

# Company Presentation

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October, 27 2006



# Agenda

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<b>Starting time</b>		<b>Duration (hours)</b>
12.00 am	Company Presentation	1,5
1.30 pm	Lunch	1
2.30 pm	Questions & Answers	1
3.30 pm	Agency site visit	1
4.30 pm	End of the day	1

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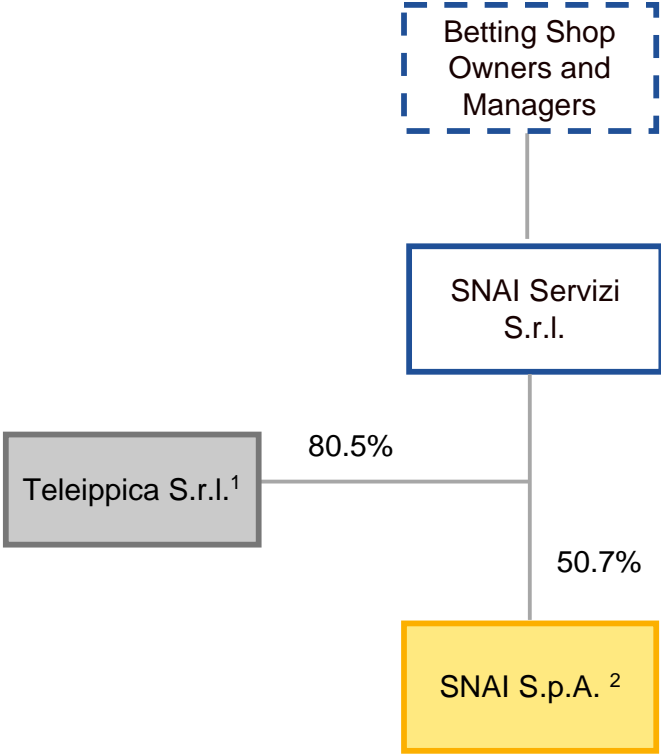
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# Group structure

# SNAI Servizi S.r.l. - Legal structure



Note:

- 1 The remaining stake is owned by SNAI S.p.A
- 2 The remaining stake is free float except 2,3% of Compagnia Fiduciaria Lombarda



# SNAI Servizi S.r.l. - Shareholding structure

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Snai Servizi Srl is the controlling entity of Snai S.p.A. and with a 80.5% stake, is the controlling entity of Teleippica S.r.l.;

- ◆ The Company is controlled by 190 shareholders and is not governed through any block shareholders' agreement;
- ◆ Among the shareholders always it has been a converging unitary intent to manage the company producing a stable and efficient governance;
- ◆ Since many years, all the 15 members of the board of directors are managers of betting agencies with a very deep knowledge of the sector;
- ◆ To be outlined that 150 owners of betting agencies have sold their licences to SNAI Spa as part of the extraordinary operation called the "SNAI project" and are shareholders of SNAI Servizi Srl and have assumed the qualification of "Managers" of the licences acquired by SNAI.

# SNAI Servizi S.r.l. - Team

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Board of Directors (15 members)

Chairman  
*A. Lucchi*

Studies &  
Statistics  
*C. Scatena*

Secretariat Office

Assistant to the  
Chairman  
*A. Nati*



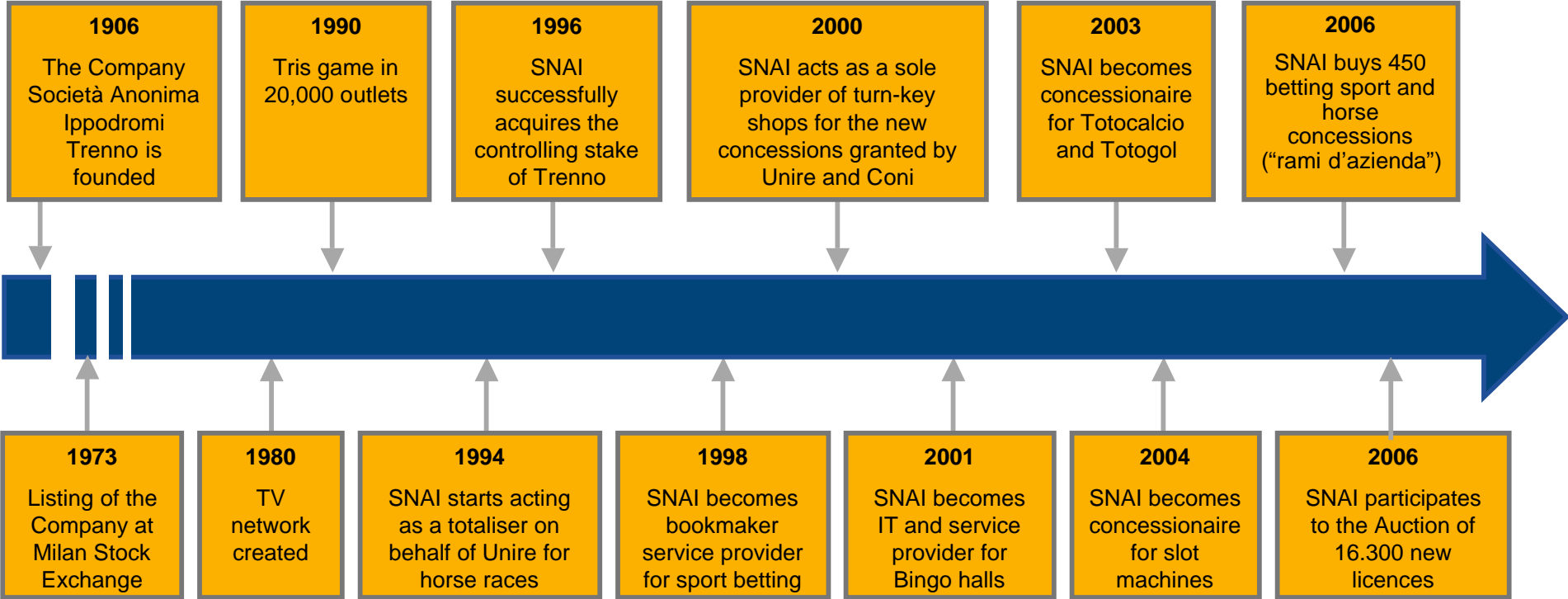
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# The Company



# SNAI Group History

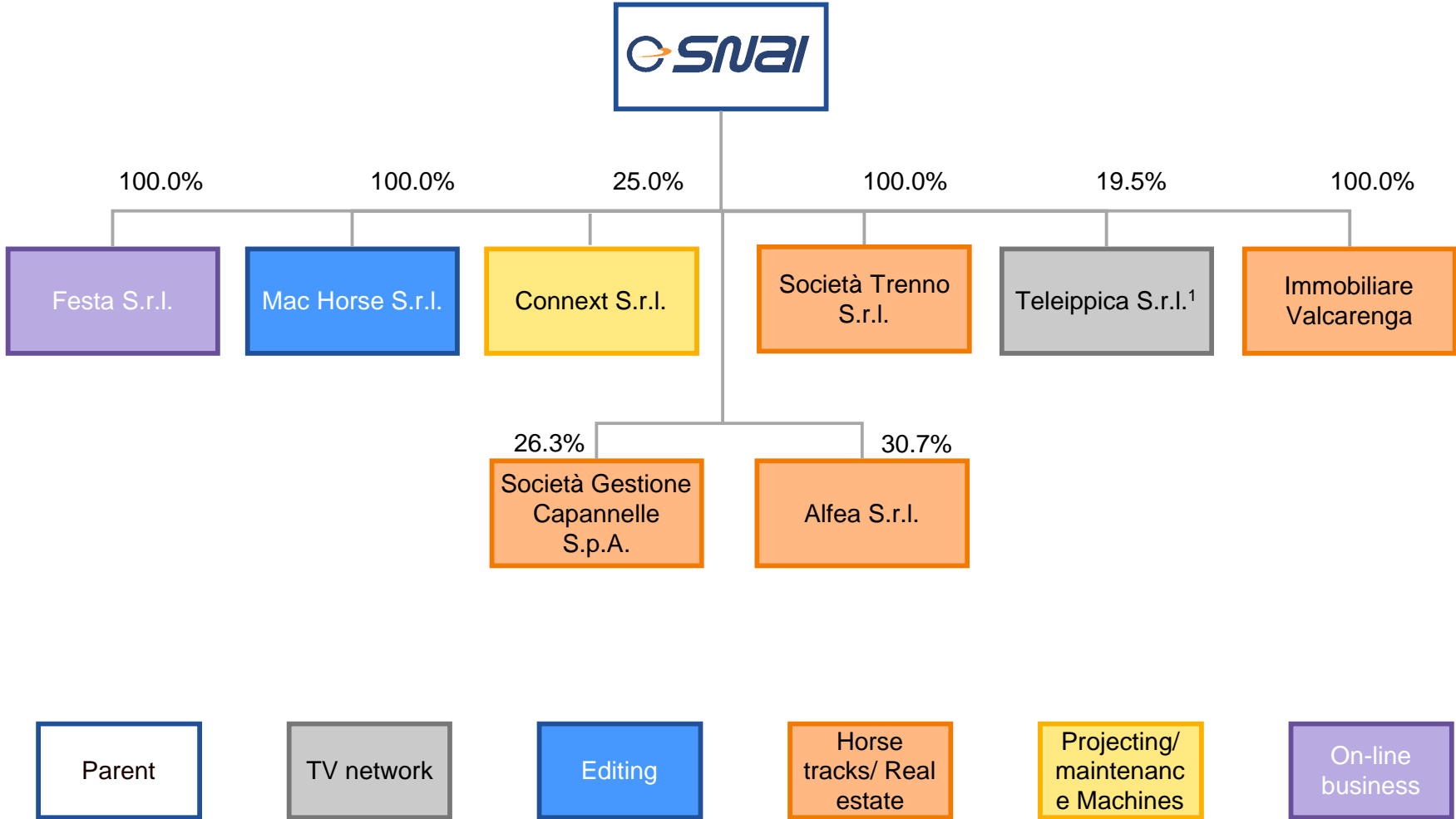
**SNAI has always been a leading player in the Italian betting sector. In recent years, it has widened its activities, becoming the key Service Provider...**



**... in 2006, Snai has become the most important Concessionaire in the Italian betting market**



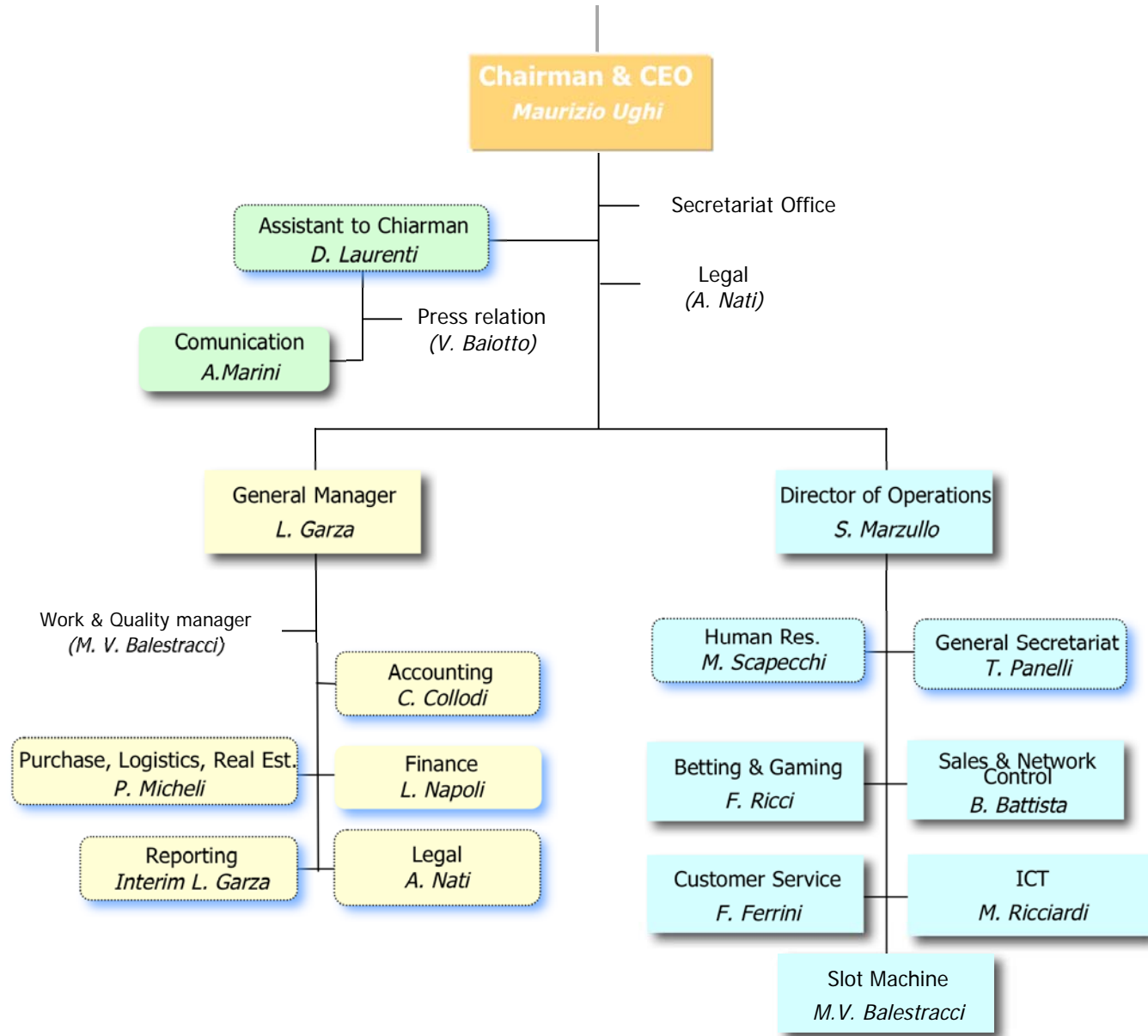
# SNAI S.p.A. - Legal Structure



Note:  
 1 The remaining stake is owned by SNAI Servizi Srl

# SNAI S.p.A. - Team

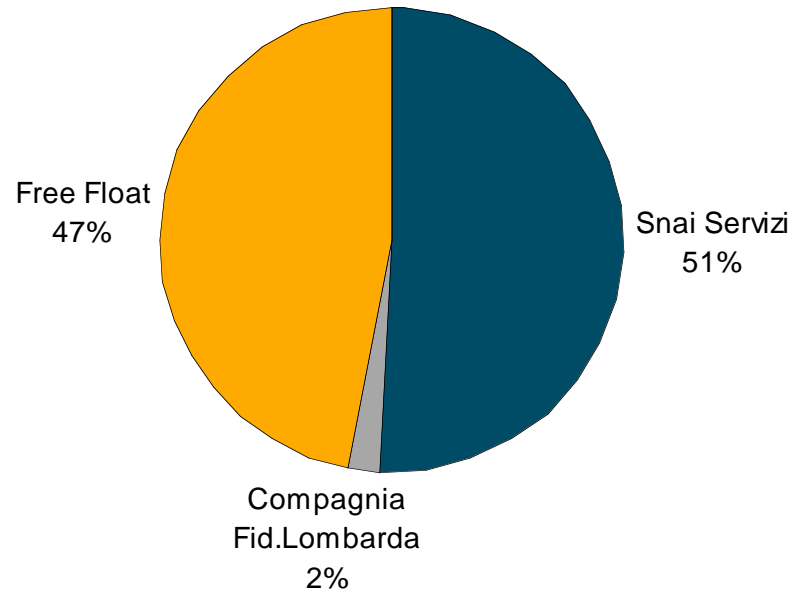
## Board of Directors (9 members)



