

## C.F. GOMMA GROUP

Registered office in Via S. Antonio 59 - 25050 Passirano (BS)

Share capital Euro 1.000.000, fully paid-in

Tax payer's code and Registration No. 00285420170

### Consolidated Balance Sheet at 31/12/2007

Assets	31/12/2007	31/12/2006	
<b>A</b>	<b>Share capital issued and not yet paid</b>		
	(called up)		
<b>B</b>	<b>Assets</b>		
<b>B.I</b>	<b>Intangible fixed assets</b>		
B.I.1	Installation and expansion costs	72.098	169.984
B.I.2	Research , development and advertising costs	4.995.587	5.204.408
B.I.3	Industrial and other patent rights	543.890	376.509
B.I.6	Assets under constructions and advances	2.575.531	1.155.091
B.I.7	Other	1.927.981	685.311
		<u>10.115.087</u>	<u>7.591.303</u>
<b>B.II</b>	<b>Tangible fixed assets</b>		
B.II.1	Land and buildings	19.842.468	24.752.834
B.II.2	Plants and machinery	29.980.232	23.062.762
B.II.3	Industrial and commercial equipment	7.714.886	3.577.307
B.II.4	Assets under leasing agreement	1.400.281	5.064.973
B.II.5	Assets under constructions and advances	185.811	156.294
		<u>59.123.678</u>	<u>56.614.170</u>
<b>B.III</b>	<b>Investments</b>		
<i>B.III.1</i>	<i>Investments</i>		
B.III.1.a	- of subsidiaries	888.020	1.111.060
B.III.1.d	- other	91.510	151.486
		<u>979.530</u>	<u>1.262.546</u>
<i>B.III.2</i>	<i>Account Receivables</i>		
B.III.2.d	other		
B.III.2.d.2	- beyond 12 months	0	9.811.977
		<u>0</u>	<u>9.811.977</u>
		<u>0</u>	<u>9.811.977</u>
		979.530	11.074.523
<b>Total fixed assets</b>	<b>70.218.295</b>	<b>75.279.996</b>	
<b>C</b>	<b>Current assets</b>		
<b>C.I</b>	<b>Stock</b>		
C.I.1	Raw materials, subsidiary materials and consumables	17.366.670	11.916.951
C.I.2	Work in progress	5.267.779	3.841.907
C.I.4	Finished products and goods held for resale	6.036.411	3.282.501
C.I.5	Payments on account (advances)	326.144	96.239
		<u>28.997.004</u>	<u>19.137.598</u>
<b>C.II</b>	<b>Account Receivables</b>		
C.II.1	Trade receivables		
C.II.1.1	- within 12 months	31.962.930	27.283.519
		<u>31.962.930</u>	<u>27.283.519</u>
C.II.2	Receivables from subsidiaries		
C.II.2.1	- within 12 months	1.150.659	3.348.592
		<u>1.150.659</u>	<u>3.348.592</u>
C.II.4 bis	Tax Receivables		
C.II.4 bis.1	- within 12 months	3.631.660	4.015.323
C.II.4 bis.2	- beyond 12 months	660.752	814.057
		<u>4.292.412</u>	<u>4.829.380</u>
C.II.4 ter	Receivables for deferred taxes		
C.II.4 ter.1	- within 12 months	362.821	160.396
C.II.4 ter.2	- beyond 12 months	1.596.625	2.282.392
		<u>1.959.446</u>	<u>2.442.788</u>
C.II.5	Other receivables		
C.II.5.1	- within 12 months	3.710.875	7.604.675
C.II.5.2	- beyond 12 months	1.386.160	4.926
		<u>5.097.035</u>	<u>7.609.601</u>
		44.462.482	45.513.880
<b>C.III</b>	<b>Financial assets not held as fixed assets</b>		
<b>C.IV</b>	<b>Cash and banks</b>		
C.IV.1	Banks and postal deposits	1.339.974	677.174
C.IV.3	Cash on hand	11.547	11.826
		<u>1.351.521</u>	<u>689.000</u>

