

**REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE GENERAL
SHAREHOLDERS' MEETING OF**

SERVIZI ITALIA S.P.A.

**(pursuant to Article 153 of Legislative Decree 58/1998 and to Article 2429, paragraph 3 of the
Italian Civil Code)**

FINANCIAL STATEMENT AS OF 31 DECEMBER 2009

Dear Shareholders,

during the financial year the Board of Statutory Auditors carried out its supervisory duties as envisaged by the regulations currently in force and by CONSOB communication of 6 April 2001.

Particularly significant operations

The financial year 2009 was characterized by a progressive consolidation of Padana Everest srl integration process into Servizi Italia S.p.A. During the year, the significant operations dealt with the renewal of important contracts that were about to expire and that Servizi Italia was awarded following the conclusion of tenders called to assign the same.

Atypical or unusual operations

Significant operations for the year 2009 are detailed in the Management Report. No atypical or unusual operations were reported.

Intra-group operations and operations with related-parties

Intra-group operations that the Company carried out during 2009 were of ordinary nature and essentially consisted of reciprocal supply of administrative, financial and organizational services. They were regulated applying normal conditions established using objective parameters, reflecting the actual fruition of the services and were carried out in the Company's interest, since they aimed at rationalizing the use of the Group's resources. The relationships with the related-parties, as defined by IAS 24, relationships relating to agreements for the supply of commercial and financial services, refer to agreements that were formalized and entered into at normal market conditions. The information on the relationships with related-parties is set forth in the Explanatory Notes to the Financial Statement for the year and, with reference to the Group, to the Consolidated Financial Statement; the disclosure set forth herein is adequate, also considering the Company's size and

structure; therefore reference is made to these sections, in which the characteristics of the operations and the resulting economic effects are also set forth.

During the financial year, the Board:

- constantly and systematically supervised compliance with the Law and with the Articles of Association;
- advanced specific requests and, as a consequence, obtained information from the Directors on the activities carried out, on the most significant operations, from an economic, financial and asset point of view, performed by the Company and by its main subsidiaries, through its participation in the Board of Directors' meetings and through quarterly specific and dedicated meetings. The Board is therefore in the position to assure that the actions that were resolved on and performed comply with the Law and with the Company's Articles of Association and that they are not clearly ill-advised or risky, or in conflict of interest, or conflicting with the General Shareholders' Meeting's resolutions, or such as to jeopardize the integrity of the Company's assets;
- supervised, within its competence, on the adequacy of the Company's organizational structure, on the compliance with good management standards and on the adequacy of the instructions issued to the subsidiary companies pursuant to Article 114 paragraph 2 of Legislative Decree 58/1998. This was performed by collecting information from the persons in charge of organizational functions for the reciprocal exchange of significant information. With reference to the adequacy of the organizational structure, there is nothing in particular to report;
- assessed and acknowledges hereby that 2 Directors (Mauro Paoloni and Mauro Pizzigati) have the independence requirements. The criteria adopted by the Board to assess that the requirements are actually held are those expressed by the Self Regulatory Code;
- established that the Company can promptly and regularly comply with the communication obligations envisaged by the Law, as provided for in Article 114, paragraph 2 of Legislative Decree 58/1998 for the subsidiary companies Consorzio San Martino S.c.r.l., Padana Everest S.r.l and Consorzio SES.A.TRE S.c.r.l.;
- supervised on the adequacy of the internal control system and of the administration accounting system, as well as on the latter's reliability in giving a correct representation of the management facts. This was performed by obtaining information from the persons in charge of the relevant functions, examining the company documents and analysing the results of the work carried out by the External Auditors, as well as by assessing the activity of the persons in charge of internal control.

Starting from the financial year 2007, an Internal Control Committee has been appointed pursuant to Standard No. 8 of the Self Regulatory Code for listed companies, even though the adoption of the same by the Company is not required by law. During 2009, the Board continued to carry out its activity systematically also in cooperation with the Supervisory Body established by the Company pursuant to Law 231/01. Therefore, the Company has an internal control system consistent with the Company's size, which is deemed suitable to control the management's effectiveness and efficiency, as well as to identify the main Company risks.

Moreover, the Board worked in cooperation with the Company in charge of the auditing, PriceWaterHouse Coopers, pursuant to Article 150, paragraph 3, Legislative Decree 58/1998. No significant data and information to be set forth in this Report emerged.

