



2007 Results

Consolidated financial structure

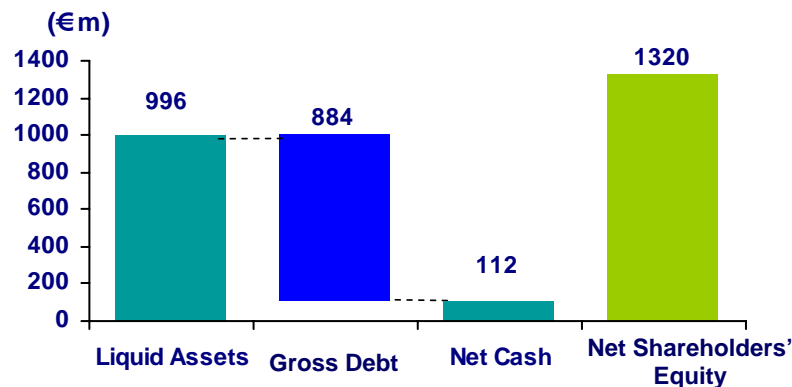
€ m

Shareholders' equity - Group	31 Dec. 2006	31 Dec. 2007
Sorgenia	251.8	301.8
Espresso	293.7	290.4
Sogefi	163.3	179.5
HSS	54.2	69.5
Other investments	43.4	15.3
Total subsidiaries	806.4	856.5
<i>CIR + CIR INTERNATIONAL</i>		
Fixed assets	103.0	125.4
Private equity	93.8	90.9
Oakwood	13.5	69.1
Junior Notes Zeus (Jupiter)	--	37.9
Other non-current assets, net	(14.7)	27.8
Net cash	258.2	112.3
Consolidated Shareholders' equity	1,260.2	1,319.9

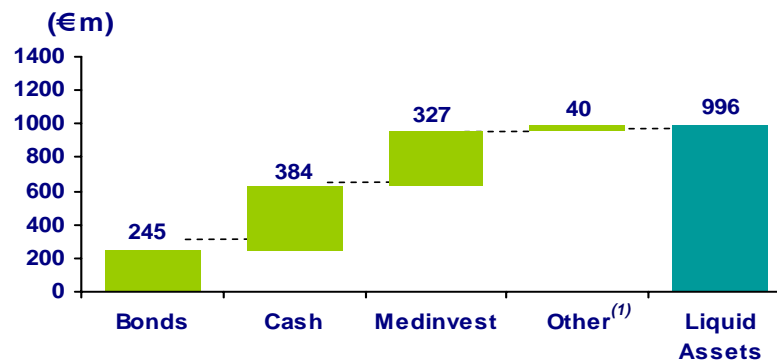
- 2007 financial expenses from bond issues amount to € 49.3 m (equal to an average rate of 5.7%)
- 2007 financial income from liquid assets (excluding Medinvest) amounts to € 19.7 m (equal to a return of approx. 3.0%)
- The 2007 “unrealized” portion of Medinvest return is € 23.7 m

Net Cash and Net Shareholders' Equity

As of 31 December 2007



Liquid Assets as of 31 December 2007



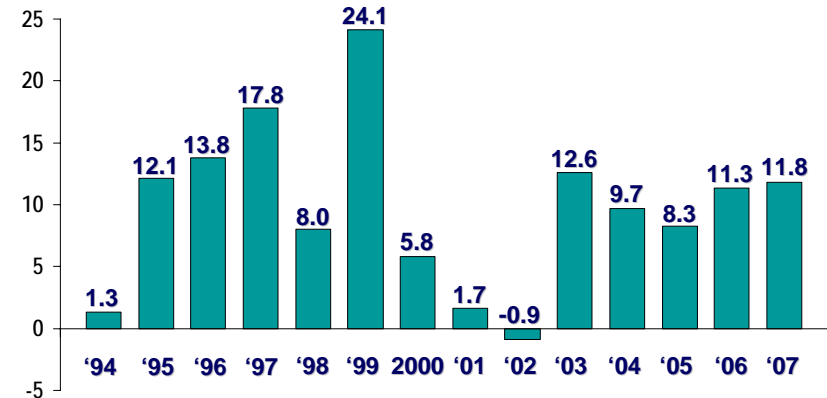
(1) Of which marketable securities = € 14.7 million; investment funds = € 5.2 million;

Medinvest: performance in US\$ since inception

- 2007 performance : + 11.8%
- CAGR since 1994 (inception): + 9.9%
- February 2008 YTD increase: -1.3%(estimate)
- Average annual volatility since 1994: 5.4%

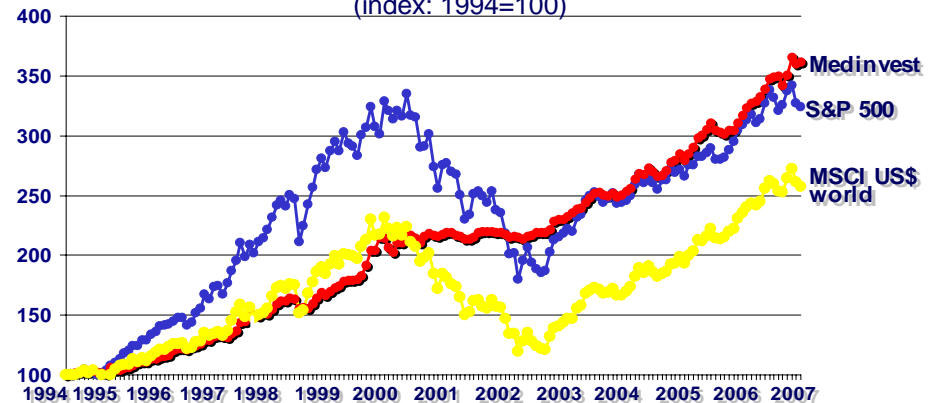
Historical Performance per Year*

(NAV % Annual Increase)



Cumulative Performance

(index: 1994=100)



**all data refer to Medinvest Ltd, incorporated in Jersey on 3 February 1994, whose assets were transferred into Medinvest Plc as of 1 May 2001*

