

# ISAGRO S.p.A. A company of Holdisa Srl

Registered Office: Centro Uffici San Siro - Fabbriato D - ala 3

Via Caldera, 21, 20153 Milano

Capitale sociale: Euro 16.000.000 i.v.

Codice fiscale e P.IVA N. 09497920158

## FINANCIAL STATEMENTS

(Amounts in Euros)

### BALANCE SHEET

at 31/12/2004

at 31/12/2003

#### ASSETS

<b>A)</b>	<b>Receivables still owed by shareholders</b>	-	-
	<i>of which the part already asked for</i>	0	
<b>B)</b>	<b>Fixed Assets</b>		
I	<i>Intangible Fixed Assets</i>		
1)	Start up and enlargement costs	1.887.713	2.364.105
2)	Research, development and advertising costs	36.627.718	17.648.104
3)	Rights for industrial payments and the usage of intellectual property	-	-
4)	Concessions, licences, trademarks and similar rights	1.508.591	1.551.925
5)	Goodwill	983.764	-
6)	Fixed assets in progress and advances paid out	-	-
7)	Others	417.288	541.892
Total		41.425.074	22.106.026
II	<i>Tangible Fixed Assets</i>		
1)	Land and Buildings	6.611.637	1.181.301
2)	Plant and Machinery	8.860.011	-
3)	Industrial and Commercial Equipment	219.306	-
4)	Other Tangible Fixed Assets	586.109	408.765
5)	Fixed Assets in Progress and advances paid	1.531.944	137.164
Total		17.809.007	1.727.231
III	<i>Financial Fixed Assets:</i>		
1)	shareholdings in:		
a)	subsidiary companies	13.807.822	24.984.614
b)	affiliated companies	3.360.134	205.389
c)	parent companies	-	-
d)	other companies	-	-
2)	receivables		
a)	from subsidiary companies	3.917.701	3.002.888
	<i>of which due and payable within the next financial year</i>	0	
b)	from affiliated companies	-	-
c)	from parent companies	-	-
d)	from others	233.265	1.049
	<i>of which due and payable within the next financial year</i>	0	
3)	other securities	-	-
4)	own shares held	-	-
Total		21.318.922	28.193.941
<b>Total Fixed Assets (B)</b>		<b>80.553.003</b>	<b>52.027.197</b>
<b>C)</b>	<b>Current assets</b>		
I	<i>Inventories</i>		
1)	Raw, ancillary and consumable materials	9.277.782	3.527.951
2)	Work in Progress and semi-finished products	-	-
3)	Work in Progress made to order	-	-
4)	Finished Products and merchandise	11.708.996	9.389.851
5)	Advances paid out	-	-
Total		20.986.778	12.917.802
II	<i>Receivables:</i>		
1)	from customers	16.674.095	15.206.013
	<i>of which receivable beyond the next financial year</i>	0	
2)	from subsidiary companies	9.819.557	18.536.146
	<i>of which receivable beyond the next financial year</i>	0	
3)	from affiliated companies	4.786.955	227.078
	<i>of which receivable beyond the next financial year</i>	0	
4)	from parent companies	10.500	12.478
	<i>of which receivable beyond the next financial year</i>	0	