# SNAI S.p.A. - Shareholding Structure

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- ◆ SNAI S.p.A. is controlled by SNAI Servizi S.r.l.
- ◆ Free float is for the remaining 47.0%



# Investment Considerations

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**The Italian Leader in Sport and Horseracing Betting**

**A Growing and Under Penetrated Market**

**A Strong Network of 250 Punti Snai Gestori and further 384 Punti Snai Clienti**

**Brand, Trust, Scale and Operational Management**

**Bersani Decree is Pivotal to the Market Opening, but Protective to the Existing Players**

**Strong and Stable Cash Generation**

**Unparalleled Expertise in Odds Bookmaking and Risk Management**

**Sizeable Portfolio of Real Estate Properties**

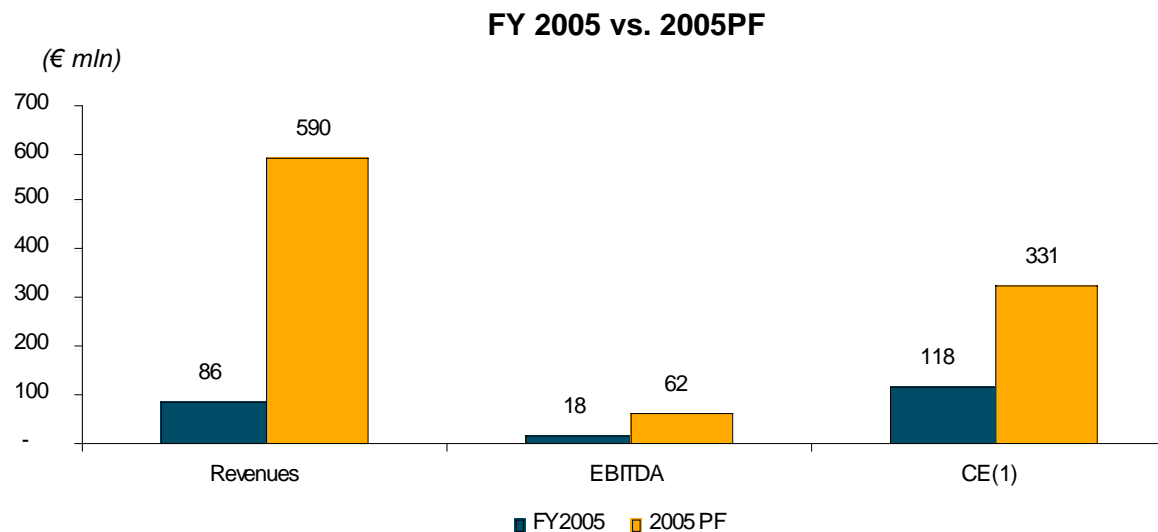
SECTION 1

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# Business Overview

# Snai Business - Snapshot

- ◆ As a result of the Acquisition of March 2006, the sport and horse betting concessions has become by far the predominant business of Snai
  - With its network of 450 licences in 250 agencies, Snai is the leading player in the Italian betting market
- ◆ Still present in its traditional activities:
  - Service Provider: Snai provides services to 384 PuntoSnai Betting Agencies (connection services, bookmaking, administration and branding)
  - Slot Machine: Snai acts as operator of its own ca.1.500 slot machines
  - Hippodromes: Snai owns and manages 3 hippodromes located in Milan (2) and Montecatini (1)
  - Others



(1) Capital Employed: Shareholders' Equity +NFP

# Betting Concessionaire

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## **Before March 2006 Acquisition, Snai acted as a Service Provider for a network of 634 Agencies/Punti Snai**

- ◆ With the Acquisition, Snai bought 450 betting concessions (“rami d’azienda”) relative to 250 Agencies
- ◆ Following the Acquisition, Snai network is now composed of two categories of operators:
- ◆ Punti Snai Gestori: the one who has sold the licence to Snai and still conduct the agencies’ front desk betting activities based on totalizer method and fixed odds provided by Snai bookmakers (moreover, this category of manager continues to incur all the operating costs of its agency, and is remunerated by Snai, based on its betting volume)
- ◆ Punti Snai Clienti: the one who owns the licence, still bearing the risk and rewarding associated with the betting activity; the remuneration for Snai as service provider is calculated on betting volumes

## **Betting activity mainly concerns to:**

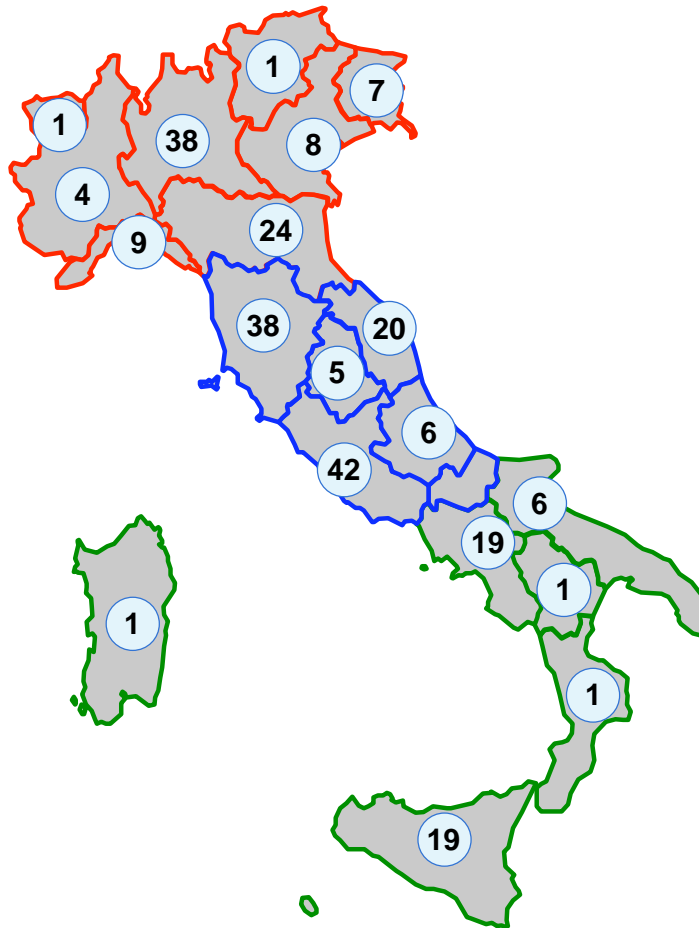
- ◆ Horse races in domestic and foreign hippodromes
- ◆ Sport competitions (football, basket, bike racings, etc.) and auto and moto competitions
- ◆ Non sport events (music, cinema, TV, etc.)

## **The Betting Activity can be:**

- ◆ Fixed Quote: in this case, Snai applies the odds on the fixed quote bets and recognizes the amount of bets as revenues and winnings, indirect tax and the 8% management fee as costs; in this case, Snai holds the whole risk
- ◆ Totalizer: in this case AAMS operates as “the bank”, collecting all bets through the agencies and fixing the final quote once all bets are received; Snai does not hold any risk, and recognizes as revenue a remuneration of approx. 12% for the bets collection, and as cost the 8% management fee
- ◆ Fixed quote method is generally used for sport betting, while totalizer is used for horse betting



# Betting Concessionaire - The Agency Network

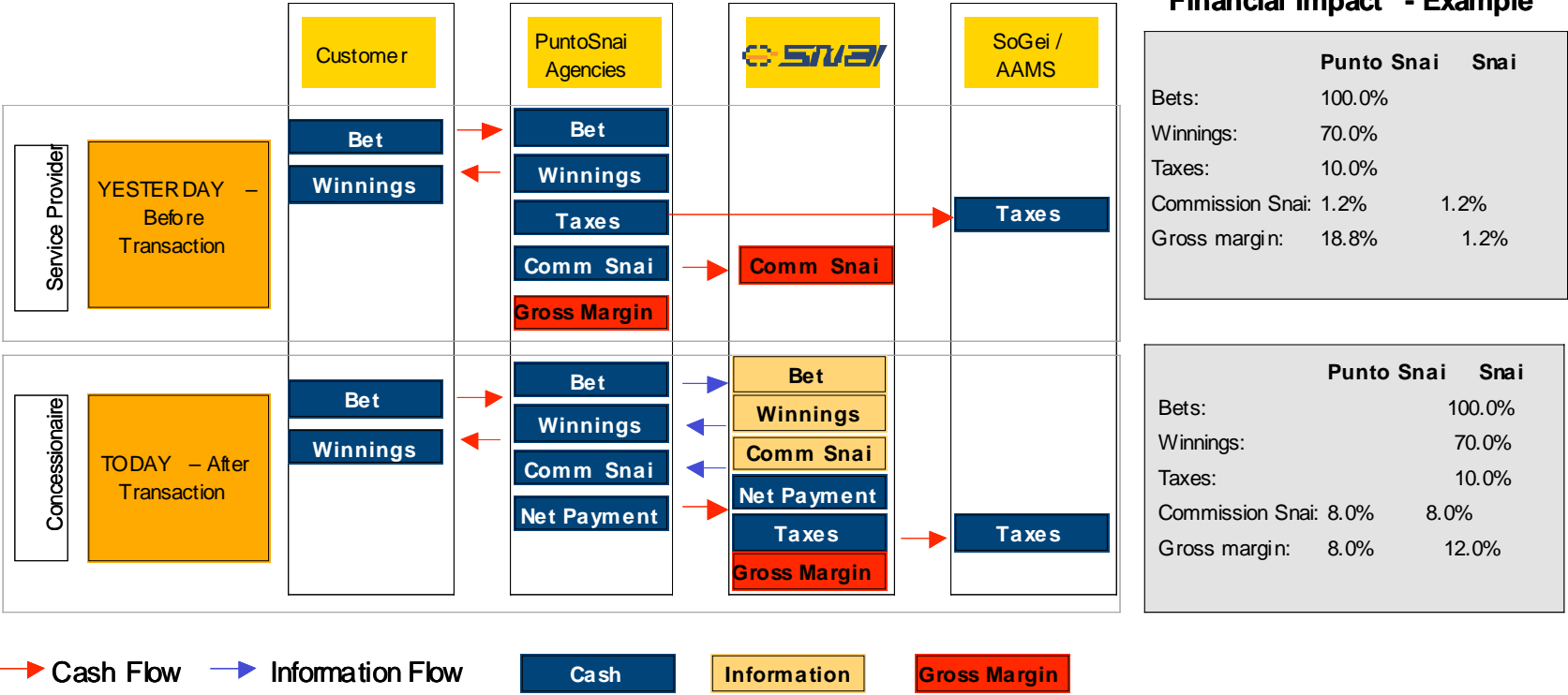


	Agencies	Concessions
North	92	167
Center	111	199
South	47	84
<b>Total</b>	<b>250</b>	<b>450</b>

- ◆ **Snai is by far the leading player in the Italian betting market**
  - A widespread and rooted domestic network of agencies
  - An unrivalled expertise in odds bookmaking
  - Highly experienced and committed workforce throughout the PuntiSnai network (“Ex-Titolari”)
  - Concessions expires in 2012