Increase of financial indebtedness mainly due to Sorigenia and HSS investments

Consolidated Net Financial Indebtedness

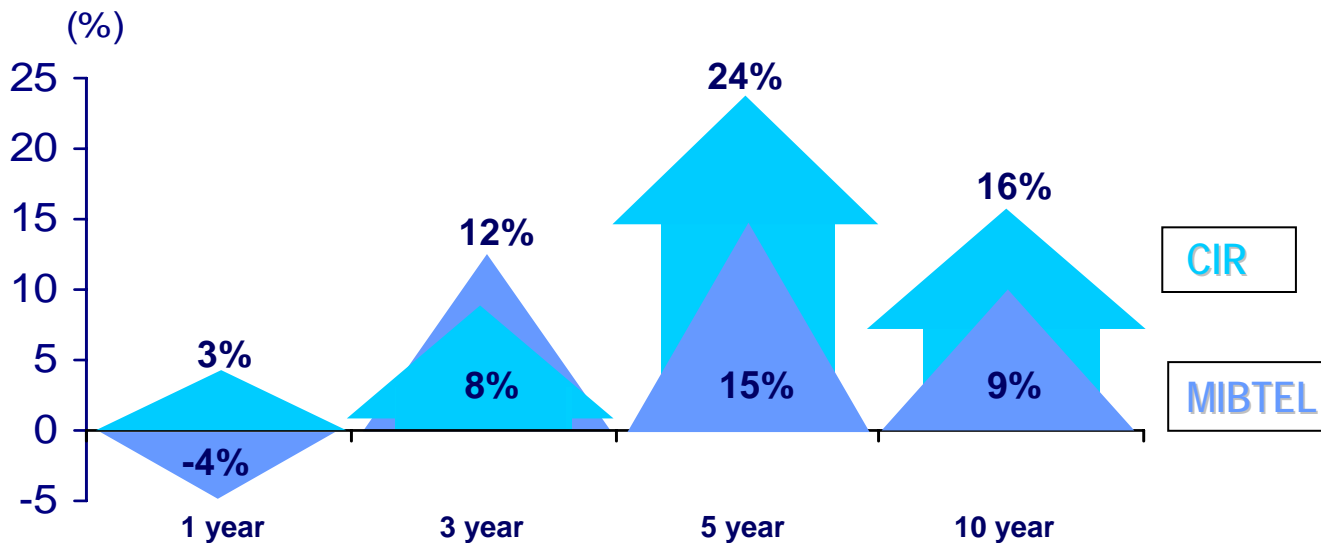
€ m	31 Dec. 2006	31 Dec. 2007
CIR + Cir International	258.2	112.3
Sorigenia Group	(596.9)	(897.3)
Espresso Group	(262.7)	(264.9)
Sogefi Group	(126.3)	(92.4)
HSS Group	(110.7)	(148.6)
Other subsidiaries	(12.2)	(42.6)
Consolidated net financial indebtedness	(850.6)	(1,335.5)
Total shareholders' equity	1,979.9	2,041.8
Consolidated net invested capital	2,830.5	3,375.3

Consolidated Income Statement

€ m	2006	2007
Sorgenia Group	33.1	37.5
Espresso Group	54.1	51.9
Sogefi Group	29.7	30.1
HSS Group	(3.8)	0.2
Other subsidiaries	(1.5)	0.2
Total operating subsidiaries	111.6	119.9
Other financial companies	15.0	20.1
Total contributions from subsidiaries	126.6	140.0
Cir+Cir International result	(25.5)	(23.1)
Non-recurrent components	--	(34.3)
Net income	101.1	82.6

- Calculated in terms of compounded annual return and considering a medium-long term horizon, our stock has given a return of 24% over the last 5 years and 16% over the last 10 years

Compounded annual returns (1997-2007)⁽¹⁾

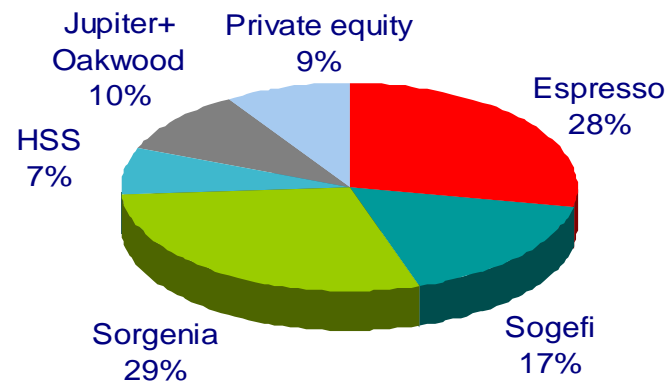


(1) Source: Bloomberg total returns (i.e. including dividends reinvested)

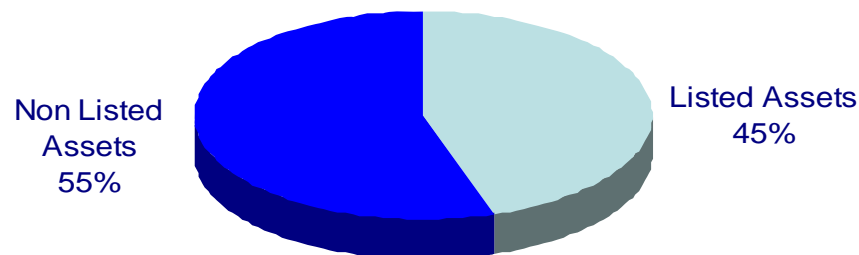
1. **We invest in people** with the objective of achieving lasting value creation
2. **We allocate capital** through the definition of strategies and the implementation of business plans carried out by the operating companies
3. We have transformed our company from a traditional holding company into a modern group able to create and sustain businesses **following an investment logic of deep value** in the long term
4. We take responsibility that each Group company is focused on **executing realistic and credible plans** in order to achieve value creation in the medium term
5. Our goal is to **increase our NAV per share at 15% per annum** and reduce the holding discount

- Diversification into high quality, non correlated businesses
- Non listed assets have now reached 55% of total investments
- Relative weight of Sorgenia and HSS set to increase further

Total Investments (1)



Listed vs. non listed



(1) 100% = Total subsidiaries+Oakwood investment +private equity (€ 1,054) book value as at 31 December 2007



