SERVICE CENTRAL DE LÉGISLATION LUXEMBOURG

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RECUEIL DES SOCIETES ET ASSOCIATIONS

Le présent recueil contient les publications prévues par la loi modifiée du 10 août 1915 concernant les sociétés commerciales et par la loi modifiée du 21 avril 1928 sur les associations et les fondations sans but lucratif.

C — N° 653 **12 mars 2012**

SOMMAIRE

Italy1 Investment S.A., Société Anonyme.

Siège social: L-1471 Luxembourg, 412F, route d'Esch.

R.C.S. Luxembourg B 155.294.

N.B. Pour des raisons techniques le début de l'acte est publié aux Mémorial C-N° 647, 648, 649, 650, 651 et 652 du 12 mars 2012.

Italy1 Investment S.A.

(société anonyme)

Notes to the Annual Accounts as at December 31, 2011

1. GENERAL

Italy1 Investment S.A. (the "Company") was incorporated in Luxembourg on August 26, 2010 as a "société anonyme" subject to the Luxembourg law for an unlimited period of time. The Company has its registered office at L-1741 Luxembourg, 412, route d'Esch and is registered in Luxembourg under section B number 155.294 .

The Company's purpose is the Realisation of a Business Combination to be completed within the Acquisition Period (as defined in the Articles of Incorporation). The Realisation will comply with the investment policy as adopted by the Company in accordance with section 2.2.42 of the Rules of the markets organised and managed by Borsa Italiana (Italian Stock Exchange) and especially will provide for a prevalent investment in a company, or business and for the performance of the related instrumental activities. Within the Acquisition Period, the Realisation shall be executed through one or more significant investments meaning that said investments shall represent, in aggregate, more than 50% of the Company's total assets.

As from the Realisation, the Company's purpose shall be the administration, holding, development and/or sale of the Target (as defined in the Articles of Incorporation), including the acquisition of any assets or interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and abroad, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of assets, securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses.

From the date of its incorporation and for the purposes of the Company object, the Company may lend funds and may further grant any form of security in respect of any subsidiary and, in general, of any entity which forms part of the same group of entities as the Company.

The Company may carry out all transactions which directly or indirectly serve its purposes. The Company may in particular raise funds, especially through borrowing in any form or by issuing any debt or equity securities or instruments, including bonds, warrants or by accepting any other form of investment or by granting any rights of whatever nature, and participate in the incorporation, development and/or control of any entity in the Grand Duchy of Luxembourg or abroad.

The financial year runs from January 1 to December 31 of each year.

The Market Shares and Italy1 Warrants are listed on the Professional Segment of the Mercato Telematico degli Investmenti Vehicles ("MIV") of Milan Stock Exchange (Borsa Italiana S.p.A.) and are trading under the tickers IT1 and WIT1, respectively and under the ISIN codes ISIN LU0556041001 and ISIN LU0556042157, respectively.

The Company also prepares consolidated financial statements which are published according to the provision of the company law.

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Presentation of annual accounts

The Company maintains its books of accounts in conformity with Luxembourg laws and generally accepted accounting principles in the Grand Duchy of Luxembourg, and in particular the Law of December 19, 2002 as amended on the annual accounts.

These annual accounts have been prepared under the assumption that the Company will continue as a going concern and which depends on the Realisation of a Business Combination before the end of the Acquisition Period (refer to Note 9).

Certain non significant comparative figures of the profit and loss account have been reclassified to conform with current year classification.

2.2 Bases of conversion for items originally expressed in foreign currency

The share capital is denominated in euro ("EUR") and the annual accounts are expressed in this currency.

Financial fixed assets denominated in other currencies are translated into EUR at the historical exchange rates.

Other assets and liabilities denominated in other currencies are translated into EUR at the rates prevailing at the balance sheet date. Realized exchange gains and losses and unrealized exchange losses are recognized in the profit and loss account.

Income and expenses denominated in foreign currencies are recorded at the rates prevailing on the transaction date.

2.3 Valuation of financial assets

Financial fixed assets are valued at purchase price.

Value adjustments are recognised in respect of financial fixed assets, if, in the opinion of the Board of Directors, a lower value is to be attributed to them at the balance sheet date. This valuation at a lower value may not be continued if the reasons for which the value adjustments were made ceased to apply.

2.4 Debtors

Trade debtors are recorded at nominal value less any adjustment for doubtful accounts.

2.5 Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which, at the balance sheet date, are either likely to be incurred but uncertain as to their amount on as to the date on which they will arise.

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Creditors

Creditors are recorded at their nominal value.

2.7 Warrants

Warrants issued are recorded in share premium and similar premiums for the consideration received.

3. FINANCIAL ASSETS

3.1 Movements of financial assets	2011 EUR	2010 EUR
Acquisition cost at the beginning of the year / period	719.84	-
Additions of the year / period	148,735,000.00	719.84
Acquisition cost at the end of the year / period	148,735,719.84	719.84

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

3. FINANCIAL ASSETS (continued)

3.2 Shares in affiliated undertakings

Financial assets represents the following investment:

Name and registered office	Number of shares held	Proportion of the capital held	Purchase price	Carrying amount as at 31.12.2011	Capital and reserves result as at 31.12.2011 *	Result for the financial year ended 31.12.2011 *
		%	EUR	EUR	EUR	EUR
ITALY1 INVESTMENT S.p.r.l. 147, avenue Brugmann B-1190 BRUSSELS	20,001.00	100%	148,735,719.84	148,735,719.84	150,073,913.55	1,316,913.45
* Based on unaudited accounts			148,735,719.84	148,735,719.84	150,073,913.55	1,316,913.45

Trust and Foundation Account

On August 2, 2011, Italy1 Investment SPRL, the Belgian subsidiary fully owned by Italy1 Investment S.A., entered into an investment management trust agreement with Vistra Fund Services Sarl and Stichting Bewaarbedrijf Travis (the "Foundation") pursuant to which the Foundation has been appointed as trustee replacing the previous trustee.

The new investment management trust agreement has been entered into by Italy1 Investment SPRL on substantially the same terms and conditions as set out in the previous trust agreement entered into on December 1, 2010. The Foundation has opened a foundation account ("Foundation Account") with Goldman Sachs International as the investment advisor, which substitutes the previous trust account opened by J. P. Morgan Chase Bank, London branch. As a consequence, the net proceeds received in connection with the listing of the Company were transferred to the Foundation Account.

Italyl Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

4. CAPITAL

Subscribed capital

	2011 EUR	2010 EUR
Subscribed capital at the beginning of the year / period	35,000.00	-
Increases of the year / period	140,000.00	35,000.00
Subscribed capital at the end of the year / period	175,000.00	35,000.00

The Company was incorporated on August 26, 2010 with a share capital of EUR 35,000.00 represented by 3,750,000 Founding Shares without nominal value. On December 10, 2010, the Founding Shares have been converted into 1,250,000 class B1 Convertible Shares, 1,250,000 class B2 Convertible Shares and 1,250,000 class B3 Convertible Shares.

On January 27, 2011 the extraordinary general meeting resolved to increase the subscribed capital by EUR 140,000.00 and a share premium of EUR 149,860,000.00 by issuing 15,000,000 class A shares ("Market Shares") cum 15,000,000 warrants attached ("Market Warrants"), through an Offering. Each Market Share incorporates the right to receive one Market Warrant on the first available date for the detachment of the rights following 40 days after the listing date (i.e. on March 14, 2011).

Immediately prior to the Offering, the Company raised EUR 5,000,000.00 in a private placement of 5,000,000 warrants ("Founders Warrants"; together with the Market Warrants, the "Italy1 Warrants") with the Founding Shareholders.

The Market Shares and Italy1 Warrants are listed on the Professional Segment of the Mercato Telematico degli Investmenti Vehicles ("MIV") of Borsa Italiana and are trading under the tickers IT1 and WIT1, respectively and under the ISIN codes ISIN LU0556041001 and ISIN LU0556042157, respectively.

The total 20,000,000 Italy1 Warrants (i.e. the 15,000,000 Market Warrants and the 5,000,000 Founders Warrants) commenced trading on March 14, 2011.

At balance sheet date, the subscribed and fully-paid-up capital amounts to EUR 175,000.00 and is represented by 3,750,000 Founding Shares (class B1, B2, B3 shares) and 15,000,000 Market Shares (class A shares) without nominal value.

Authorized capital

At balance sheet date the authorized capital is set at EUR 150,000,000.00 divided into shares without designation of a nominal value.

5. LEGAL RESERVE

Under Luxembourg law, the Company must appropriate at least 5% of its statutory net profit to a non-distributable legal reserve until the aggregate reserve reaches 10% of the subscribed capital.

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

6. PROVISIONS

	2011 EUR	2010 EUR
Provision for taxes	1,637.00	-
Other provisions	4,165,833.68	38,419.91
TOTAL PROVISIONS	**4,167,470.68**	**38,419.91**

The Underwriters have agreed to defer part of their underwriting commissions until completion of a Business Combination. Upon Realisation of a Business Combination, up to EUR 4,125,000.00 will be paid to the Underwriters from the Funds held into the Foundation Account.

7. EXTERNAL CHARGES

The caption includes charges from services done by external parties rendered in relation with the activity of the Company and a provision for the deferred underwriting costs.