# Betting Concessionaire - Fixed Quotes Bets

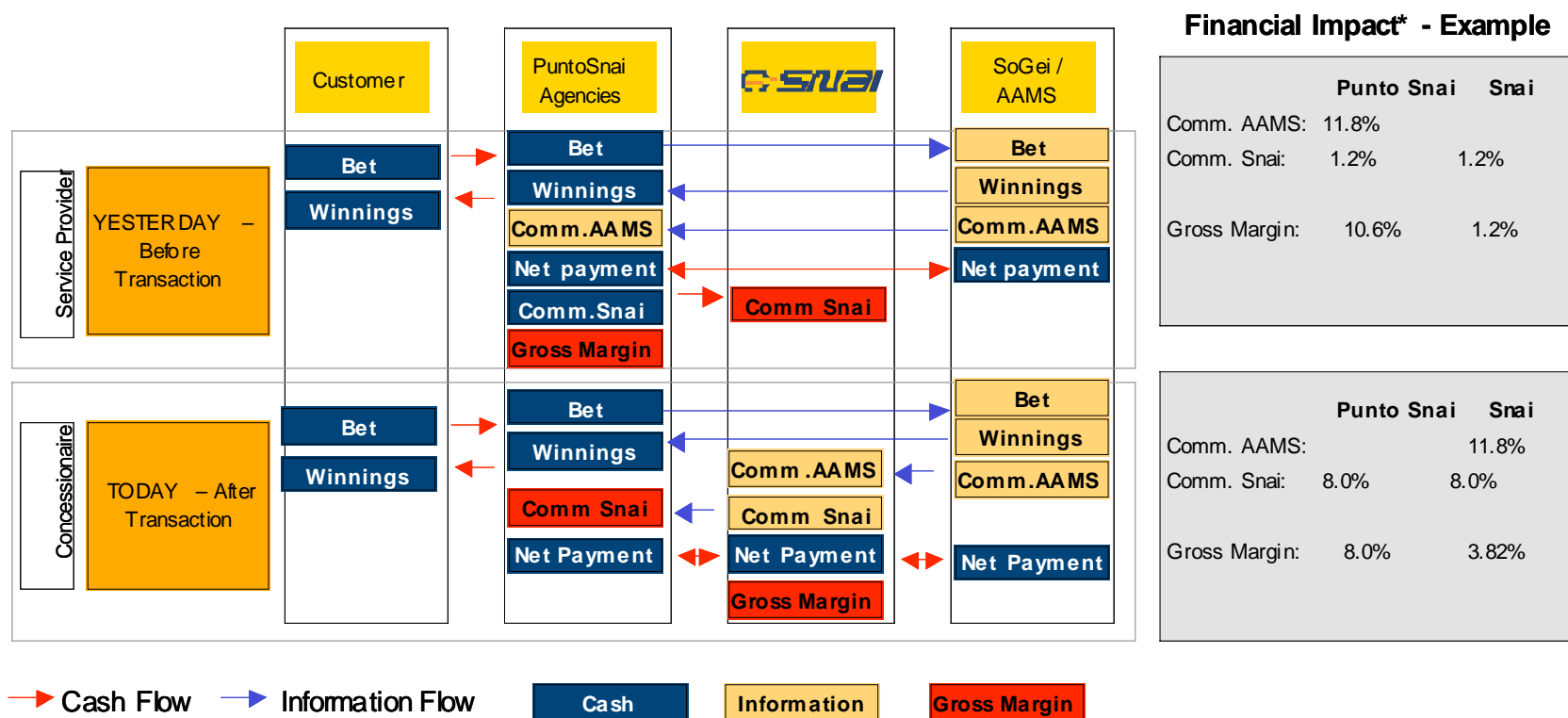
- ◆ **Fixed Quotes Bets:** Snai decides to apply the odds on the fixed quote bets and receives the net winning from the agencies, after a deduction of an 8% as management fee



\* The % are based on (i) the Snai betting database of PuntoSnai betting volumes, winning and taxes; (ii) the current Snai commission and (iii) the framework agreement with the "Ex Titolari"

# Betting Concessionaire - Totalizer Bets

- ◆ **Totalizer Bets:** PuntoSnai receives an 8% management fee on the totalizer betting volume from Snai; the balance is settled by the Company which settles in turn the balance between betting volumes, winnings and the remuneration by AAMS



\* The % are based on (i) the Snai betting database of PuntoSnai betting volumes, winning and taxes; (ii) the current Snai commission and (iii) the framework agreement with the "Ex Titolar"

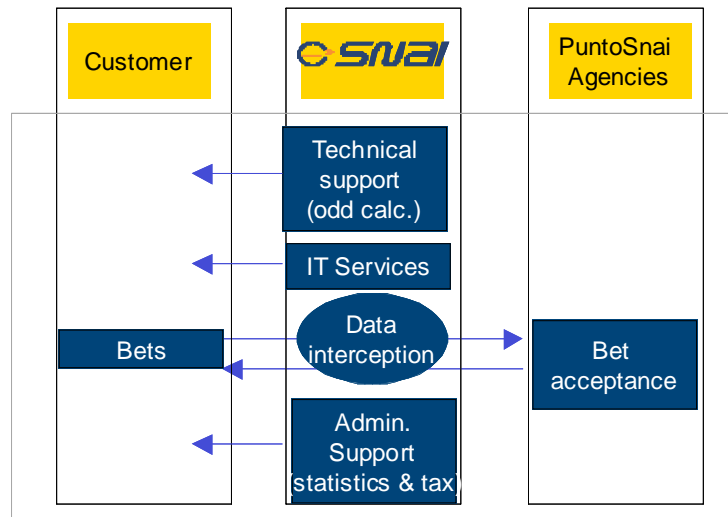
# Transaction Highlights

- ◆ In 2005, Snai has made a Bid to all Punti Snai owners
- ◆ On March 2006 , has been completed the purchase of 450 Concessions of which:
  - 363 belonging to Snai Servizi Shareholders and / or Members of Snai Board of Directors
- ◆ The total consideration of the acquisition was € 358.5 mln of which:
  - € 302.1 mln related to Snai Servizi Shareholders and / or Members of Snai Board of Directors
- ◆ After the Acquisition, Snai owns 450 “Rami d’Azienda” (Concessions), of which:
  - 134 “Concessioni Ippiche Storiche”, 98 “Concessioni Ippiche Ordinarie”, and 218 “Concessioni Sportive”

	€ mln
Total Consideration (EV)	358.5
Vendor Loan (Nominal Value)	(79.9)
PAS Indebtness towards AAMS and others	(55.4)
<b>Purchase Price</b>	<b>223.2</b>

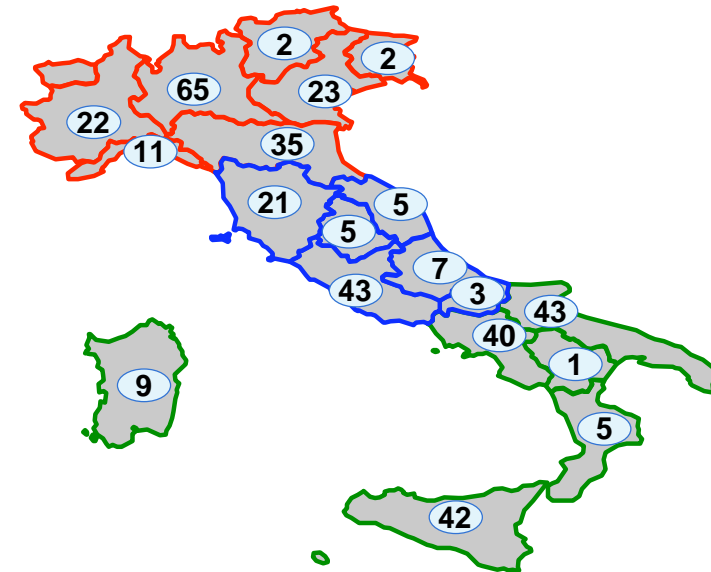
<i>Acquisition Financing</i>	€ mln
Senior and Junior Loans	310.0
Financing Expenses and Fees	(16.9)
Reimbursement of Snai Consolidated Debt	(40.6)
Acquisition's Expenses	(11.7)
Cash available	(17.7)
<b>Purchase Price</b>	<b>223.2</b>

# Snai Business - Service Provider



→ Information Flow

Information



- ◆ Snai network is made of 384 “Punti Snai Clienti”
- ◆ In particular, Snai offers:
  - Technical Support (e.g. advice on odds to apply on fixed quote bets)
  - IT Services (e.g. connection to the Snai network)
  - Administrative Support (e.g. statistics and tax return preparation)
  - Branding (e.g. use of the Snai brand)
- ◆ For these services, Snai charges a 1.2% fee to the PuntoSnai Agencies on Sports and Horse bets
- ◆ Bingo: Service & technology provider for 84 bingo halls, 10 of which are under the “BingoSnai” brand

Punti Clienti	
North	160
Center	84
South	140
<b>Total</b>	<b>384</b>

# Snai Business - Slot Machine Concessionaire

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- ◆ Snai, through its sophisticated IT system, operates slot machine network and acts as a collector on behalf of the tax authority
- ◆ Snai is the second Concessionaire in Italy in terms of machines connected to its network
- ◆ Snai provides services to 800 slot machine operators and owns slot machines located at PuntoSnai Shops
- ◆ In particular Snai connects:
  - Approx. 1.500 slot machines located at PuntoSnai agencies
  - Approx. 21.500 slot machines located outside the PuntoSnai network (ca. 800 slot machine operators)

# Snai Business - Horse Race Tracks

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- ◆ Snai owns three horse tracks:
  - two in Milan: San Siro, for trot and gallop
  - one in Montecatini: Sesana trotand manages them through its subsidiary Trenno
- ◆ Snai has also stakes in Rome and Pisa Horse Racecourses
- ◆ Real Estate properties are for ca. mq 1.7 mln, of which ca. mq 1.5 mln in the center of Milan

# Snai Business - Internet



## ◆ Snai owns websites

- Snai developed an online horse and sport betting website where gamblers can bet by a Snai Card linked to an individual gaming account
- Each bet is linked to the concessionaire where the account was originally opened
- Snai, as concessionaire for Horse and Sport bets, is able to accept and collect bets through internet, mobile phones, satellite and DTT Television platforms



# Snai Business - Others

## TV Broadcasting



The TV network broadcasts images of Italian and foreign horse races, data related to bet volumes, tips and forecasts

- ◆ Snai, through Teleippica, broadcasts 3 television channels: Unire Grigio and Unire Verde, Unire Sat-Snai Sat (a part of the Sky Network)
- ◆ Recently, a new TV channel has been introduced: SNAITV, with the aim of giving specialized contents for Punti SNAI network
- ◆ The Group uses also the “editoria telematica” through different websites, as for example, [www.snai.it](http://www.snai.it), [www.sportescommesse.it](http://www.sportescommesse.it), [www.trenno.it](http://www.trenno.it), [www.bingosnai.it](http://www.bingosnai.it), [www.snaisat.com](http://www.snaisat.com), and [www.giocasport.biz](http://www.giocasport.biz)

## Other Concessions



- ◆ Totocalcio and Totogol since 2003/2004 soccer season
- ◆ Big Games (Big Match, Big Race, Big Show) since 2004
- ◆ Scommessa Ippica Nazionale - formerly known as Tris - (since 1st Jan. 2006)

## Equipment



Other Snai activities mainly relate to:

- ◆ Sales of betting terminals and software
- ◆ IT Assistance and maintenance to PuntoSnai Agencies
- ◆ Refurbishment of PuntoSnai Agencies and third party offices

SECTION 2

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# Selected Financials

# Selected Financials

€ mln	31/12/2005	31/12/2005 PF	1H 2006	1H 2006 PF
<b>Sales</b>	<b>85.8</b>	<b>589.9</b>	<b>237.4</b>	<b>369.6</b>
<i>yoy growth %</i>		587.6%		55.7%
<b>EBITDA</b>	<b>18.2</b>	<b>62.1</b>	<b>22.2</b>	<b>36.0</b>
<i>yoy growth %</i>		240.9%		62.5%
<i>% on Sales</i>	21.2%	10.5%	9.3%	9.8%
<b>EBIT</b>	<b>9.3</b>	<b>24.4</b>	<b>9.6</b>	<b>17.6</b>
<i>yoy growth %</i>		161.7%		84.0%
<i>% on Sales</i>	10.9%	4.1%	4.0%	4.8%
<b>Net Profit (Loss)</b>	<b>10.4</b>	<b>(2.6)</b>	<b>(2.0)</b>	<b>(2.2)</b>
<i>yoy growth %</i>		<i>n.m.</i>		6.1%
<i>% on Sales</i>	12.1%	<i>n.m.</i>	<i>n.m.</i>	<i>n.m.</i>
<b>NFP</b>	<b>32.8</b>	<b>245.3</b>	<b>274.5</b>	<b>245.3</b>

- ◆ The 450 “rami d’azienda” have been consolidated in Company’s Profit & Loss since 16 march 2006
- ◆ Snai consolidated financials has since changed materially
- ◆ 1H 2006 financials strongly impacted by the Football World Championships
  - Record betting volumes of € 55.1 mln (Punti Snai Gestori)
  - Gross margin contribution of € -4.9 mln mainly due to the winning of the Italian team

# Net Financial Position 1H 2006

	31/12/2005	30/06/2006
	<i>€ mln</i>	
Cash	(0.29)	(0.15)
Cash Equivalents	(9.84)	(23.26)
<i>Financial Credits</i>		
Short Term	(3.28)	(3.75)
<i>Bank Debt</i>		
Short Term	1.05	5.65
Other Financial Debt	9.09	
<b>Sub-Total</b>	<b>(3.27)</b>	<b>(21.50)</b>
<i>Financial Credits</i>		
Long Term	(0.15)	(0.15)
<i>Bank Debt</i>		
Long Term	32.86	293.50
Other Financial Debt	3.20	2.61
<b>Sub-Total</b>	<b>35.91</b>	<b>295.97</b>
<b>Net Financial Position</b>	<b>32.64</b>	<b>274.46</b>

The Acquisition of 450 betting agencies occurred in March 2006, has highly influenced the leverage of the Group

- ◆ The Acquisition has also been financed through a Vendor Loan
  - Nominal amount of € 79.9 mln
  - Fair Value of € 66.7 mln (value posted in the consolidated Balance Sheet due to the IFRS application)
  - Not bearing financial interests
  - Amortizing in 5 years (with tranches of equal amount)

# Segment Information – 1H 2006

	Bettings			Service provider	Slot machines	Subtotal	Hippodromes (4)	Other (4)	Total
	Sport	Horse	Total						
Net Volumes	158.2	225.3	383.4	976.9	677.9	2,038.2	n.s.	n.s.	n.s.
Revenues	158.2	35.9	194.1	11.6	11.7	217.4	12.3	7.7	237.4
Wins costs (1)	(125.7)	(7.2)	(132.9)			(132.9)			(132.9)
Amount paid to Puntif SNAI Gestori (2)	(12.7)	(17.9)	(30.6)		(4.9)	(35.5)		(0.1)	(35.6)
Taxon bettings (3)	(12.2)	(1.5)	(13.7)		(2.1)	(15.8)		(0.2)	(16.0)
Gross Margin	7.5	9.3	16.9	11.6	4.8	33.2	12.3	7.4	52.9
Gross Margin (% Net Volumes)	4.8%	4.1%	4.4%	1.2%	0.7%	1.6%	n.s.	n.s.	n.s.
Gross Margin (% Sales)	4.8%	26.0%	8.7%	100.0%	40.9%	15.3%			22.3%

(1) Includes refundable tickets

(2) Slot Machines sector includes costs relative to Gestori (6% of Volumes) and maintenance (2.5 % of Volumes);

(2) "Others" includes commission to Sisal relative to "concorsi pronostici" activity

(3) In Sport and Horse bettings the amount relative to "imposta unica" is included; in Horse bettings is also considered Horse Bettings withdrawal