Operating Subsidiaries



Sales 2007 €1.9 Bln
EBTDA €152 m

Sales 2007 €1.1 Bln
EBITDA €223m

Sales 2007 €1.1 Bln
EBITDA €135m

Sales 2007 €183m
EBITDA €20m



UTILITIES

Electricity & Gas trading

Energy Management

Power production

Power Saving

Engineering & Maintenance

MEDIA

Newspaper Publishing

Magazine Publishing

Radio Broadcasting

Television Broadcasting

Internet

AUTOMOTIVE COMPONENTS

Filtration Systems

Suspensions

HEALTHCARE

Residential nursing homes

Psychiatric services

Rehabilitation

Hospitals

FINANCIAL SERVICES

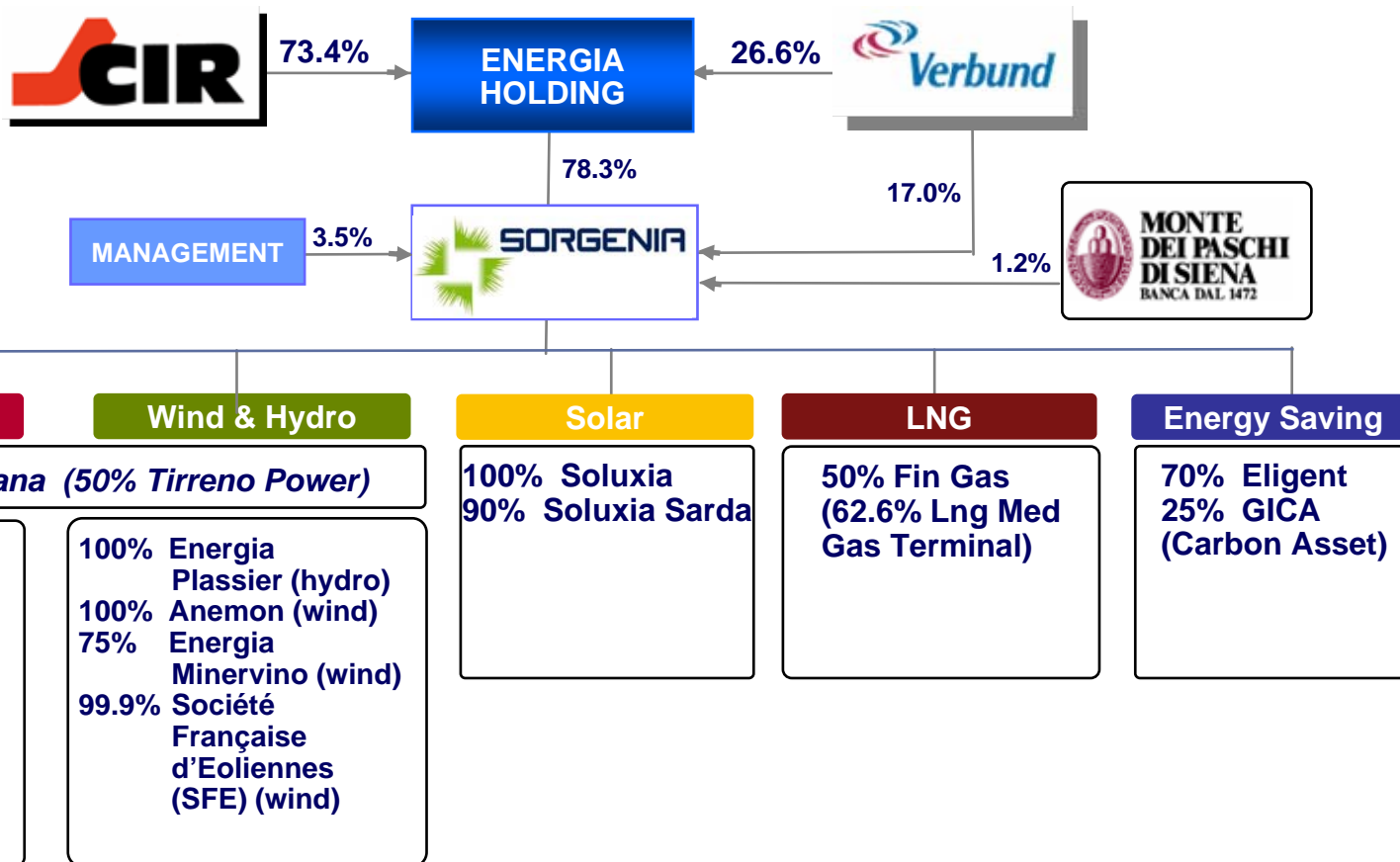
Non performing loans

Specialty finance

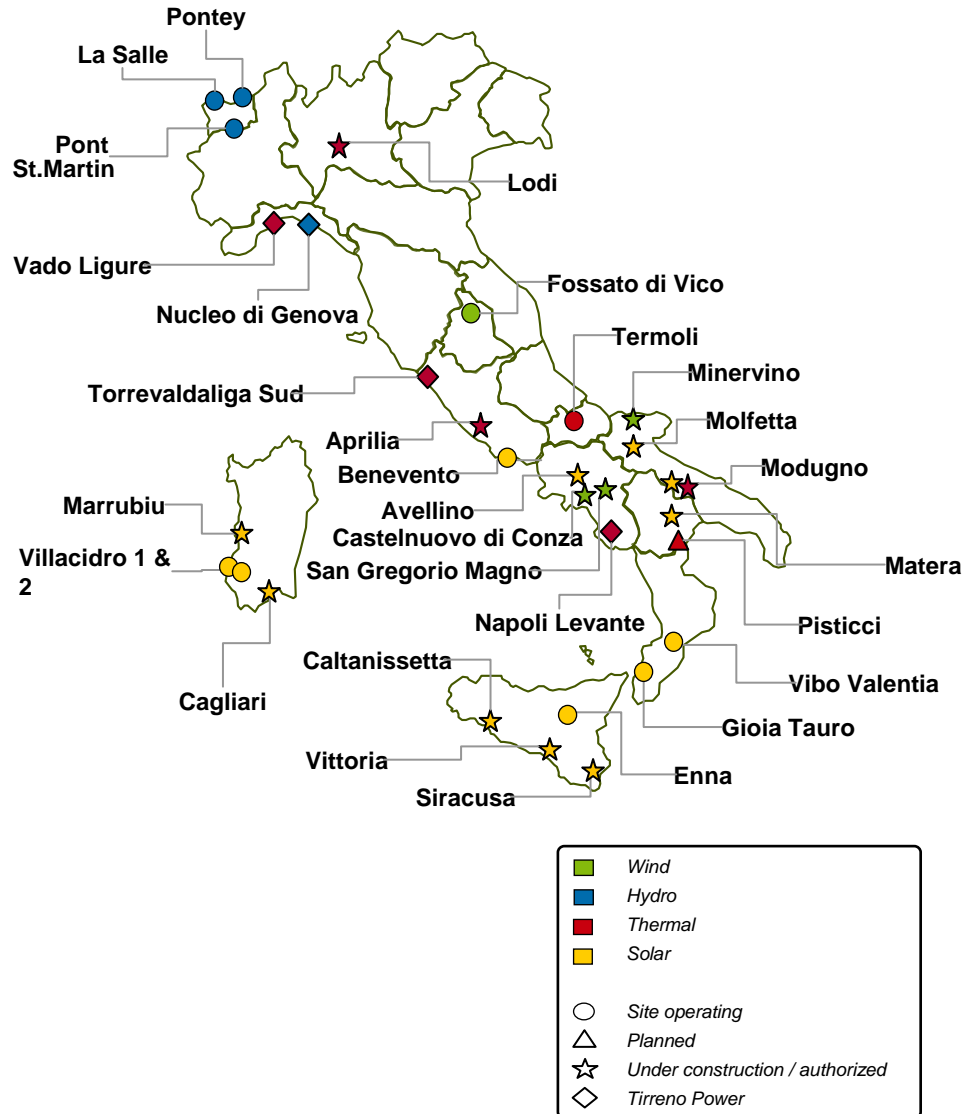
- Number 1 Italian private energy operator
- 400,000 clients of which 690 in the gas sector
- Electricity volumes: 10 TWh, gas volumes: 2Bcm

