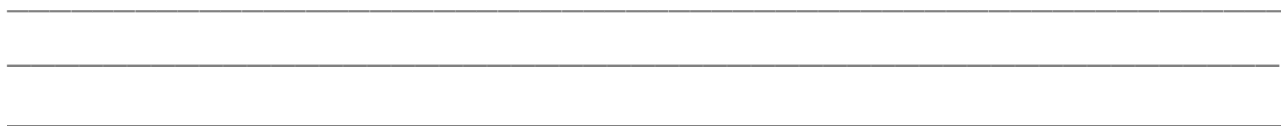


TAS S.p.A.
Quartely Report
at 31 March 2004



Quartely report at 31 March 2004

Index

Introduction

1. TAS Group
 - 1.1. Operative conditions and activity development;
2. Accounting Data;
 - 2.1. Reclassified Consolidated Profit and Loss Account;
 - 2.2. Consolidated Investments in Fixed Assets;
 - 2.3. Consolidated Net Financial Position;
3. Notes to Financial Statements;
4. Comments on the management trend.

Introduction

The English version is a free translation of the Italian one, which remains the original and definitive version.

This document is drafted in compliance with Consob Regulation no. 11971 of 14 May 1999 and following amendments, in the light of the Rules of the Nuovo Mercato organised and managed by Borsa Italiana and respective Instructions.

The criteria followed in the preparation of the financial statements are consistent with those followed in the financial statements of previous years, in particular as regards the evaluation and continuity of the same principles. The accounting charts adopted and the quantities therein may be compared with those in the half year report and in the consolidated yearly report.

Economic data and investments in fixed assets are referred both to the reference quarter and to the period between the beginning of the year and the closing date of the quarter. They are also compared with the data of the same periods of the precedent year. Data of the Net Financial Position concerning the closing date of the quarter are compared with data of the last quarter and of the last financial year.

Accounting data, expressed in thousand Euro (K€), are referred to the Group as TAS is bound to prepare consolidated data.

1. TAS Group

The financial statements of the Companies included in the consolidation area are assumed with the integral method.

| Name | Country | Share Capital | % Ownership | Net Shareholders' Equity |
|-----------------|----------------|----------------------|--------------------|---------------------------------|
| TAS S.p.A. | Italy | 914,754 | | 18,462,717 |
| TAS FRANCE EURL | France | 503,082 | 100 | 327,386 |
| TASESPAÑA SA | Spain | 500,000 | 99.8 | 132,927 |
| APIA SA | Switzerland | 64,767 | 75 | 1,928,953 |

TAS S.p.A.

Parent Company

- Largo dei Caduti di El Alamein no. 9, Rome - Italy

Local entities:

- Milan, Via Quintino Sella no. 4 - Italy;

- Verona, Via Museo no. 1 - Italy.

APIA S.A.

Controlled 75%

- Prati Botta, 22 Barbengo (Lugano) - Switzerland

Secondary establishment:

- Kloten, Lindenstrasse, 12 - Switzerland

TAS France Eurl

Controlled 100%

- Sophia Antipolis, Athena B 1180 Route de Dolines - France

Secondary establishments:

- Sophia Antipolis, Batiment B7 1300 Route de Gretes - France
- Paris 54/56 Avenue Hoche - France.

TASESPAÑA S.A.

Controlled 99.80%

- Claudio Coello 124-3° 28006 Madrid - Spain



1.1. Operative conditions and activity development

TAS S.p.A. operates in the field of the information technology with particular reference to development and commercialisation of software products, consulting, assistance and maintenance of the same and it also has an accessory activity of sale of hardware.

