ANNUAL REPORT 2009

COECLERICI

COECLERICI

Coeclerici SpA
Company limited by shares with sole shareholder

Head office:
Via Della Chiusa 2, 20123 Milan, Italy

Tax Code Number and Companies' Registry Number:
12307890157

Chamber of Commerce Number 1545587
Direction and coordination: Cocler SpA

Member of CISQ Federation
RINA
ISO 9001:2000
Certified Quality System

Member of CISQ Federation
RINA
ISO 14001
Certified Environmental System

UKAS
QUALITY MANAGEMENT

INDEX

GROUP STRUCTURE AT DECEMBER 31, 2009

COECLERICI SPA

100% COECLERICI LOGISTICS SPA

- **100%** Shipping Services Srl
- **80%** Terminal Offshore Piombino SpA
- **100%** Capo Noli Transportes Maritimos Lda
  - **90%** Bulkguasare de Venezuela SA
    - **100%** Bulkguayana SA
- **70%** Logconversion Transportes Maritimos Lda
- **50%** Viannlog Consultoria Economica Lda
  - **100%** MBS NV
- **100%** Somocar International NV
- **77,5%** CGU Logistic Limited
- **100%** Coeclerici Mozambico SpA

100% COECLERICI COAL AND FUELS SPA

- **100%** Coeclerici Compagnie SA
  - **85%** Coeclerici Asia (Pte) Ltd
    - **100%** PT Coeclerici Indonesia
  - **100%** CF Service SA
    - **100%** Rozco
    - **49%** OOO Delta Property
      - **100%** Taylepskoe
- **100%** OAO Kisk
  - **100%** OOO Razrez
  - **100%** OOO Ptu

Excluding companies in liquidation or non-operational.

COMPANY OFFICIALS

Board of Directors

	Name	Office
Members of the Executive Committee	Paolo Clerici	Chairman and Managing Director
Members of the Executive Committee	Aldo Carmignani	Deputy Chairman
Members of the Executive Committee	Corrado Papone	Deputy Chairman
Members of the Executive Committee	Urbano Faina	Director
Members of the Executive Committee	Antonio Belloni	Director
Members of the Executive Committee	Pasquale Cardarelli	Director
Members of the Executive Committee	Giovanni Jody Vender	Director
	Giorgio Cefis	Director
	Rosario Alessandrello	Director
	Riccardo Perissich	Director

The Term of office of the Board of Directors expires with approval of the financial statements at December 31, 2010.

Audit Board

Guglielmo Calderari di Palazzolo	Chairman
Giorgio Carbone	Statutory Auditor
Ettore Cavo	Statutory Auditor
Isabella Resta	Statutory Auditor
Domenico Borghetti	Statutory Auditor

The Term of office of the Board of Statutory Auditors expires with approval of financial statements at December 31, 2010.

Independent Auditing Firm

Deloitte & Touche SpA

The Independent Auditing Firm has been appointed for the 2007/2009 three-year period.

TECHNICAL GLOSSARY

Bulk Carrier : Bulk carriers are ships used to transport dry bulk cargo, especially mineral ores, coal, grain and bauxite.

B/B – Bare Boat Charter : A bare boat charter contract provides a crewless ship for a fixed period of time. The charterer is responsible for the cost of the voyage (fuel, dockage, canal fees, etc.) as well as all cost of sales (crew, maintenance, repairs, lubricants, supplies, insurance, etc.).

Capesize : This term is used to identify dry bulk cargo ships weighing more than 90,000 dwt (deadweight tonnage) that are too large to sail through the Panama canal.

Panamax : This term is used to identify a bulk carrier capable of sailing through the Panama canal, therefore with a maximum width of 32.24 meters. Panamax ships do not normally exceed 80,000 dwt.

Crew management : Crew management refers to the selection, rotation and general management of crewmembers manning a given ship.

DWT - Dead Weight Tonnage : Dead weight tonnage is a measurement in tons used to describe a ship's cargo capacity, including its load, fuel, ship supplies and crew.

Revamping : This term refers to special maintenance operations conducted to improve a vessel and increase its value.

Spot market : Spot markets refer to the rental of a ship for a single voyage, calculated on the basis of current market rates.

T/C - Time Charter : A time charter provides the renter with a ship, and all the costs relative to the voyage including fuel, dockage, canal fees and so forth are the renter's responsibility. The contract fee is usually set in US dollars per day.

Transhipment vessel – Floating Terminal : A transhipment vessel can move cargo from one ship to another offshore, near ports where loading and unloading operations for transoceanic vessels are usually conducted.

Floating Transfer Station : These are vessels patented by Coeclerici, equipped with a variety of equipment (cranes, conveyor belts, loaders, etc.) necessary to move cargo from one ship to another.

Floating Storage & Transfer Station : This term refers to ships that have been converted into floating storage spaces in order to stockpile and transship cargo.

Shuttle Floating Transfer Station : This kind of ship is a Floating Transfer Station that is also used to carry transshipped cargo to its specific destination.

Floating cranes : Floating cranes are used to move cargo from barges to ships and/or vice versa.

DEAR SHAREHOLDERS,

In the wake of the recession that began during the last trimester of 2008, 2009 was characterized by a strong regression in prices for raw materials.

Within this general economic context, Coeclerici nevertheless managed to maintain important operational results for 18.9 million EUR, this despite the fact that revenue dropped 18% with respect to the same period in 2008, moving from 541 million EUR in 2008 to 441 million EUR in 2009. This was possible primarily thanks to the optimum results obtained by the Trading Division, which was able to make the most of difficult market conditions, keeping a constant eye on credit risk and using the instruments provided by the market (like letters of credit and credit insurance) for sales. The Group's net financial position stood at 33.2 million EUR, an improvement of 24 million EUR with respect to the preceding year. This variation is due primarily to the lower demand for debt required for the Trading Division. Within this situation, the Group's Debt/Equity has in any case remained below 1, making it possible for us to take advantage of ulterior opportunities the market may provide.

More in detail, the Trading Division managed to obtain positive results despite an extremely difficult market for coal and ship chartering, affected by the world economic crisis that came to the fore in September 2008, and which has had considerable repercussions throughout 2009 as well. The precise strategies of preceding years and the professionalism of our management made it possible for the Group to take the best possible advantage of existing market conditions, traditional activities relative to Russian coal and especially in the Asian markets. This last factor allowed us to register the best results in both quantitative (higher quantities sold) and qualitative terms (diversification of products like Coking Coal, Coke, Petroleum Coke, etc.). Over the course of the year, with respect to the same period of the preceding year, the price of coal decreased on average by -52% on the API#2 (CIF ARA) (-76.71 $/mt) and by -46% on the API#4 (FOB Richard Bay) (-55.80 $/mt).
Here below you'll find a table that represents the evolution of the main market indexes for coal over the last three years:

	2009	2008	2007
API 2 INDEX - average	70,50	147,21	88,52
API 4 INDEX - average	64,65	120,45	62,68

API2 = coal price CIF (including ship chartering costs) – unloading ARA (Amst-Rott-Antw)
API4 = coal price FOB (not including ship chartering costs) – Richards Bay port (South Africa)

Within this context of reduced prices, the Trading Division obtained positive results thanks to the sale of coal and ship chartering, which during the second half of the year produced margins comparable to the first half of 2008 thanks to a settling in prices, as well as to the shrewd decisions made by the Directors as it kept an eye on the risks connected with our business.

Following a first year of settling and internal and external reorganization, the Mining Division expressed values in line with our business plan. Over the course of the year, production stood at 521,264 tons (350,786 tons at December 31, 2008), with forecasts for 2010 of around 600,000 tons. Thanks to the company's Mining Division, the supply sources owned by the Group are partially joined by coal supplies purchased previously by other third-party Russian mining groups. From an economic point of view, it is important to underline the fact that activity was penalized by the drop in coal prices despite improved efficiency in production activities, deducible both from increased production and lower costs.

The drop in demand for raw materials had direct repercussions in the Logistics Division as well. Despite this, the Logistics Division managed to obtain positive results, though it registered a drop in tons moved both with iron ore transshipment clients (due to a strong contraction in steel production), and with coal transshipment clients (due to a drop in energy demand, and to production issues that are currently being resolved). Nevertheless, the "take or pay" contracts made it possible to maintain earnings more or less the same. Within this general atmosphere of uncertainty, during the fiscal year the Logistics Division continued to work on current contracts in Venezuela, Indonesia, Italy, Slovenia and Croatia, managing furthermore to confirm its presence in the Black Sea basin thanks to a contract signed by a subsidiary that will run at least through spring 2010. In particular, it must be noted that negotiation activities relative to the transshipment project with the primary Brazilian mining company Vale were concluded with the signing of a 20-year contract for shipping and transshipping coal in Mozambique for its subsidiary company, Vale Mozambico. This contract calls for the construction of two Transshipment Vessels for a total investment of an estimated 138 million USD, with delivery and initial activity expected between July 1 and September 1, 2011.
We have stipulated a ten-year contract for coal transshipping activities in East Kalimantan (Indonesia) for the Indonesian mining company PT Berau. This contract calls for the construction of a Floating Transfer Station for an estimated value of 20.3 million USD, and activity is expected to begin in July 2011. Finally, for the Bulk Kremi I operational unit, we have signed an agreement to create a Joint Venture that will use this Floating Transfer Station for lightening and transshipment services in Russian waters. Thanks to this commercial opportunity, the Logistics Division has extended its sphere of activities in the Ukrainian territory, after having terminated its activities in Bulgaria in 2008.
Moreover, the Floating Transfer Station Bulk Prosperity, owned by the Indian subsidiary CGU Logistic Limited, has successfully performed first commercial operations in Indian waters, and a contract has also been signed for its employment until spring 2010.

In conclusion, even for 2009 I am happy to be able to report that Coeclerici SpA, following its specific development strategy, was able to achieve positive results from both an economic and financial point of view, especially taking into consideration the difficult global economic context that characterized the year, consolidating the positions it acquired earlier and is able to look optimistically to the future.

I would also like to take this opportunity to thank the Group's Directors and collaborators for their hard work and the results they have been able to obtain.

Chairman and Managing Director
Paolo Clerici

Milan, March 26 2010

MANAGEMENT REPORT

CONSOLIDATED RESULTS

Here below is a list of some of the main financial profit and loss indicators for the year, as well as comparable figures from the annual reports for 2007 and 2008, in keeping with the IAS/IFRS International Accounting Standards (figures in thousands of Euro):

	2009	2008	2007
Revenues	441,300	540,505	338,784
Operating Profit	18,861	21,186	20,086
Net profit from continuing operations	11,150	9,528	15,019
Net Profit	11,150	9,528	31,175
Group Net Profit	9,720	9,640	23,153
Fixed Assets	69,954	71,308	40,586
Net Working Capital	38,337	57,032	50,005
Net Capital Employed	108,291	128,340	90,591
Group Net Equity	68,648	65,722	65,904
Minority Interests	6,452	5,052	7,156
Net Financial Position / (Liquidity)	33,191	57,566	17,531
Sources of Finance	108,291	128,340	90,591
Cash flow from operating activities	37,068	19,041	(14,578)
Cash flow from investment activities	(4,225)	(47,262)	(8,787)
Cash flow from financing activities	(24,405)	31,264	(22,042)
ROE	15%	13%	39%
ROI	16%	19%	27%

The Group's consolidated income statement shows a drop in revenue due to lower coal prices (which dropped by half with respect to 2008). The Group's operating profit was affected by the downward performance of raw materials, but nevertheless remained at 18,9 million EUR, driven largely by achievements in the Trading Division (20,5 million EUR), the Logistics Division (1,7 million EUR), negative values in the Mining Division (0,4 million EUR), and net revenue after costs in the Holding Division (2,9 million EUR). The Group's results are in line with 2008, and entirely positive when one takes into consideration the overall negative period in the global economy.

414,6 ml

Trading Division income in Euro

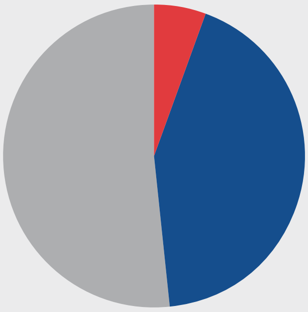
These numbers are the result of revenues produced by the Trading Division for a total of 414,6 million EUR, the Mining Division for 13 million EUR, and the Logistics Division for 22,1 million EUR, net of accounting adjustments made by the Group for a total of 8,4 million EUR.

As you can see, the Group balance sheet structure remains essentially in line with data from December 31, 2008, after depreciations of the period for roughly 6,4 million EUR. Net working capital at the end of the period was reduced by approximately 19 million EUR, in line with the net financial position reduction of around 24 million EUR.

Here below is a detailed look at the net financial position at December 31, 2009 for the Coeclerici Group's various divisions (data in thousands of Euro):

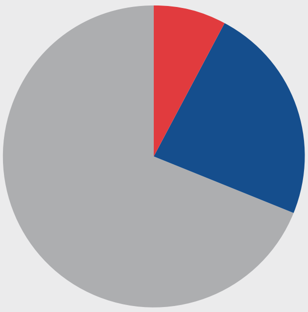
	TRADING	MINING	LOGISTICS	HOLDING	TOTAL
Cash at banks and in hand	(24,720)	(1,125)	(7,463)	(13,932)	**(47,240)**
Short-term financial debt	28,297	837	6,242	0	**35,376**
Mid/Long-term financial debt	0	1,133	7,816	36,106	**45,055**
Intercompany loans	18,612	1,388	6,800	(26,800)	**0**
Net Financial Position / (Liquidity)	22,189	2,233	13,395	(4,626)	**33,191**

REVENUES BY GEOGRAPHICAL AREA



The Americas	24,460
Asia and Australia	188,245
Emea	228,595
Total	**441,300**

ASSETS BY GEOGRAPHICAL AREA



The Americas	16,639
Asia and Australia	49,285
Emea	145,015
Total	**210,939**

TRADING DIVISION

	2009	2008	2007
Tonnage handled	6,244,852	4,843,523	5,674,192
Revenues	414,629	524,898	315,400
Operating Profit	20,519	23,779	14,969
Net Profit	11,487	12,669	7,777
Capital Employed	53,595	77,947	43,211
Net Equity	31,406	25,032	19,339
Net Financial Position / (Liquidity)	22,189	52,915	23,872

Over the course of 2009 the Trading Division managed to achieve important results, despite the macroeconomic context that characterized the year and the consequent changes in commodity prices, which dropped to 2007 levels. The average drop in prices with respect to the preceding year stood at -52% on the API#2 and -46% on the API#4. As the results listed here above demonstrate, overall business performance in the sector made it possible to at least partially absorb the negative influence of the market conditions, thanks to excellent commercial margins and business increases achieved in the Russian steam coal market. Growth in commercial margins, together with careful finance management and a continuous monitoring of our counterparts, have made it possible for the Trading Division to post net consolidated results of 11,5 million EUR, after having set aside 4,5 million EUR for taxes.

As far as the Asian market is concerned, the excellent results achieved both in terms of margins and volumes traded were confirmed through consolidation of traditional products like steam coal, as well as the development of other products (coking coal, coke, petroleum coke). Furthermore, over the course of 2009, development in new markets (Russian coal for the Far East) provided both excellent revenue sources and interesting perspectives that will be worth reinforcing beginning in 2010.

MINING DIVISION

	2009	*2008
Tonnage handled	555,863	308,953
Revenues	13,055	13,159
Operating Profit	(442)	(3,912)
Net Profit	(279)	(1,489)
Capital Employed	19,650	18,238
Net Equity	17,417	18,505
Net Financial Position / (Liquidity)	2,233	(267)

* *Business activity in Russia was consolidated beginning in the second quarter of 2008,*

2,0 ml

Ebitda of Mining Division

In 2009 the Mining Division produced 521,264 tons of coal, and sold 555,863 tons. Despite quantity levels in line with budget objectives and in any case superior to last year's numbers, revenue suffered from the drop in coal prices, and the gap is reflected directly in the registered net profit. Operating profit (minus 442,000 EUR) was affected by period depreciations conducted for the new investments made during the financial year, as well as those relative to licensing; and in fact the EBITDA for the Mining Division is positive for 2,088 thousand EUR at December 31, 2009. Taking this data into account, the Mining Division closed 2009 essentially even, thanks first and foremost to a more effective rationalization of over-head costs.

LOGISTICS DIVISION

	2009	2008	2007
Tonnage handled	7,896,716	11,092,270	11,587,554
Revenues	22,112	20,211	23,451
Operating Profit	1,679	2,955	7,891
Net Profit	1,451	(275)	8,260
Capital Employed	47,382	42,564	37,586
Net Equity	33,987	31,884	32,886
Net Financial Position / (Liquidity)	13,395	10,680	4,700

Despite the drop registered in Tonnage handled, results for the year proved positive. From an operational point of view, the strong crisis that characterized the entire year meant that only part of the fleet was up and running, due to the lower demand expressed by ship chartering market and principal commodities markets.
The balance sheet mainly takes into account the increase in Capital Employed deriving from down payments to suppliers for the construction of ships for the Mozambique project. Data relative to the Net Financial Position (liquidity) highlights the increase, with respect to 2008, of sources of financing that were required in order to respond to the investments described earlier.

1,7 ml

Increase of the net income of Logistics Division

As of December 2009, the fleet for the Logistics Division is made up of:

	TPL	YEAR BUILT
Bulkwayuù	64,400	1978
Bulk Kremi I	14,364	1973
Bulk Irony	13,658	2002
Bulk Pioneer(*)	5,974	2005
Bulk Prosperity	11,470	2007
Launches in Venezuela (3 units)	N/A	2007

(*) The "Bulk Pioneer" Floating Transfer Station was sold during the course of the first quarter of 2010.

THE PARENT COMPANY

	2009	2008	2007
Revenues	3,538	4,051	3,767
Operating Profit	(4,021)	(2,372)	(3,409)
Net Profit	2,491	7,529	7,246
Capital Employed	43,279	46,442	42,208
Net Equity	47,905	52,204	53,249
Net Financial Position / (Liquidity)	(4,626)	(5,762)	(11,041)

Over the course of 2009, Coeclerici SpA continued to lead the Coeclerici Group, leaving operations within the port Logistics and Trading Division directly in the hands of its two fully owned sub-holdings, Coeclerici Logistics SpA and Coeclerici Coal and Fuels SpA.
From a financial standpoint, during the course of 2009 Coeclerici utilized 36,106 thousand EUR of the 150 million

0,9 ml

Investments in new ERP of the Group

EUR credit line made available during 2007 by a pool of banks headed by Banca Carige, mainly to finance the direct subsidiary Coeclerici Coal and Fuels SpA in order to acquire OAO Kisk, a mining company established under Russian law.
As in past years, the parent company played an important role in coordinating the management activities between its different subsidiaries, handling the Group's financing, organizing and developing human resources, administration, legal and corporate assistance. To this end, it is important to note the commitment Coeclerici has made to implementing a new ERP (Enterprise Resource Planning) system designed to improve management activities and accounting for the entire Group. As of today, the project has required total investments of 871 thousand EUR.
As data controller, pursuant to and in keeping with legislative decree No. 196 of June 20, 2003, Coeclerici SpA hereby declares to have updated its Security Policy Document as required by point 19 of Italian disciplinary regulations (annex B, Italian legislative decree No. 196/2003).

