



PRESS RELEASE

Board approves results of first quarter 2007

COFIDE GROUP: NET INCOME 16.7 MILLION EURO

Consolidated results as of March 31 2007

Revenues € 1,080.5 million (+4.1%)

EBITDA € 113 million (+25.4%)

EBIT € 83.3 million (+25.5%)

Net income € 16.7 million (2.1 million in first quarter 2006)

Aggregate net financial debt € 32.7 million (€ 26.1 million at December 31 2006)

Consolidated net financial debt € 922.7 million (€ 883 million at December 31 2006)

Total shareholders' equity € 2,081.7 million (€ 2,033.6 million at December 31 2006)

Today in Turin, under the Chairmanship of Mr Carlo De Benedetti, the Board of Directors of **COFIDE-Compagnia Finanziaria De Benedetti SpA** met to examine the results of the Group as of March 31 2007.

In the first three months of the year COFIDE reported **consolidated net income** of 16.7 million euro, with a significant rise from the 2.1 million reported for the same period of 2006.

Consolidated revenues of the first quarter of 2007 came in at 1,080.5 million euro, up by 4.1% from 1,037.5 million in the same period of 2006.

The **consolidated gross operating margin (EBITDA)** rose by 25.4% to 113 million euro from 90.1 million in the first three months of 2006.

The **consolidated operating margin (EBIT)** rose by 25.5% in the first three months of the year from 66.4 million euro in first quarter 2006 to 83.3 million in the first three months of this year.

Consolidated net invested capital at March 31 2007 totalled 3,004.4 million euro, compared to 2,916.6 million at December 31 2006, with a rise of 87.8 million euro.

At March 31 2007 the **consolidated net financial debt** of COFIDE amounted to 922.7 million euro (883 million at December 31 2006), resulting from aggregate net debt for COFIDE and the wholly owned financial subsidiary COFIDE International of 32.7 million (26.1 million at December 31 2006), a net financial surplus for CIR and CIR International of 138.4 million euro (258.2 million at December 31 2006) and total debt of the operating groups of 1,028.4 million euro (1,115.1 at December 31 2006).

The **total shareholders' equity of the Group** at March 31 2007 stood at 2,081.7 million euro, up from 2,033.6 million at December 31 2006, with a rise of 48.1 million. **Consolidated shareholders' equity** went up from 667.1 million euro at December 31 2006 to 688.1 million at March 31 2007, with a net rise of 21 million.

At March 31 2007 the COFIDE Group had 11,215 **employees**, compared to 11,119 at December 31 2006 .

Regarding the evolution of the business of the COFIDE Group during the year, so far the results of the operating companies of the subsidiary CIR are going according to plan.

Turin, April 27 2007

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COFIDE GROUP – CONSOLIDATED BALANCE SHEET

(in thousands of euro)

