



Management Report and Consolidated Financial Statements

as at 31 December 2008

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Management Report

Dear Shareholders,

We hereby present to you, pursuant to Italian Legislative Decree 127/91, the consolidated financial statements as at 31 December 2008, composed of the Balance Sheet, the Profit and Loss Account and the Explanatory Notes, and accompanied by the Group Cash Flow Statement.

The context in which the Group operated during the year is fully illustrated in the Management Report accompanying the financial statements of the parent company, to which reference should be made.

INTRODUCTION

2008 saw the group engaged in a strong current of commercial expansion concentrated, in particular, on foreign markets, in a careful action to control the expenses with an investment policy aimed in the pursuit and consolidation of the integration synergies, relevant to the merger, which took place in May 2007.

The second half of the year was characterised by the starting of the auction process for the selection of a possible buyer of a majority shareholding of the Share Capital of SIA-SSB. As at the closure of the financial statements the aforementioned process was not concluded.

COMPOSITION OF THE GROUP AND SCOPE OF CONSOLIDATION

In addition to the parent company SIA-SSB S.p.A., the scope of consolidation includes the following companies:

GBC – Giro Bankkartya Zrt, with headquarters in Budapest (Hungary), 100% owned by SIA-SSB. The company has a share capital of HUF 177,000,000 and a shareholders' equity including the profits for the year equal to HUF 878,636,000. GBC is a leader in Hungary in payment and processing systems, providing management services for ATM and POS terminals, transaction switching, fraud monitoring and other payment system services to banks, payment card issuers and acquirers. This company was consolidated with the line-by-line method.

The financial statements record a value of production for € 7.3 million and an operating margin of € 2.1 million. The financial year closed with net profits for the year of € 1.9 million.

Perago AG, with headquarters in Unterägeri (Switzerland), 100% owned by SIA-SSB, was incorporated in the last quarter of 2005. This company has a share capital of CHF 100,000 and was consolidated with the line-by-line method. During the year SIA-SSB, through by means of a transfer transaction at the original acquisition value, transferred to Perago AG the shareholdings into the companies Perago FSE (75%) and Perago Africa (30%), moreover, Perago AG directly put into legal form the acquisition of the remaining 25%

of Perago FSE. At the end of these two transactions, Perago AG owns 100% of Perago FSE and 30% of Perago Africa.

The financial statements record a value of production for € 2.4 million and an operating margin of € 1.1 million. The year ended with a net loss of € 9.6 million subsequent to the consistent write-downs of equity investments in Perago FSE and Perago Africa.

Perago FSE Ltd.

Company with registered office in Pretoria (Republic of South Africa) that, based on experience gained from the transformation of the South African payment systems, Perago FSE has developed its own RTGS (Real Time Gross Settlement) product, considered by the market to be a sophisticated, modular, scalable system based on the most advanced technology for the sector. This company was consolidated with the line-by-line method.

2008 had a value of production equal to € 4.5 million, an operating margin equal to € 0.1 million, and a net profit of € 0.4 million.

Perago Africa Ltd.

The company is a service provider for the members of the SWIFT network in the sub-Saharan area and carries out activities of development maintenance of software applications for the financial and telecommunications sector. This company was consolidated with the equity method.

2008 had a value of production equal to € 6.7 million, an operating margin equal to € 1.1 million, and a net profit of € 0.8 million.

TSP - Tecnologie e Servizi per il Pubblico S.r.l. This company, with headquarters in Milan and 100% owned by SIA-SSB, has a share capital of € 5,647,000 and shareholders' equity of € 12,983,164, including profit for the year.

TSP is a leading company in Italy in the provision of mobile phone top-ups, payment of utilities, inquiry and top-up of bank- and privately-issued credit cards distributed via the banking and private networks. It designs, develops and manages solutions based on a multi-channel infrastructure capable of providing services to businesses and Public Administration.

The positive performance of the company is again linked to the expansion of Gateway service operations. Development has taken place through quantitative and qualitative lines, with particular attention to the effort of diversification, greater turnovers and revenues were generated in 2008 for the Bill Payments services and for the Gateway support services relevant to the supply and management of the fleet of terminals. This company was consolidated with the line-by-line method.

In summary, the company had a value of production equal to € 14.2 million, an operating margin equal to € 7.6 million, and a net profit of € 5.8 million.

Kedrios S.p.A., with headquarters in Milan and 81.24% owned by SIA-SSB, has a share capital of € 2,402,500 and a shareholders' equity of € 8,535,520, including profit for the year.

Kedrios is one of the primary operators in Italy in the sector of the supply of back office and IT and administrative outsourcing services towards financial intermediaries/deposit banks, SGR. In addition, it offers support to all of the players in the financial sector technical application consulting and financial reporting services.

2008 was characterised by the operative date of new applications by important operators on the market and from the acquisition of new contracts. This company was consolidated with the line-by-line method.

The Kedrios financial statements presented a value equal to € 31.0 million, an operating margin equal to € 1.5 million, and a net profit of € 0.8 million.

RA Computer S.p.A., company with headquarters in Milan and a share capital of € 3,000,000 65% owned by SIA-SSB, a shareholders' equity including profit for the year of € 5,012,405.

RA Computer is specialised in the production of application packages and the provision of services to the banking and Public Administration sectors. RA Computer is specialised in the creation of "back-office" products in Euro and divided for the banking market and web applications for the bank and the Public Administration, looking, in particular, for opportunities deriving from the evolution of Bank-Business and Bank-Public Administration relations. The company's response to opportunities offered by the imminent launch of the SEPA focused on the development of the new SAPA architecture (Single Architecture for Payment Area). This company was consolidated with the line-by-line method.

2008 closed with a value of production of approximately € 34.6 million and operating margin of € 0.9 million and substantially balanced net profits.

SiNSYS S.A., company governed by Belgian law with headquarters in Brussels, 51% owned by SIA-SSB, with a share capital of € 6,000,000 and a shareholders' equity of € 6,056,420, including profit for the year.

SiNSYS is one of the leading operators in the field of full processing services on the European market. Confirmation of its position on the European full processing market was achieved through the acquisition of service agreements with leading Pan-European banking groups.

SiNSYS has achieved significant results in several European countries (Belgium, Holland, Poland, Slovakia, Czech Republic, Hungary, Germany and Ukraine), by launching and completing migration to the SMAC and CAMS platforms for banks in the leading European banking groups, recording a notable increase in turnovers of issuing and acquiring services managed. This company was consolidated with the line-by-line method.

The financial statements of SiNSYS record a value of production for € 60.0 million and an operating margin of € 2.1 million. The financial year closed with net profits for the year of € 1.1 million.

Simbologica S.r.l., a company with headquarters in Milan and share capital of € 0.1 million. The company is 61% owned by Kedrios and mainly provides consulting services. This company was consolidated with the line-by-line method. 2008 closed with net profits for the year of € 0.1 million.

Equity investments in associated companies, valued at equity, are as follows:

Glesia S.r.l., the company formed from the joint venture between SIA-SSB and GL TRADE SA (SunGard), a world leader in electronic solutions for trading on financial markets. Glesia products are targeted to Italian banks and financial institutions, with a complete range of STP instruments for e-markets including Front and Back Office solutions, e-trading systems, Internet platforms and a single international remote trading network. The services offered cover the management of the entire lifecycle of an order from Front to Back Office.

Glesia is 51% owned by GL TRADE (SunGard) and 49% owned by SIA-SSB, with a highly specialised professional staff.

The 2008 results show a value of production of € 15.4 million, an operating margin of € 3.0 million and net profits for € 2.0 million.

INVOICING S.r.l.

The value of the equity investment recorded in the financial statements was cancelled since as at 31 December 2008 the statement of realisation and liquidation was drawn up which permitted the conclusion of the winding-up procedure of the company.

Actalis S.p.A., with headquarters in Milan has a share capital equal to € 6,300,000 and is 44.6% owned by SIA-SSB. The company operates on the Italian market as the primary Certification Authority.

The new Almoviva Group management set the objective of expanding business, amongst other things by re-launching the National Services Card (CNS) activities related to the CNIPA contract, developing Certified Electronic Mail, increasing consulting on logical security and the dematerialisation of documents.

In summary, the company has reached a value of production of € 9.4 million and a negative operating margin of € 0.2 million.

ATS S.p.A., SIA-SSB owns 30% of ATS S.p.A., which has share capital of € 120 thousand. This is a software development company, operating mainly in the banking and finance sectors, and is a qualified SIA-SSB business partner and supplier.

