Half Year Report of TAS S.p.A.
As at 30 June 2006

This document is a translation into English of the original document in Italian. In case of any disagreement or discrepancy between the two, the Italian version shall prevail.

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CORPORATE BODIES

Board of Directors

§ *until the approval of Financial Statements as at 31 December 2008*
* *until the next general meeting*

Paolo Ottani §		Chairman and Managing Director
Giuseppe Caruso §		Managing Director
Matteo Tamburini §	1, 2	Non-Executive Director
Marco Nonni §	1, 2	Independent Non-Executive Director
Francesco Vella *	1, 2	Independent Non-Executive Director

Board of Statutory Auditors

Until the approval of Financial statements as at 31 December 2007

Statutory Auditors	
Edoardo Cintolesi	Chairman
Fulvio Tranquilli	
Francesca Beatrice Surace	
Alternate Statutory Auditors	
Federico Alesiani	
Alba Rita Miglietta	

External Auditors PricewaterhouseCoopers S.p.A.

		€
Share Capital		921.519,04
	No. Of shares	1.772.152
	Nominal Value	€ 0,52

1 Member of the Remuneration Committee
2 Member of the Internal Control Committee

Situation as at 21 September 2006

MANAGEMENT REPORT

PREMISES

As from the 1st of January 2005, the Group adopts the present IAS/IFRS international principles of accounting; therefore, this document complies with the IAS principle *34 – interim statements.*
The accounting principles and assessment criteria adopted are the same that were used for the Balance Sheet as at 31 December 2005, to which it should be referred to also for the analysis of the effects of the changeover to the IFRS.
This half year report as at 30 June 2006 was approved by the Board of Directors of TAS S.p.A. on 21 September 2006 and released on 28 September 2006.

RESULTS SUMMARY

The *Total Proceeds* increase from 7.691 k€ at 30 June 2005 to 6.759 at 30 June of this year; the revenues of the first half year report of 2005 were influenced by extraordinary revenues for approx. 1.000 k€.
The *Operating Result* of this semester is 2.374 k€, decreasing by 21% with respect to the corresponding period of 2005.
The *Net Profit* at 30/06/2006 is 1.675 k€, decreasing by 25% with respect to the first semester of 2005.
The *Earnings per Share* in the first six months of 2006 is 0,95 euro, versus 1,27 at 30 June 2005.
The *Net Financial Position* at 30th June 2006 is active by 14.348 k€, increased by 3.040 k€ since 31/12/2005.

CONSIDERATIONS ON OPERATIONS AND PROSPECTS FOR THE CURRENT YEAR

The Group results at 30/06/2006 confirm the goods margins already obtained in 2005: the Operating Result amounting to 35% and the Net Profit to 27% of the total proceeds.
In order to better understand the period results, both quarterly and half-yearly, the non-recurrent event should be noted, occurred in the second semester of 2005 and generating additional revenues for approx. 1.000 k€, following the conclusion of a contract for approx. 1.000 k€ pending from 2004. Without this event, all the margins would be increasing.
After the closing of the period of reference, the Company has taken off a major industrial aggregation that will generate remarkable changes in the financial mix and financial and economic structure.
To the extent of an accurate and exhaustive analysis of the terms and conditions of the above mentioned reorganization, please refer to the chapter "*Significan events occurred after the closing of the financial period*" as well as to the document – already available to the public in the forms prescribed by the law – provided for by the art. 71 of the 11971/99 CONSOB regulation, also containing the notes required by the art. 71bis of the same regulation for the operations among related companies.

SIGNIFICANT EVENTS

TAS S.p.A Shareholders Meeting of 12 April appointed the new Border of Directors, whose detail is given hereinafter. The same Meeting partially modified the articles of association and the shareholders meeting rules and appointed PricewaterhouseCoopers S.p.A. as auditor from 2006 to 2011, both for the company and the consolidated situation, in consideration of the expiration of the contract with Mazars & Guérard S.p.A..

OPERATING CONDITIONS AND BUSINESS DEVELOPMENT

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

The majority of the software developed concerns the automation of the processes of the collection, submission and execution of orders to purchase and the sale of financial products.

TAS also offers ASP (Application Service Provisioning) services in the same business areas through the use of proprietary applications.

TAS S.p.A. is listed on the Italian Stock Exchange under the STAR segment and is 67,28% owned by NCH S.p.A, that is in turn controlled by NCH WORLD SA, owned by Paolo Ottani.

The Company has started to market the solutions developed by APIA on the Italian market.

The Company operates abroad via its controlled undertakings: APIA S.A. and TAS France Eurl.

The business activity of TAS S.p.A. takes place in the company's registered office in Rome, Largo dei Caduti di El Alamein No. 9, and also in the following locations:

- Milano, Via Quintino Sella n. 4;
  Verona, Via Museo n. 1.

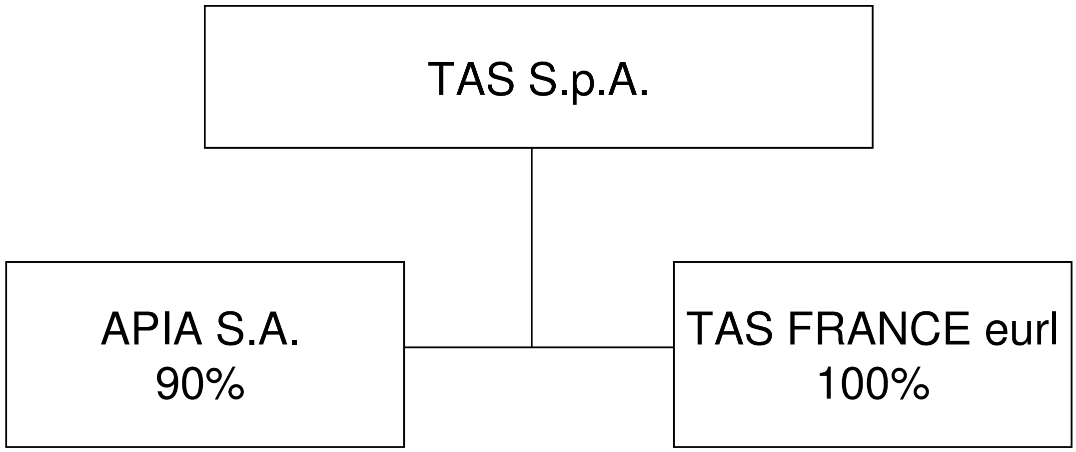
TAS France is an Internet Service Provider with a great deal of experience in e-commerce; the company is currently broadening its Housing and Hosting capacity for proprietary and third party systems. In addition, the company also co-operates with TAS on the development of new financial software products and the marketing of TAS products in France, the Principality of Monaco, Belgium and Luxemburg through the controlled company TAS France Enrl. For this purpose a distribution agreement was stipulated between the two companies.

The business activity of TAS France Eurl is carried out at the registered offices situated in Sophia Antipolis, Batiment B7 1300 Route des Crêtes.

APIA S.A. was founded in 1992 and is the brainchild of two entrepreneurs who were already well established in the IT world having worked for large Swiss banking groups for around 10 years. The company aims to offer technological solutions that enable banking operators to obtain a significant increase in efficiency levels combined with optimum end customer satisfaction.

The main focus of APIA resides therefore in technological solutions for the 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. APIA also offers solutions for credit supply and control

APIA's registered office is at Prati Botta, 22 Barbengo (Lugano, Switzerland). All business activities are carried out at this location and in the secondary office at Kloten (Zurich, Switzerland) in Lindenstrasse, 12.



Stakes of the Directors, Auditors, General Managers and Managers with strategic responsibilities

The following exhibit shows the situation as at 30 June 2006.

Stakes in TAS S.p.A.

Name and Surname	Type of ownership	Nr of shares owned at 31.12.05	Nr of shares purchased in the period	Nr of shares sold in the period	Nr of shares owned at 30.06.06
Paolo Ottani (A) (1)	(Ac)	1.192.230	-	-	1.192.230

(A) TAS S.p.A Director., (P) Ownership, (Ac) Purchase, (As) Bonus issue ex art. 2349 c.c., (1) through NCH Network Computer House S.pA..

CHANGES IN THE GROUP STRUCTURE

In June, Sase Holding exercised the put option on 5% of the shares of Apia S.A., as per contract. Therefore, the Apia S.A. shares owned at 30 June total 90%. Sase Holding has two additional put options, each for 5% of Apia shares. In this statement, APIA S.A. has been consolidated by 100% as provided for by the IAS/IFRS international principles on this case.

Consolidation Area	Company Name	Nationality	Corporate Capital (€)	Ownership %	% ownership change	Owners' equity (€)
Present	TAS S.p.A.	Italian	922			18.722
	TAS FRANCE EURL	French	503	100		(386)
	APIA SA	Swiss	65	90	+5%(1)	9.375

(1) share purchased in June 2006

EXCHANGE RATES USED TO CONVERT FINANCIAL STATEMENTS OF THE FOREIGN COMPANIES

The foreign currency accounting situation of the Swiss controlled company APIA S.A., fully consolidated, has been converted into money of account by adopting the exchange rate at 30 June 2006 for the Balance Sheet, and the average rate of the first six months of 2006 for the Profit & Loss. The same criteria has been adopted for the comparisons at 30 June 2005 and 31 December 2005, referring to the exchange rates of the relevant periods.
The owners' equity items, except for the period result, have been converted with the historical exchange rates.

In detail:

Currencies\exch. rate	Average			Closing		
	I Sem 2006	**I Sem 2005**	**2005**	**30/06/2006**	**30/06/2005**	**31/12/2005**
Swiss Franc	1,5610	1,5499	1,54828	1,5672	1,5462	1,5551

INTERIM CONSOLIDATED FINANCIAL STATEMNT
OF TAS SPA – GRUPPO NCH
AS AT 30 JUNE 2006

CONSOLIDATED ACCOUNTING STATEMENTS AND EXPLANATORY NOTES

Balance Sheet

Balance Sheet k€	**30.06.2006**	**31.12.2005**	**30.06.2005**
Intangible assets	14.151	13.891	14.271
- Goodwill	13.011	13.011	13.260
- Other Intangible assets	1.140	880	1.011
Tangible assets	325	352	366
- Tangible assets	325	352	366
Shareholding and other shares among fixed assets	67	67	67
Financial receivable among fixed assets	161	161	167
Active deferred taxes	17	45	45
Other receivables	22	537	25
-of which financial accruals and deferrals		*512*	
Total non current assets	**14.743**	**15.053**	**14.941**
Net remainder	41	31	44
Trade receivables	2.391	1.157	3.210
(of which sale accruals and deferrals)	*229*	*113*	*221*
Other receivables	133	212	313
Shareholdings and other current assets	149	51	101
Financial receivables due within 12 months	72	86	0
(of which financial accruals and deferrals)	*28*	*27*	*0*
Liquid assets	17.104	16.450	16.136
Active deferred taxes	112	98	56
Total current assets	**20.002**	**18.085**	**19.860**
TOTAL ASSETS	**34.745**	**33.138**	**34.801**
Share capital	922	922	922
(of which amount not fully paid up)	0	0	0
Share premium fund	16.950	16.950	16.950
Revaluation fund	0	0	0
Other funds	176	468	489
Operating Profits/Losses in previous financial periods	4.901	1.042	1.416
Profits/Losses of the financial period	1.675	3.864	2.246
Group net assets and liabilities	**24.624**	**23.246**	**22.023**
Minority share capital and funds	0	0	0
Minority Profit (loss)	0	0	0
Minority net shareholders equity	**0**	**0**	**0**
Net consolidated shareholders equity	**24.624**	**23.246**	**22.023**
Severance fund	1.136	1.153	994
Provisions for risks and charges	30	35	47
Tax and deferred tax provisions	0	0	917
Other liabilities	371	287	326
Financial liabilities/payables due over 12 months	8	3.241	2.524
Total non current liabilities	**1.545**	**4.716**	**4.808**
Trade payables	3.335	850	3.788
(of which sale accruals and deferrals)	*539*	*244*	*1.089*
Other liabilities	1.896	2.015	1.732
Financial liabilities/payables due within 12 months	3.102	2.172	2.346
(of which sale accruals and deferrals)			
Deferred tax liabilities	243	139	104
Total non current liabilities	**8.576**	**5.176**	**7.970**
TOTAL LIABILITIES	**34.745**	**33.138**	**34.801**

