of privileged information as indicated by Article 181 of the ICFA, i.e. those specific items of information, not in the public domain, that refer directly or indirectly to TIP and are such, if made public, as to have a tangible effect on the trend of TIP share prices, (by way of example, they include accounting and operating/financial information concerning TIP, information concerning the development of given business deals, dividend distribution, related-party transactions, forward-looking data and quantitative targets concerning operating performance; rumours; projects, negotiations, and manifestations of intent for which there is justified fear of uncontrolled disclosure to the market or reasonable expectations of positive conclusion of the deal; extraordinary operations, significant acquisitions and disposals, purchase or disposal of own shares, purchase or sale of equity investments, changes in key strategic staff, and so on), hereinafter referred to as "Price-Sensitive Information". These procedures are binding for the directors and statutory auditors of TIP, as well as for its employees and, in general, for persons possessing, by virtue of the functions they perform, Price-Sensitive Information.

These procedures have been set up to (i) prevent abusive use of Price-Sensitive Information and market manipulation also pursuant to and by virtue of Article 187/5, fifth paragraph of the ICFA and of Articles 6, 7, 8, and 12 of Italian Legislative Decree 231/2001, (ii) regulate the management and handling of Price-Sensitive Information, and (iii) establish the approach to be observed for communication, both inside and outside the corporate sphere, of documents and information concerning TIP, with special reference to Price-Sensitive Information. The procedures have also been provided to (i) prevent untimely, incomplete, or inappropriate handling of Price-Sensitive Information and in any case handling such as to cause information asymmetries and (ii) safeguard the market and investors, assuring them adequate knowledge of matters concerning TIP on which to base their investment decisions.

In its meeting of 28 July 2005, the Board of Directors appointed the Vice President and Managing Director Alessandra Gritti as the Disclosure Officer, for the purposes of implementation of Price-Sensitive Information procedures, and the executive director Claudio Berretti as her substitute.

## **Committees**

On 15 May 2008, TIP's Board of Directors appointed the new Compensation Committee.

### **(36) Events after the reporting period**

The TIP shareholders' meeting, which took place on first call in ordinary and extraordinary session on 26 February 2010, in duly acknowledging the most recent developments of the merchant banking, the main segment in which the Company is active, approved a series of operations aiming at (a) further capital reinforcement of the group with a view to launching a new investment phase and (b) merger of TIP and its investee company SeconTip SpA ("SeconTip")

Throughout the world the private equity market is experiencing a phase of major change, with leveraged buy-out deals now very difficult to complete, with related bank lending slowing sharply and, above all, with companies' business and commercial prospects no longer such as to enable investors to expect returns similar to those achieved previously. In this situation, the soundest players are steadily positioning themselves towards capital deals for development and in the so-called secondary market.

TIP had championed the creation of SeconTip with the very aim of taking similar opportunities. In view also of the considerable liquidity existing both in TIP and SeconTip, TIP deemed it advisable to propose to the other SeconTip shareholders a merger operation capable of enabling the two businesses to address the next possible acquisitions and investments in a manner co-ordinated as tightly as possible.

Going into greater detail, the TIP shareholders' meeting passed the following resolutions:

- i. Granting without consideration to TIP shareholders, after absorption of the FY2008 loss, of a maximum number of 4,442,353 TIP treasury shares in proportion to the TIP shares already owned and at a ratio of 1 (one) treasury share for every 24 (twenty-four) TIP shares owned by each shareholders. To the treasury shares granted a maximum number of 13,327,059 warrants will be linked, without consideration, at a ratio of 3 (three) warrants for each TIP treasury share distributed, each of which will give the right to subscribe a newly issued TIP ordinary share ("Distribution").
- ii. Issue of a maximum number of 13,327,059 warrants to be linked without consideration to the treasury shares granted to shareholders pursuant to the resolution as per point (i) above and the consequent capital increase, paid and divisible, of a maximum of € 23,988,706.20, inclusive of share premium, reserved for the holders of such warrants. The warrants will give their respective holders to subscribe 1 (one) newly issued TIP ordinary share for each warrant owned, at an exercise price of (a) € 1.50 per share (of which € 0.52 to be attributed to capital and € 0.98 to share premium) if the warrants are exercised during the exercise period starting on the thirtieth day of June 2011; (b) € 1.65 per share (of which € 0.52 to be attributed to capital and € 1.13 to

share premium if the warrants are exercised during the exercise period starting on the thirtieth day of June 2012; and (c) € 1.80 per share (of which € 0.52 to be attributed to capital and € 1.28 to share premium) if the warrants are exercised during the exercise period starting on the thirtieth day of June 2013.

