



PRESS RELEASE

Board of Directors approves results of financial year 2009

COFIDE GROUP: NET INCOME AT 62.3 MILLION

Result benefits in particular from rise in earnings of the subsidiary CIR

In view of the uncertain macroeconomic scenario, the Board will propose to the Shareholders that no dividend be distributed, with the aim of further strengthening the equity structure of the company

Results of financial year 2009

- **Consolidated net income: € 62.3 million (+19.3% from € 52.2 million in 2008)**
- **COFIDE net financial debt: € 28.5 million (€ 29 million at 31/12/2008)**
- **Consolidated net financial debt: € 1,824.7 million (€ 1,732.5 million at 31/12/2008)**
- **Group share of total equity: € 704.2 million (€ 644.1 million at 31/12/2008)**

Milan, March 11 2010 – The **Board of Directors of COFIDE-Compagnia Finanziaria De Benedetti SpA**, which met today in Milan under the chairmanship of **Francesco Guasti**, has approved the **proposed statutory financial statements** and the **consolidated financial statements of the group** for financial year 2009.

Performance of operations

In 2009 **COFIDE** reported **consolidated net income** of **62.3 million** euro, which was **up by 19.3%** on 2008 (52.2 million euro). The rise in earnings was due mainly to the higher contribution of the subsidiary **CIR-Compagnie Industriali Riunite**, which rose from 46.3 million euro in 2008 to 69.5 million euro in 2009.

COFIDE is the **controlling shareholder** of **CIR**, which heads an industrial group active in energy, media, automotive components, healthcare and financial services. The COFIDE group also includes **Euvis**, the company in which J.P Morgan has an interest and which operates in Italy in the business of lifetime mortgages for the elderly.

At December 31 2009 the lifetime mortgages managed by Euvis amounted to **57.3 million** euro, of which 22.9 million euro were originated during the year. The company broke even at the close of the year after reporting a loss of 1.9 million euro in 2008.

Consolidated results

The **consolidated revenues** of COFIDE totalled **4,266.8 million** euro in 2009, down from 4,727 million in 2008 **(-9.7%)**. The **consolidated gross operating margin (EBITDA)** was **288.6 million** euro in 2009, **down** from 454.8 million euro in 2008 **(-36.5%)**. The **consolidated operating margin (EBIT)** was 141.9 million euro, down from 313.3 million euro in 2008. The change in operating income was due to the decline in profitability of the CIR group, caused mainly by the impact of the global recession on some of the most important areas of its business.

Consolidated net income for 2009 came in at **62.3 million** euro, up by **19.3%** on 2008 (52.2 million euro).

The **consolidated net financial debt of the COFIDE group** stood at **1,824.7 million** euro at December 31 2009, versus 1,753.1 million euro at September 30 2009 and 1,732.5 million euro at December 31 2008.

The **net financial debt of the COFIDE holding** amounted to **28.5 million** euro at December 31 2009, down on the figure at September 30 2009 (30.1 million euro) and that at December 31 2008 (29 million euro). The debt figure at the end of 2008 and at September 2009 included the figure for the subsidiary COFIDE International, which was wound up in December 2009 after a process of simplifying the holding structure.

Total consolidated shareholders' equity stood at **2,363 million** euro at December 31 2009, up from 2,099.6 million at December 31 2008. The **group's share of consolidated equity** rose from 644.1 million euro at December 31 2008 to **704.2 million** euro at December 31 2009.

Performance of the parent company

The **parent company COFIDE SpA** closed 2009 with **net income** of **1.4 million** euro, down from 16.2 million euro in 2008 because of lower dividends received. Its **shareholders' equity** amounted to **565.7 million** euro at December 31 2009 (561.1 million at December 31 2008).