2008 had a value of production equal to approximately € 9.4 million, an operating margin equal to € 0.6 million, and a net profit of € 0.1 million.

Other equity investments:

Isnova S.c.r.l., a non-profit making organisation for new technology development and promotion on the national and international markets. The equity investment recorded was € 52 thousand.

Waini S.r.l., the company, whose business purpose was the sale, distribution and presentation of marketing on their own behalf and for third parties, as well as the promotion of high-volume consumer goods of any category, particularly wine market products and advance sales certificates on wines, was transferred in the month of December and, moreover, it was provided to cancel the figures.

ECONOMIC RESULTS

The costs and revenues structure largely mirrors that of the parent company. For a detailed analysis, reference should be made to the parent company Management Report.

PROFIT FOR THE YEAR AND SHAREHOLDERS' EQUITY

Group profit for the year amounted to € 13 million. Total revenues from services and product sales amounted to € 379 million, the value of production amounted to € 397 million and the operating margin amounted to € 32 million. The reconciliation statement of parent company shareholders' equity and profit (loss) for the year and those of the group is attached to the Explanatory Notes of the consolidated financial statements under "Supplementary information".

FINANCIAL STATEMENTS DATA

Profit and Loss Account position

(amounts in Euro/000)

	Profit and Loss Account results	2008	2007	Change
	Revenues from sales and services	378,603	384,882	-6,279
	Other value of production items	18,525	18,481	44
A	Value of production	397,128	403,363	-6,235
B	Cost of production	365,853	368,313	-2,460
A-B	Added value	31,275	35,050	-3,775
C	Financial income and charges	1,386	2,016	-630
D	Value adjustments to financial assets	136	-2,262	2,398
C+D	Financial management	1,522	-246	1,768
E	Extraordinary income and charges	-5,632	-17,989	12,357
A-B+C+D+E	Profit (loss) before tax	27,165	16,815	10,350
	Income taxes for the year	14,828	14,109	719
	Profit (loss) including minority interests	12,337	2,706	9,631
	Profit (loss) - minority interests	703	393	310
	Profit (loss) for the year	11,634	2,313	9,321

The analysis of the items, comparing 2008 with the previous year, shows a decrease in the value of production, primarily due to the decrease in revenues for the services dedicated to financial markets only partially offset by a reduction increase of the operating costs resulting in a decrease in the operating margin for € 4.0 million (€ 31.0 million in 2008 compared to € 35.0 million in 2007). The financial management, on the other hand, improved by € 1.7 million. We also point out a significant difference in the item extraordinary income and charges, which show and improvement amounting to € 12.4 million subsequent to lesser costs for the reorganisation activity of the personnel. Profit before tax amounted to € 26.9 million.

The items with the greatest impact on the year can be summarised as follows:

- > The value of production, which also takes into account increases in own work capitalised, changes in projects under development, changes in long-term contracts and other revenues and income, amounted to € 397.1 million, compared to € 403.3 million in the previous year (-1.5%). The following factors, in particular, contributed to these results:
 - a. decrease in the revenue for financial market services following the termination of various services with primary clients and the re-negotiation of various contracts with important clients;
 - b. a slight decrease in network services consequent to a reduction in revenues deriving from the modification in 2008 of the VAT tax regime on various services and the implementation of a new pricing policy, only in part compensated by the breakdown of the component relevant to the Network services in the scope of valid bundled contracts, as well as from higher turnover and software development for clients of primary importance;
 - c. an increase in the turnover relevant to the management of international debit and credit cards as well as domestic debit cards, in addition to greater software development activity.
 - d. higher revenues deriving from the effects of the introduction of the IBAN on the ICI service for Collections and Payments.
 - e. with regard to other items under the value of production, of note is the reduction in own work capitalised;
- > The costs of production were also lower compared to the previous year by approximately 1% going from € 368.3 million to € 366.1 million. This change was mainly due to:
 - f. lower costs for services following lesser development activities and lesser costs for telephone connections and data transmission;
 - g. lesser costs for professional services subsequent to minor developments and minor consultancy activities relevant to the integration and merger process that characterised the previous year;
 - h. lower allocation to provisions for risks and charges;

- > the added value, i.e. the difference between the value and cost of production, was € 31.0 million against the € 35.0 million for the previous year;
- > financial management recorded an overall € 1.5 million profit compared to the negative value of € 0.2 million in the previous year.
- > extraordinary income and charges recorded a negative balance of € 5.6 million, mainly due to the cost of personnel reorganisation procedures.

Balance Sheet position

(amounts in Euro/000)

	Balance Sheet results	31/12/2008	31/12/2007	Change
	Intangible fixed assets	73,477	81,340	-7,863
	Tangible fixed assets	11,722	14,177	-2,455
	Financial fixed assets	11,515	15,505	-3,990
A	Total fixed assets	96,714	111,022	-14,308
	Inventories	5,002	7,250	-2,248
	Receivables	121,519	134,711	-13,192
	Short-term investments	5,678	9,441	-3,763
	Cash and cash equivalents	30,766	19,137	11,629
B	Total current assets	162,965	170,539	-7,574
C	Accruals and deferrals	10,590	7,001	3,589
A+B+C	Total assets	270,269	288,562	-18,293
	Capital	22,091	22,091	0
	Reserves	83,258	82,806	452
	Profit (loss) carried forward	11,754	16,440	-4,686
	Profit (loss) for the year	11,634	2,313	9,321
	Minority interest capital	5,714	5,588	126
	Profit (loss) for the year - minority interests	703	393	310
A	Total Shareholders' Equity	135,154	129,631	5,523
B	Provisions for risks and charges	12,954	16,999	-4,045
C	Employee severance indemnity	26,258	28,368	-2,110
D	Payables	90,055	107,086	-17,031
E	Accruals and deferrals	5,848	6,478	-630
A+B+C +D+E	Total liabilities	270,269	288,562	-18,293

The main changes emerging from a comparative analysis between the balance sheet position and the balance sheet for the previous year are:

- > Fixed assets:
 - lesser values relating to intangible fixed assets, due primarily to the normal process of amortisation and lesser acquisitions in 2008;

- > Current assets:
 - Decrease subsequent to the reduction in trade receivables, in part compensated by an increase in the cash on hand.

- > Provisions for risks and charges:
 - these decreased following minor parent company allocations for company reorganisation and for potential future risks (claims for damages, associated company loss coverage).

SIGNIFICANT EVENTS SUBSEQUENT TO CLOSURE OF THE FINANCIAL YEAR AND BUSINESS OUTLOOK.

The significant events subsequent to the closure of the financial year and the business outlook are fully commented in the Management Report of the parent company, to which reference should be made.



SIA-SSB Group Consolidated Financial Statements

BALANCE SHEET

(amounts in Euro/000)

Assets	12/31/2008	12/31/2007	Changes
A) Subscribed capital unpaid			
Called share	0	0	0
Uncalled share	0	0	0
Total due from shareholders A)	0	0	0
B) Fixed assets			
I - Intangible fixed assets:			
2) Research, development and advertising costs	5,215	3	5,212
3) Industrial patent and intellectual property rights	15,137	19,625	-4,488
4) Franchise, licences, trademarks and similar rights	9	13	-4
5) Goodwill	106	229	-123
5 bis) Consolidation differences	46,354	54,567	-8,213
6) Work in progress and payments on account	4,512	4,255	257
7) Other	2,144	2,648	-504
Total intangible fixed assets	73,477	81,340	-7,863
II - Tangible fixed assets:			
1) Land and buildings	0	3	
2) Plant and equipment	9,655	11,684	-2,029
3) Industrial and commercial equipment	276	296	-20
4) Other assets	1,779	2,191	-412
5) Work in progress and payments on account	12	3	9
Total tangible fixed assets	11,722	14,177	-2,455
III - Financial fixed assets			
1) Equity investments in:	4,364	4,287	77
a) subsidiaries	0	0	
b) associates	4,297	4,131	
c) parent companies	0	0	
d) other companies	67	156	
2) Receivables	160	214	-54
a) from subsidiaries			
b) from associates			
c) from parent companies			
d) from others	160	214	
3) Other securities	6,991	11,004	-4,013
4) Treasury shares	0	0	0
Total financial fixed assets	11,515	15,505	-3,990
Total Fixed Assets (B)	96,714	111,022	-14,308

