KPMG

KPMG S.p.A.
Revisione e organizzazione contabile
Via R. Zalivani, 2
31100 TREVISO TV

Telefono 0422 576711
Telefax 0422 410891
e-mail it-fmauditaly@kpmg.it

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

Report of the auditors pursuant to article 2501-*sexies* of the Italian Civil Code

To the shareholders of
Banca IFIS S.p.A.

To the shareholders of
Toscana Finanza S.p.A.

1 Engagement purpose, scope and nature

With reference to the merger (the "Transaction" or "Merger") of Toscana Finanza S.p.A. ("Toscana Finanza" or "merged company") into Banca IFIS S.p.A. ("Banca IFIS" or "merging company" and collectively "the companies"), upon the joint request of Banca IFIS and Toscana Finanza of 29 August 2011, on 1 September 2011, the Court of Venice appointed us to prepare a report on the share exchange ratio of Banca IFIS and Toscana Finanza pursuant to article 2501-*sexies* of the Italian Civil Code following the merger in question ("exchange ratio").

To this end, Banca IFIS and Toscana Finanza provided us with the merger projects together with special reports prepared by their boards of directors, which identify, explain and justify the exchange ratio pursuant to article 2501-*quinquies* of the Italian Civil Code and article 70.1/2 of Consob (the Italian Commission for listed companies and the stock exchange) regulation no. 11971 of 14 May 1999 and subsequent amendments, the interim financial statements at 30 June 2011 prepared in accordance with article 2501-*quater* of the Italian Civil Code, as well as the independent experts' reports on the fairness of the exchange ratio of the ordinary shares of the merging and merged companies from a financial standpoint. The boards of directors of the two companies used the interim financial statements at 30 June 2011 that they approved on 29 August 2011 as a reference for the Transaction.

In accordance with the provisions of the "Procedure for the regulation of related party transactions pursuant to Consob regulation no. 17221 of 12 March 2010", the Transaction is classified as a related party transaction.

The Transaction was approved by the Internal control committee of Banca IFIS on 7 September 2011, which availed of the service of an independent expert, Mr. Giorgio Pellati, who expressed a favourable opinion on the bank's interest in performing the Transaction, and on the convenience and substantial and procedural correctness of its terms. For Toscana Finanza, the Transaction was subject to the prior approval of the Board of statutory auditors, in its capacity as the Related party committee identified by the Issuer to ensure the substantive correctness of related party transactions. The board was advised by an independent expert, Mr. Sandro Santi, appointed by the board of directors of Toscana Finanza on 29 August 2011.

The Merger is subject to prior clearance by Bank of Italy pursuant to article 57 of Legislative decree no. 385/93. Therefore, subject to the obtainment of the supervisory body's approval, the

Transaction is expected to be presented to two companies' shareholders in their extraordinary meetings within the end of November 2011.

For the purpose of providing the shareholders with adequate information about the exchange ratio, this report illustrates the valuation methods adopted by the directors to determine the share exchange ratio and any valuation difficulties they may have encountered. This report also includes our assessment about whether, under the circumstances, such methods are reasonable and not arbitrary, on the relative importance the directors gave to each of such methods, as well as whether they have been correctly applied.

Our examination of the valuation methods adopted by the boards of directors did not include an independent economic valuation of the companies involved in the Merger. This was carried out solely by the boards of directors.

The companies' boards of directors jointly availed of their own management technical units to calculate the exchange ratio.

2 Description of the Transaction

The Transaction consists of the merger of:

- Toscana Finanza S.p.A., with registered office in Via Giambologna 2/r, Florence (FI), share capital of €3,059,447.60 split into 30,594,476 ordinary shares with a unit value of €0.10. The company is registered with the Florence Company Registrar, tax code 03906680487;
- into Banca IFIS S.p.A., with registered office in Via Terraglio 63, Mestre (VE), share capital of €53,811,095.00 split into 53,811,095 ordinary shares with a unit value of €1.00. The company is registered with the Venice Company Registrar, tax code 02505630109 and in the Bank Register at no. 5508.

