



CONAFI GROUP

**Consolidated financial statements as at
December 31, 2006**

**PREPARED IN ACCORDANCE WITH IFRS
ADOPTED BY THE EUROPEAN COMMISSION**

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Directors' Report

Dear Shareholders,

we begin our report for the year with an analysis of the general economic climate and of the market in which your company operates.

The Italian economy

After many years of modest growth, the Italian economy grew significantly in 2006: GDP grew by 1.9% compared to 2005, exceeding even the positive expectations made by the International Monetary Fund at the beginning of the year. This significant result was in spite of the fact that our country recorded the lowest growth of the main G7 countries, which recorded an average GDP growth of 2.8%. The United States confirmed growth of 3.3%, growth in Japan was around 2.2% while Great Britain recorded growth of 2.7%. Also, the countries in the Euro zone recorded average growth in 2006 (2.8%) above that of our country. The year 2006 saw growth driven by internal demand, in spite of the considerable rise in energy prices and more restrictive monetary conditions. Inflation in 2006 amounted to 2.2%, with an average in the Euro zone of 1.8%.

Interest rates

The monetary markets saw price rises throughout 2006: The Euribor base rate increased from 2.2% in December 2005 to 3.5% in December 2006. The progressive increase in interest rates was made with subsequent increases of 0.25 percentage points. This situation resulted in a similar increase in interest rates utilised in the market in which the company operates: The 3-month Euribor, an indicator utilised as the short-term cost of money, increased in 2006 to 3.8% in December, from 2.5% at the beginning of the year. The IRS 5Y, indicator for the operating plafonds, increased from 3.2% at the beginning of the year to 4.1% at the end of the year.

The consumer credit market

According to the data published by Assofin relating to the year 2006, the consumer credit market in terms of value of the operations financed grew by 11.9% compared to 2005. Among the different sectors, the personal loans segment grew by 24.7%, loans on specific assets by 3.6%, revolving credit cards by 39.9%, credit cards by 12.4% and loans repaid through salary deductions 30.8%. Therefore, double-digit growth was again recorded in 2006, similar to that seen in recent years. With reference to the sector for loans repaid through salary and pension deductions, the value of the operations financed was Euro 3.83 billion, of which 16.5% related to pensions. There was strong growth in the loans to employees in private companies (+28.5% compared to 2005), while the loans to employees in state and public entities was stable.

The Conafi Group in 2006

2006 was a very important year for the Conafi Prestitò' Group, with two events which radically changed the future outlook of the company and its prospects.

On June 30, 2006, Conafi Prestitò' acquired 100% of the share capital of Italifin S.r.l., a financial brokerage company, operating in the sector of providing loans repaid through salary or pension deductions and personal loans. The business model of Italifin provides for advertising investments, follow-up response to clients' needs through its own call centre and arranging the loan through single-mandate agents. Italifin's trademark - "Prestitò" - is one of the most recognised and appreciated in the sector. The operating results achieved by the company in the second half of the year illustrates the value of the investment made.

On September 14, 2006, in execution of the resolutions of the Board of Directors and Shareholders' Meeting which, among other matters, increased the share capital to Euro 7.2 million through the transfer of reserves, and changed the name of the company to Conafi Prestitò S.p.A., the company made an application to Consob and to the Italian Stock Exchange for admission for the trading of the shares of the company on the stock exchange, within the Expandi segment.

On the operating front, the segment for loans repaid through pension deductions was impacted throughout the year by the delay in the implementation of Decree Law 80/2005, resulting in continuing changes in operating and policy conditions of a "stop and go" nature from the lenders. This product in 2006 recorded the

highest volumes of transactions and the relative loans were all ceded non-recourse to national primary financial institutions.

Economic performance and financial results of the Group

For a greater understanding of the economic and financial performance reported below, it should be noted that the consolidated data relating to 2005 only includes the data relating to the separate financial statements of Conafi as the acquisition of the full shareholding in Italifin srl took place on July 1, 2006.

The principal income statement and balance sheet results for the years 2005 and 2006 are reported below, followed by a brief description of the major variances between the two years.

BALANCE SHEET

| Assets | Dec 31, 06 | Dec 31, 05 | change % |
|--|-------------------|-------------------|-----------------|
| Cash and cash equivalents | 3,602 | 1,644 | 119.1% |
| Financial assets available-for-sale | 173,484 | 128,385 | 35.1% |
| Receivables | 24,638,916 | 26,771,965 | -8.0% |
| Fixed assets | 1,878,959 | 525,033 | 257.9% |
| Other assets | 8,101,617 | 5,592,458 | 44.9% |
| TOTAL ASSETS | 34,796,578 | 33,019,485 | 5.4% |
| Liabilities & equity | | | |
| | Dec 31, 06 | Dec 31, 05 | change % |
| Payables | 8,891,208 | 13,877,909 | -35.9% |
| Other liabilities | 14,368,255 | 10,526,261 | 36.5% |
| Provisions for risks, charges & employee leaving indemnity | 740,399 | 679,947 | 8.9% |
| Shareholders' equity | 10,796,716 | 7,935,368 | 36.1% |
| TOTAL LIABILITIES & SHAREHOLDERS' EQUITY | 34,796,578 | 33,019,485 | 5.4% |

The total Group assets amount to Euro 34,797 thousand, an increase of 5.4% compared to 2005.

The **net financial position** at December 31, 2006 of Euro 7,274 thousand more than doubled compared to the same period of 2005. This is principally attributable to the following factors:

- during 2006, the time period for the processing and granting of the loans by the banks was reduced.
- The subsidiary Italifin contributed financial liquidity of Euro 1,457 thousand.

The receivables, which decreased by 8%, includes both receivables from banks which recorded a decrease of 1,357 thousand and receivables from clients, which reduced by Euro 776 thousand.

The increase in **fixed assets** of Euro 1,354 thousand principally relates to the recording of the value of the goodwill on the consolidation together with the elimination of the 100% investment in Italifin, equal to Euro 1,321 thousand.

At December 31, 2006, the **shareholders' equity**, including the profit for the year, amounted to Euro 10,797 thousand, an increase of 36.1% compared to the end of 2005.

ANALYSIS OF THE OPERATIONS IN THE YEAR

| INCOME STATEMENT | Dec 31, 06 | Dec 31, 05 | change % |
|---|-------------------|-------------------|-----------------|
| Interest margin | 77,153 | (52,367) | 247.3% |
| Net brokerage commissions & similar | 14,306,023 | 11,199,788 | 27.7% |
| Brokerage margin | 14,383,176 | 11,147,421 | 29.0% |
| Administrative expenses | (8,141,516) | (5,474,403) | 48.7% |
| Net provisions for risks and charges | (2,747) | (371,355) | -99.3% |
| Net adjustments on fixed assets | (173,945) | (135,816) | 28.1% |
| Adjustments to receivables | (223,615) | (506,567) | -55.9% |
| Other operating income / changes | (139,785) | 134,699 | -203.8% |
| Operating result | 5,701,568 | 4,793,979 | 18.9% |
| Income taxes | (2,281,283) | (2,009,161) | 13.5% |
| Net profit | 3,420,285 | 2,784,818 | 22.8% |
| PERFORMANCE INDICATORS | | | |
| | Dec 31, 06 | Dec 31, 05 | |
| Cost to income | 58.8% | 49.1% | |
| Administrative expenses / brokerage margin | 56.6% | 49.1% | |
| Personnel expenses / brokerage margin | 26.1% | 30.0% | |
| Other administrative expenses / brokerage margin | 30.5% | 19.1% | |
| Operating result/ brokerage margin | 39.6% | 43.0% | |
| ROE | 46% | 54% | |
| Net profit /average employees (value in euro) | 30,538 | 32,009 | |

The **net profit** amounted to Euro 3,420 thousand and grew by 22.8% compared to 2005. This increase includes, as already mentioned in the introduction, the result of the subsidiary relating to the second half of 2006 of Euro 894 thousand.

The increase in the **brokerage margin** was Euro 3,236 thousand and is principally due to the consolidation process which resulted on the one hand in the elimination of the commission payables to Italfin srl recorded by Conafi of Euro 4,125 thousand and on the other hand from the inclusion of the net commission income of Italfin from third parties of Euro 290 thousand, and in part the reduction in the brokerage margin from Conafi of Euro 1,191 thousand.

The **administration expenses** increased by Euro 2,667 thousand following the consolidation of the expenses relating to the second half of Italfin srl of Euro 2,828 thousand.

The **adjustments on fixed assets** in 2006 amounted to Euro 173 thousand and increased by 28% compared to 2005.

The provisions for risks were Euro 180 thousand but due to the reversal of the agents indemnity provision previously made by Italifin Srl for Euro 177 thousand; the net amount of the provision in 2006 was Euro 3 thousand.

The **adjustments on receivables** decreased by 55.9% compared to 2005.

The adjustments in 2006 covers the credit risk equal to 0.42% of the receivables as at December 31, 2006, compared to 0.3% in 2005.

The credit portfolio adjusted also included the loan instalments provided directly but not ceded with “recourse agreement” and those provided indirectly through the recourse to the rotating platform granted by the financial institutions providing the loans.

Information on the economic performance and financial results of the Group on like-for-like consolidation area

For a better understanding of the economic impact of the acquisition of the investment in Italifin srl and taking into consideration the importance of this investment, the income statement is shown for 2005 and 2006 on a like-for-like consolidation area.

The above-mentioned income statement was prepared with the objective of enabling a more meaningful comparison between the two years through the retrospective recording of the acquisition of the investment in the company Italifin, made on June 30, 2006, as if the investment had been made at the beginning of 2005.

| INCOME STATEMENT | Dec 31, 06 | Dec 31, 05 | change % |
|-------------------------------------|-------------------|-------------------|-----------------|
| Interest margin | 81,840 | (51,997) | 257.4% |
| Net brokerage commissions & similar | 17,890,790 | 15,443,635 | 15.8% |
| Brokerage margin | 17,972,630 | 15,391,638 | 16.8% |
| Administrative expenses | (10,674,016) | (9,492,916) | 12.4% |
| Net provisions on risks and charges | (2,747) | (371,355) | -99.3% |
| Net adjustment on fixed assets | (183,300) | (153,026) | 19.8% |
| Adjustments to receivables | (223,615) | (506,567) | -55.9% |
| Other operating income / income | (154,309) | 106,930 | -244.3% |
| Operating result | 6,734,643 | 4,974,704 | 35.4% |
| Income taxes | (2,396,296) | (2,103,488) | 13.9% |
| Net profit | 4,338,347 | 2,871,216 | 51.1% |

| PERFORMANCE INDICATORS | Dec 31, 06 | Dec 31, 05 | |
|--|-------------------|-------------------|--|
| Cost to income | 61.3% | 62.0% | |
| Total administrative expenses / brokerage margin | 59.4% | 61.7% | |
| Personnel expenses / brokerage margin | 24.0% | 28.1% | |
| Other administrative expenses / brokerage margin | 35.3% | 33.6% | |
| Other admin. expenses without advertising / brokerage margin | 15.1% | 14.8% | |
| Operating result/ MINT | 37.5% | 32.3% | |
| ROE | 59% | 57% | |
| Net profit/average employees | 38,735 | 33,002 | |

The **net profit** for the year 2006 amounted to Euro 4,338 thousand, a growth of 51% compared to 2005 of Euro 1,467 thousand. This increase is due to the combined effects of two factors: an increase in net commission income of Euro 2,447 thousand benefiting the **brokering margin** and to a minor extent the negative effect of Euro 980 thousand relating to the increase in other management costs.

The **administration expenses** increased by 12.4%; however, despite incurring greater advertising expenses in 2006 of Euro 1,182 thousand compared to 2005, the percentage on the brokerage margin decreased from 61.7% in 2005 to 59.4% in 2006.

The **adjustments to the value** of fixed assets in 2006 amounted to Euro 183 thousand and increased by 19.8% compared to 2005.

In relation to the **adjustments on receivables** and **provisions for risks and charges**, reference should be made to the notes to the consolidated accounts.

The performance indicators illustrate the favourable operating results in 2006 confirmed by the reduction in **cost to income**, an increase in the brokerage margin, greater productivity per employee and a positive ROE which increased from 57% in 2005 to 59% in 2006.

Business outlook

The positive growth prospects in the consumer credit sector and in the loans repaid through salary and pension deductions segment, as well as the volumes recorded in the first months of 2007, create favourable conditions for positive results. In addition, the enactment of Decree No. 313 of 27/12/06 by the Economy and Finance Ministry implementing Law 80/2005, became operative in February 2007 and completes the legislative framework regarding the provision of credit with repayment through pension deductions, confirming the positive expectations on the operations in consideration of the enlargement of the company's reference market.

Other significant events in the year

The principal significant event in the year 2006 was the request to trade the shares of the company on the Italian stock exchange, which will have a significant effect on the future of the company. With reference to this operation, the final part of the year was dedicated to the preparation of the information prospectus and all related matters.

Research and development activities

During 2006, the parallel implementation of the two IT management systems continued, that is the traditional OCS and the new system completely designed and realised internally called Cqsweb, which permitted the completion of the testing phase of the new software and to realise the complete and total migration to Cqsweb already at the end of the year. The investment project has the objective of providing the Group from 2007 with a modern, flexible management software and with significantly reduced costs.

The Conafi Group did not undertake further research and development activities.

Treasury Shares

The Group does not hold treasury shares.

Further information on the policies of the company

There is no further information in addition to that reported in Part D relating to this aspect.

The Board of Directors
The Chairman
Nunzio Chiolo

A.1 Consolidated financial statements

Consolidated balance sheet as at December 31, 2006 and December 31, 2005

(Amounts expressed in Euro)

| | Assets | 31.12.2006 | 31.12.2005 |
|-------------|-------------------------------------|-------------------|-------------------|
| 10. | Cash and cash equivalents | 3,602 | 1,644 |
| 40. | Financial assets available-for-sale | 173,484 | 128,385 |
| 60. | Receivables | 24,638,916 | 26,771,965 |
| 90. | Equity investments | 0 | 0 |
| 100. | Property, plant & equipment | 524,471 | 492,595 |
| 110. | Intangible assets | 1,354,487 | 32,438 |
| 120. | Tax assets | 3,079,573 | 2,495,581 |
| | a) current | 2,572,903 | 2,187,680 |
| | b) deferred | 506,670 | 307,901 |
| 140. | Other Assets | 5,022,044 | 3,096,877 |
| | Total assets | 34,796,578 | 33,019,485 |

Consolidated balance sheet as at December 31, 2006 and December 31, 2005

(Amounts expressed in Euro)

| | Liabilities and shareholders' equity | 31.12.2006 | 31.12.2005 |
|-------------|---|-------------------|-------------------|
| 10. | Payables | 8,891,208 | 13,877,909 |
| 70. | Tax liabilities: | 3,278,114 | 2,310,883 |
| | a) current | 3,002,702 | 2,277,892 |
| | b) deferred | 275,412 | 32,991 |
| 90. | Other liabilities | 11,090,144 | 8,215,378 |
| 100. | Employee leaving indemnity | 354,013 | 274,480 |
| 110. | Provision for risks and charges: | 386,386 | 405,467 |
| | a) pension and similar provisions | 386,386 | 405,467 |
| 120. | Share capital | 7,200,000 | 600,000 |
| 160. | Reserves | 174,200 | 4,550,229 |
| 170. | Valuation reserve | 2,231 | 321 |
| 180. | Profit for the year | 3,420,285 | 2,784,818 |
| | Total liabilities and shareholders' equity | 34,796,578 | 33,019,485 |