Outlook for the year 2010

The performance of operations of the COFIDE group in 2010 will be affected by the evolution of the economic scenario during the year. Despite expectations of a weak recovery in Europe, the macroeconomic scenario is still somewhat uncertain. Concerning the businesses in which the main subsidiary CIR operates, automotive components and healthcare should see an improvement on 2009 whereas the performance of the energy and media sectors will depend on variables that cannot easily be forecast as yet – energy consumption and the advertising market. Moreover, for 2010 at present no non-recurring income such as that of the previous two years can be predicted for the subsidiary CIR.

Shareholders' Meeting

In view of the current situation of uncertainty in the economy and the financial markets, the Board of Directors will put forward the proposal to the Shareholders' Meeting that no dividends be distributed for the year 2009 in order to strengthen further the capital structure of the company and give it greater resources to support its business development. The Annual General Meeting has been convened for April 29 at the first call and for April 30 if a second call is necessary.

Proposal to cancel and assign new powers to buy back own shares

The Board of Directors voted to put before the Shareholders' Meeting a motion to cancel and renew the Board's authorization for a period of 18 months to buy back a maximum of 30 million own shares, with a maximum disbursement limit of 25 million euro, at a 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.

Renewal of the Board of Directors

The Shareholders' Meeting will also be called upon, in its ordinary session, to approve the renewal of the Board of Directors for the three years 2010-2012.

The executive responsible for the preparation of the company's financial statements, Giuseppe Gianoglio, who was appointed by the Board of Directors on October 26 2009, 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.

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 interest and taxes);
- **Consolidated net financial debt:** an indicator of the financial structure of the group; it is determined as the balance of borrowings net of cash and cash equivalents and current financial assets (financial receivables, securities and available-for-sale financial assets).

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Attached are the key figures from the consolidated and statutory balance sheets and income statements.

COFIDE GROUP

1. CONSOLIDATED BALANCE SHEET		
<i>(in thousands of euro)</i>		
ASSETS	31:12:2009	31:12:2008
NON-CURRENT ASSETS	4,326,045	3,855,142
INTANGIBLE ASSETS	1,352,322	1,299,872
TANGIBLE ASSETS	2,187,892	1,790,561
INVESTMENT PROPERTY	18,965	19,537
INVESTMENTS IN COMPANIES VALUED AT EQUITY	275,899	282,824
OTHER EQUITY INVESTMENTS	9,629	9,682
OTHER RECEIVABLES	208,075	247,312
<i>of which with related parties (*)</i>	4,480	20,734
SECURITIES	83,051	84,978
DEFERRED TAXES	190,212	120,376
CURRENT ASSETS	2,477,745	3,272,993
INVENTORIES	156,150	195,311
CONTRACTED WORK IN PROGRESS	3,464	2,915
TRADE RECEIVABLES	1,042,030	1,233,689
<i>of which with related parties (*)</i>	18,032	24,661
OTHER RECEIVABLES	205,456	367,458
<i>of which with related parties (*)</i>	1,727	151,288
FINANCIAL RECEIVABLES	27,229	25,721
SECURITIES	338,264	589,340
AVAILABLE-FOR-SALE FINANCIAL ASSETS	119,527	235,208
CASH AND CASH EQUIVALENTS	585,625	623,351
ASSETS HELD FOR DISPOSAL	700	653
TOTAL ASSETS	6,804,490	7,128,788
LIABILITIES AND SHAREHOLDERS' EQUITY	31:12:2009	31:12:2008
SHAREHOLDERS' EQUITY	2,363,015	2,099,628
SHARE CAPITAL	359,605	359,605
RESERVES	73,587	74,981
RETAINED EARNINGS (LOSSES)	208,678	157,324
NET INCOME FOR THE YEAR	62,293	52,165
SHAREHOLDERS' EQUITY OF THE GROUP	704,163	644,075
MINORITY SHAREHOLDERS' EQUITY	1,658,852	1,455,553
NON-CURRENT LIABILITIES	3,018,964	3,082,740
BONDS AND NOTES	718,262	895,458
OTHER BORROWINGS	1,903,227	1,803,542
OTHER PAYABLES	1,211	3,367
<i>of which to related parties (*)</i>	69	69
DEFERRED TAXES	181,489	174,903
PERSONNEL PROVISIONS	137,856	148,779
PROVISIONS FOR RISKS AND LOSSES	76,919	56,691
CURRENT LIABILITIES	1,422,511	1,946,420
BANK OVERDRAFTS	66,294	170,918
BONDS AND NOTES	731	347,445
OTHER BORROWINGS	192,499	120,948
<i>of which from related parties (*)</i>	2	71
TRADE PAYABLES	837,060	947,720
<i>of which to related parties (*)</i>	28,649	22,089
OTHER PAYABLES	230,249	279,389
PROVISIONS FOR RISKS AND LOSSES	95,678	80,000
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,804,490	7,128,788