RESEARCH AND DEVELOPMENT

The Group mainly conducts commercial activities, especially for the Logistics and Trading Divisions. Its research and development activities in the Logistics Division concentrate on researching and studying new projects connected to shipping and transshipping raw materials. All research and development costs are outlined directly on the income statement.

TREASURY SHARES AND SHARES OF THE PARENT COMPANY

The Group holding company does not hold stock in its parent company (Cocler SpA), nor has it bought or sold shares over the past fiscal year. On September 25, 2007, during the general shareholders meeting, the holding company approved the purchase of 1,000,000 of its own shares at a nominal value of 1 EUR each from Cocler SpA (10% of the share capital), for a total of 6,5 million EUR, in keeping with article 2357 of the Italian civil code.

TRANSACTIONS WITH HOLDING AND RELATED COMPANIES

The Group maintains relationships with its indirect parent company Finanziaria Cocler SApA which acts as consolidating entity for the tax consolidation procedure, which Coeclerici SpA participates in.

At December 31, 2009, the related debt towards Finanziaria Cocler SApA is addressed in the supplementary notes.
In keeping with rules outlined in subsection five of law 2497 of the Italian Civil Code, it is specified that the transaction occurred with Cocler SpA, which acts as a managing and coordinating entity for Coeclerici SpA, have only pertained to the supply of services and financing, according to normal market conditions, as described in the supplementary notes.

MAIN RISKS AND UNCERTAINTIES THE GROUP IS EXPOSED TO

Here below is a list of the primary risks connected with the Group's business, which are monitored and managed by Coeclerici SpA and its subsidiaries:

- Market risk stemming from exposure to volatility in commodity prices;
- Market risk resulting from exposure to exchange rate fluctuations;
- Market risk stemming from exposure to changes in the interest rate;
- Credit risk posed by the possibility that a counterpart may default;
- Liquidity risks resulting from a lack of financial resources necessary to respond to the commitments undertaken;

- Political risk connected with the activities performed in countries where there may be, occasional instability caused by specific political and social conditions;
- Risk of either total or partial loss of equipment used to conduct port logistics activities, as well as the risk of damage caused by said equipment during the course of its ordinary activities.

For further details, please consult "Note 29 – Information about the risks that characterize the Group's business ".

ENVIRONMENT AND SAFETY

The business conducted within the Trading Division has environmental implications. In particular, it should be noted that running of the mine in Russia's Kemerovo region has required a series of actions designed to comply with Russian law, as highlighted in "Coeclerici Environmental Report" issued by SRK Consulting.
Providing port logistics services means complying with certain regulations (local, national and international), as well as maintaining qualitative standards. Specifically, the company's Logistics Division complies with the following standards and regulations:

- *Environment*: An environmental management system compliant with the ISO 14001 2004 standard and EMAS Registration (EC regulation no. 761/01), Environmental Risk Assessment, laws and authorizations required by Venezuelan authorities for all entities working under the *Direccion Ambiental Zulia* RASDA 2009 in Venezuela. Furthermore, all terminals comply with the international IMO rules and regulations issued by MARPOL
- *Safety:* An ISM system compliant with ISM Code (verified by the Indian Register), compliance with the OHS18000 standard, compliance with Italian safety regulations and Italian legislative decree 271/99, as well as compliance with all legally binding Venezuelan regulations.

OUTLOOK

In 2010 Coeclerici SpA, in keeping with its responsibilities as Parent Company, will continue its managerial coordination in such a way as to make it possible for its subsidiaries to identify and take advantage of new business opportunities both in Italy and abroad. This will make it possible for the Group to continue to respond successfully to the demands of an increasingly competitive market environment.
As far as the Trading Division is concerned, the company will focus on maintaining its Russian coal business and activities in the Far East, with the aim of consolidating and expanding its presence, while it continues to investigate new development opportunities within the global panorama. In particular, during the first quarter of 2010 coal prices continued (as they did in 2009) to prove extremely volatile. Furthermore, a clear subdivision has emerged between the European market (in a downturn) and the Far Eastern market (currently expanding). The price of coal in the Far East is increasing due to higher demand for South African coal, driven primarily by Indian and Chinese players, compared with a lower demand from final consumers in Europe. This trend is expected to continue throughout 2010, with an inevitable impact on deals struck within the European market.With respect to the Mining Division, the company expects to increase coal extraction activities when compared with 2009, thanks also to important investments that have been made over the course of 2009 in order to improve production capacities at its Russian mine.

The Logistics Division will complete construction of three launches to be used in Venezuela, as well as finalize the purchase of components necessary to build vessels for new projects that have been acquired in Mozambique and Indonesia. From an operational standpoint, the Division will continue the work it is currently conducting for ongoing projects, for which the contractual structure is based on a "take-or-pay" formula that guarantees regular turnover and liquidity.
At the commercial level, the company will undertake promotional activities aimed at guaranteeing that its fleet continue to be utilized. Specific actions have already been set up for contract renewal for the Bulk Irony owned by the subsidiary Terminal Offshore Piombino SpA, as well as for the Bulk Kremi I on the Black Sea, as was mentioned earlier.
Last but not least, additional actions will be undertaken to expand the company's presence in countries that already see some commercial operations, as well as in new geographical areas the company considers to be of interest.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 2009 (thousands of Euro)

ASSETS	(NOTES)	31.12.2009	31.12.2008	CHANGE
NON-CURRENT ASSETS				
Properties, plant and equipment	1	59,113	61,102	(1,989)
Intangible assets	2	1,203	394	809
Interests in jointly controlled entities	3	314	1,649	(1,335)
Other investments	3	6,667	5,540	1,127
Financial assets available for sale	3	2,657	2,623	34
Deferred tax assets	25	3,390	5,100	(1,710)
Other non-current assets	4	1,929	3,122	(1,193)
TOTAL NON-CURRENT ASSETS		75,273	79,530	(4,257)
CURRENT ASSETS				
Inventories	5	8,360	20,389	(12,029)
Trade receivables	6	36,191	49,334	(13,143)
Prepayments	7	22,277	26,175	(3,898)
Other current receivables	7	21,598	23,664	(2,066)
Cash and cash equivalents	8	47,240	38,802	8,438
TOTAL CURRENT ASSETS		135,666	158,364	(22,698)
TOTAL ASSETS		210,939	237,894	(26,955)
EQUITY AND LIABILITIES				
NET EQUITY				
Shareholders' equity	9	68,648	65,722	2,926
Minority interests	9	6,452	5,052	1,400
TOTAL EQUITY		75,100	70,774	4,326
NON-CURRENT LIABILITIES				
Interest bearing liabilities and borrowings	10	45,055	45,959	(904)
Provisions for liabilities and charges	11	12,134	14,282	(2,148)
Post-employment benefits	12	1,442	1,229	213
Deferred tax liabilities	25	4,844	9,012	(4,168)
Other non-current liabilities	13	3	94	(91)
TOTAL NON-CURRENT LIABILITIES		63,478	70,576	(7,098)
CURRENT LIABILITIES				
Interest bearing liabilities and borrowings	10	35,376	50,409	(15,033)
Provisions for liabilities and charges	11	2,017	1,998	19
Trade payables	14	25,926	33,556	(7,630)
Other payables and current liabilities	15	9,042	10,581	(1,539)
TOTAL CURRENT LIABILITIES		72,361	96,544	(24,183)
TOTAL NET EQUITY AND LIABILITIES		210,939	237,894	(26,955)

CONSOLIDATED INCOME STATEMENT AT DECEMBER 31, 2009 (thousands of Euro)

	(NOTES)	2009	2008	CHANGE
Revenues	16	441,300	540,505	(99,205)
Cost of sales	17	(399,467)	(491,502)	92,035
GROSS PROFIT		41,833	49,003	(7,170)
Selling, general and administrative expenses	18	(22,266)	(23,102)	836
Capital gains / losses on non-current assets	19	1,037	(59)	1,096
Profit / loss from jointly controlled entities	20	354	1,347	(993)
Other incomes / expenses, net	21	4,260	11,614	(7,354)
Depreciation and amortization	22	(6,357)	(17,617)	11,260
OPERATING PROFIT		18,861	21,186	(2,325)
Net financial income / expense	23	(3,328)	(3,099)	(229)
Exchange gains / losses	24	(1,376)	(5,748)	4,372
PROFIT BEFORE TAX		14,157	12,339	1,818
Income taxes	25	(3,007)	(2,811)	(196)
PROFIT AFTER TAX (from continuing operations)		11,150	9,528	1,622
Profit from discontinued operations	26	0	0	0
NET PROFIT		11,150	9,528	1,622
Attributable to Coeclerici SpA Shareholders		9,720	9,640	80
Attributable to minority interest		1,430	(112)	1,542

TOTAL COMPREHENSIVE CONSOLIDATED INCOME AT DECEMBER 31, 2009 (thousands of Euro)

	(NOTES)	2009	2008	CHANGE
NET PROFIT		11,150	9,528	1,622
Differences from conversion of financial statements in currencies other than Euro		122	(1,063)	1,185
Change in the fair value of assets available for sale	3	14	(97)	111
Change in the fair value of cash flow hedge financial instruments	28	(43)	(138)	95
Income tax relating to components of other comprehensive income		(4)	30	(35)
NET INCOME DIRECTLY ACCOUNTED IN THE EQUITY		89	(1,268)	1,356
TOTAL COMPREHENSIVE INCOME		11,239	8,260	2,978
- Attributable to Coeclerici SpA Shareholders		9,726	8,318	1,407
- Attributable to minority interest		1,513	(58)	1,571

CONSOLIDATED CASH FLOW STATEMENT AT DECEMBER 31, 2009 (thousands of Euro)

	2009	2008
A CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	38,802	35,759
B CASH FLOW PROVIDED (ABSORBED) BY OPERATING ACTIVITIES		
Net profit Coeclerici SpA Shareholders	9,720	9,640
Net profit minority interest	1,430	(112)
Depreciation of property, plant and equipment	6,214	6,991
Depreciation of intangible assets	143	790
Write-off /devaluations of property, plant, equipment and intangible assets	0	9,836
Capital gains/ losses on non-current assets	(1,037)	59
(Profit) / loss from jointly controlled entities	(355)	(1,347)
Net change in provisions	(2,129)	2,362
Net change in post-employment benefit	213	93
Net change in deferred taxes	(2,458)	4,972
(Increase) / decrease in inventories	12,029	(10,773)
Decrease / (increase) in trade receivables	13,143	10,101
Increase / (decrease) in trade payables	(7,629)	4,676
Other changes in working capital	4,333	(18,248)
CASH FLOW PROVIDED (ABSORBED) BY OPERATING ACTIVITIES (B)	37,068	19,041
C CASH FLOW PROVIDED (ABSORBED) FROM INVESTING ACTIVITIES		
Investments in property, plant and equipment	(6,542)	(48,555)
Investments in intangible assets	(960)	(618)
Disposal of property, plant and equipment and relative gains / losses	2,587	2,577
Disposal of intangible assets and relative gains / losses	8	146
Investments in non-current assets	1,193	(211)
Investments in participation available for sale	(34)	(1,968)
Investments in other companies net of write-off / devaluations	(1,127)	(33)
Dividends received from jointly controlled entities	650	1,400
CASH FLOW FROM INVESTING ACTIVITIES (C)	(4,225)	(47,262)
D CASH FLOW PROVIDED (ABSORBED) FROM FINANCING ACTIVITIES		
Net change in current financial receivables	(1,644)	0
Net change in non-current financial payables	(904)	37,032
Net change in current financial payables	(15,033)	6,046
Other change in net equity	1,506	(2,358)
Dividends paid	(6,800)	(8,500)
Dividends paid to minority interest	(1,530)	(956)
CASH FLOW PROVIDED (ABSORBED) FROM FINANCING ACTIVITIES (D)	(24,405)	31,264
E CASH FLOW FOR THE PERIOD (E = B + C + D)	8,438	3,043
F CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A + E)	47,240	38,802

CHANGES IN EQUITY AT DECEMBER 31, 2009 (thousands of Euro)

	SHARE CAPITAL	TREASURY SHARES	LEGAL RESERVE	CONVERSION RESERVE	MERGER SURPLUS RESERVE	FINANCIAL INSTRUMENTS FAIR VALUE RESERVES	RETAINED EARNINGS	NET PROFIT	TOTAL COECLERICI GROUP NET EQUITY	TOTAL MINORITY NET EQUITY	TOTAL NET EQUITY
Balances at December 31, 2007	**10,000**	**(6,500)**	**2,293**	**(2,221)**	**4,735**	**135**	**34,309**	**23,153**	**65,904**	**7,156**	**73,060**
Allocation of 2007 net profit							23,153	(23,153)	0	0	0
Distribution of dividends to shareholders							(8,500)		(8,500)	(956)	(9,456)
Net income directly accounted in the equity				(1,117)		(205)			(1,322)	54	(1,268)
Increase of investments in subsidiaries (*)									0	(1,090)	(1,090)
Profit at December 31, 2008								9,640	9,640	(112)	9,529
Balances at December 31, 2008	**10,000**	**(6,500)**	**2,293**	**(3,338)**	**4,735**	**(70)**	**48,962**	**9,640**	**65,722**	**5,052**	**70,774**
Allocation of 2008 net profit							9,640	(9,640)	0	0	0
Distribution of dividends to shareholders					(1,800)		(5,000)		(6,800)	(1,530)	(8,330)
Net income directly accounted in the equity				39		(33)			6	83	89
Increase of investments in subsidiaries (**)									0	1,417	1,417
Profit at December 31, 2009								9,720	9,720	1,430	11,150
Balances at December 31, 2009	**10,000**	**(6,500)**	**2,293**	**(3,299)**	**2,935**	**(103)**	**53,602**	**9,720**	**68,648**	**6,452**	**75,100**

(*) 25% reduction of the minority share relevant to the net equity, equal to 1,652 thousand EUR, of the Singaporean company Coeclerici Asia (Pte.) Ltd. purchased in 2008. 45% increase of the minority share relevant to the net equity, equal to 562 thousand EUR, following the pro-rata share capital increase of the Indian company CGU Logistic Limited.

(**) Pro-rata share capital increase of the Indian company CGU Logistic Limited for a total of 859 thousand EUR; and of the Venezuelan company Bulkguasare de Venezuela S.A. for a total of 558 thousand EUR.

SUPPLEMENTARY NOTES

PRINCIPLES FOLLOWED IN DRAWING UP FINANCIAL STATEMENTS

The 2009 consolidated financial statements were drawn up in compliance with the International Financial Reporting Standards (IFRS) issued by the IASB (International Accounting Standards Board), and approved by the European Union. The acronym "IFRS" also refers to all the International Accounting Standards (IAS), as well as all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC). These consolidated financial statements have been prepared based on the principals of historical costs, modified for evaluation as required by some financial instruments.

The consolidated financial statements are presented in Euro, the current money utilized in the countries in which the Group's main companies operate. All amounts are expressed in thousands of Euro, unless otherwise indicated.

The Consolidated Financial Statements at December 31, 2009 include the balance sheet, income statement, an outlook of the total comprehensive income statement, financial statements, an outlook on changes in equity and a series of supplementary notes. The consolidated financial statements were drawn up based on the parent company's financial statements, as well as those of the Italian and foreign subsidiaries in which Coeclerici SpA has, either directly or indirectly, majority voting rights, owns a controlling interest, or from which it receives benefits by virtue of its power to control financial and/or operating policies.

These consolidated financial statements were drawn up based on financial statements ending December 31, 2009. Wherever necessary, statements have been adjusted in order to comply with consolidation standards (in other words, to comply with International Financial Reporting Standards).

Financial statement models

The Coeclerici Group details its financial statements based on expenses, the form considered more representative than classification according to function.

The asset and liability statement is presented in keeping with IAS 1 norms, classifying assets and liabilities according to the "current / non-current" criteria.

Current assets are classified in this manner when they are expected to be completed during the company's normal operational cycle, in other words within 12 months of the annual report's principle date. Inventories and trade receivables are included in these current assets.

Assets for pre-paid taxes are classified among the non-current assets, as required by the IAS 1.

Tangible and intangible assets, as well as all the assets different than those considered current, are included as non-current assets.

Current liabilities are items that are expected to close within the company's normal operational cycle, in other words within twelve months from the annual report's reference date. Trade receivables are included with current liabilities.

These consolidated financial statements have been drawn up in keeping with the indirect method.

CONSOLIDATION PRINCIPLES

Subsidiaries

Subsidiaries are businesses that the Group controls, as defined by IAS 27 – Consolidated and separate financial statements. This kind of control exists when the Group has either direct or indirect power over the financial and operating policies of a given business, and can therefore benefit from its business activities. Financial statements from subsidiaries are included within the consolidated financial statements starting on the date this control initiates, until such a time as that control ceases to exist. Equity shares and profit attributable to minority shareholders are displayed separately in the consolidated balance sheet and consolidated income statement. Adjustments to subsidiaries financial statements have been made wherever necessary, in order bring their accounting policies in line with those of the Coeclerici Group.

The financial value of shares in a company is eliminated when faced with a corresponding fraction of equity in the subsidiary, attributing to each asset and for liability its current value as of the date the Group acquired control. Eventual residual differences (if they are a gain) have been included as profit under "Goodwill"; and (if they are a loss) in the "Profit and Loss Statement," as required by the IFRS 3 (Business combinations).

Jointly controlled entities

Jointly controlled entities are business realities in which the Group shares control with another entity, as defined by IAS 31 – Interests in joint ventures. The consolidated financial statements include a share of the profits gleaned from joint ventures, evaluated using the net equity method from the date the joint venture initiates to the date it ceases to exist or be controlled jointly. If the losses attributable to the Group exceed the book value of the equity invested in the joint venture, then value of the equity investment is zero and the Group's additional losses are not recorded, except to the extent to which the Group is responsible for them. When necessary adjustments have been made to the financial statements of jointly controlled entities in order to bring their accounting policies in line with those of the Coeclerici Group.

Associated companies

Associated companies are those the Group does not control or jointly control, but over which it exerts considerable influence on their financial and operational policies, as defined by IAS 28 – Investments in associates.
The consolidated financial statements include the share of profits that the Group obtains from associated companies, evaluated using the net equity method from the date the aforementioned considerable influence begins until the moment it ceases to exist. If Group's losses from the associated company exceed the equity investment reported in its financial statements, then the value of the equity investment is zero and the Group's additional losses are not recorded, except to the extent to which the Group is responsible for them. Adjustments have been made to the financial statements of associated companies where necessary in order to bring their accounting policies in line with those of the Coeclerici Group.

Investments in other companies

Minor equity investments in other companies are recorded at cost price and – when necessary – adjusted for loss of value. Dividends received from these companies are included in the income statement.