Income statement for the years ended December 31, 2006 and December 31, 2005

(Amounts expressed in Euro)

| | Account | 31.12.2006 | 31.12.2005 |
|------------|---|-------------------|-------------------|
| 10. | Interest income and similar | 715,493 | 593,286 |
| 20. | Interest expense and similar charges | (638,340) | (645,653) |
| | Interest margin | 77,153 | (52,367) |
| 30. | Commission income | 26,806,448 | 29,809,969 |
| 40. | Commission expenses | (12,500,425) | (18,610,181) |
| | Net commission | 14,306,023 | 11,199,788 |
| | Brokerage margin | 14,383,176 | 11,147,421 |
| 110 | Adjustments to net values for: | (223,615) | (506,567) |
| | a) receivables | (223,615) | (506,567) |
| 120 | Administration expenses: | (8,141,516) | (5,474,403) |
| | a) personnel costs | (3,755,478) | (3,346,311) |
| | b) other administrative expenses | (4,386,038) | (2,128,092) |
| 130 | Net adjustments of value of property, plant & equipment | (149,294) | (119,055) |
| 140 | Net adjustments of value of intangible assets | (24,651) | (16,761) |
| 160 | Net provisions for risks and charges | (2,747) | (371,355) |
| 170 | Other operating expenses | (567,085) | (319,220) |
| 180 | Other operating income | 427,300 | 453,919 |
| | Operating profit | 5,701,568 | 4,793,979 |
| | Profit before taxes from current operations | 5,701,568 | 4,793,979 |
| 210 | Income tax on current operations | (2,281,283) | (2,009,161) |
| | Net profit from current operations | 3,420,285 | 2,784,818 |
| | Net profit for the year | 3,420,285 | 2,784,818 |

Statement of change in shareholders' equity at December 31, 2005

| | Balance at December 31, 2004 | Change of opening balance | Balance at January 1, 2005 | Allocation of previous year result | | Changes in the year | | | | | Net profit (loss) for 2005 | Net equity at Dec. 31, 2005 | |
|--------------------------------|------------------------------|---------------------------|----------------------------|------------------------------------|--------------------------------|---------------------|-------------------|--------------------------------|---|--------------------------------------|----------------------------|-----------------------------|---------------|
| | | | | Reserves | Dividends and other allocation | Changes in reserves | Equity operations | | | | | | |
| | | | | | | | New shares issued | Acquisition of treasury shares | Distribution of extraordinary dividends | Changes in share capital instruments | | | Other changes |
| Share capital | 600,000 | | 600,000 | | | | | | | | | | 600,000 |
| Share premium reserve | 0 | | 0 | | | | | | | | | | 0 |
| Reserves: | 0 | | 0 | | | | | | | | | | 0 |
| a) from profits | 559,365 | 328 | 559,693 | 4,990,405 | | 131 | | | (1,000,000) | | | | 4,550,229 |
| b) other | | | 0 | | | | | | | | | | 0 |
| Valuation reserve | 131 | | 131 | | | 190 | | | | | | | 321 |
| Share capital instruments | 0 | | 0 | | | | | | | | | | 0 |
| Treasury Shares | 0 | | 0 | | | | | | | | | | 0 |
| Net profit/(loss) for the year | 4,990,405 | | 4,990,405 | (4,990,405) | | | | | | | 2,784,818 | | 2,784,818 |
| Shareholders' equity | 6,149,901 | 328 | 6,150,229 | 0 | 0 | 321 | 0 | 0 | (1,000,000) | 0 | 0 | 2,784,818 | 7,935,368 |

Statement of change in shareholders' equity at December 31, 2006

| | Balance at December 31, 2005 | Change of opening balance | Balance at January 1, 2006 | Allocation of previous year result | | Changes in the year | | | | | Net profit (loss) for 2006 | Net equity December 31, 2006 | |
|--------------------------------|------------------------------|---------------------------|----------------------------|------------------------------------|--------------------------------|---------------------|-------------------|--------------------------------|---|--------------------------------------|----------------------------|------------------------------|---------------|
| | | | | Reserves | Dividends and other allocation | Changes in reserves | Equity operations | | | | | | |
| | | | | | | | New shares issued | Acquisition of treasury shares | Distribution of extraordinary dividends | Changes in share capital instruments | | | Other changes |
| Share capital | 600,000 | | 600,000 | | | | 6,600,000 | | | | | | 7,200,000 |
| Share premium reserve | 0 | | 0 | | | | | | | | | | 0 |
| Reserves: | 0 | | 0 | | | | | | | | | | 0 |
| a) from profits | 4,550,229 | | 4,550,229 | 2,784,818 | | | (6,600,000) | | (560,847) | | | | 174,200 |
| b) other | 0 | | 0 | | | | | | | | | | 0 |
| Valuation reserve | 321 | | 321 | | | 1,910 | | | | | | | 2,231 |
| Share capital instruments | 0 | | 0 | | | | | | | | | | 0 |
| Treasury Shares | 0 | | 0 | | | | | | | | | | 0 |
| Net profit/(loss) for the year | 2,784,818 | | 2,784,818 | (2,784,818) | | | | | | | 3,420,285 | | 3,420,285 |
| Shareholders' equity | 7,935,368 | 0 | 7,935,368 | 0 | 0 | 1,910 | 0 | 0 | (560,847) | 0 | 0 | 3,420,285 | 10,796,716 |

Cash flow statement for the year ended December 31, 2006 and December 31, 2005

| | 2006 | 2005 |
|---|--------------------|--------------------|
| OPERATING ACTIVITIES | | |
| 1. OPERATIONS | 3,820,592 | 3,798,555 |
| - interest income and similar | 715,493 | 593,286 |
| - interest expense and similar charges | (638,340) | (645,653) |
| - commission income | 26,806,448 | 29,809,969 |
| - commission expenses | (12,500,425) | (18,610,181) |
| - personnel costs | (3,755,478) | (3,346,311) |
| - other costs | (4,953,123) | (2,447,312) |
| - other revenues | 427,300 | 453,919 |
| - income taxes | (2,281,283) | (2,009,161) |
| 2. LIQUIDITY GENERATED FROM THE REDUCTION OF FINANCIAL ASSETS | 6,829,741 | 34,403 |
| - receivables | 6,829,741 | |
| - other assets | | 34,403 |
| 3. LIQUIDITY ABSORBED FROM THE INCREASE OF FINANCIAL ASSETS | (2,775,963) | (5,306,471) |
| - financial assets available-for-sale | (43,189) | (102,468) |
| - receivables | (223,615) | (5,204,003) |
| - other assets | (2,509,159) | 0 |
| 4. LIQUIDITY GENERATED FROM THE INCREASE OF FINANCIAL LIABILITIES | 6,495,909 | 9,547,600 |
| - payables | 2,574,382 | 7,361,360 |
| - other liabilities | 3,921,527 | 2,186,240 |
| 5. LIQUIDITY ABSORBED FROM THE REPAYMENT/REPURCHASE OF FINANCIAL LIABILITIES | (7,582,911) | 0 |
| - other liabilities | (7,582,911) | 0 |
| NET LIQUIDITY GENERATED/(ABSORBED) FROM OPERATING ACTIVITIES | 6,787,368 | 8,074,087 |
| INVESTING ACTIVITIES | | |
| 1. LIQUIDITY GENERATED FROM DECREASE OF | | 8,795 |
| - tangible assets | | 8,795 |
| 2. LIQUIDITY ABSORBED BY INCREASE OF | (1,527,871) | (310,965) |
| - tangible assets | (181,170) | (267,631) |
| - intangible assets | (1,346,701) | (43,334) |
| NET LIQUIDITY GENERATED/ABSORBED FROM INVESTING ACTIVITIES | (1,527,871) | (302,170) |
| FINANCING ACTIVITIES | | |
| - distribution of dividends and other | (560,846) | (1,000,000) |
| NET LIQUIDITY GENERATED/ABSORBED FROM FINANCING ACTIVITIES | (560,846) | (1,000,000) |
| NET LIQUIDITY GENERATED/ABSORBED IN THE YEAR | 4,698,651 | 6,771,917 |

| RECONCILIATION: | 2006 | 2005 |
|--|-------------------|------------------|
| Cash and cash equivalents at the beginning of the year | 8,541,737 | 1,769,820 |
| Total net liquidity generated/absorbed during the year | 4,698,651 | 6,771,917 |
| Cash and cash equivalents at the end of the year | 13,240,388 | 8,541,737 |

Financial Statements December 31, 2006
Notes to the consolidated financial statements

PART A - ACCOUNTING PRINCIPLES

A.1 GENERAL PART

Section 1 - Declaration of compliance with international accounting standards

The consolidated financial statements as at December 31, 2006 restated were prepared in accordance with the accounting standards issued by the International Accounting Standards Board (IASB) and the relative interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and adopted by the European Commission, as established by the EU Regulation No. 1606 of July 12, 2002.

Section 2 - General preparation principles

The present financial statements are composed of the Balance Sheet, Income Statement, Statement of changes in Shareholders' Equity, Cash Flow Statement and the notes thereto and represent in a true and fair manner the balance sheet, financial situation and result for the year of the company.

The preparation of the present consolidated financial statements is made, as described above, based on uniform international accounting standards approved by the European Commission. The following interpretative and supporting documentation were used in the application of the standards, also approved by the European Commission.

- Framework for the Preparation and Presentation of Financial Statements issued by the IASB in 2001;
- Implementation Guidance, Basis for Conclusions, IFRIC and any other documents prepared by the IASB or by the IFRIC (International Financial Reporting Interpretations Committee) completing the accounting standards issued;
- The interpretative documents on the application of the IAS/IFRS in Italy prepared by the Italian Accounting Profession (OIC) and by the Italian Banking Association (ABI).

The consolidated financial statements were prepared in Euro, on the application of the following general principles:

Going concern

Assets, liabilities and “off-balance sheet” operations (if present) are valued in accordance with the operational values of the company, as they are held for the long-term period.

Accruals recording

Costs and revenues are recorded in the period of economic maturity and in accordance with the criteria of correlation.

Basis of presentation

Presentation and classification of the accounts are maintained constant over time in order to guarantee comparison of the information, except where the changes are required by an International Accounting Standard or an interpretation which would be more appropriate, in terms of significance and reliability, in representing the values. If a criterion of presentation or classification is modified, the changes are applied, where possible, in retrospective manner; in this case, the nature and reason for the change is indicated and the accounts concerned.

Business combinations

All significant regroupings of accounts of a similar nature and function are reported separately. The items which by nature or function differ, if significance are presented separately.

Probation of compensation

Assets and liabilities and costs and revenues are not compensated, except where required or permitted by an International Accounting Standard or by an Interpretation or by the Bank of Italy for the preparation of the financial statements of financial intermediaries.

Comparative information

The comparative information of the previous year is shown for all the data contained in the consolidated financial statements, unless an International Accounting Standard or an Interpretation does not require this information to be disclosed. Descriptive information is also provided where considered useful for a better understanding of the data. On June 30, 2006, the company acquired Italifin S.r.l.; therefore, the comparison of the year is impacted by the fact that the consolidated income statement in 2006 includes the income statement effects of the subsidiary from the date of acquisition. In order to ensure financial comparability of the two years, the income statement for the year 2005 was prepared on a like-for-like consolidation area and included in the directors' report in the section "Information on the economic performance and financial result of the Group on like-for-like consolidation area".

Section 3 - Subsequent events after the year end

On March 29, 2007, the company obtained approval from Consob for the stock exchange listing and on April 12, 2007 trading began of the ordinary shares of Conafi Prestito' on the Expandi segment of the Italian Stock Exchange as described in the directors' report.

The admission price was fixed at Euro 5 per share. With this operation, the Group increased the Share Capital by Euro 82.5 million before placement commissions.

On February 23, 2007, Decree 313/2006 was enacted which completed the legislative framework for the provision of loans repaid through pension deduction.

On January 1, 2007, after successfully completing the testing phase, the Group began the utilisation of its own management software Cqswb.

Section 5 - Consolidation scope and consolidation methods

The criteria and consolidation principles adopted in the preparation of the consolidated financial statements at December 31, 2006 are described below.

1. Financial statements consolidated

The consolidation includes the financial statements as at December 31, 2006 of the Parent Company and of the fully consolidated companies, appropriately reclassified and adjusted for the consolidation and utilising uniform IAS/IFRS international accounting standards.

The financial statements and the explanatory notes of the fully consolidated company, prepared in accordance with IAS/IFRS, was audited by the same firm which audited the holding company.

Subsidiary companies

Subsidiaries are companies in which:

1. There is a holding, directly or indirectly, in more than half of the voting rights of the company except, in exceptional circumstances, it can be clearly demonstrated that this holding does not constitute control;
2. There is holding in half, or a lower share, of the exercisable voting rights in a shareholders' meeting and there is:
 - a. the control of more than half of the voting rights in virtue of an agreement with other investors;
 - b. the power to determine the financial and operating policies of the entity in virtue of a clause in the company's by-laws or of a contract;
 - c. the power to nominate or remove the majority of the Board of Directors or an equivalent board of the company, and that board is responsible for the management of the enterprise;
 - d. the power to exercise the majority of the voting rights in a Board meeting or an equivalent board of the company, and that board is responsible for the management of the enterprise.

The existence and the effect of potential voting rights effectively exercisable or convertible are taken into consideration in evaluating if a company has the power over the financial and operating policies of another enterprise.

The carrying values of the investments in companies fully consolidated, held by the Parent Company, is eliminated - against the recording of the assets and liabilities of the consolidated companies - corresponding to the share held in the Group net equity.

The assets and liabilities, the off-balance sheet operations, the income and charges, and the profit and losses between companies included in the consolidation area are eliminated.

The costs and revenues of a subsidiary are included in the consolidation from the date of the acquisition of the control.

For the companies included in the consolidation area for the first-time, the fair value of the cost incurred to obtain the control in the investment is measured at the acquisition date.

2. Equity investments in subsidiaries

The company Conafi S.p.A., on June 30, 2006, acquired control of Italifin S.r.l. through the acquisition of 100% of the shares as shown in the table below.

| Company | Reg. Office | Type of holding ⁽¹⁾ | Holding | | Voting % |
|--|-------------|--------------------------------|-----------------|--------|----------|
| | | | Holding company | % held | |
| A. Fully consolidated companies | | | | | |
| Italifin S.r.l. | Turin | 1 | Conafi S.p.A. | 100% | 100% |
| (1) Type of holding: 1 = a majority of the voting rights in an ordinary shareholders' meeting | | | | | |

The operation is accounted as a business combination recognised using the purchase method. This requires the recognition at fair value of the identifiable assets and liabilities of the company acquired.

The goodwill acquired is measured as the excess of the aggregate cost compared to the Group's share of the company acquired. In evaluating the value of the goodwill, the goodwill acquired in a business combination is allocated at the acquisition date to the single cash-generating units of the Group, independent of the fact that other assets or liabilities of the Group are allocated to these units.

In the above acquisition, as the book values are equal to the fair value, it was considered appropriate to attribute the entire difference between the acquisition cost of the subsidiary and its net equity at the acquisition date to the account goodwill.

A.2 ACCOUNTING PRINCIPLES AND VALUATION CRITERIA

1. Financial assets available-for-sale

They relate to financial assets which are not classified as receivables, held to maturity, held for trading, or financial assets measured at fair value. These assets are held for an undetermined period and relate to the necessity to obtain liquidity.

Financial assets available-for-sale are initially recognised at fair value, which substantially corresponds to the cost of the operation including expenses and net of commissions.

These assets are subsequently measured at fair value. The gains and losses deriving from changes in the fair value are recorded in the account 170 “Valuation reserves” under liabilities until the financial asset is eliminated, when the accumulated gains and losses are recorded in the income statement account 100.b) “Gains (losses) from sales or repurchase of financial assets available-for-sale”.

When there is evidence that the asset has incurred a permanent reduction in value (impairment), the accumulated loss, which was recorded directly in the account 170 “Valuation reserves” under liabilities, is transferred to the income statement account 110.b) “ Adjustments/write-back of net values”. The amount transferred is equal to the difference between the carrying value (acquisition cost less any losses for reduction in value previously recorded in the income statement) and the fair value.

If, in a subsequent period, the fair value of a debt instrument increases and the increase can be correlated to an event which occurs in a subsequent period to that in which the loss for the reduction in value was recorded in the income statement, the loss is written back, recording the corresponding amount in the same income statement account. The write-back does not result in any case in a book value above that which would be applied by the amortised cost method had the loss not been recorded.