Profit & Loss

Profit & Loss k€	30.06.2006	30.06.2005	Var. 06/05	31.12.2005
Income	6.579	7.797	-16%	14.282
Variations for inventory of works in progress	160	-110		-186
Other incomes	20	4	400%	29
Total Revenues	**6.759**	**7.691**	**-12%**	**14.125**
Costs for capitalised working days	470	336	40%	651
Consumables	-65	-109	-40%	-186
Personnel costs	-3.248	-3.236	0%	-6.371
Depreciations	-288	-285	1%	-832
Other costs	-1.254	-1.394	-10%	-2.368
Total costs	**-4.385**	**-4.688**	**-6%**	**-9.106**
OPERATING RESULT	**2.374**	**3.003**	**-21%**	**5.019**
Financial incomes (charges)	76	122	-38%	277
Pre-tax result	**2.450**	**3.125**	**-22%**	**5.296**
Taxes	-775	-879	-12%	-1.432
Results from ongoing activities	**1.675**	**2.246**	**-25%**	**3.864**
RESULT OF THE PERIOD	**1.675**	**2.246**	**-25%**	**3.864**

Chart of the changes in the consolidated owners' equity

	Share Capital		*Other funds/reserves*				*Undivided profits*		
	Corporate capital	*Share premium reserve*	*Conversion reserve*	*Legal reserve*	*Extraordinary reserve*	*Other reserves*	*Reported Profits (losses)*	*Profit (loss) of the period*	*Total Owners' Equity*
Balance at 31 December 2004	**922**	**16.950**	**12**	**272**	**3**	**24**	**-44**	**2.124**	**20.263**
2004 profit allocation			-12		193		1.943	-2.124	0
Result of the period								2.246	2.246
Other variations			-3				-483		-486
Balance at 30 June 2005	**922**	**16.950**	**-3**	**272**	**196**	**24**	**1.416**	**2.246**	**22.023**
Result of the period								1.618	1.619
Other variations			-21				-374		-396
Balance at 31 December 2005	**922**	**16.950**	**-24**	**272**	**196**	**24**	**1.042**	**3.864**	**23.246**
2005 result allocation				-44	-196		4.105	-3.865	0
Allocation of share issuing reserve					24	-24			0
Result of the period								1.675	1.675
Other variations			-52				-245		-297
Balance at 30 June 2006	**922**	**16.950**	**-76**	**228**	**24**	**0**	**4.901**	**1.675**	**24.624**

Financial Report

Financial Report k€	**30/06/2006**	**30/06/2005**
Net Profits(Losses) of the period	1.675	2.246
Depreciation and write down	288	490
Variations in severance fund	-17	52
Variations in the funds for risks and charges	-5	211
Decrease(increase) of receivables	-637	-1.835
Increase (decrease) of payables	2.542	2.772
(A) Cash flow from operating business	**3.846**	**3.936**
Investments in fixed assets	-752	-2.444
Intangible fixed assets	-472	-410
Tangible assets	-45	-35
Financial assets	-235	-1.999
(B) Cash flow from investment operations	**-752**	**-2.444**
Variation in the Onwers' Equity	-54	-928
Variation due to the adoption of IFRS		-711
(C) Cash flow from financial operations	**-54**	**-1.639**
(D) Variation in the net financial position (A+B+C)	**3.040**	**3.131**
(E) Initial net Financial position	**11.308**	**8.615**
(F) INITIAL NET FINANCIAL POSITION AT THE END OF THE PERIOD (D+E)	**14.348**	**11.746**

Link between Net Result and Owners' Equity of the parent company and results of the consolidated financial statement.

The group owners' equity and the consolidated economic result at 30/06/2006 have been reconciled with the same amounts of the holding company as follows:

(k€)	***Owners' Equity***	***Result***
Owners' equity and operating result as reported in the financial statement of the holding	**18.001**	**66**
Cancellation of the entry value of the consolidated shareholdings		
a) difference between the entry value and the pro-quota value of the owners' equity	-7.993	
b) pro-quota results obtained by controlled undertakings	1.619	1.619
c) Capital gains/losses attributed at the date of purchase of the controlled undertakings	13.010	
d) consolidation difference		
Cancellation of the effects of operations among consolidated companies	-13	-13
Other transactions		3
Owners' equity and operating result of the group	**24.624**	**1.675**
Owners' equity and operating result of third parties		
Consolidated corporate capital and operating result	**24.624**	**1.675**

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENT OF TAS SPA – GRUPPO NCH AT 30 JUNE 2006

PRINCIPLES OF ACCOUNTING METHODOLOGY AND NOTES

MAIN ACCOUNTING PRINCIPLES

The (EC) regulation no. 1606/2002 relating to the application of international accountancy principles has established that share-issuing companies in a regulated market of any member State must draw up their consolidated balances sheets in compliance with the international principles adopted by the European community for every financial year from the 1st of January 2005 onwards.

From the 1st of January 2005 the Group has adopted the international accounting principles AS/IFRS; therefore this document is compliant with the current International Accounting Principles set forth by the IASB – International Accounting Standards Board and homologated by the European Union and with the related SIC/IFRIC interpretation priciples issued by the Standing Interpretations Committee and International Financial Reporting Interpretations Committee. In order to draw up this document, the principle *IAS 34 – interim financial statements* has been applied. Therefore, this document does not include all the prospects, comparisons and notes that would be necessary for a complete financial statement drawn up in accordance with the IFRS.

Moreover, in compliance with the D.L. nr. 38 of 28 February 2005, the Holding adopted the International Accounting Principles starting from the 1st of January 2006 and, consequently, the Half-Yearly Report at 30 June 2006 includes the accounting statements of the holding TAS SpA prepared for the first time in compliance with the International Accounting Principles.

As required by Consob through its Communication nr. 6064313 dated 28 July 2006 to the extent of making the changes deriving from the transition to the new International Accounting Principles understandable on the single financial statement, some reconciliation charts have been prepared as provided for in the paragraphs nr. 39 and 40 of the IFRS1 “First adoption of the International Financial Reporting Standard”, homologated by the European Commission, together with explanatory notes on the drafting criteria and the items listed in the reconciliation charts. The reconciliation charts as well as their comments are available in the Appendix to this Report.

The auditors Mazars & Guèrard have been appointed for the complete audit and check of the IAS/IFRS reconciliation charts of the Holding as at 1st of January 2005 and 31st of December 2005, and of the profit and loss for 2005. The related report was made available in the time and manners prescribed by the above mentioned regulations.

GENERAL PRINCIPLES

The consolidated balance sheet is drafted in Euro, this being the currency that the Parent Company uses. The figures are expressed in k€ if not otherwise indicated.
Foreign subsidiaries are included in accordance with the principles outlined below. The consolidated financial statements of the Group for the entire financial year of 2006 will be drawn up in accordance with the IAS/IFRS principles.
Normally IAS/IFRS compliance requires a retrospective application of the principles and analyses in order to enable comparisons between current data and comparable data. However, as a waiver to this general rule, IFRS 1 does allow limited exemptions to this rule in specific cases and for practical reasons or if the costs deriving from this compliance would exceed the benefits for those interested in the balance sheet, and in this case requires a subjective

evaluation by the management of the company regarding the past conditions once the outcome of a specific transaction has been recorded. It is important to bear in mind that all the variations in value pertaining to the application of international accounting principles, during the migratory period, have been offset against the shareholders' equity rather than the Profit and Loss Account.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

These are the companies controlled by TAS S.p.A. Control means that the parent company has the power either directly or indirectly to determine the financial and operating policies of the company so that it can benefit from its activities. The balance sheets of subsidiaries are included in the consolidated balance sheet from the date in which the company was taken over up to the date in which it no longer controls that company.

Transactions eliminated during the consolidation process

In the preparation of the consolidated balance sheet, all payments and significant transactions between the companies of the Group were eliminated. Profits and losses on transactions between group members have also been eliminated.

Foreign currency transactions

Transactions in foreign currency have been recorded at the rate of exchange prevailing at the time of the transaction. Monetary assets and liabilities in foreign currencies at the time of the recording of the balance sheet have been converted at the rate of exchange prevailing on that date. In the profit and loss account, the currency differences generated by the elimination of monetary entries or due to their conversion at exchange rates that are different from those by which they were converted at the time of being individually recorded in the financial year or in previous balance sheets.

All the assets and liabilities of the companies in foreign non-euro currencies that fall within the scope of consolidation have been converted using the exchange rates prevailing on the date of the recording the balance sheet (current rate method). Incomes and costs have therefore been converted at the average rate over the financial year. The differences in rates of exchange due to the application of this method are classified under net assets and liabilities until the end of the shareholding term. In the preparation of the consolidated financial report average rates of exchange have been used to convert the cash fluctuations of the foreign subsidiaries. The implementation and the adaptation to the fair value generated by the acquisition of a foreign company have been recorded in the relevant currency and converted using the rate of exchange at the end of the period

At the time of the first implementation of the IAS/IFRS policies, the cumulative translation differences due to the consolidation of the foreign companies outside the Eurozone were deemed to be nil, as allowed by IFRS 1. The capital gains and losses derived by the subsequent disposal of such companies should cover only the cumulative conversions that were subsequently generated from the 1st of January 2004

Goodwill

The goodwill purchased during a process of aggregation of companies represents a payment by the purchaser for the future economic benefits of the business that cannot be individually identified and recorded separately.
This is registered on the balance sheet as an intangible asset.
The goodwill is not amortized, but is checked annually or more frequently if events or changes in circumstances indicate a possible loss in value, to identify eventual reductions in value, in accordance with IAS 36-*Impairment of Assets.* After the initial recording, the goodwill is valued at cost, net of any accumulated losses in value.
During the initial stages of adopting the IAS/IFRS principles, IFRS 3 was not retrospectively applied for the aggregation of companies prior to the 1st January 2004; therefore the goodwill generated by acquisitions prior to the date of migration to the IFRS procedures was maintained at the previous value, calculated in accordance with Italian accounting principles, by checking and recording eventual losses in value.

Development costs

Once the costs for software development satisfy the conditions outlined below, they are included in the assets as intangible fixed assets.
The capitalisation begins when the company is in a position to demonstrate:

- The technical competencies to complete the software solution so that it is ready to be used and sold;
- its intention to complete the software solution in order to use or sell it
- Its ability to use or sell the software solution;
- The means of generating future economic benefits, e.g by demonstrating the existence of a market for the product developed from the software or for the software itself, or in-house usage of the same
- the availability of sufficient technical, financial and other resources in order to complete the software development and the use or sale of the software itself;
- the ability to evaluate credibly the costs attributable to the software during the development phase.