Transactions eliminated during consolidation

In order to prepare the consolidated financial statements, all balances and significant financial operations between the Group's subsidiaries are eliminated, as were all gains and losses created by operations conducted between subsidiaries within the Group.

Transactions in foreign currency

Items originally recorded in a foreign currency have been converted to Euro according to the exchange rates in effect when the relative operation took place. Differences in exchange rates that take place when foreign currency receivables are collected and payables are paid are entered in the income statement.
Foreign currency assets and liabilities (with the exception of non-current assets) are recorded at the year-end exchange

rate, and the relevant gains and losses are entered in the income statement. All net profits are set aside in a special, non-distributable reserve fund until they are realized. Conversion of financial statements from foreign subsidiaries into Euro is conducted based on the year-end exchange rate for balance sheet items, and the average annual exchange rate for income statement items. Eventual differences in exchange rates resulting from conversion of financial statements expressed in foreign currency are allocated directly to the "Conversion reserve" item under net equity.

ACCOUNTING POLICIES

The most important accounting principles adopted by the Group when preparing its consolidated financial statements at December 31, 2009 are outlined here below:

Property, plant and equipment

Property, plant and equipment are entered at purchasing price or production price and are not reevaluated.
Any costs incurred after purchase are included only when they increase the future economic value of the item they refer to. All other costs sustained are included in the profit and loss statement.

Assets are depreciated by applying the following depreciation rates, which are considered adequate to divide the value of material assets based on their estimated useful life cycle:

	RATES OF DEPRECIATION
Buildings	3%
Plant and machinery	10% - 20%
Other tangible assets	12% - 25%

Land cannot be amortized.

Depreciation of the Group's ship fleet is measured based on the cost of each individual vessel, minus the estimated amount that could be gleaned from demolition of the vessel, based on an assumed useful life expectancy of 25 years for the hull, 15 to 20 years for the engines, 10 to 15 years for the crane and conveyor belts, and 5 years for all those other elements subject to renovation or replacement during periodical dry dock maintenance.

The item entitled "Mining reserves" is determined based on an evaluation of the fair value of coal reserves conducted at the moment the mine is purchased, in keeping with IFRS 3 (Business combinations), the user license for which will expire in 2017. Depreciation of the site is calculated based on a production plan, and takes into consideration the quantities extracted during the cited period. This depreciation plan will inevitably run out the value of the mine reserves at the time the license is finished. Based on verification of the recoverability of the overall value of these mine reserves, the remaining value of the reserves may be devalued, as outlined in IAS 36.

The costs relative to dismantling and mining site restoration are listed in keeping with IAS 16 directives, as separate from depreciable assets and amortizable over the course of the mine's residual life; these costs are compensated by the creation of an apposite risk fund that is utilized the moment monetary payments become necessary in order to conduct restoration activities.

The "Assets under construction and advances" item includes all investments that have yet to be included in the production process.

Intangible fixed assets

Intangible fixed assets are included in the asset section of the balance sheet statement, in keeping with IAS 38 (Intangible assets) guidelines, when it is probable that the use of these assets will generate future economic benefits, and when the costs of these assets can be determined in a credible manner.

Goodwill

Once company is acquired, its identifiable assets, liabilities and potential liabilities are detailed at their fair value on the date of acquisition.
In the event there is a positive fair value in the difference between the purchase price and the Group's share in the company, this value is classified as "Goodwill," and is recorded in the financial statements as an intangible asset. If the difference is negative ("Negative Goodwill"), then it is recorded in the profit and loss statement at the time of acquisition.

Goodwill is not amortized, but is tested annually (or more frequently if specific events or changes in circumstance suggest its value may have diminished) for depreciation. After initial evaluation, goodwill is calculated as the purchase price minus any accumulated depreciation losses.

If a company that was previously acquired is sold (entirely or in part), then the remaining goodwill is to be taken into account when calculating capital gains or losses.

When the Coeclerici Group first applied the IFRS, the Group chose not to retroactively apply IFRS 3 – Business combinations to company takeovers that took place prior to January 1, 2006. As a consequence, allocations made at the time of purchase have not been reviewed.

Exploration assets

Costs relative to the acquisition of exploration rights, geological and topographical surveys, exploratory drilling and excavation, sampling and evaluating the technical feasibility and commercial value of extracting a mineral resource are included as exploration and evaluation assets in keeping with IFRS 6. These costs are included among the intangible assets, and amortized during the length of the period during which extraction activities for a given site are expected to be conducted. In keeping with the guidelines of IAS 36, exploration assets may depreciate when their book value is no longer considered recoverable.

Other intangible assets

Other intangible assets that are acquired or produced inside the Group are included as such in keeping with IAS 38 – Intangible assets, when it is considered likely that use of the asset will generate future economic benefits, and when the cost of the asset can be reliably measured.

These assets are evaluated at the time of purchase or when they are produced, and are amortized at a constant rate for the extent of their estimated useful life cycle (if they have a predefined useful lifespan). Intangible assets that have an indefinite useful life cycle are not amortized, but subjected to annual verification of depreciation (or more frequently, in the event there is some indication that the asset could depreciate).

Other intangible assets acquired after a company has been purchased are included separately from goodwill, as long as their fair value can be reliably evaluated.

Leasing contracts

Assets obtained through leasing contracts, through which essentially all the risks and benefits connected with ownership are transferred to the Group, are recognized as Coeclerici assets at their fair value or, if lower, the current value of the payments due for the lease. The corresponding liability for the company leasing the asset is indicated in an apposite liability item.

Classification of a contract as “leasing” takes place the moment the contract is stipulated, based on verification of the contractual requirements and/or the asset being leased. The fees paid based upon the operational leasing contract can be included in the profit and loss statement in a linear manner over the length of the contract.

Asset impairment loss

The Coeclerici Group periodically verifies the recoverability of the financial value of its intangible and tangible assets in order to determine if there is any sign that these assets have suffered a decrease in value. If any signs of such decrease are identified, then the asset’s value is reduced to the relevant recoverable value. The recoverable value of an asset is the greater amount between the fair value minus the cost of sale and its useful life value. In order to determine the useful life value of a given asset, the Group calculates the actual value of estimated future financial flows, including taxes, applying a fixed discount rate before taxation that reflects the current market value of the temporal value of the money and the specific risks associated with that asset.

An impairment loss is registered when and if the recoverable value of the asset is inferior to its actual value. When, at a later date, an impairment loss on an asset other than a goodwill is reversed or reduced, then the book value of that asset or the unit that generates financial flows is increased to meet the new estimated recoverable value, and cannot exceed the value that would have been determined if no loss for impairment were identified. The review of a loss in value is immediately included in the profit and loss statement.

Assets available for sale

Financial assets available for sale are initially registered at cost of purchase, and later evaluated at fair value. Gains and losses derived from changes in the fair value are registered directly in net equity, up until the financial asset is removed from balance sheet, at which point the overall gains and losses from said asset are booked in the profit and loss statement. In the event that a decrease in fair value is recorded directly within net equity, and there is objective evidence that the asset has experienced a permanent decrease in value, the cumulative loss that has been recorded in net equity is reversed and included in the profit and loss statement.

Financial instruments

Fixed financial assets that are not equity investments, current financial assets and/or financial liabilities are entered in the consolidated financial statements in compliance with IAS 39 – Financial instruments: recognition and measurement.

Financial derivatives

Financial derivatives are normally used for hedge purposes. In compliance with IAS 39, financial derivatives can be entered in accordance with the methods established for hedge accounting only if: 1. There is a formally designated and documented hedge relationship when the hedge began; 2. The hedge is presumed to be extremely effective; 3. This effectiveness can be reliably measured; and 4. The hedge remains highly effective throughout the period it is designated for.

In compliance with IAS 39, all financial derivatives are evaluated at their fair value.

When financial derivatives possess the required hedge accounting characteristics, they are subject to the following accounting principles:

- *Fair value hedge* – When a financial derivative is intended to hedge exposure to changes in the fair value of an asset or liability included in the company's financial statements and attributable to a particular risk that may determine effects on the profit and loss statement, the gain or loss derived from a successive evaluation of the derivative's fair value must be entered in the profit and loss statement. Gains or losses on the hedge item, attributable to the risk covered, modify the book value of the hedge and are entered into the profit and loss statement.
- *Cash flow hedge* – When a financial derivative is designed to hedge exposure to changes in future cash flows for an asset or liability included in the financial statements, or that of a highly likely future transaction that may in turn affect the profit and loss statement, the effective gains or losses from the financial derivative are to be recorded in the net equity. Accrued net equity gains or losses are reversed and entered in the profit and loss statement for the same period during which the hedge transaction is recorded. Gains or losses stemming from hedges (either all or only in part) that become ineffective are to be entered in the profit and loss statement immediately. If a hedge instrument or hedge relationship is shut down before the hedge transaction takes place, then the accrued gains or losses entered up to that point as part of the company's net equity are recorded in the profit and loss statement when the relevant transaction takes place. In the event the hedge transaction is no longer considered likely, gains or losses that have yet to be realized and booked in the net equity are immediately entered into the profit and loss statement.

If, hedge accounting cannot be applied, then gains or losses stemming from a fair value assessment of a financial derivative are immediately included in the profit and loss statement.

Inventories

Leftover fuel and lubricants on ships are recorded at cost, measured according to the FIFO method.

Leftover goods are recorded according to the lowest cost between the cost price of current inventories (measured according to the FIFO method), or their estimated market value.

Trade receivables

All trade receivables are recorded at their presumed realizable value.

Cash and cash equivalents

These include cash funds, balance surpluses from current accounts, bank deposit totals and all investments with high liquidity and due dates that do not exceed three months.

Company's treasury shares

Treasury shares are included as a reduction in consolidated net equity.

Provisions for liabilities and charges

The Coeclerici Group provides for liabilities and charges funds when it has a legal or implicit obligation towards a third party, the Group's financial resources will probably be needed to fulfill this obligation, and a reliable estimate of the overall value required to fulfill the obligation is available. The amount set aside reflects the best possible estimate made based on the information available for a given case. Estimates are updated to the financial statement reference date. Changes in estimates are reflected in the profit and loss statement for the period during which they occur.

Post-employment benefits

The Italian post-employment benefit plan (TFR, or *Trattamento Fine Rapporto*) is recorded in compliance with IAS 19. Post-employment benefits are considered a "Defined Benefit Plan," and are determined based on actuarial calculations applied through the "Projected Unit Credit Method ". Actuarial gains and losses generated from the application of this method are recognized in the profit and loss statement.

Given that all the Italian companies that are part of the Coeclerici Group employ fewer than 50 people, the changes brought to bear by Italian law dated 27 of December 2006, no. 296 ("The 2007 Financial Law"), as well as subsequent decrees and regulations released during the early months of 2007, allow employees to hold their TFR post-employment benefits within the company, rather than turn them over to Italy's national social security agency, the INPS. For employees who have voluntarily chosen these options, the actuarial calculations made starting in 2007 exclude the elements relative to future pay raises. The difference resulting from this new calculation is treated as a "curtailment," in keeping with paragraph 109 of IAS 19, and therefore is included in the first six months of the 2007 profit and loss account.

The TFR quotas matured for each employee from the moment they exercise their option to adhere to the plan are considered a "Defined Contribution Plan ".

Recognition of revenues and costs

Revenues are recorded to the extent to which it is possible to obtain a reliable measurement of the likelihood that the Group will receive economic benefits from them. Revenues are entered after taking into account discounts and allowances.

Revenues from sales are registered once the services are performed or the property is transferred. Financial revenues and revenues deriving from services are included on an accruing basis.

Contributions

Contributions are registered the moment they are definitively assigned to the company, and entered in the profit and loss statement at the same time as the asset in question is depreciated.

Financial earnings and costs

Financial earnings and costs are recognized based on accrual basis, according to the passage of time and utilizing the actual, effective rate.

Income taxes

Income taxes include all the taxes calculated on taxable income within the Coeclerici Group. They are recorded in the profit and loss statement, with the exception of those income taxes that concern items charged or credited directly to the Group's net equity, in which case the tax is entered directly into the net equity. Additional taxes not related to income, for example taxes on property and on capital, are included among the operating expenses. Taxable income is different from the amount registered in the profit and loss statement, as it includes gains and losses that may be taxable in other accounting periods, and excludes items that will never be taxable or allowable. Liability for current taxes is calculated using current rates or those de facto in force at year's end.

Deferred taxes are set aside according to the overall liability allocation method. These are calculated for all temporary differences that may emerge between the taxable base of an asset or liability and its account value in the consolidated financial statements. Deferred tax assets on financial losses and unused tax receivables that cannot be rolled over, as well as those for temporary differences, are included to the extent that it is likely that future taxable income may emerge, against which they can be recovered.

Use of estimates

In order to draw up the consolidated financial statements, the Directors produce estimates and evaluations that have an effect on the amounts included for assets, liabilities, costs and revenues, as well as on the presentation of potential future gains and losses. The Directors verify these estimates periodically based on performance over time and other factors considered reasonable and reliable given the circumstances. The use of estimates and evaluation processes is particularly important in determining the following equity and economic amounts:

a) Tangible and intangible assets – estimates for useful life cycle and recoverability

The company presents important figures relative to tangible and intangible assets. It establishes the useful life cycle for these assets, as well as whether or not these assets have deteriorated (necessary in order to evaluate whether or not the company should proceed with devaluation), which requires evaluations and estimates.

These assets are amortized based on their useful life cycle, which is estimated independently for each category (tangible and intangible). The recoverable value of tangible and intangible assets depends on the chances the assets have to generate the net cash flow necessary to recover their cost value over the course of their estimated useful life cycle.

b) Additional estimates

Estimates are also created in order to recognize the presumed value of certain credits, funds earmarked for employee benefits, taxes and other provisions. Further details about these kinds of estimates can be found in the specific notes relative to each item.

Generally speaking, the overall results in the next year's fiscal exercise may differ from the estimates originally provided. Changes in estimates are included in the profit and loss statement in the fiscal year during which they effectively appear. In the absence of a set Principle or Interpretation applicable to a specific operation, the Group's management defines, through its own well thought-out and subjective evaluations, which accounting methodologies it should adopt in order to be best positioned to supply relevant and reliable information so that the consolidated financial reports may:

- paint a true picture of the company's current equity and financial situation, economic results and financial cash flows;
- reflect the economic substance of any given operation;
- be objective and neutral;
- be based on a fiscally prudent foundation and;
- be complete from every relevant point of view.

CONSOLIDATION AREA

Attached to the Notes for the financial statements are lists of the companies included in the consolidation area, as well as equity investments made in joint ventures and associated companies evaluated using the equity method.

With respect to last year's financial statements, here below are several operations that led to changes within the company's consolidation area.

Over the course of the first semester, Coeclerici Logistics SpA underwrote additional share capital in the subsidiary company CGU Logistic Limited for 8.41%, since the minority partner Great Eastern Shipping Company Ltd. (G.E.S.CO.) did not opt to purchase. Later during the year, on July 27 2009, the company increased its share of capital in the same subsidiary company CGU Logistics Limited through the purchase of 14.09% of the capital held by G.E.S.CO., for a total of 500 thousand USD (352 thousand EUR). Therefore, the overall percentage of share capital held by Coeclerici Logistics SpA increased from 55% on December 31, 2008 to 77.5% on December 31, 2009.

On July 22, 2009, the Coeclerici Mozambico SpA company was established. This company is a vehicle for the VALE project, and is 100% owned and controlled by Coeclerici Logistics SpA.

On October 14, 2009 Coeclerici Logistics SpA sold its share in Bulkguasare de Venezuela S.A. (90% of the company capital) to the indirect subsidiary Capo Noli Transportes Maritimos Lda. This operation did not have any effect on the consolidated financial statements.

On November 2, 2009, the ordinary shareholders' meeting of the company Sud Est Srl approved its final liquidation financial statement, as well as the relevant allocation plan. As a consequence, the company was unconsolidated.

On December 31, 2009 the company sold its share in the Portuguese company Kidecrane Transportes Maritimos Lda for an agreed upon price of 2,600 thousand USD (1,805 thousand EUR). The joint venture, consolidated in last year's exercise using the equity method, generated a surplus value for 766 thousand EUR, included in the item "Note 19 – Capital gains / losses on non-current assets ".

Furthermore, it must be noted that as of June 26, 2009, the subsidiary CC Carbon (Pte.) Ltd has changed its official name to Coeclerici Asia (Pte.) Ltd, and as of December 4, 2009 the subsidiary CC Carbon Indo has changed its official name to PT Coeclerici Indonesia.

OTHER INFORMATION

New accounting principles

Accounting principles, amendments and interpretations applied over the course of 2009

Beginning on January 1, 2009, the Coeclerici Group has applied IAS 1 Revised (Presentation of financial statements). This new, revised version of IAS 1 no longer permits the presentation of revenue components like profits and burdens included directly in the net equity (defined as "changes generated by transactions conducted with non-partners") in the table for changes in net equity. Instead, these items are to be indicated separately with respect to the changes generated by transactions conducted with partners. According to the new version of this accounting principle, all changes generated by transactions with non-partners must be included in a single, separate report that displays economic performance for the period (table of the total recognized profits and losses), or in two separate reports (Income statement and Total comprehensive income). These changes must also be indicated separately within the outlook on changes in net equity.

The Group chose to apply the revised version of the principle starting on January 1, 2009 in a retroactive manner, highlighting all changes generated by transactions conducted with non-partners in the two measurement reports for economic performance over the period, respectively entitled "Consolidated income statement" and "Total comprehensive consolidate income ". As a result, the Group has modified its presentation of the table of changes in net equity.

Furthermore, the Group applied the following new accounting principles, amendments and interpretations for the first time this year, although their use did not reveal any significant differences in the current consolidated financial statements, in part because in some cases they refer to events and/or cases that do not exist within the Coeclerici Group:

- *IAS 23 Revised: Borrowing costs.* In this new, revised version of the accounting principle, the option allowing for immediate inclusion of financial costs sustained for investments in assets that would normally require a determinate period of time for that asset to be ready for use or for sale (qualifying assets) in the profit and loss statement was removed. Furthermore, this version of the principle was amended as part of the 2008 improvement process conducted by the IASB in an attempt to review the definition of financial costs to be considered in capitalization.
- *Amendment to IFRS 2: Share-based payments: vesting conditions and cancellation.* This amendment establishes that in order to evaluate remunerative instruments based on shares, only service and performance conditions can be taken into consideration as vesting conditions. Eventual additional clauses must be considered non-vesting conditions, and are to be incorporated in the determination of fair value at the date at which the plan is laid out.
- *Improvement to IAS 19: Employee benefits.* This improvement clarifies the definition of costs/gains relative to past work provided, and establishes that in the event a plan is reduced, the effect that must be included immediately in the profit and loss statement has to include only the reduction of benefits relative to future time periods, while the effect deriving from eventual reductions connected with past work periods must be considered a negative cost relative to work rendered in the past.

