



PRESS RELEASE

Board of Directors approves results as of September 30 2012

COFIDE GROUP: REVENUES +9.8% TO 3.6 BLN, NET RESULT -10.1 MLN

***Carlo De Benedetti completes the succession process in the group:
after leaving his executive positions at the beginning of 2009,
in coming weeks he will transfer control of the group to his three sons without return consideration***

Following this donation, at the next Annual General Meeting of the Shareholders when the Board of Directors is renewed, Rodolfo De Benedetti will become executive chairman of COFIDE

Milan, October 29 2012 - The **Board of Directors of COFIDE-Gruppo De Benedetti SpA**, which met today in Milan under the chairmanship of **Francesco Guasti**, approved the **Interim Financial Report as of September 30 2012**.

COFIDE is the controlling **shareholder** of **CIR-Compagnie Industriali Riunite SpA**, the company at the head of an industrial group active in the sectors of energy, media, automotive components, healthcare and non-core investments. **Jargonnant**, the private equity fund specializing in real estate assets in Germany and Eastern Europe, also belongs to the COFIDE group.

Consolidated results

The **consolidated revenues** of COFIDE came in at **3,625.8 million** euro in the first nine months of 2012, **up by 9.8%** from 3,300.9 million in the same period of 2011 thanks to the rise in the revenues of the subsidiary CIR. **Consolidated EBITDA** was **246.4 million** euro, **down by 26.6%** compared to the figure for 2011 (335.6 million euro). The **consolidated operating result (EBIT)** came to **69.5 million** euro, down from 184.7 million euro in 2011. The lower consolidated margins were caused mainly by the decline in the profitability of the subsidiary CIR, due particularly to the repercussions of the deep recession in Italy on the domestic businesses of the group.

The net result of financial management was a negative 70.4 million euro (an improvement on the negative figure of 91.5 million reported for the first nine months of 2011) and was the result of net financial expense of 91.3 million euro, partly offset by dividends and net gains from trading and valuing securities of 20.9 million euro.

The **consolidated net result** of the first nine months of the year was a **loss of 10.1 million** euro which compares with net income of 6.1 million euro in the first nine months of 2011. This result was due mainly to the negative contribution of the subsidiary CIR (-4.9 million euro compared to a positive contribution of 7.3 million euro in the same period of 2011). The consolidated net result of CIR in the first nine months was a negative 10 million euro (net income of 15 million euro in 2011) caused by the loss reported by the subsidiary Sorgenia.

Regarding COFIDE's real estate investment in Jargonnant, its value at September 30 2012 was 13.6 million euro, up from 11.5 million euro at December 31 2011, because of the further investments made in the period.

The **net debt of the holding company COFIDE SpA** was **32.4 million** euro at September 30 2012 (29.4 million euro at June 30 2012). The **consolidated net debt of the group** stood at **2,623.4 million** euro at September 30 2012, up from 2,578.3 million euro at June 30 2012.

Total consolidated equity totalled **2,443.4 million** euro at September 30 2012, down from 2,502.8 million at December 31 2011.

The **consolidated equity of the group** went down from 725.4 million euro at December 31 2011 to **711.5 million** euro at September 30 2012, the reduction being essentially due to the result for the period and the payment of dividends.

Outlook for the year 2012

The performance of the COFIDE group in the last quarter of 2012 will continue to be affected by the evolution of the macroeconomic environment, which is currently characterized by a recessionary scenario. In this climate the operating companies of the main subsidiary CIR have boosted their action to improve their operating efficiency while at the same time engaging in business development initiatives.

Waiver of the obligation to publish information documents

The Board of Directors voted to adopt the opt-out regime as per Articles 70, paragraph 8, and 71, paragraph 1-bis, of the Rules for Issuers, thereby availing itself of the right to waive the obligation to publish information documents in the event of significant mergers or demergers, capital increases through the contribution of assets in kind, acquisitions and disposals.

Corporate governance and amendments to the Company Bylaws

The Board also approved a series of amendments improving its Corporate Governance in order to comply with the new rules introduced by the Italian Exchange's Code of Conduct for Listed Companies.

Lastly, in the extraordinary part of the meeting the Board of Directors approved amendments to Articles 11 and 22 of its Company Bylaws to bring them into line with the new rules introduced by Law 120/2011 on the subject of balance between the genders in the administrative and control bodies of companies.

