

CARRARO S.p.A.

Registered offices in Via Olmo 37, Campodarsego, Padua, Italy
Share capital euro 21,840,000 fully paid in
Tax code, VAT No. and
enrolment in the Padua Companies' Register under No. 00202040283
Economic and Administrative Roster No. 84.033

**QUARTERLY REPORT AS OF 30 SEPTEMBER 2005
(CONSOLIDATED INFORMATION)**

These financial statements include the report on operations, income statement, balance sheet and the relevant explanatory notes. They have been prepared according to article 82 of the "Regolamento Emittenti" (CONSOB 11971/1999 and subsequent amendments) using the framework in Appendix 3D. The data reported were determined in accordance with the IAS/IFRS international accounting standards, however, for the consistency with past reports, here below are reported also data compliant with Italian accounting principles previously adopted (Italian gaap)

DIRECTORS' REPORT

The strong decline in the Brazilian agricultural market and the stabilisation of the construction equipment market in Europe and North America caused slowdown of demand in the third quarter for the first time since the beginning of the year.

The Group's turnover for the quarter increased by 10% bringing the progressive turnover for the first nine months to a +27.5% increase. In a like-for-like consolidation area, therefore excluding the turnover generated by the new Business Unit Vehicles & Powertrains consolidated from April 2005, the quarterly turnover decreased by 1,5%, affected by the market stagnation. While the cumulated turnover for the first nine months increased by 10.9%, also excluding the turnover contribution from the Assali Emiliani company, which passed to full supplies from the more subcontracting of the first six months of 2004.

It should also be considered that this quarter is being compared to the same period in 2004, which saw the reference markets undergo an unusual exuberance caused by an anomalous increase in demand leading the Group to achieve record results.

During the quarter, the operating income was affected by increased R&D costs coming from the Group's focus on an increasingly more important technological distinction that, along with the internationalisation towards emerging markets and the localisation of production in low costs countries, represents a fundamental strategy of future growth.

The net financial position was debt for 88.822 million Euro, and, as forecast, increased within expectations with respect to (81.319 million Euro) as at 30 June. The gearing as at 30 September was 86.68%.

The results of some of the Group's companies were very positive, in particular Carraro India and O&KA, that as at 30 September recorded respectively a 26% and 17% increase in progressive turnover compared to the same period last year. FON Poland, ready to receive the higher volumes coming also from the localization of activities from the European sites, began to show positive signs with the progressive turnover almost doubling in respect to 2004.

Although having a temporary dilutive effect on margins, the integration of the Business Unit Vehicle and Powertrains continues with the direct intervention of the competence centres shared within the Group and the consequent adoption of the best practices along the entire value chain, specially in the design, purchasing, production, quality and logistics areas where important improvements are expected in the near future.

GENERAL INFORMATION

As mentioned in the introduction, the IAS/IFRS results compared to the previous by adopted Italian accounting principles will be highlighted systematically, referring to the subsequent explanatory notes for a more detailed analysis of the effects relating to their reconciliation.

It also have to be pointed out that the quarterly and progressive comparisons between the IAS/IFRS tables in respect to the previous year is not significant since the 2004 data was influenced by a high level of depreciation. This depreciation came from the recalculation of the fixed asset values as at 1 January 2004, date of the first application of the IAS/IFRS, while the 2005 data reflected the adoption of the IAS 32 and 39 accounting standards for financial instruments.

The comments will be formulated with reference to the IAS/IFRS data, however, to ensure the continuity of the reported data, a comparison will also be made to the data formulated according to the Italian gaap.