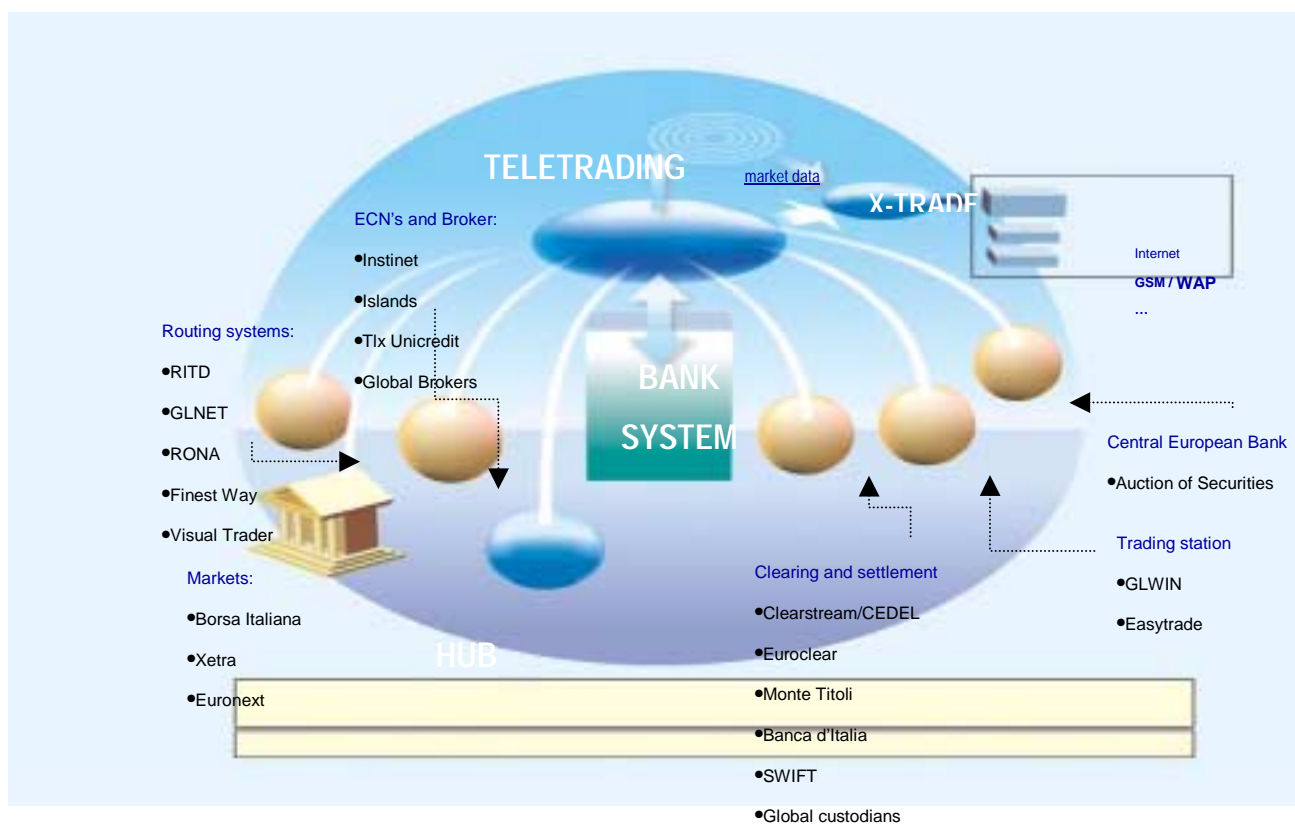
The software products developed mainly concern the automation of the process of collection, trade and settlement of orders to buy and sell financial products and the credit provision and control.

Since 2001 TAS offers services for Order Management, Order Routing and Trading on Line as ASP (Application Service Provider).