(3) Slot machines includes concession cost equal to 0,30% on volume

(4) Gross Margin does not include direct costs relative to this activity

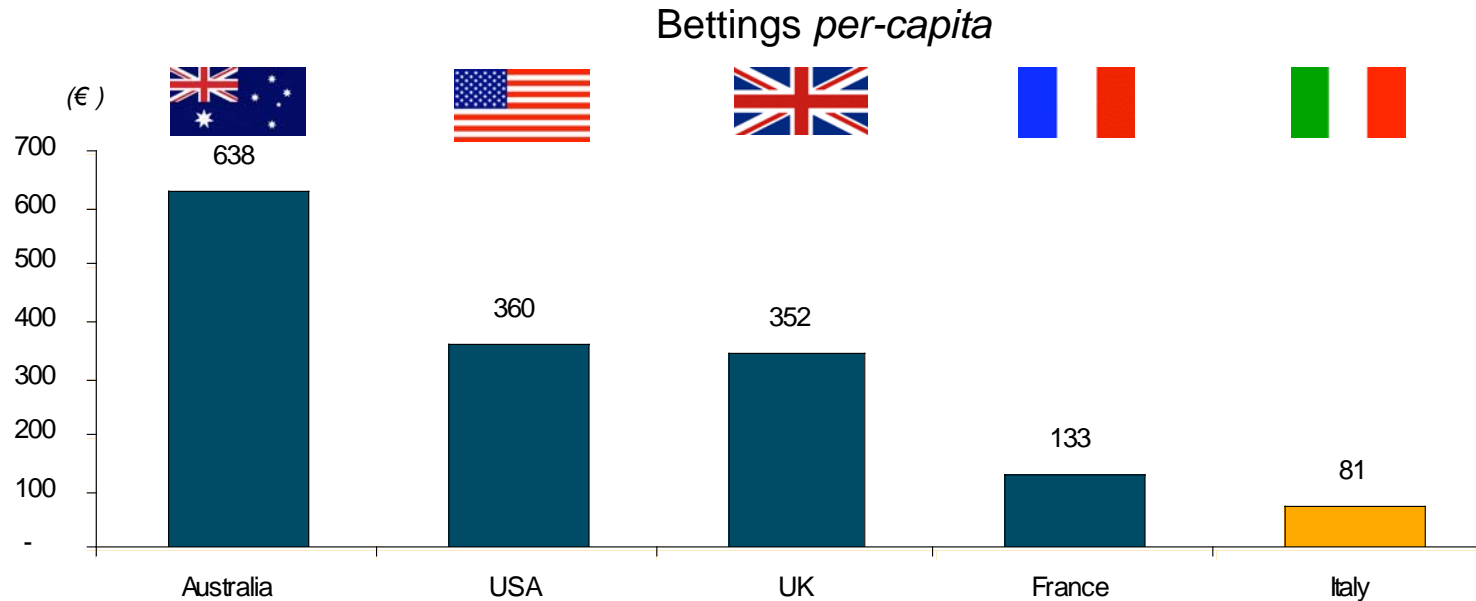
- ◆ All numbers refer to non Pro-Forma data
- ◆ Numbers reflect acquisitions of:
  - “Concessioni Dirette” since 16/03/2006 Acquisition
  - Service Provider includes also Punti Snai Gestori (pre-16/03 Acquisition) financials
- ◆ The Football World Championships impacted negatively in terms of Gross Margin, with a contribution of € -4.9 mln

SECTION 3

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# The Market Today - Overview

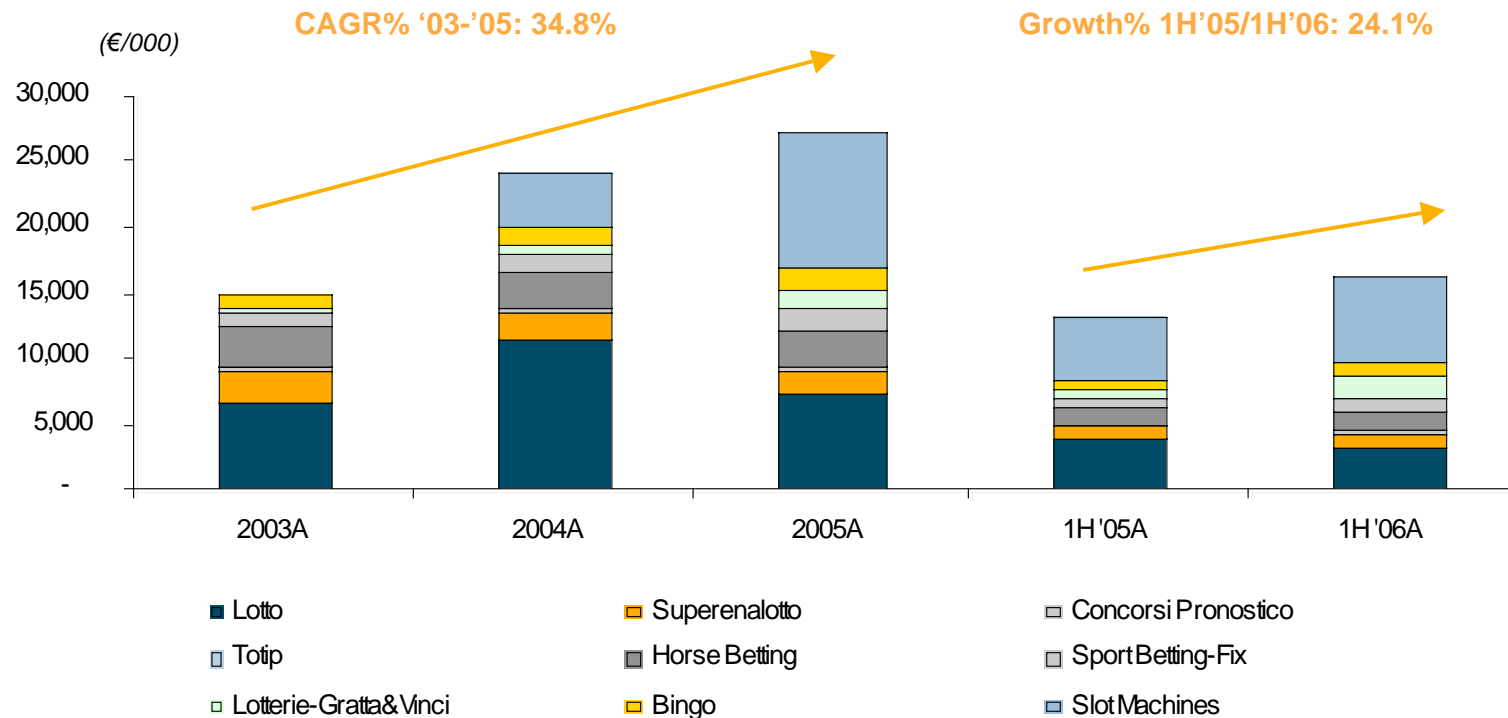
# Italian Market *vis-à-vis* other markets



Source: AAMS, Brokers'reports

- ◆ Italian betting market, in terms of expenditure per-capita and propensity to bet, show room to grow in respect of other Western countries
  - In particular, Italian bettings per-capita is about  $\frac{1}{4}$  in respect of UK and less than 30% versus France
  - The sport betting segment is pivotal to the grow of the betting market

# Evolution of the Market by Segment



Source: SNAI

**The gaming and betting market shows an increasing trend, characterized by:**

- ◆ A booming effect of Slot machines business: Growth '04-'05: + 162.5%
- ◆ An “up & down” performance of the Lotto segment
- ◆ A good performance of sport betting (also thanks to recent reduction in tax rates)
- ◆ An increasing weight of internet sport betting
- ◆ The Soccer World Cup effect on 2006 volumes

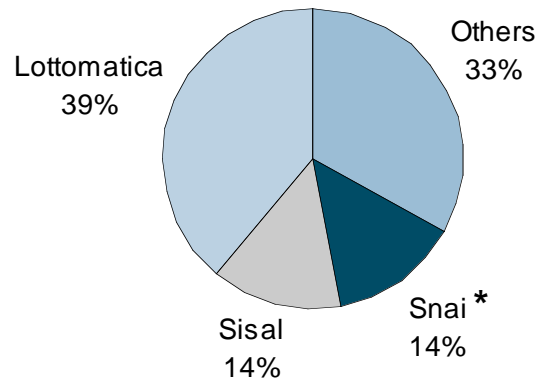


# The Italian Gaming and Betting Market - 2005

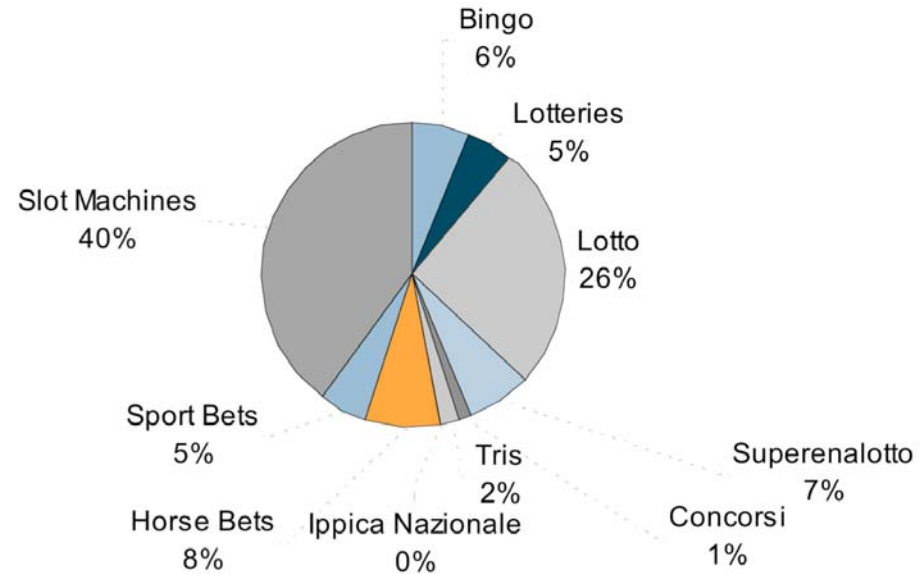
## The Players

€ 27.5 mln

## Segmentation



Source: SNAI



Source: SNAI

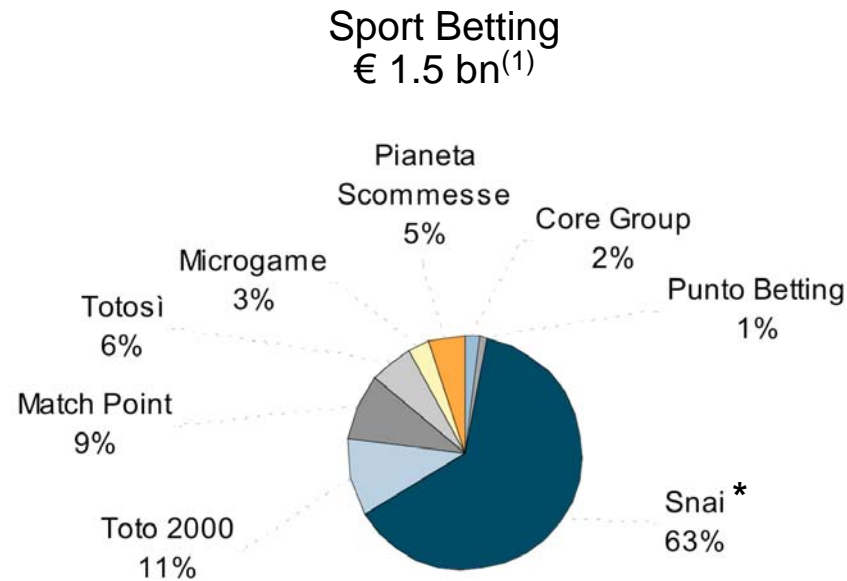
The turnover of the **3 key players** is about 70% of total market; each of them operates mainly in two or three segment:

- ◆ SNAI      ⇒ Betting - Slot
- ◆ Lottomatica      ⇒ Lotto - Slot - lotteries
- ◆ Sisal      ⇒ Superenalotto - Betting - Slot

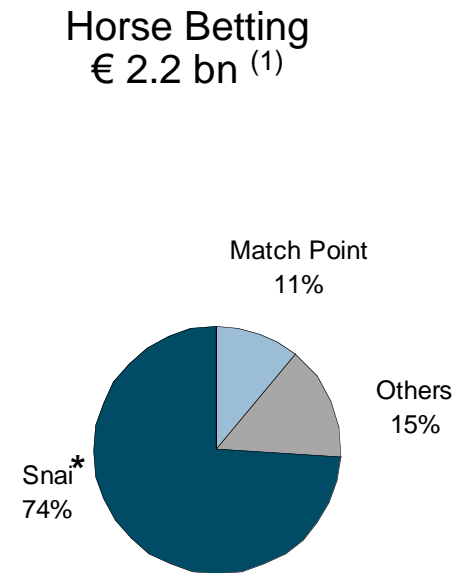
Slot Machine, Lotto and Betting are about the 80% of the market