Assets	12/31/2008	12/31/2007	Changes
C) Current assets			
I) Inventories:			
1) Raw materials, consumables and goods	42	2	40
3) Long-term contracts	4,942	7,177	-2,235
4) Finished products and goods	18	71	-53
Total	5,002	7,250	-2,248
II) Loans			
1) To customers	102,353	109,389	-7,036
2) To subsidiaries	0	0	0
3) To associates	1,535	4,747	-3,212
4) To parent companies	0	0	0
4bis) Tax credits	5,254	4,813	441
4ter) Prepaid taxes	8,008	9,374	-1,366
5) To others	4,369	6,388	-2,019
Total	121,519	134,711	-13,192
III) Short-term investments			
6) Other securities	5,678	9,441	-3,763
Total	5,678	9,441	-3,763
IV) Cash and cash equivalents			
1) Bank and postal deposits	30,407	17,880	12,527
2) Cheques	16	17	-1
3) Cash on hand	343	1,240	-897
Total	30,766	19,137	11,629
Total Current Assets (C)	162,965	170,539	-7,574
D) Accrued liabilities and deferred income			
- Loan discount	0	0	0
- Other accrued liabilities and deferred income	10,590	7,001	0
Total Accrued Income and Prepayments (D)	10,590	7,001	3,589
Total assets (A+B+C+D)	270,269	288,562	-18,293

Liabilities	31/12/2008	31/12/2007	Changes
A) Shareholders' equity			
<i>Group:</i>			
I Capital	22,091	22,091	0
II Share premium reserve			
IV Legal reserve	2,988	2,536	452
V Reserve for treasury shares portfolio	0	0	
VII Other reserves:	80,270	80,270	0
- consolidation reserve			
- extraordinary reserve			
- split-off surplus	1,426	1,426	
- merger surplus	78,844	78,844	
- translation reserve			
VIII Undistributed profits and other reserves	11,754	16,440	-4,686
IX Profit / Loss for the year	11,634	2,313	9,321
Total Group shareholders' equity	128,737	123,650	5,087
<i>Minority interests:</i>			
X Capital and reserves	5,714	5,588	126
XII Profit / Loss for the year	703	393	310
Total Minority Interest shareholders' equity	6,417	5,981	436
Total net equity A)	135,154	129,631	5,523
B) Provisions for Risks and Charges			
1) for pensions and similar obligations	0	0	0
2) for taxes	1,292	1,887	-595
3) Other	11,662	15,112	-3,450
Total Provisions for Risks and Charges (B)	12,954	16,999	-4,045
Employee severance indemnity C)	26,258	28,368	-2,110
D) Payables			
4) Due to banks	11,815	12,369	-554
6) Advances	2,747	4,916	-2,169
7) Due to suppliers	35,714	50,599	-14,885
10) Due to associates	753	1,405	-652
12) Tax payables	7,465	6,553	912
13) Due to social security authorities	10,704	7,974	2,730
14) Other payables	20,857	23,270	-2,413
Total Payables (D)	90,055	107,086	-17,031
E) Accrued liabilities and deferred income			
- Other accrued liabilities and deferred income	5,848	6,478	-630
Total accrued liabilities and deferred income (E)	5,848	6,478	-630
Total liabilities (A+B+C+D+E)	270,269	288,562	-18,293
Memorandum accounts			
Memorandum accounts			
1 Personal guarantees given	6,384	5,403	981
A) Guarantees to others	6,384	5,403	
4 Others	12,492	0	12,492
Total Memorandum accounts	18,876	5,403	13,473

PROFIT AND LOSS ACCOUNT

(amounts in Euro/000)

Profit and loss account	2008	2007	Changes
A) Value of production			
2) Var. rim. di prod. in corso di lav., semilav. e finiti	378,603	384,882	-6,279
3) Var. work in progress	2,667	1,256	1,411
4) Increases in own work capitalised	6,006	9,537	-3,531
5) Other revenues and income	9,852	7,688	2,164
Total A)	397,128	403,363	-6,235
B) Cost of production			
6) For raw materials, consumables and goods	4,644	3,507	1,137
7) For services	122,049	131,673	-9,624
8) For use of third party assets	52,241	51,641	600
9) For personnel	128,660	125,913	2,747
a) wages and salaries	88,735	86,716	
b) social security costs	24,751	25,051	
c) employee severance indemnity	6,453	6,431	
e) other costs	8,721	7,715	
10) Amortisation, depreciation and write-downs	32,946	31,641	1,305
a) amortisation of intangible fixed assets	24,147	22,652	
b) depreciation of tangible fixed assets	5,987	7,269	
c) other write-downs of fixed assets	2,664	1,672	
d) write-down of debts included under current assets, cash and cash equivalents	148	48	
11) Change in raw materials, consumables and goods	9	-9	18
12) Provisions for risks and charges	1,922	698	1,224
14) Other operating costs	23,382	23,249	133
Total B)	365,853	368,313	-2,460
Difference between value and cost of production (A-B)	31,275	35,050	-3,775

<i>Profit and loss account</i>	2008	2007	Changes
C) Financial Income and Charges			
15) Income from investments:	61	33	28
- dividends and other income from associates	61	33	
16) Other financial income:	2,287	3,545	-1,258
a) from receivables recorded in the fixed assets:	235	0	
b) from securities recorded under fixed assets but not classed as investments	691	2,909	
c) from securities recorded under current assets but not classed as investments	0	46	
d) other income:	1,361	590	
17) Interest and other financial charges	-1,218	-1,466	248
- bank charges	-1,218	-1,466	
17-bis) Exchange gains and losses	256	-96	
Total C)	1,386	2,016	-630
D) Value adjustments to financial assets			
18) Revaluations	346	782	-436
a) of investments, including shares of profits from non-consolidated equity investments	346	782	
19) Write-downs	-210	-3,044	2,834
a) of investments, including shares of profits from non-consolidated equity investments	-198	-3,024	
c) of securities classed as current assets	-12	-20	
Total D)	136	-2,262	2,398
E) Extraordinary Income and Charges			
20) Income	15	1,135	-1,120
- other	15	1,135	
21) Charges	-5,647	-19,124	13,477
- other	-5,647	-19,124	
Total E)	-5,632	-17,989	12,357
Profit (loss) before tax (A-B+C+D+E)	27,165	16,815	10,350
22) Current, deferred and prepaid income tax for the year	14,828	14,109	719
- current	14,641	15,399	
- deferred (prepaid)	187	-1,290	
Profit (loss) including minority interests	12,337	2,706	9,631
22 bis) Minority interest profit / loss due to third parties	703	393	-393
23) Profit / Loss for the year	11,634	2,313	9,321



Explanatory Notes

Dear Shareholders,

The financial statements which we submit for your approval, comprised of the Balance Sheet, Profit and Loss Account and Explanatory Notes, have been prepared according to Italian GAAP supplemented with the accounting standards developed by the Italian National Councils of Public and Chartered Accountants and, if none, with those issued by the International Accounting Standards Board (IASB). In order to provide full disclosure, the financial statements were integrated with the Cash Flow Statement which analyses cash flows generated during the year.

The purpose of the Explanatory Notes is to illustrate, analyse and in some cases supplement data in the Consolidated Balance Sheet and Profit and Loss Account statements. The Explanatory Notes contain all information required under applicable regulations.

Pursuant to art. 2428 of the Italian Civil Code, the nature of the group's business, the situation and development of group management, relations with subsidiaries and associated companies, significant events subsequent to the closure of the financial year and the business outlook for the group are described in the Management Report prepared by the parent company directors, to which reference should be made for a more complete disclosure.

In addition to the parent company SIA-SSB S.p.A., the scope of consolidation includes the following companies:

COMPANY NAME	REGISTERED OFFICE	SHARE CAPITAL	amounts in Euro/000		
			% OWNED BY THE GROUP		
			DIRECT	INDIRECT	THROUGH
SIA-SSB S.p.A. (Parent company)	MILAN	22,091			
GBC Z.r.t.	BUDAPEST (HUN)	719	100.00%		
Perago AG	ZUG (CH)	60	100.00%		
TSP S.r.l.	MILAN	5,647	100.00%		
Kedrios S.p.A.	MILAN	2,403	81.24%		
Perago FSE Ltd (*)	PRETORIA (SAF)	2		100.00%	PERAGO AG
RA Computer S.p.A.	MILAN	3,000	65.00%		
SINSYS S.A.	BRUSSELS (B)	6,000	51.00%		
Simbologica S.r.l. (**)	MILAN	65		49.56%	KEDRIOS S.p.A.
(*) Perago FSE is 100% controlled by Perago AG					
(**) Simbologica S.r.l. is 61% controlled by Kedrios					

GBC – Giro Bankkartya Zrt, with headquarters in Budapest (Hungary), 100% owned by SIA-SSB. The company has a share capital of HUF 177,000,000. This company, acquired in July 2007, was consolidated with the line-by-line method.