Objectives

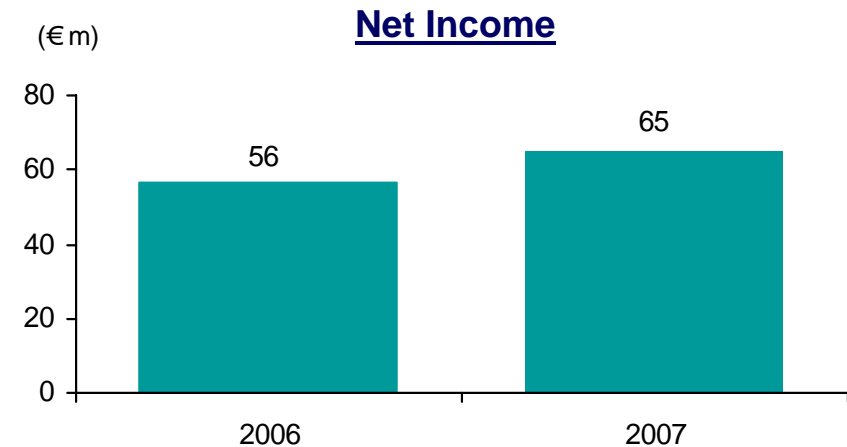
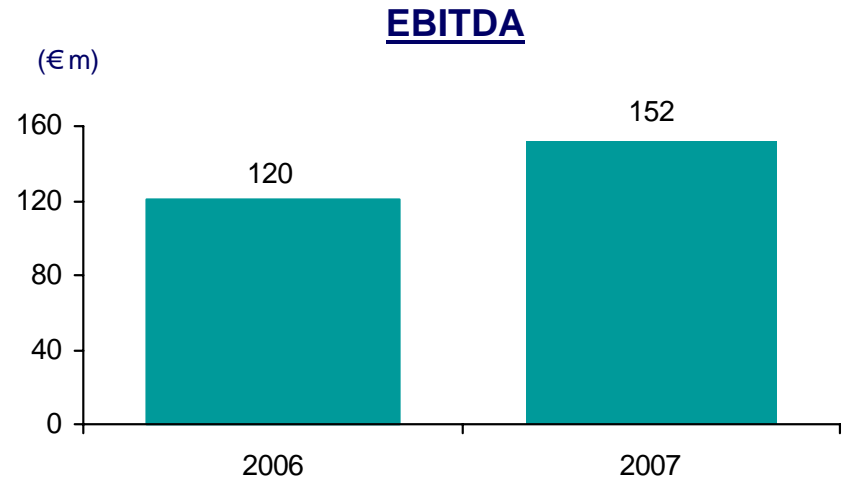
- **To combine production efficiency and respect for the environment,** increasing production from renewable sources and opting for technological solutions with greater environmental compatibility
- **To build an offer that guarantees clients cheap, easy and clean energy** even by promoting energy efficiency initiatives



- Tirreno Power: 50% controlled by Energia Italiana, repowering plan in progress
- CCGT power plants:
 - ◆ Termoli plant (770 MW) on stream
 - ◆ Modugno plant (770 MW) under construction (start of production: 2H2008)
 - ◆ Lodi plant authorized
 - ◆ Aprilia plant authorized
- After the acquisition of Société Française d'Eoliennes (Nov. 07), the wind sector has 101.5 MW in operation and 110 MW authorized or under construction
- The photovoltaic sector: 8 MW of solar plants operating and 7MW under construction (start of production: in the course of 2008)

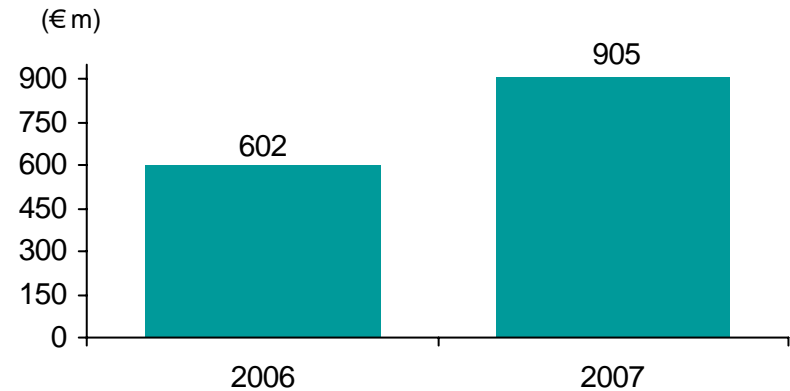


- 2007 EBITDA rose by 26% benefiting from the availability for the whole year of the power produced by the Termoli power plant and from the success of the commercial policy optimizing the client portfolio
- The consolidated net income rose by 16%