The documents making up the Financial Statement 2009 are the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the

statement of cash flows and related notes and the management report. The Board acknowledges that the Financial Statement for the year and the Consolidated Financial Statement as at 31 December 2009 were drawn up complying with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and approved for use by the European Union, as well as by the implementation measures pursuant to Legislative Decrees No. 38/2005 and 32/2007.

The Management Report for the financial year 2009 complies with the regulations currently in force, is consistent with the Board of Directors' resolutions and with the Financial Statement's results for the year; the disclosure contained in the Report is consistent with the extent and complexity of the Company's business; as already stated, it gives proper information on the activities of the year and on the intra-group operations.

During 2009 and after the 2009 financial year closure, the Board has not found atypical or unusual operations carried out with third parties and related-parties (including the Group member companies) to be reported.

The Financial Statement as at 31 December 2009, consisting of the statement of financial position, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and related notes, was audited by the appointed External Auditors, PricewaterhouseCoopers S.p.A., which issued the reports on the Financial Statement for the year and on the Consolidated Financial Statement.

These reports do not contain remarks or warnings. As stated by the Directors and confirmed by the External Auditors, no tasks exist given to subjects having a permanent relation with the External Auditors. Moreover, the Board states that no problems were detected relating to the independence of the External Auditors, nor existing opinions issued pursuant to the Law.

The Board herein also acknowledges the following:

- the Company has adopted the New Self Regulatory Code prepared by the Corporate Governance Committee for listed companies, approved in March 2006, promoted by Borsa Italiana S.p.A. The activities already implemented assure compliance with this version. The Company drew up the annual Report, approved by the Board of Directors on 15 March 2009, on the Corporate Governance system and on the ownership structure for the year 2009;
- the Company has adopted the Code of Conduct relating to internal dealing and the resulting communication obligations of the persons deemed as significant subjects for the purchase, sale, subscription, exchange or other transactions transferring the possessory title of Servizi Italia shares or financial instruments related to shares, performed, even through intermediary persons, by relevant persons;
- the Company has an active integrated risk management model that is inspired to the international standards of Enterprise Risk Management, whose continuous development is based on the Company's variable requirements; this model is active supporting the Company's management and control bodies;
- in compliance with the provisions envisaged by Legislative Decree 196/2003 and subsequent amendments relating to personal data processing, the Company has drawn up a Security Planning Document referring to the year 2009;
- with reference to the regulations envisaged by Legislative Decree 231/2001, on the "Regulation on the administrative liability of legal entities", during the financial year 2009 the activities coordinated by the Supervisory Body continued aiming at preventing the cases of criminal offence envisaged by this regulations against Servizi Italia and the Group

- Member Companies. At the Board of Directors' meeting on 15 March 2010, the Company approved the Report by the Supervisory Body on the activities carried out in 2009;
- the Company has started the procedures for the adoption of the Safety Management System (SGS) and for the certification according to BS OHSAS 18001 standard in order to comply with the provisions of Legislative Decree No. 81 of 9 April 2008 "Consolidated Text on Occupational Health and Safety";
 - the Company drew up, within the proper terms, the Interim Report provided for in Article 2428 of the Italian Civil Code; it was sent to the Board of Statutory Auditors, transmitted to CONSOB, filed at the Company Headquarters where it is available for the shareholders, and it is available also on the website www.si-servizitalia.com, in the form and terms provided for by the Law;

In the financial year in question, the Board of Statutory Auditors did not issued opinions pursuant to Article 2389 of the Italian Civil Code and did not receive notifications from the Supervisory Body;

The Board's supervisory activities, carried out both jointly and individually, were recorded in the minutes of the meetings held in 2009. Moreover, the Board participated in the meetings of the Board of Directors; during its supervisory activities and based on the information from the External Auditors, no omissions or reprehensible facts, irregularities, or significant facts worth to be notified to the Control boards or mentioned in this Report. As to the Group Consolidated Financial Statement, the Auditors have examined its contents and they have no remark on it, remembering that, pursuant to paragraph 1 bis of Article 165 of the T.U.F. (Italian Consolidated Financial Act), the company entrusted with the auditing of your Company, as listed Parent Company, is entirely responsible for said Consolidated Financial Statement.

Proposal to the General Shareholders' Meeting

The Board has issued favourable opinion on the approval of the Financial Statement as at 31 December 2009 and agrees upon the proposal for the allocation of the profits for the year, as detailed in the draft Financial Statement, giving its approval to the Board's proposal to distribute dividends.

Castellina di Soragna, li 31 marzo 2010

Dott. Marco Elefanti

Dott. Laura Verzellesi

Dott. Fabio Lancellotti