Perago AG, with headquarters in Unterägeri (Switzerland), 100% owned by SIA-SSB, was incorporated in the last quarter of 2005. The company has a share capital of CHF 100,000. This company was consolidated with the line-by-line method. In comparison to the financial statements as at 31 December 2007, the consolidation area has not changed, notwithstanding the transfer of equity interests to Perago FSE from SIA-SSB Spa to Perago AG and the acquisition of a further 25% of the equity interest in Perago FSE directly on behalf of Perago AG.

TSP - Tecnologie e Servizi per il Pubblico S.r.l., with headquarters in Milan and a share capital of € 5,647,000, composed of a single stake wholly-owned by the sole shareholder SIA-SSB. This company was consolidated with the line-by-line method.

Kedrios S.p.A, with headquarters in Milan, 81.24% owned by SIA-SSB S.p.A., with a share capital of € 2,402,500. This company was consolidated with the line-by-line method.

Perago FSE Ltd., with headquarters in Pretoria (Republic of South Africa) is 100% owned by Perago AG. The company has a share capital of ZAR 5,820,000. This company was consolidated with the line-by-line method.

RA Computer S.p.A., with headquarters in Milan, has share capital of € 3,000,000 and is 65% owned by SIA-SSB. This company was consolidated with the line-by-line method.

SiNSYS SA, with headquarters in Brussels was incorporated on 23 September 2003 with a share capital of € 6,000,000, 51% subscribed by SIA-SSB and 49% by Atos Worldline SA/NV, with headquarters in Brussels. This company was consolidated with the line-by-line method.

Simbologica S.r.l., with headquarters in Milan, has a share capital of € 65,000. The company is indirectly owned through Kedrios which owns 61%. This company was consolidated with the line-by-line method.

The closing date of the financial statements coincides for all companies included in the scope of consolidation, and corresponds to that of the parent company.

REPORTING CRITERIA FOR THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were drafted on the basis of financial statements prepared by the respective companies as at 31 December 2008 in compliance with applicable law, and submitted for approval of the company bodies. All statements are expressed in thousands of euro unless specified otherwise.

CONSOLIDATION PRINCIPLES

The consolidation principles adopted are illustrated below.

Asset and liability items, as well as income and charges of the companies included in the scope of consolidation are reported on a line-by-line basis.

The book value of equity investments in the companies included in the consolidation area is cancelled against the corresponding portion of the shareholders' equity. The difference in the cost of the equity investment compared to the shareholders' equity of the investee at the date of acquisition is proportionally recognised to the asset and liability items to which it can be attributed. The remainder, if positive, is recognised to assets under consolidation differences and, if negative, to consolidated shareholders' equity as consolidation reserves. Otherwise, if it is expected that the acquired company will incur losses in the financial years immediately following acquisition, it is recognised to the liability item 'Consolidation provisions for risks and charges'. These provisions will be used in future years to cover any losses incurred.

Payables and receivables existing between companies included in the scope of consolidation as at the balance sheet date are eliminated.

Costs and revenues regarding intercompany transactions during the year are eliminated.

If significant, the profits and losses resulting from transactions between the companies included in the scope of consolidation are eliminated.

Dividends, loss coverage and write-downs of equity investments included in the scope of consolidation are eliminated.

The translation to Euro of foreign investee company financial statements applying the year-end exchange rate to balance sheet items and the year-average exchange rate to profit and loss account items.

RECONCILIATION BETWEEN THE SHAREHOLDERS' EQUITY AND PROFIT (LOSS) OF THE PARENT COMPANY AND THE SHAREHOLDERS' EQUITY AND PROFIT (LOSS) FOR SUBSIDIARIES

The reconciliation statement between the parent company shareholders' equity and profit (loss) for the year as at 31 December 2008 and the consolidated figures as at the same date are attached to these Explanatory Notes.

VALUATION CRITERIA

In drafting the consolidated financial statements, the valuation criteria and accounting standards adopted are inspired by the general criteria of prudence and accrual with a view to business continuity.

The valuation criteria adopted for the most significant items are indicated below.

Intangible fixed assets

Intangible fixed assets, based on article 2426 of the Italian Civil Code, are recognised at purchase or production cost, including any accessory charges. Intangible fixed assets subject to transfer or split are recognised at the value established in the related agreement. The values recorded are amortised on a straight-line basis depending on their future useful lives. If at the balance sheet date any fixed assets have undergone impairment, they are written down accordingly. If the reasons for write-down should at any time no longer apply, the write-down is not carried forward to future years.

*Industrial patent and intellectual property rights:***- Patents:**

The amortisation period corresponds with the duration of the patent.

- Software licences:

This item includes costs for the purchase of user licences for third-party software. The recorded costs all relate to long-term utilisation and are amortised according to the user licence duration. If the licence has an unlimited duration, the related cost is amortised over 3 years. Infrastructure and software application licences of particular strategic importance are examined on a case-by-case basis to assess the fair useful technical and economic life, which in exceptional circumstances may be more than 3 years. Annual licence instalments are charged directly to the Profit and Loss Account under "Costs for use of third party assets".

- Projects developed during the year:

This item includes in-house software development projects already at production stage as at the balance sheet date. Third-party services are recognised at their direct cost, whereas production costs are calculated according to art. 2426, subsection 1, paragraph 1 of the Italian Civil Code through identification of the specific cost of related internal resources. The amortisation period is 3 years. Infrastructure and application software projects of particular strategic importance are examined on a case-by-case basis to assess the fair useful technical and economic life, which in exceptional circumstances may be more than 3 years. Costs relating to projects completed as at the end of the year for which future utilisation is certain are recorded under Balance Sheet assets.

Software programmes under development and advances:

This item includes production and purchase costs for the production of new software programmes as part of projects not yet completed or at final testing stage, and therefore not yet in operation at the end of the year. These relate to projects for which completion by the Company is reasonably certain from a technical point of view. Should these requisites not be met, the project costs are charged to the Profit and Loss Account for the year. It is only when the procedures using such software programmes go into production that the costs are reclassified to "Projects developed during the year", with subsequent commencement of related amortisation.

Goodwill:

In compliance with art. 2426, paragraph 6 of the Italian Civil Code and subject to Board of Statutory Auditors consent, goodwill is recognised to the extent of costs incurred and normally amortised over 5 years. If amortisation is applied for a period exceeding five years, justification is provided in the Explanatory Notes.

Consolidation differences:

This item includes the positive differences between the acquisition cost of investments in subsidiaries and the corresponding portion of shareholders' equity acquired as at the date of consolidation, adjusted according to group accounting principles. Consolidation differences are normally amortised over five years from the equity investment acquisition date. If amortisation is applied for a period exceeding five years, justification is provided in the Explanatory Notes. For controlling interests acquired during the year, amortisation for the first year is calculated in proportion to the duration of the period of control.

Other intangible fixed assets:

This item includes long-term charges relating to third-party assets. Amortisation is calculated according to the duration of the contract concerned and the residual useful life of the investment, and in any event for a period not exceeding 5 years.

Tangible fixed assets

Tangible fixed assets are recorded at their purchase cost, inclusive of related start-up costs. The values recorded are adjusted by their respective accumulated depreciation. If at the balance sheet date the value proves persistently lower than the net book value, the value is written down accordingly. If the reasons for write-down should at any time no longer apply, the write-down is not carried forward to future years. Depreciation recognised to the profit and loss account was calculated systematically and on a straight line basis - reduced by 50% for assets purchased during the year - according to the domestic rate considered most representative of the estimated useful technical and economic life of the assets. These rates are then detailed in comments to the balance sheet items.

Costs for maintenance and repairs are charged to the Profit and Loss Account for the year in which they are incurred when they are of an ordinary nature, or capitalised if extraordinary.