External charges are composed as follows:	2011 EUR	2010 EUR
Services fees	1,622,269.79	34,712.79
Cost of handling securities	2,295,412.50	450.00
Legal and consultancy fees	1,341,741.86	4,010.43
Administration fees	28,145.99	2,398.10
Domiciliary fees	2,562.50	998.26
Accountancy fees	29,340.40	14,291.70
Audit fees	70,291.20	36,000.00
Deferred underwriting costs	4,125,000.00	-
TOTAL EXTERNAL CHARGES	**9,514,764.24**	**92,861.28**

8. STAFF COSTS

	2011 EUR	2010 EUR
Salaries and wages	46,000.02	-
Social security costs	7,804.23	-
TOTAL STAFF COSTS	**53,804.25**	-

The average number of staff during the current period is as follows :

	2011	2010
Employees	2	-
Total	2	-

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

9. COMMITMENTS

Warrants

During the exercise period, which will start on the later of the completion of a Business Combination and one year from the Listing Date and expires on the first Business day after the fifth anniversary of the Listing Date or earlier upon redemption or liquidation, each Market or Founder Warrant gives the holder the right to purchase one share at a price of EUR 9.30 per share subject to Italy1 Warrant terms. All Warrants may be exercised on a cashless basis if the Board of Directors elects to settle them against the available distributable reserves as indicated in the prospectus.

Liquidation mechanism in case of no Business Combination occurs

In accordance with the Articles of Association of the Company, if no Business Combination (as defined in the prospectus) occurs within the Acquisition Period (a period of 24 months following the Listing Date or 36 months from the incorporation of the Company if it entered in a definitive binding agreement in relation to this Business Combination during these 24 months), the Company will be automatically dissolved on the first day following the end of the Acquisition Period. The surplus after the Realisation of the assets and payment of the liabilities shall be distributed to the shareholders in the following order of priority:

a) Market Shares shall be entitled on a pro-rata basis to all liquidation proceeds up to an amount of EUR 9.92 per Market Shares, then

b) Founding Shares shall be entitled on a pro-rata basis to liquidation proceeds up to an amount of EUR 0.0093 per Founding shares, then

c) Market Shares shall be entitled on a pro-rata basis to any remaining liquidation proceeds.

10. RELATED PARTIES TRANSACTIONS

Parties including individuals are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Advisory and Services Agreement

The Company has entered into an advisory and service agreement with ITA1SV LP which delegated its obligation to RiverRock European Capital Partner ("RiverRock") for (i) the provision of research and analysis and advice and assistance on strategic objectives, merger and acquisition strategies and the provision of financing and advisory services, (ii) communication with current and potential investors and (iii) other logistic and secretarial support services. The Company has agreed to pay ITA1SV LP EUR 20,000.00 per month for up to 12 months, beginning on the Closing Date and EUR 10,000.00 per month for up to 12 months thereafter for these services until further notice. In case a Business Combination will be completed prior to 24 months post Closing Date, the payment to ITA1SV LP will be no longer due for the remaining months. This arrangement has been agreed to by ITA1SV LP for the Company's benefit and is not intended to provide ITA1SV LP compensation in lieu of a management fee. The Company believes that such terms are at least as favorable as could have been obtained from an unaffiliated third party. Nevertheless, the advisory and services agreement could lead to conflicts of interests as some of the Directors are also directors of ITA1SV Ltd., limited partners of ITA1SV LP and partners of RiverRock.

Italy1 Investment S.A.
(société anonyme)

Notes to the Annual Accounts as at December 31, 2011 (continued)

10. RELATED PARTIES TRANSACTIONS (continued)

Advisory and Services Agreement (continued)

For its services, RiverRock will receive a payment from ITA1SV LP in the form of cash and potentially Founding Shares as fee for its services. These Founding Shares are already held by ITA1SV LP and will only be transferred following the release from the Blocked Securities Account. ITA1SV LP's engagement has an unlimited duration, but may be terminated by either the Company or ITA1SV LP (i) at any time upon 30 days' written notice to that effect to the other party; (ii) with immediate effect by either the Company or ITA1SV LP if the other party is in material breach of this agreement and such breach is not cured within 15 days or (iii) immediately by either the Company or ITA1SV LP if the other party is for any reason wound up, liquidated or declared insolvent, or either party is acquired or sold, or is made subject to a corporate reorganization.

Domiciliation and Administration Service Agreement

The Company entered into a domiciliation and administration service agreement with SGG S.A. for accounting and tax filing services as well as corporate secretarial and domiciliation services for the Company and the Belgian Finance Subsidiary. This agreement has an unlimited duration, but the Company is entitled to terminate this Agreement by giving 15 days notice starting on the date on which a registered letter is addresses to this effect to SGG S.A. The annual fee for SGG S.A. will amount to up to EUR 65,000.00. The Company believes that the services of SGG S.A. are remunerated in accordance with market standards and no less favorable than services from other institutions of this kind.

Agency Agreement

In addition, the Company has entered into an agency agreement with SGG S.A. under which SGG S.A. provides the Company with a director. The annual fee for this service due to SGG S.A. amounts to EUR 6,000.00.

All related parties transactions were made on terms equivalent to those that prevail at arm's length transactions.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011

(WITH THE REPORT OF THE REVISEUR D'ENTREPRISES AGREE THEREON)

Italy1 Investment S.A.

412F, Route d'Esch
L-2086 Luxembourg
R.C.S Luxembourg B155.294

Consolidated financial statements **Italy1 Investment S.A.**

For the period from 1 January 2011 to 31 December 2011

Consolidated statement of financial position as at 31 December 2011

EUR	Notes	2011	2010
ASSETS			
Non-Current assets			
Deferred tax assets	8	22,868	22,868
Total non-current assets		22,868	22,868
Current assets			
Investments	10	128,607,577	-
Receivable		1,160	230
Cash and cash equivalents	11	22,414,003	23,425
Deferred charges		-	28,750
Total current assets		151,022,740	52,405
TOTAL ASSETS		151,045,608	75,274
EQUITY AND LIABILITIES			
Equity			
Share capital	14	175,000	35,000
Share premium	14	134,860,000	-
Retained earnings		2,080,954	(55,656)
Equity attributable to owners of the Company		137,115,954	(20,656)
Total equity		137,115,954	(20,656)
Current liabilities			
Warrants liabilities	12	9,600,000	-
Trade creditors		65,392	57,509
Tax and social security debts		98,428	-
Accruals	13	4,165,834	38,420
Total current Liabilities		13,929,654	95,929
TOTAL EQUITY AND LIABILITIES		151,045,608	75,274

The notes form an integral part of these consolidated financial statements.

Consolidated financial statements
For the period from 1 January 2011 to 31 December 2011

Italy1 Investment S.A.

Consolidated statement of comprehensive income

EUR	Notes	from 1 January 2011 to 31 December 2011	from 26 August 2010 to 31 December 2010
Staff costs		(53,804)	-
Administratives expenses	7	(2,105,778)	(78,529)
Results from operating activites		(2,159,582)	(78,529)
Finance income		12,755,310	5
Finance costs		(758,083)	-
Net finance income	8	11,997,227	5
Profit / (Loss) before income tax for the period		9,837,645	(78,524)
Income tax	9	(1,637)	22,868
Profit /(Loss) for the period		9,836,008	(55,656)
Total comprehensive income / (loss) for the period attributable to the owners of the Company		9,836,008	(55,656)
Earnings per share			
Basic	15	0.556	(0.015)
Diluted		0.556	(0.015)

The notes form an integral part of these consolidated financial statements.

Consolidated financial statements — **Italy1 Investment S.A.**

For the period from 1 January 2011 to 31 December 2011

Consolidated statement of cash flows

EUR	Note	from 1 January 2011 to 31 December 2011	from 26 August 2010 to 31 December 2010
Operating activities			
Profit / (Loss) before tax for the period		9,837,646	(78,524)
Adjustments for:			
- Fair value changes on warrants		(10,400,000)	-
- Fair value changes on investments		723,078	-
- Other net finance income		(2,320,305)	-
Changes in:			
- Receivables		(27,820)	(28,980)
- Payables		110,363	95,929
Cash flow from operating activities		(2,077,039)	(11,575)
Investing activities			
Acquisition of other investments		(151,028,016)	-
Proceeds from sale of investments		21,715,721	-
Interest received		2,355,310	-
Cash flow from investing activities		(126,957,985)	
Financing activities			
Payment of Offering costs		(3,574,398)	-
Proceeds from issurance of Shares and Warrants	13	155,000,000	35,000
Cash flow from financing activities		151,425,602	35,000
Cash flow for the period		22,390,578	23,425
Cash and cash equivalents at the beginning of the period		23,425	-
Cash and cash equivalents at the end of the period		22,414,003	23,425

The note forms an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

	Equity attributable to owners of the Company			
EUR	Share capital	Share premium	Retained earnings	Total
Balance at incorporation:	-	-	-	-
Shares issued at incorporation	35,000	-	-	35,000
Loss for the period	-	-	(55,656)	(55,656)
Balance as at 31 December 2010	35,000	-	(55,656)	(20,656)
Balance as at 1 January 2011	35,000	-	(55,656)	(20,656)
Capital increase from the Offering	140,000	134,860,000	-	135,000,000
Costs directly attributable to the Offering			(7,699,398)	(7,699,398)
Profit for the period	-		9,836,008	9,836,008
Balance as at 31 December 2011	175,000	134,860,000	2,080,954	137,115,954

The notes form an integral part of these consolidated financial statements.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

1. *Reporting entity*

Italy1 Investment S.A. (the "**Company**") is a company domiciled in the Grand-Duchy of Luxembourg. The address of the Company's registered office is 412F, Route d'Esch L-1741 Luxembourg. The consolidated financial statements of the Company as at and for the year ended 31 December 2011 comprise the Company and its subsidiary (together referred to as the "**Group**" and individually as "**Group entities**").