As set out in the merger project prepared by Banca IFIS' directors, the Transaction will enable the merging company to complete the process launched with the takeover bid of July 2009 (the "takeover bid"), whereby it obtained control over Toscana Finanza. Specifically, through the Merger, Banca IFIS intends to integrate the activities relating to the acquisition and collection of non-performing loans into its own structure, also in order to obtain benefits from the streamlining of the loan collection processes and the merged company's expertise in acquiring such loans, as well as improving its product portfolio in general by integrating Banca IFIS' main product, i.e., factoring.

According to the merging company's directors, the Merger will also simplify Banca IFIS' management and technical-operating control chain through the creation of an internal operating division which will carry out the activities currently performed by Toscana Finanza, including those of a commercial and management nature.

The new organisational model is based on the integration and streamlining of the identified common functions and processes, in order to benefit from synergies and, possibly, economies of scale. At the same time, despite being jointly coordinated, highly specialised units (in terms of both products and markets) will remain separate. Indeed, by including the new activities, Banca IFIS' organisational chart will comprise the specialised structures that are directly involved in the management of Toscana Finanza's core product, while however protecting the uniqueness and development of Toscana Finanza core business harmoniously and without operating discontinuity. Moreover, the bank's administrative, organisational, control and market support functions will benefit from the function streamlining, thus ensuring process optimisation, with consequent overall cost savings.

The objectives of the new organisational structure set by Banca IFIS' directors may be summarised as follows:

- protection of specialisation, thanks to the separation of the commercial and management activities typical of the two original structures, in order to ensure operating continuity diversified by market and product and improved management and monitoring of budget and risk control objectives;
- streamlining and strengthening of the administrative, support and control functions involved in the common processes;
- improved operating and credit risk monitoring, thanks to the diversified risk assumption, management and operating processes.

As already specified in the merger project, pursuant to article 2437.1 of the Italian Civil Code, the Toscana Finanza shareholders not participating in the decision about the Merger can exercise their withdrawal right.

Lastly, as set out in the "Voluntary takeover bid for entire share capital document" prepared pursuant to articles 102 and 106.4 of the Consolidated Finance Act, the Merger also aims at delisting the Toscana Finanza shares from the electronic segment of the Milan Stock Exchange.

3 Documentation utilised

In performing our work, we obtained such documentation and information as was considered useful in the circumstances directly from Banca IFIS and Toscana Finanza management and, in particular:

- the merger projects and the reports of the directors of the two companies addressed to the respective extraordinary shareholders' meetings, which, on the basis of the interim financial statements as at and for the six months ended 30 June 2011, propose the following share exchange ratio:

  23 Toscana Finanza ordinary shares for each seven Banca IFIS ordinary shares

  The exchange ratio has been calculated by Banca IFIS' and Toscana Finanza's boards of directors;
- the report prepared by the advisor of Banca IFIS' related party committee, Mr. Giorgio Pellati, called "Merger of Toscana S.p.A. into Banca IFIS S.p.A. - independent fairness opinion on the exchange ratio". The report, issued on 7 September 2011 and prepared upon the instructions of Banca IFIS' related party committee, is an integral part of the reports prepared by the board of directors and details the valuation criteria adopted, why they were chosen and the amounts resulting from their use;
- the report prepared by the advisor of Toscana Finanza's related party committee, Mr. Sandro Santi, called "Merger of Toscana Finanza S.p.A. into Banca IFIS S.p.A.. Fairness opinion on the exchange ratio identified by the boards of directors of the companies involved in the merger". The report, issued on 7 September 2011 and prepared upon the instructions of Toscana Finanza's board of directors, is an integral part of the reports

prepared by the board of directors and details the valuation criteria adopted, why they were chosen and the amounts resulting from their use;

