



PRESS RELEASE

**COFIDE GROUP: SHAREHOLDERS APPROVE FINANCIAL STATEMENTS
FOR 2007
NET INCOME 32.3 MILLION EURO**

Consolidated results for financial year 2007

REVENUES € 4.214,9 million (+1.9%)

EBITDA € 497,2 million (+13.9%)

EBIT € 375 million (+12.5%)

NET INCOME € 32.3 million (-26.1%)

Aggregate financial debt € 30.5 million (€ 26.1 million at December 31 2006)

Consolidated net financial debt € 1,367.6 million (€ 883 million at December 31 2006)

Total equity € 2,095.2 million (€ 2,033.6 million at December 31 2006)

Approved distribution of dividend of € 0.015 (unchanged from 2006)

*Shareholders appoint Board of Statutory Auditors and award mandate to firm of Auditors
Authorization of Board of Directors renewed*

Today in Turin, under the Chairmanship of Mr Carlo De Benedetti, the Ordinary General Meeting was held of the Shareholders of **COFIDE - Compagnia Finanziaria De Benedetti SpA**, which approved the statutory financial statements and examined the consolidated accounts of the Group for the year ended December 31 2007.

In 2007 COFIDE reported **consolidated net income** of 32.3 million euro, down from 43.7 million in 2006. The result for the year was mainly the contribution of the subsidiary CIR, negatively impacted by the write-down of the investment made in the Oakwood Group in a joint venture with Merrill Lynch at the end of 2006.

The **consolidated revenues** of COFIDE in 2007 totalled 4,214.9 million euro, up from 4,136.8 million in 2006 (+1.9%).

The **consolidated gross operating margin (EBITDA)** rose by 13.9% in 2007 from 436.4 million euro (10.5% of revenues) in 2006 to 497.2 million (11.8% of revenues).

The **consolidated operating margin (EBIT)** rose by 12.5% from 333.3 million (8.1% of revenues) in 2006 to 375 million (8.9% of revenues).

Consolidated net financial expense came to 93.1 million euro, up from 65.7 million in 2006.

Consolidated net invested capital at December 31 2007 stood at 3,462.8 million euro, up from 2,916.6 million at December 31 2006, with a rise of 546.2 million mainly due to substantial investment made during the year by the Sorgenia and HSS groups in particular.

The **consolidated net financial position** at December 31 2007 showed net debt of 1,367.6 million euro (883 million at December 31 2006), resulting from net debt of 30.5 million (26.1 million at December 31 2006) for COFIDE and its wholly owned financial subsidiary COFIDE International, a surplus for CIR and

its financial holding subsidiaries of 112.3 million (258.2 million at December 31 2006) and total debt for the operating groups of 1,449.4 million (1,115.1 million at December 31 2006).

Consolidated shareholders' equity of the Group rose from 667.1 million euro at December 31 2006 to 692.7 million at December 31 2007 (+25.6 million). **Minority interests** rose from 1,366.5 million at December 31 2006 to 1,402.5 million at December 31 2007 (+36 million). **Total shareholders' equity** at December 31 2007 stood at 2,095.2 million, up from 2,033.6 million at December 31 2006, with a rise of 61.6 million after the distribution of 10.8 million in dividends by COFIDE and a total of 74.3 million by the subsidiaries to their minority shareholders.

At December 31 2007 the COFIDE Group had 12,450 **employees**.

The **Parent Company COFIDE SpA** closed 2007 with net income of 12.7 million euro (15.1 million in 2006) and shareholders' equity of 574.7 million at December 31 2007 (576.9 million at December 31 2006).

Dividend – The Shareholders approved the distribution of a dividend of 0.015 euro per share (unchanged from 2006), which will be payable as from May 15 2008. The total dividend payout for 2007 will be approximately 10.8 million euro.

Authorization to buy back shares – The Shareholders' Meeting authorized the Board of Directors, for a period of 18 months, to buy back a maximum of 30 million of its own shares with a maximum disbursement limit of 50 million euros, at a unit price that must not be more than 10% higher or lower than the price recorded by the share in the regulated market on the trading day prior to the date of each individual transaction.

The main reasons why this authorization was given are, on the one hand, the possibility of investing in shares in the Company at prices considered lower than their intrinsic value based on the company's equity and income prospects and, on the other hand, the possibility of reducing the average cost of capital for the company.

Incentive plan for 2008 - The Shareholders approved an incentive plan (phantom stock options) for the year 2008 for employees of the company, for a maximum of 1,580,000 options. The characteristics of the instruments awarded are given in the information document dated March 11 2008 which has already been made available to the market.

The Shareholders' Meeting, in its **Ordinary session**, also:

- Appointed the Board of Statutory Auditors for the three years 2008-2010, confirming the appointment of Messrs: Vittorio Bennani (Chairman), Riccardo Zingales and Tiziano Bracco (Statutory Auditors);
- Awarded a mandate for the audit of the statutory financial statements, the consolidated financial statements, the semi-annual interim accounts and the ongoing check that the accounts are being kept regularly for financial years 2008-2016 to the firm of auditors Deloitte & Touche SpA.

The Directors and Statutory Auditors were drawn from a single list presented by the majority Shareholder Carlo De Benedetti & Figli Sapa. The curricula vitae of the Statutory Auditors will be available on the website of the Company.

Renewed authorization for increasing the share capital – Lastly, the Extraordinary Meeting of the Shareholders voted to renew the authorization granted to the Board of Directors to increase capital up to a maximum of 250 million euro and to issue convertible bonds within the limits of the law.

After the Shareholders Meeting the Board of Directors met and approved the incentive plan (phantom stock options) for the year 2008 for a total of 1,580,000 options in favour of Executives of the Company.

Turin, April 29 2008

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