The amortisation of the capitalised software development costs is performed on the basis of systematic criteria starting with the initial availability of the product during its estimated three year life span. Depreciation is calculated using the straight line method.

Other intangible assets

All other intangible assets are recorded as assets, in accordance with IAS 38-*Intangible assets,* when the likelihood that the use of the asset will generate future economic benefits and when the cost of the asset can be estimated credibly. These assets are valued at the cost of purchase and depreciated by the straight line method throughout their expected life span.

Property, systems and machinery

Any item of property, plants and machinery that can be recorded as an asset, must bevalued at cost.
The costs sustained following purchase are capitalized only if the future economic benefits related to the asset should increase.

The assets owned through leasing contracts, in which the Group effectively assumesall the risks and benefits of the property, are recognized as Group assets at their current value or if the value is less, are recognized at the value updated to the contractual fluctuations on the date of the contract. Such assets are posted under depreciations at the end of each financial year. The corresponding liabilities to the leaser are represented in the balance sheet under financial debts.
Amortisation is calculated on the basis of the straight line method for the expected life span of the asset.

Loss of Assets

At least once a year, the Group checks the possibility of recovering the value of the intangible assets (including the capitalised development costs), property, systems and equipment in order to determine if there is any indication that such assets might have decreased in value. If this is the case, it is necessary to estimate the potential recoup value of the asset in order to determine the exact loss in value.
The loss in value is posted if the recoverable value is less than the accounting value. If, subsequently, a loss on an asset that is not related to the goodwill, should not occur or is reduced, the accountable value of the asset or the unit generating the financial fluctuation is increased until a new estimate of the recoverable value is established that cannot exceed the value that would be determined if no loss occurred due to the reduction in value.The recovery of a loss in value is immediately posted in the profit and loss account.

Financial instruments

Non current
These include shares and other financial assets that include shareholdings in non-consolidated companies and other non current financial assets (securities retained with the intention of holding them in a portfolio until due date, non-current receivables and loans and other non-current financial assets that can be sold)
Shareholdings in other companies are highlighted at cost net of eventual depreciations. All other financial assets are accounted in compliance with IAS 39 - *financial instruments; Recognition and Measurement*

Current
These include financial instruments such as; Commercial receivables, current securities, other current financial assets, including derived instruments, as well as cash and cash equivalents.
The latter category includes bank deposits and other highly negotiable securities that can be converted into cash quickly and that are subject to an insignificant value variation risk
Current securities include securities available for sale, short term securities, negotiable securities that represent temporary cash investments and that do not fulfil the requirements to be classified as cash and cash equivalents means and securities retained for negotiation.
The financial assets are accounted for in compliance with IAS 39 - *financial instruments*; *Recognition and Measurement*

Liabilities
Liabilities include financial debts, other financial liabilities and commercial debts.
The financial activities are accounted for in compliance with IAS 39 - *financial instruments*; *Recognition and Measurement.* In particular they are initially recorded at *fair value,* net of all

accessory charges. After the initial recording, all interest-bearing financial debts are valued at the amortised cost.

Derivatives

The transactions which, in observance of risk management policies, satisfy the requirements laid down in accounting standards for hedge accounting treatment are classified as "*hedges*", while those which do not satisfy said requirements, despite being entered into for hedging purposes, are classified as "*trading*".

For accounting purposes, hedge transactions are classified as "*fair value hedges*" if they cover the risk of fluctuation in the market value of the underlying asset or liability; or as "*cash flow hedges"* if they cover the risk of changes in financial flows deriving from either an existing asset or liability, or from a future transaction.

With regard to derivatives classified as *"fair value hedges*" which meet hedge accounting requirements, any gains and losses deriving from their market value calculation are included in the profit and loss statement. Gains and losses deriving from fair value adjustment to the element underlying the hedge are also included in the profit and loss statement.

With regard to instruments classified as "*cash flow hedges*" which meet hedge accounting requirements, gains and losses deriving from their market value calculation are directly booked to shareholders' equity.

Variations to the fair value of derivatives not classified as hedges are recorded in the profit and loss statements for the period in which they occur.

Work in progress

This pertains to work in progress for installation and service provision activities nearing completion.
Their posting in the balance sheet is based on the principle of the percentage of completion, in accordance with IAS 11 - Construction contracts; costs, incomes and the subsequent margin are recognized in the profit and loss statements in relation to the completion of the production activity. The state of progress of the production activity for goods or for the provision of services is estimated credibly using the cost-to-cost method; the margin is recorded taking into account the proportion between the costs of the contract sustained over the financial year and the cumulative costs sustained, with the addition of an estimation of the costs necessary to complete the work. IAS 11 states that whenever it is likely that the total costs of the contract exceed the total incomes from the contract then the expected loss should be immediately recorded as a cost, independently of the status of the work in progress.

Severance indemnity fund (TFR)

The severance indemnity fund belongs to the category of post-employment benefits and consists of payments due to employees upon conclusion of their contract of employment.
The relative liabilities, in accordance with IAS 19 - *employee benefits,* is assessed in relation to the maturity of the same at the date of the balance sheet in relation to the service provided during the current financial year and previous financial years.The evaluation method "projected unit credit method" is applied by independent arbitrators.

This calculation consists of an estimation of the benefit amount that an employee will receive at the estimated date of the conclusion of the employment contract by using realistic demographic assumptions (such as for example the mortality rate and the staff turnover rate) and financial assumptions (such as for example the discount rate and future pay rises). The total estimated amount is embedded and proportionally calculated on the basis of the total seniority and therefore represents a reasonable estimation of the benefits that the employee has already accumulated in relation to the service given.

Risk funds and contingent liabilites

In accordance with IAS37- *Provisions, Contingent Liabilities and Contingent Assets,* the provisions are liabilities with uncertain due dates and/or amounts. The provisions are different from both debts and contingent liabilities because in relation to the former there is a degree of uncertainty relating to the date and the amount of future spending while for the latter there is the certainty of the existence of a binding event that required an obligation at the time of the drawing up of the balance sheet and that will require an estimate of a certain provision

Revenues

Revenues are defined by IAS 18 - *Revenue,* as the gross financial income generated during the financial year by ordinary business activity that result in an increase in the shareholders' equity that is independent of any increases deriving from payments and contributions from shareholders.
Revenues from sales are recorded when the risks and associated benefits connected to the ownership of the assets are transferred to the buyer, the sale price is agreed or can be calculated and payment is expected.
In particular:

- Revenues from proprietary standard software applications, are recorded upon the signing of the license agreement by the client. Since this scenario regards end user license agreements, to all intents and purposes the intangible asset is considered to belong to the client as soon as the agreement is signed, since the client is able to use the standard version of the software from this moment onwards.
- Revenues from custom software applications are recorded, in accordance with the relevant contracts, at the moment in which the relative products are definitively installed on the client's system in test environment.
- Revenues for maintenance services are recorded on an accrual basis
- Revenues for fixed price contracts are recorded in relation to the stage of completion of the operation at the time of drawing up the balance sheet on the basis of the percentage of completion
- Revenues for contracts, excluding fixed price contracts, are recorded upon provision of the services on an accrual basis.

Taxes

Taxes on income include all fiscal taxes calculated on the taxable income of the Group. The taxes on income are posted in the Profit and Loss account, except for those relating to entries directly debited or credited to the net assets, in which case the result is recorded directly in the net assets. Provisions for taxes that may be generated from the transfer of non allocated subsidiary profits are only carried out where there is the real intention to transfer such profits. Deferred taxes have been attributed according to the global principle of liability appropriation.

Deferred taxes on fiscal losses and unused tax credits brought forward are recorded as it is likely that there is an available future income that can be recovered. Current and deferred fiscal assets and liabilities are compensated when the taxes on income are applied by the same tax authority and when there is a legal right to compensation. Deferred fiscal assets and liabilities are estimated by the tax rates that are to be applied, in the financial years where the temporal differences are realised or extinct.

Dividends

Payable dividends are represented as a movement of the net assets and liabilities in the financial year during which they were approved by the shareholders meeting.

Profit per share

The base profit per share is calculated by dividing the economic result of the Group by the average weighted price of the shares in circulation during the financial year, excluding own shares. For the purposes of calculating the diluted net income per share, the weighted average of the shares in circulation is modified by assuming the conversion of all the potential shares that may have a diluting effect.

The comments and tables hereinafter concern the assets and liabilities items as listed in the Balance Sheet, with separation of the current items from the non current ones.

NON CURRENT ASSETS

Intangible Assets

Goodwill

In compliance with the *IAS 32 – Financial Instruments: drafting in the balance sheet and additional information*, with reference to the stake in Apia S.A., the *goodwill* considers 100% of the capital, although the shareholding is 90%, as the remaining shares corresponding to 10% are subject to put & call options. The price assessed for purchasing the remaining shares is 3.084 k€, representing the financial debt as stated in the liabilities of the balance sheet.

	I Sem 2006	31/12/2005	I Sem 2005
Goodwill	13.011	13.011	13.260
Total	13.011	13.011	13.260

Other Intangible Assets

The value has increased by 129 k€ with respect to the same period of the previous year, and by 260 k€ with respect to the whole of the previous year. The increase is mainly due to the capitalized development costs that, in the period taken into account, amount to 470 k€, versus 336 k€ of the same period of the previous year and 651 k€ of the whole 2005.

The net value of the other intangible assets, equal to .140 k€, is composed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Software licences and 3rd party software	57	79	129
Internally developed software	500	687	347
Assets in progress	582	112	532
Other intangible assets	1	2	3
TOTAL	**1.140**	**880**	**1.011**

Tangible Assets

It has changed from 366 k€ at 30/06/2005 and 352 k€ at 31/12/2005 to 325 k€ at 30/06/2006. Its net value is composed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Plant & machinery	25	94	31
Other assets	267	212	276
Leasehold goods	33	46	59
TOTAL	**325**	**352**	**366**

The entry Other assets regards essentially electronic equipment. The Leasehold goods are mainly motor vehicles used by the controlled Apia S.A..

Shareholdings and other shares among fixed assets

In total, they amount to 67 k€ and are represented by:

	I Sem 2006	31/12/2005	I Sem 2005
Shareholdins in other companies	67	67	67
TOTAL	**67**	**67**	**67**

The above value refers to the shareholding of the parent company in SIA Cedborsa SpA.

Financial receivables among fixed assets

The financial receivables among fixed assets, amounting to 161 k€, refer to:

	I Sem 2006	31/12/2005	I Sem 2005
Lease caution money	161	161	167
TOTAL	**161**	**161**	**167**

Active deferred taxes

The main amount is to be attributed to the cancellation of the patent rights net value concerning the Swiss controlled company APIA S.A..
The receivables for active deferred taxes for total 17 k€ refer to:

	I Sem 2006	31/12/2005	I Sem 2005
Software and user licences	14	43	43
Goods in financial lease	1	2	2
Temporary fiscal differences	2	0	0
TOTAL	**17**	**45**	**45**

Other receivable

The Other receivable, totalling 22 k€, are referred to other caution money not among fixed assets.

