



## **PRESS RELEASE**

*Shareholders' Meeting and Board of Directors Meeting*

### **CIR: FINANCIAL STATEMENTS FOR 2010 APPROVED, DIVIDEND OF 0.025 EURO PER SHARE NEW BOARD APPOINTED FOR THREE YEARS 2011-2013**

***Stefano Micossi and Rodolfo De Benedetti confirmed as Chairman and Chief Executive respectively.  
Number of directors reduced from 14 to 12***

*Milan, April 29 2011* – The **Meeting of the Shareholders of CIR-Compagnie Industriali Riunite SpA** took place today in Milan under the chairmanship of **Stefano Micossi**.

#### **Approval of the Financial Statements for 2010**

In the ordinary part of the meeting, the Shareholders **approved the statutory financial statements** and **examined the consolidated financial statements** of the group for financial year 2010.

**The CIR group closed 2010 with significantly higher revenues and gross operating margin (EBITDA)** than in 2009 thanks to the improvement in the operating results of all the main operating subsidiaries. **Consolidated revenues** totalled **4,805.5 million** euro and were **up by 12.6%** from 4,266.8 million euro in 2009. **Consolidated EBITDA** came to **400.1 million** euro (8.3% of revenues), up from 294.6 million euro (6.9% of revenues) in 2009, posting a rise of **35.8%**. The **net income of the group** came in at **56.9 million** euro. The result for the previous year, a positive figure of 143.4 million euro, included non-recurring income of 106.7 million euro. **Net of this, therefore, the earnings of the group in 2010 were up on 2009**, benefiting from the fact that the **contribution of the operating companies substantially doubled** (64.9 million euro versus 32.7 million euro in 2009). The parent company CIR SpA closed the year 2010 with a net loss of 14.7 million euro compared to a loss of 2 million euro in 2009.

The Shareholders' Meeting approved the distribution of a **dividend of 0.025 euro per share**, which will be paid out as from May 26 2011 against coupon no. 20 dated May 23 2011. The company did not distribute any dividends in the previous two years.

#### **Appointment of the Board of Directors**

The Shareholders' Meeting established that the **Board of Directors would have twelve members and appointed Stefano Micossi, Carlo De Benedetti (Honorary Chairman), Rodolfo De Benedetti, Maristella Botticini, Giampio Bracchi, Franco Debenedetti, Silvia Giannini, Franco Girard, Michael Pistauer, Claudio Recchi, Dominique Marie Laurence Senequier and Guido Tabellini for the three years 2011-2013**. The outgoing Board had 14 members. The directors were taken from the single list presented by the majority shareholder COFIDE-Gruppo De Benedetti SpA. The curricula vitae of the directors are available on the website [www.cirgroup.com](http://www.cirgroup.com).

#### **Appointment of the Board of Statutory Auditors**

The Shareholders also appointed the members of the Board of Statutory Auditors for the three years 2011-2013. The Statutory Auditors in office will be **Pietro Manzonetto, Luigi Nani and Riccardo Zingales**.

The alternate auditors will be **Raffaele Catarinella, Luca Valdameri and Luigi Macchiorlatti Vignat**. The Statutory Auditors were taken from the single list presented by the majority shareholder COFIDE-Gruppo De Benedetti SpA. The curricula vitae of the statutory auditors are available on the website [www.cirgroup.com](http://www.cirgroup.com).

### **Authorization to buy back own shares and stock grant plan**

The Shareholders then renewed, for a period of 18 months, the authorization of the Board of Directors to buy back a maximum of 30 million own shares, with a maximum disbursement limit of 50 million euro at a unit price that cannot be more than 10% higher or lower than the benchmark price recorded by the shares on regulated markets on the trading day preceding each single buyback transaction.

The main reasons why this authorization is being renewed are, on the one hand, the possibility of investing in shares of the company at prices below their actual value based on the real economic value of its equity and its income generating prospects, and on the other hand, the possibility of reducing the company's average cost of capital. As of today CIR is holding 43,074,000 ordinary shares, corresponding to 5.44% of share capital.

In accordance with paragraph 4 of Art. 144.bis of the Rules for Issuers, regarding the outcome of the program of purchase/sale of own shares approved by the Shareholders' Meeting held on April 30 2010, it should be noted that in the period considered there were no purchases or sales of own shares by the company.

The Shareholders also approved a stock grant plan for 2011 for directors and/or executives of the company, its subsidiaries and its parent company, consisting of a maximum of 4,500,000 conditional rights, each of which will give the beneficiaries the right to be assigned 1 CIR share free of charge. The shares assigned will be made available from the own shares held by the company as treasury stock.

### **Amendment of the Company Bylaws and the Rules for Shareholders' Meetings**

Lastly, in the extraordinary part of the Meeting the Shareholders approved some amendments to the Company Bylaws, partly to bring them into line with the terms of Legislative Decree no. 27 of January 27 2010. In the ordinary part of the Meeting, the Shareholders approved an amendment to the Rules for Shareholders' Meetings so that they conform with the new provisions of the Company Bylaws approved during the extraordinary part and also with those approved by the Board of Directors on October 28 2010.

\*\*\*

### **Meeting of the Board of Directors**

After the Shareholders' Meeting, the **Board of Directors met and confirmed Stefano Micossi as Chairman and Rodolfo De Benedetti as Chief Executive Officer**. The Board also checked the requisites for independence of the directors, assigning the qualification of independence to Maristella Botticini, Giampio Bracchi, Silvia Giannini, Michael Pistauer, Claudio Recchi, Dominique Marie Laurence Senequier and Guido Tabellini. **Seven directors out of a total of twelve are therefore independent**. All of the independent directors have the requisites established by law and by the Code of Conduct. The Board gave a positive opinion on the independence of director Claudio Recchi, in spite of his having been a director of the company for nine of the last twelve years.

The Board then appointed the members of the **Internal Control Committee** (Maristella Botticini, Giampio Bracchi and Silvia Giannini), of the **Appointments Committee** (Michael Pistauer, Dominique Senequier and Guido Tabellini), of the **Compensation Committee** (Giampio Bracchi, Claudio Recchi and Guido Tabellini), of the **Supervisory Body** (Giuseppe Gianoglio, Giuseppe Bianchi and Andrea Gottardo) and the **lead independent director** (Guido Tabellini). The Board also checked the existence of the requisites of independence required by law of the members of the Board of Statutory Auditors. Massimo Segre was appointed Secretary to the Board. The Honorary Chairman Carlo De Benedetti thanked the outgoing secretary, Franca Bruna Segre, for all the work she has done for the company since it was founded.

Lastly, on the basis of the authorization assigned to the Board by the Shareholders' Meeting, the Board of Directors implemented stock grant plan 2011 by assigning 3,342,500 conditional rights.

\*\*\*

Contacts:

**CIR Group Communication Department**

Salvatore Ricco

Francesca Sagramoso

Tel.: +39 02 722701

e-mail: [infostampa@cirgroup.com](mailto:infostampa@cirgroup.com)

[www.cirgroup.com](http://www.cirgroup.com)