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
Net sales	140.592		127.850		9,97	141.040		127.887		10,28
EBIT	3.724	2,7	4.190	3,3	(11,1)	4.850	3,4	7.679	6,0	(36,8)
EBITDA	9.377	6,7	12.297	9,6	(23,8)	9.867	7,0	12.831	10,0	(23,1)
Net result	927	0,7	1.277	1,0	(27,4)	1.833	1,3	3.579	2,8	(48,8)
Depreciation	5.653	4,0	8.107	6,3	n.s.	5.017	3,6	5.152	4,0	(2,62)
Cash-flow	6.739	4,8	9.581	7,5	n.s.	7.009	5,0	8.928	7,0	(21,5)
Capital expenditure	8.483		5.349		n.s.	8.483		5.349		58,59

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Net sales	463.779		363.847		27,47	464.742		367.994		26,29
EBIT	16.753	3,61	4.174	1,15	n.s.	18.339	3,95	20.511	5,57	(10,6)
EBITDA	33.934	7,32	30.285	8,32	12,05	35.114	7,56	37.134	10,1	(5,44)
Net result	6.401	1,38	434		n.s.	9.164	1,97	7.833	2,13	17,00
Depreciation	17.181	3,70	26.111	7,18	n.s.	16.775	3,61	16.623	4,52	0,91
Cash-flow	24.474	5,28	26.913	7,40	n.s.	26.832	5,77	24.824	6,75	8,09
Capital expenditure	23.832		13.106		n.s.	23.832		13.106		
Net financial position	-88.822		-78.029			-88.822		-78.029		
Net assets*	102.470		93.396			70.412		59.558		
Gearing	86,68%		83,55%			126,15%		131,01%		

*includes minorities

Sales revenues

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
Net sales	140.592		127.850		9,97	141.040		127.887		10,28

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Net sales	463.779		363.847		27,47	464.742		367.994		26,29

The consolidated net turnover for the third quarter of 2005 was 140.592 million Euro, a 9.97% increase in respect to 127.850 million euros for the same period last year (an increase of 10.28% based on the Italian principles). In cumulative terms, the turnover was 463.779 million Euro, an increase of 27.47% in respect to 363.847 million Euro for the same period last year.

A breakdown of sales revenues by division, with the weight of each division on total sales and the delta with the first half of 2004, is provided below:

In thousands of euro

Division	Sept 30, 2005	Sept 30, 2004	Δ % 30.09.'05 30.09.'04	3rd Quarter 2005	3rd quarter 2004	Δ % 3rd qtr. '05 3rd qtr. '04
Off-Highway:	375.132	279.642	34,15	112.283	100.804	11,39
Agriculture division	186.743	129.620	44,07	55.368	48.291	14,65
Including:						
- axles and transmissions	139.601	127.919	9,13	38.140	48.291	(21,02)
- vehicles*	47.142	n.a.	n.a.	17.228	n.a.	n.a.
Construction equipment division	188.389	150.022	25,57	56.915	52.513	8,38
On-Highway:	46.074	44.836	2,76	14.064	12.181	15,46
Material handling	14.830	18.902	(21,54)	4.554	5.418	(15,95)
Auto & truck	11.133	9.610	15,85	3.802	2.996	26,90
Gears	20.111	16.324	23,20	5.708	3.767	51,53
Escalator (moving stairs)	7.619	9.439	(19,28)	1.400	3.532	(60,36)
Spare parts	26.942	22.872	17,79	9.997	7.739	29,18
Other	8.012	7.058	13,52	2.848	3.593	(20,73)
TOTAL	463.779	363.847	27,47	140.592	127.849	9,97

* from April 2005

% sales breakdown by business sector

Division	Sept 30, 2005	Sept 30, 2004	3rd qtr. 2005	3rd qtr. 2004
Off-Highway:	80,9	76,9	79,9	78,9
Agriculture division	40,3	35,6	39,4	37,8
including:				
- axles and transmissions	30,1	35,6	27,1	37,8
- vehicles*	10,2	n.a.	12,3	n.a.
Construction equipment division	40,6	41,2	40,5	41,1
On-Highway:	9,9	12,3	10,0	9,4
Material handling	3,2	5,2	3,2	4,2
Auto & truck	2,4	2,6	2,7	2,3
Gears	4,3	4,5	4,1	2,9
Stationary (escalators)	1,6	2,6	1,0	2,8
Spare parts	5,8	6,3	7,1	6,1
Other	1,8	1,9	2,0	2,8