	I Sem 2006	31/12/2005	I Sem 2005
Caution money	22	25	25
Financial accruals	0	512	0
TOTAL	**22**	**537**	**25**

CURRENT ASSETS

Net remainder

Amounting to 41 k€. The value of the work in progress on order is stated net of the partial payments received and deferrals. The net remainder is composed of:

	I Sem 2006	31/12/2005	I Sem 2005
Work in progress on order	40	30	43
Finished products and goods	1	1	1
TOTAL	**41**	**31**	**44**

The chart below gives the detail of the work in progress on order:

	Total order	Total produced	Total invoiced	Net value to be cashed in	Net value cashed in	Clients advance payments	Deferrals	Net value
Work in progress on order	**661**	**240**	**249**	**164**	**80**	**55**	**145**	**40**

Trade receivables

The value of the trade receivables, totaling 2.391 k€, includes also for the sale accruals and deferrals and is composed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Clients receivables	2.162	1.044	2.989
Sale accruals and deferrals	229	113	221
TOTAL	**2.391**	**1.157**	**3.210**

The variation from the end of the last year is due to the invoicing of repetitive services which is done in the first half of the solar year.

Other receivables

Amounting to 133 k€ and referred to:

	I Sem 2006	31/12/2005	I Sem 2005
Employees financing	0	0	213
Tax receivables	121	174	73
Other receivables	12	38	27
TOTAL	**133**	**212**	**313**

The tax receivables are mainly referred to direct taxes waiting for refund and advance payments and withholding taxes in excess of the taxes due for the period. The other receivables concern almost exclusively the social security institutions.

Shareholdings and other current assets

Amounting to 149 k€ and related to investments in shares of the controlled company TAS France. The increase is due to the temporary rise in the liquid assets of the company.

	I Sem 2006	31/12/2005	I Sem 2005
Other shares	149	51	101
TOTAL	**149**	**51**	**101**

Financial receivables due within 12 months

The value of the financial receivables due within 12 months, amounting to 72 k€, includes also the financial accruals and deferrals and is composed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Employees financing	44	59	0
Financial accruals and deferrals	28	27	0
TOTAL	**72**	**86**	**0**

Liquid assets

The liquid assets total 17.104 k€ and are detailed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Cash on hand	5	5	5
Bank and post deposits	17.099	16.445	16.131
TOTAL	**17.104**	**16.450**	**16.136**

Active deferred taxes

The receivables for active deferred taxes, for a total of 112 k€, refer to :

	I Sem 2006	31/12/2005	I Sem 2005
Installation and extension charges	0	0	1
Software and user licences	43	29	43
Goods in financial lease	51	52	0
Others	18	17	12
TOTAL	**112**	**98**	**56**

The taxes paid in advance on user licences and software refer to the cancellation of the patent rights net value concerning the controlled company Apia S.A..

NON CURRENT LIABILITIES

Severance fund

The fund represents the liability for the amounts to be paid to the personnel in case of end of work, and it is net of the advance payments made, if any. Its value has been actualized. The variation with respect to the comparison periods is as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Severance fund	1.136	1.153	994
TOTAL	**1.136**	**1.153**	**994**

Provisions for risks and charges

They total 30 k€ and are referred to provisions for risks made by the French controlled company TAS France:

	I Sem 2006	31/12/2005	I Sem 2005
Provisions for legal cases	30	30	30
Other provisions	0	5	17
TOTAL	**30**	**35**	**47**

Tax and deferred tax provisions

The fund is zero in the period under reference. The previous situation concerns the Swiss controlled company Apia S.A..

	I Sem 2006	31/12/2005	I Sem 2005
Tax provisions	0	0	917
TOTAL	**0**	**0**	**917**

Deferred tax liabilities

The deferred tax liabilities, for total 371 k€, are referred to:

	I Sem 2006	31/12/2005	I Sem 2005
Development cost capitalization	0	117	26
Ongoing fixed assets	217	42	198
Goods in financial lease	0	1	1
Possible profits from controlled companies	154	127	101
TOTAL	**371**	**287**	**326**

The increased amount is to be attributed to the ongoing fixed assets related to the development costs. The provisions for the deferred taxes on profits from controlled companies regards dividends, if any, from the shareholding in APIA S.A.. These provisions are equal to the IRES tax calculated on 5% of the possible dividends.

Financial liabilities due over 12 months

The financial liabilities, for total 8 k€, refer to:

	I Sem 2006	31/12/2005	I Sem 2005
Goods in financial lease	8	15	15
Put Option on APIA shares	0	3.226	2.509
TOTAL	**8**	**3.241**	**2.524**

The above is the payable toward the leasing company that financed the purchase of motor vehicles by the controlled company Apia S.A. and the liabilities for the put option for third parties shareholdings in Apia S.A..

CURRENT LIABILITIES

Trade payables

The value of the trade payables, amounting to 3.335 k€, includes also the sale accruals and deferrals and is composed as follows:

	I Sem 2006	31/12/2005	I Sem 2005
Advance payments	2.413	149	2.311
Supplier payables	383	457	388
Sale accruals and deferrals	539	244	1.089
TOTAL	**3.335**	**850**	**3.788**

The increase in the end of the 2005 period is due to the annual invoicing of services that is done on the first half of the solar year, therefore if the amounts have already been cashed in, they increase the advance payments or, alternatively, the deferrals.

Other liabilities

The other liabilities, totaling 1.896 k€, refer to:

	I Sem 2005	31/12/2005	I Sem 2005
Tax liabilities	1.161	1.431	1.133
Social security institutions	440	329	318
Other liabilities	295	255	281
TOTAL	**1.896**	**2.015**	**1.732**

The tax liabilities include payables for direct taxes totaling 803 k€, which can be ascribed to the controlled company Apia S.A. for 778 k€ and to the holding for 25 k€, payables for fiscal deductions at source in June 2006 for k€ 116 and VAT payables for k€ 242. The liabilities toward social security institutions have increased compared to the previous periods and refer to the contributions due on the remunerations and salaries paid in the last month of the period and accruals. The rise can be ascribed to the Swiss controlled company APIA S.A.. The other liabilities have increased due to the labour costs for additional monthly payments, incentives, holidays and leaves not used and related additional welfare contributions.

Financial liabilities/payables due within 12 months

The total financial liabilities amount to 3.102 k€ and refer to:

	I Sem 2006	I Sem 2005	31/12/2005
Goods in financial lease	18	37	24
Put Options on APIA shares	3.084	2.309	2.097
Bank payables	0	0	51
TOTAL	**3.102**	**2.346**	**2.172**

Again, it is the debt toward the lease company that financed the purchase of motor vehicles by the controlled company Apia S.A. for 18 k€ and the debt for put option for third parties shareholdings in Apia S.A. for 3.084 k€..

Deferred tax liabilities

The deferred tax liabilities amount to 243 k€ and refer to:

	I Sem 2006	31/12/2005	I Sem 2005
Development cost capitalisation	187	139	104
Goods in financial lease	2	0	0
Temporary fiscal differences	54		
TOTAL	**243**	**139**	**104**

The increase is to be ascribed to the development cost capitalization. The temporary fiscal differences refer to the deferred taxes deriving from the difference in the assessment of the remainder of work in progress when done in accordance with the accounting principles or the fiscal law.

NET FINANCIAL POSITION

The *Net Financial Position* as at 30 June 2006 is active by 14.348 k€, in increase by 3.040 k€ from 31/12/2005. The liquid assets total 17.104 k€, in increase by 940 k€ with respect to the previous quarter.

Net Financial Position k€	*30.06.2006*	*31.03.2006*	*31.12.2005*
Cash flow, bank accounts and securities	17.104	16.164	16.450
Securities not among fixed assets	149	0	51
Other receivables	44	44	59
Payables toward banks and other financial institutions due within 12 months	-18	-25	-75
Financial payables within 12 months (Apia put options)	-3.084	-5.324	-2.097
Current Net Financial Position	**14.195**	**10.859**	**14.388**
Receivables over 12 months	161	161	161
Payables toward banks and other financial institutions over 12 months	-8	-8	-15
Financial payables over 12 months (Apia put options)			-3.226
Non Current Net Financial Position	**153**	**153**	**-3.080**
Net Financial Position	**14.348**	**11.012**	**11.308**

The cash flow from operating activities, amounting to 3.846 k€, allows to finance investments for 752 k€, pay the financial liabilities for approx two million euro and increase the liquid assets by 650 k€ compared with the beginning of the year.

GROUP ECONOMIC TREND

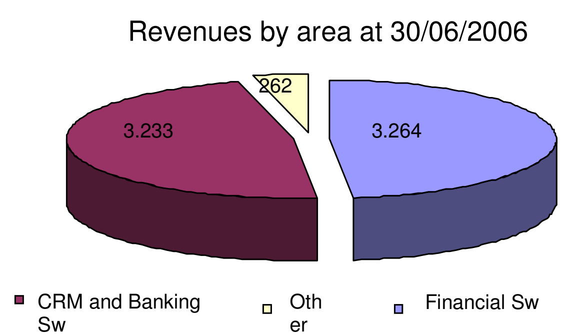
Revenues

The *total revenues* decreases by 12%, it was 7.691 k€ at 30 June 2005, it is 6.759 on 30 June 2006.
The reason for this reduction is to be ascribed to the non recurrent event that occurred in the second quarter of the last period, which brought approx. 1.000 k€ of additional revenues following the conclusion of a contract for approx. 1.000 k€, pending from the previous period, as mentioned in the half-yearly report as at 30 June 2005.
The *Variation in the inventory of work in progress* refers to ongoing services on order. Their increase is due to contingencies of the release in production.
Rather insignificant in their value the *Other revenues*.
To the increase in the TAS revenues is opposed the drop in the Apia's, due to the already mentioned non recurrent contribution in 2005. TAS France experiences a revenues decrease by approx. 10%.

Revenues by Area of Business

Revenues by area of business	30.06.2006	30.06.2005	var. 06/05
Financial Sw	3.210	2.963	8%
CRM and Banking Sw	3.233	4.285	-25%
Other	337	448	-25%
Inter-area cancellations	-21	-5	320%
TOTAL	**6.759**	**7.691**	**-12%**

The area of the *Financial Software* increases by 8% thanks to a livelier reference market.
As showed in the pie chart below, the two areas of business are symmetrical. The contribution of the *Financial Software* is similar to the contribution of the *CRM and Banking Software*. The first reflects the business of TAS and partially of TAS France, whereas the latter reflects solely Apia's business.



The reduction of the *CRM and Banking Software* by 25% can be fully ascribed to the non recurrent major revenues of Apia last year.
The *Other revenues* drop by 25% due to a decline in the ISP business of TAS France and other minor business sources.