\* Includes Punti Snai Clienti

# Sport and Horse Betting: 2005 Market Shares



Source: Agicos



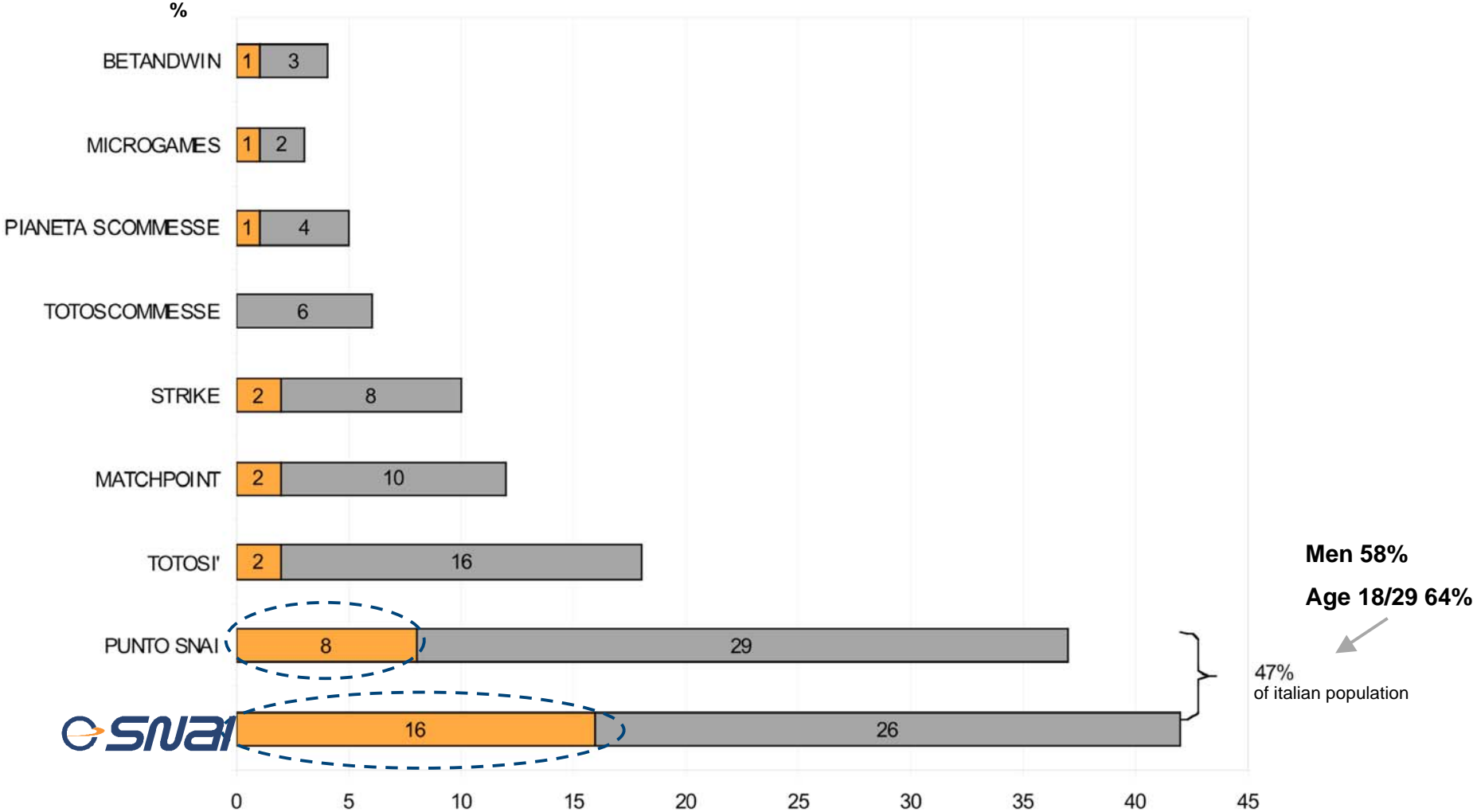
Source: Agicos

◆ Both in Sport and Horse Betting, SNAI creates the market and still is the absolute leader

Includes Punti Snai Clienti

1) AAMS, Raccolta 2005

# The Italian Betting Market: Brand Awareness



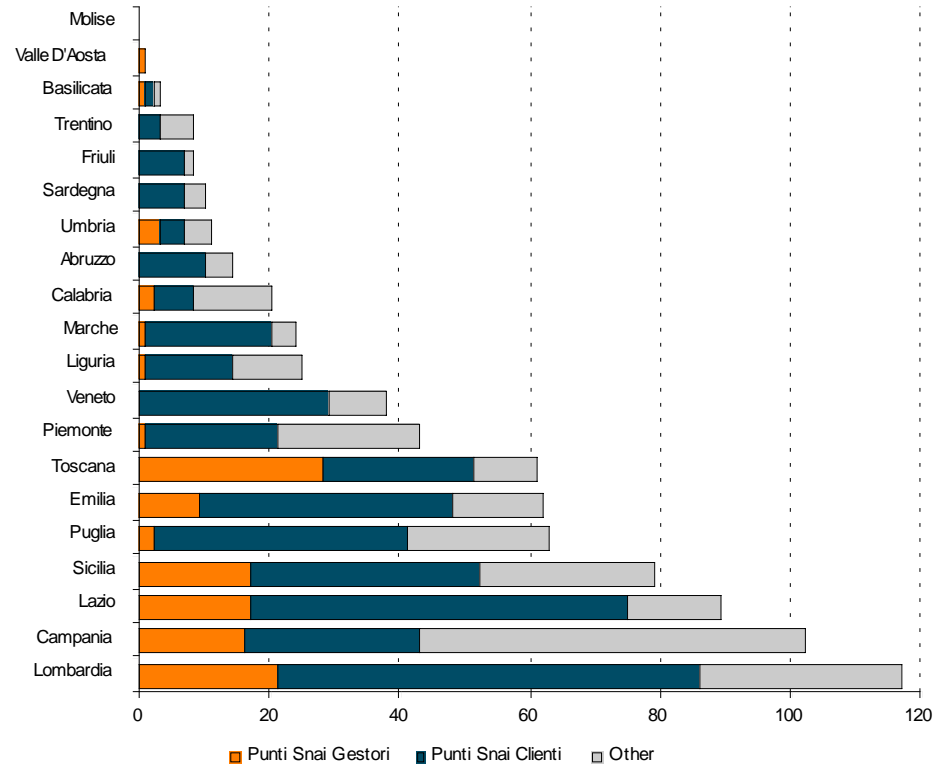
Source: People research



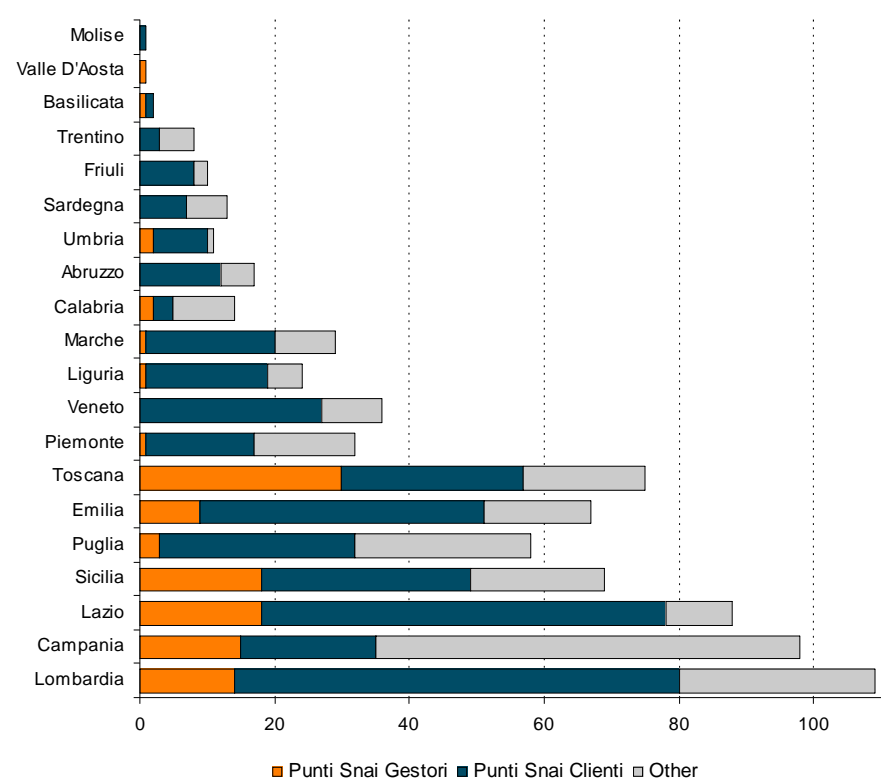
People who spontaneously say Snai as a Company in the betting sector (%)  
 The same as above but suggested (%)

# Sport and Horse Betting: Licences by Regions

## Sport Shop

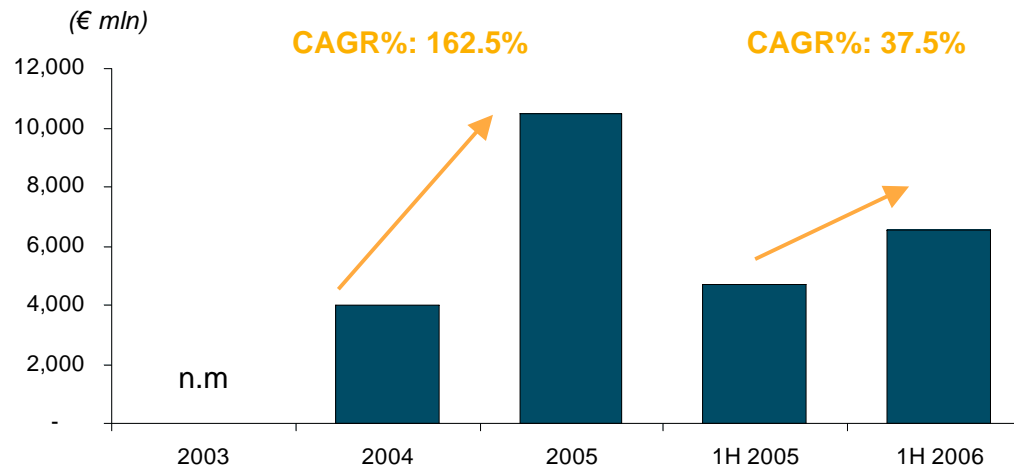


## Horse Shop



# Slot Machine Market

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Source: SNAI

- ◆ Slot machines have been connected online since November 2004 following the issuance of the new regulation by AAMS
- ◆ In its first years of introduction the segment growth has registered booming rates, and it is expected to grow in the next future at an outstanding pace
- ◆ In 1H 2006, Snai market share is about 11%

SECTION 4

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*“The Bid”*

# “The Bid” - 2006 Betting Concessions Bids

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**Following Bersani Decree, on October 20, 2006, AAMS held a public tender for a total of 16.300 new horse and sports betting licences, and for new internet betting licences**

## **Sport Betting**

- ◆ AAMS calls a bid for no. 6,300 Sport Betting Point of Sale:
  - 1,900 sports betting shops – Basic offer € 25.000
  - 4,400 sports betting corners – Basic offer € 7.500
  - anti-concentration limits 20% on the total of 6.300 points

## **Horse Race Betting**

- ◆ AAMS calls a bid for n° 10,000 Horse Race Betting Point of Sale:
  - 500 horseracing betting shops – Basic offer € 30.000 with anti-concentration limits 20%
  - 9,500 horseracing betting corners – Basic offer € 7.500 with anti-concentration limits 40%

## **Distance Gaming**

- ◆ Concession for the acceptance of Distance Gaming both in Sport and Horse Race Betting - price € 300.000 each

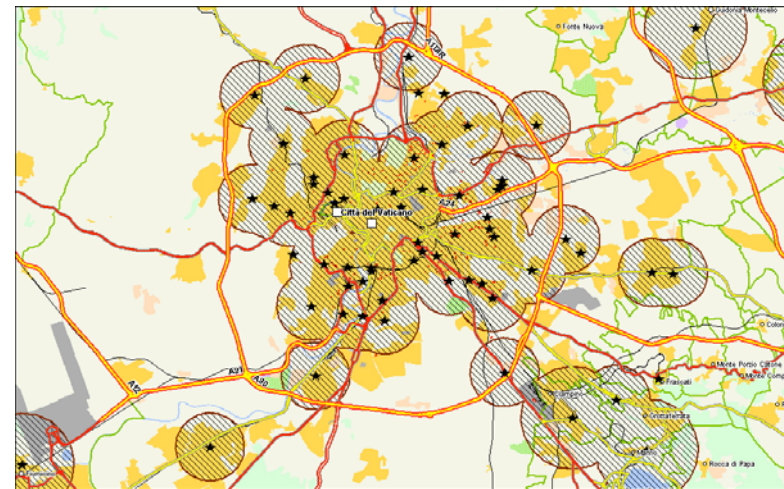
# “The Bid” - 2006 Betting Concessions Bids

- ◆ The public tender sets forth the number of the new shops and corners available per each province (horse) or municipality (sport)
- ◆ Concessions expiring 31/12/2015
- ◆ Sport betting tax reductions (ex Bersani Decree)
- ◆ To protect the existing betting network, it sets forth the limits in the location of shops and corners

	<i>Activities for Shops and Corners</i>			
	<i>Horses</i>		<i>Sports</i>	
	<i>Shop</i>	<i>Corner</i>	<i>Shop</i>	<i>Corner</i>
Fixed Quota Bet - Horses	—	—	—	—
Fixed Quota Bet - Sport	—	—	—	—
Totalizer Bets - Horses	—	—	—	—
Totalizer Bets - Sport	—	—	—	—
Totocalcio	—	—	—	—
Totip	—	—	—	—
Ippica Nazionale	—	—	—	—

— *Allowed Activities*  
 — *Not Allowed Activities*

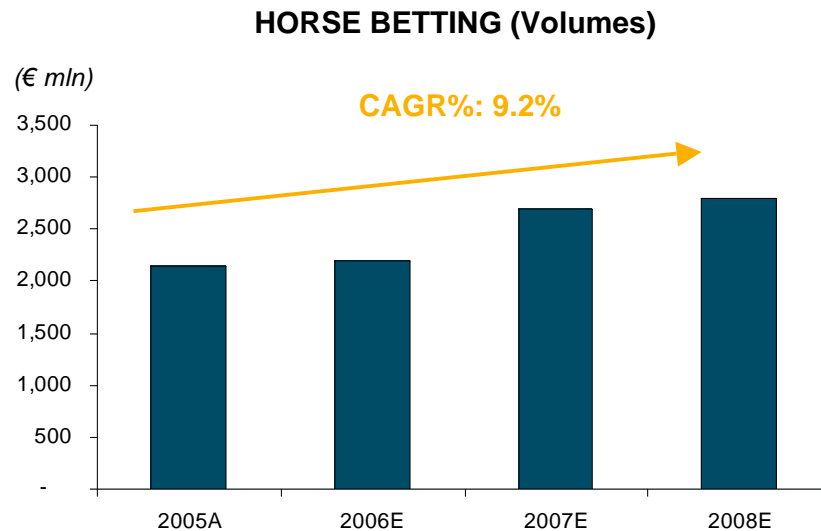
- ◆ The new law should grant a rationale geographical distribution of the new shops and corners, providing “proximity rules”:
  - **Sport Shops:**
    - 800 m (or 1.6 Km for municipalities with a population less than 200.000 inhabitants)
  - **Horse Shops:**
    - 2 km (or 3 Km for municipalities with a population less than 200.000 inhabitants)
  - **Corners:**
    - 400 m (or 800 m for municipalities with a population less than 200.000 inhabitants)