Financial fixed assets

Equity investments in associated companies are valued by the equity method; equity investments in other companies are recorded at their purchase cost and are written down in case of impairment. Long-term investment portfolio securities are recorded in the item "Other securities" under Financial Fixed Assets. This item includes both the purchase cost of the securities and directly attributable accessory charges, excluding accumulated interest which is recorded under "Accrued income and prepayments" or, if interest has already matured in full, to "Other receivables" under Current Assets. If at the time of preparation of the financial statements the security proves to be impaired, or if a change in economic use of the asset is decided, e.g. from a capitalised asset to an asset held for trading, the cost criteria is replaced by the lower of the cost and the market value of the security. Securities classed as long-term investments are held until their natural maturity.

Change in long-term contracts

The valuation of long-term contracts with duration beyond the year is based on percentage completion criteria pursuant to art. 2426, subsection 11 of the Italian Civil Code. The percentage completion of the contracts was calculated according to the cost-to-cost method. Any losses on the contract, expected on the basis of objective, reasoned assessment, are charged to the profit and loss account in the period in which they become known, allocating the year-end inventories value to a special fund or reducing the value as appropriate.

Inventories of finished products and goods

Inventories of products and goods are valued at the lower of the purchase price and the realisable value deriving from the market trend. The cost is determined using the weighted average cost method. Values deriving from adoption of the weighted average cost method do not significantly differ from those resulting from current costs at the end of the year. The value of final inventories is adjusted for several articles depending on the market price and the estimated realisable value in case of obsolete articles.

Receivables and payables

Receivables are recorded according to their estimated realisable value, corresponding to the difference between the nominal value and the bad debt provision created during the previous years and increased by the amount allocated during the year. Payables are shown at their nominal value.

Short-term investments

Securities classed as short-term investments are valued at the lower between the purchase cost and market value, defined as the market value on the last day of trading for the year.

Cash and cash equivalents

Cash and cash equivalents are recorded at nominal value and represent the existence of cash and equivalent calculable sums as at the balance sheet date.

Accrued income

The item Accrued Income includes the shares of revenues for the year to be received in future financial years.

Accruals and deferrals

These are recognised according to the cost matching principle. The item prepayments includes costs, the extent of which is time-dependent, incurred by the end of the financial year but relating to future financial years. The item deferred income includes income for the year that will be collected in future years.

Provisions for risks and charges

The provisions for risks and charges include allocations for loss cover or debts of a calculable nature, whose existence is certain or probable, where the total or date of the contingency asset cannot be calculated as at year-end.

Employee severance indemnity

Allocation is performed in compliance with legal regulations and current employment contracts, and represents the debt matured in favour of employees as at the end of the financial year.

Costs and Revenues

These are recorded using the cost matching principle, also in observance of the principle of prudence.

Income from investments

Dividends from investments in limited companies, not consolidated by the global integration method and not valued by the equity method, are recorded in the year in which they are collected.

Derivatives

The derivatives comprise interest rate swap (IRS) hedges.

The IRS interest spread is recorded financial charges in the profit and loss account according to the matching principle. If any transaction is not in perfect alignment with the underlying financial position, it is assessed under market conditions.

Taxes

The allocation of taxes for the year, recorded in the financial statements, was calculated based on the forecast of taxable income pursuant to current regulations. Deferred tax assets and liabilities are calculated on the temporary differences between the value of assets and liabilities according to Italian GAAP criteria and their value for tax purposes. Deferred tax assets are recorded only when there is a reasonable certainty of their future recovery. The temporary difference relating to tax losses which can be carried forward is recorded in the financial statements when its recovery through future taxable income is reasonably certain.



Breakdown of Balance Sheet items

ASSETS

Fixed assets - 96,714 €/000

Intangible fixed assets

Intangible fixed assets totalled € 73,477 thousand (€ 81,340 thousand in 2007) and were primarily composed of:

Industrial patent and intellectual property rights

Software programmes for services to customers

These refer to software programmes required to provide services to customers. The increases refer to new applications or increases in old applications, in order to manage the changing needs of the market or to comply with new rules regarding the provision of services.

Software programmes for internal use

These refer to basic software programmes which, along with the Operating System, allow full use of the services offered by the data processing system hardware, to software applications allowing data processing according to different needs and software for the Corporate Office Automation System.

Patents and trademarks

This represents the cost, net of direct amortisation, for the research and registration of patent applications in Italy and abroad, and the trademarks used to identify the products/services offered by the group.

Software programs under development and advances

These costs refer to the development of software programmes for which, at the end of the year, their completion and future use is certain in providing profitable services to customers. It is only after these programmes advance to production stage and external procedures testing that the costs relating to such projects are classified under "Software programmes for services to customers" with subsequent commencement of the amortisation process.

Other intangible fixed assets

These mainly comprise long-term charges regarding works on leased assets, and mainly refer to the costs incurred in 2003 for the design and development of new offices.

Intangible fixed assets were not revaluated and do not include capitalised financial charges. The changes in intangible fixed assets during the year are illustrated in the Supplementary Information section of the Explanatory Notes.

Consolidation differences

These refer to residual differences on items not attributable to the Profit and Loss Account, between the cost of acquisition of equity investments and the related portion of shareholders' equity at the time of their inclusion in the consolidation area. Amortisation is spread over 5 years, except for GBC for which it was considered reasonable to opt for a 10-year period. In establishing 10 years as the goodwill amortisation period, reference was made to the GBC three-year plan. The residual value of goodwill to be amortised will be reviewed on an annual basis to confirm its recoverability, guaranteeing an adequate return on the capital invested. Such assessments were confirmed by an independent expert.

Tangible fixed assets

The net book value of tangible fixed assets amounted to € 11,722 thousand (€ 14,177 thousand in 2007).

Tangible fixed assets were revaluated and do not include capitalised financial charges. Depreciation recognised during the year amounted to € 5,987 thousand and was calculated on all assets depreciable as at 31 December 2008, applying the rates deemed to best represent the economic-technical life of the assets. The increases for the year refer mainly to IT infrastructure enhancements. The changes in tangible fixed assets during the year are illustrated in the Supplementary Information section of the Explanatory Notes.

Financial fixed assets

The net book value of tangible fixed assets amounted to € 11,515 thousand (€ 15,505 thousand in 2007).

Equity investments in associates and other companies

As at 31 December 2008, equity investments in associated companies totalled € 4,297 thousand, whilst investments in other companies amounted to € 67 thousand, for a total recorded value of € 4,364 thousand. These companies were not consolidated, but rather assessed using the equity method on the corresponding percentage investment.

Equity investments in non-consolidated companies can be summarised as follows:

Associated Companies	Percentage owned	Value as at 31/12/2008
Glesia S.r.l.	49.00%	1,009
Actalis S.p.A.	44.60%	1,988
ATS S.p.A.	30.00%	622
Perago Africa Ltd.	30.00%	678
Other		
Isnova S.c.r.l.	22.23%	51
Banca Etica S.p.A.	-	16
Perago FSE Share Trust	-	-
Total		4,364

Glesia S.r.l.

The 2008 results show a value of production of € 15.4 million (€ 15.2 million in 2007), and net profits for € 2.0 million (€ 1.4 million in 2007).

INVOICING S.r.l.

The value of the equity investment recorded in the financial statements was cancelled given that as at 31 December 2008 the statement of realisation and liquidation was drawn up which permitted the conclusion of the winding-up procedure of the company.

Actalis S.p.A.

The 2008 figures show revenues for € 9.4 million with an increase of approximately € 0.6 million in comparison to the previous year; the gross operating margin was negative for € 0.2 million, an improvement compared to the previous year when it was negative for € 1.3 million. The year underway closed substantially balanced.

Perago Africa Ltd.

The company is a service provider for the members of the SWIFT network in the sub-Saharan area and carries out activities of development maintenance of software applications for the financial and telecommunications sector.

2008 ended with net profits for the year of € 0.8 million.

ATS S.p.A.

2008 had a value of production of approximately € 9.4 million, an operating margin of € 0.6 million, and a net profit of € 0.1 million.

Equity investments in other companies

For an analysis of the business activities and performance of the various companies, reference should be made to the Management Report.

Waini S.r.l.

Waini S.r.l., the company, whose business purpose was the sale, distribution and presentation of marketing on their own behalf and for third parties, as well as the promotion of high-volume consumer goods of any category, particularly wine market products and advance sales certificates on wines, was transferred in the month of December and, moreover, it was provided to cancel the figures.

Isnova S.c.r.l.

This is a non-profit making organisation for new technology development and promotion on the national and international markets. The equity investment recorded was € 52 thousand.

Banca Etica S.p.A.

This equity investment is held by the subsidiary RA Computer.

Perago FSE Share Trust

This equity investment is held by the subsidiary Perago FSE.