- *Amendment to IFRS 7: Financial instruments: disclosures.* This amendment, which must be applied starting January 1, 2009, was designed to increase the level of information requested in order to evaluate fair value and reinforce the existing principles applied to information about the risks of liquidity for financial instruments. More specifically, the amendment requires that information about the determination of fair value for financial instruments is provided concerning hierarchical levels of evaluation. The adoption of this principle did not have any effect for financial statement items from an evaluation and presentation point of view, but rather on the kind of information presented within the notes.
- *Improvement to IAS 28: Investments in associates.* This improvement establishes that in the event of capital shares evaluated according to the equity method, an eventual drop in value should not be allocated to the individual assets (and to eventual goodwill in particular) that make up the book value of the capital shares, but rather to the overall value of the shares. Therefore, in the presence of conditions for a successive restoration of value, said restoration must be recognized as a whole and not merely in part.
- *IFRIC 13: Customer Loyalty Programmes.*
- *Improvement to IAS 16: Property, plant and equipment.*
- *Improvement to IAS 20: Accounting for governments grants and disclosure of government assistance.*
- *Improvement to IAS 38: Intangible assets.*
- *Improvement to IAS 36: Impairment of assets.*
- *Improvement to IAS 39: Financial instruments: recognition and measurement.*
- *Improvement to IAS 40: Investments property.*
- *IFRIC 15: Agreements for the construction of real estate.*
- *IFRIC 16: Hedges for a net investment in a foreign operation.*
- *IFRS 8: Operating segments.*
- *IAS 36: Impairment of assets.*

Accounting principles, amendments and interpretations not applicable by the Company

In closing, the following amendments and interpretations have been established, but deal with issues and cases not applicable by the company as of the current annual financial statement:

- *IFRS 3: Business combinations.* The main modifications for IFRS 3 deal with the elimination of the obligation to evaluate individual assets and liabilities in subsidiaries at the fair value in each successive acquisition, in the event of an acquisition in phases by the parent company. Goodwill is to be determined solely for the acquisition phase, and should be equal to the differential between the value of the shares immediately prior to purchase, the total amount of the transaction and the value of the net assets acquired. Furthermore, in the event the company does not purchase 100% of share capital, the share quota belonging to any third party can be evaluated by according to fair value, and by using the method already approved by the earlier version of IFRS 3. This revised edition of IFRS 3 also calls for all costs connected with company acquisition to be included in the profit and loss statement, as well as specific date of purchase for the liabilities for payments subject to conditions.
- *IAS 27: Consolidated and separate financial statements.* With this amendment to IAS 27, the IASB has established that any modifications to profit sharing that do not constitute a loss of control must be treated as an equity transaction, and therefore must appear in the net equity. Furthermore, the amendment establishes that when a parent company cedes control of a subsidiary, but continues in any case to hold some interests in the company, it must evaluate its remaining share in its budget at fair value, and include eventual gains or losses deriving from the loss of control in the profit and loss statement. Finally, the amendment requires that all losses attributable to minority shareholders must be allocated according to the share percentage owned by said shareholders, even when this exceeds their relative stake in the share capital of the joint venture. These new rules must be applied starting January 1, 2010.
- *IFRS 5: Non-current assets held for sale and discontinued operations.* In the event a company is involved in a stock transfer plan that leads to the loss of control in a subsidiary, all assets and liabilities in that company must be reclassified among the assets held for sale, even if after sale the company will continue to retain a minority stake in the company. This modification to IFRS 5 must be applied starting January 1, 2010.
- *IFRIC 18: Transfer of assets from customers.*

COMMENTS ON BALANCE SHEET ITEMS

The amounts indicated in these comments and notes are expressed in thousands of Euro. The values relative to last year consolidated financial statements are included in parentheses.

Property, plant and equipment (Note 1)

Changes that took place in property, plant and equipment over the course of 2009 are summarized in the following table:

	FLEET	LANDS AND BUILDINGS	PLANT AND MACHINERY	OTHER ASSETS	COAL RESERVES	COST OF DEMOLITION AND RESTORATION	FIXED ASSETS UNDER CONSTRUCTION	TOTAL
Balance at December 31, 2007	**18,317**	**840**	**499**	**1,717**	**0**	**0**	**10,774**	**32,147**
Increases	5,587	3,090	3,692	1,601	30,803	2,882	900	48,555
Decreases	(80)	0	0	(77)	0	0	(81)	(238)
Depreciation (2008)	(2,738)	(35)	(458)	(518)	(2,902)	(340)	0	(6,991)
Write-downs	0	0	0	0	(7,936)	(1,900)	0	(9,836)
Reclassifications	9,450	0	0	0	0	0	(9,450)	0
Exchange rate differences	577	7	(55)	36	(1,841)	(28)	(1,231)	(2,535)
Balance at December 31, 2008	**31,113**	**3,902**	**3,678**	**2,759**	**18,124**	**614**	**912**	**61,102**
Increases	202	290	2,279	671	0	59	3,042	6,542
Decreases	(111)	(830)	(162)	(25)	0	0	(653)	(1,782)
Depreciation (2009)	(2,585)	(14)	(867)	(562)	(2,115)	(72)	0	(6,214)
Write-downs	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0
Exchange rate differences	583	(135)	(213)	15	(834)	(29)	78	(534)
Balance at December 31, 2009	**29,202**	**3,212**	**4,715**	**2,857**	**15,176**	**572**	**3,379**	**59,113**

The item "Fleet," valued at 29,202 thousand EUR (31,113 thousand EUR at December 31, 2008), is calculated after capital grants relative to Italian laws 488/1992 and 341/1995 for a total of 1,028 thousand EUR at December 31, 2009 (1,107 thousand EUR at December 31, 2008). These grants, obtained following the creation of operating vessel Bulk Irony, owned by the Group's subsidiary Terminal Offshore Piombino SpA, are recognized in the profit and loss statement over the course of the ship's useful life cycle. Therefore, the 2009 depreciation is shown after deducting the portion of contributions included in the profit and loss statement for a total value of 79 thousand EUR.

Some operating vessels in the fleet are bound by mortgage, as is mentioned in "Note 10 – Interest bearing liabilities and borrowings ". Furthermore, it is important to note that the three launches owned by the Group's subsidiary Bulkguayana S.A., for a total net value of 2,140 thousand EUR at December 31, 2009 were seized by the Venezuelan authorities in the wake of a new law established over the course of 2009. The company has already initiated all actions possible from both a commercial and legal standpoint in order to resolve the situation and liberate the launches.

The item "Land and Buildings," valued at 3,212 thousand EUR (3,902 thousand EUR as of December 31, 2008),

includes the value of 11,870,400 square meters of property located in the Kemerovo region for a total of 2,864 thousand EUR (123.6 million RUB). This property is adjacent to the mine, and functional to its activities, and is owned by the Russian company "Selskohozyaistvennoe predpriyatie Taylepskoe" ("Taylepskoe"), controlled in its entirety by the Russian company OOO Delta Property. This item also includes the value of the buildings relative to the Russian mining company OAO Kisk for a total value of 348 thousand EUR (15,005 thousand RUB).
The increase of 290 thousand EUR refers to new infrastructures built in order to provide transportation routes to the OAO Kisk mining site for a total of 274 thousand EUR, as well as notary public expenses totaling 16 thousand EUR, required to redeem the Group's building in Rome that was previously leased from Sardaleasing through a leasing contract and terminated over the course of 2008. That same building was subsequently sold, generating a decrease for 830 thousand EUR in the item "Land and buildings," as well as a gain from sale of 373 thousand EUR.

The item "Plant and equipment," valued at 4,715 thousand EUR (3,678 thousand EUR as of December 31, 2008) increased mainly due to equipment owned by the company through its Russian indirect subsidiary OAO Kisk for a total of 2,277 thousand EUR. This amount includes, for 1,091 thousand EUR (47,088 thousand RUB), assets acquired through leasing, after depreciations for 385 thousand EUR (16,989 thousand RUB), including two bulldozers, two Komatsu and one Belaze. Information pertaining to the residual debt connected with this leasing contract (871 thousand EUR) is included in "Note 10 – Interest bearing liabilities and borrowings".

The item "Other assets," valued at 2,857 thousand EUR (2,759 thousand EUR as of December 31, 2008), was increased by 98 thousand EUR after depreciations conducted during the period (562 thousand EUR), decreases (25 thousand EUR) and exchange rate differences (15 thousand EUR). The increase of 671 thousand EUR mainly includes the new vehicles used at the Russian mine owned by subsidiary OAO Kisk for a total of 520 thousand EUR, new vehicles included by subsidiary Coeclerici Logistics SpA for a total of 20 thousand EUR, and new furniture and furnishings, electronic office equipment for a total of 116 thousand EUR registered by Coeclerici SpA.

The item "Coal reserves," valued at 15,176 thousand EUR (18,124 thousand EUR as of December 31, 2008), or roughly 655 million RUB, refers exclusively to the value of the coal reserves, owned by the Russian coal mining company OAO Kisk, which the Coeclerici Group acquired during the first semester of 2008.

The item "Cost of dismantling and restoration", a component separate from the coal reserves as required by IAS 16, includes costs for 572 thousand EUR at December 31, 2009 (614 thousand EUR as of December 31, 2008) required for payment the moment the mining sites are closed.

The item "Fixed assets under construction" valued at 3,379 thousand EUR (912 thousand EUR as of December 31, 2008) increased by 3,042 thousand EUR after decreases for 653 thousand EUR and positive differences in the exchange rate for 78 thousand EUR. The 3,042 thousand EUR amount mainly includes 854 thousand EUR for construction activities relative to three new launches to be used by the indirect subsidiary Bulkguasare de Venezuela S.A.; 1,321 thousand EUR for the creation of new plant at the Russian mine designed to improve productivity within the site; 216 thousand EUR for improvements underway on the naval ship Bulk Pioneer, owned by indirect subsidiary Logconversion Transportes Maritimos Lda; and 633 thousand EUR for activities relative to the Mozambique project. The 653 thousand EUR decrease was registered following the cancellation communicated by subsidiary Coeclerici Logistics SpA to suppliers for the execution of contracts relative to purchasing cranes and conveyor belts to be used for port logistics. Part of this decrease was included in the profit and loss statement as penalties for cancellation of contract, as noted in "Note 21 – Other income / expenses, net ".

Depreciation for the fiscal year stood at 6,214 thousand EUR.

Intangible assets (Note 2)

Changes that took place for intangible assets over the course of 2009 are summarized in the following table:

	GOODWILL	CONTRACT PORTFOLIO	OTHER FIXED ASSETS	ASSETS UNDER CONSTRUCTION	TOTAL
Balance as of December 31, 2007	**191**	**182**	**339**	**0**	**712**
Increases	0	441	177	0	618
Decreases	0	0	(146)	0	(146)
Amortization (2008)	0	(623)	(167)	0	(790)
Balance as of December 31, 2008	**191**	**0**	**203**	**0**	**394**
Increases	0	0	132	828	960
Decreases	0	0	0	(8)	(8)
Amortization (2009)	0	0	(143)	0	(143)
Balance at December 31, 2009	**191**	**0**	**192**	**820**	**1,203**

The item “Goodwill,” valued at 191 thousand EUR at December 31, 2009, refers entirely to the surplus value derived from the purchase of 60% of indirect subsidiary Coeclerici Asia (Pte) Ltd, which took place over the course of 2007. Analyses conducted when the consolidated financial reports were compiled on December 31, 2009 did not reveal a need to include a decrease in value from the original amount included at the time of purchase.

The item “Contract portfolio,” completely amortized over the course of 2008 (182 thousand EUR as of December 31, 2007), refers exclusively to the portfolio of orders for Coeclerici Asia (Pte) Ltd, valued at 3,829 thousand EUR upon purchase of the shares based on purchase and sales contracts for coal. Over the course of 2008, Swiss subsidiary Coeclerici Compagnie S.A. acquired an additional 25% stake in Singapore company (already a subsidiary) Coeclerici Asia (Pte) Ltd for a total cost of 3,1 million USD, thereby coming to own an overall 85% stake in the company. This acquisition generated an increase in the order portfolio of Coeclerici Asia (Pte) Ltd for 441 thousand EUR, amortized at December 31, 2008 based on previously cncluded contracts.

The item “Other fixed assets” is composed mainly of improvements in third party assets, as well as the costs capitalized for software licensing. Ameliorations on third party assets are amortized over the length of the relative leases; other fixed assets are amortized over five fiscal periods.

The item “Assets under construction,” displays a net increase for the period for a total of 820 thousand EUR, in reference to the implementation of a new accounting system (Oracle), to be used beginning with the 2010 fiscal year.

Amortization of intangible assets during this fiscal period stood at 143 thousand EUR.

Interests in jointly controlled entities, other investments and assets available for sale (Note 3)

This item consists of:

	31/12/2009	31/12/2008
Other companies	6,667	5,540
Financial assets available for sale	2,657	2,623
Jointly controlled entities	314	1,649
Total	**9,638**	**9,812**

At December 31, 2009, the item "Other companies" had undergone net changes totaling 1,127 thousand EUR, as compared with the amount registered on December 31, 2008, broken down as follows:

	31/12/2009	31/12/2008
Ambienta SGR SpA	9	9
Coeclerici Logistics (India) Ltd) in liquidation	0	40
Consar Srl	3	3
Dharamtar Infrastructure Limited	1,167	0
Telemar SpA	434	434
United Shippers Limited	5,053	5,053
Others	1	1
Total other companies	**6,667**	**5,540**

Participation in Coeclerici Logistics (India) Ltd in liquidation was written-down by 40 thousand EUR in order to bring the value of capital shares in line with the subsidiary's net equity.

On November 10, 2009, the company purchased 694,444 ordinary shares, totaling 5% of the capital, in Dharamtar Infrastructure Limited for a total cost of 1,75 million USD (1,167 thousand EUR). This company will conduct port logistics activities in Dharamtar port (India).

With regards to the amount relative to the 7.5% stake in the Indian company United Shippers Limited (USL), working in the port Logistics Division, it is important to note that an agreement has been signed with the former owners of that stake (individuals who remain partners in USL and together maintain control of the company) that calls inter alia for a right for the direct subsidiary Coeclerici Logistics SpA for put options with an expiry in the second semester of 2010 for the sale of these shares at a price in line with the purchase price in the event that USL does not achieve determinate cumulative economic results for the fiscal periods spanning between the purchase date and March 31, 2010. The most recent financial statement approved by USL relative to the fiscal period that ended March 31, 2009 presented equity totaling 25,689 thousand EUR (1,722,194 thousand INR), and a positive result for the period totaling 1,654 thousand EUR (111,418 thousand INR).

At December 31, 2009, the "Financial assets available for sale" destined to remain a part of the company's equity over time can be broken down as follows:

	31/12/2009	31/12/2008
Banca Carige SpA	153	139
Banco Popolare S.C.	17	16
Fondo Ambienta I	600	510
Hao Capital Fund II L.P.	248	250
Value Secondary Investments SICAR	1,639	1,708
Total financial assets available for sale	**2,657**	**2,623**

Over the course of 2009, this item increased by a total of 34 thousand EUR (adjusted for exchange rate differences relative to Hao Capital Fund II L.P.), as illustrated here below:

- 14 thousand EUR following an adjustment in market value of the 81,985 shares in Banca Carige SpA for a value of 1.955 EUR each, as well as an increase of 14 thousand EUR in the "reserve for the fair value of financial instruments" in net equity, minus fiscal effects for 4 thousand EUR;
- 1 thousand EUR following an adjustment in market value of the 2,697 shares in Banco Popolare S.C., purchased in 2008 for 9,27 EUR each. The per share price at December 31, 2009 stood at 5,27 EUR (compared with 5,87 EUR per share as of December 31, 2008);
- 90 thousand EUR for the private equity fund Ambienta I;
- 69 thousand EUR following capital repayments deliberated by Luxembourg participation Value Secondary Investments S.I.C.A.R. at the shareholders' meeting held October 29, 2009.

Additional information pertaining to the private equity funds Ambienta I, Hao Capital II L.P. and Value Secondary Investments S.I.C.A.R. are provided in "Note 30 – Obligations and guarantees ".

The "Jointly controlled entities," evaluated using the equity method, experienced the following fluctuations over the course of 2009:

	VIANNLOG	KIDECRANE	TOTAL
Balance as of December 31, 2007	**579**	**1,123**	**1,702**
Profits (2008)	830	517	1,347
Dividends paid / Capital repayment	(800)	(600)	(1,400)
Balance as of December 31, 2008	**609**	**1,040**	**1,649**
Profits (2009)	355	0	355
Dividends paid	(650)	0	(650)
Sales of participation shares	0	(1,040)	(1,040)
Balance at December 31, 2009	**314**	**0**	**314**

The Group's indirect subsidiary Viannlog Consultoria Economica Lda is 50% owned by the Coeclerici Group, while the remaining 50% belongs to Finaval Holding SpA. The company owns 100% of the share capital in Mediterranean Bulk System N.V. (a company that works in the port Logistics Division for raw materials, in particular for coal shipping). It is active in Koper port (Slovenia) and Bakar-Rjeka port (Croatia) through the subsidiary mentioned here above, conducting assistance operations for unloading panamax ships and parking for successive loading of shuttle-vessels destined for Italian ports.

The company's stake in Kidecrane Transportes Maritimos Lda was sold to partner Louis Dreyfus Armateurs S.A.S. on December 31, 2009 for an agreed-upon price of 2,600 thousand USD (1,805 thousand EUR), generating a capital gain for 766 thousand EUR included in the item "Note 19 – Capital gains / (losses) on non-current assets ".

Other non-current assets (Note 4)

This item is broken down into:

	31/12/2009	31/12/2008
Receivables transferred to factoring companies	1,351	2,544
Other receivables	8	39
Receivables for advance payment of post-employment benefit	41	45
Tax receivables	366	370
Guarantees and deposits	610	624
Provision for other bad debts	(447)	(500)
Total other non-current assets	**1,929**	**3,122**

In 1997, the Group sold with recourse reimbursable tax receivables to Mediofactoring SpA. Interest is due on the transferred receivables at a rate equal to the quarterly average of the daily three-month Euribor rate, until such a time as the factoring company collects the receivables from the Italian tax authorities. Changes registered over the course of the fiscal year stood at 1,193 thousand EUR due to collections provided over the course of the first semester, of which 838 thousand EUR came from the principal, and 355 thousand EUR from interest. The remaining amount of 1,351 thousand EUR represents a residual credit of 1,298 thousand EUR and interest accrued for a total of 53 thousand EUR.

The "Tax receivables" for 366 thousand EUR refers to IRPEG (corporate income tax) and ILOR (local income tax) credits for which a reimbursement request was already made during the previous fiscal periods.

In the item "Guarantees and deposits," valued at 610 thousand EUR, 580 thousand EUR (equal to 38,861 thousand INR) are relevant to a deposit with the Indian customs authorities, until the legal dispute relative to payment of customs obligations for the importation of FTS Bulk Prosperity are resolved. Said amount represents 50% of the total guarantees given to the Indian customs authorities, equal to 1,160 thousand EUR (or 77,722 thousand INR), as reported in "Note 30 - Obligations and guarantees ".