Sales breakdown by Geographical Area

Geographic area	Sept 30, 2005	%	Sept 30, 2004	%	3rd qtr. 2005	%	3rd qtr. '04	%
North America	109.540	23,7	92.423	25,4	31.286	22,3	32.133	25,1
Germany	70.637	15,2	47.200	13,0	24.447	17,4	14.506	11,4
UK	51.653	11,1	44.093	12,1	16.375	11,7	16.446	12,9
France	54.707	11,8	35.189	9,7	16.696	11,9	11.011	8,6
China	4.951	1,1	3.500	0,9	1.156	0,8	1.130	0,9
Poland	13.796	3,0	9.544	2,6	4.408	3,1	4.104	3,2
South America	22.692	4,9	28.376	7,8	6.561	4,7	11.335	8,9
India	18.098	3,9	13.720	3,8	5.249	3,7	6.058	4,7
Other EU countries (*)	32.122	6,9	27.270	7,5	9.733	6,9	9.403	7,3
Other countries outside EU (*)	10.805	2,3	5.394	1,5	3.380	2,3	806	0,6
Total abroad	389.001	83,9	306.709	84,3	119.291	84,8	106.932	83,6
Italy	74.778	16,1	57.138	15,7	21.301	15,2	20.917	16,4
Total	463.779	100	363.847	100	140.592	100	127.849	100

EBIT/EBITDA*(VALUES IN €/000)*

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
EBIT	3.724	2,7	4.190	3,3	(11,1)	4.850	3,4	7.679	6,0	(36,8)
EBITDA	9.377	6,7	12.297	9,6	(23,8)	9.867	7,0	12.831	10,0	(23,1)
Depreciation	5.653	4,0	8.107	6,3	n.s.	5.017	3,6	5.152	4,0	(2,62)

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
EBIT	16.753	3,61	4.174	1,15	n.s.	18.339	3,95	20.511	5,57	(10,6)
EBITDA	33.934	7,32	30.285	8,32	12,05	35.114	7,56	37.134	10,1	(5,44)
Depreciation	17.181	3,70	26.111	7,18	n.s.	16.775	3,61	16.623	4,52	0,91

The data compliant with the IAS/IFRS standards and Italian principles compared to the previous year show a decrease in the margin caused by the extension of the consolidation area to the Business Unit Vehicles & Powertrains (-1.1% on EBIT) and the higher fixed costs, mainly relating to R&D.

The comparison of the cumulative data of the EBIT and EBITDA as at 30 September 2005 between the Italian and IAS standards includes, in virtue of the aforesaid IAS 32 and 39, a reclassification – on the decrease of turnover – of exchange gains amounting to 964 thousand Euro .

Net profit*(VALUES IN €/000)*

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
Net result	927	0,7	1.277	1,0	(27,4)	1.833	1,3	3.579	2,8	(48,8)

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Net result	6.401	1,38	434	n.s.	n.s.	9.164	1,97	7.833	2,13	17,00

The year to date net profit was 6.401 million Euro, equal to 1.38% on turnover.

The only difference between the result calculated by the IAS data and the Italian principles was the reduction, with an economic effect of 3.6 million Euro before taxes, of the net asset reserve registered from 1st January 2005 during the adoption of the IAS 39. Let's remember that the adoption of this principle involved the valuation at market values of financial derivatives coming into effect as at 31 December 2004, determining a positive value of 3.80 million Euro.

