

FINANCIAL STATEMENTS – ASSETS		31/12/2007	31/12/2006	Difference
<b>A) RECEIVABLES FROM SHAREHOLDERS FOR DUE PAYMENTS</b>				
(of which already claimed)		0	0	0
<b>B) FIXED ASSETS</b>				
<b>I. Intangible fixed assets</b>				
<b>3) Industrial Patent Right and Original Works Utilization Right</b>				
		602,769	938,088	(335,319)
<b>6) Current fixed assets and advances</b>				
		1,081,244	2,136,466	(1,055,222)
<b>7) Others</b>				
		5,634,053	3,909,311	1,724,742
	<b>Total I</b>	<b>7,318,066</b>	<b>6,983,865</b>	<b>334,201</b>
<b>II. Material fixed assets</b>				
<b>4) Other assets</b>				
		2,885,020	4,318,559	(1,433,539)
	<b>Total II</b>	<b>2,885,020</b>	<b>4,318,559</b>	<b>(1,433,539)</b>
<b>III. Financial fixed assets</b>				
<b>1) Investments in :</b>				
<b>d) controlled companies</b>				
		200,000	200,000	0
	<b>Total 1)</b>	<b>200,000</b>	<b>200,000</b>	<b>0</b>
<b>2) Receivables from :</b>				
<b>d) others:</b>				
<b>- due within the next financial year</b>				
		46,665	17,700	28,965
<b>- due beyond the next financial year</b>				
		227,246	242,562	(15,316)
		273,911	260,262	13,649
	<b>Total 2)</b>	<b>273,911</b>	<b>260,262</b>	<b>13,649</b>
	<b>Total III</b>	<b>473,911</b>	<b>460,262</b>	<b>13,649</b>
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<b>TOTAL B) FIXED ASSETS</b>		<b>10,676,997</b>	<b>11,762,686</b>	<b>(1,085,689)</b>
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<b>C) CURRENT ASSETS</b>				
<b>I. INVENTORIES</b>				
<b>3) Contract works-in-progress</b>				
		1,295,429,055	1,473,606,869	(178,177,814)
<b>5) Advances</b>				
		3,017,232	2,671,373	345,859
	<b>Total I</b>	<b>1,298,446,287</b>	<b>1,476,278,242</b>	<b>(177,831,955)</b>

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<b>II. RECEIVABLES</b>				
1)	Trade receivables			
	- due within the next financial year	3,813,432	2,866,388	947,044
	- due over the next financial year	0	0	0
4)	From controlling companies:			
	- due within the next financial year	161,353,019	189,019,736	(22,666,717)
	- due over the next financial year	0	0	0
4 bis)	Tax receivables			
	- due within the next financial year	469,898	0	469,898
	- due over the next financial year	133,367	0	133,367
4 ter)	Advanced Taxes			
	- due within the next financial year	1,685,091	1,538,911	146,180
	- due over the next financial year	237,506	445,564	(208,058)
	<b>Total 4 ter)</b>	<b>1,922,597</b>	<b>1,984,475</b>	<b>(61,878)</b>
	From others			
	a) other associated companies			
	- due within the next financial year	87,021,076	63,569,816	23,451,260
	- due over the next financial year	0	0	0
	b) others			
	- due within the next financial year	1,854,313	1,294,223	560,090
	- due over the next financial year	0	0	0
	<b>Total 5)</b>	<b>88,875,389</b>	<b>64,864,039</b>	<b>24,011,350</b>
	<b>Total II</b>	<b>256,567,702</b>	<b>258,734,638</b>	<b>(2,166,936)</b>
<b>III. FINANCIAL TRANSACTIONS THAT ARE NOT FIXED ASSETS</b>				
		<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total III</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV. Cash and cash equivalents</b>				
1)	Bank and Post office deposits	1,151,091	2,313,497	(1,162,406)
3)	Cash and commercial paper on hand	17,541	16,129	1,412
	<b>Total IV</b>	<b>1,168,632</b>	<b>2,329,626</b>	<b>1,160,994</b>
	<b>Total C) Current Assets</b>	<b>1,556,182,621</b>	<b>1,737,342,506</b>	<b>(181,159,885)</b>

Italferr S.p.A. (Values in Euro)

<b>FINANCIAL STATEMENTS – ASSETS</b>	<b>31/12/2007</b>	<b>31/12/2006</b>	<b>Difference</b>
<b>D) ACCRUALS AND DEFERMENTS</b>			
I. Accruals	0	3,458	(3,458)
II. DEFERMENTS			
2) Other deferments	<b>121,086</b>	<b>424,960</b>	<b>(303,874)</b>
<b>Total D) ACCRUALS AND DEFERMENTS</b>	<b>121,086</b>	<b>428,418</b>	<b>(307,332)</b>
<b>TOTAL ASSETS</b>	<b>1,566,980,704</b>	<b>1,749,533,610</b>	<b>(182,552,906)</b>