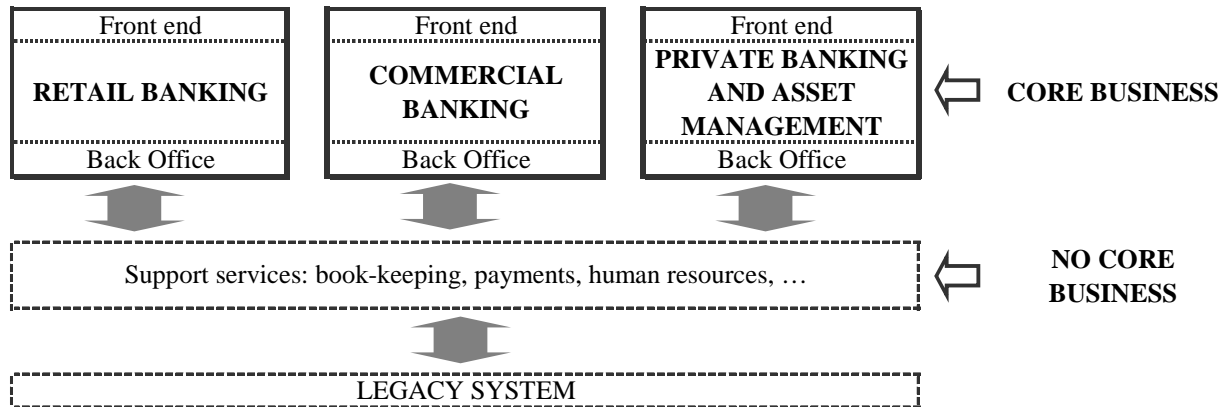
The Company operates abroad through its subsidiaries APIA, TAS France and TASESPAÑA.

TAS France is an Internet Service Provider with a wide experience in e-commerce. Besides this historical activity, it actively co-operates with TAS in developing new financial software products and in commercialising TAS products in France, Principate of Monaco, Belgium and Luxemburg. For this purpose a distribution agreement was stipulated between the two companies.

TASESPAÑA currently promotes and sales TAS products and services in Spain and Portugal.



APIA S.A. was established in 1992 from the idea of two managers entrepreneurs, being already operative in the IT world inside the big Swiss banking groups for 10 years, with the aim of offering technological solutions able to guarantee to banking operators a relevant efficiency in their operations and highest customer satisfaction.



The main focus of Apia resides therefore in the technological solutions for core business of financial intermediaries, gradually integrated with the existing accounting or back office “non core” systems, in order to reduce the impact on organisation and management.

2. Accounting data

2.1. Reclassified consolidated Profit and Loss Account

| | k€ 31/03/2004 | 31/03/2003 | var I/I | 31/12/2003 |
|---------------------------------------|---------------|--------------|------------|---------------|
| Revenues from sales and services | 2,975 | 1,509 | 97% | 13,818 |
| Work in progress on order | -31 | 44 | | 112 |
| Increase of internal work in progress | 0 | 0 | | 8 |
| Other revenues | 3 | 5 | -40% | 30 |
| Total production revenues | 2,947 | 1,558 | 89% | 13,968 |
| Costs of materials and goods | -24 | -45 | -47% | -359 |
| Services costs and other costs | -592 | -473 | 25% | -3,987 |
| Gross profit | 2,331 | 1,041 | 124% | 9,622 |
| Personnel costs | -1,704 | -1,221 | 40% | -6,610 |
| EBITDA | 627 | -180 | | 3,012 |
| Depreciation | -335 | -130 | 160% | -831 |
| Accruals and write-downs | 0 | 0 | | -47 |
| EBIT | 292 | -310 | | 2,134 |
| Financial income and charges | 33 | 125 | -74% | 358 |
| Extraordinary items | -20 | -86 | -77% | -1,204 |
| Earning before tax | 305 | -270 | | 1,288 |

2.2. Consolidated Investments in fixed assets

| | k€ IQ 04 | IQ 03 | I/I | 31/12/2003 |
|-------------------|-----------|-----------|-------------|------------|
| Intangible assets | 13 | | | 836 |
| Tangible assets | 57 | 20 | 185% | 156 |
| Financial assets | | | | |
| Total | 70 | 20 | 250% | 992 |

2.3. Consolidated Net Financial Position

| | k€ 31/03/04 | 31/12/03 |
|---|---------------|---------------|
| Description | | |
| Cash, bank current accounts | 13,698 | 11,229 |
| Financial assets other than fixed assets | 114 | 1,780 |
| Other receivables | 425 | 59 |
| Short-term payables to banks | -1 | 0 |
| Short Term Net Financial Position | 14,236 | 13,068 |
| Medium/long term receivables | 174 | 460 |
| Medium/long term payables to banks and other financial institutions | 0 | 0 |
| Medium/long term net financial position | 174 | 460 |
| Net financial position | 14,410 | 13,528 |

3. NOTES TO FINANCIAL STATEMENTS

The consolidation area includes the controlled Swiss Company APIA S.A., the French TAS FRANCE EURL and the Spanish TASESPAÑA S.A.. Revenues of each Company comes almost completely from the Countries where their head offices are located.