2. Receivables

The portfolio of receivables includes all receivables for cash – in whatever form – from banks, financial institutions and clients.

The receivables are recorded in the accounts on the deed of the loan or of the acquisition at their fair value, generally corresponding to the amount provided or the price paid, including the transaction costs which are directly allocated to the acquisition or to the provision of the financial asset (although still not settled).

If the receivables are ceded to third parties, they are eliminated from the financial statements only if all the risks and benefits (or their effective control) are substantially transferred to the acquiring counterparty.

Subsequent to the initial recognition, the receivables are measured at amortised cost, utilising the effective interest criteria, and applying impairment tests if there are indications of a deterioration in the solvency of the debtors.

The impairment test on receivables is made in two phases:

- 1) individual valuations in order to identify individual deteriorating receivables (impaired) and the determination of the relative loss in value;
- 2) collective valuations in order to identify impaired credit portfolios and the determination of a forfeit on losses not recognised.

Based on the criteria of the Bank of Italy, the receivables deteriorated subject to individual valuations are:

- receivables from insolvent debtors;
- receivables in debt collection;
- receivables restructured;
- receivables not honoured or due over 180 days.

The losses in value attributable to each receivable is equal to the difference between the recoverable value and the relative amortised cost.

The criteria for the determination of the recoverable value of the receivables is based on the discounting of the expected cash flows for capital and interest less recovery charges and any advances received; in order to determine the current value of the cash flows, the fundamental elements are represented by the identification of the estimated collections, of the relative expiry dates and of the discount rate to be applied.

All of the doubtful receivables are reviewed and analysed at the end of each balance sheet date. Each subsequent change of the amounts or in the time period of the expected cash flows, which produces a negative change to the initial estimates, results in the recording of an adjustment to the value of the income statement accounts 110.a) “Adjustments/write-back of net values”.

Where the deteriorated receivable improves and a timely recovery of the capital and of the interest is reasonably certain, in relation to the original contract terms, a write-back is made to the same income

statement account, up to the maximum amount of the amortised cost which would have been made in the absence of previous write-downs.

The write-downs for losses on receivables are recorded as a reduction in the book value of the receivable.

The gains (or the losses) on receivables, are recognised in the income statement:

- When the financial asset is eliminated, in the account 100.a) “Gains/(losses) from sales”;

or

- When the financial asset has incurred a reduction in value, in the account 130.a) "Adjustments to net values for losses"

The interest on receivables provided are classified in the account 10 “Interest income and similar” and are recorded in accordance with the accruals method.

3. Property, plant and equipment

The account includes exclusively assets for own use and are comprised of:

- transport vehicles
- plant and machinery
- furniture and fittings
- other plant and equipment

Property, plant & equipment are initially recorded at cost, including all directly allocated costs necessary for bringing the asset to the condition for which it was acquired (transaction costs, professional fees, direct transport costs of the asset, installation costs and dismantling costs).

The subsequent expenses incurred are added to the book value of the asset or recorded as a separate asset if it is probable that future economic benefits will derive above that initially estimated and the cost can be reliably recorded.

All the other expenses incurred subsequently (e.g. ordinary maintenance interventions) are recorded in the income statement in the year incurred in the account 120.b) “Other administration expenses”.

The tangible fixed assets are eliminated from the financial statements on their sale or when they are no longer utilised in the operations.

After initial recognition, the tangible assets are recorded at cost less accumulated depreciation and any loss in value.

The tangible fixed assets with limited useful life are depreciated on a straight-line basis over the estimated useful life of the asset.

The useful life of the tangible fixed assets are reviewed at each balance sheet date and, if the expectations are different from the previous estimates, the depreciation for the current year and for future years is adjusted.

Where there is an indication that an asset has incurred a reduction in value, a comparison is made between the book value of the asset with its recoverable value, equal to the higher between the fair value, less transaction costs, and the relative value in use, intended as the expected current value of the financial cash flows which will derive from the asset. Any adjustments in value are recorded in the account 130 "Adjustments to the net values of tangible assets" in the income statement.

Where a previously written down asset is reinstated, the new book value may not exceed the net book value which would have been recorded if no loss in value had been recorded in previous years.

A tangible asset is eliminated from the balance sheet on the sale or when there are no future economic benefits expected from its utilisation or from its sale and the difference between the sales value and the book value is recorded in the income statement account “Gains/(Losses) from the sale of investments”.

4. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance, identifiable, and capable of generating future economic benefits.

Intangible assets having an indefinite useful life are not amortised and consist of the goodwill arising on the purchase of the subsidiary Italifin S.r.l. The goodwill was recorded in the financial statements for the first-time at June 30, 2006 and was subject to an impairment test from which there were no indications of an adjustment to the carrying value.

Even if there is no indication of a reduction in value, the goodwill is annually subject to this test, similar to the treatment for intangible assets with an indefinite useful life.

Any adjustments in the value of the goodwill are recorded in the income statement account 140 "Adjustments to the net values of intangible assets" and are not eliminated in subsequent years, where there is an indication of a recovery in the value.

The intangible assets with a definite useful life relate to trademarks and software and are recorded in the financial statements at purchase cost, including the costs of bringing the asset to its current use, net of accumulated amortisation and any loss in value. The intangible assets with a definite useful life are amortised on a straight-line basis over their estimated useful life.

Where there is an indication that an asset has incurred a reduction in value, a comparison is made between the book value of the asset with its recoverable value, equal to the higher between the fair value, less transaction costs, and the relative value in use, intended as the expected current value of the financial cash flows which will derive from the asset. Any adjustments in value are recorded in the account 140 "Adjustments to the net values of intangible assets" in the income statement.

Where a previously written down asset is reinstated, the new book value may not exceed the net book value which would have been recorded if no loss in value had been recorded in previous years.

An intangible asset is eliminated from the balance sheet on the sale or when there are no future economic benefits expected from its utilisation or from its sale and the difference between the sales value and the book value is recorded in the income statement account 200 "Gains/(Losses) from the sale of investments".

5. Current and deferred taxes

The current tax accounts include the excess payments made (current assets) and payables due (current liabilities) for income taxes of the period. The deferred income tax accounts represent, however, income tax recoverable in future years in relation to temporary deductible differences (deferred tax assets) and income taxes payable in future years as a consequence of temporary assessable differences (deferred tax liabilities).

The deferred tax assets are recorded, in accordance with the "balance sheet liability method", only on the condition that there is the full capacity to absorb the temporary deductible differences from future assessable income, while the deferred tax liabilities are normally always recorded.

Deferred tax assets and liabilities are determined utilising the tax rates which are expected to be applied in the year in which it is expected that the deferred tax asset will be utilised and the deferred tax liability will be settled, based on fiscal regulations in force and in any event in force at the moment of their recognition.

Current and deferred income taxes are recorded in the income statement account 210 "income taxes on current operations", except those relating to accounts directly credited or debited to equity, in which case the fiscal effect is recognised directly to equity.

6. Payables

Payables include all other financial liabilities from trading liabilities and liabilities measured at fair value.

Payables are initially recognised at fair value, which corresponds to the payment received, less transaction costs directly attributable to the financial liability. After the initial recognition, these instruments are measured at amortised cost, utilising the effective interest rate criteria.

Financial liabilities are derecognised from the balance sheet when they are settled or when all the risks and rewards and charges relating to the instrument have been transferred to third parties.

7. Employee leaving indemnity

The liability relating to the employee leaving indemnity is recognised in the financial statements based on the current actuarial value, as qualifying as a benefit due to employees based on a defined benefit plan. The recognition in the financial statements of a defined benefit plan requires an estimate of the value of the services matured by employees for their employment service in current and previous years through actuarial techniques and the discounting of these services in order to determine the current value of Group commitments.

The determination of the current value of the Group commitments is made by an independent expert using the “Projected Unit Credit Method” (IAS 19). This method, which relates to the so-called “defined benefits” plans, considers each period of service by employees at the company as a source of an additional unit of right: the actuarial liability must be quantified only on the basis of the service matured at the valuation date; therefore, the total liability is normally proportioned based on the ratio between the service years matured at the valuation date and the total number of years at the expected settlement of the benefit. In addition, this method considers future increases in remuneration, of whatever nature (inflation, merit, contractual renewals etc), up to the termination of employment. The cost for the employee leaving indemnity matured in the year and recorded in the income statement under personnel costs is equal to the sum of the average current value of the rights matured of the employees present for the employment in the year (“current service cost”) and of the annual interest matured on the current value of the Group commitments at the beginning of the year, calculated using the discount rate of the future payments adopted to estimate the liability at the end of the previous year (“interest cost”).

The actuarial gains and losses are recorded directly in the income statement.

8. Provisions for risks and charges

The provisions for risks and charges are recorded when:

- an entity has a present obligation (legal or implicit) as a result of a past event;
- it is probable that an outflow of resources will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

If these conditions are not satisfied, no liability is recorded.

The provisions are made based on the best estimate less the expenses required to settle the obligation. In determining this estimate, consideration is taken of the risks and uncertainties concerning the facts and the circumstances.

In particular, where the effect of the time period of the charges to be incurred is significant, the amount of the provision is determined as the current value of the cost which is expected will be necessary to settle the obligation. In this case, a discount rate is utilised which reflects the current market valuations of the present value of money and the specific risks connected to the liability.

The provisions are periodically reviewed and adjusted where necessary to reflect the best current estimate. If, following the review, the charge is improbable, the provision is reversed.

A provision is utilised only against the charges for which it was originally recorded.

The provision for the year, recorded in the account 160 “Net provisions for risks and charges” in the income statement, includes the increases in the provision due to the passage of time and net of any utilisations.

PART B - INFORMATION ON THE BALANCE SHEET

ASSETS

Section 1

1. 1 Breakdown of the account 10 "Cash and cash equivalents"

| Account/Value | Total 31/12/06 | Total 31/12/05 |
|------------------------------|-------------------|-------------------|
| a) Cash and cash equivalents | 3,602 | 1,644 |
| Total | 3,602 | 1,644 |

The account relates to the cash and cash equivalents held by the company at the balance sheet date.

Section 4 - Financial assets available-for-sale – Account 40

4. 1 Breakdown of the account 40 "Financial assets available-for-sale"

| Account/Value | Total | | Total | |
|-----------------------------------|----------------|------------|----------------|------------|
| | 31/12/06 | | 31/12/05 | |
| | Quoted | Non Quoted | Quoted | Non Quoted |
| 1. Debt securities | | | | |
| 2. Equity securities | | | | |
| 3. Fund quotas | 173,484 | | 128,385 | |
| 4. Loans | | | | |
| 5. Other assets | | | | |
| 6. Assets ceded but not cancelled | | | | |
| 6. 1 Recorded fully | | | | |
| 6. 2 Recorded partially | | | | |
| 7 Assets deteriorated | | | | |
| Total | 173,484 | 0 | 128,385 | 0 |

The account "financial assets available-for-sale" represents monetary funds subscribed by the company to invest the liquidity deriving from the indemnity for non-competitive agreements on the commissions matured by the agents, in accordance with the relative contractual agreements.

These funds are restricted until the termination of the agents' contract and the payment to the agent, including interest matured in the period, only in the event of the full compliance with the non-competitive agreement during the contractual period.

4. 2. Financial assets available-for-sale: breakdown by debtor/issuer

| Account/Value | Total | | Total | |
|--|----------------|----------|----------------|----------|
| | 31/12/06 | | 31/12/05 | |
| 1. Debt securities | | | | |
| a) Public entities | | | | |
| b) Banks | | | | |
| c) Financial institutions | | | | |
| d) Other issuers | | | | |
| 2. Equity securities | | | | |
| a) Banks | | | | |
| b) Financial institutions | | | | |
| c) Other issuers | | | | |
| 3. Fund quotas | 173,484 | 0 | 128,385 | 0 |
| 4. Loans | | | | |
| a) Public entities | | | | |
| b) Banks | | | | |
| c) Financial institutions | | | | |
| d) Other issuers | | | | |
| 5. Other assets | | | | |
| a) Public entities | | | | |
| b) Banks | | | | |
| c) Financial institutions | | | | |
| d) Other issuers | | | | |
| 6. Assets ceded but not cancelled | | | | |
| a) Public entities | | | | |
| b) Banks | | | | |
| c) Financial institutions | | | | |
| d) Other issuers | | | | |
| 7. Assets deteriorated | | | | |
| a) Banks | | | | |
| b) Financial institutions | | | | |
| c) Other issuers | | | | |
| Total | 173,484 | 0 | 128,385 | 0 |

4.3. Financial assets available-for-sale: annual changes

| Changes/Type | Debt securities | Equity securities | Fund quotas | Loans | Other assets | Assets deteriorated | Total |
|-------------------------------------|-----------------|-------------------|-------------|-------|--------------|---------------------|----------------|
| A Beginning balance | | | 128,385 | | | | 128,385 |
| B. Increases | | | | | | | |
| B1. Purchases | | | 55,926 | | | | 55,926 |
| B2. Positive changes in fair value | | | 3,042 | | | | 3,042 |
| B3. Write-back in value | | | | | | | 0 |
| - recorded in income statement | | | | | | | 0 |
| - recorded in balance sheet | | | | | | | 0 |
| B4. Transfers from other portfolios | | | | | | | 0 |
| B5. Other changes | | | | | | | 0 |
| C. Decreases | | | | | | | |
| C1. Sales | | | 13,869 | | | | 13,869 |
| C2. Reimbursements | | | | | | | 0 |
| C3. Negative changes in fair value | | | | | | | 0 |
| C4. Adjustments in value | | | | | | | 0 |
| C5. Transfers from other portfolios | | | | | | | 0 |
| C6. Other changes | | | | | | | 0 |
| D. Closing balance | | | 173,485 | | | | 173,485 |

The increase on the previous year (Euro 45,100) relates for Euro 42,058 to the subscription of new quotas net of the quotas sold, and for Euro 3,042 for the valuation at fair value, in accordance with international accounting standard No. 39. The change in the fair value was recorded in a specific equity reserve, net of the relative fiscal effect.

Section 6 - Receivables - Account 60

6.1 "Bank receivables"

| Composition | Total | | Total | |
|-----------------------------------|-----------|------------|-----------|------------|
| | 31/12/06 | | 31/12/05 | |
| 1. Deposits and current accounts | | 13,236,785 | | 8,540,093 |
| 2. Time deposits | | | | |
| 3. Loans | | 1,506,310 | | 7,559,985 |
| 3.1 from finance leases | | | | |
| 3.2 from factoring activities | | - | | |
| - receivables from factor company | | | | |
| - receivables from debtors ceded | | | | |
| 3.3 other loans | 1,506,310 | | 7,559,985 | |
| 4. Debt securities | | | | |
| 5. Other assets | | | | |
| 6. Assets ceded but not cancelled | | | | |
| 6.1 recorded fully | | | | |
| 6.2 recorded partially | | | | |
| 7 Assets deteriorated | | | | |
| 7.1 from finance leases | | | | |
| 7.2 from factoring activities | | | | |
| 7.3 other loans | | | | |
| Total book value | 1,506,310 | 14,743,095 | 7,559,985 | 16,100,078 |
| Total fair value | 1,506,310 | 14,743,095 | 7,559,985 | 16,100,078 |

The account "deposits and current accounts" refers to the current account balances at banks. The increase on the previous year is due to the greater liquidity on the current accounts deriving from normal operations.