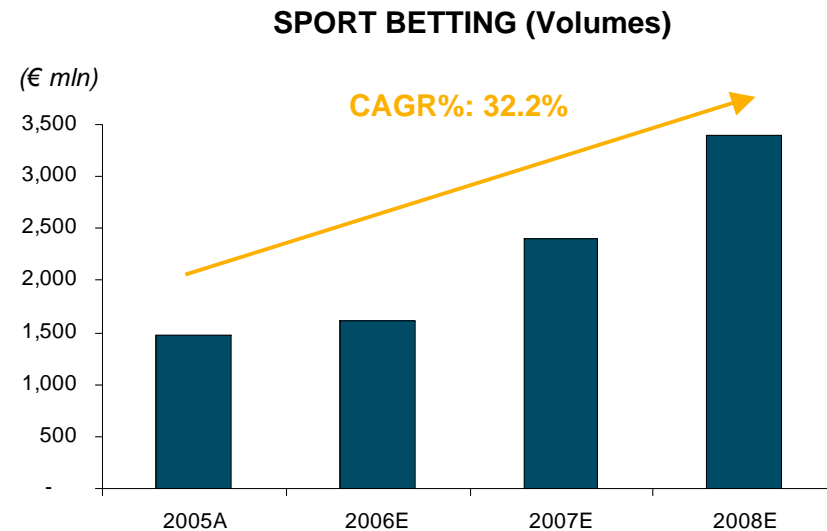
The map shows areas (grey circles) that are not eligible for new betting shops in major Italian towns



# “The Bid” - Expected Market Growth



Source: Relazione Tecnica AAMS



Source: Relazione Tecnica AAMS

**The opening of the new shops and corners, coupled with lower tax levels, will drive a relevant additional demand flow, particularly for sport betting**

**The Relazione Tecnica (issued by AAMS) in connection with the Bersani Decree, sets forth:**

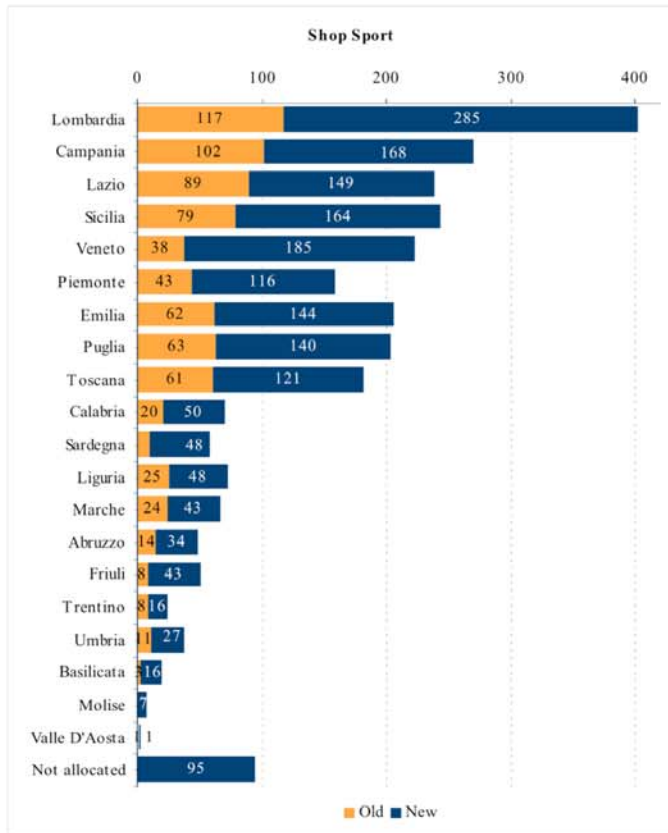
◆ **Horse Betting**

- Additional collection yoy of € 50 mln in 2006, € 500 mln in 2007 and € 100 mln in 2008

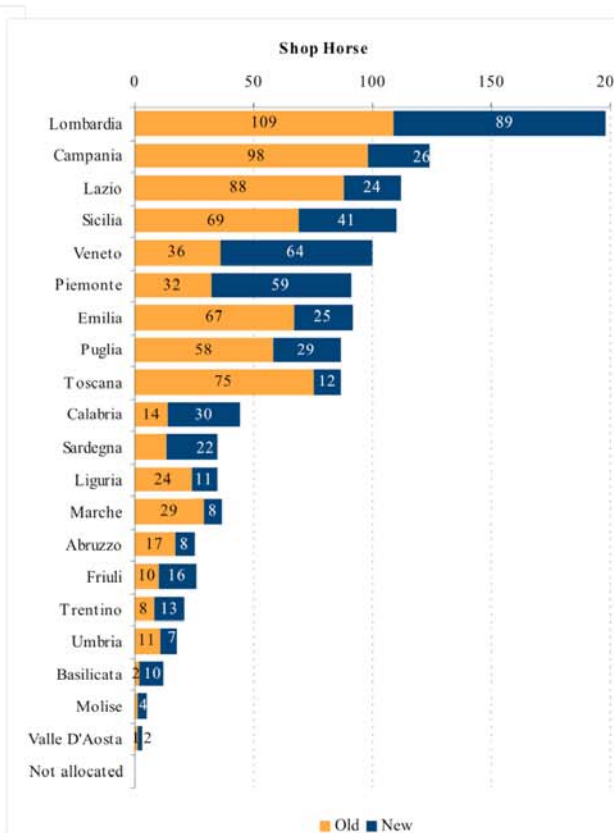
◆ **Sport Betting**

- Additional collection yoy of € 150 mln in 2006, € 800 mln in 2007 and € 1.000 mln in 2008 (also a decreasing tax rate between 2006 and 2008 from 8.4% to 5%)

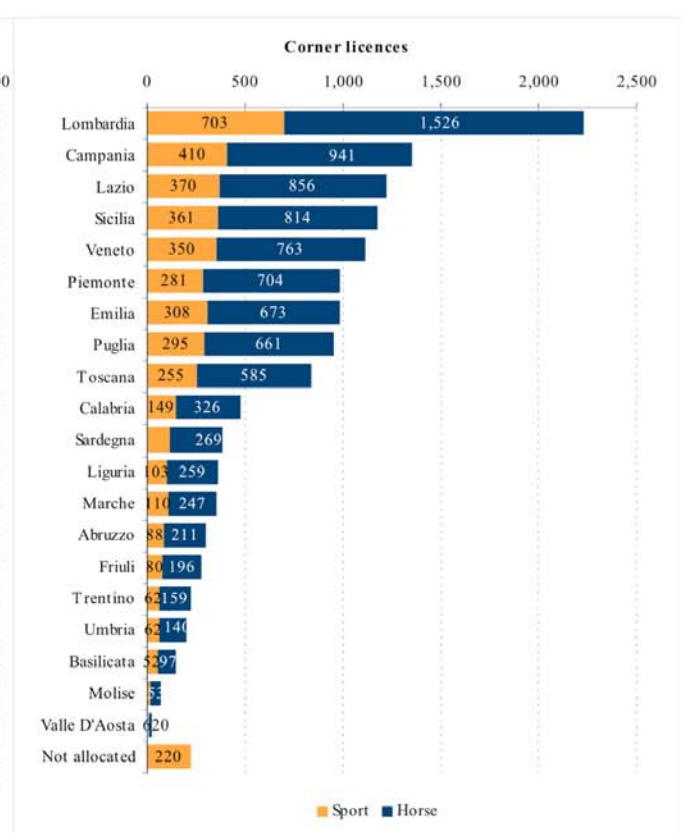
# “The Bid” - Geographical Breakdown



Source: Snai, AAMS



Source: Snai, AAMS



Source: Snai, AAMS

- ◆ Existing shops' locations protected by the Law
- ◆ New shops/corners aim to cover small/mid sized municipalities
- ◆ Expected average betting volumes collected by the new shops lower than existing ones

# “The Bid” - A Unique Opportunity for Snai

- ◆ Snai is the Italian leader in the betting market
- ◆ The Company aims at strengthening and consolidating its market position
- ◆ Last 20 Oct. 2006, Snai participated to the Bid for the new licences
- ◆ The results will be given likely by the end of 2006
- ◆ The highest number of new concessions which could be granted to the Company, in accordance with the mentioned anti-concentrations limits, are:

			<i>Analysis of Licences (n°)</i>	
Type of Bets	Type of Licence	N° of Available Licences	% Max	Snai Potential Win
Sport	Shop / Corner	6,300	20%	1,260
Horses	Shop	500	20%	100
Horses	Corner	9,500	40%	3,800
<b>Total</b>		<b>16,300</b>		<b>5,160</b>

- ◆ The consequent potential investments could be equal to approx. € 200 mln
- ◆ Snai intends to manage new corners/shops benefiting from its Management proved expertise
- ◆ The Company could also benefit, as a Service Provider, from new concessions assigned to any existing Punti Snai Clienti

# Snai - The Strategy

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**1. Complete the integration of the “Acquisition”**

**2. Fully exploit the opportunities given by the application of Bersani Decree**



**3. Catch the opportunities given by the booming Slot Machine market**

**4. Further potential concessions acquisitions to strengthen the leadership position in the Italian market**

SECTION 5

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# Conclusions

# Conclusions

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**The Italian Leader in Sports and Horseracing Betting**

**A Growing and Under Penetrated Market**

**Strong and Stable Cash Generation**

**Experienced Management Team**

**Strong Franchise based on a Widespread Network, High Brand Awareness and Undisputed Trust**

Appendix 1

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# Regulation

# Overview on AAMS

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- ◆ AAMS, State Monopolies Agency, regulates and controls the Italian gaming sector
- ◆ AAMS performs its role by developing guidelines for a rational and dynamic evolution of the sector, constantly verifying the regularity of the behaviour of the operators
  - it also intervenes to stem any illegal activity, and acts to optimise the State's revenue
- ◆ Since 2002, AAMS has been the sole regulatory entity of the Italian gaming and betting system and grants concessions for any legal game/lottery/bet in Italy
  - AAMS games portfolio includes Lotteries (both traditional and instant), Lotto, SuperEnalotto, horse race, sport and non-sport betting, Bingo, pools and slot machines
- ◆ Giorgio Tino, General Manager of AAMS, was appointed in 2002 by the Italian Minister of Treasury



# Concessions Granted in Italy

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- ◆ AAMS grants licenses to private operators to run games in return for a percentage of the collected bets
- ◆ The concessionaire handles the following activities
  - the establishment of an efficient network to run and monitor gaming bets, drawings and winnings
  - the collection of total game bets (net of winnings and fees)
  - the selection and development of an agent structure to provide maintenance services to lottery outlets and betting agencies and to support them in stimulating revenue collection, in accordance with the rules and regulations

# Competitive Positioning

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<b>Game</b>	<b>Concession holder</b>	<b>Concession expiry</b>
Lotto	Lottomatica	2016
SuperEnalotto	Sisal	2010
Horse Race and sports bets	Snai, PAS, Match Point (Sisal), others	2012
Scommessa Ippica Nazionale	Snai, Lottomatica, Sisal	Jun-2007
Totip	Sisal	Jun-2007
Bingo	Various operators	2007
Scratch cards and lotteries	Consorzio Lotterie Naz.	2010–16
Totocalcio – Totogol	Snai, Lottomatica, Sisal	Jun-2007
Slot Machines	Snai and 9 other operators	2010

# Horse and Sport Concessions Granted in Italy - 1999

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- ◆ In 1999 Ministry of Finance, Ministry of Agriculture and Coni organized a national open tender to grant concessions for horse and sport betting, respectively
- ◆ At that time selection criteria were mainly
  - technical description of the premises (number of terminals available to display information to customers, IT equipment)
  - economic offer to the State, in terms of minimum annual amount of taxes guaranteed

# Concessions Granted - Totocalcio and Totogol - 2003

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- ◆ The concession concerns those forecast competitions in practice starting from the football season 2003/2004 that AAMS markets through points of sales, mainly tobacconists and bars, with game display stations (and having obtained AAMS' nulla osta)
- ◆ Each point of sale makes use of Snai's expertise to manage relations with AAMS such that Snai acts as an interface between the two
- ◆ The concession will expire in June 2007

# Concessions Granted - Slot Machines - 2004

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- ◆ Until 2002, the Italian slot machine industry was not properly regulated and, as a consequence, 300,000 slot machines in the market were out of the authorities' control. The main issues were
  - the State had no control over the fairness of the games played on the machines
  - tax authorities could not benefit from the income generated
- ◆ To overcome the situation, Budget Law 2003 amended the Royal Decree 773/1931 (Testo Unico in Materia di Legge Pubblica Sicurezza - "TULPS")
  - providing a new definition of slot machine
  - requiring all existing slot machines to be substituted with fairer and State-regulated machines ("Newslot")
- ◆ To guarantee connectivity, on April 14, 2004, AAMS organized a competitive process to determine which entities could properly and effectively manage the slot machine network
- ◆ Snai acts as licensee of AAMS for the opening and running of a network of slot machines
- ◆ Such concession requires Snai to connect all devices in real time, ensure the collection and registration of each bet's details and any information as to each device's return
- ◆ The concession is granted until 31 October 2010

# Concessions Granted - Scommessa Ippica Nazionale 2005

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- ◆ Until 31 December 2005, the management of Scommessa Ippica Nazionale game was granted to Sara Bet which acted as State concessionary
  - by virtue of a contract signed with Sara Bet S.r.l., Snai was involved in the activity of collection of Scommessa Ippica Nazionale and related bets
- ◆ The new Scommessa Ippica Nazionale bet was introduced in November 2005 and Snai was granted the concession
- ◆ The acceptance of each bet is performed through a network of tobacconists, bars and agencies organized by Snai and two other concessionaires

# Licences to Allocate - Horse and Sports Betting

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Legislative decree 04.07.06 no. 223, (the so-called "Bersani Decree") changed with amendments and integrations by Law 04.08.06 no. 248 has liberated some economic sectors, including betting

The guidelines for liberalisation of the betting sector consist of:

- ◆ the expansion of the relevant market with the forecasted opening of new retail points in the region of no. 7,000 for sports betting and no. 10,000 for horseracing betting;
- ◆ the planning of different types of retail points based on betting as the main activity (no. 2,100 sports betting shops and in no. 500 horseracing betting shops) or a complementary activity (no. 4,900 sports betting points and no. 9,500 horseracing betting points);
- ◆ to safeguard the existing retail points whose licences have been renewed;
- ◆ in the event foreign operators access the betting sector.