FINANCIAL STATEMENTS – LIABILITIES	31/12/2007	31/12/2006	Différence
<b>A) SHAREHOLDERS' EQUITY</b>			
I. Capital stock	14,186,000	14,186,000	0
IV. Legal reserve	2,837,200	2,246,887	590,313
VII. Other reserves			
1. Extraordinary reserve	16,522,982	16,198,406	324,576
2. Reserve ex Legislative Decree No. 124/93	32,607	32,607	0
Total VII Other reserves	<u>16,555,589</u>	<u>16,231,013</u>	<u>324,576</u>
VIII. PROFIT (LOSS) CARRIED FORWARD	0	0	0
IX. Income of the period (loss)	35,006,299	16,539,489	18,466,810
Total A) Shareholders' Equity	<u>68,585,088</u>	<u>49,203,389</u>	<u>19,381,699</u>
<b>B) PROVISIONS FOR RISKS AND CHARGES</b>			
2) Provision for taxes, delayed included	0	0	0
3) Others	8,280,929	7,258,343	1,022,586
Total B) Provisions for risks and charges	<u>8,280,929</u>	<u>7,258,343</u>	<u>1,022,586</u>
<b>C) SUBORDINATED JOB SEVERANCE PAY</b>			
	47,449,783	49,320,627	(1,870,844)
<b>D) PAYABLES</b>			
	14,172,538	20,035,066	(5,862,528)
<b>11) Due to controlling companies</b>			
- due within the next financial year	11,213,115	21,305,473	(10,092,358)
- due over the next financial year	0	0	0
	<u>11,213,115</u>	<u>21,305,473</u>	<u>(10,092,358)</u>
<b>12) Tax payables</b>			
- due within the next financial year	3,069,819	4,348,401	(1,278,582)
- due over the next financial year	0	0	0
	<u>3,069,819</u>	<u>4,348,401</u>	<u>(1,278,582)</u>
<b>13) Payables to Social Security Institutions</b>			
- due within the next financial year	9,396,163	8,568,740	827,423
- due over the next			

financial year	<u>0</u>	<u>0</u>	<u>0</u>
	9,396,163	8,568,740	827,423
<b>14) Other payables</b>			
<b>a) due to other associated companies</b>			
- due within the next financial year	8,617,976	5,078,403	3,539,573
- due over the next financial year	0	0	0
<b>b) due to others</b>			
- due within the next financial year	10,721,013	8,204,780	2,516,234
- due over the next financial year	0	0	0
<b>Total 14)</b>	<u>19,338,989</u>	<u>13,283,182</u>	<u>6,065,807</u>
<b>Total D) Debts</b>	<b>1,442,591,729</b>	<b>1,643,577,270</b>	<b>(200,985,541)</b>

**E) ACCRUED LIABILITIES AND DEFERRED INCOME**

I. ACCRUED LIABILITIES	66,758	164,993	(98,235)
II. ACCRUED LIABILITIES			
2) Other deferred revenues	6,417	8,988	(2,571)
<b>Total E) ACCRUED LIABILITIES AND DEFERRED INCOME</b>	<u>73,175</u>	<u>173,981</u>	<u>(100,806)</u>
<b>TOTAL LIABILITIES</b>	<b>1,566,980,704</b>	<b>1,749,533,610</b>	<b>(182,552,906)</b>

<b>MEMORANDUM ACCOUNTS</b>	<b>31/12/2007</b>	<b>31/12/2006</b>	<b>Difference</b>
<b>1. RISKS</b>			
<b>1.1 Suretyships</b>			
- suretyships granted by FS in favour of other associated companies	10,325,198	17,549,783	(7,224,585)
- on behalf of others	<u>11,354,460</u>	<u>2,309,686</u>	<u>9,044,774</u>
	<b>21,679,658</b>	<b>19,859,469</b>	<b>1,820,189</b>
<b>Total 1</b>	<b>21,679,658</b>	<b>19,859,469</b>	<b>1,820,189</b>
<b>4. OTHER MEMORANDUM ACCOUNTS</b>			
4.1 Suretyships received by others	<u>19,773,555</u>	<u>13,460,348</u>	<u>6,313,207</u>
<b>Total 4</b>	<b>19,773,555</b>	<b>13,460,348</b>	<b>6,313,207</b>
<b>TOTAL MEMORANDUM ACCOUNTS</b>	<b>41,453,213</b>	<b>33,319,817</b>	<b>8,133,396</b>