The account loans relates to the receivables from banks for loans completed at the balance sheet date but not yet collected. The significant decrease compared to the previous year is largely due to the greater timeliness by the mandate banks in crediting funds to the clients.

| Composition | Total 31/12/06 | Total 31/12/05 |
|-----------------------------------|---------------------------|---------------------------|
| 2. Loans | | |
| 2. 1 from finance leases | | |
| 2. 2 from factoring activities | | |
| - receivables from factor company | | |
| - receivables from debtors ceded | | |
| 2. 3 other loans | | |
| 3. Securities | | |
| 4. Other assets | 204.037 | 234.637 |
| 5. Assets ceded but not cancelled | | |
| 5. 1 recorded fully | | |
| 5. 2 recorded partially | | |
| 6. Assets deteriorated | | |
| 6. 1 from finance leases | | |
| 6. 2 from factoring activities | | |
| 6. 3 other loans | | |
| Total book value | 204.037 | 234.637 |
| Total fair value | 204.037 | 234.637 |

The account represents the investment in insurance funds made against the employee leaving indemnity provision matured by employees and which guarantees the liquidity necessary for the payment of the indemnity at the end of the employment period.

The decrease is due to the fact that against a modest utilisation, no further provisions to the fund were made, also in consideration of the change in the regulatory framework.

| Composition | Total | | Total | |
|--|-----------|-----------|----------|------------|
| | 31/12/06 | | 31/12/05 | |
| 1. Finance Leases | | | | |
| 1.1. Receiv. for assets given under finance leases <i>of which: without final purchase option</i> | | | | |
| 1.2 Other Receivables <i>(to be indicated)</i> | | | | |
| 2. Factoring | | | | |
| - receivables from factor company | | | | |
| - receivables from debtors ceded | | | | |
| 3. Consumer credit (including revolving credit cards) | | 8,290,652 | | 9,460,057 |
| 4. Credit cards | | | | |
| 5. Other loans <i>of which: covered by guarantees and commitments</i> | | | | |
| 6. Securities | | | | |
| 7. Other assets | | | | |
| 8. Assets ceded but not cancelled | | | | |
| 8. 1 recorded fully | | | | |
| 8. 2 recorded partially | | | | |
| 9. Assets deteriorated | | 1,401,132 | | 977,193 |
| - Finance leases | | | | |
| - Factoring | | | | |
| - Consumer credit (including revolving credit cards) | 1,401,132 | | 977,193 | |
| - Credit cards | | | | |
| - Other loans | | | | |
| Total book value | 1,401,132 | 9,691,784 | 977,193 | 10,437,250 |
| Total fair value | 1,401,132 | 9,691,784 | 977,193 | 10,437,250 |

The account "consumer credit" represents the net realisable value of the receivables and principally includes:

- receivables from third party administrations ceded for the amount overdue but not yet collected for an amount equal to Euro 4,399,639 (in 2005, the receivable amounted to Euro 1,625,221); in 2006, the instalment of the loans relating to the "non-recourse" of the Meliorbanca plafond was recorded at the maturity date of the instalment instead of on the collection. The amount relating to the instalment matured in December 2006 was Euro 2,541,462;
- receivables for commissions matured on loans paid but not yet completed of Euro 236,337 (Euro 1,104,528 in 2005);
- receivables from clients for pre-financing totalling Euro 2,909,649, of which Euro 391,092 for indirect loans and Euro 2,518,557 for direct loans.

The account for positions deteriorated represents the net realisable value of the receivables from insolvent debtors and those in debt collection of Euro 772,093 and Euro 629,039 respectively.

An impairment test was made on the receivables in order to estimate the net realisable value. The total write-down amounted to Euro 1,126,531, of which Euro 881,303 for specific write-downs and Euro 245,228 for a collective portfolio provision.

6. 7 "Receivables": assets guaranteed

| | Total | | | Total | | |
|--|------------------|---|-------------------|------------------|---|-------------------|
| | Dec 31, 06 | | | Dec 31. 06 | | |
| | Bank receivables | Receivables from financial institutions | Trade receivables | Bank receivables | Receivables from financial institutions | Trade receivables |
| 1. Assets under guarantee: | | | | | | |
| - Leased assets | | | | | | |
| - Receivables from debtors ceded | | | | | | |
| - Mortgages | | | | | | |
| - Liens | | | | | | |
| - Unsecured guarantees | | | | | | |
| - Derivatives on receivables | | | | | | |
| - Other | | | 4,399,639 | | | 1,659,887 |
| 2. Assets with expired guarantee: | | | | | | |
| - Leased assets | | | | | | |
| - Receivables from debtors ceded | | | | | | |
| - Mortgages | | | | | | |
| - Liens | | | | | | |
| - Unsecured guarantees | | | | | | |
| - Derivatives on receivables | | | | | | |
| - Other | | | | | | |
| Total | | | 4,399,639 | | | 1,659,887 |

The account includes loan instalments ceded but not yet collected from third party administrations. These receivables are guaranteed by insurance policies against the credit and life risk.

Section 10 - Tangible assets - Account 100

10. 1 Breakdown of account 100 "Tangible assets"

| Account/Value | Total Dec 31, 06 | | Total Dec 31, 05 | |
|--|--------------------------|--|-----------------------------|--|
| | Assets valued at cost | Assets valued at fair value or revalued | Assets valued at cost | Assets valued at fair value or revalued |
| 1. Assets used in operations | | | | |
| 1. 1 owned | | | | |
| a) land | | | | |
| b) buildings | | | | |
| c) fixtures and fittings | 322,667 | | 301,860 | |
| d) equipment | 171,353 | | 139,216 | |
| e) others | 30,451 | | 51,519 | |
| 1.2 leased assets | | | | |
| a) land | 0 | | 0 | |
| b) buildings | 0 | | 0 | |
| c) fixtures and fittings | 0 | | 0 | |
| d) equipment | 0 | | 0 | |
| e) others | 0 | | 0 | |
| Total 1 | 524,471 | | 492,595 | |
| 2. Assets given under finance leases | | | | |
| 2.1 assets not redeemed | 0 | | 0 | |
| 2.2 assets redeemed | 0 | | 0 | |
| 2.3 other assets | 0 | | 0 | |
| Total 2 | | | 0 | |
| 3. Assets held for investment | | | | |
| of which: granted as operating leases (to be indicated) | 0 | | 0 | |
| Total 3 | 0 | | 0 | |
| Total (1+2+3) | 524,471 | | 492,595 | |
| Total (assets at cost or revalued) | 524,471 | | 492,595 | |

The account properly plant and equipment relates to long-term capital investments made by the company. The change in the account is due to the normal depreciation process. The Company adopted the option contained in IFRS 1 to maintain the cost of the tangible assets on the first-time adoption of the international accounting standards.

| 10. 2 Tangible fixed assets annual changes | | | | | | |
|---|------|-----------|-----------------------|----------------|---------------|----------------|
| | Land | Buildings | Fixtures and fittings | Equipment | Other | Total |
| A. Beginning balance | | | 301,860 | 139,216 | 51,519 | 492,595 |
| B. Increases | | | | | | 0 |
| B.1. Purchases | | | 114,931 | 75,970 | 0 | 190,901 |
| B.2. Write-back in value | | | | | | 0 |
| B.3 Positive change in fair value recorded in: | | | | | | 0 |
| a) shareholders' equity | | | | | | 0 |
| b) income statement | | | | | | 0 |
| B. 4 Other changes | | | 305 | | 1,070 | 1,375 |
| C. Decreases | | | | | | 0 |
| C.1. Sales | | | 680 | 0 | 0 | 680 |
| C.2 Depreciation | | | 93,748 | 42,755 | 22,138 | 158,641 |
| C.3 Adjustments in value from deteriorations recorded in: | | | | | | 0 |
| a) shareholders' equity | | | | | | 0 |
| b) income statement | | | | | | 0 |
| C.4 Negative change in fair value recorded in: | | | | | | 0 |
| a) shareholders' equity | | | | | | 0 |
| b) income statement | | | | | | 0 |
| C. 5 Other changes | | | | 1,079 | | 1,079 |
| D. Closing balance | | | 322,668 | 171,352 | 30,451 | 524,471 |

The increases in capital expenditures relate to the modernisation of the offices and new IT equipment.

Section 11 - Intangible assets - Account 110

11.1 Breakdown of account 110 "Intangible assets"

| Account/Value | Total | | Total | |
|--|------------------|--|---------------|--|
| | Dec. 31, 06 | | Dec. 31, 05 | |
| 1. Goodwill | 1,321,099 | | | |
| 2. Other intangible assets: | | | | |
| 2.1 owned | | | | |
| - generated internally | | | | |
| - other | 33,388 | | 32,438 | |
| 2.2 leased assets | | | | |
| Total 2 | 33,388 | | 32,438 | |
| 3. Assets given under finance leases | | | | |
| 3.1 assets not redeemed | | | | |
| 3.2 assets redeemed | | | | |
| 3.3 other assets | | | | |
| Total 3 | | | | |
| 4. Assets giver under operating leases | | | | |
| Total (1+2+3+4) | 1,354,487 | | 32,438 | |
| Total (Assets at cost + Assets at fair value) | 1,354,487 | | 32,438 | |

The value of the goodwill equal to Euro 1,321,099 relates to the positive difference generated between the amount paid for the acquisition of the investment in Italifin and the net equity value of the investment at June 30, 2006.

The account "other" intangible assets relates to software for Euro 31,519 (net of the relative accumulated amortisation of Euro 61,685) and trademarks of Euro 1,869 (net of the relative accumulated amortisation of Euro 4,222).

In accordance with international accounting standards, restructuring expenses on the premises of third parties incurred in the year amounting to Euro 3,941 were entirely recorded in the income statement as not complying with the requirements of the recording of intangible assets as per IAS 38.

| 11. 2 Intangible assets: annual changes | |
|--|------------------|
| | Total |
| A. Beginning balance | 32,438 |
| B. Increases | |
| B1. Purchases | 1,346,845 |
| B2. Write-back in value | |
| B3 Increases in fair value recorded in: | |
| - shareholders' equity | |
| - income Statement | |
| B4 Other changes | |
| C. Decreases | |
| C.1 Sales | 0 |
| C.2 Amortisation | 24,687 |
| C.3 Adjustment to values | |
| - shareholders' equity | |
| - income Statement | |
| C.4 Decreases in fair value | |
| - shareholders' equity | |
| - income Statement | |
| C.5 Other changes | 109 |
| D. Closing balance | 1,354,487 |

The increases in the value of intangible fixed assets relate to the recording of the value of goodwill resulting from the acquisition of the investment, as illustrated in the previous table, and to new software licences.

Section 12 – Tax assets and liabilities

| | Total |
|---|------------------|
| The account "Tax assets" is comprised as follows: | 3,079,572 |
| Receivables from tax authorities | 629,853 |
| Deferred tax assets | 506,670 |
| Payments on account | 1,943,049 |
| Other | |
| The account "Tax liabilities" is comprised as follows: | 3,278,114 |
| Tax payables | 374,313 |
| Current taxes | 2,628,389 |
| Deferred taxes | 275,412 |

The account "tax assets" comprises:

- Deferred tax assets of Euro 506,670
- Income tax payments on account of Euro 1,943,050 (at December 31, 2005, the account amounted to Euro 1,976,252).

The account “tax liabilities” comprises:

- withholding taxes of Euro 374,313 principally consisting of payables for withholding tax on commissions of Euro 190,856 and payables for employee withholding taxes of Euro 142,762;
- payables for income tax for the year amounting to Euro 2,628,389, of which IRES income tax of Euro 2,158,849 and IRAP regional tax of Euro 469,538.

The change in the fiscal charge compared to the previous year is due to an increase in the assessable income for both IRES income tax (+24.53%) and IRAP regional tax (+28.25%);

- deferred tax liabilities of Euro 275,412.

12.3 Change in deferred tax assets (recorded in the income statement)

| | Total 31/12/2006 | Total 31/12/2005 |
|---|---------------------|---------------------|
| 1. Beginning balance | 307,900 | 147,820 |
| 2. Increases | 211,640 | 231,086 |
| 2.1 Deferred tax asset recorded in the year | 91,274 | 231,086 |
| a) relating to prior years | - | |
| b) due to change in accounting principles | 7,655 | 90,305 |
| c) write back in value | - | |
| d) other | 83,619 | 140,781 |
| 2.2 New taxes or increase in tax rates | | |
| 2.3 Other increases | 120,366 | |
| 3. Decreases | 38,003 | 71,006 |
| 3.1 Deferred tax assets cancelled in the year | 31,832 | 71,006 |
| a) utilised | 31,832 | 71,006 |
| b) write-down as no longer recoverable | 0 | |
| c) due to change in accounting principles | 0 | |
| 3.2 Reduction in tax rates | 0 | |
| 3.3 Other decreases | 6,171 | |
| 4. Ending balance | 481,537 | 307,900 |

The deferred tax assets are recorded on the ordinary temporary deductible differences and on the differences arising from the application of the IAS/IFRS.

12. 4 Change in deferred tax liabilities (recorded in the income statement)

| | Total 31/12/2006 | Total 31/12/2005 |
|---|---------------------|---------------------|
| 1. Beginning balance | 32,722 | 17,555 |
| 2. Increases | 249,563 | 15,167 |
| 2. 1 Deferred tax liability recorded in the year | 87,669 | 15,167 |
| a) relating to prior years | - | - |
| b) due to change in accounting principles | 87,669 | 15,167 |
| c) other | - | - |
| 2. 2 New taxes or increase in tax rates | - | - |
| 2. 3 Other increases | 161,894 | - |
| 3. Decreases | 8,275 | 0 |
| 3. 1 Deferred tax liability cancelled in the year | 8,275 | 0 |
| a) utilised | - | - |
| b) due to change in accounting principles | - | - |
| c) other | 8,275 | 0 |
| 3. 2 Reduction of tax rates | - | - |
| 3. 3 Other decreases | - | - |
| 4. Ending balance | 274,010 | 32,722 |

The deferred tax liabilities are calculated on the differences arising from the application of the IAS/IFRS.

12. 6 Change in deferred tax liabilities (recorded in equity)

| | Total 31/12/2006 | Total 31/12/2005 |
|---|---------------------|---------------------|
| 1. Beginning balance | 269 | 78 |
| 2. Increases | | |
| 2. 1 Deferred tax liability recorded in the year | 1,133 | 191 |
| 2. 2 New taxes or increase of tax rates | 0 | |
| 2. 3 Other increases | 0 | |
| 3. Decreases | | |
| 3. 1 Deferred tax liability cancelled in the year | 0 | |
| 3. 2 Reduction of tax rates | 0 | |
| 3. 3 Other decreases | 0 | |
| 4. Ending balance | 1,402 | 269 |

14. 1 Other assets

| Account/Value | Total | Total |
|--------------------------------|------------------|------------------|
| | 31/12/06 | 31/12/05 |
| Prepaid and accrued income | 197,153 | 63,488 |
| Other receivables | 1,149,508 | 268,372 |
| Commission payments on account | 2,575,749 | 1,271,312 |
| Advances to brokers | 356,931 | 847,935 |
| Commissions from insurance | 742,703 | 645,770 |
| Total | 5,022,044 | 3,096,877 |

The account other assets includes at December 31, 2006:

- the reclassification of the prepayments not allocated to any other asset account:
- other receivables largely relating to charges for the quotation process of Euro 735,036.
- payments on account on commissions matured in favour of brokers paid by the company to its agents based on contractual agreements. The change compared to the previous year is due to the increase in business activity, with a corresponding increase in the commissions matured and the premiums paid in advance.
- receivables from insurance comprising receivables for commissions matured and not yet collected on loans provided and not yet completed, receivables for insurance premiums paid to the insurance companies and expected reimbursement from the banks on loans completed and receivables from insurance companies for claims to be paid.

LIABILITIES

Section 1 - Payables - Account 10

1. 1 Bank payables

| | Total 31/12/2006 | Total 31/12/2005 |
|-------------------|-----------------------------|-----------------------------|
| 1. Time deposits | | |
| 2. Loans | | |
| 3. Other payables | 7,472,540 | 13,000,514 |
| Total | 7,472,540 | 13,000,514 |
| <i>Fair value</i> | 7,472,540 | 13,000,514 |

The account principally relates to payables for advanced repayments and payables for the quota of the loan to be repaid to the credit institutions.

The decrease compared to the previous year is due to the variability of the current operating activity.