Due from associated companies realisable beyond the following financial year

The receivable originally referring to the subsidiary INVOICING and covered by provisions for risks of an equal value, was reimbursed subsequent to the liquidation of the company.

Due from others realisable beyond the following financial year

These refer to security deposits on service supply contracts and real estate lease agreements.

	31/12/2008	31/12/2007
Due from others		
Lease agreements	0	150
Other	160	64
Total	160	214

Other securities

Details of this item are illustrated in the following table, which includes changes and value adjustments for the year. Changes in the portfolio mainly relate to the redemption of securities on maturity.

	Balance as at 31/12/2007	Acquisitions	Disinvestments/Redemptions	Write-downs/write-backs	Balance as at 31/12/2008
Government securities	4,010		-2,003	-9	1,998
Corporate bonds	6,994		-1,999	-2	4,993
Total	11,004	-	-4,002	-11	6,991

Current assets – 162,965 €/000

As at 31 December 2008, current assets were composed as follows:

	31/12/2008	31/12/2007
Current assets		
Inventories	5,002	7,250
Receivables	121,519	134,711
Short-term investments	5,678	9,441
Cash and cash equivalents	30,766	19,137
Total	162,965	170,539

The main differences on the decrease are in the reduction in trade receivables following an important action of recovery and return of various portfolio bonds, compensated by an increase in the cash on hand.

Accrued income and prepayments – 10,590 €/000

Prepayments

These can be broken down as follows:

	31/12/2008	31/12/2007
Prepayments		
Other	10,590	7,001
Total	10,590	7,001

For that which concerns their nature, we specify that the item prepayments regard costs sustained in advance for services to be used in 2008. They are essentially relevant to the software, hardware and maintenance rental contracts and insurance premiums. There are no prepayments with a duration greater than five financial years.

LIABILITIES

Shareholders' equity – 135,154 €/000

Share capital

The share capital amounts to € 22,091 thousand, divided into 169,932,974 ordinary shares with a nominal value of € 0.13 each. For an analysis of changes in capital during the year, reference should be made to the attached statement.

	31/12/2008	31/12/2007
Share capital		
Share capital	22,091	22,091
Total	22,091	22,091

Legal reserves

The legal reserve of the parent company recorded the following changes:

	31/12/2008	31/12/2007
Legal reserves		
Opening Balance	2,988	2,536
Total	2,988	2,536

The reserve has not yet reached a fifth of the share capital pursuant to art. 2430 of the Italian Civil Code.

Reserves for split-off surplus

This represents the difference between the total value of assigned SIA-SSB shares and the book value of assets transferred in the year 2000 following the partial split-off of the "processing" branch of Servizi Interbancari S.p.A.

	31/12/2008	31/12/2007
Reserve for split-off surplus		
Split-off of Servizi Interbancari	1,426	1,426
Total	1,426	1,426

Reserve for merger surplus

This represents the total difference of € 78,844 thousand generated from the merger by incorporation of SIA S.p.A. in 2007.

	31/12/2008	31/12/2007
Reserve for merger surplus		
Merger by incorporation of SIA S.p.A.	78,844	78,844
Total	78,844	78,844

Undistributed profits and other reserves

The item undistributed profits and other reserves includes the effects on group results in previous financial years.

	31/12/2008	31/12/2007
Undistributed profits and other reserves		
Undistributed profits and other reserves	11,754	16,440
Total	11,754	16,440

Provisions for risks and charges – 12,954 €/000

Provision	Balance as at 31/12/2007	Increases	Utilisation	Balance as at 31/12/2008
Claims risks	1,141	263	-991	413
Future charges	403	1,530	-246	1,687
Restructuring costs	11,593	3,326	-6,634	8,285
Equity investment risk	1,975	-	-698	1,277
Deferred tax reserve	1,887	-	-595	1,292
Total	16,999	5,119	-9,164	12,954

The provision for damages was allocated as a result of claims for damages made by various customers as a result of discrepancies occurring in the current and previous years. It should be mentioned that certain positions are partly covered by insurance.

The provision for future charges mainly refers to costs that could be incurred for advance termination of the lease agreement on the Roncaglia property.

The provision for restructuring costs was established to meet personnel reorganisation costs and its considerable use is due to the foreseen leaving of personnel.

The provision for equity investment risks relates to losses generated by the subsidiary Perago AG.

Employee severance indemnity – 26,258 €/000

Adjustment of the debt was performed in compliance with current regulations and covers sums matured by employees as at 31 December 2008. Movements during the year were as follows:

	31/12/2008	31/12/2007
Employee severance indemnity		
Opening Balance	28,368	9,911
Increases from merger	0	19,853
Utilisation for termination of employment contracts, advances and pension funds	-8,563	-7,827
Allocations accrued during the year	6,453	6,431
Total	26,258	28,368

Payables – 90,055 €/000

Due to suppliers

Amounts due to suppliers amount to € 35,714 (€ 50,599 in 2007) and are made up of trade payables due within the next financial year. The decrease is mainly relevant to minor purchases and a contract and supplier conditions optimisation policy.

Due to associates

Amounts due to associates can be broken down as follows:

	31/12/2008	31/12/2007
Due to associates		
INVOICING	-	213
Actalis	281	399
ATS	447	726
Other	25	67
Total	753	1,405

The amounts due to ATS refer to consulting services, whereas the amount payable to Actalis refers mainly to product purchases.

Income taxes payable

Tax payables can be broken down as follows:

	31/12/2008	31/12/2007
Tax payables		
Due to tax authorities for withholding taxes	3,292	3,154
VAT payables	1,463	2,730
Due to tax authorities for IRES and IRAP (Corporate and Regional Business Tax)	2,542	179
Other	168	490
Total	7,465	6,553

Due to social security authorities

The amount can be broken down as follows:

	31/12/2008	31/12/2007
Due to social security authorities		
INPS (Social Security)	10,129	7,904
Other	575	70
Total	10,704	7,974

The payables indicated above mainly refer to social security contributions on wages and salaries for December 2008, as well as contributions for leave accrued but not taken.

Other payables

The overall amount of € 20,857 thousand (€ 23,270 thousand in 2007) is composed mainly of amounts due to employees for remuneration accrued but not yet paid. The amount due to employees includes variable pay components, i.e. MBO system payments and bonuses, together with sums relating to personnel reorganisation procedures implemented by the parent company, all considered final and certain.

Accrued liabilities and deferred income – 5,848 €/000

This item amounts to € 5,848 thousand (€ 6,478 thousand in 2007) and refers to revenues recorded as at 31 December 2008 but receivable in future years.

Memorandum accounts – 18,876 €/000

The memorandum accounts primarily illustrate Group commitments and guarantees to third parties. They amount to € 18,876 thousand (€ 5,403 thousand in 2007).



Breakdown of Profit and Loss Account items

Value of production – 397,128 €/000

Revenues from services and sales of products

Revenues from ordinary operations are broken down as follows:

	2008	2007
Revenues from services and sales of products		
Network services	56,929	58,429
Payment systems	88,579	84,549
Credit and debit card services	163,489	149,085
Capital market	69,606	92,813
Other	-	-
Total	378,603	384,882

There was a slight decrease for Network Services. This change is a consequence of the reduction in revenues deriving from the modification in 2008 of the VAT tax regime on various services and the implementation of a new pricing policy, only in part compensated by the breakdown of the component relevant to the Network services in the scope of valid bundled contracts, as well as from higher turnover and software development for clients of primary importance.

In the Payment Systems item, we point out higher revenues deriving from the effects of the introduction of the IBAN on the ICI service for Collections and Payments.

In relation to the Processing Services for the cards, we point out an increment of turnover relevant to the management of international debit and credit cards as well as domestic debit cards in addition to greater software development activities.

The item dedicated to financial services, shows a decrease in revenues due to the termination of various services with primary clients, from the renegotiation of various contracts with important clients, as well as the previously mentioned breakdown of network services.

Change in long-term contracts

The change in long-term contracts amounted to € 2,667 thousand and mainly refer to the state of progress of work on the jobs relevant to the RTGS project for Norway and Clearing CFD for the LSE and the conclusion of RTGS projects for Sweden and Egypt.

Increases in own work capitalised

The overall amount was equal to € 6,006 thousand (€ 9,537 thousand in 2007) and relates to:

Software programmes developed during the year

These refer to costs incurred during the year for the completion of software programmes, for which the amortisation procedure has been initiated.

