



PRESS RELEASE

Board of Directors approves results of first quarter 2012

COFIDE GROUP: NET INCOME AT 6 MILLION EURO (5.9 MILLION IN Q1 2011)

The slight increase on last year is due to the higher contribution of the subsidiary CIR

Results of Q1 2012

- **Revenues: € 1,244.9 million (+11.6%); EBITDA: € 97.5 million (-21%)**
- **Consolidated net income: € 6 million (€ 5.9 million in Q1 2011)**
- **Net financial debt COFIDE SpA: € 30.3 million (€ 28.9 million at 31/12/2011)**
- **Consolidated net financial debt: € 2,464.8 million (€ 2,360.3 million at 31/12/2011)**
- **Total equity: € 2,502.1 million (€ 2,503.5 million at 31/12/2011)**

Milan, April 27 2012 - The **Board of Directors** of **COFIDE-Gruppo De Benedetti SpA**, which met today in Milan under the chairmanship of **Francesco Guasti**, has approved the **Interim Financial Report for the first quarter of 2012**.

Performance of operations

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

In the first quarter of 2012 **COFIDE** reported **consolidated net income** of **6 million** euro, slightly up from the figure of 5.9 million euro in the corresponding period of 2011. The result was mainly due to the contribution of the subsidiary **CIR** (7.4 million euro versus 7 million euro in 2011).

Consolidated results

The **consolidated revenues** of **COFIDE** in the first quarter of 2012 totalled **1,244.9 million** euro and were **up by 11.6%** on the figure of 1,115.5 million for the same period of 2011. **Consolidated EBITDA** was **97.5 million** euro, **down 21%** on the figure for 2011 (123.4 million euro). The **consolidated operating result (EBIT)** was **45.4 million** euro, down from 75.2 million euro in 2011. The contraction in consolidated margins was due mainly to the lower profitability of the **CIR** group.

The financial management result, a negative figure of 12.1 million euro (a negative 22.1 million euro in first quarter 2011), was the result of net financial expense of 27.7 million euro, partially offset by dividends and net gains from trading and valuing securities of 15.6 million euro.

The **consolidated net income** of the first quarter came in at **6 million** euro versus 5.9 million euro in 2011. The slight rise on the same period of last year was due essentially to the higher contribution of the subsidiary **CIR** (7.4 million euro compared to 7 million euro in 2011). **CIR's** consolidated net income amounted to 15.2 million euro, up by 5.5% from 14.4 million euro in the first quarter of 2011. The net result was also affected by the negative contribution of 0.3 million euro from the subsidiary **Euvis**, the company specializing in lifetime mortgages which went into voluntary liquidation on April 18 2012 after the non-renewal of the contract by the shareholder **J.P Morgan** for the origination of the mortgages.

The **net financial debt of COFIDE SpA** stood at **30.3 million** euro at March 31 2012 (28.9 million euro at December 31 2011). The **consolidated net financial debt of the group** came to **2,464.8 million** euro at March 31 2012, up from 2,360.3 million euro at December 31 2011.

Total consolidated equity amounted to **2,502.1 million** euro at March 31 2012 versus 2,503.5 million at December 31 2011. The **group's share of consolidated equity** rose from 725.6 million euro at December 31 2011 to **728.7 million** euro at March 31 2012.

Outlook for the year 2012

The performance of the COFIDE group in 2012 will be influenced by the evolution of the macroeconomic environment, which is currently characterized by a recessionary scenario the intensity and duration of which cannot at the moment be predicted, and by the performance of the financial markets.

In this scenario the operating companies of the main subsidiary CIR will continue their strategy of combining action to improve their operating efficiency with business development initiatives.

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 accounting figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

Contacts:

CIR Group Communication Department

Salvatore Ricco

Francesca Sagramoso

Tel.: +39 02 722701

e-mail: infostampa@cirgroup.com

www.cofide.it

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 CIR group.

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

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

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)