4-2nd)	taxation receivables	823.185	2.692.637
	<i>of which receivable beyond the next financial year</i>	0	
4-3rd)	prepaid taxes	2.594.560	408.476
	<i>of which receivable beyond the next financial year</i>	1.783.717	
5)	from others		
a)	from other associated companies	-	543.508
	<i>of which receivable beyond the next financial year</i>	0	
b)	from other debtors	4.729.254	4.606.462
	<i>of which receivable beyond the next financial year</i>	22.741	
Total		39.438.106	42.232.798
III	<i>Financial Assets that are not Fixed Assets</i>		
1)	shareholdings in subsidiary companies	-	-
2)	shareholdings in affiliated companies	-	-
3)	shareholdings in parent companies	-	-
4)	other shareholdings	-	-
5)	own shares held	-	-
6)	other securities	-	-
Total		-	-
IV	<i>Available liquidity</i>		
1)	Bank and Post Office Deposits	11.788.743	6.697.586
2)	Cheques on hand	-	-
3)	Money and Securities in Petty Cash	2.083	-
Total		11.790.826	6.697.586
<b>Total Current Assets (C)</b>		<b>72.215.710</b>	<b>61.848.187</b>
D)	<b>Prepayments, Accrued Income and Deferred Charges</b>	<b>512.517</b>	<b>263.356</b>
	<i>of which discounts on loans</i>	0	
	<b>Total</b>	<b>153.281.230</b>	<b>114.138.740</b>
<b>LIABILITIES AND EQUITY</b>		<b>at 31/12/2004</b>	<b>at 31/12/2003</b>
A)	<b>Net Equity</b>		
I	Share Capital	16.000.000	16.000.000
II	Share Premium Reserve	15.705.527	15.705.527
III	Revaluation Reserve	-	-
IV	Legal Reserve	1.048.392	908.329
V	Reserve for own shares held in the portfolio	-	-
VI	Statutory Reserves	-	-
VII	Other Reserves	10.434.493	7.410.322
VIII	Profits (Losses) brought forward	8.195.815	7.440.716
IX	Profit (Loss) for the Financial Year	14.703.491	2.801.267
	<b>Total Net Equity (A)</b>	<b>66.087.718</b>	<b>50.266.161</b>
B)	<b>Funds for Risks and Charges</b>		
1)	for severance payments and similar charges	-	-
2)	for taxes	8.348.400	141.073
3)	for others	1.884.846	287.236
	<b>Total Funds for Risks and Charges (B)</b>	<b>10.233.246</b>	<b>428.309</b>
C)	<b>Employee Leaving Indemnity Fund</b>	<b>4.725.754</b>	<b>1.647.013</b>
D)	<b>Payables</b>		
1)	Bonds issued	-	-
	<i>of which payable beyond the next financial year</i>	0	
2)	Convertible Bonds issued	-	-
	<i>of which payable beyond the next financial year</i>	0	
3)	payables to shareholders for loans received	-	-
	<i>of which payable beyond the next financial year</i>	0	
4)	payables to banks	27.735.764	39.437.458
	<i>of which payable beyond the next financial year</i>	19.310.567	
5)	payables to other financiers	7.314.350	3.237.907
	<i>of which payable beyond the next financial year</i>	6.512.818	
6)	advances received	2.697.628	741.748
	<i>of which payable beyond the next financial year</i>	0	
7)	payables to suppliers	20.944.396	7.778.224
	<i>of which payable beyond the next financial year</i>	0	
8)	payables represented by credit securities	-	-
	<i>of which payable beyond the next financial year</i>	0	
9)	payables to subsidiary companies	3.306.319	5.503.772
	<i>of which payable beyond the next financial year</i>	0	

10)	payables to affiliated companies	172.520	-
	<i>of which payable beyond the next financial year</i>	0	
11)	payables to parent companies	-	-
	<i>of which payable beyond the next financial year</i>	0	
12)	payables to taxation authorities	2.012.668	743.058
	<i>of which payable beyond the next financial year</i>	0	
13)	payables to social security and pension institutions	741.045	379.203
	<i>of which payable beyond the next financial year</i>	0	
14)	other payables	1.696.746	1.236.311
	<i>of which payable beyond the next financial year</i>	0	
	<b>Total payables (D)</b>	<b>66.621.436</b>	<b>59.057.680</b>
<b>E)</b>	<b>Accruals and Deferred Income</b>	<b>5.613.076</b>	<b>2.739.577</b>
	<i>of which premiums on loans</i>	0	
	<b>Total</b>	<b>153.281.230</b>	<b>114.138.740</b>
<b>Contra Accounts</b>			
Comfort letters, sureties and guarantees given by the company:			
-	sureties/guarantees:		
	in favour of subsidiary companies	6.360.099	22.232.669
	in favour of affiliated and associated companies	22.960.576	65.864.541
Other miscellaneous contra accounts		120.910.708	44.300.550
	<b>Total</b>	<b>150.231.383</b>	<b>132.397.761</b>

## ISAGRO S.p.A. Una società di Holdisa Srl

Via Caldera, 21, 20153 Milano

Share Capital: Euro 16,000,000 fully paid up

Tax Code and VAT number 09497920158

## FINANCIAL STATEMENTS

(Amounts in Euros)