- iii. A paid capital increase, with exclusion of option right, pursuant to and for the purposes of Article 2441, fourth paragraph, first period, of the Italian Civil Code, of a total of € 32,899,276.28 (of which € 13,344,480.24 as par value and € 19,554,796.04 as share premium) to be discharged via contribution in kind of the full and exclusive ownership of shares of the company SeconTip SpA. In exchange for the subscription and discharge of this capital increase in kind, TIP will issue a maximum number of 25,662,462 ordinary shares at a per-share subscription price of € 1.282 (of which € 0.762 for share premium), having the same characteristics as those outstanding and with entitlement as of 1 January 2010.
- iv. Delegation of the power to TIP's Board of Directors to increase, in one or more instalments and for a period of five years after resolution date, share capital, on a paid and divisible basis, by a maximum total amount of € 150,000,000.00, inclusive of share premium, pursuant to and for the purposes of Article 2443 of the Italian Civil Code, via the issue of ordinary shares having the same characteristics as those outstanding and to be offered on option to shareholders. For this capital increase, some SeconTip shareholders have guaranteed subscription of the rights capital increase for a total amount of not less than € 23 mn, and
- v. Delegation of power to TIP's Board of Directors, pursuant to Article 2420-ter of the Italian Civil Code, to be exercised by the end of 30 June 2013, (a) to issue a maximum number of 40,000 7-year bonds, of a par value of € 1,000.00 each, with an annual fixed return of 4.25%, for a total maximum amount of € 40,000,000.00, convertible, for a portion not exceeding 20% of related par value, into TIP ordinary shares, with exclusion of option right pursuant to Article 2441, fifth paragraph, of the Italian Civil Code, and (b) to increase share capital by a total maximum amount of € 8,000,000.00, solely to service partial conversion of the aforementioned bonds, to be discharged in one or more instalments via the issue of TIP ordinary shares having the same entitlement and characteristics as the ordinary shares outstanding on issue date. The subscription price of the new shares servicing conversion will be established when the delegated power is executed, based on € 1.282 augmented at an annual compound rate of 7% starting on 26 February 2010 and until the maturity date of the bond loan. Subscription of this loan is fully guaranteed.

Granting of the maximum number of 4,442,353 treasury shares took place after first having absorbed the loss of the financial year ended on 31 December 2008 (amounting to € -20,638,011) via utilization of the following reserves: (i) "Retained earnings" (€ 5,586,479), (ii) "Extraordinary

reserve” (€ 4,035,885), (iii) “Other reserves” (€ 1,761,015), (iv) “Share-based transaction reserve” (€ 107,858), and (v) “Share premium reserve” (€ 9,146,774).

The Distribution was executed on 8 March 2010. It is planned to execute the capital increase pursuant to Article 2441, fourth paragraph, first part, of the Italian Civil Code by the end of March 2010. The powers delegated for the rights capital increase and for the bond loan will possibly be executed at a time subsequent to the capital increase in kind indicated in subparagraph (iii) above.

On behalf of the Board of Directors

Giovanni Tamburi  
President

Milan, 25 March 2010

**APPENDICES**

**Attestation of the Financial Reporting Officer and of the Managing Director concerning the annual financial statements pursuant to Article 81/3 of CONSOB (Italian securities & exchange commission) Regulation no. 11971 of 14 May 1999 as subsequently amended and supplemented**

1. The undersigned Alessandra Gritti, in her capacity as Managing Director, and Claudio Berretti, in his capacity as Financial Reporting Officer of Tamburi Investment Partners SpA, herewith attest, also taking into account the requirements of Article 154/2 of Italian Legislative Decree no. 58 of 24 February 1998:
  - The appropriateness in relation to the enterprise's characteristics and
  - ... effective application during the period to which the annual financial statements refer, of administrative and accounting procedures for formation of annual financial statements for the year ended and as at 31 December 2009.
2. No significant aspects emerged in this respect.
3. It is also herewith further attested that annual financial states for the year ended and as at 31 December 2009:
  - a) Match corporate books and accounting records
  - b) Having been prepared in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and adopted by the Commission of European Communities with regulation no. 1725/2003 as subsequently amended, in compliance with regulation no. 1606/2002 of the European Parliament are – to the best of their knowledge – such as to provide fair and true representation of the assets and liabilities, profit or loss, and financial position of Tamburi Investment Partners SpA.