ASSETS	<i>31.03.2007</i>	<i>31.12.2006</i>	<i>31.03.2006</i>
NON-CURRENT ASSETS	2,948,355	2,784,374	2,464,312
INTANGIBLE ASSETS	991,196	979,965	892,818
TANGIBLE ASSETS	1,124,898	1,091,673	907,254
REAL ESTATE INVESTMENTS	18,714	18,545	7,748
INVESTMENTS IN COMPANIES VALUED AT EQUITY	230,812	214,163	229,543
OTHER EQUITY INVESTMENTS	9,283	8,723	10,896
OTHER RECEIVABLES	367,356	260,314	264,708
SECURITIES	98,323	99,309	67,973
DEFERRED TAXES	107,773	111,682	83,372
CURRENT ASSETS	2,893,188	3,129,144	3,059,550
INVENTORIES	205,510	217,082	148,742
CONTRACTED WORK IN PROGRESS	1,962	1,685	1,888
TRADE RECEIVABLES	906,561	996,477	855,058
OTHER RECEIVABLES	245,478	276,908	216,765
FINANCIAL RECEIVABLES	1,591	21,354	4,427
SECURITIES	695,270	715,204	701,796
FINANCIAL ASSETS AVAILABLE FOR SALE	430,325	429,591	447,051
CASH AND CASH EQUIVALENTS	406,491	470,843	683,823
ASSETS HELD FOR DISPOSAL	48,976	47,589	--
TOTAL ASSETS	5,890,519	5,961,107	5,523,862
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LIABILITIES AND SHAREHOLDERS' EQUITY	<i>31.03.2007</i>	<i>31.12.2006</i>	<i>31.03.2006</i>
SHAREHOLDERS' EQUITY	2,081,718	2,033,570	1,951,970
SHARE CAPITAL	359,605	359,605	359,605
RESERVES	163,793	159,509	157,473
RETAINED EARNINGS (LOSSES)	147,941	104,195	115,754
NET INCOME FOR THE PERIOD	16,739	43,746	2,127
SHAREHOLDERS' EQUITY OF THE GROUP	688,078	667,055	634,959
MINORITY INTERESTS	1,393,640	1,366,515	1,317,011
NON-CURRENT LIABILITIES	2,530,033	2,450,441	2,176,909
BONDS	1,169,860	1,187,750	1,177,375
OTHER BORROWINGS	1,003,373	908,231	655,222
OTHER PAYABLES	47	1,212	38
DEFERRED TAXES	153,567	149,239	141,427
PERSONNEL PROVISIONS	166,338	167,328	162,461
PROVISIONS FOR RISKS AND LOSSES	36,848	36,681	40,386
CURRENT LIABILITIES	1,243,010	1,440,663	1,394,983
BANK OVERDRAFT FACILITIES	114,876	271,729	120,446
OTHER BORROWINGS	113,173	95,565	299,910
TRADE PAYABLES	691,468	749,633	683,071
OTHER PAYABLES	276,318	276,273	250,868
PROVISIONS FOR RISKS AND LOSSES	47,175	47,463	40,688
LIABILITIES HELD FOR DISPOSAL	35,758	36,342	--
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,890,519	5,961,016	5,523,862

COFIDE GROUP – CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	<i>01/01-31/03 2007</i>	<i>01/01-31/03 2006</i>
SALES REVENUES	1,080,547	1,037,549
CHANGE IN INVENTORIES	1,881	--
COSTS FOR PURCHASE OF GOODS	(630,844)	(623,103)
COSTS FOR SERVICES	(182,854)	(187,935)
PERSONNEL COSTS	(157,046)	(143,983)
OTHER OPERATING REVENUES	15,758	11,151
OTHER OPERATING COSTS	(18,540)	(12,202)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY	4,144	8,596
AMORTIZATION AND DEPRECIATION	(29,725)	(23,717)
INCOME BEFORE FINANCIAL COMPONENTS AND TAXES (E B I T)	83,321	66,356
FINANCIAL INCOME	16,836	16,780
FINANCIAL EXPENSE	(37,886)	(39,802)
DIVIDENDS	108	--
GAINS FROM TRADING SECURITIES	22,700	25,426
LOSSES FROM TRADING SECURITIES	(4,067)	(21,721)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	3,813	2,461
INCOME/LOSS BEFORE TAXES	84,825	49,500
INCOME TAXES	(30,539)	(21,872)
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	54,286	27,628
- NET INCOME MINORITY INTERESTS	(37,547)	25,501
- NET INCOME OF THE GROUP	16,739	2,127

COFIDE GROUP – NET FINANCIAL POSITION

(in thousands of euro)

	31.03.2007	31.12.2006	31.03.2006
A. Cash and banks	406,491	470,843	683,823
B. Other free cashflow	375,257	372,867	384,346
C. Securities held for trading	695,270	715,204	701,796
D. Cash and cash equivalents (A) + (B) + (C)	1,477,018	1,558,914	1,769,965
E. Current financial receivables	1,591	21,354	4,427
F. Current bank borrowings	(167,088)	(345,279)	(411,137)
G. Current part of non-current debt	(60,960)	(21,784)	(8,981)
H. Other current borrowings	(1)	(231)	(238)
I. Current financial debt (F) + (G) + (H)	(228,049)	(367,294)	(420,356)
J. Current net financial position (I) + (E) + (D)	1,250,560	1,212,974	1,354,036
K. Non-current bank borrowings	(806,402)	(728,444)	(632,662)
L. Bonds issued	(1,169,860)	(1,187,750)	(1,177,375)
M. Other non-current borrowings	(196,971)	(179,787)	(22,560)
N. Non-current financial debt (K) + (L) + (M)	(2,173,233)	(2,095,981)	(1,832,597)
O. Net financial position (J) + (N)	(922,673)	(883,007)	(478,561)