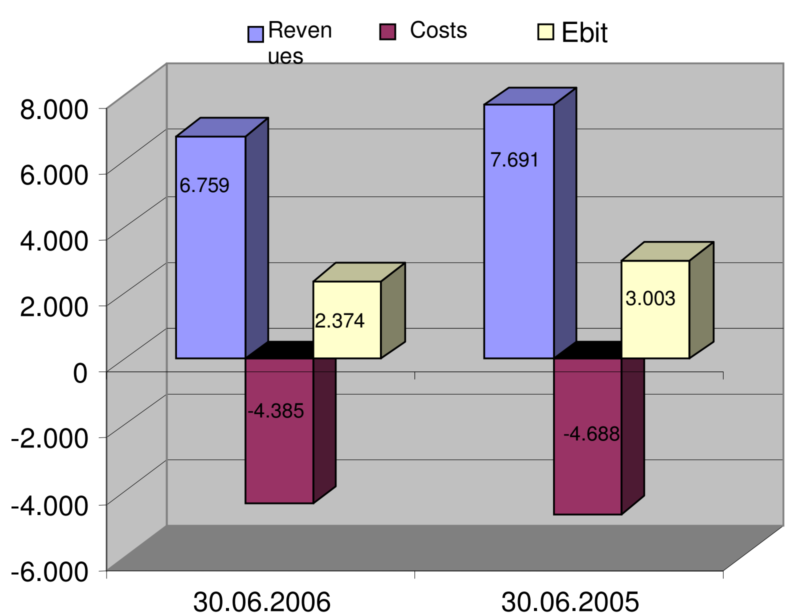
Revenues by geographical area

Revenues by geographical area	30.06.2006	30.06.2005	var. 06/05
Italy	3.119	2.891	8%
Switzerland	3.235	4.286	-25%
France	372	546	-32%
Other	184	143	29%
Cancellations for exchanges among the areas	-151	-175	-14%
TOTAL	**6.759**	**7.691**	**-12%**

The subdivision of the revenues by geographical area reflect the location of the three companies composing the group. Net of the intra-group operations, TAS only has sales outside of its national market, whicy amount to 184 k€ and are shared, among UK, Germany and San Marino. The latter are generated by the ASP service supplied by TAS to international financial operators.

Operating Result

To the above described revenues trend is opposed a sensitive operating cost reduction, yet not sufficient to avoid the drop in the *Operating Result*, totalling 2.374 k€ and equal to 21% with respect to the first semester of 2005, when it was 3.003 k€.



The *Personnel costs*, representing the major cost entry of the P&L, are unchanged but show a descending trend and have decreased by 3%, reflecting a personnel reduction by 96 units at 30 June 2006 versus the 100 units of the previous year.

	I Sem 2006	I Sem 2005	var. I/I	31/12/2005
Salaries and wages	2.539	2.467	3%	4.819
Welfare contributions	606	660	-8%	1269
Contributions to Severance fund	102	96	6%	270
Other costs	1	13	-92%	13
TOTAL	**3.248**	**3.236**	0%	**6.371**

The reduction in the personnel occurred in the group holding TAS that, at the closing of the semester, counted 58 units versus the 62 at 30 June 2005.

The *allowances for depreciation* are unchanged.

	I Sem 2006	I Sem 2005	var. I/I	31/12/2005
Software and user licence	212	213	0%	680
Other intangible assets	0	2	-100%	5
Tangible assets	76	70	9%	147
TOTAL	**288**	**285**	**1%**	**832**

The major entry, represented by the depreciation of *Software and user licences*, is due to the costs for the capitalized software and it remains unchanged, despite the increase in the *capitalized development costs* since most of these investments are internal projects in progress, whose development has not yet been carried out.
The *Other costs* decrease by 10%, as detailed in the following table:

	I Sem 2006	I Sem 2005	var. I/I	31/12/2005
For services	997	823	21%	1.837
For use of third parties' goods	212	202	5%	415
Trade receivables devaluation	0	205	-100%	10
Sundry management charges	38	22	73%	58
Shareholdings devaluation		-		0
Capital loss arising on disposal		3	-100%	2
Sundry extraordinary expenses	7	139	-95%	46
Provisions for risks		-		0
TOTAL	**1.254**	**1.394**	**-10%**	**2.368**

The most significant variations concern

- the *devaluation of the trade receivables*, changing from 205 k€ at 30 June 2005, due to a dispute with one of Apia's clients, now resolved, to zero in the first semester of 2006, as there are not risks of losses on the trade receivables on the financial statement greater than the existing reserve for bad debts;
- The costs *for services* increase by 21% due to the remuneration of the directors, changing from 4 k€ in the last period to 152 k€ in the semester under reference, and partially also for increased personnel travelling costs.

Operating Result for Business area

Operating Result	I Sem 2006	I Sem 2005	var. I/I	31/12/2005

Financial Sw	348	227	53%	-39
CRM and Banking Sw	2.039	2.821	-28%	4.977
Other	-15	-45	67%	81
Inter-sector cancellations	0	0		0
TOTAL	2.374	3.003	-21%	5.019

The major contribution to the Group operating result comes from the *CRM and Banking Software* area of business, pertaining to Apia in Switzerland. Despite the reduction of the Operating Result by 28%, explained by the above considerations on the revenues by area, the business of this sector has not undergone changes and generates a margin of 37% on the revenues.

The *Financial Software* improves its Operating Result by 53% with respect to the same period of the last year thanks to major revenues and the increase in the software developed and capitalized. The margin of the operating result on the total revenues is under 10% but significantly improving.
The result of the other minor businesses is negative but in rise thanks to a cost restructuring.

Investments

The investments of the semester have amounted to 517 k€ and are composed as follows:

Investments in Assets k€	***30.06.2006***	***30.06.2005***	**var. 06/05**
Software development	470	336	40%
Other intangible assets	2	74	-97%
Hardware and office electronic equipment	38	34	12%
Other tangible assets	7	1	600%
TOTAL INVESTMENTS FOR THE PERIOD	**517**	**445**	**16%**

Software development, 470 k€, concerns the capitalized internal costs for the development of new software applications. The rise by 40% is mainly due to the development of: *New Hub*, in Unix environment and *TeleMonitor-IOS*.
The *TeleMonitor-IOS* application makes a screening of the trading operations and specializes in the definition of the operations eligible for *Insider Trading* and *Market manipulation* as defined by the CONSOB (CONSOB communication nr. DME/5078692) and the Committee of European Securities Regulators *(Market Abuse Directive).*
The *Other intangible assets* are mainly licences of third parties software used for the Group activities. The decrease is mainly due to TAS operating system renewal during 2005. The other entries are not relevant.

Investments by area	**I Sem 2006**	**I Sem 2005**	**var. I/I**	**31/12/2005**
Financial sw	504	424	19%	811
CRM and Banking sw	-	-		-
Other	13	21	-38%	38
TOTAL	**517**	**445**	**16%**	**849**

Based on the areas, the major investments are on the financial software sector, that for the most includes software development costs. The marginal areas concern the investments made in France for the ISP part and mainly relate to hardware.

Net Result

The *Result before taxes* is down by 22%, changing from 3.125 k€ at 30 June 2005 to 2.450 in the period under reference, as a result of the reduction by 38% in *Financial income*, 76 k€ from 122k€ in the same period of the previous year (see chart). The additional liquidity in the Group increases the income but the imputed costs relating to the last two allottments in the Apia shares purchase make the costs greater than the income.

	I Sem 2006	I Sem 2005	31/12/2005
Income from shareholding	1	1	1
Income from accounts receivable recorded among fixed assets	0	1	2
Bank intestes	210	132	292
Profits on changes	2	0	0
Interests and other financial costs	-1	-12	-18
Interests on Apia put option	-136		
Total	**76**	**122**	**277**

The *taxes* relating to the first half year amount to 775 k€, of which 106 k€ for IRAP. Taxes include adjustments for deferred and advanced taxes, whose detail is given in the notes to the balance sheet.

	I Sem 2006	I Sem 2005	31/12/2005
Current taxes	573	738	1.350
Deferred taxes	202	141	82
TOTAL	**775**	**879**	**1.432**

The *net result* of the semester under reference shows a profit of 1.675 k€ vs. 2.246 k€ at 30 June 2005, down by 25%.
The *earning per share* of the semester is 0,95 euro, vs. 1,27 euro in the first semester of 2005.
There are not potential common shares, that is securities or other contracts conferring the owner the right to obtain common shares.

in euro	30/06/2006	30/06/2005	31/12/2005
Profit	1.675.000	2.246.000	3.864.000
Common shares	1.772.152	1.772.152	1.772.152
Weighed average number of shares on the market in the period	1.772.152	1.772.152	1.772.152
Result per share	**0,95**	**1,27**	**2,18**

RELATIONS WITH CONTROLLED AND AFFILIATED COMPANIES

This section contains information on the controlled and affiliated companies that is not included in the other parts of this document.
Within the relations with controlled and affiliated companies for the period under reference, no extraordinary operations were undertaken except for the transfer of 5% of Apia, whose detail is given hereinafter, as two members of Apia's Board of Directors are also shareholders of Sase Holding A.G..

During the period under reference there have been trading and financial relations between TAS S.p.A. and its controlled company TAS FRANCE EURL, that is both a supplier of services and a client of TAS S.p.A.. TAS FRANCE EURL distributes the Teletrading product on the French market, pays royalties on the sales to the parent company, and can ask additional services related to its selling activity.
Trade operations were carried out at market prices. Services were invoiced at the personnel cost plus a slight mark-up.
During the period, trading operations were carried out between TAS and its subsidiaries DS Data Systems S.p.A. and DS Finance srl, belonging to NCH Network Computer House S.p.A., controlling TAS S.p.A.. During this period, TAS purchased mainly hardware and software necessary for the company activity for a total of 18.774 euro, achieving savings in the order of 5% to 10% with respect to the prices obtained by TAS from the market, as a consequence of the greater size of DS Data Systems S.p.A. and the better prices obtained by its suppliers. Furthermore, TAS offered services to DS Finance for a total of 35.135€. Services are invoiced at the personnel cost plus a slight mark-up.
During the period there have been business relations between TAS S.p.A. and other companies belonging to members of the Board of Directors and/or their families, for a total amount of 1.917 euro. The operations were carried out at market price.

	Costs	Proceeds	Financial income	Accounts payable to suppliers	Accounts receivable from customers	Financial credits.
NCH S.p.A.		10			11	
TAS France Eurl	**134**	17	8	37	74	656
DS Finance S.p.A.		**35**			42	
DS Data Systems S.p.A.	19					
TOTAL	**153**	**62**	**8**	**37**	**127**	**656**

TERMS AND CONDITIONS OF APIA'S PURCHASE AND PAYMENT METHODS AND TERMS; SUBJECTS TRANSFERRING THE SHARES PURCHASED

TAS purchased 75% of Apia S.A. from Sase Holding AG, based in ZUG (Switzerland), 3 Chamerstrasse, corporate capital of 100.000 Swiss francs, registered at the Register of Companies of Zug with number CH-514.3.011.403-1 in the Main Register, VAT Registration number 189280, upon the payment of 7.500.000 euro cash made on 3 October 2003.
The agreement provides also for Put and Call options for the purchase of 25% belonging to Sase Holding A.G., that can be exercised during the following four years at a price linked to the future results of Apia.
As an incentive to the founding managers of Sase Holding AG, who continue to manage Apia, on future results, five put allottments have been provided for, each on 5% of the remaining stock, with corresponding call in case the put is not exercised, aiming at transferring the whole of the stock by January 2008:
the first put was exercised in June 2004;
the second put was exercised in June 2005;
the third put was exercised in June 2006;
the fourth put can be exercised starting from 30.5.2007 until 15.06.2007, provided the the minimum objective is achieved of an EBIT for the 2006 financial period of € 750.000, giving

rise to the right by Sase Holding AG to sell TAS the share of 5% at a price calculated as follows:
if EBIT 2006 equal or greater than 750.000 € and lower than 3.000.000 €: price in € = EBIT divided by 1,6;
if EBIT 2006 equal or greater than 3.000.000 €: price in € = 1.875.000 + (EBIT – 3.000.000)*0,2.
TAS shall have the right to exercise the Call option of the same 5% of the corporate capital still belonging to Sase, in case Sase should not exercise the above mentioned put option, as from 30.6.2007 up until 15.07.2007, at the price of € 1.000.
the fifth put option can be exercised as from 30.11.2007 up until 15.12.2007, provided the minimum goal is achieved of an EBIT for the first semester of 2007 for € 375.000, with consequent right by Sase Holding AG to sell TAS this share of 5% at a price calculated as follows:
if EBIT of the first semester of 2007 equal or greater than 375.000 € and lower than 1.500.000 €: price in € = EBIT divided by 1,6;
if EBIT of the first semester of 2007 equal or greater than 1.500.000 €: price in € = 937.000 + (EBIT – 1.500.000)*0,2.
TAS shall have the right to exercise the Call option of the same 5% of the corporate capital still belonging to Sase, in case Sase should not exercise the above mentioned put option, as from 30.12.2007 up until 15.01.2008, at the price of € 1.000.