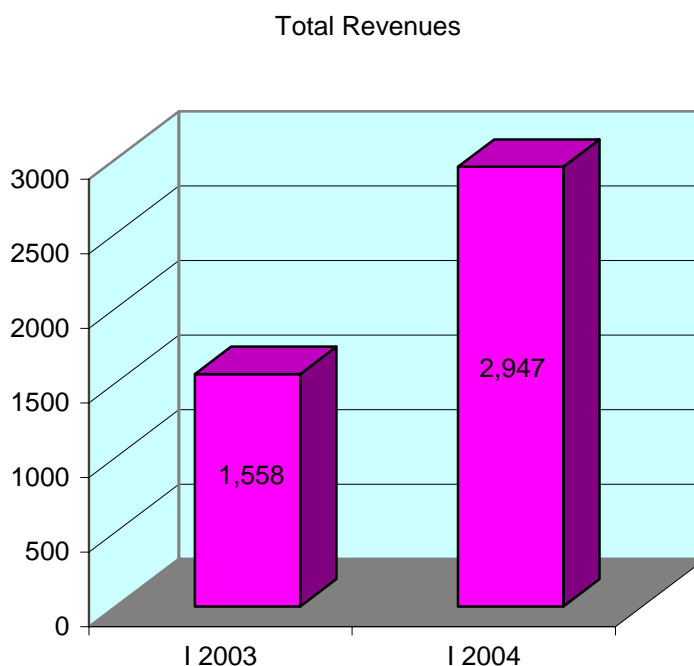
With the inclusion of the Swiss Company APIA in the consolidation area the comparison with the aggregates over the first quarter 2003 cannot be useful, as such data do not comprehend the values of the Company recently purchased. Comparison of margins and in terms of relations, instead, are still meaningful.

Total Revenues

Total Revenues grow of 89%. Besides the new consolidation area, the strong growth is also due to higher revenues of TAS S.p.A. and TAS FRANCE EURL, whereas no revenues are yet arising from TASESPAÑA S.A..

The more relevant contribution to Total Revenues, equal to 2,947 k€, comes from the Parent Company TAS with the 51% of revenues and from APIA with 42%. The remaining 7% comes from the French controlled Company TAS FRANCE.

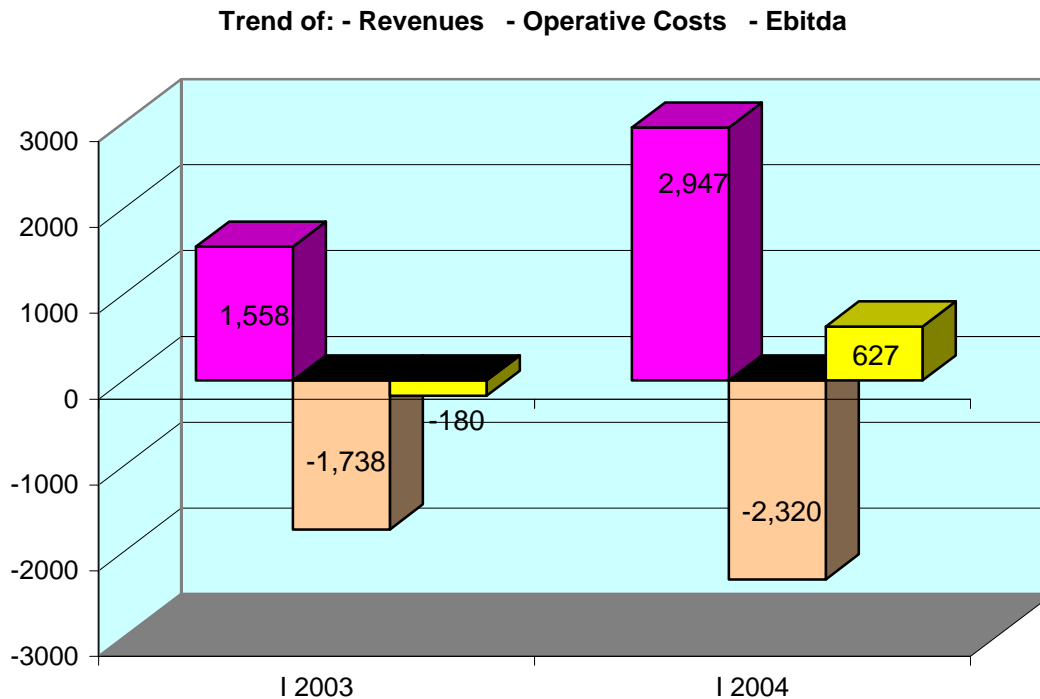
TAS S.p.A. shows an increase in its revenues of 6% over the first quarter 2003, benefiting of the contrats signed last year.