The "Provision for other bad debts", valued at 447 thousand EUR, changed over the course of the current fiscal period following the use of 53 thousand EUR.

Inventories (Note 5)

At December 31, 2009, the Group's inventories for a value of 8,360 thousand EUR (compared with 20,389 thousand EUR at December 31, 2008) could be broken down as follows:

	31/12/2009	31/12/2008
Goods	8,082	19,959
Consumables	278	430
Total inventories	**8,360**	**20,389**

The "Goods" can be broken down as outlined here below:

	31/12/2009		31/12/2008	
	TONS	EURO/000	TONS	EURO/000
Steam coal at the port	203,330	7,528	272,917	17,381
Steam coal at the mine	55,839	384	90,437	1,258
Anthracite at the port	1,957	170	10,392	1,320
Total goods	**261,126**	**8,082**	**373,746**	**19,959**

At December 31, 2009, the value of coal reserves showed an emerging downtrend of 11,877 thousand EUR, due mainly to the general drop in prices for supplies compared to December 31, 2008, as has already been outlined in the management report in reference to API indexes.

Trade receivables (Note 6)

This item, valued at 36,191 thousand EUR (49,334 thousand EUR as of December 31, 2008), is made up exclusively of receivables from normal commercial operations with clients, and is included minus bad debt provisions for 441 thousand EUR at December 31, 2009 (899 thousand EUR as of December 31, 2008).
The drop in trade receivables when compared with 2008 is due primarily to a drop in sales prices on the year, which ultimately settled in at values even lower than those registered in 2008.

At December 31, 2009, trade receivables were subdivided according to the following table:

	31/12/2009	31/12/2008
Invoices to be issued	797	1,478
Receivables not yet due	27,707	41,987
Due < 60 days	7,052	6,028
Due < 180 days	899	422
Due < 365 days	25	0
Due > 1 year	152	318
Provisions for bad debts	(441)	(899)
Total trade receivables	**36,191**	**49,334**

Over the course of 2009, the following movements took place within the bad debt provisions:

Bad debt provisions as of December 31, 2008	**899**
Provisions	70
Uses	(113)
Releases	(415)
Bad debt provisions as of December 31, 2009	**441**

Prepayments, other credit and current receivables (Note 7)

This item is subdivided in:

	31/12/2009	31/12/2008
Payments on account to suppliers	22,277	26,175
Other receivables	4,917	2,547
Receivables relating to the fair value of financial instruments	49	2,442
Tax receivables	4,437	4,440
Receivables from the holding company	9,725	11,968
Receivables from joint ventures	150	0
Prepayments and accrued income	2,320	2,267
Total prepayments, other credit and current receivables	**43,875**	**49,839**

The "Payments on accounts to suppliers," valued at 22,277 thousand EUR at December 31, 2009 (26,175 thousand EUR as of December 31, 2008) refers primarily to down payments paid to Russian and Indonesian suppliers to purchase coal to be delivered after December 31, 2009. The drop in down payments compared to the preceding fiscal period is mainly due to a corresponding drop in the price of coal. Furthermore, the item includes a total of 1,719 thousand EUR in down payments made to purchase equipment and machinery to be installed on the new ships that have been ordered from a Chinese shipyard as part of the Mozambique project. These down payments were returned to Coeclerici Logistics SpA over the course of 2010, after the agreements for the novation of relative supplies to the Chinese shipyard were signed on December 22, 2009.

The "Other receivables," valued at 4,917 thousand EUR (2,547 thousand EUR as of December 31, 2008), refer to various different credits, including:

- 1,805 EUR (2,600 thousand USD) in credits owed by the company Louis Dreyfus Armateurs S.A.S. following the sale of shares held in Kidecrane Transportes Maritimos Lda, as addressed in "Note 3 - Interests in jointly controlled entities, other investments and assets available for sale". This credit was received over the course of 2010;
- 1,214 thousand EUR in financing granted over the course of the fiscal period for an overall total of 1,750 thousand USD to ex-joint venture Kidecrane Transportes Maritimos Lda. The interest rate applied is equal to the six month Libor increased by a spread, and the matured interest that has not yet been received at December 31, 2009 totaled 14 thousand EUR. This loan was received in full over the course of 2010;
- 430 thousand EUR (620 thousand USD) in financial credits, provided at normal market conditions, to the indirect participated company United Shipping DMCEST. The interest rate applied to the financing contract is equal to the six month Libor increased by a spread. Reimbursement of the principal will take place in a single payment to be received June 2010; the interest accrued at December 31, 2009 totaled 6 thousand EUR.

The "Receivables relating to the fair value of financial instruments" refer to those operations involving the sale of currency. The drop in value with respect to 2008 for a total of 2,393 thousand EUR is due to the closure in January 2009 of contracts that existed on December 31, 2008, as is described further in "Note 28 – Information regarding financial instruments ". (Please consult Note 28 for further details.)

"Tax receivables," valued at 4,437 thousand EUR (4,440 thousand EUR as of December 31, 2008), refer mainly to the higher IRAP advance payments made over the course of 2009 with respect to the effective fiscal costs registered on December 31, 2009, and to IVA credits (Italian Value Added Tax), including 488 thousand EUR relative to 2008 requested as reimbursement by Coeclerici Coal and Fuels SpA, and 38 thousand EUR requested by Coeclerici SpA.

The item “Receivables from the holding company”, valued at a total of 9,725 thousand EUR (11,968 thousand EUR at December 31, 2009) includes the following specific credits:

- receivables from the direct parent company Cocler SpA for a total of 9,638 thousand EUR (10,119 thousand EUR as of December 31, 2008), relative to financing yielding interest equal to the six month Euribor increased by a spread, of which 9,500 thousand EUR is for the principal, and 138 thousand EUR for the interest;
- receivables from indirect parent company Finanziaria Cocler SApA for a total of 87 thousand EUR, relative to the request of IRES reimbursement conducted during the month of December 2009 in order to recover the increased costs paid as a consequence of the failure to deduct 10% of the IRAP fiscal burdens for 2008 from the taxable IRES base. It must be noted that the company transfers this credit insofar as it participates in the fiscal consolidation procedure as noted in “Note 25 – Income Taxes ”.

The item “Prepayments and accrued income”, valued at 2,320 thousand EUR (2,267 thousand EUR as of December 31, 2008), is made up primarily of deferred liabilities for bank commissions, payments of insurance premiums, rental fees and subscription dues.

Cash and cash equivalents (Note 8)

This item is made up of:

	31/12/2009	31/12/2008
Bank and post deposits	47,110	38,624
Cash in hand and unpresented effects	130	178
Total cash and cash equivalents	**47,240**	**38,802**

The “Bank and post deposits” include temporary cash liquidity with banking institutions generated as part of treasury management. This liquidity includes ordinary bank account reserves in Euro and other currencies.

The “Cash in hand and unpresented effects,” valued at 130 thousand EUR, refers to the cash funds held at the various company offices, including the representation offices, and the cash available on board vessels on the date the fiscal period ended.

These cash funds can be subdivided into the following items:

	31/12/2009		31/12/2008	
	CURRENCY/000	EURO/000	CURRENCY/000	EURO/000
Venezuelan Bolivars - VEF	8,197	2,650	2,618	874
Australian Dollar - AUD	98	61	0	0
Singapore Dollar - SD	796	394	0	0
American Dollar - USD	35,168	24,412	13,808	9,922
Euro - EUR	19,143	19,143	26,020	26,020
Swiss Franc - CHF	269	181	105	71
Bulgarian Lev - BGN	4	2	277	142
Chinese Yuan - CNY	184	19	140	15
Russian Ruble - RUB	9,225	214	69,584	1,686
Indian Rupee - INR	10,629	159	1,692	25
Indonesian Rupiah - IDR	62,770	5	722,358	47
Total cash funds		**47,240**		**38,802**

Total Equity (Note 9)

Movement within various components of the Group's equity is outlined in the apposite table.

Company capital, entirely subscribed and paid, amounts to 10,000 thousand EUR, and is divided into 10,000,000 ordinary shares valued at one Euro each.

The ordinary shareholders' meeting held September 25, 2007 deliberated the acquisition of 1,000,000 own shares with a nominal value of one Euro each by Cocler SpA, totaling 10% of the company capital, for a total of 6.5 million EUR; this operation resulted in an equal reduction in the consolidated net equity included under the "Reserves for Treasury Shares ".

The "Legal reserves," valued at 2,293 thousand EUR, include the legal reserves of the parent company. The values remained unchanged from those registered at the end of the preceding fiscal period.

The "Conversion reserves," valued at negative 3,299 thousand EUR due to conversion into Euro of the balance sheet items of consolidated foreign companies that prepare their financial statements in currencies other than the Euro, presents a reduction of 39 thousand EUR.

The "Merger surplus reserves," valued at 2,935 thousand EUR, refers to the operation that took place in 2007 relative to the partial demerger of the parent company from the then-direct subsidiary Coeclerici Ceres Bulk Carriers Transportes Maritimos Lda. On November 13, 2009, the ordinary shareholders' meeting deliberated the distribution of a dividend of 1,800 thousand EUR using these reserves.

The "Financial instruments fair value reserves", valued at minus 103 thousand EUR, shows an increase of 33 thousand EUR in changes in fair value in the financial instruments (as is addressed more in-depth in "Note 28 – Information regarding financial instruments").

Part of the reserves are under tax suspension; no allocation of taxes has been conducted yet insofar as, at the moment, under these respects no taxable operations are expected.

The "Retained earnings" are valued at 53,602 thousand EUR. Over the course of 2009, the parent company distributed dividends for 6,800 thousand EUR to the sole shareholder, Cocler SpA, 1,800 thousand EUR of which through the use of "Merger surplus reserves," as mentioned here above.

At December 31, 2009, third-party net equity, valued at 6,452 thousand EUR, included the value of third-party capital and reserves in the following companies:

COMPANY	% OF THIRD-PARTY NET EQUITY	AMOUNT
Bulkguasare de Venezuela S.A.	10.0%	1,237
CC Steel Shipping and Logistics AD	49.0%	(343)
CGU Logistic Limited	22.5%	599
Coeclerici Asia (Pte) Ltd	15.0%	1,631
Delta Property	51.0%	(329)
Logconversion Transportes Maritimos Lda	30.0%	2,394
Terminal Offshore Piombino SpA	20.0%	1,263
Total third-party net equity		**6,452**

Movement in third-party equity is outlined in the apposite table.

In reference to the information called for in IAS 1, par. 124, the objectives identified by the Group for capital management are as follows: creating value for shareholders; protecting company continuity; and supporting development for the various companies. With these objectives in mind, the Group works to maintain an adequate level of capitalization in order to make it possible both to create satisfactory economic returns for the shareholders, and to guarantee access to external sources of financing, including through achieving an appropriate rating. This overall strategy has remained unchanged with respect to the preceding fiscal year.

The structure of the Group's capital is made up of debt (which includes overdrafts and financing, as outlined in "Note 10 – Interest bearing liabilities and borrowings"), of cash and cash equivalents (as outlined in "Note 8 – Cash and cash equivalents"), and its net equity, made up of company capital, reserves and retained earnings from the previous fiscal period.

The Group keeps a close watch on its capital structure, especially at the level of net financial debt calculated as the ratio between its net financial position and net equity. At December 31, 2009, when compared with the results from the previous fiscal period, this ratio stood as follows:

	31/12/2009	31/12/2008
Net financial position	33,191	57,566
Net equity	75,100	70,774
Level of net interest bearing debt	**44%**	**81%**

Interest bearing liabilities and borrowings (Note 10)

This item is made up of:

	31/12/2009			31/12/2008		
	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
Short term advances	32,791	0	**32,791**	44,889	0	**44,889**
Bank overdrafts	0	0	**0**	2,293	0	**2,293**
Secured loans from financial institutions	1,716	7,859	**9,575**	2,535	11,181	**13,716**
Unsecured loans from financial institutions	605	36,600	**37,205**	418	33,867	**34,285**
Leasing agreements	264	596	**860**	274	911	**1,185**
Total	**35,376**	**45,055**	**80,431**	**50,409**	**45,959**	**96,368**

Short-term advances, valued at 32,791 thousand EUR (44,889 thousand EUR as of December 31, 2008) dropped by a total of 12,098 thousand EUR with respect to the numbers registered during the preceding fiscal year, and refer to financing granted by banks mainly to Coeclerici Coal and Fuels SpA, Coeclerici Asia (Pte) Ltd, in order to finance coal trading activities for a total of 28,297 thousand EUR, as well as an additional 4,494 thousand EUR for port logistics activities, in particular for activities connected with the new Mozambique and Berau projects.

"Interest bearing liabilities and borrowings" can be broken down into the following items:

	31/12/2009			31/12/2008		
	CURRENT	NON CURRENT	TOTAL	CURRENT	NON CURRENT	TOTAL
EUR	4,539	36,486	**41,025**	3,051	1,127	**4,178**
Inr	717	0	**717**	739	0	**739**
Rub	869	1,090	**1,959**	274	3,881	**4,155**
USD	29,251	7,479	**36,730**	45,927	40,951	**86,878**
Vef	0	0	**0**	418	0	**418**
Interest bearing liabilities and borrowings	**35,376**	**45,055**	**80,431**	**50,409**	**45,959**	**96,368**

Unsecured loans are valued at 37,205 thousand EUR (34,285 thousand EUR as of December 31, 2008), as is highlighted in the following table:

	31/12/2009	31/12/2008
Syndicated credit line	36,106	30,897
Zao Unicredit Bank	1,099	0
Deutsche Bank Ltd	0	2,970
Banco Mercantil Caracas	0	418
Total unsecured loans from financial institutions	**37,205**	**34,285**

The item totaling 36,106 thousand EUR refers to the use of a syndicated loan of 150 million EUR provided by a pool of banks headed by Banca Carige SpA over the course of 2007, mainly in order to purchase Russian mining company OAO Kisk (acquisition took place over the course of 2008).
The agreements relative to the syndicated loan include the following provisions: the option to use, whether in EUR or in Dollars (reimbursement must take place in the same currency), with a notice of three business days prior to the availability date by the bank, at an interest rate that changes according to the intended use of the funds (if in Euro, the interest rate applied will be equal to the Euribor at one, two or three months according to the length of use, increased by a spread; if in USD the interest rate applied will be equal to the Libor at one, two or three months, according to the length of use, increased by a spread).
The financing contract relevant to the syndicated loan will expire in 2014, and provides for the respect the financial covenants to be determined based on Coeclerici Group's consolidated financial statements; these covenants refer to the ratio between "Net Financial Position" and "Net Equity," as well as to the ratio between "EBITDA" and "Net Financial Expenses ". Failure to comply with the terms of the covenant will result in an early reimbursement of the entire amount of financing utilized. At December 31, 2009, the financial covenants had been respected in full.

During the month of November, the Group's subsidiary OAO Kisk utilized financing to establish a 50 million RUB credit line in order to finance investments in equipment and machinery at its Russian mining site. The financing contract applies an interest rate equal to the MosPrime, increased by a spread; reimbursement is made through constant monthly payments of roughly 2,174 thousand RUB, with the final payment to be made in November, 2011. 47,400 thousand RUB (1,099 thousand EUR) had been used at December 31, 2009.

On April 28, 2008, indirect Russian subsidiary Delta Property underwrote financing for 122,603 thousand RUB (2,794 thousand EUR) with Deutsche Bank Ltd in order to purchase 11,870,400 square meters of land located in the Kemerovo region in Russia. This financing was to be reimbursed no later than April 2010, and was paid off early in December 2009.

Furthermore, over the course of the first semester of 2009, a total of 1,250 thousand VEF (418 thousand EUR), previously financed by Banco Mercantil Caracas to subsidiary Bulkguasare de Venezuela S.A. in order to provide the company with increased flexibility for its operating activities, was paid (reimbursed) in full.

The secured loans total 9,575 thousand EUR (13,716 thousand EUR as of December 31, 2008), as outlined in the following table:

	31/12/2009	31/12/2008
Banca Carige SpA	0	2,295
Monte Paschi per l'Impresa SpA	1,141	1,884
Unicredit Banca d'Impresa SpA	8,434	9,537
Total secured loans	**9,575**	**13,716**

The secured loan, granted by Banca Carige to the subsidiary Logconversion Transportes Maritimos Lda for the floating transfer station Bulk Pioneer, valued at 2,295 thousand EUR as of December 31, 2008, was completely reimbursed early in September 2009. The natural maturity was the first semester of 2011.

The secured loan, granted by Monte Paschi for subsidiary Terminal Offshore Piombino SpA in order to build the operating vessel Bulk Irony, valued at 1,141 thousand EUR at December 31, 2009, is guaranteed by a mortgage provided by the same operating vessel. Over the course of the 2006 fiscal year this financing, originally for 8,000 thousand USD, was converted into Euro. The interest rate applied was equal to the six month Euribor increased by a spread; reimbursement takes place based on equal semester payments of roughly 380 thousand EUR each, with final payment due May 2011. This financing is guaranteed through a mortgage on the operating unit Bulk Irony in favor of Monte Paschi bank.

The secured loan for the Indian subsidiary CGU Logistic Limited was granted by Unicredit Banca d'Impresa SpA for a total of 13,500 USD in order to finance construction of the new operating vessel Bulk Prosperity. This financing was distributed over the first months of 2008; the interest rate applied was equal to the six month Libor increased by a spread; reimbursement is scheduled to take place through deferred semester installments equal to 675 thousand USD beginning in June 2009, with the final payment due in 2018. The book value of the loan is for a total of 8,434 thousand EUR at December 31, 2009. The typical covenants for naval construction financing have been applied. This financing was underwritten by a mortgage on the operating vessel Bulk Prosperity in favor of Unicredit Banca d'Impresa SpA.

Lastly, assets in leasing belonging to the indirect Russian subsidiary OAO Kisk have residual debt for 860 thousand EUR (37,112 thousand RUB). Debt within the next twelve months is equal to 264 thousand EUR (11,392 thousand RUB), while debt that matures between one and five years stands equal to 596 thousand EUR (25,720 RUB). For further details, please consult "Note 1 – Property, plant and equipment ".

Over the course of 2009, the total balance of leasing and bank debts experienced the following movement:

Total as of December 31, 2008	**49,186**
New loans	27,099
Repayments	(28,647)
Changes in amortized cost	2
Total at December 31, 2009	**47,640**

Provisions (Note 11)

This item includes funds allocated in order to deal with potential liabilities deriving from legal, fiscal or commercial disputes. It also includes funds set aside in order to deal with costs relative to dismantling and reclaiming the Russian mining site (allocated funds that will be used the moment the company has to face cash outlays to reclaim the site).