STOCK OPTION PLAN

The stock option plan deliberated by the Shareholders Meetings of 11 April 2001 to the exent of incentivating, strengthening the tie and rewarding the personnel, as defined in the Board of Directors Regulation adopted on 9 May 2001, has come to an end on 1 January 2006.
To date there are no option rights.

SUMMARY OF TRANSACTIONS OF "KEY PERSONS" IN THE PERIOD

The Company in its own Code of Conduct ("Internal Dealing") for Securities Trading also decided, in order to give a strong signal of fairness and transparency to the market, to summarise in each half year report and yearly report all transactions involving financial instruments of the Company made by Key Persons. Key Persons are: Directors, Statutory Auditors, General Director, Chief Financial Officer, Chief Marketing Officer, Chief Commercial Officer, Chief Technical Officer of the Company.

Summary of the transactions of the'Key persons'

Surname and name	Position	Total sales	Total purchases	Average price	Counter-value	Source
Mendia Mario (1)	Marketing	100		22,3	2.230	Market

(1) no longer working for the TAS group

SIGNIFICANT EVENTS OCCURRED AFTER THE CLOSING OF THE FINANCIAL PERIOD

On 1st August TAS, within the aggregation project started on 1st June 2006, finalised the purchase of two business units owned by NCH S.p.A. — of which one supplying software applications for the electronic money sector and *ATM multivendor*, including the stake of approx. 51,04% of the corporate capital of the company RT Relational Tools, and the other supplying software applications for the payment systems, *corporate* and *retail banking*, and *management information system* — and of their shareholdings of 100% of the corporate capital of DS Finance S.r.l., 95% of the corporate capital of DS Supporti Direzionali e Strategici S.r.l. and 100% of the corporate capital of DS Taxi S.r.l., held by DS Data Systems S.p.A.. The operation takes effect starting from 1st August 2006.
The total price of the acquisition was agreed in Euro 115 millions of enterprise value less the total net financial position equal to Euro 25.8 millions. The total price due by TAS to NCH S.p.A. for the purchase of the two business units totals Euro 51.386.938,62 and is subject to a double adjustment mechanism of capital and revenue price, both in increase and decrease.
For the purposes of paying the price, to be completed within the 30th of October 2006, TAS will use its own financial means for 15 millions Euro (of which 4.7 already paid to NCH S.p.A.) and will recur both to a Vendor loan of 35 millions Euro made available by NCH S.p.A. and, as for the balance, to a loan granted by Banca Intesa S.p.A..
The financing of the purchase of the two business units and shareholdings are structured based on the cash flow that are foreseen to be generated following the aggregation, taking into account the running costs and the planned investments.
The above mentioned aggregation considerably modifies TAS size, with particular reference to total sales proceeds and human resources. The activities of the two business units and companies purchased are complementary to TAS activity, therefore the enlargement of the offer range implies also a rise in the uncertainties linked to working in new markets. Furthermore, TAS risk profile changes in accordance with the modification of the financial structure. This risk is curbed by the extention of the company activity in sectors that are contiguous to the one in which TAS presently operates and to new markets that could have an anticyclical trend.
With reference to the above mentioned acquisition operations, the information document provided for in Article 71 of Consob Regulation 11971/99, including also information as under Article 71-bis of the same Regulation concerning related parties, was deposited on 14 August 2006.
It is also to be mentioned that, on 11 september 2006, Avvocato Francesco Vella, Full Professor of Commercial Law at the University of Bologna, was coopted as independent director, replacing the Vice-President and Chief Executive Office Pompeo Busnello, who had resigned on 28 August 2006. During the same meeting, shareholders appointed Ing. Giuseppe Caruso, already member of the Board of Drectors, as new Chief Executive Officer. The Remuneration and Internal Auditing Committees, from which the newly appointed Chief Executive Officer had resigned, were integrated by appointing for both the member of the Board Mr Vella, who also took the position of Chairman of the Internal Auditing Committee.

FORESEABLE MANAGEMENT EVOLUTION

The events occurred after the closing of the period under reference, 30 June 2006, are of such relevance to dramatically modify the company structure. Therefore, the total sales will undergo a major increase and all the property and economic structure will change. The financial structure as well will go through major modifications.

In order to better understand the extent of the above changes, the information document provided for in Article 71 of Consob Regulation 11971/99 should be read, including also information as under Article 71-bis of the same Regulation concerning related parties operations.

COMPENSATION TO MEMBERS OF THE BOARD OF DIRECTORS, AUDITORS, GENERAL MANAGERS AND MANAGERS WITH STRATEGIC RESPONSIBILITIES

The chart below highlights the compensation, in euro, due to members of the Board of Directors, Auditors, General Managers and Managers with strategic responsibilities in the semester.

Name and Surname	Position	Time in the position	Expiry date of the position	Compensatino for position in TAS S.p.A.	Non monetary benefits	Bonues and other incentives	Other compensation
Paolo Ottani	President of the Board of Directors	From 12/04/06	Approval of yearly report of 2008	56.893			
Pompeo Busnello	Vice-President of the Board of Directors	From 12/04/06	Approval of yearly report of 2008	82.559			
Matteo Tamburini	Member of the Board of Directors	From 07/09/05	Approval of yearly report of 2008	4.395			
Giuseppe Caruso	Member of the Board of Directors	From 12/04/06	Approval of yearly report of 2008	3.726			
Marco Nonni	Member of the Board of Directors	From 12/04/06	Approval of yearly report of 2008	3.726			
Angelo Bassi	Member of the Board of Directors	Until 12/04/06		500			
Fabio Massimo Ferri	Member of the Board of Directors	Until 12/04/06		500			
Total compensation for Directors				152.299			
Edoardo Cintolesi	President of the Board of Auditors	From 28/04/05	Approval of yearly report of 2007	22.455			
Fulvio Tranquilli	Effective Auditor	From 28/04/05	Approval of yearly report of 2007	16.017			
Francesca Beatrice Surace	Effective Auditor	From 28/04/05	Approval of yearly report of 2007	10.956			
Total compensation for Auditors				49.428			
TOTAL COMPENSATION				201.727			

SEPARATED FINANCIAL STATEMENT OF TAS SPA

TAS S.P.A ACCOUTING CHARTS

Balance sheet

	al 30.06.2006	al 30.06.2005	al 31.12.2005
Intangible assets	1.132	987	865
- Goodwill	0	0	0
- Other Intangible assets	1.132	987	865
Tangible assets	119	91	105
- Tangible assets	119	91	105
Shareholding and other shares among fixed assets	15.274	15.813	15.485
Financial receivable among fixed assets	3	3	3
Active deferred taxes	2	0	0
Other receivables	0	0	0
-of which financial accruals and deferrals			
Total non current assets	**16.530**	**16.894**	**16.458**
Net remainder	31	0	0
Trade payables	2.197	2.587	824
(of which sale accruals and deferrals)	*97*	*123*	*52*
Other receivables	124	91	200
Shareholdings and other current assets	0	0	0
Financial receivables due within 12 months	719	752	616
(of which financial accruals and deferrals)	*19*	*0*	*8*
Liquid assets	5.441	7.535	7.786
Active deferred taxes	69	12	69
Total current assets	**8.581**	**10.977**	**9.495**
TOTAL ASSETS	**25.111**	**27.871**	**25.953**
Share capital	922	922	922
(of which not fully paid up)	0	0	0
Share premium fund	16.950	16.950	16.950
Revaluation fund	0	0	0
Other funds	253	493	493
Operating profits/losses in previous financial periods	-190	148	147
Profits/losses of the financial period	66	-38	-578
Group net assets and liabilities	**18.001**	**18.475**	**17.934**
Minority share capital and funds		0	0
Minority profit (loss)		0	0
Minority net shareholders equity	**0**	**0**	**0**
Net shareholders equity	**18.001**	**18.475**	**17.934**
Severance fund	1.136	994	1.153
Provisions for risk and charges	0	20	13
Tax and deferred tax provisions	0	0	0
Other liabilities	0	0	0
Deffered tax liabilities	371	324	286
Financial liabilities due over 12 months	0	2.926	3.004
Total non current liabilities	**1.507**	**4.244**	**4.443**
Trade payables	1.619	2.264	649
(of which sale accruals and deferrals)	*247*	*849*	*173*
Other liabilities	660	596	539
Financial liabilities due within 12 months	3.084	2.189	2.249
(of which sale accruals and deferrals)			
Deferred tax liabilities	240	103	139
Total current liabilities	**5.603**	**5.152**	**3.576**
TOTAL LIABILITIES	**25.111**	**27.871**	**25.953**

Profit & Loss

	30.06.2006	30.06.2005	31.12.2005
Revenues	3.008	3.073	6.146
Variation of inventory or work in progress	180	-42	-105
Other revenues	0	3	4
Total revenues	**3.188**	**3.034**	**6.045**
Costs for capitalized working days	470	336	651
Consumables	-30	-52	-91
Personnel cost	-1.953	-1.949	-3.783
Depreciations	-240	-232	-727
Other corst	-1.027	-844	-2.175
Total costs	**-2.780**	**-2.741**	**-6.125**
Operating result	**408**	**293**	**-80**
Financial proceeds (charges)	-51	-103	-162
Proceeds from affiliated companies	0	0	0
Result before taxes	**357**	**190**	**-242**
Taxes	-290	-228	-336
Result of ongoing activities	**67**	**-38**	**-578**
Result of non ongoing activities		0	0
Result of the period	**67**	**-38**	**-578**
Result belonging to third parties		0	0
Net result	**67**	**-38**	**-578**

Chart of the changes in the owners equity of TAS SpA (IAS/IFRS accounting principles)

	Corporate capital		Funds				Undivided profits	
	Share capital	Share premium fund	Legal reserve	Extraordinary reserve	Other funds and reserves	Reported profits (losses)	profits (losses) of the period	Total shareholders equity
Balances at 01/01/2005 Italian acct principles	**922**	**17.242**	**271**	**4**	**24**		**193**	**18.656**
Effect of the IFRS adoption		-291				147		-144
Balances at 01/01/2005 IFRS	**922**	**16.951**	**271**	**4**	**24**	**147**	**193**	**18.512**
2004 profit allocation				193			-193	0
Result of the period							-38	-38
Balances at 30 June 2005	**922**	**16.951**	**271**	**197**	**24**	**147**	**-38**	**18.474**
Result of the period							-540	-540
Balances at 31 december 2005	**922**	**16.951**	**271**	**197**	**24**	**147**	**-578**	**17.934**
2005 result allocation			-43	-197		-338	578	0
Allocation of share issuing reserve				24	-24			0
Result of the period							66	66
Balances at 30 June 2006	**922**	**16.951**	**228**	**24**	**0**	**-191**	**66**	**18.000**