Milan, 25 March 2010

Alessandra Gritti  
Managing Director

Claudio Berretti  
Financial Reporting Officer

## Appendix 1 – List of equity investments owned

Company name	Headquarter		Share capital	Number of shares outstanding	Equity (amount)	Profit (loss) for year	Quotas or number of shares owned	% ownership	Share of equity	Carrying value
<b>Associates</b>										
SeconTip S.p.A.	Milano via Pontaccio 10	euro	55.000.000	55.000.000	55.456.542	456.830	21.688.150	39,43	21.868.178	22.568.626
Data Holding 2007 S.r.l. (1)	Roma via della Nocetta 109	euro	11.218.790	11.218.790	10.628.100	-775.225	5.240.550	46,72	4.965.448	8.085.000
Gruppo IPG Holding S.r.l. (1)	Milano via Appiani 12	euro	142.438	142.438	77.920.078	1.760.078	24.013	16,86	13.136.399	8.671.586
Palazzari & Turries Limited	Hong Kong 88 Queen's Road	euro	300.000 (2)	300.000	214.050	12.471	90.000	30,00	64.215	230.578
<b>Other companies</b>										
Assist Consulting S.r.l. (3)	Milano via A. Inganni 93	euro	107.187	107.187	1.989.573	169.795	12.500	11,66	232.021	670.000
Between S.p.A. (1)	Milano via San Gregorio 34	euro	419.515	419.515	2.736.393	420.964	9.950	2,37	64.901	146.060
Borletti Group S.C.A. (4)	Lussemburgo Avenue de la Porte-Neuve	euro	42.400	4.240	15.109	-211.517	100	8,77	1.325	4.459.583
Solgenia S.p.A. (1)	Crespellano (BO) via 2 Agosto 1980 19	euro	2.000.000	2.000.000	3.209.097	883	37.600	1,88	60.331	457.370

(1) Equity and profit (loss) as at 31st December 2008.

(2) Equity in Hong Kong dollars.

(3) Equity and profit (loss) as at 31st December 2008.

(4) Data as at 31st March 2009. At 31st March 2009, the share capital of Borletti SCA consisted of 1,140 category A shares and 3,100 category B shares. TIP owns 8,77% of category A shares reserved to financial investors. The management owns 100% of category B shares.

Company name	Headquarter	Share capital	Number of shares outstanding	Equity (amount)	Profit (loss) for year	Quotas or number of shares owned	% ownership	Share of equity	Carrying value	
<b>Listed companies</b>										
Bolzoni Auramo S.p.A.	Casoni di Podenzano (PC)	euro	6.498.479	25.993.915	37.735.201	-520.059	963.892	3,71	1.399.276	1.771.633
d'Amico Int. Shipping S.A.(5)	Luxembourg 25c Boulevard Royal	euro	149.949.907	149.949.907	166.897.749	428.986	400.066	0,27	445.283	437.592
Datalogic S.p.A.	Lippo di Calderara (BO) via Candini 2	euro	30.392.175	58.446.491	158.365.000	15.108.000	3.733.935	6,39	10.117.367	15.119.450
Enervit S.p.A. (6)	Milano Via Achille Papa 30	euro	4.628.000	17.800.000	16.003.037	1.009.105	552.778	3,11	496.973	773.889
Marr S.p.A.	Rimini via Spagna 20	euro	33.262.560	66.525.120	187.843.316	38.544.065	876.316	1,32	2.474.405	5.189.456
Monrif S.p.A. (7)	Bologna via Mattei 106	euro	78.000.000	150.000.000	99.342.788	-2.612.060	11.383.935	7,59	7.539.412	5.126.186
Monti Ascensori S.p.A. (8)	Granarolo dell'Emilia via dell'Artigianato 19	euro	6.655.768	13.311.536	17.619.792	381.454	360.522	2,71	477.204	503.829
NH Hoteles SA	Madrid Santa Engracia 120	euro	493.234.860	246.617.430	1.042.719.000	12.892.000	790.000	0,32	3.340.186	2.938.800
Noemalife S.p.A.	Bologna via Gobetti 52	euro	2.252.092	4.330.947	17.221.182	1.092.653	121.011	2,79	481.177	931.785
Servizi Italia S.p.A.	Castellina di Soragna (PR) via S. Pietro 59b	euro	16.200.000	16.200.000	59.880.895	7.338.655	276.032	1,70	1.020.311	1.429.846
TBS Group S.p.A. (9)	Trieste Località Padriciano 99	euro	3.413.002	34.130.020	32.648.365	-271.111	83.850	0,25	80.210	241.681
Valsoia S.p.A	Bologna via Ilio Barontini, 16/5	euro	3.450.409	10.455.784	21.501.000	3.588.000	244.249	2,34	502.267	1.468.389
Zignago Vetro S.p.A.	Fossalta Portogruaro (VE) via Ita Marzotto, 8	euro	8.000.000	80.000.000	72.347.862	25.467.132	800.000	1,00	723.479	3.137.200