At the meeting of the Board of Directors, Mr Carlo De Benedetti announced the final steps in completion of the succession process in the group which began three and a half years ago. After leaving his executive positions at the beginning of 2009, in the coming weeks he will transfer control of the group to his three sons without return consideration.

Following this decision, Carlo De Benedetti proposed that Rodolfo De Benedetti be appointed as executive chairman of COFIDE. The appointment will be made when the Board of Directors is renewed at the next Shareholders' Meeting. Carlo and Rodolfo De Benedetti have asked the current chairman of COFIDE, Francesco Guasti, to remain on the Board even after the Shareholders' Meeting as a director. Carlo De Benedetti will remain honorary chairman and a director of the company.

The executive responsible for the preparation of the company's financial statements, Giuseppe Gianoglio, hereby declares, in compliance with the terms of paragraph 2 Article 154 bis of the Finance Consolidation Act (TUF), that the figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

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Alternative performance indicators

Below the meaning and content are given of the “alternative performance indicators”, not envisaged by IFRS accounting standards but used in this press release to provide a better evaluation of the economic and financial performance of the COFIDE group.

- **EBITDA (gross operating margin):** an indicator of operating performance calculated by adding “amortization, depreciation and write-downs” to the EBIT figure (earnings before financial items and taxes);
- **Consolidated net debt:** an indicator of the financial structure of the group; it is the algebraic sum of financial receivables, securities, available-for-sale financial assets and cash and cash equivalents in current assets, of bonds and notes and other borrowings in non-current liabilities, and of bank overdrafts, bonds and notes and other borrowings in current liabilities.

*Attached are key figures from the consolidated statement of financial position and income statement
It should be noted that these results have not been externally audited*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)

ASSETS	30/09/12	30/06/12	31/12/2011(*)
NON-CURRENT ASSETS	5,011,679	5,004,825	4,968,139
INTANGIBLE ASSETS	1,537,522	1,524,738	1,536,195
TANGIBLE ASSETS	2,408,514	2,423,138	2,401,032
INVESTMENT PROPERTY	23,785	24,070	24,403
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	384,692	388,024	386,253
OTHER EQUITY INVESTMENTS	6,816	6,668	22,903
OTHER RECEIVABLES	252,902	247,546	247,208
SECURITIES	137,645	135,050	118,807
DEFERRED TAXES	259,803	255,591	231,338
CURRENT ASSETS	3,031,121	3,055,675	2,967,521
INVENTORIES	180,941	196,801	184,530
CONTRACTED WORK IN PROGRESS	42,402	40,666	35,330
TRADE RECEIVABLES	1,301,870	1,312,218	1,215,226
OTHER RECEIVABLES	320,194	331,018	273,662
FINANCIAL RECEIVABLES	12,365	27,723	11,956
SECURITIES	445,295	612,256	613,877
AVAILABLE-FOR-SALE FINANCIAL ASSETS	118,612	131,179	126,699
CASH AND CASH EQUIVALENTS	609,442	403,814	506,241
ASSETS HELD FOR DISPOSAL	55,337	47,397	1,924
TOTAL ASSETS	8,098,137	8,107,897	7,937,584
LIABILITIES AND EQUITY	30/09/12	30/06/12	31/12/2011(**)
EQUITY	2,443,376	2,448,244	2,502,806
SHARE CAPITAL	359,605	359,605	359,605
RESERVES	81,685	77,708	78,234
RETAINED EARNINGS (LOSSES)	280,308	280,308	286,576
NET INCOME FOR THE PERIOD	(10,096)	(3,317)	1,015
EQUITY OF THE GROUP	711,502	714,304	725,430
MINORITY SHAREHOLDERS' EQUITY	1,731,874	1,733,940	1,777,376
NON-CURRENT LIABILITIES	3,042,797	3,022,766	3,139,522
BONDS AND NOTES	508,116	504,328	525,802
OTHER BORROWINGS	2,153,895	2,137,443	2,234,914
OTHER PAYABLES	561	1,713	1,890
DEFERRED TAXES	185,293	183,272	177,698
PERSONNEL PROVISIONS	122,652	122,931	124,529
PROVISIONS FOR RISKS AND LOSSES	72,280	73,079	74,689
CURRENT LIABILITIES	2,609,119	2,636,887	2,294,959
BANK OVERDRAFTS	203,254	180,240	142,491
BONDS AND NOTES	13,289	10,037	4,243
OTHER BORROWINGS	930,545	921,227	711,600
TRADE PAYABLES	1,005,356	1,027,162	981,110
OTHER PAYABLES	362,541	406,216	370,128
PROVISIONS FOR RISKS AND LOSSES	94,134	92,005	85,387
LIABILITIES HELD FOR DISPOSAL	2,845	--	297
TOTAL LIABILITIES AND EQUITY	8,098,137	8,107,897	7,937,584