The Company was formed for the purpose of acquiring one or more operating businesses through a merger, share exchange, share purchase asset acquisition, reorganization or similar transactions (a "**Business Combination**"). The Company intends to focus on consummating a Business Combination with principal business operations in Italy.

On 27 January 2011 the Company completed the successful institutional offering of 15,000,000 Market Shares cum 15,000,000 Market Warrants attached (the "Offering"). The Market Shares and the Italy1 Warrants are listed on the Professional Segment of the Market of Investment Vehicle ("MIV") of the Milan Stock Exchange (Borsa Italiana S.p.A.) under the ticket IT1 and WIT1, respectively and under ISIN codes ISIN LU0556041001 and ISIN LU0556042157, respectively. A total of 20,000,000 Italy1 Warrants (i.e. 15,000,000 Market Warrants and 5,000,000 Founders Warrants) commenced trading on 14 March 2011 and are currently outstanding.

2. *Basis of preparation*

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU).

The consolidated financial statements were authorized for issue by the Board of Directors on the 7 February 2012.

(b) Basis of measurement

The consolidated financial statements have been prepared on a going concern basis under the historical cost accounting convention except for:

- Financial assets at Fair Value through Profit or Loss are measured at Fair Value
- Financial liabilities at Fair Value through Profit or Loss are measured at Fair Value

(c) Functional and presentation currency

These consolidated financial statements are presented in Euro ("EUR"), which is the Company's functional currency and the one of its subsidiary.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

(d) Standards and interpretations issued but not yet effective as at the date of authorization of the consolidated financial statements

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended 31 December 2011, and have not been applied in preparing these consolidated financial statements.

The Board of Directors has not assessed yet the impact of the adoption of these standards and interpretations on the consolidated financial statements of the Group.

(e) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with IFRS as adopted by the EU requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are included in the following notes:

- Deferred underwriting fees
  The Company has deferred underwriting commissions in relation to the Offering, payable on completion of a Business Combination (see note 13). These liabilities are conditional, but management is of the opinion that this amount, which does not take into account the redemption of shares, should be accounted for in the balance sheet as services have effectively been provided and the Business Combination is assessed as a highly probable event.

- Residual term of liabilities
  Current liabilities include deferred underwriting commissions (see note 13) and Warrants liability (see note 12). Deferred underwriting commissions will become payable upon completion of a Business Combination. Warrants will become exercisable on the later of (i) the completion of a Business Combination and (ii) one year following the Listing Date. Management has good faith to close a Business Combination before 31 December 2012. Therefore, those financial liabilities have been classified as current liabilities as of 31 December 2011.

- Deferred Tax
  The majority of the deferred tax assets have not been recognized (see note 9), because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

(f) Going concern

The Company was incorporated on 26 August 2010 under Luxembourg law. The Company was formed for the purpose of acquiring one company or operating business through a merger, share exchange, share purchase, asset acquisition, reorganization or similar transaction. Such Business Combination can consist of a combination of one or more related operating businesses. The Company intends to focus on completing a Business Combination in Europe with relevant business operations in Italy. If the Company does not enter into a definitive binding agreement for the completion of a Business Combination within 24 months from the Closing Date or if such agreement has been entered into, but the Business Combination is not completed within 36 months from the Company's date of incorporation (26 August 2013), the Company shall be liquidated.

As such, the Board of Directors is confident that the Group will continue in existence for at least 24 months after the Closing Date and, accordingly, these consolidated financial statements have been prepared on a going concern basis.

(g) Segment reporting

The Company had no operating activity in 2011 as the Business Combination is not completed yet at the date of these consolidated financial statements. Therefore, segment reporting is not relevant for these consolidated financial statements.

3. *Significant accounting policies*

The accounting policies set out below have been applied in these consolidated financial statements, and have been applied consistently by the Company and its subsidiary.

(a) Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(b) Foreign currency

Foreign currency transactions

In preparing these consolidated financial statements, no transactions in currencies other than the Company's functional currency have been recorded.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

(c) Financial Assets

Financial assets are recognized initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.
The Group derecognizes financial assets when the contractual rights to the cash flows from the asses expire. The group classifies non-derivative financial assets into the following categories: loans and receivable and financial assets through profit or loss.

(d) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that there are not quoted in an active marked. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized costs using the effective interest method, less any impairment losses.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and cash deposits with original maturities of three months or less.
The carrying amount of cash and cash equivalents approximates their fair value.

(f) Financial assets at fair value through profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Group's documented risk management or investment strategy. Attributable transaction costs are recognized in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognized in profit or loss.
Financial assets designated at fair value through profit or loss comprise securities that otherwise would have been classified as available for sale.

(g) Shares and warrants

The Company raised EUR 150,000,000 through an Offering of 15,000,000 Market Shares and 15,000,000 Market Warrants attached on 27 January 2011. Each Market Warrant gives the holder the right to subscribe for one Market Share for the exercise price of EUR 9.30. The Company, at all times, has the option to require any holders who wish to exercise their Market Warrants to do so on a "cashless basis", subject to availability of distributable reserves.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

Immediately prior to the Offering, the Company raised EUR 5,000,000 in a private placement of 5,000,000 warrants ("Founding Shareholders Warrants") with the Founding Shareholders. The Founding Shareholder Warrants are identical to the Market Warrants.

Market and Founding Shareholder Warrants are exercisable on the later of: (i) completion of a Business Combination or (ii) one year after Listing Date.

Share capital is classified as equity if it is non-redeemable, or redeemable only at the Group's option, and any dividends are discretionary. Dividends thereon are recognized as distributions within equity upon approval by the Group's shareholders. Share capital is classified as a liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognized as interest expense in profit or loss account as accrued.

Incremental costs directly attributable to the issue of the shares are recognized as a deduction from equity, net of any tax effects.

The Issued Shares are equity instruments as their redemption will result from liquidation of the Company decided by the shareholders in a general shareholder meeting.

(h) Derivatives

Derivatives are recognized initially at fair value; attributable transaction costs are recognized in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below.

The Market Warrants and the Founding Shareholder Warrants are treated as derivatives under IAS 32 due to their settlement features, notably the cashless exercise feature, and they are valued at fair value through profit and loss.

(i) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(l) Finance income and finance costs

Finance income comprises interest income on funds invested, gains on disposal of financial assets/liabilities and fair value gains on financial assets at fair value through profit or loss. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, fair value losses on financial assets/liabilities at fair value through profit or loss and impairment losses recognized on financial assets.

(m) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its shares. Basic EPS is calculated by dividing the profit or loss attributable to shareholders of the Group by the weighted average number of shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of shares outstanding, adjusted for own shares held and for the effects of all dilutive potential shares.

4. Related parties and ultimate controlling party

Parties including individuals are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

On 31 December 2011, Clearstream Nominees Limited, ITA1SV Limited Partnership, EOS Servizi Fiduciari S.p.A. and Generali Paneurope Limited owned 15,000,000, 2,557,500, 795,000 and 397,500 Shares respectively.

Warrants

During the exercise period, which will start on the later of the completion of a Business Combination and one year from the Listing Date and expires on the first Business day after the fifth anniversary of the Listing Date or earlier upon redemption or liquidation, each Market or Founding Shareholder Warrant gives the holder the right to purchase one Market Share at a price of EUR 9.30 per share subject to Italy1 Warrant terms. All Warrants may be exercised on a cashless basis if the Board of Directors elects to settle them against the available distributable reserves as indicated in the prospectus.

Advisory and Services Agreement

The Company has entered into an advisory and service agreement with ITA1SV LP which delegated its obligation to RiverRock European Capital Partners LLP ("RiverRock") for (i) the provision of research and analysis and advice and assistance on strategic objectives, merger and acquisition strategies and the provision of financing and advisory services, (ii) communication with current and potential investors and (iii) other logistic and secretarial support services. The Company has agreed to pay ITA1SV LP EUR 20,000 per month for up to 12 months, beginning on the Closing Date and EUR 10,000 per month for up to 12 months thereafter for these services until further notice. In case a Business Combination will be completed prior to 24 months post Closing Date, the payment to ITA1SV LP will be no longer due for the remaining months. This arrangement has been agreed to by ITA1SV LP for the Company's benefit and is not intended to provide ITA1SV LP compensation in lieu of a management fee. The Company believes that such terms are at least as favorable as could have been obtained from an unaffiliated third party. Nevertheless, the advisory and services agreement could lead to conflicts of interests as some of the Directors are also directors of ITA1SV Ltd., limited partners of ITA1SV LP and partners of RiverRock. For its services, RiverRock will receive a payment from ITA1SV LP in the form of cash and potentially Founding Shares as fee for its services. These Founding Shares are already held by ITA1SV LP and will only be transferred following the release from the Blocked Securities Account. ITA1SV LP's engagement has an unlimited duration, but may be terminated by either the Company or ITA1SV LP (i) at any time upon 30 days' written notice to that effect to the other party; (ii) with immediate effect by either the Company or ITA1SV LP if the other party is in material breach of this agreement and such breach is not cured within 15 days or (iii) immediately by either the Company or ITA1SV LP if the other party is for any reason wound up, liquidated or declared insolvent, or either party is acquired or sold, or is made subject to a corporate reorganization.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

Domiciliation and Administration Service Agreement
The Company entered into a domiciliation and administration service agreement with SGG S.A. for accounting and tax filing services as well as corporate secretarial and domiciliation services for the Company and the Belgian Finance Subsidiary. This agreement has an unlimited duration, but the Company is entitled to terminate this Agreement by giving 15 days notice starting on the date on which a registered letter is addresses to this effect to SGG S.A. The annual fee for SGG S.A. will amount to up to EUR 65,000. The Company believes that the services of SGG S.A. are remunerated in accordance with market standards and no less favorable than services from other institutions of this kind.