(5) Share capital in USD.

(6) Ex Also S.p.A. Equity and profit (loss) as at 31st December 2008 (the company will post 2009 results at 29/03/2010).

(7) Equity and profit (loss) as at 31st December 2008.

(8) Equity and profit (loss) as at 31st December 2008 (the company will post its 2009 results at 26/03/2010).

(9) TBS Group was listed at AIM Italia market at December 2009. Data as at 31st Decembre 08.

## Appendix 2 – Changes in available-for-sale financial assets (measured at fair value)

Euro	No. Shares	Cost	Write-ups Write-downs	Impairment in P&L	Balance as at	Increases			Decreases			Value as at 31.12.2009	
					1.1.2009	Carrying value fair value	Purchases / incorporation	IFRS	write ups	Decreases	Write downs		reversal of fair value
<b>Unlisted companies</b>													
Assist Consulting Srl	12.500	10.453	197.447		207.900				462.100				670.000
Between S.p.A	9.950	57.935	88.125		146.060								146.060
Borletti Group SCA	100	4.409.583	0		4.409.583	50.000							4.459.583
G1 Trading S.p.A	10.000	4.411	323.759		328.170					-323.759		-4.411	0
Solgenia S.p.A.	7.555	637.500	-181.380		456.120	1.250							457.370
TBS Group S.p.A.		155.009	0		155.009		-155.009						0
BT Italia S.p.A.	0	6.767.330	1.375.969		8.143.299	63.304				-6.830.634		-1.375.969	0
Umbra Cuscinetti S.p.A.	call	156.082		-46.646	109.436								59.159
<b>Total unlisted companies</b>		<b>12.198.303</b>	<b>1.803.920</b>	<b>-46.646</b>	<b>13.955.577</b>	<b>114.554</b>	<b>-155.009</b>	<b>462.100</b>	<b>-6.830.634</b>	<b>-323.759</b>	<b>-1.375.969</b>	<b>-54.688</b>	<b>5.792.172</b>
<b>Listed companies</b>													
Bolzoni S.p.A	963.892	3.222.528		-1.450.895	1.771.633								1.771.633
Caleffi S.p.A.	0	992.970		-637.470	355.500					-355.500			0
d'Amico International SA	400.066	1.068.828		-553.543	515.285							-77.693	437.592
Datalogic S.p.A	3.733.935	18.491.558		-652.683	17.838.875					-2.719.425			15.119.450
Enervit S.p.A	522.778	847.795	84.161		931.955					-106.076	-41.460	-10.530	773.889
Engineering S.p.A.	0	4.089.123		-2.323.046	1.766.077					-1.766.077			0
Gefran S.p.A.	0	840.001		-362.043	477.958					-477.958			0
Intek S.p.A.	0	755.579		-490.338	265.241					-265.241			0
TBS Group S.p.A.	83.850	155.009				155.009		86.672					241.681
MBFG S.p.A.	0	11.384.585		-4.968.240	6.416.345					-6.416.345			0
Marr S.p.A	876.316	5.424.687		-692.581	4.732.106			457.350					5.189.456
Mirato S.p.A.	0	867.889		-414.552	453.337					-453.337			0
Monrif S.p.A	11.383.935	11.228.285		-5.945.283	5.283.002			60.335		-217.151			5.126.186
Noemalife S.p.A	121.011	1.083.856	-152.071		931.785								931.785
NH Hoteles SA	790.000	7.877.789		-5.743.630	2.134.159	867.561		328.450		-391.370			2.938.800
Monti Ascensori S.p.A	360.522	1.141.624		-590.951	550.673			127.084		-173.928			503.829
Panaria Group S.p.A.	0	1.358.005		-900.938	457.067					-457.067			0
Servizi Italia S.p.A.	276.032	2.251.841		-1.175.316	1.076.525			353.321					1.429.846
Sol S.p.A	0	2.393.358		-866.992	1.526.366					-1.526.366			0
Valsoia S.p.A	244.249	843.345	387.760		1.231.105	237.284							1.468.389
Zignago Vetro S.p.A.	800.000	3.687.236		-967.236	2.720.000			417.200					3.137.200
<b>Total listed companies</b>		<b>80.005.891</b>	<b>319.850</b>	<b>-28.735.737</b>	<b>51.434.994</b>	<b>1.104.845</b>	<b>155.009</b>	<b>1.830.411</b>	<b>-12.606.415</b>	<b>-2.760.885</b>	<b>-10.530</b>	<b>-77.693</b>	<b>39.069.736</b>
<b>Total financial assets held for sale</b>		<b>92.204.194</b>	<b>2.123.770</b>	<b>-28.782.383</b>	<b>65.390.571</b>	<b>1.219.399</b>	<b>0</b>	<b>2.292.511</b>	<b>-19.437.049</b>	<b>-3.084.644</b>	<b>-1.386.499</b>	<b>-132.381</b>	<b>44.861.908</b>