EBITDA

EBITDA shows an evident change of trend. From -80 k€ totals now 627 k€ influencing total revenues of 21.3%.

While production increases of about 90%, costs grew of only 33%, with +25% for service costs and +40% of personnel costs.



EBIT

Also EBIT witnesses a change of trend, from – 185 k€ to + 325 k€

With regards to the same quarter of the precedent year depreciation is increasing and financial income is decreasing. Both changes are due to the same event, i.e. the purchase of 75% of APIA by the Parent Company TAS on the 3rd of October 2003. This operation determined a growth of depreciation for the same portion of goodwill and reduced the cash with a consequent decrease of active interest arising from this. The purchase took place with payment in cash.

The depreciation is therefore increasing of 160%, passing from 130 k€ to 335 k€, whilst financial income is now equal to 33 k€ against 125 k€ of the first quarter 2003, where active market interest was also higher than the actual one.

Income before provision for income taxes

A big improvement is shown by the Income before provision for income taxes against the same period of the precedent year, +305 k€ against –270 k€

Non recurring charges have a lower influence than in the last period.

Net Financial Position

In three months only Net Financial Position improves of 882 k€, changing from 13,528 k€ to 14,410 k€. In addition to the positive income, depreciation also is relevant as well as a better management of the Working Capital, with a positive variation of 432 k€.

Investments

Though increasing, investments are still of little relevance, totalling 70 k€. Investments in software development, significant in all the Companies of the Group, are not included and are not capitalised.

4. COMMENTS ON THE MANAGEMENT TREND

The main reference market for TAS is that of financial software, in particular that concerning applications for trade of securities, whose value is determined by investments of banks and financial intermediaries in new software and in management costs of existing structures.

We have witnessed several years of a strong growth of TAS reference market, due both to elements that will never repeat again, such as the introduction of the Euro currency, its use on financial markets starting from 1999 and the solution of the year 2000 problems, and to other circumstances such as a relevant economic growth and the consequent economic ‘bubble’ of financial markets fed by exaggerated expectations on new technologies and particularly on internet. After that period, the reference market entered into a still lasting period of crisis.

The improvement of the economic conjuncture in the USA and in the Far East is still unable to eliminate the uncertainty of financial markets, worried for the international geopolitical situation and for the American “twin deficit”. Our customers are still careful of costs and expenditure for software, in particular the one used in retail business, and take a longer time to finalise new contracts, because of deeper analysis. Such trend is even more significant because the groups of banks now forming declared their main aim of rationalisation of IT expenses.

At the end of May the put option for the sale of a further 5% of APIA’s share capital to TAS S.p.A. is exercisable by the sellers of the previous 75% of the same Company. As a consequence of the exercise of the put option, TAS will pay about one million Euro and the high liquidity will be therefore reduced.

The Group, in a weak reference market with a higher competitiveness, succeeded in reversing the negative trend of revenues and profits.

The excellent results of the recently purchased APIA are to be added to a better profitability of TAS, suggesting a more optimistic future.

TAS Tecnologia Avanzata dei Sistemi S.p.A.
(The Chairman of the Board of Directors)
Pompeo Busnello