### PROFIT AND LOSS ACCOUNT

		<b>Year 2004</b>	<b>Year 2003</b>
<b>A)</b>	<b>Value of production:</b>		
1)	Revenues from Sales and Services	109.319.730	45.047.183
2)	Changes in the Inventories of Work in Progress, semi-finished and finished products	(4.726.816)	(6.048.913)
3)	Changes in the Work in Progress to order		-
4)	Increases in Fixed Assets for internal work done		-
5)	Other revenues and income	6.010.785	8.401.096
	<i>of which contributions on account of the year</i>	17.833	
	<b>Total value of production (A)</b>	<b>110.603.699</b>	<b>47.399.366</b>
<b>B)</b>	<b>Costs of production:</b>		
6)	For Raw, Ancillary, Consumable materials and Merchandise	49.824.324	11.920.878
7)	For Services	31.485.751	17.902.200
8)	For the usage of third party property	1.150.202	847.995
9)	For personnel		
	a) wages and salaries	8.606.614	4.034.797
	b) social security contributions	3.000.388	1.313.025
	c) employee leaving indemnity	700.979	319.548
	e) other personnel costs	5.372	5.379
10)	Amortisation, depreciation and write downs:		
	a) amortisation of Intangible Fixed Assets	3.154.458	7.778.308
	b) depreciation of Tangible Fixed Assets	1.495.969	129.352
	c) other write downs of Fixed Assets	1.527.868	-
	d) write downs of the receivables included in the current assets and the available liquidity	500.000	20.000
11)	Changes in the inventories of Raw, Ancillary, Consumable materials and Merchandise	(265.285)	(294.305)
12)	Provisions for risks	-	-
13)	Other Provisions	1.065.148	187.124
14)	Other Operating Expenses	786.378	700.947
	<b>Total costs of production (B)</b>	<b>103.038.166</b>	<b>44.865.248</b>

<b>Difference between the value and the costs of production</b>		<b>7.565.533</b>	<b>2.534.118</b>
<b>C)</b>	<b>Financial Incomes and Charges</b>		
15)	incomes from shareholdings	979.766	1.623.542
	<i>of which from subsidiary companies</i>	979.766	
	<i>of which from affiliated companies</i>	0	
16)	other financial incomes:		
	a) from receivables posted to fixed assets	6.648	33
	<i>of which from subsidiary companies</i>	0	
	<i>of which from affiliated companies</i>	0	
	<i>of which from parent companies</i>	0	
	b) from securities posted to financial fixed assets which are not shareholdings	-	-
	c) from securities posted to current assets which are not shareholdings	-	-
	d) incomes that are different from the foregoing	3.984.854	1.442.991
	<i>of which from subsidiary companies</i>	304.448	
	<i>of which from affiliated companies</i>	0	
	<i>of which from parent companies</i>	0	
17)	interest payable and other financial charges	2.807.353	2.513.892
	<i>of which from subsidiary companies</i>	54.641	
	<i>of which from affiliated companies</i>	0	
	<i>of which from parent companies</i>	0	
17-2nd)	gains and losses on exchange	1.301.216	(358.910)
<b>Total financial incomes and charges (C)</b>		<b>3.465.131</b>	<b>193.764</b>
<b>D)</b>	<b>Adjustments to the values of Financial Assets:</b>		
18)	Write ups		
	a) of Shareholdings	-	-
	b) of Financial Fixed Assets which are not shareholdings	-	-
	c) of securities posted to current assets which are not shareholdings	-	-
19)	Write downs		
	a) of Shareholdings	199.003	209.505
	b) of Financial Fixed Assets which are not shareholdings	-	-
	c) of securities posted to current assets which are not shareholdings	-	-
<b>Total of the adjustments (D)</b>		<b>(199.003)</b>	<b>(209.505)</b>
<b>E)</b>	<b>Extraordinary Incomes and Charges:</b>		
20)	Incomes	16.530.693	1.226.591
	<i>Of which gains on disposals of assets</i>	232.812	
21)	Charges	7.507.293	179.331
	<i>Of which losses on disposals of fixed assets</i>	14.590	
	<i>Of which taxes from previous financial years</i>	41.909	
<b>Total extraordinary items (E)</b>		<b>9.023.400</b>	<b>1.047.261</b>
<b>Profit before taxes</b>		<b>19.855.061</b>	<b>3.565.639</b>
22)	Income taxes, current,deferred and prepaid taxes		
	a) current taxes	3.082.526	979.500
	b) deferred and prepaid taxes	819.044	(215.128)
	c) taxes for ongoing tax disputes	1.250.000	0
		5.151.570	764.372
<b>23)</b>	<b>Profit (Loss) for year</b>	<b>14.703.491</b>	<b>2.801.267</b>

These Financial Statements truly reflect the contents of the Accounting Books and Records.