ASSETS	31.03.2012	31.12.2011	31.03.2011
NON-CURRENT ASSETS	4,999,447	4,949,822	4,858,736
INTANGIBLE ASSETS	1,539,463	1,529,476	1,428,127
TANGIBLE ASSETS	2,437,776	2,400,219	2,563,633
INVESTMENT PROPERTY	24,217	24,403	24,561
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	381,679	386,253	322,132
OTHER EQUITY INVESTMENTS	26,769	22,903	5,134
OTHER RECEIVABLES	250,589	247,208	202,887
SECURITIES	115,746	118,807	97,006
DEFERRED TAXES	223,208	220,553	215,256
CURRENT ASSETS	3,154,810	2,945,584	2,456,651
INVENTORIES	190,683	184,530	158,512
CONTRACTED WORK IN PROGRESS	37,199	35,330	10,560
TRADE RECEIVABLES	1,334,069	1,215,226	1,245,428
OTHER RECEIVABLES	319,500	251,725	259,338
FINANCIAL RECEIVABLES	12,775	11,956	14,033
SECURITIES	545,066	613,877	224,852
AVAILABLE-FOR-SALE FINANCIAL ASSETS	130,663	126,699	178,251
CASH AND CASH EQUIVALENTS	584,855	506,241	365,677
ASSETS HELD FOR DISPOSAL	646	1,924	704
TOTAL ASSETS	8,154,903	7,897,330	7,316,091
LIABILITIES AND EQUITY	31.03.2012	31.12.2011	31.03.2011
EQUITY	2,502,137	2,503,496	2,576,544
SHARE CAPITAL	359,605	359,605	359,605
RESERVES	75,285	78,234	96,182
RETAINED EARNINGS (LOSSES)	287,787	286,576	293,768
NET INCOME FOR THE PERIOD	5,993	1,211	5,853
EQUITY OF THE GROUP	728,670	725,626	755,408
MINORITY SHAREHOLDERS' EQUITY	1,773,467	1,777,870	1,821,136
NON-CURRENT LIABILITIES	3,239,572	3,129,903	3,125,799
BONDS AND NOTES	500,583	525,802	553,342
OTHER BORROWINGS	2,363,237	2,234,914	2,162,374
OTHER PAYABLES	1,728	1,890	2,883
DEFERRED TAXES	169,361	168,079	204,245
PERSONNEL PROVISIONS	123,783	124,529	124,546
PROVISIONS FOR RISKS AND LOSSES	80,880	74,689	78,409
CURRENT LIABILITIES	2,413,194	2,263,931	1,613,748
BANK OVERDRAFTS	140,282	142,491	192,545
BONDS AND NOTES	6,943	4,243	791
OTHER BORROWINGS	727,079	711,600	112,906
TRADE PAYABLES	1,047,240	979,873	926,029
OTHER PAYABLES	405,409	340,040	305,325
PROVISIONS FOR RISKS AND LOSSES	86,241	85,387	76,152
LIABILITIES HELD FOR DISPOSAL	--	297	--
TOTAL LIABILITIES AND EQUITY	8,154,903	7,897,330	7,316,091

(Note) For the presentation of these consolidated Financial Statements the group recalculated the comparison balances of current assets and liabilities at 31 March 2011 to align their accounting presentation to the financial instrument trading transactions of the sub-holding Sorgenia, executed as part of its normal business activities, to those of the leading energy traders.

2. CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	01/01-31/03 2012	01/01-31/03 2011
TRADE REVENUES	1,244,901	1,115,545
CHANGE IN INVENTORIES	7,495	5,419
COSTS FOR THE PURCHASE OF GOODS	(738,669)	(626,859)
COSTS FOR SERVICES	(210,740)	(198,972)
PERSONNEL COSTS	(191,035)	(176,725)
OTHER OPERATING INCOME	24,633	32,883
OTHER OPERATING COSTS	(37,322)	(23,551)
ADJUSTMENTS TO VALUE OF INVESTMENTS CONSOLIDATED AT EQUITY	(1,704)	(4,365)
AMORTIZATION, DEPRECIATION & WRITEDOWNS	(52,122)	(48,131)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	45,437	75,244
FINANCIAL INCOME	25,035	16,320
FINANCIAL EXPENSE	(52,758)	(48,174)
DIVIDENDS	43	46
GAINS FROM TRADING SECURITIES	1,192	5,296
LOSSES FROM TRADING SECURITIES	(216)	(117)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	14,623	4,539
INCOME BEFORE TAXES	33,356	53,154
INCOME TAXES	(17,143)	(27,265)
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	16,213	25,889
- NET INCOME MINORITY INTERESTS	(10,220)	(20,036)
- NET INCOME OF THE GROUP	5,993	5,853

3. NET FINANCIAL POSITION

(in thousands of euro)

	31.03.2012	31.12.2011	31.03.2011
A. Cash and bank deposits	584,855	506,241	365,677
B. Other cash equivalents	130,663	126,699	163,184
C. Securities held for trading	545,066	613,877	224,852
D. Cash and cash equivalents (A) + (B) + (C)	1,260,584	1,246,817	753,713
E. Current financial receivables	12,775	11,956	14,033
F. Current bank borrowings	(223,571)	(216,479)	(264,617)
G. Bonds and notes issued	(6,943)	(4,243)	(791)
H. Current part of non-current debt	(643,788)	(637,610)	(40,832)
I. Other current borrowings	(2)	(2)	(2)
J. Current financial debt (F) + (G) + (H) + (I)	(874,304)	(858,334)	(306,242)
K. Current net financial position (J) + (E) + (D)	399,055	400,439	461,504
L. Non-current bank borrowings	(2,145,742)	(2,022,383)	(2,023,592)
M. Bonds and notes issued	(500,583)	(525,802)	(553,342)
N. Other non-current payables	(217,495)	(212,531)	(138,782)
O. Non-current financial debt (L) + (M) + (N)	(2,863,820)	(2,760,716)	(2,715,716)
P. Net financial position (K) + (O)	(2,464,765)	(2,360,277)	(2,254,212)