<b>Total current assets</b>		<b>74.811.007</b>	<b>65.340.478</b>
<b>D Prepayment and accrued income</b>			
D.2	others	82.823	103.154
		<u>82.823</u>	<u>103.154</u>
<b>TOTAL ASSETS</b>		<b>145.112.125</b>	<b>140.723.628</b>
<b>Liabilities and Shareholders' equity</b>			
		<b>31/12/2007</b>	<b>31/12/2006</b>
<b>A Shareholders' equity</b>			
A.I	Share Capital	1.000.000	1.000.000
A.II	Additional paid in capital	446.144	5.578.871
A.III	Revaluation reserve	0	0
A.IV	Legal reserve	0	0
A.V	Statutory reserve	0	0
A.VI	Reserve for treasury stock	0	0
A.VII	Other reserves	1.024.505	52.037.950
	Reserve round off euro		2
A.VIII	Profits (Losses) carried forward	(6.009.083)	0
A.IX	Profit (Loss) for the period	(4.704.357)	(65.179.760)
<b>Total shareholders' equity</b>		<b>(8.242.791)</b>	<b>(6.562.937)</b>
<b>B Provision for contingencies and obligations</b>			
B.I	Provision for pension and similar obligations	4.889.637	5.568.074
B.II	Provision for deferred income taxes	464.956	3.010.943
B.III	Other provisions	7.786.807	10.485.577
<b>Total provision for contingencies and obligations</b>		<b>13.141.400</b>	<b>19.064.594</b>
<b>C Staff leaving indemnities</b>		<b>10.749.506</b>	<b>12.527.855</b>
<b>D Account Payables</b>			
D.IV	Bank loans and overdrafts		
D.IV.1	- within 12 months	22.977.868	14.423.470
D.IV.2	- beyond 12 months	19.053.875	27.329.738
		<u>42.031.743</u>	<u>41.753.208</u>
D.V	Other financing payables		
D.V.1	- within 12 months	6.784.761	6.092.583
D.V.2	- beyond 12 months	9.437.238	10.742.549
		<u>16.221.999</u>	<u>16.835.132</u>
D.VI	Advances		
D.VI.1	- within 12 months	1.964.393	509.809
		<u>1.964.393</u>	<u>509.809</u>
D.VII	Trade payables		
D.VII.1	- within 12 months	48.498.278	34.315.881
		<u>48.498.278</u>	<u>34.315.881</u>
D.VIII	Secured payables		
D.VIII.1	- within 12 months	186.865	224.238
D.VIII.2	- beyond 12 months	0	186.865
		<u>186.865</u>	<u>411.103</u>
D.IX	Payables to subsidiaries		
D.IX.1	- within 12 months	357.424	1.267.068
		<u>357.424</u>	<u>1.267.068</u>
D.XII	Tax payables		
D.XII.1	- within 12 months	2.124.948	1.796.381
		<u>2.124.948</u>	<u>1.796.381</u>
D.XIII	Social security payables		
D.XIII.1	- within 12 months	4.568.295	4.408.314
D.XIII.2	- beyond 12 months	6.881.806	9.399.356
		<u>11.450.101</u>	<u>13.807.670</u>
D.XIV	Other payables		
D.XIV.1	- within 12 months	6.395.186	4.943.863
D.XIV.2	- beyond 12 months	27.780	5.829
		<u>6.422.966</u>	<u>4.949.692</u>
<b>Total account payables</b>		<b>129.258.717</b>	<b>115.645.944</b>