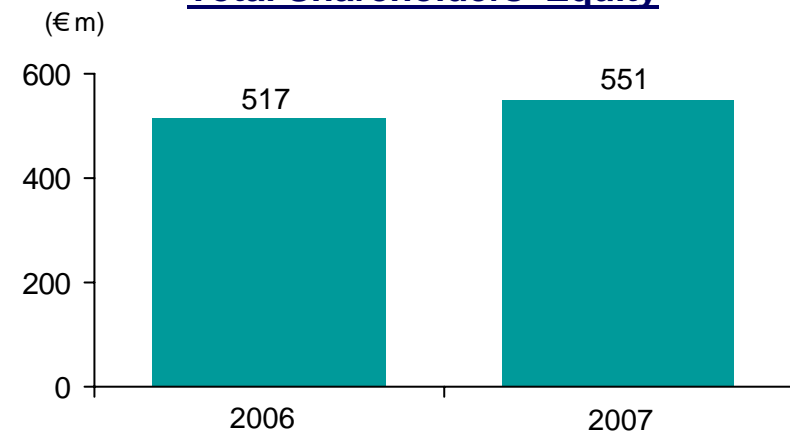


- The increase was mainly due to investment made in the acquisition of Société Française d'Eoliennes, the acquisition of 16% of Energia Italiana, the investment in the construction of the Modugno power plant and the photovoltaic plants of Soluxia

Net Financial Indebtedness

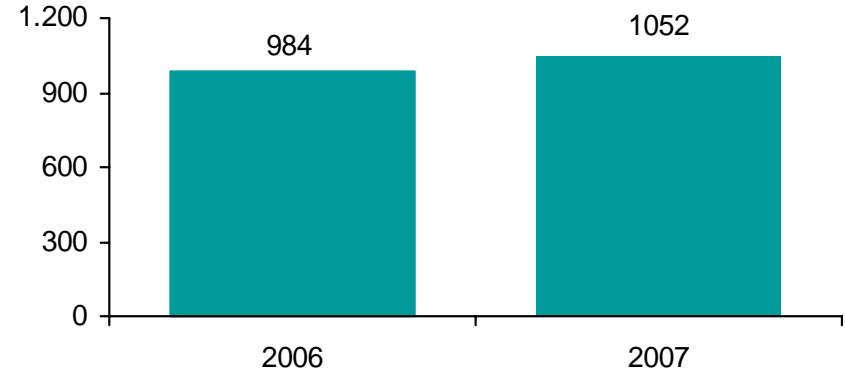


Total Shareholders' Equity

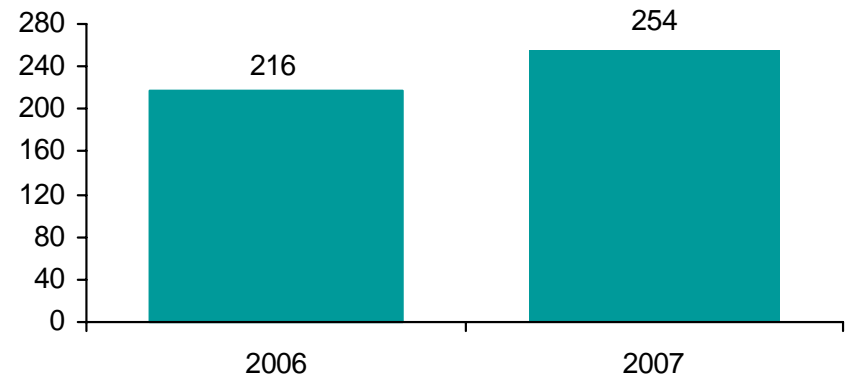


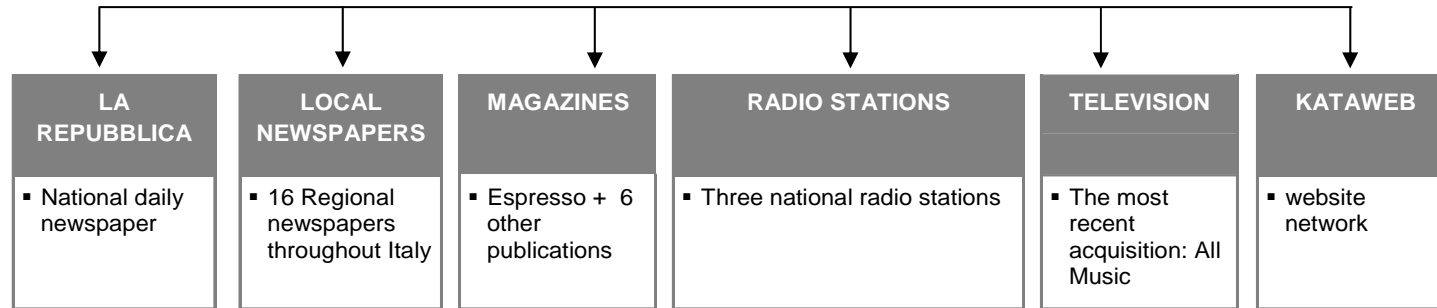
- The repowering is proceeding according to plan. **Vado Ligure** (760 MW) started operating in 2007 and **Napoli Levante** (380MW) should enter production in 2008
- 2007 revenues rose by 6.9% and EBITDA by 17.6%