### Appendix 3 – Changes in investments carried at equity

Euro	No. Shares	Cost	Write-ups Write-downs	Balance as	Purchases / incorporation	Increases	Decreases		Value as at 31.12.2009
				at 1.1.2009		Capital increases & other increases	write backs	Disposal or returns	
Gruppo IPG Holding S.r.l.	24.013	12.513.088	-6.484.749	6.028.339		2.855.405		-212.158(1)	8.671.586
Open Family Office Sim S.p.A.		700.000	-325.840	374.160				-374.160	0
Palazzari & Turries Limited	90.000	225.000	-32.762	192.238			38.340		230.578
SeconTip S.p.A.	21.686.500	21.688.150	196.748	21.884.898			683.728		22.568.626
<b>Totale</b>		<b>35.126.238</b>	<b>-6.646.603</b>	<b>28.479.635</b>		<b>2.855.405</b>	<b>722.068</b>	<b>-586.318</b>	<b>31.470.790</b>

(1) Refers to the present value of the credit related to the interest-free loan of 10.501.668 euro



## Disclosure of fees for independent auditing and for services other than auditing pursuant to Article 149/12 of the CONSOB Issuers' Regulation

Pursuant to the requirements of the CONSOB Issuers' Regulation, in the following table we report information concerning the fees paid to the auditing company KPMG SpA and to companies belonging to the same network as the latter for the following services:

- 1) Auditing services, which comprise:
  - The legal audit of annual accounts in order to express a professional opinion
  - Control of interim accounts.
- 2) Attestation services, which include assignments whereby the auditor assesses a specific element, determined by another party who is responsible for it, via appropriate criteria, in order to express a conclusion that indicates to the recipient the degree of reliability relating to this specific element. This category also comprises services relating to control of regulatory accounting.
- 3) Other services comprising assignments of a residual nature and that must be specified in adequate detail. By way of non-exhaustive example, they may include services such as accounting/tax/legal/administrative due diligence, agreed procedures, and advisory services to the financial reporting officer.

The fees shown in the table – relating to FY2009 – are contractual fees inclusive of any index linking (they do not include out-of-pocket expenses, any supervisory dues, and VAT). As per the regulation in question, fees paid to any secondary auditors or to parties in their respective networks are not included.

Type of service	Entity that provided the service	Recipient of the service	Fees (euro)
<b>Independent auditing:</b>			
• Annual financial report			47,115
• Limited-scope audit of the half-yearly report	<b>KPMG SpA</b>	<b>Tamburi Investment Partners SpA</b>	16,060
• Reviews to check proper bookkeeping			5,820
<b>Attestation services:</b>			
▪ Unified corporate tax return (“Modello Unico”) and ordinary and simplified withholding-agent returns (“Modello 770”)	<b>KPMG SpA</b>	<b>Tamburi Investment Partners SpA</b>	600
<b>Tax advisory services</b>			-
<b>Other services</b>			-
<b>TOTAL</b>			<b>69,595</b>

It is also reported that KPMG network companies rendered services concerning regulatory compliance for a fee of € 26,000.