(*) Some values for the year 2011 were re-stated following completion by the Sogefi group of the Purchase Price Allocation of Systèmes Moteurs S.A.S.

INCOME STATEMENT

(in thousands of euro)

	1/1-30/9 2012	1/1-30/9 2011	3rd Quarter 2012	3rd Quarter 2011
SALES REVENUES	3,625,795	3,300,890	1,218,849	1,095,260
CHANGE IN INVENTORIES	10,922	9,784	(1,971)	612
COSTS FOR THE PURCHASE OF GOODS	(2,154,015)	(1,843,231)	(760,497)	(633,466)
COSTS FOR SERVICES	(616,664)	(611,282)	(188,611)	(196,720)
PERSONNEL COSTS	(554,813)	(531,738)	(169,806)	(169,473)
OTHER OPERATING INCOME	77,294	124,448	19,123	53,626
OTHER OPERATING COSTS	(136,529)	(128,712)	(39,818)	(44,793)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS CONSOLIDATED AT EQUITY	(5,589)	15,466	(1,692)	7,597
AMORTIZATION, DEPRECIATION & WRITEDOWNS	(176,877)	(150,882)	(56,595)	(53,127)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	69,524	184,743	18,982	59,516
FINANCIAL INCOME	54,975	44,792	14,884	14,053
FINANCIAL EXPENSE	(146,353)	(139,068)	(45,707)	(47,069)
DIVIDENDS	396	215	7	78
GAINS FROM TRADING SECURITIES	10,832	18,346	4,383	8,538
LOSSES FROM TRADING SECURITIES	(2,844)	(2,986)	(1,487)	(2,584)
ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS	12,531	(12,799)	2,645	(15,026)
INCOME BEFORE TAXES	(939)	93,243	(6,293)	17,506
INCOME TAXES	(20,666)	(37,394)	(4,195)	(7,277)
RESULT AFTER TAXES FROM OPERATING ACTIVITY	(21,605)	55,849	(10,488)	10,229
NET INCOME/(LOSS) FROM ASSETS HELD FOR DISPOSAL	(5,906)	--	(5,906)	--
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	(27,511)	55,849	(16,394)	10,229
- (NET INCOME) LOSS - MINORITY SHAREHOLDERS	17,415	(49,684)	9,615	(13,013)
- NET INCOME (LOSS) OF THE GROUP	(10,096)	6,165	(6,779)	(2,784)

NET FINANCIAL POSITION

(in thousands of euro)

		30/09/2012	30/06/2012	31/12/2011
A.	Cash and bank deposits	609,442	403,814	506,241
B.	Other cash equivalents	118,612	131,179	126,699
C.	Securities held for trading	445,295	612,256	613,877
D.	Cash and cash equivalents (A) + (B) + (C)	1,173,349	1,147,249	1,246,817
E.	Current financial receivables	12,365	27,723	11,956
F.	Current bank borrowings	(505,074)	(471,922)	(216,479)
G.	Bonds and notes issued	(13,289)	(10,037)	(4,243)
H.	Current part of non-current debt	(628,723)	(629,543)	(637,610)
I.	Other current borrowings	(2)	(2)	(2)
J.	Current financial debt (F) + (G) + (H) + (I)	(1,147,088)	(1,111,504)	(858,334)
K.	Net current financial position (J) + (E) + (D)	38,626	63,468	400,439
L.	Non-current bank borrowings	(1,929,251)	(1,918,306)	(2,022,383)
M.	Bonds and notes issued	(508,116)	(504,328)	(525,802)
N.	Other non-current payables	(224,644)	(219,137)	(212,531)
O.	Non-current financial debt (L) + (M) + (N)	(2,662,011)	(2,641,771)	(2,760,716)
P	Net financial position (K) + (O)	(2,623,385)	(2,578,303)	(2,360,277)