Agency Agreement
In addition, the Company has entered into an agency agreement with SGG S.A. under which SGG S.A. provides the Company with a director. This director so provided is Christoph Kossmann. The annual fee for this service due to SGG S.A. amounts to EUR 6,000.

5. Investments in subsidiaries

On 21 October 2010, the Company acquired 100% of the share capital of Italy1 Investment SPRL. Consequently, the Group fully consolidates this entity.

6. Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Italy1 Group has conducted limited operations so far and currently does not generate revenue. Additionally, the Group does not have major foreign currency transactions. Hence, at the time of the drawing-up of these consolidated financial statements, the Group is not yet significantly exposed to currency risk from the financial instruments it holds. However, the Group has exposure to the following risks:

Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The credit risk arises principally from Italy1' investment of the cash as Italy1 does not have major other financial assets.

The investment in securities is subject to market volatility. However this risk has been mitigated through the diversification of the portfolio, the relatively short maturity of the instruments which falls within the first half of 2012 and by the high rating criteria of them which is in compliance with the investment policy of the group.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. As at 31 December 2011, the liabilities deriving by the initial listing such as the deferred underwriting commissions and the warrants are sufficiently covered by the fund available at the same date.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Fair value risk of Warrants

Italy1's Warrants are accounted for as financial liability recognized at fair value through profit or loss. The fair value is based on the quoted marked price of the Warrants. A change in the market price of the Warrants will impact the profit or loss as well as the amount of the liability. An increasing market price for the Warrants would result in a higher liability and a loss in the comprehensive income of Italy1.

Fair value risk of Investments

The Funds held in the Foundation Account are accounted for as an asset recognized at fair value through profit and loss. The fair value is based on the quoted marked price of the underlying investments. A change in the market price of the investments will impact the profit and loss as well as the amount of the asset. A decreasing market price for the investments would result in a lower asset value and a loss in the comprehensive income of the Group.

Sensitivity analysis

The closing price for the Warrants for the year ended 31 December 2011 was quoted at EUR 0.48. An increase of the market price of 10% would result in a loss of approximately EUR 1 million. A decrease of 10% of the market price would result in a similar gain.

Interest rate risk

The Group does not have any interest bearing liabilities and hence is not exposed to risk of increasing future interest expenses from such liabilities.

7. *Expenses*

The caption mainly includes expenses for services rendered by underwriters, lawyers and consultants in connection with the Offering and operations of the Company. In accordance with the accounting policies of IAS 32, the Offering costs were allocated to the Market Shares (equity instrument) and Warrants (financial liabilities) in proportion to the allocation of the proceeds. The Offering costs allocated to Market Shares were recorded in equity whereas the Offering costs allocated to Warrants were recorded in profit or loss account.
Expenses are accounted for on an accruals basis.

	2011			2010		
	EUR			EUR		
	Total Expenses	Offering costs recorded in Equity	Expenses recognized in P/L	Total Expenses	Offering costs recorded in Equity	Expenses recognized in P/L
Services fees	1,849,952	1,273,111	576,841	26,337	-	26,337
Cost of handling securities	2,295,413	1,979,546	315,867	-	-	-
Legal fees and consultancy fees	1,404,092	840,934	563,158	-	-	-
Administration fees	28,146	13,064	15,082	2,398	-	2,398
Domiciliary fees	2,563	-	2,563	998	-	998
Accountancy fees	29,340	-	29,340	11,893	-	11,893
Audit fees	70,291	-	70,291	36,000	-	36,000
Other fees	378	-	378	903	-	903
Deferred underwriting costs	4,125,000	3,592,743	532,258	-	-	-
	9,805,175	7,699,398	2,105,778	78,529	-	78,529

For the period ended 31 December 2011, the audit fees include EUR 8,179 for the audit of the Group's consolidated financial statements and EUR 17,600 on Italy1's Investment S.A. annual accounts under Luxembourg GAAP, EUR 35,700 for audit related services and EUR 8,812 for other non audit related services.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

8. Finance income and finance costs

	2011 EUR	2010 EUR
Net change in fair value of warrants	10,400,000	-
Interest income on financial instruments	1,694,866	-
Interest income on bank account	660,444	5
Finance income	12,755,310	5
Net change in fair value of financial assets	723,077	-
Interest expense on bank account	117	-
Net loss on financial assets sold	34,889	-
Finance costs	758,083	-
Net finance income	**11,997,227**	**5**

9. Income tax

The current income tax amount to EUR 1,637 (prior year: EUR nil). On 31 December 2011, a total amount of EUR 22,868 of deferred tax assets has been recognized in respect of deductible temporary differences as it was assessed probable that taxable profit would be available against which the deductible temporary differences can be utilized. Unrecognized deferred tax assets on tax losses amount to approximately EUR 2.8 million.

The difference between the current and the expected income tax expenditure is due to the following:

EUR	2011	2010
Profit / loss before taxes for the period	9,837,645	(78,524)
Company's domestic income tax rate	28.80%	28.59%
Expected income tax	(2,833,242)	23,856
Effect of non-taxable income	2,995,200	0
Effect of unused tax losses	(160,321)	(23,856)
Total income tax	(1,637)	0
Effective tax rate	0.02%	0.00%

ITALY1 INVESTMENT S.A.

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For the period from 1 January 2011 to 31 December 2011

Non-taxable income relate to the change in fair value of the Warrants. The income tax expense recorded in 2011 is related to the taxable profit of the subsidiary of Italy1 Investment S.A.

In principle, tax losses can be carried forward for an unlimited period.

10. Investments

As at 31 December 2011, the Company had invested approximately EUR 125,645,561 into a diversified portfolio of highly rated Euro denominated interest bearing government and corporate securities (23 investments in total). No single investment made up more than 7% of the total invested amount of EUR 125,645,561. Majority of securities have had remaining maturities between 1 – 3 months with one security maturing in August 2012. All investments were made in accordance with the Company' cash investment guidelines.

Trust and Foundation Account

On 2 August 2011, Italy1 Investment SPRL, the Belgian subsidiary fully owned by Italy1 Investment S.A., entered into an investment management trust agreement with Vistra Fund Services Sarl ("Vistra") and Stichting Bewaarbedrijf Travis (the "Foundation") pursuant to which Vistra has been appointed as trustee replacing the previous trustee.

The new investment management trust agreement has been entered into by Italy1 Investment SPRL on substantially the same terms and conditions as set out in the previous trust agreement entered into on 01 December 2010. The Foundation has opened a foundation account ("Foundation Account") with Goldman Sachs International as the investment advisor, which substitutes the previous trust account opened by J. P. Morgan Chase Bank, London branch. As a consequence, the net proceeds received in connection with the Offering were transferred to the Foundation Account.

11. Cash and cash equivalents

	2011 EUR	2010 EUR
Goldman Sachs cash account (held in a Foundation Account)	21,680,695	-
Deutsche Bank cash account	733,308	23,425
	22,414,003	23,425

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

12. Warrant liabilities

As at 31 December 2011, the Company has issued 15,000,000 Market Warrants and 5,000,000 Founding Shareholders Warrants (the "Founding Shareholder Warrants" and, together with the Market Warrants, the "Italy1 Warrants" or the "Warrants").

The Market Warrants and the Founding Shareholder Warrants are treated as derivatives under IAS 32 as all Warrants may be exercised on a cashless basis if the Board of Directors elects to settle them against the available distributable reserves as indicated in the prospectus. Therefore they are treated as financial liabilities under IAS 32.

As 31 December 2011, the market value was EUR 0.48 per Warrant, therefore the fair value of the 20,000,000 Warrants amounts to EUR 9,600,000. The decrease in their fair value with respect to their initial measurement was accounted for in the consolidated statement of comprehensive income for an amount of EUR 10,400,000.

13. Accruals

	2011 EUR	2010 EUR
Accruals	40,834	38,420
Deferred underwriting commissions	4,125,000	-
	4,165,834	38,420

The Underwriters have agreed to defer part of their underwriting commissions until realization of a Business Combination. Upon completion of a Business Combination, up to EUR 4,125,000 will be paid to Underwriters from the Funds held into the Foundation Account. This amount was recognized as a current financial liability as the Business Combination is more likely to be completed during 2012.

The Board of Directors considers that the carrying amounts of accruals approximate their fair value.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

14. Called up share capital, share premium, capital contribution

	2011	2010
	EUR	EUR
3,750,000 convertible shares without designation of a nominal value	35,000	35,000
15,000,000 ordinary shares without designation of a nominal value	140,000	-
Share Premium	134,860,000	-
	135,035,000	35,000

The Company's Shares are in registered form and cannot be converted into bearer form. Each share entitles to one vote.