At December 31, 2009, the totals for this item were subdivided as follows:

	31/12/2009	31/12/2008
Current	2,017	1,998
Non-current	12,134	14,282
Total provisions	**14,151**	**16,280**

Over the course of 2009 the following movement took place:

Total as of December 31, 2008	**16,280**
Provisions	1,828
Uses	(3,250)
Releases	(522)
Reclassifications	(130)
Exchange rates differences	(55)
Total at December 31, 2009	**14,151**

Allocated funds from the 2009 fiscal period totaling 1,828 thousand EUR (5,996 thousand EUR as of December 31, 2008) were registered as "Allocations to provisions for liabilities" in the profit and loss statement, as addressed in "Note 21 – Other income / expense, net". These allocations were effectuated by estimating potential liabilities relative to each risk position, based in part on the opinions of the Group's legal and financial consultants.

Over the course of 2009, a total of 3,250 thousand EUR (977 thousand EUR as of December 31, 2008) were utilized in order to respond to potential liabilities that became actual liabilities over the course of the current fiscal period, and which the funds were originally allocated in order to deal with.

The item "Releases," valued at 522 thousand EUR (4,788 thousand EUR as of December 31, 2008), was registered in the profit and loss statement as the "release of provision" (see "Note 21 – Other income / expense, net" for further information), and refers mainly to the releases by Coeclerici SpA of 339 thousand EUR relative to funds allocated during preceding fiscal years, and released by the indirect subsidiary CC Steel Shipping and Logistics AD for a total of 117 thousand EUR, relative to legal disputes resolved in the company's favor.

It should be noted that over the course of 1999 and during the first months of 2000, the Italian fiscal authorities conducted a general control and overview of the consolidated companies Coeclerici Armatori SpA, Coeclerici Coal and Fuels SpA, and Coeclerici Logistics SpA, now Coeclerici SpA (either directly or through its relative incorporating companies) for the 1997 and 1998 fiscal years. Furthermore, following partial monitoring (again by Italian fiscal authorities) of the 1993, 1994, 1995 and 1996 fiscal periods, the company received notice of partial verification by the Italian VAT and tax authorities for significant amounts of money. The company quickly moved to contest these assessments, thanks to assistance from the Coeclerici Group's financial consultants. The dispute was repeatedly resolved in the company's favor, both for the first hearing and for the subsequent appeal. Therefore, based on the legal actions taken, the favorable decisions delivered by the court and the opinions and comments of professionals who assist the company, it is reasonable to believe that the current dispute will not result in any significant costs.

Over the course of 2008, Italian tax authorities produced a report on the direct subsidiary Coeclerici Coal and Fuels SpA for the 2005 fiscal period for IRES, IRAP and IVA taxes, although at the time this annual report was prepared, there had been no assessments conducted. The report presents significant amounts, relative to a large portion of the company's production costs (the purchase of coal and shipping services), the 2005 fiscal period, and must be further taxed. The company Directors, with the help of opinions and comments from consultants specific to the case, do not believe there are any ulterior liabilities of significance beyond what has already been allocated in the company financial statement.

Post-employment benefits – (Note 12)

Here below is an overview of movement within the post-employment benefit reserve:

Total as of December 31, 2007	**1,136**
Provisions of the current fiscal period	254
Uses	(161)
Total as of December 31, 2008	**1,229**
Provisions of the current fiscal period	276
Uses	(63)
Total at December 31, 2009	**1,442**

Here below are the main hypotheses upon which actuarial evaluation of the post-employment benefits is conducted:

	31/12/2009	31/12/2008
Updating coefficient	5%	5%
Inflation rate	2%	2%
Annual rate of salary increase		
Top management	4%	4%
Middle management / employees	4%	4%
Annual post-employment benefit increase rate	3%	3%

The modalities used to recalculate post-employment benefit are based on an actuarial evaluation outlined within the accounting principles. It should be noted that in compliance with IAS 19, the method used is the "Projected unit credit method". Actuarial gains and losses generated by the application of this method are included in the profit and loss statement.

Other non-current liabilities (Note 13)

The total for this item is 3 thousand EUR (94 thousand EUR as of December 31, 2008), evidencing a drop for a total of 91 thousand EUR as a result of a decrease in liabilities of subsidiary Delta Property.

Trade payables (Note 14)

The total of 25,926 thousand (33,556 thousand as of December 31, 2008) includes current debt for supplies connected with the Group's ordinary operating activities.

The decrease in debt towards suppliers over the course of this fiscal period for a total of 7,630 thousand is due mainly to a drop in the price of coal.

Other payables and current liabilities (Note 15)

The item is composed of the following:

	31/12/2009	31/12/2008
Payments on account from customers	53	141
Other payables	2,634	1,444
Payables relating to the fair value of financial instruments	100	3,311
Tax payables	3,660	3,465
Payables to holding companies	88	0
Payables to social security institutions	408	750
Accruals and deferred income	2,099	1,470
Total payables and other current liabilities	**9,042**	**10,581**

"Payments on account from customers," valued at 53 thousand EUR (141 thousand EUR as of December 31, 2008) mainly refers to trade payables to clients for advance payments received.

"Other payables," valued at 2,634 thousand EUR (1,444 thousand EUR as of December 31, 2008) includes various different payables that will mature during the next fiscal period.

"Payables relating to the fair value of financial instruments", valued at 100 thousand EUR (3,311 thousand EUR as of December 31, 2008) refers to currency purchase operations addressed in "Note 28 – Information regarding financial instruments ". For further information, please consult note 28.

"Tax payables", valued at 3,660 thousand EUR (3,456 thousand as of December 31, 2008) are payables for income taxes and payables for IRPEF relevant to company employees and freelancers. Payables for taxes on income refer to the IRAP, minus the down payments already made over the course of 2009, to VAT returns, to the substitute taxation on deducted surpluses in keeping with art. 109, paragraph 4, letter b), and to funds allocated for current taxes.

"Payables to holding companies", valued at 88 thousand EUR, are relevant to payables to indirect holding company Finanziaria Cocler SApA deriving from the transfer of debt for IRES for the current fiscal year, as provided for in the tax consolidation procedure. For further details, see "Note 25 – Income taxes".

"Payables to social security institutions," totaling 408 thousand EUR, refer primarily to payments for December 2009, paid during the month of January 2010 as required by Italian law.

"Accruals and deferred income," valued at 2,099 thousand EUR, mainly consist of accrued expenses for deferred salaries earned by the Group's employees as of the date the financial statements are closed, as well as various accrued expenses relating to a number of different kinds of operating costs. The 629 thousand EUR increase with respect to the same fiscal period in 2008 is due mainly to the increase in accrued expenses on salaries.

Revenues (Note 16)

This item is made up of the following:

	2009	2008
Coal brokerage commission	296	404
Charters and shipping transport	749	1,521
Other services	398	1,196
Transhipment and other logistics services	21,103	17,632
Sale of raw materials	418,754	519,752
Total Revenues	**441,300**	**540,505**

Revenues from charter fees and shipping entirely within the Logistics division, valued at 749 thousand EUR, display a drop of 772 thousand EUR with respect to the amount registered for 2008 (which stood at 1,521 thousand EUR). This drop is mainly due to the different uses the vessel Bulk Kremi provided. In 2008, the Bulk Kremi operated based on a time charter contract, while in 2009 the vessel operated on a bare boat contract that paid a lower daily rate.

The 398 thousand EUR amount under "Other services" refers to revenues from services rendered by the company's direct subsidiary Coeclerici Logistics SpA for a feasibility study commissioned by the Brazilian mine operator VALE for 260 thousand EUR, for administrative services performed by the company's indirect subsidiary Coeclerici Compagnie S.A. for the company consolidated with the equity method for 133 thousand EUR, and by Coeclerici SpA to the direct parent company Cocler SpA for five thousand EUR.

The item "Transshipment and other logistics services," valued at 21,103 thousand EUR, increased by 3,471 thousand EUR with respect to the amount registered for the 2008 fiscal year (17,632 thousand EUR), mainly thanks to renegotiation of tariffs by the subsidiary Bulkguasare de Venezuela S.A., as well as the start of operating activities for the vessel Bulk Prosperity owned by subsidiary CGU Logistic Limited.

Revenues relative to the sale and commercialization of raw materials, for 418,754 thousand EUR and 296 thousand EUR respectively, refer specifically to trading activities. The drop in sales of raw materials for a total of 100,998 thousand EUR was mainly due to a corresponding drop in coal prices, despite the roughly 22% increase in traded quantities with respect to 2008. This item also includes the sale of coal conducted by the company's Russian subsidiary OAO Kisk directly to third parties for a total of 4,606 thousand EUR (2,106 thousand EUR as of December 31, 2008).

Additional information by sector can be found in "Note 27 – Information by business sector and geographical area ".

Cost of sales (Note 17)

Here below is a table outlining Cost of sales:

	2009	2008
Purchase of raw materials	377,169	470,830
Bunkers	594	843
Mine operating costs	4,887	4,924
Technical costs for fleet and plants	3,728	4,296
Cost of seafaring personnel	7,113	6,200
Costo del personale operativo della miniera	3,270	2,436
Lubricants / spare parts	1,236	828
Port expenses and other shipping costs	1,470	1,145
Total cost of sales	**399,467**	**491,502**

The decrease in costs for "Purchase of raw materials", valued at 93,661 thousand EUR, is mainly the result of the drop in coal prices and accessory purchase costs (for example freight rates). This drop in costs is proportionate to the drop in revenue from the "Sale of raw materials" that is addressed in "Note 16 – Revenues".

The item "Bunkers", valued at 594 thousand EUR, refers to combustible fuels used to run the fleet. The drop in costs for 249 thousand EUR reflects first and foremost changes in the price of oil, which dropped with respect to its 2008 levels.

"Mine operating costs", valued at 4,887 thousand EUR (4,924 thousand EUR as of December 31, 2008) remained essentially in line with the previous fiscal period, despite an increase in production (as noted in "Note 16 – Revenues").

The "Technical costs for fleet and plants", valued at 3,728 thousand EUR, show a drop of 568 thousand EUR with respect to 2008, primarily due to savings in ordinary maintenance costs.

The "Cost of seafaring personnel" refers to personnel who conduct operating activities within the subsidiaries Terminal Offshore Piombino SpA, Capo Noli Transportes Maritimos Lda, CGU Logistic Limited, Bulkguasare de Venezuela S.A. and Logconversion Transportes Maritimos Lda. This item, valued at 7,113 thousand EUR, shows a 913 thousand EUR increase over the preceding fiscal period, mainly due to the effects of contract raises for Venezuelan personnel on the Bulk Wayuù, as well as the costs relative to personnel on the Bulk Prosperity.

The "Cost of mine operating staff," valued at 3,270 thousand EUR, higher by 834 thousand EUR due mainly to full consolidation of mine activities in the fiscal year 2009, while in the fiscal year 2008 mine activities were consolidated starting from April 2008, and an increase in the resources employed at the mine in order to boost production, as is explained further in "Note 32 – Other information ".

The cost of "Lubricants / spare parts" valued at 1,236 thousand EUR is due mainly to spare parts and consumables related to routine and non-recurring maintenance conducted on ships owned, and are included in the income statement in the period in which they are sustained.

Costs relative to "Port expenses and other shipping costs" valued at 1,470 thousand EUR, display a 219 thousand EUR increase due mainly to activities connected with the Bulk Prosperity, a vessel owned by company subsidiary CGU Logistic Limited that began operational activities over the course of 2009.

General and administrative expenses (Note 18)

This item can be broken down as follows:

	2009	2008
Consultants	4,171	2,905
Other services and costs	1,703	1,617
Cost of personnel	9,611	9,219
Fees	2,314	3,651
Rents, leases and similar	1,772	1,540
Consumables	219	269
Advertising	328	341
Entertainment expenses	586	1,107
Travel expenses	989	1,614
Utilities - Building administration - Representative office	573	839
Total selling, general and administrative expenses	**22,266**	**23,102**

The increase in the line item "Consultants" for 1,266 thousand EUR is due mainly to the development of projects underway in Mozambique and Indonesia, as is explained in detail in the Directors report.

The "Other services and costs," valued at 1,703 thousand EUR, are essentially in line with the same costs registered during the 2008 fiscal year, and are mostly composed of costs related to software maintenance and reparation (222 thousand EUR), payment of short-term freelancers contracts (45 thousand EUR), insurance (142 thousand EUR), membership fees (77 thousand EUR) and other various services.

The "Fees," down by 1,337 thousand EUR, are included minus the reversible remuneration of 35 thousand EUR deliberated by Telemar SpA "Fees" also includes the amounts due the parent company's directors and statutory auditors, divided as follows here below:

:

	2009		2008	
	NUMBER	REMUNERATION	NUMBER	REMUNERATION
Directors	10	1,543	10	1,355
Statutory Auditors	3	34	3	35
Total Fees	**13**	**1,577**	**13**	**1,390**

The "Entertainment expenses" and "Travel expenses," valued at 586 thousand EUR and 989 thousand EUR respectively, display an overall downtrend for 1,146 thousand EUR due to the optimiziation of this type of cost.

The "Utilities - Building administration - Representative office," valued at 573 thousand EUR, dropped by 266 thousand EUR following closure of offices in Bulgaria used by the subsidiary New Sea Logistics EAD (no longer operational), and of the Representation office in Istanbul, as well as a more cost-conscious management of the representative offices.

Capital gains / (losses) on non-current assets (Note 19)

This item can be broken down as follows:

	2009	2008
Capital gains	1,153	142
Capital losses	(116)	(201)
Total capital gains / losses on non-current assets	**1,037**	**(59)**

Capital gains accumulated for 1,153 thousand EUR refer mainly to: 373 thousand EUR from the sale of a building in Rome, redeemed as part of the leasing contract that came due over the course of 2008; and a 766 thousand EUR capital gain created following the sale of the company's stake in joint venture Kidecrane Transportes Maritimos Lda, as outlined in detail in "Note 3 – Interests in jointly controlled entities, other investments and assets available for sale".

Capital losses for a total of 116 thousand EUR are losses from the sale of fixed assets.

Profit / loss from jointly controlled entities (Note 20)

This item can be broken down as follows:

	2009	2008
Kidecrane	0	517
Viannlog	354	830
Total profit / loss from jointly controlled entities	**354**	**1,347**

The positive total for 354 thousand EUR (1,347 thousand EUR as of December 31, 2008) includes the Group's share in the company as evaluated with the equity method. For further details on the nature of business of these companies, please consult "Note 3 – Interests in jointly controlled entities, other investments and assets available for sale".

Other incomes /expenses, net (Note 21)

	2009	2008
Other operating income		
Other income and (costs), net	4,441	9,836
Income from profit sharing	467	457
Release of provisions and other liabilities	937	4,811
Insurance claims	11	448
Gains on derivatives	328	23,966
Total other operating income	**6,184**	**39,518**
Other operating costs		
Allocation to provisions for liabilities	1,828	5,996
Write-down of current assets	70	1,433
Losses on derivatives	0	18,375
Negative change in the fair value of financial instruments	26	2,100
Total other operating costs	**1,924**	**27,904**
Net total	**4,260**	**11,614**

The item "Other incomes and expenses, net," valued at 4,441 thousand EUR is made up primarily of the 3,038 thousand EUR relative to capital gains realized following the sale of Venezuelan bonds during the current fiscal period, 258 thousand EUR for extraordinary gains obtained from the successful completion of transactions related to previous fiscal periods in the Trading Division, and 555 thousand EUR from the release of funds for bad debt.

"Income from profit sharing," valued at 467 thousand EUR in 2009 and realized by the direct subsidiary Coeclerici Coal and Fuels SpA refers to income deriving from the management of chartering activities for the vessel IVS Merlot with the Norwegian ship owning company J.B. Ugland Dry Bulk A.S.

"Release of provisions and other liabilities" is made up of release of funds as described in "Note 11 – Provisions" for 522 thousand EUR, the release of funds for bad trade receivables as described in "Note 6 – Trade receivables" for 415 thousand EUR.

"Insurance claims" show a drop of 437 thousand EUR, given that as of December 31, 2008 insurance claims for 448 thousand EUR were registered following the positive resolution of a mishap that occurred in 2006 involved the ship Bulk Irony, owned by the indirect subsidiary Terminal Offshore Piombino SpA.

"Gains on derivatives," valued at 328 thousand EUR, displays positive results achieved in the freight market (FFA contracts) by the company direct subsidiary Coeclerici Coal and Fuels SpA for 110 thousand EUR, and by the company's indirect subsidiary Coeclerici Compagnie S.A. for 218 thousand EUR.

The total for "Allocation to provisions for liabilities," valued at 1,828 thousand EUR (5,996 thousand EUR as of December 31, 2008) includes funds set aside for risks connected with future liabilities arising from current operational contracts and from legal and commercial disputes, valued based on external consultants' opinions, as outlined in "Note 11 - Provisions".

The total for "Write-down of current assets", valued at 70 thousand EUR (1,433 thousand EUR as of December 31, 2008) includes funds set aside for the bad commercial debt provisions, most of which were derived from the Trading Division as outlined in "Note 6 – Trade receivables".

Depreciation and amortization (Note 22)

This item can be broken down as follows:

	2009	2008
Depreciation of tangible fixed assets	6,214	6,991
Amortization of intangible assets	143	790
Write-down of tangible fixed assets	0	9,836
Total depreciation and amortization	**6,357**	**17,617**

Please consult "Note 1 – Property, plant and equipment" and "Note 2 – Intangible assets" for more detailed information concerning depreciations and amortizations.

Net financial income and expenses (Note 23)

This item is broken down into the following financial income:

	2009	2008
Dividends from equity investments in "other companies"	23	15
Interest received	614	2,317
Total net financial income / expenses	**637**	**2,332**

"Dividends from equity investments in "other companies" valued at 23 thousand EUR, refer to dividends distributed by United Shippers Limited for 16 thousand EUR, and dividends distributed by Banca Carige SpA for 6 thousand EUR.

"Interest received," valued at 614 thousand EUR, includes interest earned on bank accounts for 233 thousand EUR (1,670 thousand EUR as of December 31, 2008), interest received by parent companies for 354 thousand EUR (623 thousand EUR as of December 31, 2008) belonging completely to the interest relative to financing for 9,500 thousand EUR granted to direct parent company Cocler SpA, interest received from the ex-indirect associated company Adang Bay Transportes Maritimos S.A. for 21 thousand EUR, and from interest received from indirect associated company United Shipping DMCEST for a total of 6 thousand EUR.
Financial expenses are broken down as follows:

	2009	2008
Bank charges	869	1,074
Interest paid	3,096	4,357
Total financial expenses	**3,965**	**5,431**

"Interest paid," valued at a total of 3,096 thousand EUR (4,357 thousand EUR as of December 31, 2008) refers mainly to interest paid on bank financing for a total of 2,175 thousand EUR (3,713 thousand EUR as of December 31, 2008), interest paid inherent to the syndicated loan for 567 thousand EUR, interest paid for bank financing and financial costs for 212 thousand EUR for the actualization of financial flows required to reclaim mining sites.
The drop in interest paid is due mainly to the lower debt the company has with credit institutions, and the reduction in interest rates.