- the documentation considered relevant for the purposes of this report is as follows:
  - the separate and consolidated financial statements of Banca IFIS and Toscana Finanza as at and for the years ended 31 December 2008, 2009 and 2010 approved by the relevant bodies and accompanied by the directors', statutory auditors' and independent auditors' reports;
  - the pro forma interim financial statements of Banca IFIS as at and for the six months ended 30 June 2011 that does not include Toscana Finanza figures;
  - the separate and consolidated interim financial statements of Banca IFIS and Toscana Finanza as at and for the six months ended 30 June 2011 approved by the relevant boards of directors on 29 August 2011 and reviewed by the independent auditors;
  - the 2011-13 projected data extracted from the 2011-13 business plans of Banca IFIS and the 2011-13 business plans of Toscana Finanza, approved by their boards of directors on 29 April 2011 and 29 June 2011, respectively;
  - other financial and strategic data and information considered relevant to our analysis and obtained from the companies' managements;
  - information on the share price performance of Banca IFIS and Toscana Finanza useful for the application of the market price method and obtained from Data Information Providers, as well as information on the Beta factor of comparable companies, together with the analysis of the turnover ratio;
  - publicly-available information considered relevant for the application of the selected valuation methods;
  - exchange ratio appraisal document prepared by the companies' boards of directors;
  - the events occurring after 30 June 2011 that may significantly affect the valuations have also been considered. Based on the Reports of the directors, no events with a significant impact of the valuations have currently taken place other than those set out later on and already considered in the calculation of the exchange ratio, accounting and historical data or any other information considered useful for the purposes of this report.

4 Valuation methods adopted by the boards of directors to calculate the exchange ratio

4.1 Introduction

Using the analyses prepared by management and considering the significance of the Transaction, the boards of directors held it appropriate to identify valuation methods that, in addition to being based on consolidated practice and applications, allowed a valuation of the two companies in accordance with the following principles:

- *substantial consistency of applied criteria,* taking into account the peculiarities of each company under valuation;

- *stand alone valuation basis*: the value of each company has been estimated regardless of the effects of the forthcoming Transaction, without considering the synergies arising from the business combination;
- *valuation independence*: each company should be valued without considering any investments they have in each other and, therefore, no adjustments, such as premiums and/or discounts, aimed at reflecting investment relationships should be made.

Specifically, the boards of directors have estimated the two companies' economic value for the purposes of their calculation of the exchange ratio using the following methods:

a. "dividend discount model" ("DDM "), identified as the "primary method". It calculates the value of a company or business unit based on its prospective estimated dividend flows.

b. "market price method", identified as a "control method". It gives a company the same value as the average price of its shares on the market where they are traded;

c. "Gordon growth model" ("Gordon Model"), identified as a "control method". It estimates a company's or business unit's economic value based on the net present value of its profit ("R") held to be sustainable in the long term, capitalised in perpetuity.

4.2 *The dividend discount model*

Under this method, a company's or business unit's value is estimated based on its prospective estimated dividend flows. In this case, the excess capital variant of the DDM has been used, whereby a company's or business unit's economic value is the sum of the following:

- the discounted future cash flows generated over a defined timeframe distributable to shareholders without affecting the capitalisation level necessary to sustain the expected future business nature and growth, in accordance with the relevant supervisory instructions;
- the net present value of perpetuity defined on the basis of a sustainable dividend for the years subsequent to the explicit planning period, in line with a pay-out ratio (dividend/profit ratio) that reflects profits at a sustainable level.

This model is especially appropriate for determining the economic value of companies that operate in the banking sector, because it:

- emphasises the ability of the company to generate cash flows;
- considers the levels of capitalisation "absorbed" by operations positively, by making a distinction between the company's equity and equity that is actually required in accordance with the underlying risk profile.