Redemption rights are subject to restrictions as indicated in the Articles of Association.

The Company was incorporated on 26 August 2010 with a share capital of EUR 35,000 represented by 3,750,000 Founding Shares. On 10 December 2010, the Founding Shares have been converted into 1,250,000 Class B1 Shares, 1,250,000 Class B2 Shares and 1,250,000 Class B3 Shares.

On 27 January 2011, the extraordinary general meeting resolved to increase the subscribed capital by EUR 140,000,00 and a share premium of EUR 149,860,000 by issuing 15,000,000 class A shares ("Market Shares") cum 15,000,000 warrants attached ("Market Warrants"), through an Offering. Each Market Share incorporated the right to receive one Market Warrant on the first available date for the detachment of the rights following 40 days after the listing date (i.e. on 14 March 2011).

Immediately prior the Offering, the Company raised EUR 5,000,000 in a private placement of 5,000,000 warrants ("Founders Warrants"; together with the Market Warrants, the "Italy1 Warrants") with the Founding Shareholders.

The Market Shares and Italy1 Warrants are listed on the Professional Segment of the Mercato Telematico degli Investment Vehicles ("MIV") of Borsa Italiana S.p.A. and are trading under the tickers IT1 and WIT1, respectively and under the ISIN codes ISIN LU0556041001 and ISIN LU0556042157, respectively.

The total 20,000,000 Italy1 Warrants (i.e. the 15,000,000 Market Warrants and the 5,000,000 Founders Warrants) commenced trading on 14 March 2011.

The Market Warrants and the Founding Shareholder Warrants are treated as derivatives under IAS 32 as they may be exercised on a cashless basis if the Board of Directors elects to settle them against the available distributable reserves as indicated in the prospectus.

ITALY1 INVESTMENT S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2011 to 31 December 2011

15. Earnings per share

The calculation of basic and diluted earnings per share as at 31 December 2011 was based on the profit attributable to owners of EUR 9,836,008 (2010: EUR -55,656), and a weighted average number of shares outstanding during the period of 17,681,507 (2010: 3,750,000) which have been calculated as follows:

Weighted average number of ordinary shares (basic):	**31 December 2011**	**31 December 2010**
Issued ordinary shares at 1 January	3,750,000	-
Number of shares issued on 27 January 2011 (26 August in 2010)	15,000,000	3,750,000
Weighted average number of ordinary shares	**17,681,507**	**3,750,000**

The average number of shares has been calculated based on the issue dates of the various shares. As at 31 December 2011, the effects of the potential redemption of the warrants into share are anti-dilutive and therefore dilutive EPS is equal to basic EPS.

16. Subsequent events

No significant events after the reporting period occur between the end of the reporting period and the date when the consolidated financial statements are authorized for issue.

Annex D

The closing accounts used for the preparation of the contents of this Merger are the annual financial statements as of December 31, 2011 drawn up by the Absorbed Company

(Translation from the Italian original which remains the definitive version)

2011 ANNUAL REPORT

IVS GROUP HOLDING S.p.A.
Registered office in Seriate (BG) - Via dell'Artigianato 25
Fully paid up share capital €64,002,000.00
Tax code 03318950163 – REA no. BG367900

Contents

Company officers

Board of directors

Cesare Cerea	Chairman
Paolo Covre	Deputy chairman
Massimo Paravisi	Director
Ivan Padelli	Director

Board of statutory auditors

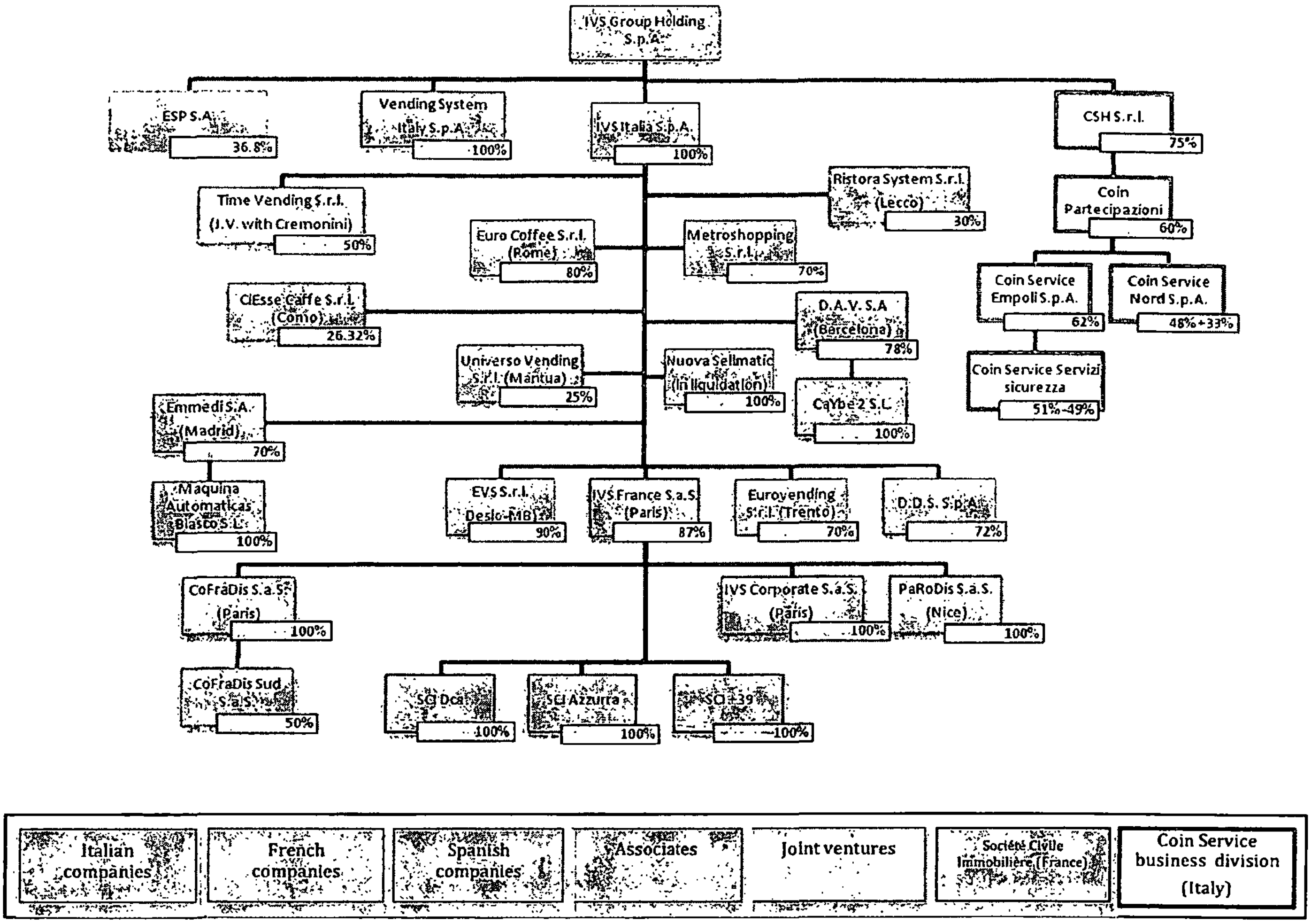
Paolo Cerutti	Chairman
Massimo Troppina	Standing statutory auditor
Fabrizio Testa	Standing statutory auditor
Tiziana Colussi	Alternate statutory auditor
Maria Cristina Pituello	Alternate statutory auditor

Independent auditors

Reconta Ernst & Young S.p.A.

Group structure

At 31 December 2011, the Group's structure is as follows:



Directors' report

Dear shareholders,

The Group's consolidated financial statements as at and for the year ended 31 December 2011, drawn up under the International Financial Reporting Standards (IFRS), show a profit for the year of €3,564 thousand, after income tax expense of €5,913 thousand and amortisation and depreciation of €35,565 thousand.

The Parent's separate financial statements, which are also prepared under the IFRS, show a profit for 2011 of €418 thousand after income tax expense of €263 thousand.

The Group's core business revenue amounts to €264,628 thousand (i.e., from administrative services and sales of food, beverages and goods through automated vending machines), up on the 2010 figure of €263,453 thousand.
This increase is particularly positive when it is compared to the underlying drop in volumes seen in 2011: 638 million units compared to 664 in 2010. The group companies were able to more than counter the shrinking volumes with an increase in average sales prices.
It should be noted that the vending sector assesses and weighs calendar years considering the actual business days and, accordingly, 2011 had less days than 2010: 236.80 business days compared to 237.75 in 2010.
In profitability terms, the actions to better manage and make the Parent and the Group more efficient were very important. Once again, there was an increase in gross operating profit (including profit from continuing operations) as a percentage of revenue and a large increase in profitability, calculated in Euro cents, on each unit sold.
The following table summarises and shows the Group's financial performance based on the above information:

	2010	**2011**
Business days (no.)	237.8	236.8
Units sold (no. in millions)	664.4	638.0
Sales per business day (€/000)	1,107	1,116
Average price (€ cent)	39.7	41.4
Cost of sales per unit sold (€ cent)	10.3	11.2
Gross profit per unit sold (€ cent)	30.3	32.4
Gross operating profit from continuing operations per unit sold (€ cent)	8.5	9.4

The elements that negatively affected the Group's profitability in 2011 are:
- the significant increase in financial expense, up from €10,334 thousand to €14,074 thousand;
- the reversal of deferred tax assets of €2,452 thousand.