Amortization, depreciation and Cash flow*(VALUES IN €/000)*

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
Depreciation	5.653	4,0	8.107	6,3	n.s.	5.017	3,6	5.152	4,0	(2,62)
Cash-flow	6.739	4,8	9.581	7,5	n.s.	7.009	5,0	8.928	7,0	(21,5)

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Depreciation	17.181	3,70	26.111	7,18	n.s.	16.775	3,61	16.623	4,52	0,91
Cash-flow	24.474	5,28	26.913	7,40	n.s.	26.832	5,77	24.824	6,75	8,09

The depreciations, compared with the Italian principles, were moderately affected by the recalculation of the tangible assets and the redefinition of their useful life carried out during the adoption of the international accounting standards.

Capital expenditure*(VALUES IN €/000)*

	IAS/IFRS					Italian Gaap				
	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.	3rd Quarter 2005	% on turnover	3rd Quarter 2004	% on turnover	% diff.
Capital expenditure	8.483		5.349		n.s.	8.483		5.349		n.s.

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Capital expenditure	23.832		13.106		n.s.	23.832		13.106		n.s.

Investments in the quarter amounted to 8.483 million Euro, an increase of 5.349 million Euro in respect to the previous year, while the year to date amount as at 30 September was 23.832 million Euro compared to 13.106 million Euro for the same period in 2004. The increase for the quarter mainly referred to the subsidiary companies of Turbo Gears Limited, Carraro Qingdao Drive Systems and Siap SpA.

Net financial position

(VALUES IN €/000)

	IAS/IFRS					Italian Gaap				
	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.	Sept 30, 2005	% on turnover	Sept 30, 2004	% on turnover	% diff.
Net financial position	-88.822		-78.029			-88.822		-78.029		
Net assets*	102.470		93.396			70.412		59.558		
Gearing	86,68%		83,55%			126,15%		131,01%		

*includes minorities

The net financial position was debt for 88.822 million Euro, slightly increased on 81.319 million Euro as at 30 June due to an increase in the working capital.

The gearing (the ratio of borrowed and shareholder's equity) as at 30 September was 86.68%.

Based on the Italian principles, the gearing as at 30 September was 126.15% compared to 118.6% as at 30 June 2005 and 124.78% as at 31 December 2004.

OUTLOOK FOR ACTIVITIES DURING THE CURRENT ACCOUNTING PERIOD

We don't expect a recovery in the last quarter of 2005 due to the continuing market stagnation in North America and Europe and the downturn of the Brazilian market.

As for the margins, the operating income will continue to be influenced by the costs supporting the Group's strong commitment in R&D which is in line with the third quarter.

FINANCIAL REPORTS**CONSOLIDATED FINANCIAL DATA
(IAS/IFRS)**

In thousands of euro

ITEM	Sept 30, 2005	%	Sept 30, 2004	%	3 rd qtr 2005	%	3 rd qtr 2004	%
Revenues from sales and services	463.779		363.847		140.592		127.850	
Net Sales	463.779	100,00	363.847	100,00	149.592	100,00	127.850	100,00
Other revenues	0	0,00	0	0,00	0	0,00	0	0,00
Operating costs	-447.026	-96,39	-359.673	-98,85	-136.868	-97,35	-123.660	-96,72
Purchases	-408.446	-88,07	-301.682	-82,91	-109.207	-77,68	-107.326	-83,95
Labour	-57.907	-12,49	-50.632	-13,92	-17.812	-12,67	-15.928	-12,46
Depreciation	-17.181	-3,69	-26.111	-7,18	-5.655	-4,02	-8.107	-6,34
Writedowns	-101	-0,02	-1.192	-0,33	0	0,00	-352	-0,28
Change in stock	37.916	8,18	20.374	5,60	-4.153	-2,95	7.737	6,05
Provisions	-3.421	-0,74	-2.792	-0,77	-917	-0,65	-890	-0,70
Other net income expenses	3.114	0,67	2.362	-0,65	876	0,58	1.206	-0,94
EBIT	16.753	3,61	4.174	1,15	3.724	2,65	4.190	3,28
Financial income expenses	-3.317	-0,72	87	0,02	-1.480	-1,05	-1.391	-1,09
Adjustments to the value of financial assets	174	0,04	-718	0,19	5	0,00	-63	-0,05
Net result from discounting operations	0	0,00	-700	0,19	0	0,00	0	
Profit before taxes	13.610	2,93	2.843	0,78	2.249	1,60	2.736	2,14
Income taxes	-6.317	-1,36	-2.041	-0,56	-1.163	-0,83	-1.262	-0,99
Profit(loss)	7.293	1,57	802	0,22	1.086	0,77	1.474	1,15
Minority interest	-892	0,19	-368	0,10	-159	-0,11	-197	-0,15
Net profit for financial period	6.401	1,38	434	0,12	927	0,66	1.277	1,00