1. 3 Payables to customers

| | Total 31/12/2006 | Total 31/12/2005 |
|-------------------|-----------------------------|-----------------------------|
| 1. Time deposits | | |
| 2. Loans | | |
| 3. Other payables | 1.418.668 | 877.395 |
| Total | 1.418.668 | 877.395 |
| Fair value | 1.418.668 | 877.395 |

The account payables to customers principally include the payables relating to the reimbursement quota to the clients for advanced repayments amounting to Euro 1,337,494 (Euro 633,528 at December 31, 2005).

The increase in the payables is related to the number of advanced repayments.

The recording of the payable in the accounts relates to the technical time period connected to the management of the settlements, a period during which the third party administrations can make reductions no longer due by their employees.

Section 9 - Other liabilities - Account 90

9.1 "Composition of the account 90 "Other liabilities"

| | 12/31/2006 | 12/31/2005 |
|---|-------------------|------------------|
| A. Other liabilities - Composition | | |
| 1) Trade payables | 6,428,071 | 4,720,084 |
| 2) Other payables | 1,857,326 | 1,186,943 |
| 3) Accruals and deferred income | 2,804,746 | 2,308,351 |
| Total A | 11,090,143 | 8,215,378 |

The account "trade payables" principally comprises:

- the provision for invoices to receive amounting to Euro 2,958,923, largely consisting of commissions matured;
- insurance premiums not yet paid on loans already completed at the balance sheet date amounting to Euro 1,842,824;

The increase in the account trade payables compared to the previous year relates to the increase in operating activity.

The account other payables includes Euro 1,153,083 payable for "advance employee leaving indemnity collected" received from the administrations for existing loans.

The account accruals and deferred income includes the reclassification amounts which were not recorded in any other balance sheet account, respectively of Euro 351,237 and Euro 2,453,509.

The account deferred income principally includes the quota of commission income to cover future costs relating to the management of the quota on behalf on the mandate banks on existing loans at December 31, 2006.

Section 10 - Employee leaving indemnity - Account 100

10. 1 "Employee leaving indemnity". annual changes

| | Total 31/12/2006 | Total 31/12/2005 |
|-----------------------------|-----------------------------|-----------------------------|
| A. Beginning balance | 274,480 | 159,538 |
| B. Increases | | |
| B1. Provision in the year | 128,166 | 141,914 |
| B2. Other increases | 20,225 | |
| C. Decreases | | |
| C1. Payments made | 66,423 | 26,972 |
| C2. Other decreases | 2,436 | |
| D. Closing balance | 354,012 | 274,480 |

The provision was made based on an actuarial valuation method "Projected Unit Credit Method" as per IAS 19. This method provides, for each employee, the payment of the employee leaving indemnity which must be made by the company in the event of the termination of employment.

The discount rate of this liability is determined with reference to the yield on securities issued by primary companies operating on the financial market and the yield of government bonds for the same duration as the residual employment period of the employees.

Section 11 - Provisions for risks and charges - Account 110

11. 1 "Provisions for risks and charges" - breakdown and movements

| | Agent's indemnity provision | Non-competitive agreement | Total risk funds |
|--|-----------------------------|---------------------------|------------------|
| A. Beginning balance 31/12/2005 | 294,071 | 111,396 | 405,467 |
| B. Increases | | | |
| B.1 Increases | 120,016 | 83,623 | 203,639 |
| B.2 Other increases | 1,560 | | 1,560 |
| C. Decreases | | | |
| C.1 Utilisations | 177,325 | 45,395 | 222,720 |
| C.2 Other decreases | 0 | 1,561 | 1,561 |
| D. Closing balance 31/12/2006 | 238,323 | 148,063 | 386,386 |

The agency contract provides that the agents are due an indemnity at the end of the mandate, except when the agent terminates the contract on his own initiative or due to gross negligence or fault.

This provision in 2006 decreased by Euro 177,325, due to the lower payables due to some agents, and a provision of Euro 120,016 calculated on the commissions matured by the agents during year, net of the discounting effect in accordance with international accounting standards.

The withholdings made on the commissions of the agents in accordance with the non-competitive agreement represents the payable due to the agents where they comply with the non-competitive agreement as per the agency mandate after the termination of the relationship (in general not greater than two years). In the past, the company has not utilised this provision as generally the agents which decide to change mandate company rarely comply with this agreement, normally remaining in the same sector, and therefore do not request reimbursement of the amount withheld. Also in this case, the utilisation of the provision is related to the reduced exposure to agents no longer collaborating with the company.

Section 12 - Share Eq. - Acc. 120, 130, 140, 150, 160 and 170

12. 1 Breakdown of account 120 "Share capital"

| Type | Amount |
|----------------------|-----------|
| 1. Share capital | 7,200,000 |
| 1. 1 Ordinary shares | 7,200,000 |

At December 31, 2006, the share capital consisted of 30,000,000 ordinary shares with a unit value of Euro 0.24, determined in accordance with article 6 of the company's by-laws.

The shares are fully subscribed and paid-in.

On July 27, 2006, the extraordinary shareholders' meeting of the company approved a share capital increase without valuable consideration from Euro 600,000 to Euro 7,200,000 utilising the reserves from retained earnings; in view of the stock exchange quotation, the existing shares were split 1 for 3,000.

12. 5 Breakdown and changes of account 160 "Reserves"

| | Legal reserves | Retained earnings | FTA reserve | Total |
|-----------------------------|----------------|-------------------|-------------|-----------|
| A. Beginning balance | 120,000 | 4,480,556 | - 50,327 | 4,550,229 |
| B. Increases | | | | - |
| B.1 Allocation of profits | - | 2,784,817 | | 2,784,817 |
| B.2 Other changes | | | | - |
| C. Decreases | | | | - |
| C.1 Utilisations | | | | - |
| - coverage of losses | | | | - |
| - distribution | | 560,846 | | 560,846 |
| - transfer to capital | | 6,600,000 | | 6,600,000 |
| C.2 Other changes | | | | - |
| D. Closing balance | 120,000 | 104,527 | - 50,327 | 174,200 |

The legal reserve has not changed in the year.

The retained earnings increased due to the allocation of the profit for the year ended December 31, 2005 as approved by the shareholders' meeting on April 27, 2006.

The account was utilised in relation to the share capital increase without valuable consideration for Euro 6,600,000 approved on July 27, 2006 and following the distribution of a dividend of Euro 56.0846 per share approved on July 27, 2006, totalling Euro 560,846.

The FTA Reserve was created on the transition to International Accounting Standards; for a description of the adjustments generated during the year, reference should be made to the Appendix.

12.6 Composition and changes in the account 170 “Valuation reserves”

| | Financial assets held for sale | Tangible assets | Intangible assets | Hedging of cash flows | Special revaluation law | Others | Total |
|-----------------------------|--------------------------------|-----------------|-------------------|-----------------------|-------------------------|----------|--------------|
| A. Beginning balance | 321 | 0 | 0 | 0 | 0 | 0 | 321 |
| B. Increases | | | | | | | |
| B1. Increase in fair value | 1,910 | | | | | | 1,910 |
| B2. Other changes | | | | | | | |
| C. Decreases | | | | | | | |
| C1. Decrease in fair value | | | | | | | |
| C2. Other changes | | | | | | | |
| D. Closing balance | 2,231 | 0 | 0 | 0 | 0 | 0 | 2,231 |

The account includes the changes in the fair value of the assets available-for-sale.

PART C INFORMATION ON THE INCOME STATEMENT

Section 1 – Interest - Account 10 and 20

1.1 Breakdown of the account 10 “Interest income and similar”

| Accounts/Nature | Debt securities | Loans | Assets deteriorated | Other | Total 31/12/2006 | Total 31/12/2005 |
|---|-----------------|-------|---------------------|----------------|------------------|------------------|
| 1. Financial assets held for trading | | | | | - | |
| 2. Financial assets at fair value | | | | | - | |
| 3. Financial assets available-for-sale | | | | | - | |
| 4. Held-to-maturity investments | | | | | - | |
| 5. Receivables | | | | | - | |
| 5.1 Bank receivables | | | | | - | |
| - Finance leases | | | | | - | |
| - Factoring | | | | | - | |
| - Guarantees and commitments | | | | | - | |
| - Other receivables | | | | 141,887 | 141,887 | 51,391 |
| 5.2 Receivables from financial institutions | | | | | - | |
| - Finance leases | | | | | - | |
| - Factoring | | | | | - | |
| - Guarantees and commitments | | | | | - | |
| - Other receivables | | | | | - | |
| 5.3 Receivables from clients | | | | | - | |
| - Finance leases | | | | | - | |
| - Factoring | | | | | - | |
| - Consumer credit | | | 255,518 | 316,735 | 572,252 | 501,176 |
| - Guarantees and commitments | | | | | - | |
| - Other receivables | | | | | - | |
| 6. Other assets | | | | 1,354 | 1,354 | 40,719 |
| 7. Hedging contract: | | | | | - | |
| Total | | | 255,518 | 459,975 | 715,493 | 593,286 |

The account interest income for receivables from clients comprises:

- the interest matured on pre-financing to clients of Euro 316,735.
- interest income on overdue accounts and credit recovery in 2006, totalling Euro 255,518.

The account “Other assets” includes interest income, deriving from the discounting of the non-competitive agreement in accordance with international accounting standard 37, equal to Euro 1,354.

1. 3 Breakdown of the account 20 "Interest charges and similar"

| Accounts/Nature | Loans | Securities | Other | Total 31/12/2006 | Total 31/12/2005 |
|-----------------------------------|-------|------------|----------------|---------------------|---------------------|
| 1. Bank payables | | | 156,213 | 156,213 | 197,433 |
| 2. Payables to fin. institutions | | | | 0 | |
| 3. Payables to clients | | | 458,540 | 458,540 | 414,692 |
| 4. Securities in circulation | | | | 0 | |
| 5. Trading financial liabilities | | | | 0 | |
| 6. Fin. liabilities at fair value | | | | 0 | |
| 7. Other liabilities | | | 23,587 | 23,587 | 33,528 |
| 8. Hedging contracts | | | | 0 | |
| Total | | | 638,340 | 638,340 | 645,653 |

The decrease in the interest expense to banks is due to the interest expense matured on lower exposure in 2006 compared to the previous year.

The account payables to clients includes the interest expense matured on the discount of direct loans and ceded equal to Euro 289,503 and interest for charges on loans repaid in advance of Euro 169,037.

The account other liabilities includes interest expense for the IAS discount of the agent indemnity provision of Euro 23,568.

| Breakdown | Total 31/12/2006 | Total 31/12/2005 |
|------------------------------------|---------------------|---------------------|
| 1. Finance leases | | |
| 2. Factoring | | |
| 3. Consumer credit | 26,806,448 | 27,374,079 |
| 4. Merchant banking activity | | |
| 5. Guarantees given | | |
| 6. Services of: | | |
| fund management | | |
| foreign exchange intermediation | | |
| distribution of products | | |
| other | | |
| 7. Collection and payment services | | |
| 8. Securitization services | | |
| 9. Other commissions | | |
| Total | 26,806,448 | 27,374,079 |

Commission income represents the revenues deriving from the normal activities of the group.

The breakdown of the commission for the year is as follows:

- indirect brokerage commission on the bank plafonds of Euro 5,391,951 (Euro 19,750,027 in 2005),
- direct brokerage commission for the non-recourse transfer of receivables of Euro 16,915,693 (Euro 7,428,531 in 2005),
- brokerage commissions on placing products on behalf of third parties of Euro 2,025,301,
- commission on processing loans of Euro 1,181,828,
- insurance commissions of Euro 934,116,
- commission on advanced repayment of Euro 357,559 (Euro 195,521 in 2005).

It should be noted that the commissions for the year 2006 are net of intergroup eliminations, equal to Euro 4,124,855.

The values in the two years are shown net of the deferred income of the company as the quota of revenue attributable to future years for the management of the existing loans at December 31 of each year; these values amount to Euro 2,453,509 in 2006 and Euro 2,026,351 in 2005.

2. 2 Breakdown of the account 40 "Commissions payable"

| Breakdown/Sectors | Total 31/12/2006 | Total 31/12/2005 |
|--|---------------------|---------------------|
| 1. Guarantees received | | |
| 2. Distribution of services from third parties | | |
| 3. Collection and payment services | | |
| 4. Commissions | 12,500,425 | 18,610,181 |
| Total | 12,500,425 | 18,610,181 |

These costs relate to the commissions paid to brokers and agents and include all accessory costs (social security charges, expense reimbursement and other costs).

The accounts decreased compared to previous year; the effect deriving from the elimination of the infra-group account, equal to Euro 4,414,855, is in proportion to the change in the commission income.

The reasons are principally due to the greater competition on the market which resulted in the payment of higher commissions to the sales network.

Section 9 – Adjustments to net values for losses - Account 110

9.1 Breakdown of the sub-account 110 "Adjustments to net values for losses on receivables"

| Accounts/Adjustments | Adjustment of value | | Write-back of value | | Total 31/12/2006 | Total 31/12/2005 |
|----------------------------------|---------------------|--------------|---------------------|-----------------|---------------------|---------------------|
| | to be indicated | portfolio | to be indicated | portfolio | | |
| 1. Bank receivables | | | | | | |
| leasing | | | | | | |
| factoring | | | | | | |
| guarantees & commitments | | | | | | |
| other receivables | | | | | | |
| 2. Payables to fin. institutions | | | | | | |
| leasing | | | | | | |
| factoring | | | | | | |
| guarantees & commitments | | | | | | |
| other receivables | | | | | | |
| 3. Trade receivables | | | | | | |
| leasing | | | | | | |
| factoring | | | | | | |
| consumer credit | 357,804 | 1,116 | - 98,555 | - 36,749 | 223,616 | 506,567 |
| guarantees & commitments | | | | | | |
| other receivables | | | | | | |
| Total | 357,804 | 1,116 | - 98,555 | - 36,749 | 223,616 | 506,567 |

The account represents the alignment of the nominal value of the receivables to that of their net estimated realisable value, for the part exceeding the provisions already made by the company in previous years. The adjustment was made, in accordance with the provisions of international accounting standard IAS 39 and from specific legislative provisions. In particular, the net adjustments on specific provisions amounted to Euro 259,248, while the collective adjustments resulted in a net write-back of Euro 35,633.

Section 10 - Administrative expenses - Account 120

10.1. Breakdown of account 120 "Personnel expenses"

| Account | Total 31/12/2006 | Total 31/12/2005 |
|---|---------------------|---------------------|
| 1) Employee expenses | | |
| a) Salaries and Wages | 2,217,717 | 1,889,434 |
| b) Social security charges | 567,884 | 516,373 |
| c) Leaving indemnity | 35,206 | |
| d) Pension costs | 0 | |
| e) Employee leaving indemnity provision | 113,274 | 142,399 |
| f) Other expenses | 14,158 | 50,088 |
| 2) Other personnel expenses | 268,709 | 274,068 |
| 3) Directors | 538,528 | 473,949 |
| Total | 3,755,476 | 3,346,311 |

The increase in personnel costs is due to the increase in the number of employees from 108 at December 31, 2005 to 132 at December 31, 2006. The impact on the income statement relating to the subsidiary Italifin relates only to the second half of the year.

The account other personnel costs relates to temporary employees and the reduction derives from the lower utilisation of temporary employees in 2006 compared to the previous year.

The account Directors relates to the directors fees for the current year.

Section 10 - Administrative Expenses - Account 120

10.2. Breakdown of account 120 'Other administration expenses'

| Account | Total 31/12/2006 | Total 31/12/2005 |
|--|---------------------|---------------------|
| a) Consultants | 632,661 | 660,003 |
| b) Post & telephone | 347,021 | 191,465 |
| c) Statutory and external auditor fees | 114,250 | 84,719 |
| d) Insurance | 20,287 | 11,288 |
| e) Other duties & taxes | 252,369 | 73,636 |
| f) Maintenance and support | 242,771 | 184,261 |
| g) Rental costs | 150,055 | 152,520 |
| h) Promotional expenses | 2,053,567 | 276,737 |
| i) Other administrative expenses | 573,056 | 493,483 |
| Total | 4,386,037 | 2,128,093 |

The account "Promotional Expenses" has increased significantly, due to the costs incurred for the PRESTITO' advertising campaign of the subsidiary Italfin.