# Licences to Allocate - Horse and Sports Betting

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- ◆ AAMS has implemented a selection procedure aimed at allocating opening rights to new retail points by setting subjective and objective requirements which candidates should have and establishing the no. of rights out to tender as no. 6,300 (of which no. 1,900 are sports betting shops and no. 4,400 are sports betting points) and as no. 10,000 (of which no. 500 are horseracing betting shops and no. 9,500 horseracing betting points)
- ◆ AAMS has also provided the possibility to acquire the concession for the acceptance of Distance Game both in Sport and Horse Race Betting
- ◆ The selection procedure will have anti-concentration limits respectively equalling 20% of the rights available for sports betting shops and points and 20% of the rights available for horseracing betting shops and 40% of the rights available for horseracing betting points
- ◆ During the period of the concessions (up to 2015) the anti-concentration limits of 20% can reach the 25%. About Horse Race Point of Sale the limit is confirmed at 40%.
- ◆ The economic basis of the offer was established as E 25,000 and E 7,500 for sports betting shops and points and as E 30,000 and E 7,500 for horseracing betting shops and points
- ◆ The amount to acquire the concession for the acceptance of Distance Game is €. 300.000 for each category of betting (Sport or Horse Race Betting)



# Licences to Allocate - Horse and Sports Betting

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- ◆ The definitive guarantee in case of adjudication was established as €70,000 and €25,000 for sports betting shops and points and as €80,000 and €10,000 for horseracing betting shops and points
- ◆ The provisional guarantee to participate in the tender is set to 25% of the definitive guarantee
- ◆ Documentation to be sent by: 18.00 on the 20.10.2006
- ◆ Existing licences will be protected by imposing a minimum distance for new horseracing and sports betting retail points
- ◆ Duration of new licences until the 31.12.2015

Note

According the procedure selection:

- 1) The “Betting shop” is the retail point whose main activity is the acceptance of gambles and bets.
- 2) The “Betting point” is the retail point whose secondary activity is the acceptance of gambles and bets.

Appendix 2

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# Snai Group Financials

# Selected Financials - Consolidated P&L and BS

€ '000	IFRS		IFRS	Pro-Forma	
	FY 2004	FY 2005	1H 2006	FY 2005	1H 2006
<b>Total revenues</b>	<b>71,568</b>	<b>86,397</b>	<b>237,987</b>	<b>589,907</b>	<b>371,185</b>
<i>Growth</i>		20.7%			
<b>Total operating costs</b>	(50,096)	(68,183)	(215,807)	(527,809)	(335,137)
<i>Margin</i>	70.0%	78.9%			
<b>Ebitda</b>	<b>21,472</b>	<b>18,214</b>	<b>22,180</b>	<b>62,098</b>	<b>36,048</b>
<i>Growth</i>		-15.2%			
<i>Margin</i>	30.0%	21.1%	9.3%	10.5%	9.7%
D&A	(7,738)	(8,899)	(12,619)	(37,716)	(18,455)
<b>Ebit</b>	<b>13,734</b>	<b>9,315</b>	<b>9,561</b>	<b>24,382</b>	<b>17,593</b>
<i>Growth</i>		-32.2%			
<i>Margin</i>	19.2%	10.8%	4.0%	4.1%	4.7%
<b>Ebt</b>	<b>11,150</b>	<b>7,124</b>	<b>(76)</b>	<b>(11,271)</b>	<b>249</b>
Taxes	(1,394)	3,227	(1,952)	8,657	(2,401)
<b>Net profit</b>	<b>9,756</b>	<b>10,351</b>	<b>(2,028)</b>	<b>(2,614)</b>	<b>(2,152)</b>
<i>Growth</i>		6.1%			

€ '000	IFRS		IFRS	Pro-Forma	
	FY 2004	FY 2005	1H 2006	FY 2005	1H 2006
Fixed Assets	150,337	153,250	528,250	542,025	528,250
NWC	(9,975)	(2,572)	(21,314)	(3,061)	(21,314)
Funds/Other LT Liabilities	(30,610)	(32,470)	(149,081)	(177,053)	(149,081)
<b>Total Assets</b>	<b>109,752</b>	<b>118,208</b>	<b>357,855</b>	<b>361,911</b>	<b>357,855</b>
Shareholders' Equity	75,068	85,420	83,392	85,420	83,392
NFP	34,684	32,788	274,463	276,491	274,463
<b>Capital Employed</b>	<b>109,752</b>	<b>118,208</b>	<b>357,855</b>	<b>361,911</b>	<b>357,855</b>

# Group Financials - Profit & Loss FY 2004 and 2005

<i>valori in migliaia di euro</i>	<b>2005</b>	<b>2004</b>
Ricavi delle vendite e delle prestazioni	80,229	69,267
Altri ricavi e proventi	5,566	1,774
Incrementi di immobilizzazioni per lavori interni	720	425
Variazione rimanenze dei prodotti finiti e dei semilavorati	(118)	102
<b>Totale valore della produzione</b>	<b>86,397</b>	<b>71,568</b>
Materie prime e materiale di consumo utilizzati	(3,996)	(4,204)
Costi per servizi e godimento beni di terzi	(38,013)	(27,849)
Costi per il personale	(19,745)	(17,736)
Altri costi di gestione	(6,429)	(307)
<b>Risultato operativo ante ammortamenti, plus/minusvalenze (EBITDA)</b>	<b>18,214</b>	<b>21,472</b>
Ammortamenti	(8,815)	(8,953)
Ripristini (Svalutazioni) di valore di attività non correnti	0	(6)
Plusvalenze (Minusvalenze) da realizzo di attività non correnti	(84)	1,221
<b>Risultato Operativo (EBIT)</b>	<b>9,315</b>	<b>13,734</b>
Proventi e oneri da partecipazioni	36	(1,117)
Proventi finanziari	572	1,498
Oneri finanziari	(2,799)	(2,965)
<b>Totale oneri e proventi finanziari</b>	<b>(2,191)</b>	<b>(2,584)</b>
Utile (perdita) netta da attività cessate/destinate ad essere cedute	0	0
<b>RISULTATO ANTE IMPOSTE</b>	<b>7,124</b>	<b>11,150</b>
Imposte sul reddito	3,227	(1,394)
<b>Utile (perdita) dell'esercizio</b>	<b>10,351</b>	<b>9,756</b>
<i>Attribuibile a:</i>		
Utile (perdita) dell'esercizio di pertinenza del Gruppo	10,385	9,791
Utile (perdita) dell'esercizio di pertinenza di Terzi	(34)	(35)

# Group Financials - Cash Flow FY 2004 and 2005

*(valori in migliaia di euro)*

	2005	2004
<b>A. FLUSSO MONETARIO DA ATTIVITA' D'ESERCIZIO</b>		
Utile (perdita) dell'esercizio di Gruppo	10,385	9,791
Utile (perdita) dell'esercizio di competenza di terzi	-34	-35
Ammortamenti	8,815	8,953
Svalutazioni/ripristini di attività non correnti (incluse partecipazioni)		6
Variazione netta delle attività (fondo) per imposte anticipate (differite)	-5,704	-715
Variazione fondo rischi	-526	-2,328
(Plusvalenze) minusvalenze da realizzo di attività non correnti (incluse partecipazioni)	84	-1,221
Quota dei risultati delle partecipazioni valutate con il metodo del P.N. (-)	-36	1,113
Variazione netta delle attività e passività non correnti commerciali e varie ed altre variazioni	1,391	-1,670
Variazione netta delle attività e passività correnti commerciali e varie ed altre variazioni	-7,403	347
Variazione netta del trattamento di fine rapporto	1,796	640
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DA ATTIVITA' D'ESERCIZIO (A)</b>	<b>8,768</b>	<b>14,881</b>
<b>B. FLUSSO MONETARIO DA ATTIVITA' DI INVESTIMENTO</b>		
Investimenti in attività materiali (-)	-4,224	-8,844
Investimenti in attività immateriali (-)	-2,182	-1,007
Investimenti in altre attività non correnti (-)	-908	-303
Acquisizione di partecipazioni in imprese controllate, al netto delle disponibilità acquisite	0	-92
Variazione dei crediti finanziari ed altre attività finanziarie	-79	1,761
Corrispettivo incassato dalla vendita di partecipazioni in imprese controllate al netto delle disponibilità cedute	0	1,233
Corrispettivo incassato dalla vendita di attività materiali, immateriali e di altre attività non correnti	295	322
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DALL' ATTIVITA' DI INVESTIMENTO (B)</b>	<b>-7,098</b>	<b>-6,930</b>
<b>C. FLUSSO MONETARIO DA ATTIVITA' FINANZIARIA</b>		
Variazione netta delle passività finanziarie	-5,450	-1,194
Corrispettivo incassato per strumenti rappresentativi di patrimonio netto		
Aumenti/rimborsi di capitale al netto costi di impianto e ampliamento		
Dividendi corrisposti a terzi (inclusa la distribuzione di riserve)		
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DALL' ATTIVITA' FINANZIARIA (C)</b>	<b>-5,450</b>	<b>-1,194</b>
<b>D. FLUSSO MONETARIO DA ATTIVITA' CESSATE/DESTINATE AD ESSERE CEDUTE (D)</b>		
<b>E. FLUSSO DI CASSA COMPLESSIVO (A+B+C+D)</b>	<b>-3,780</b>	<b>6,757</b>
<b>DISPONIBILITA' FINANZIARIE NETTE INIZIALI ((INDEBITAMENTO FINANZIARIO</b>		
<b>F. NETTO INIZIALE)</b>	<b>12,863</b>	<b>6,106</b>
<b>G. EFFETTO NETTO DELLA CONVERSIONE DI VALUTE ESTERE SULLA LIQUIDITA'</b>		
<b>DISPONIBILITA' FINANZIARIE NETTE FINALI (INDEBITAMENTO FINANZIARIO NETTO</b>		
<b>H. FINALE) (E+F+G)</b>	<b>9,083</b>	<b>12,863</b>

# Group Financials - Balance Sheet FY 2004 and 2005

<i>valori in migliaia di euro</i>	<b>31/12/2005</b>	<b>31/12/2004</b>	<i>valori in migliaia di euro</i>	<b>31/12/2005</b>	<b>31/12/2004</b>
<b>ATTIVITA'</b>			<b>PASSIVITA' E PATRIMONIO NETTO</b>		
<b>Attività non correnti</b>			Patrimonio Netto di competenza del Gruppo		
Immobili, impianti e macchinari di proprietà	119,265	121,841	Capitale sociale	28,570	28,570
Beni in locazione finanziaria	5,093	5,806	Riserve	44,903	35,111
<b>Totale immobilizzazioni materiali</b>	<b>124,358</b>	<b>127,647</b>	Utile dell'esercizio	10,385	9,791
Avviamento e differenze di consolidamento	11,730	11,210	<b>Totale Patrimonio Netto di Gruppo</b>	<b>83,858</b>	<b>73,472</b>
Altre attività immateriali	3,022	2,957	Patrimonio Netto di terzi	1,562	1,596
<b>Totale immobilizzazioni immateriali</b>	<b>14,752</b>	<b>14,167</b>	<b>Totale Patrimonio</b>	<b>85,420</b>	<b>75,068</b>
Partecipazioni valutate a patrimonio netto	1,550	1,226	<b>Passività non correnti</b>		
Partecipazioni in altre imprese	542	152	Trattamento di fine rapporto	9,758	7,962
<b>Totale partecipazioni</b>	<b>2,092</b>	<b>1,378</b>	Passività finanziarie non correnti	36,059	44,563
Altre attività finanziarie	145	145	Imposte differite	19,004	18,442
Imposte anticipate	11,535	5,269	Fondi per rischi ed oneri futuri	3,651	4,177
Altre attività non finanziarie	368	1,731	Debiti vari ed altre passività non correnti	57	29
<b>Totale attività non correnti</b>	<b>153,250</b>	<b>150,337</b>	<b>Totale Passività non correnti</b>	<b>68,529</b>	<b>75,173</b>
<b>Attività correnti</b>			<b>Passività correnti</b>		
Rimanenze	4,739	6,543	Debiti commerciali	15,481	16,166
Crediti commerciali	17,078	11,872	Altre passività	40,247	24,296
Altre attività	31,332	12,072	Passività finanziarie correnti	2,439	2,207
Attività finanziarie correnti	3,279	3,200	Quote correnti di finanziamenti a lungo termine	7,700	5,100
Disponibilità liquide e mezzi equivalenti	10,131	13,986	<b>Totale Passività finanziarie</b>	<b>10,139</b>	<b>7,307</b>
Attività destinate alla dismissione	7		<b>Totale Passività correnti</b>	<b>65,867</b>	<b>47,769</b>
<b>Totale attività correnti</b>	<b>66,566</b>	<b>47,673</b>	<b>TOTALE PASSIVITA' E PATRIMONIO</b>	<b>219,816</b>	<b>198,010</b>
<b>TOTALE ATTIVO</b>	<b>219,816</b>	<b>198,010</b>			