NET FINANCIAL POSITION

In thousands of euro

<i>Description</i>	Sept. 30, 2005	June 30, 2005	Dec. 30, 2005
Bank loans and overdraft			
- due within 12 months	45.350	47.607	33.435
- due beyond 12 months	8.972	6.701	4.943
Loans from other lenders			
- due within 12 months	-	1.127	412
- due beyond 12 months	1.071	-	-
- leases due within 12 months	-	60	205
- leases due beyond 12 months	-	-	-
Bonds:			
- due within 12 months	74.367	74.367	-
- due beyond 12 months	-	-	74.367
Other financial liabilities:			
- due within 12 months	38	99	-
Net financial accruals and deferrals	1.537	821	3.505
NET OF:			
liquid assets	-36.521	-47.733	-38.669
Other securities and financial credits	-100	-73	-73
Loans receivable	-471	-1.504	-1.504
Receivables vs. factoring institutions	-5.421	-93	-
Consolidated net financial position	88.822	81.319	76.476

ACCOUNTING PRINCIPLES

General references

The accounting principles adopted by the group comply with the IAS/IFRS international standards implemented by European Regulations 1725/2003, 2237/2004 and 2086/2004.

The reconciliations between the result for the period and the net shareholders' equity drawn up according to the previous Italian gaap and the corresponding values calculated according to the IAS/IFRS on January 1, 2004 (first application date of the IAS/IFRS), January 31, 2004, January 1 2005 and June 30, 2005 respectively, are attached to consolidated half-year report as at June 30, 2005.

The tables used for the balance sheet include the items specifically provided for by the IAS/IFRS as well as all the items that, in consideration of the nature of the group's business, are retained useful to allow a better understanding of the economic and net equity progress.

Consolidation principles and accounting policies

The data are consolidated according to the method of global integration.

The translation into euro of the financial statements expressed in foreign currency, was carried out by adopting the period-end exchange rate for assets and liabilities, historic exchange rates for the equity accounts and the average rates for the period of the income statement.

Scope of consolidation

The accounting statements include the financial statements of Carraro S.p.A. and of those companies in which it holds, directly or indirectly, a majority of voting rights at the annual shareholders' meetings, or however, in which it has a substantial control as set forth in IAS 27.

The scope of consolidation includes both the Parent Company Carraro S.p.A. and the following companies, consolidated on a line-by-line basis:

Company	Registered offices	Currency	Nominal value of share capital	%
SIAP S.p.A.	Maniago (PN)	euro	10.122.616	100%
A.E. S.r.l.	Castello D'Argile (BO)	euro	40.000	90%
Carraro Deutschland Gmbh	Hattingen (Germany)	euro	10.507.048	100%
Carraro Argentina S.A.	Haedo, Buenos Aires (Argentina)	Pesos	25.809.288	99,90%
CARRARO INDIA Ltd.	Rajangaon - Pune (India)	Indian Rupee	400.000.000	51%
F.O.N. S.A.	Radomsko (Poland)	Polish Zloty	7.058.220	90,45%
Carraro International S.A.	Luxembourg	euro	9.850.000	99,99%
Carraro North America Inc.	Calhoun - Georgia (USA)	US dollar	100	100%
O&K Antriebstechnik & Co.	Hattingen (Germany)	euro	2.045.168	100%
Turbo Gears India Ltd.	Mumbai (India)	Indian Rupee	300.001.180	90,19%
Carraro Qingdao Drive System	Qingdao (China)	euro	490.000	100%

Changes in accounting principles

The main differences between the accounting principles adopted in drawing up the group's consolidated data according to the IAS/IFRS and the Italian standards previously applied are reported below.