Application of the DDM requires the use of the following formula:

$$W = \sum_{t=1}^{n} \frac{D_t}{(1+i)^t} + \frac{TV}{(1+i)^n}$$

where:

W = value of the company's economic capital;
i = cost of equity (Ke);

Dt	=	Expected dividends during a period of explicit projections while maintaining a satisfactory level of capitalisation. In this case, this has been estimated on the basis of a Core Tier I coefficient target of 8.0%, in the light of the imminent introduction of new rules on regulatory capital, i.e., Basel *III;*
n	=	Explicit projection period (years);
TV	=	Residual value or terminal value determined as the net present value of a perpetuity represented by the average sustainable dividend for the years following the period of explicit planning;

The terminal value is estimated on the basis of the "free cash flow per shareholder in perpetuity", according to the following formula:

$$TV = \frac{D_{n+1}}{(K_e - g)}$$

The cost of equity (Ke) has been estimated on the basis of Capital Asset Pricing Model ("CAPM"), equal to the rate of return of risk-free assets (long-term government bonds) increased by a risk premium specific to the industry and the company being valued. The premium is calculated with reference to the beta coefficient (ß), which measures the risk of the specific company in relation to the variability of its performance against that of the market. Based on the above, the cost of equity (Ke) has been estimated at 9.8% and has been applied consistently to the companies being valued. The long-term growth rate has been estimated at 2.0%.

4.3 *The market price method*

The market price method gives the company a value equal to the average price observable in the stock market in which the company's shares are traded. This method can be defined as a "direct" valuation method, since it refers to the prices of the company's shares traded on the stock market.

The application of this method requires the preliminary verification of the following conditions:

- the degree of significance of observable market prices for the company's shares. As a matter of fact, stock market prices do not always express the correct value of a company, especially in the ascending and descending phases of the overall economic cycle, or when special transactions on the share capital are carried out;
- the consistency and comparability, in a large enough time horizon, of the share prices of that company;
- the liquidity level of the shares, which is important to assess the significance of this approach, the official prices and the calculation of average values.

4.4 *The Gordon growth model*

As mentioned above, the Gordon model estimates a company's or business unit's economic value based on the net present value of its profit ("R") held to be sustainable in the long term, capitalised in perpetuity. The "g" factor is the expected sustainable growth rate of profit and "Ke" is the return rate requested by investors for investments with a similar risk profile.

The formula for the application of this method is set out below:

$$W = \frac{R}{k_e - g}$$

4.5 *Application of the valuation methods by the boards of directors*

Based on the methods[1] described above, the directors have identified the following economic value and exchange ratio ranges[2] for the Transaction:

		Primary method			*Control methods*											
								Market price method								
		DDM			Gordon model			Market price average					Market price weighted average			
		Min	Central	Max	Min	Central	Max	Last	1-month average	3-month average	6-month average	1-year average	Last	3-month average	6-month average	1-year average
Banca IFIS (Value per share in €)		6.09	6.38	6.68	4.43	4.61	4.80	4.20	4.32	4.57	4.80	4.96	4.20	4.64	4.84	4.97
Toscana Finanza (Value per share in Euro)		1.90	1.94	1.99	1.38	1.41	1.43	1.55	1.56	1.63	1.57	1.52	1.55	1.61	1.50	1.48
Exchange ratio (max/min)		**3.52x**	**3.28x**	**3.06x**	**3.47x**	**3.28x**	**3.10x**	**2.71x**	**2.77x**	**2.81x**	**3.05x**	**3.26x**	**2.71x**	**2.89x**	**3.22x**	**3.36x**
Toscana Finanza share capital (#)		30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476	30,594,476
Banca IFIS' investment		77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%	77.3%
Number of Toscana Finanza shares held by minority shareholders		6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482	6,957,482
Number of Banca Ifis shares servicing the Merger		**1,978,871**	**2,117,495**	**2,270,330**	**2,004,265**	**2,119,845**	**2,245,197**	**2,571,802**	**2,509,023**	**2,477,117**	**2,279,641**	**2,133,774**	**2,571,802**	**2,409,902**	**2,162,870**	**2,070,076**
Banca IFIS (100% value in millions of Euro)	Profit [*]	324.65	340.38	356.47	236.03	246.00	255.98	223.98	230.49	243.96	256.21	264.42	223.98	247.51	257.93	265.03
P/E 2010	*21.49*	*15.11x*	*15.84x*	*16.59x*	*10.98x*	*11.45x*	*11.91x*	*10.42x*	*10.72x*	*11.35x*	*11.92x*	*12.30x*	*10.42x*	*11.52x*	*12.00x*	*12.33x*
P/E 2011	*23.82*	*13.63x*	*14.29x*	*14.96x*	*9.91x*	*10.33x*	*10.75x*	*9.40x*	*9.68x*	*10.24x*	*10.75x*	*11.10x*	*9.40x*	*10.39x*	*10.83x*	*11.12x*
P/E 2012	*31.53*	*10.30x*	*10.79x*	*11.31x*	*7.49x*	*7.80x*	*8.12x*	*7.10x*	*7.31x*	*7.74x*	*8.13x*	*8.39x*	*7.10x*	*7.85x*	*8.18x*	*8.40x*
P/E 2013	*38.82*	*8.36x*	*8.77x*	*9.18x*	*6.08x*	*6.34x*	*6.59x*	*5.77x*	*5.94x*	*6.28x*	*6.60x*	*6.81x*	*5.77x*	*6.38x*	*6.64x*	*6.83x*
Toscana Finanza (Value per share in Euro)		58.17	59.46	60.78	42.30	43.00	43.70	47.50	47.69	49.83	48.16	46.52	47.50	49.18	46.00	45.24
P/E 2010	*3.71*	*15.68x*	*16.03x*	*16.38x*	*11.40x*	*11.59x*	*11.78x*	*12.80x*	*12.85x*	*13.43x*	*12.98x*	*12.54x*	*12.80x*	*13.26x*	*12.40x*	*12.19x*
P/E 2011	*-0.25*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*	*neg.*
P/E 2012	*2.94*	*19.75x*	*20.19x*	*20.64x*	*14.37x*	*14.60x*	*14.84x*	*16.13x*	*16.19x*	*16.92x*	*16.35x*	*15.80x*	*16.13x*	*16.70x*	*15.62x*	*15.36x*
P/E 2013	*6.33*	*9.19x*	*9.39x*	*9.60x*	*6.68x*	*6.79x*	*6.90x*	*7.50x*	*7.53x*	*7.87x*	*7.61x*	*7.35x*	*7.50x*	*7.77x*	*7.27x*	*7.15x*

(1) The exchange ratio for the primary method, as well as that for the Gordon model (control method), has been estimated by dividing the minimum value of Toscana Finanza by the maximum value of Banca IFIS and vice versa.

(2) The exchange ratio is expressed with a certain number of Toscana Finanza shares for each Banca IFIS share.

The companies' share capital is made up as follows:

- Banca IFIS has a share capital of €53,811,095.00, split into 53,811,095 ordinary shares with a unit nominal value of €1.00;
- Toscana Finanza has a share capital of €3,059,447.60, split into 30,594,476 ordinary shares with a unit nominal value of €0.10.

As explained below, upon completion of the Merger, the minority shareholders of the merged company will be allocated the merging company's shares by using the reserve for repurchase of treasury shares existing at the Merger effective date, without thus having to increase the merging company's share capital.

Following this valuation process and the reasoned comparison of the results obtained from the application of the different valuation methods, the boards of directors of Banca IFIS and Toscana Finanza have set the following exchange ratio:

23 Toscana Finanza ordinary shares for each seven Banca IFIS ordinary shares

There will be no cash settlement.