2. CONSOLIDATED INCOME STATEMENT		
<i>(in thousands of euro)</i>		
	2009	2008
SALES REVENUES	4,266,865	4,726,999
<i>of which with related parties (*)</i>		490
CHANGE IN INVENTORIES	(14,150)	953
COSTS FOR THE PURCHASE OF GOODS	(2,554,077)	(2,852,940)
<i>of which from related parties (*)</i>		--
COSTS FOR SERVICES	(746,007)	(784,578)
PERSONNEL COSTS	(667,570)	(690,604)
OTHER OPERATING INCOME	709	--
<i>of which from related parties (*)</i>	103,867	
OTHER OPERATING COSTS	(139,953)	(131,524)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY	39,679	49,286
AMORTIZATION, DEPRECIATION & WRITEDOWNS	(146,746)	(141,485)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	141,908	313,282
FINANCIAL INCOME	58,676	72,321
<i>of which with related parties (*)</i>	10,426	11,244
FINANCIAL EXPENSE	(163,575)	(208,558)
<i>of which with related parties (*)</i>	(10,201)	(10,112)
DIVIDENDS	587	2,509
GAINS FROM TRADING SECURITIES	152,105	218,906
LOSSES FROM TRADING SECURITIES	(7,702)	(21,343)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(4,233)	(110,232)
INCOME BEFORE TAXES	177,766	266,885
INCOME TAXES	4,268	(97,841)
AFTER TAX RESULT OF OPERATING ACTIVITIES	182,034	169,044
INCOME (LOSS) FROM ASSETS HELD FOR DISPOSAL	--	--
NET INCOME FOR THE YEAR INCLUDING MINORITY INTERESTS	182,034	169,044
- NET INCOME OF MINORITY SHAREHOLDERS	(119,741)	(116,879)
- NET INCOME OF THE GROUP	62,293	52,165
BASIC EARNINGS PER SHARE (in euro)	0.0866	0.0725
DILUTED EARNINGS PER SHARE (in euro)	0.0866	0.0725