Refer to the appendix attached to the half-yearly report as at June 30, 2005 for a description of the effects of these variations on the values at the first application date of the new principles (January 01, 2004) as well as at the financial year ended Dec 31, 2004.

The effects relating to the period between January 1, 2005 and Sept 30, 2005 are reported in the attached tables of reconciliation between the net assets and the economic result according to the Italian principles and the IAS/IFRS.

Intangible fixed assets

Intangible assets do not include multi-year expenses applicable to multiple years, which are not admissible according to the IAS/IFRS.

Tangible fixed assets

The book value of the tangible assets has been updated at the fair value on the first adoption date of the new principles (January 1st 2004). In addition, the remaining useful lives of the goods were reviewed and updated from the 2004 financial year. Depreciation is calculated on a straight line basis according to the residual useful lives.

Financial instruments

The financial instruments coming into effect as at September 30, 2005 refer to operations entered into by the company to hedge interest rate fluctuations of the financial liabilities (debenture loan) as well as to hedge the variations of the exchange rates in respect to expected sales revenue.

For interest rate hedging operations has been adopted the treatment required by IAS/IFRS for fair value hedge.

For IAS/IFRS purposes, the hedging operations on currencies are treated as trading, and therefore, booked at their "fair value" which is determined at the closing date of the period with effect to profit and loss statement.

Financial liabilities

The financial liabilities are valued according to amortised cost method; the debenture loan underlying the above mentioned operations for interest rate risk hedge is also valued at "fair value".

Employee benefits

The Employee Leaving Indemnity for the Italian companies is determined according to a statistical and actuarial criteria and taking into account the effects of discounted value; it refers to provisions booked in the balance sheet of the Carraro S.p.A., Siap S.p.A and AE Srl companies.

The benefits to employees other than those mentioned above (pension funds and similar) are also determined according to the actuarial parameters according to the IAS/IFRS.

Deferred taxes

Assets and liabilities for deferred taxes, besides the relative economic value, represent the tax effect on the adjustments for which it is possible a future realignment between the accounting values calculated according to the IAS/IFRS and the ones according to tax principles.

Assets and liabilities relating to discontinued operations

The asset values and economic effects relating to discontinued operations are reported separately from other asset and financial items.

The effects on the net assets and result of the consolidated period ending September 30, 2005 relating to the main changes variations in the accounting principles adopted are reported below.

1) Effects on net equity

TABLE 1

(in thousands of euro)

NET EQUITY	30.09.2005 Italian Principles	ADJUSTMENTS IAS/IFRS	RECLASSIFICATIONS	30.09.2005 IAS/IFRS
1) Share capital	21.840		-	21.840
2) Legal reserve	3.849		-	3.849
3) Other reserves	32.985	(8.560)	-	24.425
4) Reserve of first IAS/IFRS adoption		41.233	-	41.233
5) Reserve of first adoption of IAS 32 and 39	-	2.144	-	2.144
6) Result for the period	9.164	(2.763)		6.401
7) Minority interests	2.574	4	-	2.578
Total Net Assets	70.412	32.058	-	102.470

2) Effects on the result for the period January 1 2005 – Sept 30, 2005

TABLE 2

(in thousands of euro)

DESCRIPTION	AMOUNT
Effect on amortization relating to intangible assets	4
Effect on amortization relating to tangible assets	(410)
Effect of the "fair value" adjustment on the debenture loan	(1.141)
Effect of the "fair value" adjustment on the interest rate operations	1.034
Effect of the "fair value" adjustment on the currency operations	(3.623)
Tax effects on previous adjustments	1.373
Total	(2.763)

The Chairman
Mario Carraro