Section 11 – Adjustments to net values of tangible assets - Account 130

11.1 Breakdown of the account 130 "Adjustments to net values of tangible assets"

| Accounts/Adjustments and write-back in value | Depreciation | Adjust. in value for deteriorat. | Write- back in value | Net result |
|--|----------------|--|----------------------------|----------------|
| 1. Assets used in operations | | | | |
| 1.1 owned | | | | |
| a) land | | | | |
| b) buildings | | | | |
| c) fixtures and fittings | 93,749 | | | 93,749 |
| d) equipment | 33,408 | | | 33,408 |
| e) others | 22,138 | | | 22,138 |
| 1.2. leased assets | | | | |
| a) land | | | | |
| b) buildings | | | | |
| c) fixtures and fittings | | | | |
| d) equipment | | | | |
| e) others | | | | |
| 2. Assets given under finance leases | | | | |
| 3. Assets held for investment | | | | |
| <i>of which provided as operating leases</i> | | | | |
| Total | 149,295 | - | - | 149,295 |

Section 12 – Adjustments to net values of intangible assets - Account 140

12.1 Breakdown of the account 140 "Adjustments to net values of intangible assets"

| Accounts/Adjustments and write-back in value | Amortisation | Adjust. in value for deteriorat. | Write-back in value | Net result |
|---|---------------|----------------------------------|---------------------|---------------|
| 1. Goodwill | | | | |
| 2. Other intangible assets | | | | |
| 2.1 owned | 24,651 | | | 24,651 |
| 2.2. leased assets | | | | |
| 3. Assets given under finance leases | | | | |
| 4. Assets provided as operating leases | | | | |
| Total | 24,651 | - | - | 24,651 |

Section 14 - Net provisions for risks and charges - Account 160

1.3 Breakdown of account 160 "Net provisions for risks and charges"

| Account/Value | Total 31/12/06 | Total 31/12/05 |
|-----------------------------------|-------------------|-------------------|
| 1. Non-competitive agreement | 83,624 | 99,653 |
| 2. Agents supplementary indemnity | -80,877 | 271,701 |
| Total | 2,747 | 371,354 |

The negative provision for the agent's indemnity derives from a provision of Euro 96,448 made in the year and prior year income of Euro 177,325 due to the reduction in the payables position of the subsidiary Italifin Srl.

Section 15 - Other operating expenses - Account 170

15.1. Breakdown of account 170 "Other operating expenses"

| Type of expense/values | Total 31/12/2006 | Total 31/12/2005 |
|--|---------------------|---------------------|
| 1. Collections charges | 31,747 | 42,952 |
| 2. Other charges | 227,679 | 162,773 |
| 3. Rounding, premiums and prior year charges | 307,659 | 113,496 |
| Total | 567,085 | 319,220 |

The account collection charges relates to the costs charged by INPDAP and Poste Italiane for the monthly payments. These costs, based on specific agreements made by the company, cannot be recharged to customers.

The account other charges for the year principally relates to notification costs incurred by the company for official judicial notifications to third party administrations relating to the documentation of the loans and agreed costs. The account also includes the adjustments to values made on receivables from brokers for advanced commissions of Euro 57,132.

The account Rounding, premiums and prior year charges principally relate to costs not recorded in previous years.

Section 16 - Other operating income - Account 180

16.1. Breakdown of account 180 "Other operating income"

| Type of income/values | Total 31/12/2006 | Total 31/12/2005 |
|---|---------------------|---------------------|
| 1. Recharge of costs and charges | 225,584 | 62,483 |
| 2. Other income | 111,572 | 312 |
| 3. Rounding, premiums and prior year income | 90,144 | 391,124 |
| Total | 427,300 | 453,919 |

The account recharge of costs and charges represents the recovery of stamp duty on direct loans of Euro 139,281 and the recovery of legal expenses of Euro 44,047.

The account other income principally includes the indemnity matured in relation to the resolution of the agency contracts by the subsidiary Italifin, equal to Euro 84,721.

The account Rounding, premiums and prior year income principally relate to revenues not recorded in previous years.

Section 19 - Income taxes on current operations - Account 210

19.1 Breakdown of the account 210 "Income taxes on current operations"

| | Total 31/12/2006 | Total 31/12/2005 |
|--|---------------------|---------------------|
| 1. Current taxes | 2,433,353 | 2,123,740 |
| 2. Changes in current taxes for previous years | - 194,589 | |
| 3. Reduction of current taxes | - | |
| 4. Change of deferred tax assets | - 198,769 | - 129,747 |
| 5. Change of deferred tax liabilities | 241,288 | 15,168 |
| Income taxes for the year | 2,281,283 | 2,009,161 |

Section 21 – Income statement: other information

21.1 - Breakdown of the account interest and commission income

| Account/Counterparty | Interest income | | | Commission income | | | Total | Total |
|--|-----------------|------------------------|----------------|-------------------|------------------------|-------------------|-------------------|-------------------|
| | Banks | Financial institutions | Trade | Banks | Financial institutions | Trade | Dec 31, 06 | Dec 31, 05 |
| 1. Finance leases | | | | | | | | |
| - property | | | | | | | | |
| - furniture and fittings | | | | | | | | |
| - equipment | | | | | | | | |
| - intangible assets | | | | | | | | |
| 2. Factoring | | | | | | | | |
| - on current receivables | | | | | | | | |
| - on future receivables | | | | | | | | |
| - on receivables acquired completely | | | | | | | | |
| - on receivables acquired under original value | | | | | | | | |
| - for other loans | | | | | | | | |
| 3. Consumer credit | | | | | | | | |
| - personnel loans | | | | | | | | |
| - loans on assets | | | | | | | | |
| - loans repaid through salary | 143,240 | | 572,252 | | | 26,806,448 | 27,521,940 | 27,875,255 |
| 4. Guarantees & commit. | | | | | | | | |
| - of a commercial nature | | | | | | | | |
| - of a financial nature | | | | | | | | |
| Total | 143,240 | | 572,252 | - | - | 26,806,448 | 27,521,940 | 27,875,255 |

Earnings per share

As required by IAS 33, the following section discloses information on the data used to calculate earnings per share.

Earnings per share

| | Total 31/12/2006 | Total 31/12/2005 |
|-------------------------|---------------------|---------------------|
| Number of shares | 30,000,000 | 10,000 |
| Net profit for the year | 3,420,285 | 2,784,818 |
| Earnings per share | 0.11 | 278.48 |

SEGMENT INFORMATION

No segment information is provided as the Company operates exclusively in Italy and offers only one type of product.

PART D OTHER INFORMATION

Section 1 Specific information on activities

C. CONSUMER CREDIT

C.1 - Composition

| | Total 31/12/2006 | | | Total 31/12/2005 | | |
|---|---------------------|-------------------------|------------------|---------------------|-------------------------|-------------------|
| | Gross values | Adjustment of values | Net values | Gross values | Adjustment of values | Net values |
| Personal loans | | | | | | |
| Loans with revolving credit cards | | | | | | |
| Loans on assets | | | | | | |
| Loans repaid through salary/pension deduct. | 10,818,315 | - 1,126,531 | 9,691,784 | 11,301,872 | - 864,622 | 10,437,250 |
| Total | 10,818,315 | - 1,126,531 | 9,691,784 | 11,301,872 | - 864,622 | 10,437,250 |

C.2 – Classification by due dates

| | Receiv. w/ improved pos. | | Receivables deteriorated | | | |
|------------------------|--------------------------|---------------------|--------------------------|-----------------------|---------------------|-----------------------|
| | Total 31/12/2006 | Total 31/12/2005 | Total 31/12/2006 | | Total 31/12/2005 | |
| | | | | of which: bad debt | | of which: bad debt |
| up to 3 months | 8,290,652 | 9,460,057 | - | - | | |
| between 3 mth. & 1 yr. | - | | - | - | | |
| between 1 and 5 years | - | | 1,401,132 | 772,093 | 977,193 | 324,584 |
| over 5 years | - | | | | | |
| indefinite duration | - | | - | - | | |
| Total | 8,290,652 | 9,460,057 | 1,401,132 | 772,093 | 977,193 | 324,584 |

C.3 - Adjustment to specific values

| Account | Balance at 31/12/2005 | Increases | Decreases | Balance at 31/12/2006 |
|-------------------------------------|----------------------------------|------------------|------------------|----------------------------------|
| 1. on improved positions | | | | |
| personal loans | | | | |
| loans with revolving credit cards | | | | |
| loans on assets | | | | |
| loans repaid- sal./pension deduct. | | | | |
| 2. on deteriorated positions | | | | |
| Personal loans | | | | |
| insolvent debtors | | | | |
| in debt collection | | | | |
| restructured | | | | |
| overdue | | | | |
| Loans with revolving credit cards | | | | |
| insolvent debtors | | | | |
| in debt collection | | | | |
| restructured | | | | |
| overdue | | | | |
| Loans on assets | | | | |
| insolvent debtors | | | | |
| in debt collection | | | | |
| restructured | | | | |
| overdue | | | | |
| loans repaid- sal./pension deduct. | | | | |
| insolvent debtors | 535,258 | 197,439 | 47,842 | 684,855 |
| in debt collection | 92,190 | 154,971 | 50,713 | 196,448 |
| restructured | | | | |
| overdue | | | | |
| Total | 627,448 | 352,410 | 98,555 | 881,303 |

C.4 - Adjustments to the portfolio value

| Account | Balance at 31/12/2005 | Increases | Decreases | Balance at 31/12/2006 | |
|-------------------------------------|----------------------------------|------------------|------------------|----------------------------------|----------------|
| 1. on improved positions | | | | | |
| personal loans | | | | | |
| loans with revolv. credit cards | | | | | |
| loans on assets | | | | | |
| loans repaid- sal./pens. ded. | 281,977 | - | - | 36,749 | 245,228 |
| 2. on deteriorated positions | | | | | |
| Personal loans | | | | | |
| insolvent debtors | | | | | |
| in debt collection | | | | | |
| restructured | | | | | |
| overdue | | | | | |
| Loans with revolv. credit cards | | | | | |
| insolvent debtors | | | | | |
| in debt collection | | | | | |
| restructured | | | | | |
| overdue | | | | | |
| Loans on assets | | | | | |
| insolvent debtors | | | | | |
| in debt collection | | | | | |
| restructured | | | | | |
| overdue | | | | | |
| Loans repaid- sal./pens. ded. | | | | | |
| insolvent debtors | | | | | |
| in debt collection | | | | | |
| restructured | | | | | |
| overdue | | | | | |
| Total | 281,977 | - | - | 36,749 | 245,228 |

D. GUARANTEES AND COMMITMENTS

D.1 - Value of guarantees and of commitments

| | Total 31/12/2006 | | | | | Total 31/12/2005 | | | | | |
|--------------------------------------|------------------|----------------|--|-----------|-------------|------------------|--------------|----------------|--|-----------|-------------|
| | Total values | Original value | Book values | | | Book values | Total values | Original value | Book values | | |
| | | | Changes Of which: Adjustments of values | | Book values | | | | Changes Of which: Adjustments of values | | Book values |
| | | | to be indicated | portfolio | | | | | to be indicated | portfolio | |
| 1. Guarantees | | | | | | | | | | | |
| a) of a financial nature | | | | | | | | | | | |
| Banks | | | | | | | | | | | |
| Financial institutions | | | | | | | | | | | |
| Customers | | | | | | | | | | | |
| b) of a commercial nature | | | | | | | | | | | |
| Banks | 261,199,318 | | | | | 296,631,840 | | | | | |
| Financial institutions | | | | | | | | | | | |
| Customers | | | | | | | | | | | |
| 2. Commitments | | | | | | | | | | | |
| a) to provide funds (irrevocable) | | | | | | | | | | | |
| Banks | | | | | | | | | | | |
| Financial institutions | | | | | | | | | | | |
| <i>of which: certain utilis.</i> | | | | | | | | | | | |
| Customers | | | | | | | | | | | |
| <i>of which: certain utilis.</i> | | | | | | | | | | | |
| b) Other | | | | | | | | | | | |
| Banks | | | | | | | | | | | |
| Financial institutions | | | | | | | | | | | |
| Customers | | | | | | | | | | | |
| Total | 261,199,318 | | | | | 296,631,840 | | | | | |

The amounts indicated represents the commitment of the “recourse” to the mandate banks and is equal to the gross value of the loans provided net of the quota ceded to the banks as at December 31, 2006. It should be noted that a similar commitment was given by the employers of the clients financed, in relation to the quota of the salary to be paid for the repayment of the loan instalments. In addition, the loans are covered by life insurance guarantees on the clients and on the loss of work for any reason; a further guarantee on the loan consists of the employee leaving indemnity relating to employees in the private sector.

Section 3 Information on the risks and relative hedging policies

The present section provides information relating to the risks, the relative management policies and hedges undertaken by the company.

3.1 Credit risk

Information of a qualitative nature

General aspects

The credit risk represents the risk of losses deriving from the activities of the company.

The analysis of the credit risk is determined, for the preparation of the financial statements, by the valuation of the receivables in portfolio and an impairment test carried out in accordance with IAS 39.

In particular, in relation to the impairment test undertaken, the receivables from clients include receivables from insolvent debtors and in debt collection, for which it is necessary to make a detailed analysis on the recovery of the receivable.

A collective impairment test on the valuation of the portfolio is also undertaken in order to determine any adjustments by specific categories of risks.

Credit risk management policies

Principal risk factors

Organisational, management, measurement and control aspects

The management of the credit risk varies based on the type of loan provided to the client. In particular:

- The receivables deriving from “recourse” clauses (provided by the mandate banks) are guaranteed by insurance cover which the company applies in accordance with law, automatically required for all loans repaid through salary or pension deductions;
- For the receivables deriving from the provision of pre-financing to clients and advances of commissions to brokers, the company analyses the insolvent and debt collection positions on a quarterly basis;
- The direct loans are assessed on the same criteria as the indirect loans.

In all cases, on a prudent basis, the Company prepares a detailed analysis of the counterparties whether they be debtors or third-party debtors ceded or intermediary operators.

In relation to the normal receivable positions, the Company analyses quarterly through internal reporting procedures (and based on information received from the Board of Directors) the potential losses which may be incurred in subsequent periods and calculates the total doubtful debt provision (not specific) of the relative positions.

Methods to reduce the credit risk

In relation to the receivables subject to the “recourse” clause, article 54 of the Presidential Decree 180/1950 expressly provides that the provision of the loans against the salary and pension deductions must be made obligatory with the provision of two insurance policies:

1. against employment risk, to cover the risks deriving from the non repayment of the loan in the case of the termination of employment through redundancy, dismissal, pregnancy, judicial decree, other;
2. against life, to cover the risks deriving from the non repayment of the loan in the case of death of the borrower.

The insurance policies can be provided by the “Inpdap” institution or by a private insurance company. Through article 34 of the Presidential Decree 180/50, enacted with the approval of the law 311/04, state employees can also utilise private insurance companies.

Further guarantees protecting the receivable is the leaving indemnity (article 38 of the Presidential Decree 895/50) matured or maturing over the employment period. Therefore, the party ceding is committed not to request advances on the leaving indemnity and not to create pledges on this indemnity up to the gross amount borrowed.

In summary, the credit risk is transferred through the insurance cover mentioned above to the insurance companies.

Financial assets deteriorated

At December 31, 2006 there exists, as already reported, contentious positions and insolvent debtors principally represented by receivables from clients for loans in course, pre-financing and balances provided.

In relation to the pre-financing and balances provided to the clients if the loan is not fully repaid, the Credit Division, once having verified the impossibility of immediate recovery, transfers the position to the legal office for debt collection. If the legal office has not obtained the recovery within 60 days, including through restructuring plans, of the amounts outstanding, legal actions are taken.