Cash flows generated by operating activities of €47,942 thousand in 2011 were penalised by the increase in the Italian group companies' VAT assets of €3,814 thousand. Unfortunately, delays in payments from the Italian public administration led to this increase which is added to that already recognised in 2010 on 2009 VAT payments of €6,221 thousand.
Capital expenditure in core business equipment was lower than in previous years, confirming the downwards trend of the last two years. This is partly due to the steady roll out of the vending machine revamping centres in 2011 which means that the Group can more efficiently use its machines, thanks to its industrial expertise in revamping them, without compromising their look and, therefore, their profitability.
Three important investments were made in 2011:
- construction of a new operating site in Paris, which will carry out the activities previously performed by three branches, all of which were close together;
- construction of the new offices in Imperia, where the activities performed in this province by two operating units will be brought together;
- acquisition of a coins treatment and management division: Coin Service.

The €7,472 thousand rise in other revenue in 2011 is nearly entirely due to the turnover generated by this division which manages and treats coins.
During the year, the Group stepped up its project to improve operations and its financial position over the long term. In operating terms, this entailed enhancing its efficiency by rationalising operating and commercial costs, optimising credit recovery policies and streamlining the corporate costs structure. The joint effect of these actions allowed the Group to consolidate the results obtained in previous years and to improve them, including by increasing average sales prices considerably and its geographical coverage in Italy.

The IVS Group thus closed 2011 with a profit of €3.6 million and equity of €59.7 million. Its net financial indebtedness amounts to €364 million and current liabilities exceed current assets by €101 million.
The Group revised its business plan which was originally for the three-year period from 2009 to 2011 and extended it to 2014 in order to include most of the loan repayment period. The Parent's board of directors approved the 2012-2014 plan which includes:

- cash flows from operating activities of more than €55 million for 2012, substantially in line with those for 2011;
- utilisation of existing credit facilities provided by shareholders and their related parties to renew financing from such related parties which expire in 2012 of €8.8 million;
- a capital increase to extinguish the existing bond issue.

The following should also be considered:

- Current liabilities include bank credit facilities of €11 million tied to the bonds which are redeemable after one year and are of the same amount;
- the Group (and especially IVS Italia S.p.A.) currently has VAT assets of approximately €24 million. While reimbursement of these assets depends on the tax authorities' available funds (reimbursement sometimes takes more than 365 days), if necessary, these assets can be discounted and increase by the amount that accrues each year;
- IVS Italia S.p.A. exercised the option to extend Tranche C (€20,000 thousand) of the syndicated senior loan on 28 December 2011. The loan's repayment date is 5 March 2012. Based on the information currently available, the subsidiary's directors believe that the syndicate banks will communicate their agreement to the request in the near future.

The directors prepared the 2012 business plan based on the above information which shows that the Group is able to meet its financial commitments for the next year.

The board of directors' final assessment

While we acknowledge the uncertainties inherent in any business plan, we believe that the underlying assumptions are reasonable to allow the Group to continue as a going concern. These assumptions are reflected in the measurement of the assets' recoverable amounts in the consolidated and separate financial statements.

Introduction

The Parent has prepared just one directors' report as allowed by the amendments to article 40 of Legislative decree no. 127/1991, following enactment of EC directive no. 2003/51/EC, which introduced the new paragraph 2-bis.

Performance indicators

In order to facilitate an understanding of its performance and financial figures, the Parent uses certain generally-accepted indicators, which are not however envisaged by IFRS. Specifically, the income statement includes the following indicators and sub-totals: gross operating profit from continuing operations, gross operating profit, operating profit, which are the sum of the captions preceding them.
It uses similar indicators for its net financial indebtedness, the components of which are described in the relative section of the notes.
The definitions of these indicators used by the Parent may not match those adopted by other companies/groups and, therefore, should not be compared. This is because they are not provided for in IFRS.
This report includes many performance, financial and non-financial indicators, including those mentioned above. The performance indicators derive from the financial statements schedules and include the tables summarising the Group's results of operations, financial position and cash flows with comparative and other prior year figures
(e.g., changes on the previous year in revenue, gross operating profit from continuing operations and operating profit and changes as a percentage of revenue). Inclusion of figures not taken directly from the financial statements and comments and valuations contribute to a better understanding of changes in such figures.
The directors' report also includes a number of financial ratios which are helpful to better understand the Group's performance, especially with respect to differences compared to previous years. The section on net financial indebtedness in the notes also contains information about the effects of changes in interest rates on the Group's operating performance and financial position.

Changes in the consolidation scope

The consolidated financial statements comprise the separate financial statements of the Parent, IVS Group Holding S.p.A., and the Italian and foreign companies over which it exercises, either directly or indirectly (through its subsidiaries and associates), control, governing their financial and operating policies so as to obtain benefits from their activities.

The main changes in the consolidation scope compared to 31 December 2010 are the following:

- Food System S.r.l., BVending S.r.l. and Ivan Cafè S.r.l., already consolidated in previous years, were merged respectively into IVS Italia S.p.A. and Vending System Italia S.p.A. with accounting and tax effect from 1 January 2011;
- Automatica Services S.r.l., 100% of which was acquired in January 2011, was merged into IVS Italia S.p.A. with accounting and tax effect from 1 January 2011;
- Cofdar SA, already consolidated in previous years, was merged into Cofradis SA with accounting and tax effect from 1 January 2011;
- the Parent set up CSH S.r.l. in February 2011, subscribing 75% of its quota capital;
- on 31 March 2011, the subsidiary Coin Partecipazioni S.p.A., set up by CSH S.r.l. which subscribed 60% of its quota capital, finalised its acquisition of the Coin Service Group (made up of the subsidiaries Coin Service S.p.A., Coin Service Nord S.p.A. and Coin Service Servizi Sicurezza S.r.l.), whose core business is the counting of coins for third parties, cash-in-transit services and the collection and distribution of coins (coin management);
- IVS Italia S.p.A. acquired 70% of Metroshopping S.r.l. and an additional 6.32% of Ciesse Caffè S.r.l., in which it now owns 26.32%, during the year.

The section "Consolidation scope" in the notes to the consolidated financial statements at 31 December 2011 includes details of the control percentages and consolidation methods.

Significant events of the year

IVS Group Holding S.p.A. is active in the vending sector, i.e., the sector of the *sale and supply of goods, food and beverages via automated and semi-automated vending machines*. It sells its products in Italy, France and Spain through its operating and management offices as well as through a network of more than 59 warehouses and logistics points strategically located in these countries.
The Group continued its focus to increase average sales prices during 2011 by increasing list prices sharply and through a better mix of articles in the vending machines.
It also commenced a far-reaching overhaul of the operating methods for the Office Coffe Service segment's product line, introducing a new machine managed exclusively by the Group and withdrawing machines in locations and/or customer premises that were non-performing or inefficient.

The Group also continued its reorganisation and streamlining of the logistics network, especially with respect to:

- the branches in the Paris area, transferred to one premises;
- the branches in Imperia belonging to two subsidiaries DDS S.p.A. and Coffe System S.r.l. (already merged into DDS S.p.A.) which were merged and transferred to the new modern offices in Pontedassio (IM);
- the branches in the Barcelona area where a new site is being constructed to replace the city's three warehouses from which the subsidiary DAV S.A. currently carries out its business.

During 2011, the Parent's shareholders, together with the boards of directors of the Parent and group companies, commenced the operation to increase its share capital and obtain the funds necessary to improve the Group's financial position and facilitate additional external growth. The Group believes that the market conditions are extremely favourable for acquisitions which would increase customer concentration in the areas served by it. It is well known that customer concentration is a key factor in the vending sector for efficiency and, therefore, profitability.
Accordingly, various vendor due diligences were initiated and intense negotiations commenced with institutional investors, private equity funds and corporate banks.

Performance

The Group's operating revenue for 2011 comes to €15,590 thousand which, as shown in the following table, nearly entirely derived from its core business of selling automated vending machines.