Revenues



EBITDA

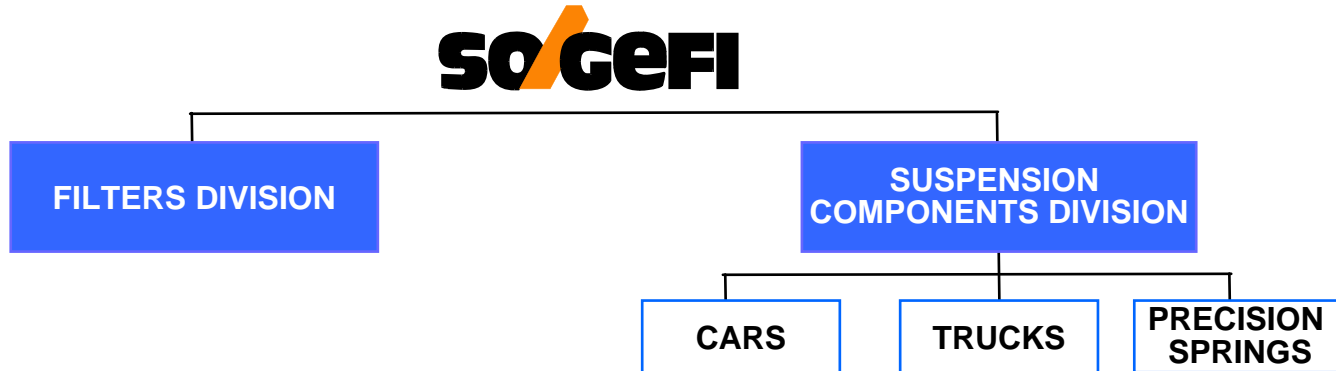




- The strategy is:
 - ▶ to strengthen the competitive advantage of being a branded content company
 - ▶ to circulate own high-quality original contents
 - ▶ to reach its audience through all possible platforms
 - ▶ to offer to both existing and potential advertising investors a total audience to be reached through promotions ideas, innovative sale techniques and forms
- In 2007 advertising revenues totalled €657.1 m with 6.7% increase over 2006. La Repubblica and the Group's local dailies increase in advertising was 5.2% vs. 3.5% of the market
- Advertising of the network of the Internet sites has increased by over 64% vs. 40.6% of the market, growing up to a 4.6% of total advertising revenues

Annual Results

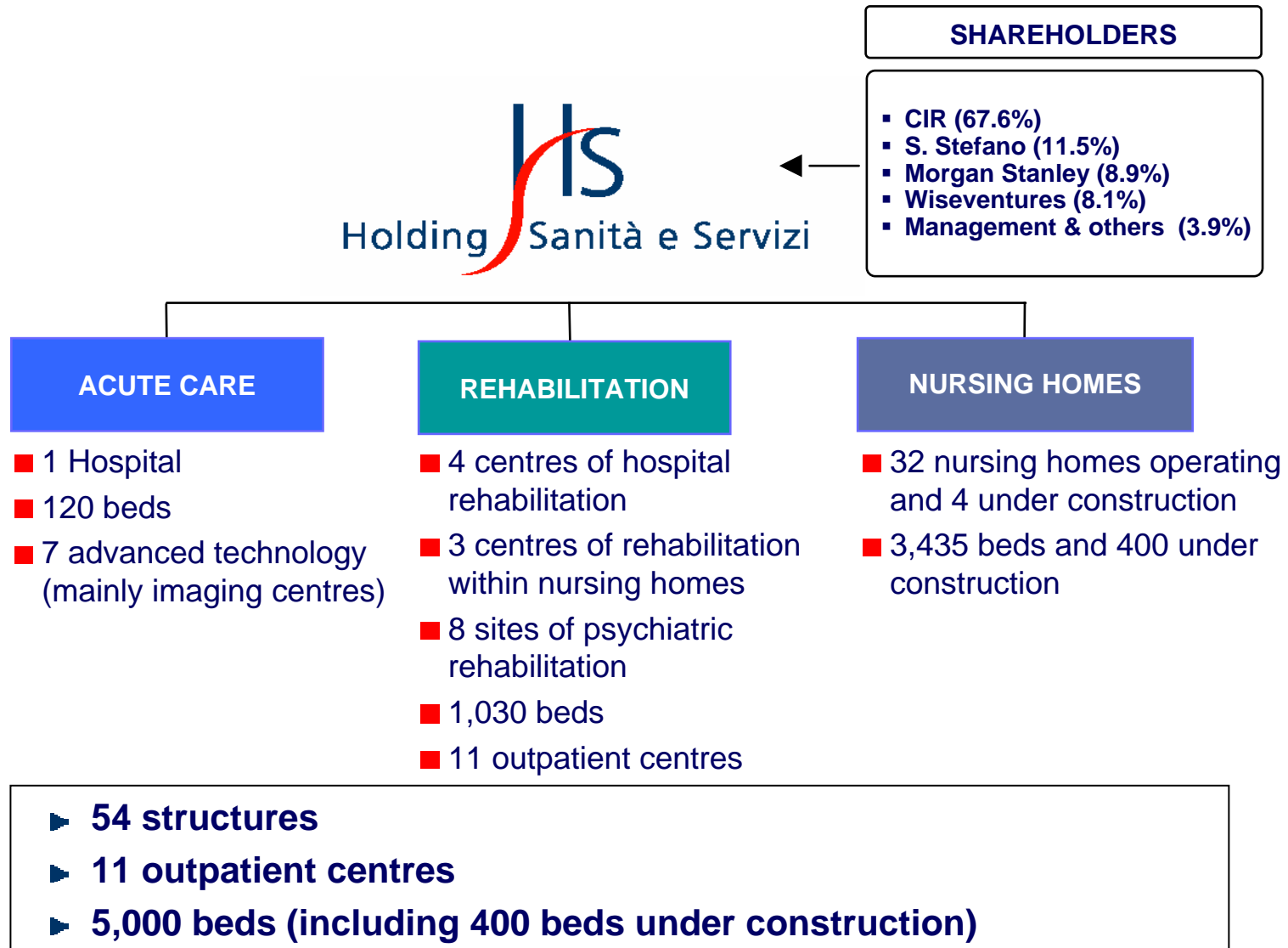
€ m	2006	2007
Revenues	1,102.6	1,098.2
EBITDA	204.4	223.4
Net income	103.6	95.6
Net financial indebtedness <i>(end of period)</i>	(262.7)	(264.9)



- European leadership in two key vehicles technologies
 - ▶ Partner supplier on all vehicles: cars, light commercial and heavy trucks, excavators, agriculture, trains, marine
 - ▶ Diversified customer base, global footprint, innovative products
 - ▶ Proven track records of growing revenues and profitability
- Proposal to distribute an extraordinary dividend of €1.18 = €133m in order to optimize equity structure and lower average cost of capital