Cash Flow Statement k€	**30/06/2006**
Net Profits(Losses) of the period	66
Depreciation and write down	239
Variations in severance fund	-17
Decrease(increase) of receivables	-1329
Increase (decrease) of payables	1.278
(A) Cash flow from operating business	**237**
Investments infixed assets	-308
Intangible fixed assets	-472
Tangible assets	-47
Financial assets	211
(B) Cash flow investment operations	**-308**
(C) Cash flow from financial operations	
(D) Variation in the net financial position (A+B+C)	**-71**
(E) Initial net Financial position	**3.152**
(F) INITIAL NET FINANCIAL POSITION AT THE END OF THE PERIOD (D+E)	**3.081**

CHANGEOVER TO IAS/IFRS INTERNATIONAL ACCOUNTING PRINCIPLES IN TAS SPA SEPARATED BALANCE SHEET

RECONCILIATION REQUIRED BY IFRS 1

Effects of the changeover to IFRS on the balance sheet as at 1st January 2005

	Italian acct. pr.	Reclassification	Adjust.	IAS/IFRS
Intangible assets	110	0	687	797
- Goodwill	0			0
- other intangible assets	110		687	797
Tangible assets	90		0	90
- Tangible assets	90			90
Shareholdings and other shares among fixed assets	9.311		6.502	15.812
Financial receivable among fixed assets	202	-192		10
Active deferred taxes	0		0	0
Other receivables	0			0
(of which financial accruals and deferrals)				
Total non current assets	**9.713**	**-192**	**7.189**	**16.709**
Net remainder	155	-155		0
Trade receivables	941	64		1.006
(of which financial accruals and deferrals)	*0*	*64*		*64*
Other receivables	85			85
Shareholdings and other current assets	0			0
Financial receivables due within 12 months	478	192		670
(of which financial accruals and deferrals)	*0*			
Liquid assets	9.442			9.442
Active deferred taxes	16		2	17
Total current assets	**11.117**	**101**	**2**	**11.220**
				0
Trade accruals and deferrals	64	-64		0
Financial accruals and deferrals	0			0
TOTAL ASSETS	**20.894**	**-155**	**7.191**	**27.929**
				0
Share capital	**18.656**		**-144**	**18.512**
Severance fund	848		94	942
Provisions for risk and charges	0			0
Tax and deferred tax provisions	0			0
Other liabilities	0			0
Tax and deferred provisions	0		217	217
Financial liabilities due over 12 months	0		2.846	2.846
Total non current liabilities	**848**	**0**	**3.157**	**4.005**
Trade payables	488	88		576
(of which sale accruals and deferrals)	*0*	*216*		*216*
Other liabilities	659			659
Financial liabilities due within 12 months	0		4.073	4.073
(of which sale accruals and deferrals)				
Deferred tax liabilities	0		104	104
Total current liabilities	**1.147**	**88**	**4.177**	**5.412**
				0
Trade accruals and deferrals	243	-243		0
Financial accruals and deferrals	0			0
TOTAL LIABILITIES	**20.894**	**-155**	**7.190**	**27.929**

Effects of the changeover to IFRS on the Balance Sheet as at 30 June 2005

	Italian acct. pr.	Reclassification	Adjust.	IAS/IFRS
Intangible assets	112	0	876	987
- Goodwill	0			0
- other intangible assets	112		876	987
Tangible assets	91		0	91
- Tangible assets	91			91
Shareholdings and other shares among fixed assets	11.309		4.503	15.812
Financial receivable among fixed assets	137	-134		4
Active deferred taxes	0		0	0
Other receivables	0			0
(of which financial accruals and deferrals)				
Total non current assets	**11.649**	**-134**	**5.379**	**16.894**
Net remainder	113	-113		0
Trade receivables	2.464	123		2.586
(of which financial accruals and deferrals)		*123*		*123*
Other receivables	90			90
Shareholdings and other current assets	0			0
Financial receivables due within 12 months	618	133		752
(of which financial accruals and deferrals)	*0*			
Liquid assets	7.535			7.535
Active deferred taxes	12		1	13
Total current assets	**10.832**	**143**	**1**	**10.976**
				0
Trade accruals and deferrals	123	-123		0
Financial accruals and deferrals	0			0
TOTAL ASSETS	**22.604**	**-113**	**5.380**	**27.870**
				0
Share capital	**18.722**		**-247**	**18.475**
Severance fund	909		85	994
Provisions for risk and charges	0			0
Tax and deferred tax provisions	0			0
Other liabilities	0			0
Tax and deferred provisions	0		324	324
Financial liabilities due over 12 months	0		2.925	2.925
Total non current liabilities	**909**	**0**	**3.334**	**4.243**
Trade payables	1.503	762		2.264
(of which sale accruals and deferrals)	*0*	*849*		*849*
Other liabilities	595			595
Financial liabilities due within 12 months	0		2.189	2.189
(of which sale accruals and deferrals)				
Deferred tax liabilities	0		104	104
Total current liabilities	**2.098**	**762**	**2.293**	**5.152**
				0
Trade accruals and deferrals	875	-875		0
Financial accruals and deferrals	0			0
TOTAL LIABILITIES	**22.604**	**-113**	**5.380**	**27.870**

Effect of the changeover to IFRS on the Balance Sheet as at 31 december 2005

	Italian acct. pr.	Reclassification	Adjust.	IAS/IFRS
Intangible assets	66	0	799	865
- Goodwill	0			0
- other intangible assets	66		799	865
Tangible assets	105		0	105
- Tangible assets	105			105
Shareholdings and other shares among fixed assets	10.982		4.503	15.485
Financial receivable among fixed assets	3			3
Active deferred taxes	0		0	0
Other receivables	0			0
(of which financial accruals and deferrals)	*0*			*0*
Total non current assets	**11.156**	**0**	**5.302**	**16.458**
Net remainder	50	-50		0
Trade receivables	773	52		825
(of which financial accruals and deferrals)	*0*	*52*		*52*
Other receivables	200			200
Shareholdings and other current assets	0			0
Financial receivables due within 12 months	608	7		615
(of which financial accruals and deferrals)	*0*	*7*		*7*
Liquid assets	7.786			7.786
Active deferred taxes	17		52	69
Total current assets	**9.434**	**9**	**52**	**9.495**
				0
Trade accruals and deferrals	52	-52		0
Financial accruals and deferrals	7	-7		0
TOTAL ASSETS	**20.650**	**-50**	**5.354**	**25.953**
				0
Share capital	**18.416**		**-481**	**17.934**
Severance fund	997		1.567	1.153
Provisions for risk and charges	0			13
Tax and deferred tax provisions	0			0
Other liabilities	0			0
Tax and deferred provisions	0		287	287
Financial liabilities due over 12 months	0		3.004	3.004
Total non current liabilities	**997**	**0**	**3.447**	**4.444**
Trade payables	511	138		649
(of which sale accruals and deferrals)	*0*	*173*		*173*
Other liabilities	538			538
Financial liabilities due within 12 months	0		2.249	2.249
(of which sale accruals and deferrals)				
Deferred tax liabilities	0		139	139
Total current liabilities	**1.049**	**138**	**2.388**	**3.575**
				0
Trade accruals and deferrals	188	-188		0
Financial accruals and deferrals	0			0
TOTAL LIABILITIES	**20.650**	**-50**	**5.354**	**25.953**

Reconciliation of Share Capital

		01 January 2005	*30 June 2005*	*31 December 2005*
Share Capital according to Italian accounting principles		**18.656**	**18.722**	**18.415**
Write-off of capitalized costs	***A***	-5	-3	0
Costs for capitalized working days	***B***	692	879	799
Active deferred taxes recording	***C***	2	1	51
Update of Severance fund	***D***	-96	-85	-156
Deferred tax liabilities recording	***E***	-320	-428	-425
Apia Put Option	***F***	-417	-611	-750
Share Capital according to IAS/IFRS		**18.512**	**18.475**	**17.934**

DETAILS OF THE CHARTS RELATED TO THE EFFECTS OF THE CHANGEVOER TO IFRS ON THE BALANCE SHEET OF TAS SPA

Letters refer to appropriate notes describing the entries reconciled between Italian accounting principles and IFRS

NON CURRENT ASSETS

Other intangible assets

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Write-off of capitalized costs	*A*	-5	-3	0
Capitalization of working days	*B*	692	1.028	1.343
Depreciation of working days	*B*		-149	-544
		687	876	799

Shareholdings and other shares among fixed assets

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Apia Put option	*F*	6.502	4.503	4.503
		6.502	4.503	4.503

Financial receivable among fixed assets

Reclassification

		01.01.2005	30.06.2005	31.12.2005
Reclassification into financial receivables due within 12 months		-192	-134	-
		-192	-134	-

Active deferred taxes

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Additional active deferred taxes due to write-off of setting-up charges	*C*	0	-	-
		0	-	-

CURRENT ASSETS

Net remainder

Reclassification

	01.01.2005	30.06.2005	31.12.2005
Reclassification into trade payables for advance payments of work in progress	-128	-87	-36
Reclassification into deferred income of on work in progress	-27	-26	-15
	-155	-113	-51

Trade receivables

Reclassification

	01.01.2005	30.06.2005	31.12.2005
Reclassification from trade accruals and deferrals	64	123	52
	64	123	52

Financial receivables due within 12 months

Reclassification

	01.01.2005	30.06.2005	31.12.2005
Reclassification from financial receivable among fixes assets	192	134	-
Reclassification from financial accruals and deferrals	-	-	8
	192	134	8

Active deferred taxes

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Additional active deferred taxes for write-off of setting-up charges	C	2	1	0
Additional active deferred taxes for severance fund update	C	-	-	52
		2	1	52

Trade accruals and deferrals

Reclassification

	01.01.2005	30.06.2005	31.12.2005
Reclassification into trade receivables	-64	-123	-52
	-64	-123	-52

Financial accruals and deferrals

Reclassification

		01.01.2005	30.06.2005	31.12.2005
Reclassification into financial receivables due within 12 months		-	-	-8
		-	-	-8

NON CURRENT LIABILITIES

Severance fund

Adjustments

(in euro)		01.01.2005	30.06.2005	31.12.2005
Update of severance fund	D	95	85	156
		95	85	156

Deferred tax liabilities

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Additional deferred tax liabilities for capitalization of working days	E	22	25	117
Additional deferred tax liabilities for capitalization of ongoing assets	E	132	198	42
Additional deferred tax liabilities for possible profits from controlled companies	E	63	101	127
		217	324	286

Financial payables due over 12 months

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Apia Put	F	2.846	2.925	3.004
		2.846	2.925	3.004

CURRENT LIABILITIES

Trade payables

Reclassification

		01.01.2005	30.06.2005	31.12.2005
Reclassification of trade accruals and deferrals		216	849	173
Reclassification into net remainder of advance payments on work in progress		-128	-87	-35
		88	762	138

Financial payables due within 12 months

Adjustments

		01.01.2005	30.06.2005	31.12.2005
Apia Put	F	4.073	2.189	2.249
		4.073	2.189	2.249

Deferred tax liabilities

Adjustments

(in euro)		01.01.2005	30.06.2005	31.12.2005
Additional deferred tax liabilities for capitalization of working days	E	86	104	139
Additional deferred tax liabilities for capitalization of ongoing assets	E	18	-	-
		104	104	139