(*) As per Consob resolution no. 6064293 of July 28 2006

3. CONSOLIDATED CASH FLOW STATEMENT		
<i>(in thousands of euro)</i>		
	2009	2008
OPERATING ACTIVITY		
NET INCOME FOR THE YEAR INCLUDING MINORITY INTERESTS:	182,034	169,044
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION & WRITEDOWNS	146,746	141,485
SHARE OF RESULT OF COMPANIES VALUED AT EQUITY	(39,679)	(49,286)
ACTUARIAL CHANGE IN STOCK OPTION PLANS	10,607	8,458
CHANGE IN PERSONNEL PROVISIONS, PROV. FOR RISKS & LOSSES	24,983	20,087
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	4,233	110,232
CAPITAL GAIN ON THE SUBSCRIPTION OF CAPITAL INCREASES BY MINORITY SHAREHOLDERS	(76,735)	(117,810)
CAPITAL GAIN ON SALE OF SECURITIES	(67,668)	(76,726)
INCREASE (REDUCTION) IN NON-CURRENT RECEIVABLES/PAYABLES	(26,216)	(8,882)
(INCREASE) REDUCTION IN NET WORKING CAPITAL	82,473	(276,059)
OTHER CHANGES	51,601	50,382
CASH FLOW FROM OPERATING ACTIVITY	292,379	(29,075)
of which:		
- interest received(paid)	(65,235)	(133,603)
- payment of income taxes	(70,756)	(75,761)
INVESTMENT ACTIVITY		
(PURCHASE) SALE OF SECURITIES	356,077	(211,072)
PURCHASE OF FIXED ASSETS	(595,955)	(474,240)
CASH FLOW FROM INVESTMENT ACTIVITY	(239,878)	(685,312)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	187,851	274,006
OTHER CHANGES IN SHAREHOLDERS' EQUITY	52,301	(58,833)
DRAWDOWN/(REPAYMENT) OF OTHER BORROWINGS	(204,182)	442,005
FINANCIAL RECEIVABLES WITH JOINTLY CONTROLLED COMPANIES	--	42,499
BUYBACK OF OWN SHARES	(1,160)	(16,770)
DIVIDENDS PAID OUT	(20,413)	(146,973)
CASH FLOW FROM FUNDING ACTIVITY	14,397	535,934
INCREASE (REDUCTION) IN NET CASH & CASH EQUIVALENTS	66,898	(178,453)
NET CASH & CASH EQUIVALENTS AT START OF PERIOD	452,433	630,886
NET CASH & CASH EQUIVALENTS AT END OF PERIOD	519,331	452,433

4. STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

<i>(in thousands of euro)</i>	<i>Attributable to shareholders of the parent company</i>					<i>Minority interests</i>	<i>Total</i>
	<i>Share Capital</i>	<i>Reserves</i>	<i>Retained earnings (losses)</i>	<i>Net income (loss) for year</i>	<i>Total</i>		
BALANCE AT DECEMBER 31 2007	359,605	164,337	136,397	32,352	692,691	1,402,505	2,095,196
Capital increases	--	--	--	--	--	274,006	274,006
Dividends to Shareholders	--	--	--	(10,788)	(10,788)	(136,185)	(146,973)
Retained earnings	--	637	20,927	(21,564)	--	--	--
Fair value measurement of hedging instruments	--	(2,993)	--	--	(2,993)	(8,334)	(11,327)
Fair value measurement of securities	--	(52,742)	--	--	(52,742)	(28,103)	(80,845)
Securities fair value reserve released to income statement	--	(40,601)	--	--	(40,601)	(26,957)	(67,558)
Effects of equity changes in subsidiaries	--	(1,522)	--	--	(1,522)	(132,955)	(134,477)
Currency translation differences	--	7,865	--	--	7,865	(5,303)	2,562
Result for the year	--	--	--	52,165	52,165	116,879	169,044
BALANCE AT DECEMBER 31 2008	359,605	74,981	157,324	52,165	644,075	1,455,553	2,099,628
Capital increases	--	--	--	--	--	187,851	187,851
Dividends to Shareholders	--	--	--	--	--	(20,413)	(20,413)
Retained earnings	--	811	51,354	(52,165)	--	--	--
Fair value measurement of hedging instruments	--	(210)	--	--	(210)	(959)	(1,169)
Fair value measurement of securities	--	6,954	--	--	6,954	3,509	10,463
Securities fair value reserve released to income statement	--	(18,923)	--	--	(18,923)	(20,056)	(38,979)
Effects of equity changes in subsidiaries	--	3,571	--	--	3,571	(78,089)	(74,518)
Currency translation differences	--	6,403	--	--	6,403	11,715	18,118
Result for the year	--	--	--	62,293	62,293	119,741	182,034
BALANCE AT DECEMBER 31 2009	359,605	73,587	208,678	62,293	704,163	1,658,852	2,363,015

COFIDE SPA

1. BALANCE SHEET

(in euro)