The receivables for instalments deriving from existing loans are monitored by the loans management office which evaluates the transfer to the debt collection office based on defined procedures. The subsequent transfer to insolvent debtors and the consequent legal actions are undertaken by the legal office following evaluations made position by position.

Information of a quantitative nature

Distribution of the financial assets by portfolio and by type of lender

| Portfolio/quality | Outstanding | Assets unpaid | Assets restructured | Assets overdue | Other assets | Total |
|--|----------------|----------------|---------------------|----------------|-------------------|-------------------|
| 1. Financial assets held for trading | | | | | | 0 |
| 2. Financial assets at fair value | | | | | | 0 |
| 3. Financial assets available-for-sale | | | | | 173,484 | 173,484 |
| 4. Held-to-maturity investments | | | | | | 0 |
| 5. Bank receivables | | | | | 14,743,095 | 14,743,095 |
| 6. Receivables from fin. institutions | | | | | 204,037 | 204,037 |
| 7. Trade receivables | 772,093 | 629,039 | | | 8,290,652 | 9,691,784 |
| 8. Other assets | 206,396 | | | | 4,815,649 | 5,022,045 |
| 9. Hedging contracts | | | | | | 0 |
| Total 31/12/2006 | 978,489 | 629,039 | 0 | 0 | 28,226,918 | 29,834,446 |
| Total 31/12/2005 | 585,568 | 391,625 | 0 | 0 | 29,020,034 | 29,997,227 |

Exposure of clients

2 Position with customers

2.1 Positions: net and gross values

| Positions/values | Gross exposure | Adjust. to specific values | Adjust. to portfolio value | Net exposure |
|-------------------------------------|-------------------|----------------------------|----------------------------|-------------------|
| A. POSITIONS DETERIORATED | | | | |
| 1) Insolvent debtors | | | | |
| - Loans | 0 | 0 | 0 | 0 |
| - Securities | 0 | 0 | 0 | 0 |
| - Guarantees | 0 | 0 | 0 | 0 |
| - Commitments to provide funds | 0 | 0 | 0 | 0 |
| - Other assets | 1,456,948 | 684,855 | 0 | 772,093 |
| 2) Debt collection positions | | | | |
| - Loans | 0 | 0 | 0 | 0 |
| - Securities | 0 | 0 | 0 | 0 |
| - Guarantees | 0 | 0 | 0 | 0 |
| - Commitments to provide funds | 0 | 0 | 0 | 0 |
| - Other assets | 825,487 | 196,448 | 0 | 629,039 |
| 3) Restructured positions | | | | |
| - Loans | 0 | 0 | 0 | 0 |
| - Securities | 0 | 0 | 0 | 0 |
| - Guarantees | 0 | 0 | 0 | 0 |
| - Commitments to provide funds | 0 | 0 | 0 | 0 |
| - Other assets | 0 | 0 | 0 | 0 |
| 4) Overdue positions | | | | |
| - Loans | 0 | 0 | 0 | 0 |
| - Securities | 0 | 0 | 0 | 0 |
| - Guarantees | 0 | 0 | 0 | 0 |
| - Commitments to provide funds | 0 | 0 | 0 | 0 |
| - Other assets | 0 | 0 | 0 | 0 |
| Total A | 2,282,435 | 881,303 | 0 | 1,401,132 |
| B. IMPROVED POSITIONS | | | | |
| - Loans | 0 | 0 | 0 | 0 |
| - Securities | 0 | 0 | 0 | 0 |
| - Guarantees | 0 | 0 | 0 | 0 |
| - Commitments to provide funds | 0 | 0 | 0 | 0 |
| - Other assets | 28,678,541 | 0 | 245,228 | 28,433,313 |
| Total B | 28,678,541 | 0 | 245,228 | 28,433,313 |
| Total (A+B) | 30,960,976 | 881,303 | 245,228 | 29,834,445 |

3.2 Market risks

3.2.1 Interest rate risk

Information of a qualitative nature

The company does not have interest rate risks as there are no medium/long-term debts and does not have significant amounts of funds which generate interest.

Information of a quantitative nature

Breakdown by residual duration of the financial assets and liabilities

Breakdown by residual duration of the financial assets and liabilities

| Account/residual duration | Within 3 months | Between 3 and 6 months | Between 6 months and 1 year | Between 1 and 5 years | Between 5 and 10 years | Over 10 years | Indeterminate duration |
|---------------------------|-------------------|------------------------|-----------------------------|-----------------------|------------------------|---------------|------------------------|
| 1. Assets | 23,033,747 | - | - | 1,401,132 | - | - | 377,522 |
| 1.1 Debt securities | | | | | | | - |
| 1.2 Receivables | 23,033,747 | - | - | 1,401,132 | | | 377,522 |
| 1.3 Other assets | | | | | | | |
| 2. Liabilities | 8,891,208 | - | - | - | - | - | - |
| 2.1 Payables | 8,891,208 | - | - | - | - | - | - |
| 2.2 Securities in circ. | | | | | | | |
| 2.3 Other liabilities | | | | | | | |
| 3. Derivatives | | | | | | | |

3.2.2 Price risk

Information of a qualitative nature

The price risk of the Company is related to the variability of the market interest rates, which the mandate banks reflect in the loan contracts. Increases in the nominal interest rates which do not correspond to the corresponding changes for commercial reasons of the loan coefficients utilised can generate a variation in the margins of the Company.

The Risk Management office, through specific management procedures, periodically verifies the margin and variations related to changes in market conditions. These procedures permit the management of the company to undertake effective commercial actions in order to maximise the brokerage margin connected to the loan operations.

3.2.3 Foreign currency risks

The Company currently operates exclusively in the national territory, therefore, there are no foreign currency risks.

3.2.4 Operational risks

Information of a qualitative nature

General aspects, management processes and methods of measuring operational risks

Each business process is characterised by operational risks in addition to specific risks, due to inefficiencies in the procedures, inadequate controls and human and technical errors which can expose the company to legal risk, reputation risk, fraud or unloyal employees and the risk of unforeseen events. The internal control system of the company controls these risks and is based on the principles of healthy and prudent management; in addition, the system is periodically verified to measure its adequacy and functioning both in terms of efficiency (capacity of the system to achieve the targeted objectives) and effectiveness (capacity of the system to achieve the target objectives at costs, risks and profitability in line with those in similar enterprises or by the group).

In order to guarantee the management of the risks, the company has implemented processes which require adequate controls at each level and, in relation to the organisational structure, specific divisions to review these controls.

Section 4 Transactions with related parties

4.1 Information on the remuneration of the Directors and Senior Management

The remuneration of the board of directors and statutory auditors for the year 2006.

| Name | Description of office | | Remuneration paid in 2006 | | | |
|-----------------------------|--------------------------------------|-------------------------------|---------------------------|-------------------|-----------------------|-------------------------|
| | Office held | Duration | Emolument for office | Non-mon. benefits | Bonuses/other incent. | Other remun. (salaries) |
| Nunzio Chiolo | Chairman BoD | Approval of accounts 31/12/08 | 240,000 | | | |
| Giuseppe Vigorelli | Director | “ | 175,000 | | | |
| Giuseppe Vimercati | Director | “ | 24,000 | | | |
| Fabio Alfieri | Director | “ | 8,333 | | | |
| Mauro Pontillo | Director | “ | 10,000 | | | |
| Carlo Colombotti | Director | “ | 10,000 | | | |
| Lionello Jona Celesia | Director | “ | 10,000 | | | |
| Renato Bogoni | Chairman Board of Statutory Auditors | “ | 26,038 | | | |
| Giovanni Battista Palmisano | Statutory Auditor | “ | 13,000 | | | |
| Michele Testa | Statutory Auditor | “ | 13,000 | | | |
| Massimo Pellanda | Alternate Auditor | “ | - | | | |
| Alfio Borletto | Alternate Auditor | “ | - | | | |

4.2 Receivables and guarantees given in favour of directors and statutory auditors

No loans or guarantees have been granted to directors or statutory auditors.

4.3 Information on transactions with related parties

In accordance with Consob Resolution No. 15519 of July 27, 2006, the effects of the transactions with related parties are shown in the income statement.

Income statement for the years ended December 31, 2006 and December 31, 2005

(Amounts expressed in Euro)

| | Account | 31.12.2006 | of which related parties | 31.12.2005 | of which related parties |
|-----|---|-------------------|--------------------------------|-------------------|--------------------------------|
| 10. | Interest income and similar | 715,493 | | 593,286 | |
| 20. | Interest expense and similar charges | (638,341) | | (645,653) | |
| | Interest margin | 77,152 | | (52,367) | |
| 30 | Commission income | 26,806,448 | 915,828 | 29,809,969 | |
| 40. | Commission expenses | (12,500,425) | (2,736,741) | (18,610,181) | (5,393,362) |
| | Net commission | 14,306,023 | | 11,199,788 | |
| | Brokerage margin | 14,383,175 | | 11,147,421 | |
| 110 | Adjustments to net values for: | (223,615) | | (506,567) | |
| | a) receivables | (223,615) | | (506,567) | |
| 120 | Administration expenses: | (8,141,516) | | (5,474,403) | |
| | a) personnel costs | (3,755,478) | 112,407 | (3,346,311) | |
| | b) other administrative expenses | (4,386,038) | (165,338) | (2,128,092) | |
| 130 | Net adjustments of value of property, plant & equipment | (149,294) | | (119,055) | |
| 140 | Net adjustments of value of intangible assets | (24,651) | | (16,761) | |
| 160 | Net provisions for risks and charges | (2,747) | | (371,355) | |
| 170 | Other operating expenses | (567,085) | (8,871) | (319,220) | |
| 180 | Other operating income | 427,301 | 23,795 | 453,919 | |
| | Operating profit | 5,701,568 | | 4,793,979 | |
| | Profit before taxes from current operations | 5,701,568 | | 4,793,979 | |
| 210 | Income tax on current operations | (2,281,283) | | (2,009,161) | |
| | Net profit from current operations | 3,420,285 | | 2,784,818 | |

| | | | |
|------------|--------------------------------|------------------|------------------|
| 220 | Net profit for the year | 3,420,285 | 2,784,818 |
|------------|--------------------------------|------------------|------------------|

The transactions illustrated in the previous table relating to the year 2006 are shown below:

- » Maria Laperchia, spouse of Nunzio Chiolo, agent of Conafi received commissions amounting to Euro 118,353;
- » Angelo Chiolo, brother of Nunzio Chiolo, agent of Conafi received commissions amounting to Euro 66,769;
- » Estfin srl , as agent of Conafi, in which Angelo Chiolo is a partner, received commissions from Conafi amounting to Euro 384,959
- » Walter Santise, nephew of Nunzio Chiolo, agent of Conafi received commissions amounting to Euro 92,960;
- » Nicoletta Sotira, spouse of Giuseppe Vigorelli, agent of Conafi received commissions amounting to Euro 24,070;
- » Italifin S.r.l., subsidiary of Conafi S.p.A., as agent in the first half year of 2006 received commissions amounting to Euro 2,031,630;
- » SPAQ S.r.l., insurance sub-agent of Conafi which includes Nunzio Chiolo and Giuseppe Vigorelli as shareholders, paid commissions to Conafi of Euro 915,828
- » Conafi paid a salary in favour of the employee Maria Laperchia, spouse of Nunzio Chiolo, for a cost of Euro 94,225;
- » Italifin paid a salary in favour of the employee Maria Laperchia, spouse of Nunzio Chiolo, for a cost of Euro 29,374;
- » Conafi paid a salary in favour of the employee Simona Chiolo, daughter of Nunzio Chiolo, for a cost of Euro 5,969;
- » Conafi paid a salary in favour of the employee Salvatore Chiolo, nephew of Nunzio Chiolo, for a cost of Euro 71,221;
- » Conafi paid a salary in favour of the employee Angelo Chiolo, brother of Nunzio Chiolo, for a cost of Euro 38,069;
- » Italifin paid a salary in favour of the employee Angelo Chiolo, brother of Nunzio Chiolo, for a cost of Euro 29,592;
- » Conafi charged a salary in the first half 2006 for the secondment of personnel from Italifin s.r.l., amounting to Euro 115,891;
- » Nunzio Chiolo and Maria Laperchia received from Conafi rental fees of Euro 46,050;
- » Mauro Pontillo received remuneration for administration consulting of Euro 119,288;
- » Conafi recorded prior year income and expenses relating to operations with Italifin s.r.l., for respectively Euro 8,871 and Euro 23,795.

In addition, there are no significant credit/debit positions of the Conafi Group at December 31, 2006 with related parties and the transactions and balances with infragroup related parties were eliminated in the preparation of the consolidated statements.

The transactions of the Group with related parties were applied with standard clauses in line with market conditions and did not relate to any untypical or unusual transactions.

Section 5 Other information

5.1 Average number of employees by category

| Personnel | 2006 | 2005 | Change |
|--------------|------------|-----------|------------|
| Executives | 1 | 1 | 0 |
| White-collar | 108 | 85 | +23 |
| Blue-collar | 3 | 1 | +2 |
| Total | 112 | 87 | +25 |

The average number of employees was calculated from the average number at the end of each month. In relation to the year 2006, the average number of employees was calculated considering the average change of personnel of the subsidiary Italifin only for the part relating to the second half the year, in order to express the total average in terms of the FTE (full-time equivalent).

APPENDIX: TRANSITION TO IAS/IFRS
First-time application January 1, 2005

1. Introduction

The consolidated financial statements at December 31, 2006 were prepared in accordance with IFRS adopted by the European Commission; for comparative purposes, it was necessary to restate the data of 2005 to reflect the changes generated from the adoption of the IFRS.

2. Adoption of the IFRS

For the purposes of the transition to the IFRS, adopted by the European Commission, IFRS 1 was adopted ("First-time Adoption of International Financial Reporting Standards") which establishes the accounting regulations and defines the procedures, for an existing entity and which has previously presented financial statements prepared under different accounting standards, for the preparation of financial statements in compliance with the first-time application of the IFRS.

The effects of the adoption of the IFRS standardised by the European Union result in changes in accounting standards and, consequently, are reflected in the opening net equity at January 1, 2005. The transition to IFRS resulted in the maintaining of the estimates previously made in accordance with Italian GAAP, except in those cases where the adoption of IFRS required the formulation of estimates in accordance with different methodology.

The following paragraph includes a description of the effects connected to the transition process of the previous standards to the IFRS. In particular, the paragraph below shows:

- the reconciliation of the shareholders' equity at January 1, 2005 and at December 31, 2005;
- the reconciliation of the income statement for the year ended December 31, 2005;
- the reconciliation of the balance sheet at January 1, 2005 and at December 31, 2005 prepared in accordance with Italian GAAP and IAS/IFRS;
- the reconciliation of the income statement at December 31, 2005 prepared in accordance with Italian GAAP and IAS/IFRS.

3. TRANSITION TO IFRS

General principles

The company applied the IFRS in retrospective manner to all of the periods closed prior to the transition date, except some voluntary and compulsory exemptions adopted in accordance with IFRS 1, as described below.

Format for the presentation of the financial statements

The formats utilised are those in accordance with the regulations issued by the Bank of Italy for Financial Institutions (instructions for the preparation of financial statements of the Financial Intermediaries issued on February 14, 2006), published in the Official Gazette on March 10, 2006.

Differences of treatment compared to the consolidated financial statements at December 31, 2004, prepared in accordance with Italian GAAP

The principal differences in accounting treatment are as follows:

- all assets and liabilities are measured and recognised in accordance with IFRS, including those not in accordance with Italian GAAP;
- all the assets and liabilities which are required to be recorded by Italian GAAP, but not permitted by IFRS, were eliminated;
- some accounts in the financial statements were reclassified in accordance with IFRS.

The effects of these adjustments were directly recognised in the opening shareholders' equity at the transition date (January 1, 2005).

Description of the effects on the net equity at January 1, 2005, at December 31, 2005 and on the net result for the year 2005.