Annual Results

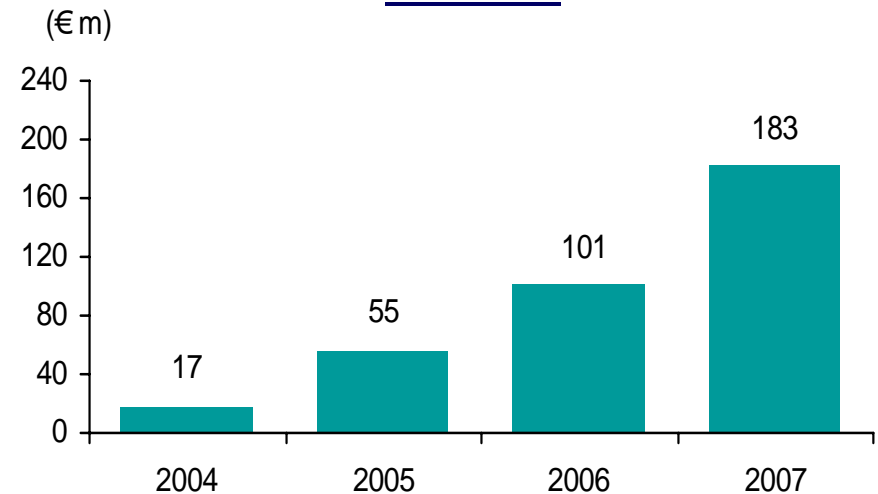
€ m	2006	2007
Revenues	1,018.6	1,071.8
EBITDA	128.5	134.6
Net income	50.8	52.2
Net financial indebtedness <i>(end of period)</i>	(126.3)	(92.4)



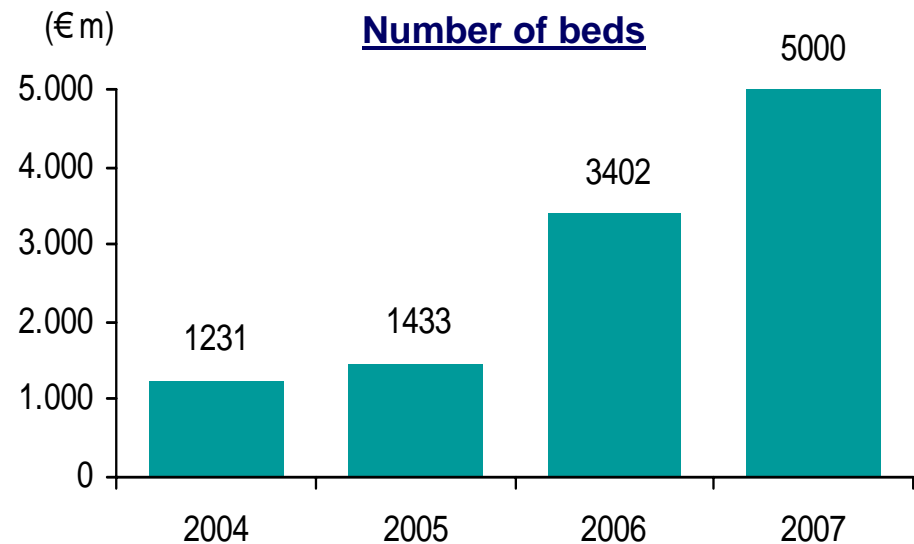
- **HSS** is leader in Italy in nursing homes with a widespread presence throughout the country
- HSS development of a balanced mix of services across the whole spectrum of healthcare products has recently been highly improved thanks to S. Stefano Group acquisition
- HSS main targets:
 - ◆ to develop a brand highly recognizable for its high level of service, strong ethical commitment and clear patient focusing of the organization
 - ◆ to attract the best professionals
 - ◆ to equate efficiency with quality of service provided

- In the last 3 years revenues and number of beds under management more than tripled thanks to acquisitions
- In 2007 the total number of beds reached 5,000 units of which 4,600 are operating and 400 are under construction

Revenues

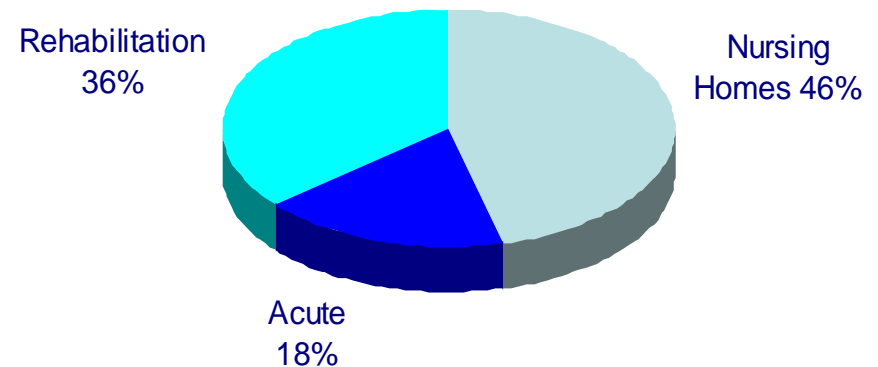


Number of beds



- Thanks to S. Stefano acquisition, rehabilitation services can count on over 1,000 beds representing more than one third of total revenues

Revenues by Type of Business⁽¹⁾



(1) 100% = revenues 2007 pro forma

Annual Results

€ m	2006	2007
Revenues	99.2	182.9
EBITDA	6.4	20.2
Net income (loss)	(4.4)	0.3
Net financial indebtedness <i>(end of period)</i>	(110.7)	(148.6)

- **April 19 2007:** two funds managed by Morgan Stanley subscribed a capital increase in HSS for an amount of € 16.3 million, thus acquiring a total stake of 10% in the capital of the company
- **July 2007:** acquisition of 100% of S. Stefano Group. Leader for the Marche region in rehabilitation both in hospital and outside hospital. The total enterprise value of the deal is approx: €100 million, while its equity value is around €62 million, funded with own resources and bank debt. As part of this transaction the current shareholders of S. Stefano Group subscribed a capital increase in HSS for an amount of €21.1 million equal to a stake of 11.5% in HSS

Jupiter Finance aims to be a leading European player specialized in distressed debt purchasing and management:

Multi asset class

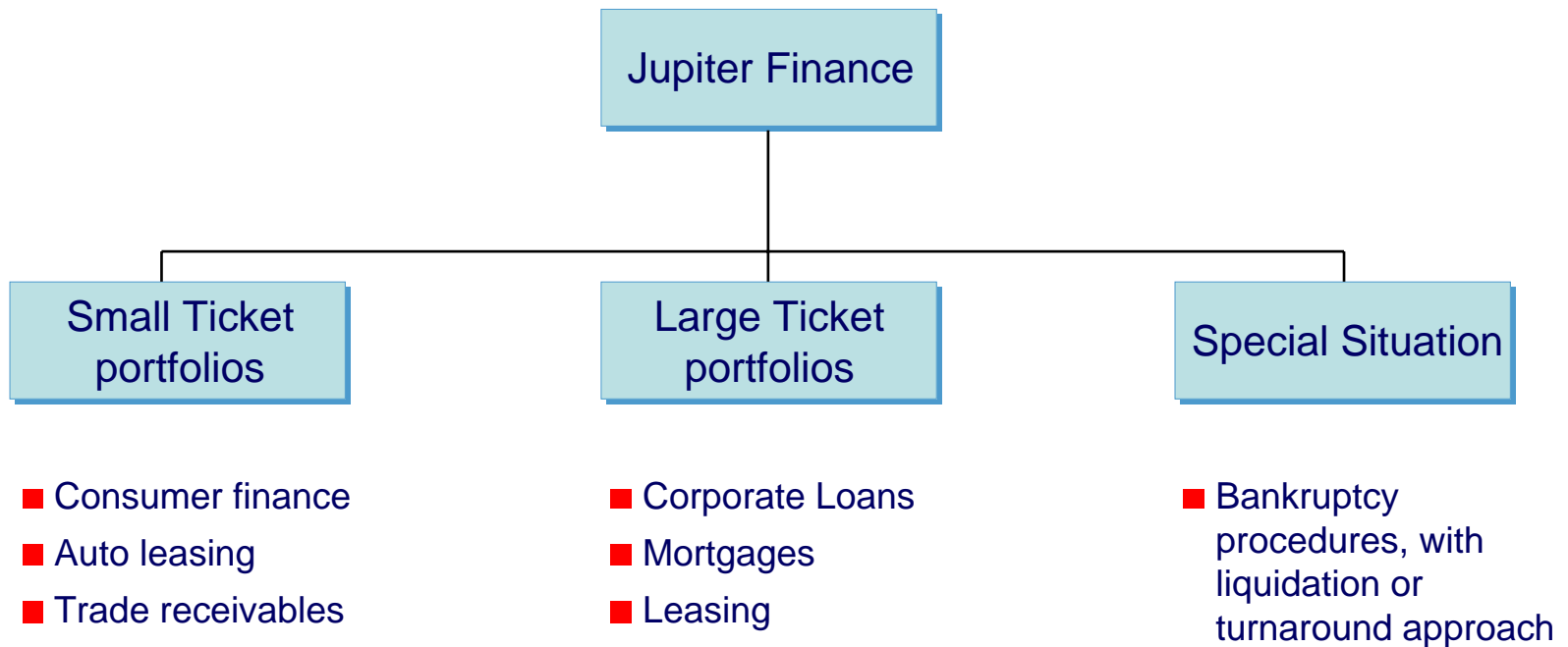
There are several categories of NPL with high profitability, high growth opportunities and different seasonality

Selectively integrated

Selective integration may generate benefits in terms of efficiency, effectiveness and commercial opportunities depending on the NPL type

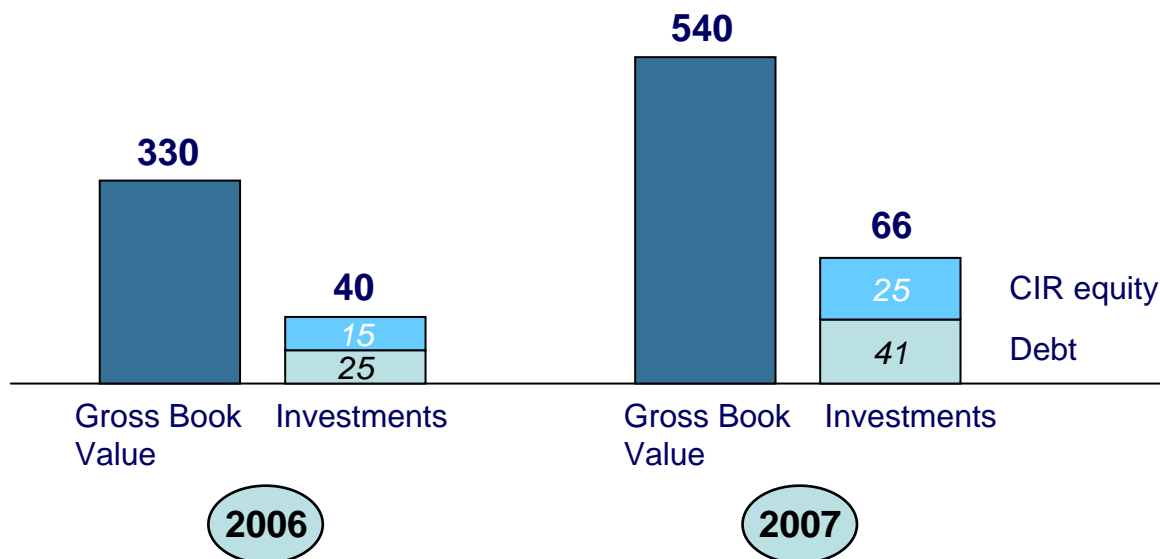
Multicountry

We are currently replicating the existing model to other countries in Southern and Central Europe



- **100 transactions closed in two years**
- **Team of 20 professionals with strong and diversified background**
- **Solid network of relationships with sector specialists**

€ m as of 31st December 2007



- Jupiter Finance has invested €106 million in its first two years, acquiring non performing loans for a gross book value of €870 million.
- The debt ratio, given by the portfolio mix of secured and unsecured loans, is about 60%
- Collections from acquired portfolios are in line with business plans

- CIR has invested, in a joint-control partnership with Merrill Lynch, in **Oakwood Global Finance**, a company specialized on acquiring and developing specialty finance businesses internationally
- CIR investment amounting to € 128.4m written down by approx. € 64.6m, the write-down referring mainly to the companies operating in the British market which went out of business following the crisis in the financial markets
- The credit crunch had fewer repercussions on the Australian company and on the Italian company Ktesios, which is active in loans to employees secured on their salaries and is leader in the Italian market with a market share of 18%



www.cirgroup.com

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