(€'000)	2011	2010	Variation	Var. %
Revenue from sales and services	14,547	19,905	(5,358)	(27%)
Other revenue and income	1,043	30	1,013	3375%
Total	**15,590**	**19,935**	**(4,345)**	**(22%)**

The Group's production revenue amounts to €278,366 thousand, including €264,628 thousand generated by its core administrative services activities. The following table provides a geographical breakdown of the Group's operations:

(€'000)	Italy	Spain	France	Coin Group	*Eliminations*	Total
Production revenue	239,972	14,714	25,112	7,234	*(8,667)*	278,366
Operating costs	(188,448)	(12,768)	(20,888)	(5,210)	*7,089*	(220,225)
Gross operating profit	51,524	1,946	4,224	2,025	*(1,578)*	58,141
Gross operating profit/production revenue %	21%	13%	17%	28%	*18%*	21%
Amortisation and depreciation	(31,046)	(1,860)	(2,366)	(293)	-	(35,565)
Operating profit	20,478	87	1,858	1,732	*(1,579)*	22,576
Operating profit/production revenue %	9%	1%	7%	24%	*18%*	8%

Operating costs amount to €220,225 thousand, of which €13,949 thousand incurred by the Parent.
The cost of purchasing raw materials equalled 25.8% of revenue at €71,684 thousand.
Amortisation, depreciation, provisions and impairment losses amount to €35,565 thousand, including €2,282 thousand of amortisation, €33,249 thousand of depreciation and €33 thousand of other impairment losses. Services come to €30,550 thousand and mainly consist of costs for the use of third party assets (€6,753 thousand).
Personnel expenses, which include the cost of filling the vending machines, amount to €81,726 thousand, of which €62,658 thousand relates solely to the subsidiary IVS Italia S.p.A..
The largest item of net other operating costs of €34,686 thousand (2010: €35,430 thousand) relates to slotting fees (approximately €24.5 million) given to companies and bodies for locating the vending machines inside their offices, using their energy and water supplies.
Financial income and expense were heavily affected by the rise in the effective cost of money in terms of interest rates and spreads in 2011. The net financial expense mainly relates to the bond issue (€2,539 thousand), the Intesa San Paolo loan taken out by IVS Italia S.p.A. (€5,266 thousand), the BNL loan taken out by Vending System Italia S.p.A. (€439 thousand), other financing (€3,068 thousand) and gains on derivatives that no longer meet the requirements for hedge accounting and are, therefore, considered to be speculative (€115 thousand).
The notes to the consolidated and separate financial statements provide more information about the financial statements captions.

Events after the reporting period

The directors of the Parent and IVS Italia S.p.A. jointly revised the Group's business plan in early 2012. This plan was then used to check the recoverable amounts of the assets recognised in the consolidated and separate financial statements.
During its meeting of 6 February 2012, the Parent's board of directors drew up the agenda for the shareholders' meeting to be held early in 2012. This agenda includes the proposed capital increase to be subscribed in cash and to be used to redeem in advance the outstanding bonds (which are held by the same shareholders). This would significantly strengthen the Group's and Parent's financial positions.
At the date of preparation of this report, the capital increase operation launched in 2011 has been completed with the selection of a financial partner that will become a new shareholder of the Parent acquiring a non-controlling interest before 30 June 2012.

Performance and financial indicators

The IVS Group made a profit of €3,564 thousand for 2011 with equity of €59,718 thousand. At year end, the Group had net financial indebtedness of €280,950 thousand with banks, €134,290 thousand with bondholders and €11,590 thousand with shareholders.

	Consolidated				IVS Group Holding S.p.A.			
(€'000)	31 December 2011	%	31 December 2010	%	31 December 2011	%	31 December 2010	%
Non-current assets (NCA)	469,609	81.0%	447,301	87%	241,276	92.0%	227,525	91%
Current assets (CA)	74,247	12.8%	52,925	10%	20,927	8.0%	21,453	9%
Cash (C)	36,127	6.2%	11,308	2%	88	0.0%	25	0%
Invested capital (IC)	**579,983**	**100%**	**511,533**	**100%**	**262,291**	**100%**	**249,003**	**100%**
Non-current liabilities (NCL)	308,485	53.2%	322,847	63.1%	159,709	60.9%	146,576	58.9%
Current liabilities (CL)	211,781	36.5%	133,448	26.1%	27,037	10.3%	27,299	11.0%
Own funds (OF)	59,718	10.3%	55,238	10.8%	75,546	28.8%	75,128	30.2%
Loan capital (LC)	**579,983**	**100%**	**511,533**	**100%**	**262,291**	**100%**	**249,003**	**100%**

	Consolidated		IVS Group Holding S.p.A.	
(€'000)	31 December 2011	31 December 2010	31 December 2011	31 December 2010
Equity ratio (own funds/invested capital)	10%	11%	29%	30%
Total debt ratio ((non-current liabilities+current liabilities)/invested capital)	90%	89%	71%	70%
Invested capital/own funds ratio	971%	926%	347%	331%
Non-current liabilities/invested capital ratio	53%	63%	61%	59%
Current liabilities/invested capital ratio	37%	26%	10%	11%
(Non-current liabilities+current liabilities)/own funds ratio	871%	826%	247%	231%
Current assets+Cash/Current liabilities	52%	48%	78%	79%
Equity to non-current assets ratio	78%	85%	98%	97%
Own funds less non-current assets (own funds-non-current assets)	(409,892)	(392,063)	(165,730)	(152,397)
Net working capital (current assets+cash-current liabilities)	(101,407)	(69,216)	(6,021)	(5,821)

Investments

In addition to the acquisitions of companies described earlier, the group companies' main investments made in 2011 related to the purchase of operating assets, such as vending machines, token dispensers and payment systems (approximately €20.5 million), vehicles and transport vehicles. These investments were made to upgrade and renew the existing machinery and equipment in order to meet customers' changing requirements, to improve customer service and, accordingly, strengthen and develop the Group's position in its reference market.

Reconciliation of the profit for the year of the Parent and its equity at 31 December 2011 with those of the Group

Profit of the Parent (IVS Group Holding S.p.A.)	**418**
Consolidation adjustments:	
- Share of profit or loss of consolidated companies (under IFRS)	3,452
- Elimination of intragroup dividends received during the year	(81)
- Reversal of impairment losses (reversals of impairment losses) in consolidated investments	-
- Elimination of intragroup profits (losses) and other changes	(225)
= Profit of the Group	**3,564**
- Attributable to non-controlling interests	915
= Attributable to owners of the Parent	**2,649**

Equity of the Parent (IVS Group Holding S.p.A.)	**75,546**
Consolidation adjustments:	
- Elimination of the carrying amount of consolidated investments	
• Equity of consolidated companies at the date of first consolidation	(104,675)
• Equity of consolidated companies measured under IFRS	91,406
- Elimination of profits (losses) on intragroup transactions	(2,560)
= Consolidated equity	**59,718**
- Equity attributable to non-controlling interests	7,403
= Equity attributable to the owners of the Parent	**52,315**

Research & Development

The Group did not carry out any R&D activities during the year, given the nature of its business.

Related party transactions

Transactions with related parties, presented in the consolidated and separate financial statements, related to:

- the subsidiaries of IVS Group Holding S.p.A.;
- the associates;
- other related parties.

The notes to the financial statements include details of related party transactions.
They are undertaken in the Parent's interests of consolidating existing synergies within the Group in terms of production, commercial and logistics integration, the efficient use of expertise and skills and streamlining of central structures and financial resources.
All transactions with related parties, both related to the exchange of goods or services and of a financial nature, take place at market conditions.

No atypical or unusual transactions were performed during the year.

Transactions with shareholders

The notes provide details of small loans received from certain shareholders and/or their related parties.

Transactions with subsidiaries and associates

These transactions are of a commercial (exchange of goods and/or services) and financial nature.
The Parent has granted IVS Italia S.p.A. a loan of €134,540 thousand indexed to the reference rate (former discount rate).
The original loan amount was increased by €10,000 thousand in December 2011.
Reference should be made to the notes for more information about transactions with subsidiaries and associates.

Transactions with other related parties

Transactions with other related parties are of a commercial nature and mostly consist of the exchange of goods and/or services such as management fees, fees and consideration for services, lease expense, etc.. Reference should be made to the notes for more information about transactions with other related parties.

Own shares and shares/quotas of parents

IVS Group Holding S.p.A. does not hold nor has it held, purchased or sold, either directly or indirectly via trustees or nominees, treasury shares or shares of its shareholders.

Risks and uncertainties

Risk management (internal and external, social, industrial, political and financial risks) is an integrated part of the Group's growth strategy and essential to its ongoing development of its corporate governance system. Its aim is to protect stakeholders (employees, customers, suppliers and shareholders) and the Group's assets by improving codes of conduct.

As mentioned at the start of this report, the international crisis, unprecedented in its scope and rapid spread, has steadily damaged the global economy in the last few years and constituted a risk for the Group. This difficult situation was worsened by the financial scenario characterised by rising uncertainty and an inflexible system which made it very difficult to act.
The Group countered this situation by adjusting its financial position and introducing policies to contain costs, rethink its commercial policies and increase prices. The effects of the crisis would seem to have mostly stabilised although average demand trends continue to fluctuate.

The Group monitors its financial risks on an ongoing basis to assess in advance any potential effects and undertake the necessary actions to mitigate or counter them.

It has not made investments in financial assets nor in current financial assets (shares, bonds or atypical securities) such that warrant particular caution or explanations about how to measure the impact of the economic recession and collapse of the financial markets thereon.

The Group is exposed to the following normal financial risks as part of its business activities:

Credit risk
The Group does not have significant concentrations of non-collection risk.

Liquidity risk
This is the risk that the Group cannot generate sufficient cash flows from its operations to cover investments and third party debt. Although the current bank credit facilities (roughly €34.5 million) are sufficient to meet its requirements, given the operating limit agreed with the banks that provided the senior loan, the Group intends to have a debt level able to balance average loan repayments with flexible and diversified sources of funding. Accordingly, each group company is free to negotiate credit facilities and to agree diversified sources of funding (e.g., loans, finance leases, bank credit facilities, etc.) as long as the covenants of the loan agreement between IVS Italia S.p.A. and its banks (described earlier) are respected.

Interest rate risk
This is the risk related to future cash flows from financing operations at floating interest rates. A change in interest rates affects the fair value of floating rate financial assets and liabilities and may impact a company's future results. The subsidiary IVS Italia S.p.A. has agreed a plain vanilla IRS for the largest tranche of the senior loan, effective from 12 December 2011.