Software programmes under development

These refer to costs for the development of software programmes, for which, at the end of the year, the completion and future use for the provision of services to customers is certain. It is only after these programmes advance to production stage and external procedures testing that the costs relating to such projects are classified under "Software programmes for services to customers" with subsequent commencement of the amortisation process.

Other revenues

Other operating revenues are broken down as follows:

Other revenues	2008	2007
Other revenues	5,701	3,552
Contingent assets	4,151	4,124
Capital gains on disposal of assets	-	12
Total	9,852	7,688

Contingent assets refer mainly to certain insurance reimbursements against customer claims incurred in the previous year, release of part of the provisions for risk allocated in previous years and the definition of data transfer invoicing adjustments for a number of banks.

Cost of production – 365,853 €/000

The cost of production is composed of:

Cost of production	2008	2007
Purchase costs	4,644	3,507
Service costs	122,049	131,673
Costs for use of third-party assets	52,241	51,641
Personnel costs	128,660	125,913
Amortisation, depreciation and write-downs	32,946	31,641
Changes in inventories of raw materials	9	-9
Provisions for risks	1,922	698
Other operating costs	23,382	23,249
Total	365,853	368,313

The Amortisation item includes the consolidation differences of € 8.6 million regarding GBC, RA Computer, Perago FSE and Simbologica. The stake holding in Perago FSE was written down for € 2.6 million subsequent to the appraisal carried out by an independent third party. This figure results from the difference from the value of the appraisal and the amount of the consolidation differences accumulated to date. It should also be mentioned that the residual amount of consolidation differences totalling € 46.3 million includes € 39.5 million regarding GBC, € 5.9 million RA Computer and € 0.9 million Perago FSE.

Amortisation is spread over 5 years, except for GBC for which it was considered reasonable to opt for a 10-year period. Therefore, in order to calculate a reasonably long time span in which to optimise the launch of this project, reference was made to the GBC 3-year plan, which indicates that the company will reach break-even point at the end of the three-year period, the net profits forecast allowing the amortisation of goodwill within six and a half years. In conclusion, it was deemed reasonable to establish the duration of 10 years in

which the goodwill shall be systematically amortised. The residual value of goodwill to be amortised will be reviewed on an annual basis to confirm its recoverability, guaranteeing an adequate return on the capital invested. Such assessments were confirmed by an independent expert.

As at 31 December 2008, employees numbered 1,833. The average number of employees, divided by category, is as follows:

	2008	2007
Top Management and Executives	69	97
Middle managers and staff	1,764	1,791
Total	1,833	1,888

Financial income and charges – 1,386 €/000

These include income from securities, current accounts and integration of the share of dividends allocated in 2008 by associated companies. The item also comprises interest expense on the medium/long-term loan obtained for acquisition of equity investments and from the economic effects of interest rate swaps on this loan.

Other financial income

This item is composed of:

	2008	2007
Other financial income		
Interest income from current accounts and short-term credit facilities	920	2,288
Interest on bonds	447	476
Interest income on IRS	244	483
Other interest income	676	298
Total	2,287	3,545

Financial interest and charges

These are composed of:

	2008	2007
Financial interest and charges		
Interest expense on medium/long-term loans	520	589
Bank charges	439	141
Interest expense on IRS	239	573
Interest expense to suppliers	10	13
Other	10	150
Total	1,218	1,466

Exchange gains (losses)

Exchange gains (losses)	2008	2007
Exchange gains (losses)	256	-96
Total	256	-96

Value adjustments to financial assets – 136 €/000

Revaluation of Equity investments

This item refers to revaluation of the equity investments in Glesia S.r.l. and ATS S.p.A. following their valuation using the equity method.

Revaluation of Equity investments	2008	2007
Revaluation of Equity investments	346	782
Total	346	782

Write-down of Equity investments

Write-down of Equity investments	2008	2007
Write-down of Perago Africa	181	1,600
Write-down of Actalis	-	707
Write-down of Thesia	-	640
Write-down of INVOICING	-	77
Write-down of Waini	17	-
Total	198	3,024

Extraordinary income and charges – 5,632 €/000

	2008	2007
Extraordinary income and charges		
Extraordinary income	15	1,135
Extraordinary charges	-5,647	-19,124
Total	-5,632	-17,989

Extraordinary charges include costs incurred as a result of implementation of the personnel reorganisation process.

Income taxes for the year – 14,828 €/000

These are composed of:

	2008	2007
Income taxes for the year		
Current tax	14,641	15,399
Deferred/prepaid tax	187	-1,290
Total	14,828	14,109



Supplementary Information

Statement of changes in intangible fixed assets

	Historical cost					Balance as at 12/31/2008 (f=a+b+c+d-e)
	Balance as at 12/31/2007 (a)	differences of translation (b)	Reclassifications (c)	Increases (d)	Decreases (e)	
Formation costs	261					261
Research and development costs	308		11,478	2,488		14,274
Industrial patent and intellectual property rights	241,582	262	-9,796	10,958	719	242,287
Franchise, licences and trademarks	45					45
Goodwill	3,877		122			3,999
Consolidation differences	101,428			3,016	2,631	101,813
Projects under development	4,255		-1,671	6,669	4,741	4,512
Other intangible fixed assets	22,183		-133	899		22,949
Total intangible fixed assets in use	373,939	262	0	24,030	8,091	390,140

Accumulated amortisation							12/31/2007	12/31/2008
Balance as at 12/31/2007 (g)	currency translation differences (h)	Reclassifications (i)	Increases for acquisitions (j)	Amortisation and depreciation for the year (k)	Decreases for adjustments (l)	Balance as at 12/31/2008 (m=g+h+i+j+k-l)	Fixed assets net intangible assets (n=a-g)	Fixed assets net intangible assets (o=f-m)
261						261	0	0
305		6,141		2,612		9,058	3	5,216
221,957		-6,138		11,411	80	227,150	19,625	15,137
32				4		36	13	9
3,648		91		154		3,893	229	106
46,861				8,598		55,459	54,567	46,354
19,535		-94		1,366		20,807	4,255	4,512
292,599	0	0	0	24,145	80	316,664	81,340	73,476

Statement of changes in tangible fixed assets

	Historical cost					Balance as at 12/31/2008 (e=a+ b-c-d)
	Balance as at 12/31/2007	Reclassifications	Increases	Decreases	Write-downs	
	(a)	(b)	(b)	(c)	(d)	
Land and buildings	3			3		0
Plant and equipment	102,602		3,184	1,543		104,243
Fixtures and fittings	903		89	9		983
Other assets	14,592		362	75		14,879
Work in progress and payments on account	3		9			12
Total tangible fixed assets	118,103	0	3,644	1,627	0	120,117

Accumulated amortisation							12/31/2007	12/31/2008
Balance as at 12/31/2007 (f)	Reclassifications (g)	Increases for acquisitions (h)	Amortisation and depreciation for the year (i)	Decreases for the year (l)	Decreases for write-downs (m)	Balance as at 12/31/2008 (n=f+g+h+i-l-m)	Fixed assets net tangible assets (o=a-e)	Fixed assets net tangible assets (p=e-n)
0						0	3	0
90,918			5,129	1,381	78	94,588	11,684	9,655
607			100			707	296	276
12,401			757	57	1	13,100	2,191	1,779
0						0	3	12
103,926	0	0	5,986	1,438	79	108,395	14,177	11,722

Cash Flow Statement (Section I)

	2008	2007
<i>(in Euro/000)</i>		
SOURCES OF FINANCING		
Profit (loss) for the year	11,634	2,313
Third-party profit (loss) for the year	703	393
Amortisation, depreciation and write-downs	30,134	31,641
Allocations to employee severance indemnity	6,453	6,431
Allocations to provisions for risks and charges	1,922	12,976
Deferred taxes	(595)	(1,292)
Change in employee severance indemnity fund due to merger	0	19,854
Change in provisions for risk due to merger	0	5,627
Change in shareholders' equity due to merger	0	58,992
Change to consolidation area	(815)	3,743
Write-downs of equity investments	0	0
Subscribed capital unpaid	0	0
NET CURRENT ASSETS GENERATED FROM INCOME MANAGEMENT	49,436	140,678
Book value of disposed tangible and intangible assets	0	35
TOTAL SOURCES	49,436	140,713
USE OF FUNDS		
Investments in tangible fixed assets	3,532	7,960
Investments in intangible fixed assets	16,284	60,771
Change in tangible fixed assets due to merger	0	5,350
Change in intangible fixed assets due to merger	0	32,472
Change in financial fixed assets due to merger	0	15,654
Net change in financial fixed assets	(4,013)	(1,685)
Changes in equity investments in associated companies	77	0
Change to locked-up receivables	(54)	0
Use of bad debt provision	0	650
Disbursement of employee severance indemnities	8,563	7,828
Dividend distribution	5,999	5,856
Use of provisions for risks and charges	5,372	6,656
TOTAL USE	35,760	141,512
Increase (Decrease) in Net Working Capital	13,676	(799)