5 Valuation problems encountered by the boards of directors and their management technical units

The main valuation problems encountered by the boards of directors, which are described in their reports, and their management technical units related to:

- the reorganisation plan is the completion of a more wide-ranging industrial project, which began with the launch by Banca IFIS of the takeover bid. The finalisation of this project will involve a comprehensive set of measures which, in some cases, could required Banca IFIS management to estimate the related effects on the main financial statements captions;
- the valuations have been made using Banca IFIS' pro forma financial statements, without taking into account the consolidation of Toscana Finanza, which was recognised therein at its purchase price and adjusted to the relevant economic value when applying the different methods;
- the methods applied are different, requiring the use of different data and parameters. In applying these methods, the boards of directors of Banca IFIS and Toscana Finanza have considered their inherent characteristics and limitations, based on national and international professional valuation practice normally followed in their sectors;
- as part of the valuation criteria, the expected cash flows have an important role. While these cash flows are derived from the 2011-2013 projections approved by the relevant boards of directors, by their nature they are nonetheless uncertain, also due to possible structural changes in the market;
- considering that Banca IFIS and Toscana Finanza are both listed, the market price method would be reasonable for the purposes of the calculation of the exchange ratio, as it is adequate to express consistent and comparable values. However, application of this method has an important limitation, which resides in one of its basic conditions, i.e., the extremely low level of liquidity of shares. Indeed, especially in the period following the execution of the takeover bid launched by Banca IFIS, Toscana Finanza's actual and average three-month turnover ratio was approximately 5%, while Banca IFIS' was between 6.0% and 8.0%, against a market average of over 100% (the turnover ratio of the sample of listed companies taken as a reference for calculating the beta factor is 143.05%).

6 Work performed

Considering the nature of our engagement, we have performed the following procedures:

- examination of the merger project, the financial statements prepared pursuant to article 2501-*quater* of the Italian Civil Code and the reports of Banca IFIS' and Toscana Finanza's boards of directors addressed to the relevant extraordinary shareholders' meetings;
- examination of the separate and consolidated financial statements of Banca IFIS and Toscana Finanza as at and for the years ended 31 December 2008, 2009 and 2010 approved by the relevant bodies and accompanied by the directors', statutory auditors' and independent auditors' reports;
- examination of the interim separate and consolidated financial statements of Banca IFIS and Toscana Finanza as at and for the six months ended 30 June 2011 approved by the relevant boards of directors on 29 August 2011;

- examination of the 2011-13 projected data extracted from the 2011-13 business plans of Banca IFIS and the 2011-13 business plans of Toscana Finanza, approved by their boards of directors on 29 April 2011 and 29 June 2011, respectively;
- examination of the share price performance and estimate of the related average values on a three-, six- and 12-month basis.
- discussions about the criteria and assumptions used in the preparation of the 2011-2013 projections and the 2011-2013 business plan with Banca IFIS' and Toscana Finanza managements;
- check that the reasons given by the boards of directors and their management technical units for the valuation methods used for setting the exchange ratio were complete and not contradictory;
- critical analysis of the valuation methods adopted by the boards of directors and their management technical units and of any other useful elements supporting their suitability, under the specific circumstances, for calculating the companies' economic values;
- check of the data used for consistency with the reference sources and, then, with the documents utilised described in section 3;
- analysis of the work papers prepared by the companies' boards of directors and their management technical units supporting the consistency and correct application of the selected valuation methods;
- check of the accuracy of the mathematical calculations used by the boards of directors and their management technical units for the calculation of the exchange ratio;
- sensitivity analysis of the boards of directors' conclusions. Specifically, the analysis has been carried out with reference to the main valuation parameters (discount rate, minimum capitalisation levels, long-term growth rate, etc.), in order to check the impact of changes in certain parameters and assumptions used on the exchange ratios calculated by the boards of directors.
- critical analysis of the methods underlying the independent experts' reports prepared by Mr. Giorgio Pellati and Mr. Sandro Santi for Banca IFIS and Toscana Finanza, respectively.