Exchange gains and losses (Note 24)

In addition to exchange rate differences resulting from aligning outstanding foreign currency payables and receivables at the end of the year with end-of-year exchange rates, this item includes exchange rate differences that occur during the fiscal period as well. Details of the realized and unrealized exchange rate differences as of December 31, 2008 and 2009 are both provided in the table here below (amounts in thousands of Euro):

	31/12/2009			31/12/2008		
	REALIZED	UNREALIZED	TOTAL	REALIZED	UNREALIZED	TOTAL
Exchange rate gains	16,356	1,817	**18,173**	23,019	11,472	**34,491**
Exchange rate losses	(17,109)	(2,440)	**(19,549)**	(26,198)	(14,041)	**(40,239)**
Total exchange rate gains/losses	**(753)**	**(623)**	**(1,376)**	**(3,179)**	**(2,569)**	**(5,748)**

It must be noted that these differences emerge first and foremost due to the effects of activities conducted in the Trading Division in Dollars.

Income Taxes (Note 25)

Total taxes for the fiscal period ending December 31, 2009 amounted to 3,007 thousand EUR. Taxes were calculated in keeping with the laws and regulations currently in force, taking exemptions, components subject to deferred taxation and the effects of participation in the fiscal consolidation established by indirect parent company Finanziaria Cocler SApA into consideration.

These taxes can be broken down as follows:

	2009	2008
Current taxes	(5,194)	(5,243)
Deferred taxes	2,187	2,432
Total taxes	**(3,007)**	**(2,811)**

The amounts included in the following table refer to deferred taxes to be paid and to be released present in the relevant financial statements of the Group's different companies, as well as the effects of consolidation.

	31/12/2008	INCREASES	DECREASES	EXCHANGE RATE DIFFERENCE	31/12/2009
Bulkguasare de Venezuela S.A.	81	0	0	1	82
CF Service S.A.	312	0	(312)	0	0
Coeclerici Coal and Fuels SpA	2,807	1,770	(3,084)	0	1,493
Coeclerici Logistics SpA	232	83	(49)	0	266
Coeclerici SpA	1,517	666	(808)	0	1,375
Delta Property	57	80	0	0	137
OAO Kisk	84	0	(58)	0	26
SCC Rozko	10	0	(8)	0	2
Shipping Services Srl	0	9	0	0	9
Total deferred tax assets	**5,100**	**2,608**	**(4,319)**	**1**	**3,390**

The "Deferred tax assets" are mainly due to allocations to provisions for liabilities conducted over the course of the fiscal year, as well as during previous fiscal periods, and are not immediately fiscally deductible.

	31/12/2008	INCREASES	DECREASES	EXCHANGE RATE DIFFERENCE	31/12/2009
Bulkguasare de Venezuela S.A.	638	0	(36)	(22)	580
Coeclerici Coal and Fuels SpA	2,849	491	(2,140)	0	1,200
Coeclerici Compagnie S.A.	1,587	(1,587)	0	0	0
Coeclerici Logistics SpA	19	23	(35)	0	7
Coeclerici SpA	103	692	(522)	0	273
OAO Kisk	3,682	0	(965)	0	2,717
Terminal Offshore Piombino SpA	134	21	(88)	0	67
Total deferred tax provisions	**9,012**	**(360)**	**(3,786)**	**(22)**	**4,844**

The total of the "deferred tax provisions," valued at 4,844 thousand EUR (9,012 thousand EUR as of December 31, 2008), combines the deferred taxes deriving from allocations for income components, whether gains or losses, for which taxation or deduction is deferred.
The drop of 3,786 thousand EUR is attributable mainly to the allocations set aside during the 2008 fiscal period following cash flow hedge operations designed to offset the risk of oscillations in the Euro / USD and Euro / RUB exchange rates ("Note 30 – Obligations and guarantees").
At December 31, 2009, receivables and payables of the different companies in the Group that adhere to the consolidated fiscal process could be broken down as follows:

	RECEIVABLES	PAYABLES	TOTAL
Coeclerici Coal and Fuels SpA	0	(1,661)	(1,661)
Coeclerici Logistics SpA	1,058	0	1,058
Coeclerici SpA	908	0	908
Shipping Services Srl	0	(32)	(32)
Terminal Offshore Piombino SpA	0	(361)	(361)
Total receivables / payables	**1,966**	**(2,054)**	**(88)**

Profit from discontinued operations (Note 26)

There were no discontinued operations over the course of the 2009 fiscal period.

Information by business sector and geographical area (Note 27)

Information by business sector relative to the 2009 fiscal year is outlined in the following table:

	TRADING	MINING	LOGISTICS	HOLDING ADJUSTMENT	TOTAL
Income statement					
Revenues	414,629	13,055	22,112	(8,496)	**441,300**
Operating profit	20,519	(442)	1,679	(2,895)	**18,861**
Net financial income / expense	(2,578)	(69)	(705)	24	**(3,328)**
Profit after tax (from continuing operations) by sector	11,487	(279)	1,451	(1,509)	**11,150**
Balance sheet					
Total assets	112,163	27,698	66,613	4,465	**210,939**
Total equity	31,406	17,417	33,987	(7,710)	**75,100**
Total liabilities	80,757	10,281	32,626	12,175	**135,839**

Here below is a table that outlines revenues by geographical area:

	TRADING	MINING	LOGISTICS	HOLDING ADJUSTMENT	TOTAL
The Americas	12,145	0	12,315	0	**24,460**
Asia and Australia	181,842	0	6,403	0	**188,245**
Russia, Middle East and Africa	20,185	13,055	0	(8,449)	**24,791**
European Union	200,457	0	3,394	(47)	**203,804**
Total revenues	**414,629**	**13,055**	**22,112**	**(8,496)**	**441,300**

Information regarding financial instruments (Note 28)

Derivatives relative to currency exchange transactions

The Group sets up cash flow and fair value hedges in order to protect itself from the risks associated with oscillations in the EUR / USD and RUB / USD exchange rates.

At December 31, 2009, these operations stood as fair value hedges and the changes in their fair value were entered in the profit and loss statement as "Exchange gains / losses", as outlined in the table here below:

EXPIRY	AMOUNT (USD/THOUSANDS)	FOREIGN CURRENCY FORWARD CONTRACT PER 1 USD	NOTIONAL VALUE (EUR/THOUSANDS)	MARKET VALUE AT 31/12/2009 (EUR/THOUSANDS)
Q1 2010	1,750	0.694	1,214	(8)
Total sales	**1,750**		**1,214**	**(8)**

The cash flow hedge operations conducted at December 31, 2009, with changes in fair value entered in the equity as "Financial instrumentsfair value reserves" are outlined in the tables here below:

EXPIRY	AMOUNT (USD/THOUSANDS)	FOREIGN CURRENCY FORWARD CONTRACT PER 1 USD	NOTIONAL VALUE (EUR/THOUSANDS)	MARKET VALUE AT 31/12/2009 (EUR/THOUSANDS)
Q1 2010	2,700	0.671	1,812	49
Total purchases	**2,700**		**1,812**	**49**

EXPIRY	AMOUNT (USD/THOUSANDS)	FOREIGN CURRENCY FORWARD CONTRACT PER 1 USD	NOTIONAL VALUE (EUR/THOUSANDS)	MARKET VALUE AT 31/12/2009 (EUR/THOUSANDS)
Q1 2010	6,000	0.686	4,117	(52)
Q2 2010	3,300	0.695	2,295	(14)
Q3 2010	3,300	0.696	2,296	(13)
Q4 2010	3,300	0.696	2,297	(13)
Total sales	**15,900**		**11,005**	**(92)**

Freight derivatives

In order to reduce the costs of freight, the Group sometimes carries out limited-term purchase and sales transactions in the freight market, using the Forward Freight Agreement (FFA). Nevertheless, these operations do not have the right characteristics required by the IFRS international accounting standards in order to be considered hedge accounting, and as a consequence the fair value of these contracts are entered in the profit and loss statement as "Other incomes / expenses, net".

As of December 31, 2008, the Group held FFA contracts for purchase or sale with a net negative change in fair value of 2.1 million EUR, entered in the 2008 profit and loss statement as "Other incomes / expenses, net". At December 31, 2009, these contracts were closed, resulting in a loss entered using the 2008 allocated risks fund for an equal amount.

Summary of the fair value of derivatives

Amounts and changes in the fair value of derivatives are summarized in the following table:

	31/12/2008	CHANGES IN NET EQUITY	CHANGES IN INCOME STATEMENT	CHANGES IN BALANCE SHEET (USES OF FUND)	31/12/2009
Receivables					
Receivables from foreign exchange market transactions	782	59	(792)	0	49
Total receivables	**782**	**59**	**(792)**	**0**	**49**
Payables					
Receivables from foreign exchange market transactions	(1,211)	(92)	1,203	0	(100)
Payables from coal market transactions	(2,100)	0	0	2,100	0
Total payables	**(3,311)**	**(92)**	**1,203**	**2,100**	**(100)**
Net total	**(2,529)**	**(33)**	**411**	**2,100**	**(51)**

The fair value of all derivatives is determined based on forward market indexes for the given date.
The table that follows here below outlines an analysis of the financial instruments evaluated at fair value, grouped together into levels from 1 to 3 based on the degree to which fair value can be observed:

- Level 1 fair value is determined by prices quoted in active markets;
- Level 2 fair value is determined using evaluation techniques based on variables that are directly (or indirectly) observable on the market;
- Level 3 fair value is determined using evaluation techniques based on significant variables that cannot be observed on the market.

	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets			
Asset available for sale	170	0	2,487
Derivative	0	49	0
Total financial assets	**170**	**49**	**2,487**
Financial liabilities			
Derivative	0	(100)	0
Total financial liabilities	**0**	**(100)**	**0**

Financial instruments that can be classified as "Level 1" include shares in publicly traded companies, the value of which is quoted on a daily basis. "Level 2" financial instruments include financial derivatives. The Coeclerici Group uses the following measurement and evaluation model to determine the fair market value for these derivatives:

TYPOLOGY	INSTRUMENT	PRICING MODEL	MARKET DATA UTILIZED	DATA PROVIDER	HIERARCHY IN IFRS 7
Derivatives on exchange	FX Forward	Discount cash flow	- Spot currency exchanges - Zero coupon curve for target currency	Bank of reference	Level 2

Instruments classified as "Level 3" refer to participations owned in closed investments funds as of December 31, 2009.

Additional financial information

In the interests of full and complete disclosure, here below are a series of additional and ulterior financial information, specifically:

- in "Note 1 – Property, plant and equipment," the amount indicates the value of the non-current assets that the bank bases the mortgage on in order to provide the Group with financing, as detailed in "Note 10 - Interest bearing liabilities and borrowings";
- "Note 8 – Cash and cash equivalents," includes information relative to cash liquidity, including the general characteristics of funds considered such;
- "Note 10 – Interest bearing liabilities and borrowings" outlines the characteristics of bank financing, as well as the expiring dates and the interest rates applied;
- "Note 23 – Net financial income / expense" provides information relative to interest payables and receivables for financial investments.

Information on the risks that characterize the Group's business (Note 29)

The main risks to the Group's business, all of which are monitored and managed by Coeclerici SpA and its subsidiaries, are described here below:

Commodity risk

Business results are influenced by changes in the price of products and services sold within the company's Trading Division. The volatility of coal and freight rates generally leads to similar volatility in operating profits and sales margins. Therefore, the company takes steps designed to limit the risks connected with trading, including:

- operations that employ back-to-back logic;
- making commitments relative to the purchase / sale of coal and freight at market values linked mainly to the API#2 and API#4 indexes, and partly to fixed economic values that are limited over time; verifying and approving operations in a preventive phase according to the company's policy guidelines.

Evaluation of risks connected with the Traading Division take place through:

- constant monitoring of every trading operation, including a continuous monitoring of commercial counterparts;
- periodical business projections and analysis of the effects of the main variables (freight rates, commercial indexes).

With regards to the coal supply sources, it must be noted that dependence on suppliers has dropped significantly following the Group's acquisition of the Russian coal mine "OAO Kisk " in 2008.

It should also be noted that demand for logistic services for transshipment of dry bulk goods is conditioned by the level of freight rates. When rates are high, developing efficient and effective port services (which reduce the time necessary to load and unload merchandise) takes on a role of strategic importance for operators, in turn favoring the development of new opportunities for the Group.

Exchange rate risks

Part of the Group's revenues and operating profits are expressed in US dollars. The Group manages the risk of exchange fluctuation, using short term forward transactions and funding in foreign currency. For long term contracts, the Logistics Division stipulates clauses that protect a portion of its revenues from fluctuations in the EUR / USD exchange rate (when such clauses are accepted by the client). Furthermore, wherever possible, financing contracts are stipulated by the operating subsidiaries in the same currency in which relevant revenues are expressed, in such a way as to diminish the effects of exchange rate oscillation. The Group's policy is to cover, when necessary, a significant portion of the net cash flows expected in a given currency through forward transactions over a period of time that normally does not exceed 12 months.

Interest rate risks

The Coeclerici Group's business is mostly funded at variable interest rates. In keeping with company policy, the Group monitors trends in interest rates and long term forecasts in order to make sure that financial costs remain sustainable. In the current market situation, the Group does not believe it would be effective to carry out hedging transactions with the aim of stabilizing interests rates over time.

A risk assessment analysis estimated that a 10% increase in market interest rates compared to those actually put in place during the fiscal period would have had a negative effect totaling roughly 128 thousand EUR on the 2009 profit and loss statement and net equity.

Credit risk

Credit risk is the company's exposure to potential losses stemming from failure by its counterparts to maintain their end of the bargain. Managing trade (commercial) credit is entrusted to individual business units, and conducted together with the Group's holding company based on formal risk assessment procedures, including credit collection and dispute resolution. Furthermore, all outstanding credit is monitored monthly by specific Divisions committees, including expected credit limits analysis.
Last but not least, the company monitors the credit positions of some individual clients on an almost daily basis. This is done for clients that present particularly high risk levels, using a scoring method that monitors their individual risk level.

Efforts to protect from credit risk are conducted primarily thanks to the following instruments:lettere di credito

- confirmed letters of credit (bank guarantees) in the Trading Division;
- performance bonds (guarantees that a contract will be respected) in the Logistics Division;
- commercial credit insurance by leading insurance agencies (SACE B.T. SpA and Garant) in both sectors.

The Coeclerici Group did not experience any significant credit loss from counterparts over the course of the 2009 fiscal year.

Liquidity risk

Liquidity risk is the danger that the necessary financial resources may not be available, or are only available at a prohibitive cost. Thanks in part to the use of a credit system, the Coeclerici Group has a diversified finance source structure, making it possible for the Group to be sure of meeting its foreseeable financial needs in both the medium and long term. The Group's liquidity risk management strategies are designed to guarantee an appropriate level of flexibility for its various development plans.

In should be noted that over the course of 2007, the Group renewed a seven-year agreement with a pool of banks that provide a syndicated stand-by credit loan of 150 million EUR (an increase over the preceding terms, which called for a 75 million EUR stand-by). This credit line provides the Coeclerici Group with an important shield against liquidity risks.
The Trading Division needs to finance its working capital, especially in terms of down payments to purchase goods from Russian suppliers. This need is met mainly through short term bank loans. In the Logistics Division, the investments

necessary to build new operational vessels are usually financed through specific medium and long term loans, the characteristics of which are generally negotiated in such a way that they are compatible with foreseeable cash flows from operating activities. Additionally, specific contractual instruments like payment in advance of vessel chartering contracts and minimum guaranteed tonnage in contracts based on handled quantities are designed, in such a ways as to help establish optimum financial management over the short term.
The Group intends to finance, through the use of specific credit lines currently being negotiated with banks, all its investments in tangible assets. These investments are designed to develop new projects, especially with regards to the Mozambique project. The Group's aim is to establish agreements with banks that will set up specific medium and long term financing structures based on the individual characteristics of the specific investment projects.

Political risk

The Coeclerici Group conducts business activities all over the world. In the event it makes an investment in a country considered politically "at risk," the Group protects itself through a specific investment insurance policy it has stipulated with SACE SpA, a leading insurance company. This investment policy covers the businesses that make up the Group's company capital abroad, including those that make indirect investments through foreign companies controlled by the Italian parent company. The policy covers the risk of loss of capital, earnings, interest and amounts due the Italian company or its subsidiaries with relation to the original investment when caused by the following political events: expropriation and other acts of absolute power; currency restrictions and moratoria; force majeure and civil unrest. The percentage of the investment the policy covers ranges from a minimum of 95% to a maximum of 100%.

In the Mining Division, policy covers the risks related to investments the Group has made in coal mines in Russia.

Operating risk

Especially for the Logistics Division, business activities take on a generic level of operating risk connected with the management of vessels through the contractual deals it establishes. Some of the main risk categories for general operational management that are worth mentioning here include events like the partial or total loss of one of the Division's vessels, and responsibility for damages caused by one of the Division's ships while conducting normal operations. The company is protected from these risks through specific insurance policies it stipulates with its primary counterparts. The instruments it uses (typical of companies working in the naval sector) include Hull and Machinery policies, which safeguard from damage to the ships and equipment installed on them; Protection and Indemnity policies, which protect against civil liability; and War Risk policies.

Obligations and guarantees (Note 30)

At December 31, 2009, the Group had the following:

Obligations relating to derivatives

Outstanding derivatives are highlighted in "Note 28 –Information regarding financial instruments" and concern forward transactions on the foreign exchange rate and freight markets.

Obligations relating to financial investments

The item "Obligations relating to financial investments" can be broken down as follows:

	YEAR OF SUBSCRIPTION	LIFETIME OF THE FUND	TOTAL COMMITMENT	AMOUNT UNDERWRITTEN	RESIDUAL COMMITMENT
Ambienta I	2007	10 anni	3,000	600	2,400
Hao Capital Fund II L.P.	2008	10 anni	708	248	460
VSI SICAR	2007	5 anni	3,000	1,708	0
Total financial investments			**6,708**	**2,556**	**2,860**

Fondo Ambienta I

The "Ambienta I" fund was set up as a private equity fund in 2007 in order to make investments in the environmental sector. It is headquartered with and managed by S.G.R. "Ambienta Società di Gestione del Risparmio S.p.A", of which 0.6% of the company capital was acquired for a total of 9 thousand EUR on December 31, 2009, included in the Group's assets in the item, "Other investments ". Over the course of 2007, the Group agreed to underwrite shares in the fund for a total of 3,000 thousand EUR.

Hao Capital Fund II L.P.

The Hao Capital Fund II L.P. is a private equity fund that invests in the Chinese market. Over the course of 2008, the Group agreed to purchase shares in the fund for a total of 1 million USD (708 thousand EUR) at December 31, 2009.

Value Secondary Investments (VSI) SICAR

Luxembourg fund Value Secondary Investments S.I.C.A.R. invests in the secondary private equity market. Over the course of 2007, the Group agreed to underwrite capital increases in this fund for a total of 3,000 thousand EUR. It should be noted that on June 30, 2009, the term limit relative to the commitment to underwrite capital increases in the Luxembourg company Value Secondary Investments S.I.C.A.R. expired, and therefore there have been no further commitments at December 31, 2009.

The balance for shares in different funds, valued at 2,556 thousand EUR, is registered as part of the item "Assets available for sale ".