<b>E</b>		<b>Accrued liabilities</b>	
E.II	other	205.293	48.172
		<u>205.293</u>	<u>48.172</u>
<b>Total liabilities and Shareholders' equity</b>		<b>145.112.125</b>	<b>140.723.628</b>
<b>Memo accounts</b>		<b>31/12/2007</b>	<b>31/12/2006</b>
2	Engagements	1.224.000	10.488.000
<b>Total memo accounts</b>		<b>1.224.000</b>	<b>10.488.000</b>
<b>Income Statement</b>		<b>31/12/2007</b>	<b>31/12/2006</b>
<b>A</b>		<b>Value of production</b>	
A.1	Revenues from sales and services	180.456.297	148.909.113
A.2	Changes in stocks of work in progress and finished goods	1.323.663	(150.184)
A.4	Capitalized internal work in progress	5.051.315	2.953.879
A.5	Other incomes		
A.5.a	- other	5.250.131	10.372.897
A.5.b	- contribution on trading account	0	11.530
		<u>5.250.131</u>	<u>10.384.427</u>
<b>Total value of production</b>		<b>192.081.406</b>	<b>162.097.235</b>
<b>B</b>		<b>Cost of production</b>	
B.6	Cost of raw materials, auxiliary materials, spare parts and other goods	113.379.820	95.178.458
B.7	Cost of services	25.657.150	22.364.046
B.8	Cost of rents/leases	1.722.043	1.071.752
B.9	Personnel costs		
B.9.a	- salaries and wages	31.008.600	29.963.256
B.9.b	- social contributions	9.633.471	10.353.742
B.9.c	- staff leaving indemnities	1.916.136	1.646.505
B.9.d	- severance indemnities and similar obligations	35.776	0
B.9.e	- other costs	3.307.571	2.290.612
		<u>45.901.554</u>	<u>44.254.115</u>
B.10	Depreciations and write-downs		
B.10.a	Amortization of intangible fixed assets	4.119.854	3.680.530
B.10.b	Depreciation of tangible fixed assets	6.533.362	6.792.505
B.10.c	Other write-downs of assets	19.840	109.761
		<u>10.673.056</u>	<u>10.582.796</u>
	Variations of inventory of raw materials, auxiliary materials, spare parts and goods		
B.11		(2.947.380)	(1.387.783)
B.14	Other operating charges	1.351.267	1.546.991
<b>Total cost of production</b>		<b>195.737.510</b>	<b>173.610.375</b>
<b>Difference between value and cost of production (A - B)</b>		<b>(3.656.104)</b>	<b>(11.513.140)</b>
<b>C</b>		<b>Financial income and charges</b>	
C.16	<i>Other financial incomes:</i>		
C.16.b	from securities recorded as fixed assets	40.000	404
C.16.d	other financial incomes:		
C.16.d.1	- from subsidiaries	0	153.167
C.16.d.4	- others	140.147	608.623
		<u>140.147</u>	<u>761.790</u>
		180.147	762.194
C.17	Interest and other financial charges:		
C.17.a	- from subsidiaries	1.378	452
C.17.d	- others	3.678.430	3.513.253
		<u>3.679.808</u>	<u>3.513.705</u>
C.17 bis	Exchange profit and losses		
C.17 bis.a	- exchange gain	1.280.185	155.683
C.17 bis.b	- exchange loss	(1.102.931)	(302.093)
		<u>177.254</u>	<u>(146.410)</u>
<b>Total financial incomes and charges</b>		<b>(3.322.407)</b>	<b>(2.897.921)</b>

<b>D</b>	<b>Adjustment to the value of financial assets</b>		
D.19	Write-downs		
D.19.a	of investments in share capital	208.217	42.536.692
D.19.b	of other investments	<u>0</u>	<u>86.155</u>
		208.217	42.622.847
	<b>Total adjustments</b>	<b>(208.217)</b>	<b>(42.622.847)</b>
<b>E</b>	<b>Extraordinary incomes and expenses</b>		
E.20	Incomes:		
E.20.1	- capital gains on disposal of assets	7.064.780	0
E.20.2	- other extraordinary incomes	<u>4.226.085</u>	<u>9.458.750</u>
		11.290.865	9.458.750
E.21	Expenses		
E.21.1	- losses on disposal of assets	565.227	
E.21.3	- other extraordinary charges	<u>9.330.697</u>	<u>14.796.774</u>
		9.895.924	14.796.774
	<b>Total extraordinary items</b>	<b>1.394.941</b>	<b>(5.338.024)</b>
	<b>Profit before taxes (A-B±C±D±E)</b>	<b>(5.791.787)</b>	<b>(62.371.932)</b>
<b>E.22</b>	<b>Income taxes for the period, current and deferred</b>		
E.22.1	Current taxes	742.274	1.153.000
E.22.2	Deferred taxes	<u>(1.829.704)</u>	<u>1.654.828</u>
		(1.087.430)	2.807.828
<b>E.23</b>	<b>Profit (Loss) for the period</b>	<b>(4.704.357)</b>	<b>(65.179.760)</b>

Passirano, 2008 March 7

The Chairman of the Board of Directors  
Pierfederico Cancarini