Legal risks
The Group is not involved in any significant legal disputes about products sold, unfair competition or market practices, nor does it have any related financial obligations.

Other information

The Parent has not given loans to or guarantees on behalf of its directors or statutory auditors during the year nor do these exist at the reporting date.

It has updated its Data protection document, required by article 34.1-bis of Legislative decree no. 196 of 30 June 2003.

Environment and energy policies

The Group complies with all ruling regulations and laws about protection of the environment and the local community, and has done so for some time. A key part of its policies is the recycling of all reusable materials and selection of operating assets that have energy saving options; this is also to contain costs.

IVS Italia S.p.A. commenced a project to obtain ISO 14001 certification, which it obtained in January 2012.

§§§§§§

Conclusions

Dear shareholders,

We believe that we have painted a clear picture of the Parent's and the Group's position at 31 December 2011 and their performance during the year.

We invite you to approve the separate financial statements and the allocation of the profit for the year to:

- the legal reserve (€21 thousand);
- the extraordinary reserve (€397 thousand).

We would remind you that the term of engagement of the auditors engaged to perform the legally-required audit expires with the approval of the 2011 financial statements. Therefore, you should resolve who to engage for the legally-required audit of the separate financial statements and consolidated financial statements as at and for the years ending 31 December 2012, 2013 and 2014.

We thank you for your trust in us and invite you to approve the separate financial statements as they stand.

Seriate, 6 February 2012

On behalf of the Board of directors
Chairman
Cesare Cerea
(signed on the original)

Consolidated financial statements

Statement of financial position

(€'000)		Note	31 December 2011	31 December 2010
ASSETS				
Non-current assets				
Intangible assets		4	9,726	11,140
Goodwill		4	295,928	285,622
Property, plant and equipment		5	138,852	135,642
Civil buildings		5	1,124	1,134
Equity investments and loans and receivables		6	7,750	6,220
Deferred tax assets		17	4,897	7,349
Other non-current assets		7	11,332	195
TOTAL NON-CURRENT ASSETS	**A**		**469,609**	**447,301**
Current assets				
Inventories		8	16,313	16,874
Trade receivables		9	14,088	9,086
Tax assets		10	349	1,261
Other current assets		11	43,498	25,704
Cash and cash equivalents		12	36,127	11,308
TOTAL CURRENT ASSETS	**B**		**110,374**	**64,232**
Discontinued operations/assets held for sale	**C**		-	-
TOTAL ASSETS	**A+B+C**		**579,983**	**511,533**
EQUITY AND LIABILITIES				
Equity				
Share capital		14	64,002	64,002
Reserves		14	4,854	6,357
Losses carried forward		14	(19,189)	(25,819)
Profit for the year		14	2,649	5,345
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**D**		**52,315**	**49,885**
Share capital and reserves attributable to non-controlling interests		14	6,488	4,875
Profit for the year attributable to non-controlling interests		14	915	478
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS			**7,403**	**5,353**
Total share capital and reserves		14	56,154	49,414
Total profit for the year		14	3,564	5,824
TOTAL EQUITY			**59,718**	**55,238**
Non-current liabilities				
Bonds		18	134,290	131,880
Shareholders' loans		18	11,590	4,410
Non-current loan liabilities		15	147,812	170,615
Employee benefits		16	5,531	5,610
Provisions for risks and charges		17	507	562
Deferred tax liabilities			8,756	9,771
TOTAL NON-CURRENT LIABILITIES	**E**		**308,485**	**322,847**
Current liabilities				
Current loan liabilities		18	129,241	55,615
Derivatives		18	3,897	3,715
Trade payables			61,365	57,231
Tax liabilities		10	826	785
Other current liabilities		19	16,451	16,102
TOTAL CURRENT LIABILITIES	**F**		**211,781**	**133,449**
Liabilities associated with discontinued operations/assets held for sale	**G**		-	-
TOTAL LIABILITIES	**(H=E+F+G)**		**520,265**	**456,296**
TOTAL EQUITY AND LIABILITIES	**D+H**		**579,983**	**511,533**

Income statement

(€'000)	Note	2011	%	2010	%
Revenue from sales and services	21	264,628	100.0%	263,453	100.0%
Other revenue and income	22	13,738		6,266	
Raw materials, supplies and consumables	23	(71,684)		(68,521)	
Services	24	(30,550)		(28,292)	
Personnel expenses	25	(81,726)		(80,811)	
Other operating costs and income	26	(34,686)		(35,430)	
Gross operating profit from continuing operations		**59,719**	**22.6%**	**56,665**	**21.5%**
Net gains on disposal of non-current assets	27	606		1,629	
Other income, net	27	(2,185)		(870)	
Gross operating profit		**58,141**	**22.0%**	**57,424**	**21.8%**
Amortisation and depreciation		(35,565)		(36,973)	
Operating profit		**22,576**	**8.5%**	**20,451**	**7.8%**
Net impairment losses	29	(11)		0	
Financial expense	28	(14,074)		(10,334)	
Financial income	28	744		364	
Exchange rate gains (losses) and net gain on derivatives	28	115		90	
Share of profit of equity-accounted investees	6	127		207	
Profit		**9,476**	**3.6%**	**10,778**	**4.1%**
Losses from discontinued operations		-		-	
Profits from discontinued operations		-		-	
Profit before tax		**9,476**	**3.6%**	**10,778**	**4.1%**
Current tax expense	30	(4,357)		(3,871)	
Deferred tax expense	30	(1,556)		(1,084)	
Profit for the year		**3,564**	**1.3%**	**5,824**	**2.2%**
		-		-	
Profit attributable to non-controlling interests		**915**	**0.3%**	**478**	**0.2%**
		-		-	
Profit attributable to the owners of the Parent		**2,649**	**1.0%**	**5,345**	**2.0%**

Statement of comprehensive income

Statement of comprehensive income	2011	2010
Profit for the year	3,564	5,824
Net fair value losses on hedging derivatives	(297)	(1,832)
Tax impact	82	759
Total comprehensive income	**3,349**	**4,751**
of which: attributable to non-controlling interests	**915**	**478**

Statement of changes in equity

(€'000)	31 December 2009	Allocation of profit (loss)	Change in cons. scope	Compre-hensive income	Dividends	Other	31 December 2010	Allocation of profit (loss)	Change in cons. scope	Compre-hensive income	Dividends	Other	31 December 2011
Share capital	64,002						64,002						64,002
Share premium reserve	2,498						2,498						2,498
Legal reserve	601	34					635	94					728
Statutory reserve	277						277						277
FTA reserve	562						562						562
Hedging reserve	(929)			(1,072)			(2,001)			(215)			(2,217)
Other reserves	(1,780)		(443)				(2,223)						(2,223)
Capital injections for future capital increase	5,090					141	5,231						5,231
Losses carried forward	(24,443)	3					(24,440)	5,251					(19,189)
Profit for the year	37	(37)		5,345			5,345	(5,345)		2,649			2,649
Equity attributable to the owners of the Parent	45,914	-	(443)	4,273	-	141	49,884	-	-	2,434	-	-	52,315
Equity attributable to non-controlling interests	4,956		(81)	478			5,353		1,154	915	(19)		7,403
Total equity	50,870	-	(525)	4,751	-	141	55,238	-	1,154	3,564	(19)	-	59,718

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Statement of cash flows

(€'000)		2011	2010
A) Cash flows from operating activities			
	Profit before tax	9,476	10,778
Adjustments for:			
Undistributed profit (loss) recognised in equity		(50)	(207)
Amortisation, depreciation and impairment losses		34,948	36,973
(Gains)/losses on disposal of non-current assets		(606)	(1,629)
Changes in employee benefits and other provisions		(326)	(363)
Reversal of financial expense		13,215	9,829
	Cash flows from operating activities before tax, financial income/expense and change in working capital:	56,657	55,381
Change in working capital		4,363	(6,973)
	Cash flows from operating activities before tax and financial income/expense:	61,019	48,408
Net financial expense paid		(9,460)	(8,445)
Tax paid		(3,617)	(3,712)
	Total A)	**47,942**	**36,250**
B) Cash flows from investing activities:			
Investments in non-current assets:			
Intangible assets		(605)	(439)
Property, plant and equipment		(36,575)	(27,690)
Payments for property, plant and equipment acquired in previous years		*(7,781)*	*(7,288)*
Business units		(1,823)	(623)
Financial assets (equity investments), net of cash acquired		(5,433)	(515)
	Total investments	(52,216)	(36,555)
Proceeds from disposal of net non-current assets		2,284	5,173
	Total divestments	2,284	5,173
Change in consolidation scope		-	-
	Total B)	**(49,932)**	**(31,383)**
C) Cash flows from financing activities:			
New non-current loan liabilities		64,944	32,683
Repayment of non-current loan liabilities		(20,076)	(41,216)
Change in current financial liabilities:		(14,108)	3,484
Change in financial assets		(4,360)	169
Share capital increase		-	141
Change in consolidation scope of financing activities		410	(592)
	Total C)	**26,810**	**(5,332)**
D) Exchange rate differences and other changes:			
E) Change in cash and cash equivalents (A+B+C+D):		**24,820**	**(465)**
F) Opening cash and cash equivalents:		**11,308**	**11,772**
Closing cash and cash equivalents (E+F)		**36,127**	**11,308**

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