The principal adjustments deriving from the adoption of the IFRS on the net equity at January 1, 2005, at December 31, 2005 and on the result the year-end 2005 are shown below.

| <i>(In Euro)</i> | Net equity at January 1, 2005 | Net equity December 31, 2005 | Note |
|--|--|---|--------------------|
| In accordance with Italian GAAP | 6,200,555 | 8,060,847 | |
| Intangible assets (Ias 38) | (26,053) | (21,976) | a |
| Contingent liabilities (Ias 37) | 29,572 | 55,123 | b |
| Financial instruments (Ias 39) | 131 | 452 | c |
| Employee leaving indemnity (Ias 19) | (2,878) | (11,449) | d |
| Revenues (Ias 18) | (51,099) | (147,629) | e |
| Total IFRS adjustments | (50,327) | (125,479) | (a+b+c+d+e) |
| Other adjustments in value | (328) | 0 | |
| In accordance with IFRS adopted by the EU | 6,149,900 | 7,935,368 | |

The following table reports the reconciliation of the net result for the year ended December 31, 2005, determined according to the Italian Accounting Standards and the net result calculated according to the IFRS adopted by the European Commission:

| <i>(In Euro)</i> | Consolidated result for year ended December 31, 2005 | Note |
|--|---|----------------------|
| In accordance with Italian GAAP | 2,860,291 | |
| Intangible assets (Ias 38) | 6,496 | a |
| Contingent liabilities (Ias 37) | 40,719 | b |
| Financial instruments (Ias 39) | 0 | c |
| Employee leaving indemnity (Ias 19) | (13,660) | d |
| Revenues (Ias 18) | (153,833) | e |
| Income tax effect | 44,803 | f |
| Total IFRS adjustments | (75,475) | (a+b+c+d+e+f) |
| Other adjustments in value | 0 | |
| In accordance with IFRS adopted by the EU | 2,784,818 | |

Explanatory notes to the reconciliation schedule prepared in accordance with IFRS 1

The nature and the amounts of the adjustments made on the balance sheet at January 1, 2005 and December 31, 2005, and on the income statement relating to the year ended December 31, 2005 are shown below.

(a) Intangible assets (Ias 38)

IAS/IFRS accounting standards permit the recording of intangible assets in the balance sheet only when they relate to controllable resources, capable of generating future economic benefits and for which the cost can be reliably determined. The application of this standard resulted in the elimination of some categories of intangible assets (set-up costs, leasehold improvements), previously capitalised, with a consequent negative impact on the net equity and relative quota of amortisation recorded in the year 2005.

(b) Agents indemnity and withholding for non-competitive agreements (Ias 37)

This represents the effect deriving from the determination of the liability on the basis of the actuarial valuation method in compliance with IAS 37.

(c) Financial instruments (ias 39)

This represents the effect of the fair value valuation of the monetary investment fund held by the company. This valuation at present only has an impact on the balance sheet. The impact on the income statement will be recorded only on the sale of the financial instrument or when there is a permanent loss in value

(d) Employee leaving indemnity defined benefit plans (ias 19)

The adjustment relates to the valuation of the existing liabilities against the employee benefits to be paid on termination of employment. In accordance with Italian GAAP, the benefits are represented by liabilities determined in accordance with local legislation, while the rules contained in IAS 19 – Employee Benefits, Paragraph 50, provide for their calculation through the use of technical actuaries.

(e) Revenues(Ias 18)

For the comparability of the consolidated data of the Group at December 31, 2006 determined applying the IAS/IFRS International Accounting Standards, with the data relating to the previous years and taking into account that the subsidiary Italifin, in accordance with IAS 18, recorded in its financial statements greater revenues as an effect deriving from the change in the criteria of accounting for revenues from the principal of completion of the service to that of measurement of the stage of completion, account was taken of the correlated costs of these higher revenues recorded by the Company in the transition.

e) Income tax effect

The adjustment relates to the effect of the deferred tax asset calculated on the adjustments described in the preceding paragraphs (a) to (d).

The tax effects deriving from the application of the international accounting standards were determined based on the income tax and regional tax rates currently in force, respectively of 33% and 4.25%.

Reconciliation of the Balance Sheet at January 1, 2005 prepared in accordance with Italian GAAP and IAS/IFRS.

| | IT Gaap | | | IAS/IFRS |
|--|-------------------|------------------|-----------------|-------------------|
| | 01/01/2005 | Reclass. | Adjust. | 01/01/2005 |
| 10 Cash and cash equivalents | | 1,297 | | 1,297 |
| 10 it <i>Cash and cash equivalents</i> | 1,297 | (1,297) | | 0 |
| 40 Financial assets available-for-sale | | 25,387 | 209 | 25,596 |
| 60 Receivables: | | | | |
| 60a Banks | | 8,638,498 | | 8,638,498 |
| 30 it <i>bank receivables</i> | 8,641,422 | (8,641,422) | | 0 |
| 60b Trade | | 6,664,134 | | 6,664,134 |
| 40 it <i>trade receivables</i> | 4,984,895 | (4,984,895) | | 0 |
| 100 Tangible assets | | 352,814 | | 352,814 |
| 100it <i>Tangible assets</i> | 352,814 | (352,814) | | 0 |
| 110 Intangible fixed assets | | 47,383 | (41,518) | 5,865 |
| 90 it <i>Intangible fixed assets</i> | 47,383 | (47,383) | | 0 |
| 120 Tax assets | | | | |
| 120a Current | | 2,060,226 | | 2,060,226 |
| 120b Deferred | | 130,646 | 47,508 | 178,154 |
| 140 Other assets | | 3,388,479 | | 3,388,479 |
| 130 it <i>Other assets</i> | 7,634,896 | (7,634,896) | | 0 |
| 140 it <i>prepayments and accrued income</i> | 14,350 | (14,350) | | 0 |
| Total Assets | 21,677,057 | (368,193) | (6,199) | 21,315,063 |
| | | | | |
| | IT Gaap | | | IAS/IFRS |
| | 01/01/2005 | Reclass. | Adjust. | 01/01/2005 |
| 10 Payables: | | | | |
| 10a Banks | | 6,197,198 | | 6,197,198 |
| 10 it <i>bank payables</i> | 6,197,198 | (6,197,198) | | 0 |
| 10c Trade | | 319,352 | | 319,352 |
| 20 it <i>trade payables</i> | 319,352 | (319,352) | | 0 |
| 70 Tax liabilities: | | | | |
| 70a current taxation | | 3,799,733 | | 3,799,733 |
| 70b deferred taxes | | | 17,632 | 17,632 |
| 90 Other liabilities | | 4,412,655 | 81,433 | 4,494,088 |
| 50 it <i>Other liabilities</i> | 3,138,664 | (3,138,664) | | 0 |
| 60 it <i>Accrued liabilities and deferred income</i> | 1,606,107 | (1,606,107) | | 0 |
| 100 Employee leaving indemnity | | 154,952 | 4,586 | 159,538 |
| 70 it <i>Employee leaving indemnity</i> | 154,952 | (154,952) | | 0 |
| 110 Provision for risks and charges: | | | | |
| 110a pension and similar obligations | | | | 0 |
| 110b other provisions | | 224,747 | (47,126) | 177,621 |
| 80 it <i>Provision for risks and charges:</i> | 3,693,501 | (3,693,501) | | 0 |
| 90 it <i>bad debt provision</i> | 366,728 | (366,728) | | 0 |
| Total liabilities | 15,476,502 | (367,865) | 56,525 | 15,165,162 |
| 120 Share capital | | 600,000 | | 600,000 |
| 120 it <i>Share capital</i> | 600,000 | (600,000) | | 0 |
| 160 Reserves | | 581,147 | (21,782) | 559,365 |
| 170 <i>Valuation reserve</i> | 0 | 0 | 131 | 131 |
| 140 it <i>Reserves</i> | 104,000 | (104,000) | | 0 |
| 180 Profit (loss) for the year | | 5,019,080 | (28,675) | 4,990,405 |
| 160 it <i>Retained earnings</i> | 477,147 | (477,147) | | 0 |
| 170 it <i>Profit (loss) for the year</i> | 5,019,408 | (5,019,408) | | 0 |
| Total Shareholders' Equity | 6,200,555 | (328) | (50,326) | 6,149,901 |
| Total liabilities and shareholder's equity | 21,677,057 | (368,193) | 6,199 | 21,315,063 |

Reconciliation of the Balance Sheet at December 31, 2005 prepared in accordance with Italian GAAP and IAS/IFRS.

| | IT Gaap 31/12/2005 | Reclass. | Adjust. | IAS/IFRS 31/12/2005 |
|--|-----------------------|---------------|------------------|------------------------|
| 10 Cash and cash equivalents | | 1,644 | | 1,644 |
| <i>10 it Cash and cash equivalents</i> | 1,644 | (1,644) | | 0 |
| 50 Financial assets available-for-sale | | 127,664 | 721 | 128,385 |
| 60 Receivables: | | | | |
| 60a Banks | | 16,100,078 | | 16,100,078 |
| <i>30 it bank receivables</i> | 16,100,078 | (16,100,078) | | 0 |
| 60b Trade | | 11,078,011 | (406,124) | 10,671,887 |
| <i>40 it trade receivables</i> | 7,967,279 | (7,967,279) | | 0 |
| 100 Tangible assets | | 492,595 | | 492,595 |
| <i>100it Tangible assets</i> | 492,595 | (492,595) | | 0 |
| 110 Intangible fixed assets | | 67,460 | (35,022) | 32,438 |
| <i>90 it Intangible fixed assets</i> | 67,460 | (67,460) | | 0 |
| 120 Tax assets: | | | | |
| 120a current taxation | | 2,187,680 | | 2,187,680 |
| 120b deferred taxation | | 200,422 | 107,479 | 307,901 |
| 140 Other assets | | 3,096,878 | | 3,096,877 |
| <i>130 it Other assets</i> | 8,609,838 | (8,609,838) | | 0 |
| <i>140 it prepayments and accrued income</i> | 63,488 | (63,488) | | 0 |
| Total Assets | 33,302,382 | 50,048 | (332,946) | 33,019,485 |

| | IT Gaap 31/12/2005 | Reclass. | Adjust. | IAS/IFRS 31/12/2005 |
|--|-----------------------|---------------|------------------|------------------------|
| 10 Payables: | | | | |
| 10a Banks | | 13,000,514 | | 13,000,514 |
| <i>10 it bank payables</i> | 13,000,514 | (13,000,514) | | 0 |
| 10c Trade | | 877,395 | | 877,395 |
| <i>20 it trade payables</i> | 877,395 | (877,395) | | 0 |
| 70 Tax liabilities: | | | | |
| 70a current taxation | | 2,277,892 | | 2,277,892 |
| 70b deferred taxes | | | 32,991 | 32,991 |
| 90 Other liabilities | | 7,980,112 | 235,266 | 8,215,378 |
| <i>50 it Other liabilities</i> | 8,033,237 | (8,033,237) | | 0 |
| <i>60 it Accrued liabilities and deferred income</i> | 2,308,350 | (2,308,350) | | 0 |
| 100 Employee leaving indemnity | | 256,234 | 18,246 | 274,480 |
| <i>70 it Employee leaving indemnity</i> | 256,234 | (256,234) | | 0 |
| 110 Provision for risks and charges: | | | | |
| 110a pension and similar obligations | | 493,312 | (87,846) | 405,467 |
| 110b other provisions | | 406,124 | (406,124) | 0 |
| <i>80 it Provision for risks and charges:</i> | 359,681 | (359,681) | | 0 |
| <i>90 it Bad debt provision</i> | 406,124 | (406,124) | | 0 |
| Total liabilities | 25,241,535 | 50,049 | (207,467) | 25,084,116 |
| 120 Share capital | | 600,000 | | 600,000 |
| <i>120 it Share capital</i> | 600,000 | (600,000) | | 0 |
| 160 Reserves | | 4,600,555 | (50,326) | 4,550,229 |
| 170 Valuation reserve | | | 321 | 321 |
| <i>140 it Reserves</i> | 120,000 | (120,000) | | 0 |
| 180 Profit (loss) for the year | | 2,860,291 | (75,474) | 2.784.818 |
| <i>160 it Retained earnings</i> | | | | |
| <i>170 it Profit for the year</i> | 7,340,847 | (7,340,847) | | 0 |
| Total Shareholders' Equity | 8,060,847 | (0) | (125,480) | 7,935,368 |

| | | | | |
|---|-------------------|-----------------|------------------|-------------------|
| Total liabilities and shareholder's equity | 33.302.382 | (50,048) | (332,946) | 33,019,485 |
|---|-------------------|-----------------|------------------|-------------------|

| Income statement | IT Gaap | | | IAS/IFRS |
|--|---------------------|---------------------|------------------|-------------------|
| | 31/12/2005 | Reclass. | Adjust. | 31/12/2005 |
| 10 Interest income | | 552,567 | 40,719 | 593,286 |
| <i>10 it Interest income</i> | <i>552,567</i> | <i>(552,567)</i> | | <i>0</i> |
| 20 Interest expense | | (645,653) | | (645,653) |
| <i>20 it interest expense</i> | <i>(700,734)</i> | <i>700,734</i> | | <i>0</i> |
| Interest margin | (148,167) | 55,081 | 40,719 | (52,367) |
| 30 Commission income | | 29,809,969 | | 29,809,969 |
| <i>40 it Commission income</i> | <i>29,809,969</i> | <i>(29,809,969)</i> | | <i>0</i> |
| 40 Commission expenses | | (18,456,349) | (153,833) | (18,610,181) |
| <i>50 it Commission expenses</i> | <i>(18,556,002)</i> | <i>18,556,002</i> | | <i>0</i> |
| Net commissions | 8,818,013 | 99,717 | (153,833) | 11,199,788 |
| 60 Net result from trading operations | | | | |
| 70 Net result from hedging operations | | | | |
| Brokerage margin | 8,669,846 | 154,798 | (113,114) | 11,147,421 |
| 110 Adjustments to net values for: | | | | |
| 110a Receivables | | (506,567) | | (506,567) |
| <i>120 it Adjustments to receivables</i> | <i>(467,171)</i> | <i>467,171</i> | | <i>0</i> |
| 120 Administration expenses: | | | | |
| 120a Personnel costs | | (3,332,651) | (13,660) | (3,346,311) |
| 120b Other administration expenses | | (2,128,092) | | (2,128,092) |
| <i>80 it Administration expenses:</i> | <i>(5,394,730)</i> | <i>5,394,730</i> | | <i>0</i> |
| 130 Net adjustments of value of property, plant & equipment | | (119,055) | | (119,055) |
| 140 Net adjustments of value of intangible assets | | (23,257) | 6,496 | (16,761) |
| <i>90 it adjustment in value of tangible and intangible assets</i> | <i>(142,312)</i> | <i>142,312</i> | | <i>0</i> |
| 160 Net provisions for risks and charges | | (371,355) | | (371,355) |
| <i>100 it Provisions for risks and charges</i> | <i>(311,098)</i> | <i>311,098</i> | | <i>0</i> |
| 170 Other operating expenses | | (319,220) | | (319,220) |
| <i>110 it Other operating expenses</i> | <i>(234,478)</i> | <i>234,478</i> | | <i>0</i> |
| <i>190 it Extraordinary charges</i> | | | | |
| 180 Other operating income | | 453,919 | | 453,919 |
| <i>70 it Other operating income</i> | <i>453,919</i> | <i>(453,919)</i> | | <i>0</i> |
| <i>180 it Extraordinary income</i> | | | | |
| Operating result | 4,628,629 | 285,627 | (120,278) | 4,793,979 |
| 200 Profit/(loss) on sale of investments | 285,626 | (285,626) | | 0 |
| Profit/(loss) before taxes from current operations | 4,914,255 | 0 | (120,278) | 4,793,979 |
| 210 Income tax on current operations | | (2,053,964) | 44,803 | (2,009,161) |
| <i>220 it Income taxes</i> | <i>(2,053,964)</i> | <i>2,053,964</i> | | <i>0</i> |
| Net profit (loss) for the year | 2,860,291 | 0 | (75,475) | 2,784,818 |