Trade accruals and deferrals

Reclassification

	01.01.2005	30.06.2005	31.12.2005
Reclassification into trade payables	-216	-849	-174
Reclassification to net remainder	-27	-26	-14
	-243	-875	-188

	01.01.2005	**30.06.2005**	**31.12.2005**
Total reclassification of assets	**-155**	**-113**	**-50**
Total reclassification of liabilities	**-155**	**-113**	**-50**
Total adjustments of assets	**7.190**	**5.380**	**5.354**
Total adjustments of liabilities	7.334	5.627	5.835
Total adjustments of shareholders equity	-144	-247	-481
Total adjustments of liabilities and shareholders equity	**7.190**	**5.380**	**5.354**

Effects of the changeover to IFRS on the Profit & Loss of the first semester of 2005

(in euro)	Italian acct. pr.	Reclassification	Adjust.	IAS/IFRS
Revenues	3.073			3.073
Variation for inventory of works in progress	-42			-42
Other income	3			3
Total revenues	**3.034**	**-**	**-**	**3.034.481**
Costs for capitalized working days	-		336	336
Consumables	-52			-52
Personnel cost	-1.958		9	-1.949
Depreciations	-85		-147	-232
Other costs	-844			-845
Total costs	**-2.939**	**-**	**198**	**-2.741**
Operating result	**95**	**-**	**198**	**293**
Financial income (charges)	91		-194	-103
Income from controlled companies	-			-
Result before taxes	**186**	**-**	**4**	**190**
Taxes	-120		-108	-228
Result of ongoing activities	**66**	**-**	**-104**	**-38**
Result of non ongoing activities	-			-
Profit of the period	**66**	**-**	**-104**	**-38**
Net result pertaining to third parties				-
Group net result	**66**	**-**	**-104**	**-38**

Effects of the changeover to IFRS 2005 Profit & Loss

Revenues		6.146			6.146
Variation for inventory of works in progress		-105			-105
Other income		3			3
Total revenues		**6.044**	**-**	**-**	**6.044**
Costs for capitalized working days	-			651	651
Consumables		-91			-91
Personnel cost		-3.722		-62	-3.783
Depreciations		-187		-539	-727
Other costs		-2.175			-2.175
Total costs		**-6.175**	**-**	**50**	**-6.125**
Operating result		**-130**	**-**	**50**	**-80**
Financial income (charges)		171		-333	-162
Income from affiliated companies	-				-
Result before taxes		**41**	**-**	**-283**	**-242**
Taxes		-281		-55	-336
Result of ongoing activities		**-240**	**-**	**-338**	**-578**
Result of non ongoing activities	-				-
Profit of the period		**-240**	**-**	**-338**	**-578**
Net result pertaining to third parties					-
Group net result		**-240**	**-**	**-338**	**-578**

Reconciliation of the Net Result of TAS SpA (IAS/IFRS)

		30-June-05	*31-Dec.-05*
Net Result in accordance with Italian acct. principles		**66**	**-240**
Write-off of provisions intangible assets	***A***	2	4
Capitalization of working days	***B***	336	651
Depreciations for capitalized working days	***B***	-149	-544
Additional/fewer active deferred taxes	***C***	0	50
Update of severance fund	***D***	9	-62
Additional/fewer deferred tax liabilities	***E***	-108	-104
Apia Put	***F***	-194	-333
Net Result according to IAS/IFRS		**-38**	**-578**

DETAILS OF THE CHARTS RELATED TO THE EFFECTS OF THE CHANGEVOER TO IFRS ON THE PROFIT & LOSS OF TAS SPA

Letters refer to appropriate notes describing the entries reconciled between Italian accounting principles and IFRS

COSTS

Costs for capitalized working days

Adjustments

		30.06.2005	31.12.2005
Capitalization of working days	***B***	336	651
		336	651

Personnel costs

Adjustments

		30.06.2005	31.12.2005
Update of severance fund	***D***	9	-62
		9	-62

depreciations

Adjustments

		30.06.2005	31.12.2005
Write-off of setting-up charges depreciations	***A***	2	4
Depreciation of working days costs	***B***	-149	-543
		-147	-539

Financial income (charges)

Adjustments

		30.06.2005	31.12.2005
Financial charges on Apia Put optin	***F***	-194	-333
		-194	-333

Taxes

Adjustments

		30.06.2005	31.12.2005
additional/fewer active deferred taxes on setting-up charges	***C***	0	-2
additional/fewer deferred tax liabilities on working days costs	***E***	-21	-148
additional/fewer deferred tax liabilities on ongoing assets	***E***	-49	108
additional/fewer deferred tax liabilities on profits from controlled companies	***E***	-38	-65
additional/fewer active deferred taxes on severance fund update	***C***	-	52
		-108	-55

	30.06.2005	31.12.2005
Total adjustments	**-104**	**-338**

DESCRIPTION OF THE MAIN RECONCIALITION ENTRIES BETWEEN ITALIAN ACCOUNTING PRINCIPLES AND IFRS.

A. Other intangible assets – write-off of capitalized costs

Based on Italian principles, the company capitalizes certain costs (mainly setting-up charges) that the IFRS require to mention in the P&L when bore. In particular, the costs bore for the increase in the share capital upon placing on the Italian Stock Exchange new market were reversed to adjust the share premium fund.

The positive effect on the result, deriving from the write-off of the depreciations for these costs, was of 2 k€ euro for the first semester of 2005 and of 4 k€ for the whole of 2005, gross of the relevant active deferred taxes.

B. Intangible assets – costs for working days

According to Italian principles, it is allowed to capitalize costs for working days or input the whole cost in the period in which they were bore. The IAS 38 does not offer this option but prescribes capitalization when all the requirements are satisfied. This involved the entry among intangible assets of costs for software developed in-house for 692 k€ euro at 1st January 2005, for 336 k€ for the first semester of 2005 and for 651 k€ for the whole of 2005.
Based on this entry and limited to the finished developed, depreciations were calculated for the various periods, that negatively affected the result for 149 k€ for the first semester of 2005 and 544 k€ for the whole of 2005.

C. Active deferred taxes

This entry includes the taxes paid in advance due to the write-off of the setting-up costs. The assets entered amount to 2 k€ at 1st January 2005 and 1 k€ at 30 June 2005. The entry also includes taxes paid in advance for the update of the Severance fund that, at 31 december 2005, total 52 k€.

D. Severance fund

According to the IAS 19, the Severance fund should be recalculated by updating the amount based on the sums that the employees will be paid when they end their work relation with the company, taking into account the main variables, for example the probable future salary increase, the mortality ratio, the personnel turn-over ratio, etc.. This update lead to the adjustment of the fund, with an impact on the result of 9 k€ at 30 June 2005 and (– 62) k€ for the whole of 2005.

E. Deferred tax liabilities

The entry deferred tax liabilities includes, in addition to the entries for working days costs, taxes due on potetial dividends that may come from the Swiss affiliated APIA S.A.. The liabilities calculated for these taxes concerning the capitalization of working days cost amount to 258 k€ at 1st January 2005, 327 k€ at 30 June 2005 and 298 k€ at 31 december 2005, whereas for the possible dividends the amount to 64 k€ at 1st January 2005, 101 k€ at 30 June 2005 and 127 k€ at 31 december 2005.

F. Shareholdings and other shares among fixes assets– Other receivables – financial payables

For the application of the *IAS 32 – Financial instruments: statement in the financial statement and additional information*, with reference to the shareholding in Apia S.A., 100% of Apia's capital is taken into consideration, although the share owned is 90% at 30 June 2006, 85% at 30 June 2005 and 31 december 2005, as the remaining shares are subject to put & call options.
In the situations of the relevant periods, the assets (Shareholdings and other shares among fixes assets – Other receivables) and liabilities (Current and non current financial payables) concerning the remaining shares were entered keeping into account the assessed and updated payments for the purchase of the shares.

TAS Tecnologia Avanzata dei Sistemi S.p.A.
(Chairman)
Paolo Ottani

ATTACHMENTS

MAZARS

MAZARS & GUÉRARD

Relazione della società di revisione sui prospetti di riconciliazione IFRS con illustrazione degli effetti di transizione agli International Financial Reporting Standards (IFRS)

Al Consiglio di Amministrazione della
TECNOLOGIA AVANZATA DEI SISTEMI (T.A.S.) S.p.A.

1. Abbiamo svolto la revisione contabile degli allegati prospetti di riconciliazione agli International Financial Reporting Standard ("IFRS") della TAS S.p.A., costituiti dai prospetti degli effetti della transizione agli IFRS sulla situazione patrimoniale e delle riconciliazioni del patrimonio netto al 1° gennaio 2005 e al 31 dicembre 2005, dal prospetto degli effetti della transizione agli IFRS sul conto economico e dalla riconciliazione del risultato netto per l'esercizio chiuso al 31 dicembre 2005 e dalle relative note esplicative, presentati nella Appendice alla relazione semestrale al 30 giugno 2006 (nel seguito i "Prospetti di Riconciliazione IFRS"). I suddetti prospetti di riconciliazione IFRS derivano dai bilanci d'esercizio di TAS S.p.A chiusi al 31 dicembre 2004 e al 31 dicembre 2005 predisposti in conformità alle norme di legge che disciplinano i criteri di redazione del bilancio, da noi assoggettati a revisione contabile e sui quali abbiamo emesso le nostre relazioni rispettivamente in data 26 febbraio 2005 e 27 febbraio 2006. I prospetti di riconciliazione IFRS sono stati predisposti nell'ambito del processo di transizione agli International Financial Reporting Standards (IFRS) omologati dalla Commissione Europea. La responsabilità della redazione dei prospetti di riconciliazione IFRS compete agli amministratori della T.A.S. S.p.A.. E' nostra la responsabilità del giudizio professionale espresso su tali prospetti e basato sulla revisione contabile.

2. Il nostro esame è stato condotto secondo gli statuiti principi di revisione. In conformità ai predetti principi, la revisione è stata pianificata e svolta al fine di acquisire gli elementi ritenuti necessari per accertare se i prospetti di riconciliazione IFRS siano viziati da errori significativi. Il procedimento di revisione comprende l'esame, sulla base di verifiche a campione, degli elementi probativi a supporto dei saldi e delle informazioni contenuti nei prospetti di riconciliazione IFRS, nonché la valutazione dell'adeguatezza e della correttezza dei criteri contabili utilizzati e della ragionevolezza delle stime effettuate dagli amministratori. Riteniamo che il lavoro svolto fornisca una ragionevole base per l'espressione del nostro giudizio professionale.

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MAZARS

3. A nostro giudizio, i prospetti di riconciliazione IFRS, identificati nel precedente paragrafo 1., sono stati redatti nel loro complesso in conformità ai criteri e principi definiti nell'art. 81 del Regolamento Emittenti n. 11971/1999 adottato dalla CONSOB con Delibera n. 14990 del 14 aprile 2005.

4. Si richiama l'attenzione sul fatto che i dati presentati nei Prospetti di Riconciliazione IFRS, costituiranno i valori pubblicati a fini comparativi nel primo bilancio d'esercizio completo IFRS; tali valori potrebbero essere soggetti ad alcune variazioni necessarie qualora qualche principio contabile internazionale fosse rivisto o modificato prima della pubblicazione del suddetto bilancio.

Roma, lì 15 settembre 2006

MAZARS & GUÉRARD SPA

Antoine Campagna
Socio revisore contabile