# Group Financials - Profit & Loss 1H 2005 and 2006

<i>valori in migliaia di euro</i>	I° Semestre 2006	I° Semestre 2005
Ricavi delle vendite e delle prestazioni	236,382	39,009
Altri ricavi e proventi	1,020	3,983
Incrementi di immobilizzazioni per lavori interni	268	162
Variazione rimanenze dei prodotti finiti e dei semilavorati	317	(135)
<b>Totale valore della produzione</b>	<b>237,987</b>	<b>43,019</b>
Materie prime e materiale di consumo utilizzati	(1,654)	(2,816)
Costi per servizi e godimento beni di terzi	(199,527)	(18,734)
Costi per il personale	(9,563)	(9,286)
Altri costi di gestione	(5,063)	(3,084)
<b>Risultato prima dei proventi ed oneri finanziari, imposte, ammortamenti e svalutazioni (EBITDA)</b>	<b>22,180</b>	<b>9,099</b>
Ammortamenti	(12,626)	(4,420)
Ripristini (Svalutazioni) di valore di attività non correnti	0	0
Plusvalenze (Minusvalenze) da realizzo di attività non correnti	7	(23)
<b>Risultato prima dei proventi ed oneri finanziari e delle imposte (EBIT)</b>	<b>9,561</b>	<b>4,656</b>
Proventi e oneri da partecipazioni	147	41
Proventi finanziari	810	257
Oneri finanziari	(10,594)	(1,414)
<b>Totale oneri e proventi finanziari</b>	<b>(9,637)</b>	<b>(1,116)</b>
Utile (perdita) netta da attività cessate/destinate ad essere cedute	0	0
<b>RISULTATO ANTE IMPOSTE</b>	<b>(76)</b>	<b>3,540</b>
Imposte sul reddito	(1,952)	85
<b>Utile (perdita) del periodo</b>	<b>(2,028)</b>	<b>3,625</b>
<i>Attribuibile a:</i>		
Utile (perdita) del periodo di pertinenza del Gruppo	(2,204)	3,660
Utile (perdita) del periodo di pertinenza di Terzi	176	(35)

# Group Financials - Cash Flow 1H 2005 and 2006

	30/06/06	30/06/05
<b>A. FLUSSO MONETARIO DA ATTIVITA' D'ESERCIZIO</b>		
Utile (perdita) del periodo di Gruppo	-2,204	3,660
Utile (perdita) del periodo di competenza di terzi	176	-35
Ammortamenti	12,626	4,420
Svalutazioni/ripristini di attività non correnti (incluse partecipazioni)	0	0
Variazione netta delle attività (fondo) per imposte anticipate (differite)	1,033	-1,872
Variazione fondo rischi	-19	-66
(Plusvalenze) minusvalenze da realizzo di attività non correnti (incluse partecipazioni)	-7	23
Quota dei risultati delle partecipazioni valutate con il metodo del P.N. (-)	-147	-41
Variazione netta delle attività e passività non correnti commerciali e varie ed altre variazioni	-1,494	264
Variazione netta delle attività e passività correnti commerciali e varie ed altre variazioni	-3,134	-1,015
Variazione netta del trattamento di fine rapporto	0	543
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DA ATTIVITA' D'ESERCIZIO (A)</b>	<b>6,830</b>	<b>5,881</b>
<b>B. FLUSSO MONETARIO DA ATTIVITA' DI INVESTIMENTO</b>		
Investimenti in attività materiali (-)	-1,192	-2,380
Investimenti per acquisto rami d'azienda (-)		
avviamento	-213,200	
concessioni	-172,727	
debiti determinati verso AAMS	34,415	
imposte differite su acquisto rami d'azienda	37,701	
Altri investimenti in attività immateriali (-)	-381	-687
Investimenti in altre attività non correnti (-)	-9	-307
Acquisizione di partecipazioni in imprese controllate, al netto delle disponibilità acquisite	0	0
Variazione dei crediti finanziari ed altre attività finanziarie	-469	-22
Corrispettivo incassato dalla vendita di partecipazioni in imprese controllate al netto delle disponibilità cedute	0	0
Corrispettivo incassato dalla vendita di attività materiali, immateriali e di altre attività non correnti	14	206
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DALL' ATTIVITA' DI INVESTIMENTO (B)</b>	<b>-315,848</b>	<b>-3,190</b>
<b>C. FLUSSO MONETARIO DA ATTIVITA' FINANZIARIA</b>		
Variazione netta delle altre passività finanziarie	3,669	-3,165
Finanziamento per acquisto rami d'azienda "concessioni"	293,502	
Debiti verso PAS dilazionati per acquisto rami d'azienda "concessioni"	66,729	
Estinzione debito bancario consolidato	-40,564	
Corrispettivo incassato per strumenti rappresentativi di patrimonio netto		
Aumenti/rimborsi di capitale al netto costi di impianto e ampliamento		
Dividendi corrisposti a terzi (inclusa la distribuzione di riserve)		
<b>FLUSSO DI CASSA GENERATO (ASSORBITO) DALL' ATTIVITA' FINANZIARIA (C)</b>	<b>323,336</b>	<b>-3,165</b>
<b>D. FLUSSO MONETARIO DA ATTIVITA' CESSATE/DESTINATE AD ESSERE CEDUTE (D)</b>		
<b>E. FLUSSO DI CASSA COMPLESSIVO (A+B+C+D)</b>	<b>14,318</b>	<b>-474</b>
<b>DISPONIBILITA' FINANZIARIE NETTE INIZIALI ((INDEBITAMENTO FINANZIARIO</b>		
<b>F. NETTO INIZIALE)</b>	<b>9,083</b>	<b>12,863</b>
<b>G. EFFETTO NETTO DELLA CONVERSIONE DI VALUTE ESTERE SULLA LIQUIDITA'</b>		
<b>DISPONIBILITA' FINANZIARIE NETTE FINALI (INDEBITAMENTO FINANZIARIO</b>		
<b>H. NETTO FINALE) (E+F+G)</b>	<b>23,401</b>	<b>12,389</b>



# Group Financials - Balance Sheet 1H 2005 and 2006

<i>valori in migliaia di euro</i>	<b>30/06/2006</b>	<b>30/06/2005</b>
<b>ATTIVITA'</b>		
<b>Attività non correnti</b>		
Immobili, impianti e macchinari di proprietà	117,740	120,956
Beni in locazione finanziaria	4,473	5,255
<b>Totale immobilizzazioni materiali</b>	<b>122,213</b>	<b>126,211</b>
Avviamento e differenze di consolidamento	225,153	11,211
Altre attività immateriali	166,611	2,824
<b>Totale immobilizzazioni immateriali</b>	<b>391,764</b>	<b>14,035</b>
Partecipazioni valutate a patrimonio netto	1,706	1,559
Partecipazioni in altre imprese	542	152
<b>Totale partecipazioni</b>	<b>2,248</b>	<b>1,711</b>
Altre attività finanziarie	145	145
Imposte anticipate	10,751	7,618
Altre attività non finanziarie	1,129	1,498
<b>Totale attività non correnti</b>	<b>528,250</b>	<b>151,218</b>
<b>Attività correnti</b>		
Rimanenze	5,655	4,730
Crediti commerciali	20,016	17,255
Altre attività	38,386	17,731
Attività finanziarie correnti	3,748	3,222
Disponibilità liquide e mezzi equivalenti	23,406	13,534
Attività destinate alla dismissione	0	0
<b>Totale attività correnti</b>	<b>91,211</b>	<b>56,472</b>
<b>TOTALE ATTIVO</b>	<b>619,461</b>	<b>207,690</b>

<i>valori in migliaia di euro</i>	<b>30/06/2006</b>	<b>30/06/2005</b>
<b>PASSIVITA' E PATRIMONIO NETTO</b>		
Patrimonio Netto di competenza del Gruppo		
Capitale sociale	28,570	28,570
Riserve	55,288	44,902
Utile del periodo	-2,204	3,660
<b>Totale Patrimonio Netto di Gruppo</b>	<b>81,654</b>	<b>77,132</b>
Patrimonio Netto di terzi	1,738	1,560
<b>Totale Patrimonio</b>	<b>83,392</b>	<b>78,692</b>
<b>Passività non correnti</b>		
Trattamento di fine rapporto	9,758	8,505
Passività finanziarie non correnti	296,110	40,140
Imposte differite	56,954	18,919
Fondi per rischi ed oneri futuri	3,632	4,111
Debiti vari ed altre passività non correnti	78,737	60
<b>Totale Passività non correnti</b>	<b>445,191</b>	<b>71,735</b>
<b>Passività correnti</b>		
Debiti commerciali	23,053	20,891
Altre passività	62,173	27,785
Passività finanziarie correnti	5,652	2,187
Quote correnti di finanziamenti a lungo termine	0	6,400
<b>Totale Passività finanziarie</b>	<b>5,652</b>	<b>8,587</b>
<b>Totale Passività correnti</b>	<b>90,878</b>	<b>57,263</b>
<b>TOTALE PASSIVITA' E PATRIMONIO</b>	<b>619,461</b>	<b>207,690</b>

# Group Financials - Profit & Loss ProForma 1H 2006 and FY 2005

<i>valori in migliaia di euro</i>	<b>Proforma 30/06/2006</b>	<b>Proforma 31/12/2005</b>
Ricavi delle vendite e delle prestazioni	369,580	583,739
Altri ricavi e proventi	1,605	6,168
<b>Totale valore della produzione</b>	<b>371,185</b>	<b>589,907</b>
Materie prime e materiale di consumo utilizzati	(1,654)	(3,996)
Costi per servizi e godimento beni di terzi	(318,711)	(133,102)
Costi per il personale	(9,563)	(19,745)
Altri costi di gestione	(5,209)	(370,966)
<b>Risultato ante ammortamenti, svalutazioni, proventi/oneri finanz., imposte (EBITDA)</b>	<b>36,048</b>	<b>62,098</b>
Ammortamenti	(18,462)	(37,632)
Ripristini (Svalutazioni) di valore di attività non correnti	0	0
Plusvalenze (Minusvalenze) da realizzo di attività non correnti	7	(84)
<b>Risultato ante proventi/oneri finanziari, imposte (EBIT)</b>	<b>17,593</b>	<b>24,382</b>
Proventi (oneri) finanziari	(17,344)	(35,653)
<b>RISULTATO ANTE IMPOSTE</b>	<b>249</b>	<b>(11,271)</b>
Imposte sul reddito	(2,401)	8,657
<b>Utile (perdita) del periodo (inclusa quota di Terzi)</b>	<b>(2,152)</b>	<b>(2,614)</b>

# Group Financials – Balance Sheet ProForma 1H 2006 and FY 2005

<i>valori in migliaia di euro</i>	<b>Consuntivo 30/06/2006</b>	<b>Proforma 31/12/2005</b>	<i>valori in migliaia di euro</i>	<b>Consuntivo 30/06/2006</b>	<b>Proforma 31/12/2005</b>
<b>ATTIVITA'</b>			<b>PASSIVITA' E PATRIMONIO NETTO</b>		
<b>Attività non correnti</b>			Patrimonio Netto di competenza del Gruppo		
Immobilizzazioni materiali	122,213	124,358	Capitale sociale	28,570	28,570
Immobilizzazioni immateriali	391,764	403,518	Riserve	55,288	44,903
Partecipazioni	2,248	2,101	Utile del periodo	-2,204	10,385
Imposte anticipate	10,751	11,535	<b>Totale Patrimonio Netto di Gruppo</b>	<b>81,654</b>	<b>83,858</b>
Altre attività non correnti	1,274	513	Patrimonio Netto di terzi	1,738	1,562
<b>Totale attività non correnti</b>	<b>528,250</b>	<b>542,025</b>	<b>Totale Patrimonio</b>	<b>83,392</b>	<b>85,420</b>
<b>Attività correnti</b>			<b>Passività non correnti</b>		
Rimanenze	5,655	4,739	Trattamento di fine rapporto	9,758	9,758
Crediti commerciali	20,016	16,735	Passività finanziarie non correnti	296,110	296,285
Altre attività (finanziari e non)	42,134	34,618	Imposte differite	56,954	56,171
Disponibilità liquide e mezzi equivalenti	23,406	18,808	Fondi per rischi ed oneri futuri	3,632	3,651
<b>Totale attività correnti</b>	<b>91,211</b>	<b>74,900</b>	Debiti vari ed altre passività non correnti	78,737	107,473
<b>TOTALE ATTIVO</b>	<b>619,461</b>	<b>616,925</b>	<b>Totale Passività non correnti</b>	<b>445,191</b>	<b>473,338</b>
			<b>Passività correnti</b>		
			Debiti commerciali	23,053	15,481
			Altre passività	62,173	40,247
			Passività finanziarie correnti	5,652	2,439
			Quote correnti di finanziamenti a lungo termine	0	
			<b>Totale Passività finanziarie</b>	<b>5,652</b>	<b>2,439</b>
			<b>Totale Passività correnti</b>	<b>90,878</b>	<b>58,167</b>
			<b>TOTALE PASSIVITA' E PATRIMONIO</b>	<b>619,461</b>	<b>616,925</b>

Appendix 3

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# Real Estate

# Real Estate

SUPERFICIE	POSTE	TRIBUNA	BOXES	UFFICIABITAZIONI		PRATI	ALTRE	TOTALE
	IPPODROMO		CAVALLI	E VALDESTINAZIONI				
	mq.	mq.*	mq.	mq.*	mq.*	mq.	mq.	
<b>SNAI S.p.A.</b>								
Milano - Via Ippodromo 100				2.238		10.000		10.000
Milano - Via Ippodromo 41			780		230	4.026		4.806
Milano - Via Ippodromo 51			1.215		614	6.455		7.670
Milano - Via Ippodromo 134			6.180		2.150	53.820		60.000
Milano - Centro Ippico Cattica			5.000		2.400	53.350	270	58.620
Milano - Pista allenamento Trenno	410.500							410.500
Milano - Pista allenamento manna	250.000							250.000
Milano - Via Rospigliosi 43			6.250			14.539	130	20.919
Milano - V.le Caprilli 30 (galoppo)	14.574	1.439						16.013
Pericari (IL) - Via Puccini, 2/F				260		2.100	1.560	3.920
								<u>842.448</u>
<b>IMMOBILIARE VALCARENAGA S.r.l.</b>								
Milano - Via Ippodromo 165			1.420		1.465	25.655	25	27.100
								<u>27.100</u>
<b>SNAI S.p.A. (EX SOCIETA' TRENNO SPA)</b>								
Milano - V.le Caprilli 30 e Via Ippodromo 67 (galoppo)	551.206	8.561	3.290		1.680	10.537	160	575.434
Milano - Via dei Piccolomini 2 (trotto)	121.270	17.250	5.000	936	2.000	4.295	300	130.865
Montecatini Terme - Ippodromo Trotto	92.564	1.620	7.400	750	200	53.217	961	154.142
								<u>860.441</u>
	1.440.114	28.870	36.535	4.184	10.739	237.994	3.406	<u>1.729.989</u>

\*Le superfici riportate in queste colonne sono a livelli diversi dal piano terreno e non vengono sommate nel totale dell'ottava colonna