We obtained representations from the companies' legal representatives that, to the best of their knowledge, no events leading to large variations in the elements used in our analysis have occurred, nor have events changing the assumptions and elements used in the preparation of the financial plans and related supporting documentation taken place.

7 Comments on the suitability of the valuation methods and on the soundness of their results

Before expressing an opinion on the reasonableness and non-arbitrariness of the selected valuation methods and the results of their application, we believe it worth mentioning that, being aimed at calculating an exchange ratio, the main objective of the boards of directors' valuation was to obtain consistent and comparable values for the exchange ratio calculation rather than estimating the companies' economic values in absolute terms, in order to ensure equal treatment to shareholders. Accordingly, the estimated economic values of the individual companies cannot be used for any other purposes.

In line with the purposes of their valuations and general practice for these types of transactions, as part of a consistent valuation approach, the boards of directors have adopted multiple methods, preferring criteria that ensure comparable values for the purposes of the calculation of the exchange ratio and considering the companies' peculiarities and the Transaction structure.

As mentioned in section 4.1, the valuations of the boards of directors and the companies' related party committees' advisors are based on a valuation method identified as the "main method" ("DDM") and two valuation methods identified as "control methods" ("market price method" and "Gordon growth method"), which are widely known and generally accepted.

That being said, our main considerations about the valuation methods used are as follows:

- the valuation methods adopted by the boards of directors, i.e., the main and control methods, are generally accepted and used at both national and international level for the valuations of companies operating in the reference sector;
- the selected valuation methods have been considered on a stand alone basis, as the assumptions underlying the related financial projections have been made based on "*inertial data*", without considering the "*costs and revenues arising from the merger/synergy/combination project*".

8 Particular limitations and difficulties identified during our work

In addition to those already mentioned by the boards of directors, we have identified the following limitations and difficulties encountered by the boards in performing their valuations:

- the risk of using forward-looking data and financial projections made by the managements of the two companies. These are by their very nature uncertain and, especially in the financial sector, sensitive to changes in market conditions and macro-economic situation;
- with reference to the parameters and valuation methods used by the boards of directors, the fact that the companies have different characteristics has been taken into account;
- the sole scope of our engagement is to express an opinion on the reasonableness of the estimated exchange ratio prepared by the companies' directors. Accordingly, we express no opinion on the strategic and/or industrial nature of the Transaction and have not undertaken to update our report for events occurring after its issue;
- all information used for our engagement has been provided to us by the companies' managements, who are responsible for their completeness, accuracy and truthfulness. We have solely checked that such information was reasonable. Indeed, the scope of our engagement excludes any audit, due diligence, attestation or formal checks of the documentation obtained, as well as any procedures aimed at detecting errors, inaccuracies or contingent liabilities of any nature in the information used. Moreover, our engagement does not cover any check of a legal, tax and/or labour law nature. Accordingly, we are in no way responsible for the truthfulness and completeness of the information used;
- our conclusions derive from the assumptions described herein and, therefore, this report cannot be used in parts but only as a whole.

The above limitations and objective valuation difficulties have been taken into account for the purposes of the preparation of this report on the suitability, in terms of reasonableness and non-arbitrariness, of the exchange ratio.

9 Conclusions

Based on the documentation examined and the procedures listed above, and taking into account the nature and scope of our work, as disclosed in this report, we believe that the valuation methods adopted by the companies' directors are adequate as they are, in the circumstances, reasonable and not arbitrary. Moreover, we believe that such methods have been applied correctly for the purposes of fixing the exchange ratio at **23 Toscana Finanza ordinary shares for each seven Banca IFIS ordinary shares.**

Treviso, 29 September 2011

KPMG S.p.A.

(signed on the original)

Andrea Rosignoli
Director of Audit