Cash Flow Statement (Section II)

	2008	2007
<i>(in Euro/000)</i>		
CHANGES IN CURRENT ASSETS		
Inventories	-2,248	4,546
Receivables		
- Due from customers	-7,036	66,171
- Due to associates	-3,212	3,267
- Due from others	-2,944	16,580
Other securities	-3,763	4,441
Cash and cash equivalents	11,629	-25,125
Accrued income and prepayments	3,589	3,701
TOTAL CURRENT ASSETS	-3,985	73,581
CHANGES IN CURRENT LIABILITIES		
Payables		
- Due to banks	-554	12,369
- Advances	-2,169	4,916
- Due to suppliers	-14,885	28,146
- Due to associates	-652	701
- Tax payables	912	1,227
- Due to Social Security	2,730	5,149
- Other payables	-2,413	15,475
- Deferred tax provisions	0	0
Accrued liabilities and deferred income	-630	6,397
TOTAL CURRENT LIABILITIES	-17,661	74,380
Increase (Decrease) in Net Working Capital	13,676	(799)

Reconciliation between parent company and consolidated shareholders' equity and profit (loss) for the year

	net equity	including profit (loss) for the year
SIA-SSB S.p.A.	174,485	16,732
Profit or (loss) for consolidated companies	329	329
Profit or (loss) for consolidated third party consolidated companies	-703	-703
Amortisation of consolidation differences	-58,090	-11,229
Differences due to the alignment of accounting principles (amortisations)	-619	430
Tax differences due to the alignment of accounting principles (amortisations)	171	-125
Elimination of sales capital gains from RA Computer	-832	0
Elimination of unrealised profit on projects in process	0	24
Elimination of unrealised profits on capitalisations and related amortisations	-99	-80
Reversal of dividends	-7,299	-7,299
Reversal of provisions for risks on shares	2,409	1,132
Reversal of subsidiary write-downs	20,005	11,801
Net Equity method valuation of associated companies	-1,471	622
Consolidation reserve	450	0
SIA-SSB S.p.A. Group	128,737	11,634

Statement of changes in Shareholders' Equity

Statement of changes in Shareholders' Equity

	Share capital	Legal reserve	Reserve for split-off surplus	Reserve for merger surplus	Undistributed profits and other reserves	Profit (loss) for the year	Shareholders' equity
Balances as at 31 December 2007	22,091	2,536	1,426	78,844	16,440	2,313	123,650
Allocation of previous year's profits		453			1,860	-2,313	
Dividend distribution					-5,999		
Translation reserve changes					-548		
Profit (loss) for the year						11,634	
Balances as at 31 December 2008	22,091	2,989	1,426	78,844	11,753	11,634	128,737

Breakdown of Shareholders' Equity

Type/Description	Amount	Possibility of utilisations	Quota Available
Capital	22,091		
Capital reserves:			
Legal reserves	2,989	B	-
Reserve for merger surplus	78,844	A,B,C	78,844
Split-off reserves	1,426	A,B,C	1,426
Profit reserves:			
Revaluation reserve for equity investments	0	B	-
Reserves for distributable exchange gains	0	B	-
Profits carried forward	11,753	A,B,C	11,753
Total			92,023



Board of Statutory Auditors' report

SIA-SSB S.p.A.

Registered office: Via Faravelli 14, Milan

Share capital € 22,091,286.62, fully paid-up

VAT number, tax code and Milan Register of Companies no. 10596540152.

Milan Economic and Administrative Index no. 1385874

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Board of Statutory Auditors' Report on the consolidated financial statements as at 31.12.2008 pursuant to art. 25 et seq. of Italian Legislative Decree no. 127, 9 April 1991.

Dear Shareholders,

2008 was characterised by a group expansion policy, including on foreign markets, and from the pursuit and consolidation of the integration synergies, deriving from the merger that took place in 2007. The scenario in which the Group operated in was fully illustrated in the Management Report.

As specified in the documents referred to below, the consolidation area as at 31 December 2008 includes, along with the parent company SIA-SSB, the financial statements of GBC – Giro Bankkartya Zrt, TSP - Tecnologie e Servizi per il Pubblico S.r.l. and Perago AG - 100% owned by SIA-SSB; Perago FSE Ltd. and Perago Africa Ltd., both respectively owned 100% and 30% owned by Perago AG; Kedrios S.p.A. - 81.24% owned by SIA-SSB; Simbologica S.r.l. 61% owned by Kedrios,; RA Computer 65% owned by SIA-SSB; SiNSYS S.A., 51% owned by SIA-SSB.

Excluded from the consolidation area, on the other hand - and valued using the equity method - are the associates in which SIA-SSB does not have majority control and over which the Group has no dominant influence.

The SIA-SSB Directors prepared the consolidated financial statements as at 31.12.08 in accordance with the Italian Civil Code, interpreted and integrated with current Italian GAAP.

As such, the consolidated financial statements are composed of the balance sheet, profit and loss account and the Explanatory Notes. They are also accompanied by a Management Report, also prepared by the Directors.

All of the above documentation is then completed by a statement of reconciliation between parent company and consolidated results.

A reading of the documents allows us to confirm that the information contained in the Report on the nature and composition of the group, management aspects and - in the Explanatory Notes - information of the consolidation principles adopted and their means of application in the case in point, are clear and complete.

We also point out that the Independent Auditors' Report appointed for the accounting control, prepared pursuant to art. 2409-*ter* of the Italian Civil Code, certified without observations the compliance of the consolidated financial statements to the legislations that regulate the preparation, as well as the coherence of the Management Report with the financial statements.

With regard to input from the Board of Statutory Auditors, the Board has expressed its consent to recognition of intangible asset values to Balance Sheet assets, included among the costs of such items.

The audit was duly performed on the content of the statement of reconciliation and, in this respect, the Board has no findings to report.

Overall, the Board of Statutory Auditors considers that the consolidated financial statements as at 31.12.08, as prepared by your Directors, satisfy the requirements of law on such matters and may be deemed an appropriate means of disclosure to all relevant parties.

Milan, 9 April 2009

The Board of Statutory Auditors

The Chairman: Mr. Mario Cattaneo

Standing Auditor: Mr. Giorgio Silva

Standing Auditor: Mr. Fausto Gobbi



Independent Auditors' report

**AUDITORS' REPORT PURSUANT TO ARTICLE 2409-TER
OF THE ITALIAN CIVIL CODE**

To the Shareholders of
SIA-SSB S.p.A.

1. We have audited the consolidated financial statements of SIA-SSB S.p.A. and its subsidiaries (the "SIA-SSB Group") as of December 31, 2008. These consolidated financial statements prepared in accordance with the Italian law governing financial statements are the responsibility of the Sia-Ssb S.p.A.'s Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in Italy. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The responsibility for the audit of the financial statements of some subsidiaries, representing 17% of total consolidated assets and 18% of total consolidated revenues, rests with other auditors.

For the opinion on the prior year's consolidated financial statements, the balances of which are presented for comparative purposes as required by law, reference should be made to our auditors' report issued on April 8, 2008.

3. In our opinion, the consolidated financial statements present fairly the financial position of SIA-SSB Group as of December 31, 2008, and the results of its operations for the year then ended in accordance with the Italian law governing financial statements.
4. The Directors of SIA-SSB S.p.A. are responsible for the preparation of the Management Report in accordance with the applicable law. Our responsibility is to express an opinion on the consistency of the Management Report with the consolidated financial statements, as required by art. 2409-ter, paragraph 2, letter e), of the Italian Civil Code. For this purpose, we have performed the procedures required under Auditing Standard n. 001 issued by the Italian Accounting Profession (CNDCEC). In our opinion the Management Report is consistent with the consolidated financial statements of SIA-SSB Group as of December 31, 2008.

DELOITTE & TOUCHE S.p.A.

Signed by
Maurizio Ferrero
Partner

Milan, Italy,
April 9, 2009

This report has been translated into the English language solely for the convenience of international readers.