Other obligations

At December 31, 2009, among the various commitments the Group made with respect to third parties as part of its normal business activities, it is important (due to its relevance) to note that made by its subsidiary Coeclerici Mozambico SpA to a Chinese shipyard contracted to build the transshipment vessels to be employed in Mozambique, as was detailed earlier in this report. This commitment is estimated at roughly 63 million USD for each of the two vessels to be built, for the second of which the notice to proceed with the construction has not yet being given by Coeclerici Mozambico SpA.

Guarantees given

At December 31, 2009, the guarantees given to third parties, valued at 31,379 thousand, stood as follows:

	2009	2008
Bank guarantees	2,431	1,626
Insurance policies	980	980
Other	27,968	0
Total guarantees given	**31,379**	**2,606**

Here below is a descriptive summary of the guarantees given to third parties:

- a bank guarantee for a total of 694 thousand EUR (1,000 thousand USD) provided by Banca Carige SpA in favor of the Indonesian client Kaltim Prima Coal in the interests of the indirect subsidiary Logconversion Transportes Maritimos Lda on request of Coeclerici Logistics SpA to guarantee the performance of the contract, for which an active bank guarantee has been received;
- a bank guarantee for 416 thousand EUR (600 thousand USD) provided by BNL-BNP Paribas in the interest of Coeclerici Logistics SpA in favor of the Venezuelan client Carbones del Guasare to guaranty the favorable execution of its contract;
- a bank guarantee for 210 thousand EUR provided by Citibank in favor of the Tribunale di Preveza-Grecia for the Group's indirect subsidiary Capo Noli Transportes Maritimos Lda relative to an employment contract for motor vessel Capo Noli sold during the month of July 2007;
- a bank guarantee of 153 thousand EUR provided Banca Carige in favor of SEB Immobilien Investment GmbH for the building in via Della Chiusa, 2 (Milan, Italy), where the company's offices are located;

- a bank guarantee for 42 thousand EUR provided by Monte dei Paschi di Siena in favor of the Genoa port authorities for the Group's indirect subsidiary Capo Noli Transportes Maritimos Lda;
- a bank guarantee for 60 million INR (895 thousand EUR at December 31, 2009) provided by Barclays Milano to Barclays Mumbai in the interest of the Group's indirect subsidiary CGU Logistic Limited;
- two bank guarantees of 21 thousand EUR provided by Banca Popolare di Bergamo in favor of the owners of buildings leased;
- an insurance policy for 970 thousand EUR provided by insurance company Edile SpA in favor of Enel Trade SpA on behalf of the Group's indirect subsidiary Mediterranean Bulk System N.V.;
- an insurance policy for 10 thousand EUR provided by Viscontea Coface in favor of the Piombino port authorities in the interests of the Group's subsidiary Terminal Offshore Piombino SpA;
- a corporate guarantee for 40,290 thousand USD (27,968 thousand EUR) provided to the Chinese shipyard for the construction of the first supramax vessels commissioned by the Group's subsidiary Coeclerici Mozambico SpA;
- a corporate guarantee for the symbolic amount of 1 EUR provided by the Group's direct subsidiary Coeclerici Coal and Fuels SpA in favor of Norwegian ship owner J.B. Ugland Dry Bulk A.S. as part of profit sharing contracts for motor vessel IVS Merlot;
- guarantees provided by Coeclerici SpA to the ship owners of eight vessels (Bulk India, Bulk China, Red Gardenia, Bulk Singapore, Bulk Hong Kong, Red Jasmine, Red Lotus and Bulk Japan), purchased under long term time charter contracts (with a purchase option that can be exercised at any time during the three years after the ships are delivered, and with a original contract length of between seven and ten years) by Coeclerici Ceres Bulk Carriers Transportes Maritimos Lda, which was part of the Group up until the beginning of May 2007. Over the course of this fiscal period the liberation through letters of discharge from the respective owners of the vessels Bulk India, Red Gardenia, Bulk Singapore, Bulk Hong Kong and Red Jasmine were received. Therefore, at December 31, 2009 the bank guarantees relative to the remaining three ships – Bulk China, Red Lotus and Bulk Japan – were still effective. With regards to this operation, it should be noted that Urbano Faina is a director of this company, and a director in the Portuguese company Coeclerici Ceres Bulk Carriers Transportes Maritimos Lda, the company that is part into the remaining time charter contracts for the vessels Bulk China, Bulk Japan and Red Lotus, for which Coeclerici SpA is acting as guarantor. In order to cover this commitments, the company has received a bank guarantee of 13,833 thousand EUR (20 million USD), as is explained in detail in "Note 30 – Obligations and guarantees: guarantees received ".

It is also important to note that a primary banking institution is presently issuing a new bank guarantee of 70 million USD, for the replacement of the one currently in force for an amount of 20 million USD, as a full coverage of charter fees due until expiring dates of contracts relevant to the three residual charters of M/V Bulk China, Bulk Japan and Red Lotus. As a consequence to the above mentioned obligations, One Shipping S.r.l. is committed to deliver the new guarantee for 70 million US within the end of the month May 2010.

Guarantees received

At December 31, 2009, the following guarantees valued at 14,273 thousand EUR had been received:

	2009	2008
Bank guarantees	13,833	15,181
Other	2,501	745
Total guarantees received	**16,334**	**15,926**

The guarantees received from third parties can be broken down as follows:

- an active bank guarantee for 13,833 thousand EUR (20 million USD) provided by Unicredit Banca d'Impresa on behalf of Uno Shipping Srl in favor of Coeclerici SpA as part of the demerging of the company's shipping activities, for the commitments with ship owners for debts deriving from time charter contracts, insofar as Coeclerici SpA is no longer the beneficiary;

- a corporate guarantee provided by MacGregor for 2,061 thousand EUR and by CGT SpA for 440 thousand EUR respectively for the construction of conveyor belts and generators to be installed eventually in the panamax vessel being built in the Chinese shipyard. As of today, these guarantees result as extinguished, since all the activities have been passed entirely to the subsidiary Coeclerici Mozambico SpA.

Related party transactions (Note 31)

As described earlier in previous notes, related party transactions have taken place with:

- Cocler SpA, the primary shareholder, relative to financing 9,500 thousand EUR at December 31, 2009 as described in "Note 7 – Prepayments, other credit and current receivables";
- Finanziaria Cocler SApA, the indirect parent company, for placed debt valued at 1,529 thousand EUR, as the consolidating company for the Group's fiscal consolidation procedures, and as described in "Note 15 – Other payables".

The fees received by the Group's Directors are indicated in "Note 18 – Selling, general and administrative expenses". The Chairman and Managing Director of Coeclerici SpA is also the Group's controlling shareholder.

Other information (Note 32)

Personnel costs

The cost of personnel for the 2009 fiscal year totaled 19,994 thousand EUR (compared with 17,855 thousand EUR in 2008), of which 7,113 thousand EUR was paid to seafaring personnel (compared with 6,200 thousand EUR in 2008), 3,270 thousand EUR to personnel at the Russian coalmine (compared with 2,436 thousand EUR in 2008), and 9,611 thousand EUR to staff (compared to 9,219 thousand EUR in 2008).
The average breakdown of different personnel groups is as follows:

	2009	2008
Executives	28	25
White-collar	203	201
Seafaring staff	141	139
Miners	430	420
Total employees	**802**	**785**

The increase in the total number of personnel is due essentially to the increase in production by the Russian mining company OAO Kisk, which led to a consequent increase in the number of miners.
For additional information, please consult "Note 18 – Selling, general and administrative expenses".

Events after accounting period closure (Note 33)

In the Trading Division, no important further events have taken place following the end of the fiscal year.

In the Logistics Division, several of the important events that have taken place after the end of the fiscal year include:

- creation of a new Russian company that will pursue new commercial opportunities in that part of the world, as is more fully addressed in the Management report;
- over the course of the first trimester of 2010, the Group's subsidiary Logconversion Transportes Maritimos Lda finalized sale of Floating Transfer Station Bulk Pioneer.

It is also important to note that the Group's operating offices and consequently its registered offices will move to a new address: Piazza Diaz 7, Milan, 20123 Italy. The Group will use these offices based on a contract to be underwritten with its indirect subsidiary Finanziaria Cocler SApA.

ANNEX 1
LIST OF COMPANIES CONSOLIDATED USING THE LINE-BY-LINE CONSOLIDATION METHOD

NAME OF COMPANY	OFFICES	CURRENCY	SHARE CAPITAL	EQUITY INVESTMENT
CC Steel Shipping and Logistics AD	Bulgaria	Bgn	50,000	51.00%
New Sea Logistics EAD	Bulgaria	Bgn	50,000	100.00%
CGU Logistic Limited	India	Inr	550,000	77.50%
PT Coeclerici Indonesia	Indonesia	Idr	2,265,000	85.00%
Swansea Marine Limited	UK	Gbp	3,000	100.00%
Coeclerici Coal and Fuels SpA	Milan	Euro	5,000,000	100.00%
Coeclerici Logistics SpA	Milan	Euro	10,000,000	100.00%
Coeclerici Mozambico SpA	Milan	Euro	120,000	100.00%
Shipping Services Srl	Milan	Euro	45,000	100.00%
Terminal Offshore Piombino SpA	Milan	Euro	4,500,000	80.00%
Somocar International N.V.	The Netherlands	Euro	60,000	100.00%
Capo Noli Transportes Maritimos Lda	Portugal	Euro	5,000	100.00%
CC Coal and Fuel Asia Consultoria Economica Lda	Portugal	Euro	5,000	100.00%
Kyla Charter Transportes Maritimos Lda	Portugal	Euro	5,000	100.00%
Log Service - Transportes Maritimos Lda	Portugal	Euro	5,000	100.00%
Logconversion Transportes Maritimos Lda	Portugal	Euro	2,300,000	70.00%
Llc Scc-Rozko	Russia	Rub	13,381,000	100.00%
OAO Kuznetskaya investitsionno – stroitelnaya compania ("Kisk")	Russia	Rub	80,000	100.00%
OOO Obshestvo s ogranichennoj otvetsvennost'ju Delta Property	Russia	Rub	10,000	49.00%
OOO Razrez Korciakolskij	Russia	Rub	10,000	100.00%
OOO Yuzhno – Kuzbasskoe promyshlenno – transportnoe upravlenie ("Ptu")	Russia	Rub	10,000	100.00%
Selskohozyaistvennoe predpriyatie Taylepskoe	Russia	Rub	123,600,000	49.00%
Coeclerici Asia (Pte.) Ltd	Singapore	USD	1,995,000	85.00%
Newport Trading & Services LLC	United States	USD	10,000	100.00%
CF Service S.A.	Switzerland	Chf	1,000,000	100.00%
Coeclerici Compagnie S.A.	Switzerland	Chf	12,000,000	100.00%
Bulkguasare de Venezuela S.A.	Venezuela	Veb	15,213,000	90.00%
Bulkguayana S.A.	Venezuela	Veb	9,131,000	90.00%

LIST OF COMPANIES CONSOLIDATED USING THE NET EQUITY METHOD

NAME OF COMPANY	OFFICES	CURRENCY	SHARE CAPITAL	QUOTA PARTECIPAZ.
Viannlog Consultoria Economica Lda	Portugal	Euro	5,000	50.00%
Mediterranean Bulk System N.V. (*)	The Netherlands	Euro	45,378	50.00%

(*) Mediterranean Bulk System N.V. is 100% controlled by Viannlog Consultoria Economica Lda.

ANNEX 2
COMPARISON BETWEEN COECLERICI SPA'S NET EQUITY AND THE GROUP'S NET EQUITY

	NET INCOME (LOSS)	NET EQUITY
Coeclerici SpA at December 31, 2009	**3,022**	**54,390**
The Group's share of consolidated companies' net equity and profit for the year	12,562	13,938
Equity and period profit of the associated companies, measured using the net equity method	(1,335)	314
Effects of application of the IAS / IFRS international accounting standards on the parent and consolidated companies	671	6
Elimination of intercompany dividends paid	(5,200)	0
Coeclerici Group at December 31, 2009	**9,720**	**68,648**

Deloitte.

Deloitte & Touche S.p.A.
Via Silvio Pellico, 1/8
16128 Genova
Italia

Tel: +39 010 5317011
Fax: +39 010 5317022
www.deloitte.it

AUDITORS' REPORT
PURSUANT TO ARTICLE 2409-TER OF THE CIVIL CODE
(NOW ART. 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010)

To the Shareholders of
COECLERICI S.p.A.

1. We have audited the consolidated financial statements of Coeclerici S.p.A. and subsidiaries (the "Coeclerici Group"), which comprise the statement of financial position as of December 31, 2009, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes. These consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2. We conducted our audit in accordance with Auditing Standards issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB, the Italian Commission for listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The audit of the financial statements of subsidiaries and associates, which statements reflect total assets representing 7.4 % of consolidated total assets and revenues representing 2.8 % of consolidated revenues, is the responsibility of other auditors.

   The audit of the consolidated financial statements as of December 31, 2009 has been performed in accordance with the legal requirements in force during that period.

   For the opinion on the prior year's consolidated financial statements, whose data presented for comparative purposes have been reclassified to take account of the change in presentation of financial statements introduced by IAS 1, reference should be made to our auditors' report issued on April 1, 2009.

3. In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Coeclerici Group as of December 31, 2009, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

4. The directors of Coeclerici S.p.A. are responsible for the preparation of the management report in accordance with the applicable law. Our responsibility is to express an opinion on the consistency of the management report with the financial statements, as required by law. For this purpose, we have performed the procedures required under Auditing Standard n. 001 issued by the Italian Accounting Profession (CNDCEC). In our opinion the management report is consistent with the consolidated financial statements of the Coeclerici Group as of December 31, 2009.

DELOITTE & TOUCHE S.p.A.

Signed by
Fabrizio Fagnola
Partner

Genoa, Italy
April 26, 2010

This report has been translated into the English language solely for the convenience of international readers.

BOARD OF STATUTORY AUDITORS' REPORT

in compliance with article 2429, second sub-paragraph of the Civil Code

TO THE MEETING OF SHAREHOLDERS OF COECLERICI SPA

Dear Shareholders,

With regard to the supervisory activity requested ex article 2403 et. seq. of the Civil Code, we would like to point out the following:

- We have taken part in the meetings held by the Board of Directors and the Executive Board. In our opinion, the resolutions passed were in accordance with the Articles of Association and the provisions of the law and always in compliance with the principles of Good Administration. During said meetings we received useful informations on the general company management and relative expected trends as well as on the major transactions performed by the company from the point of view of the dimension or nature of the transaction itself.

- We have become acquainted with and checked the efficiency and correct operation of the organizational, administrative and accounting structure of the company with respect to the characteristics and size of the Company.

- We held meetings with the auditing firm Deloitte & Touche SpA in order to exchange data and informations. On the basis of the auditing carried out by said company, we could evaluate the reliability of the administrative accounting system to represent the company management.

No significant aspects emerged from the aforesaid supervisory activity so as to be included in the present report.

As regards the financial statement as at and for the year ended 31st December 2009 and the consolidated financial statement of the Group as at and for the year ended 31st December 2009, we would like to point out the following:

There being no specific request to analytically examine balance sheet content, we have checked general layout and compliance of balance sheet with the provisions of the law as far as preparation and structure are concerned. No particular informations need to be highlighted in this respect.

We have also checked compliance of management report with the provisions of the law in force and no special remark need to be made in this respect.

As far as we are concerned, we would like to point out no exception has been made by Directors with respect to the provisions of the law pursuant to article 2423, fourth sub-section of the Civil Code.

On the other hand, special attention should be paid to the consolidated financial statement presented to you for information purposes.

To that end, from 2007 the Group decided to voluntarily apply international accounting standards (IAS/IFRS) for the preparation of the consolidated financial statement. During the meetings held with the auditing firm we have carefully examined the analytical list of companies included in the consolidation. We have also gathered information on the different auditing levels and examined the main consolidation principles adopted. The auditing firm did not point out any relevant aspect in relation to possible weak points in the instructions given to participated companies or differences with respect to the accounting principles of the parent company.

Taking into consideration the results shown in the report drawn up by the auditing company on the financial statement and the consolidated financial statement, we hereby express our favourable opinion in respect of the approval of the balance sheet as at and for the year ended 31st December 2009, as prepared by Directors.
Finally we remind you that, with the approval of the balance sheet at 31.12.2009, our mandate expires. Therefore, during the shareholders' meeting, you will be called to resolve on the appointment of the Board of Auditors.

In the city of Milan, this 26th day of the month of April of the year two thousand and ten.

The Board of Auditors

Dott. Guglielmo Calderari
Dott. Ettore Cavo
Dott. Giorgio Carbone

COECLERICI OFFICES

Milan - Head office
Via della Chiusa, 2
20123 Milan - Italy
tel. +39 02 62 46 91
fax +39 02 62 46 97 03
www.coeclerici.com

Amsterdam
Parnassustoren
Locatellikade 1
1076 AZ Amsterdam – The Netherlands
tel. +31 20 54 08 954
fax +31 20 54 08 909

Caracas
Avenida Venezuela con Calle El Recreo
Edificio Torre America - Piso 8 Oficina 804
Caracas 1050 - Venezuela
tel. +58 286 92 33 195
fax +58 286 92 37 065

Jakarta
Plaza Mutiara, Suite 803
Jl. Lingkar Mega Kuningan Kav. E.1.2 No 1&2
Kawasan Mega Kuningan
Jakarta 12950 - Indonesia
tel. +62 21 57 85 19 60
fax +62 21 57 85 19 59

Lugano
Via Dunant, 13
6900 Massagno (Lugano) Switzerland
tel. +41 91 68 29 591
fax +41 91 68 29 593

Moscow
4, Dobryninskij Per. 6/9
119049 Moscow – Russia
tel. +7 495 23 76 892
fax +7 495 23 02 683

Mumbai
Office no. 304, 3rd floor
Prospect Chambers, 317/321 Dr. D. N. Road
Fort, Mumbai, 400 001 - India
tel. +91 22 67 56 84 54
fax +91 22 67 56 84 94

Novokuznetsk
35 Ordzhenikidze street
Office 801
654007, Russia
tel. +7 3843 53 80 44
fax +7 3843 53 80 44

Beijing
Rm 3207, Ful tower, #9
Dongsanhuan Rd. (M)
200020 Beijing - China
tel. +86 10 85 91 17 78
fax +86 10 85 91 15 75

Rome
Via Parigi, 11
00185 Rome - Italy
tel. +39 06 48 81 420
fax +39 06 48 85 258

Singapore
16-01 Shaw House Tower
350 Orchard Road
Singapore 238868
tel. +65 67 37 07 50
fax +65 67 33 05 58

Sydney
Suite 6, level 11
100 Walker Street
North Sydney
NSW 2060 – Australia
tel. +61 2 94 60 25 80
fax +61 2 94 60 25 82

COECLERICI SPA

VIA DELLA CHIUSA, 2
20123 MILAN, ITALY
TEL. +39.02.62.469.1
WWW.COECLERICI.COM