ASSETS	31.12.2009	31.12.2008
NON-CURRENT ASSETS	579,513,313	580,814,405
TANGIBLE ASSETS	449,402	504,036
INVESTMENT PROPERTY	850,377	850,377
INVESTMENTS IN SUBSIDIARIES	578,073,136	579,372,366
OTHER EQUITY INVESTMENTS	0	0
OTHER RECEIVABLES	140,398	87,626
CURRENT ASSETS	108,462,938	133,454,484
FINANCIAL RECEIVABLES – SUBSIDIARIES	0	36,426,347
TRADE RECEIVABLES – SUBSIDIARIES	0	28,451
OTHER RECEIVABLES	2,746,028	2,726,347
SECURITIES	74,275,946	88,391,861
CASH AND CASH EQUIVALENTS	31,440,964	5,881,478
TOTAL ASSETS	687,976,251	714,268,889
LIABILITIES AND SHAREHOLDERS' EQUITY	31.12.2009	31.12.2008
SHAREHOLDERS' EQUITY	565,701,804	561,087,376
SHARE CAPITAL	359,604,959	359,604,959
RESERVES	158,878,584	154,830,142
RETAINED EARNINGS (LOSSES)	45,840,973	30,426,225
NET INCOME (LOSS) FOR THE YEAR	1,377,288	16,226,050
NON-CURRENT LIABILITIES	60,234,150	151,142,351
OTHER BORROWINGS	59,868,363	149,927,299
OTHER PAYABLES	34,582	34,582
PERSONNEL PROVISIONS	331,205	1,180,470
CURRENT LIABILITIES	62,040,297	2,039,162
BANK OVERDRAFTS	4,157	2,844
OTHER BORROWINGS	60,000,532	532
TRADE PAYABLES	263,608	325,882
OTHER PAYABLES	1,772,000	1,709,904
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	687,976,251	714,268,889

2. INCOME STATEMENT

(in euro)

	% (**)		2009	% (**)		2008
MISCELLANEOUS REVENUES AND INCOME			1,572,426			2,158,394
<i>of which: from related parties (*)</i>	1,531,360	97.4%		2,118,695	98.2%	
COSTS FOR PURCHASE OF GOODS			(57,570)			(69,097)
COSTS FOR SERVICES			(2,657,383)			(3,222,102)
<i>of which: from related parties (*)</i>	(634,800)	23.9%		(657,600)	20.4%	
PERSONNEL COSTS			(1,057,823)			(1,132,549)
OTHER OPERATING COSTS			(470,177)			(609,133)
AMORTIZATION, DEPRECIATION & WRITEDOWNS			(75,861)			(94,102)
OPERATING RESULT			(2,746,388)			(2,968,589)
FINANCIAL INCOME			1,468,532			3,588,930
<i>of which : from related parties (*)</i>	365,852	24.9%		2,066,134	57.6%	
FINANCIAL EXPENSE			(3,959,074)			(9,100,133)
DIVIDENDS			7,271,548			21,810,291
<i>of which: from related parties (*)</i>	7,271,548	100.0%		19,611,331	89.9%	
GAINS FROM TRADING SECURITIES			333,661			834,489
<i>of which: with related parties (*)</i>	172,661	51.7%		--	--	
LOSSES FROM TRADING SECURITIES			(766,483)			(22)
ADJUSTMENTS TO VALUE OF FINANCIAL ASSETS			(224,508)			1,769,212
INCOME / LOSS BEFORE TAXES			1,377,288			15,934,178
INCOME TAXES			0			291,872
NET INCOME (LOSS) FOR THE YEAR			1,377,288			16,226,050
BASIC EARNINGS PER SHARE			0.0019			0.0226
DILUTED EARNINGS PER SHARE			0.0019			0.0226

(*) As per CONSOB Resolution no. 6064293 of July 28 2006

(**) Percentage of the whole

3. CASH FLOW STATEMENT

(in euro)

	2009	2008
OPERATING ACTIVITY		
NET INCOME / (LOSS) FOR THE PERIOD	1,377,288	16,226,050
ADJUSTMENTS:		
AMORTIZATION AND DEPRECIATION	75,861	94,102
PROVISIONS SET ASIDE TO PERSONNEL PROVISIONS NET OF WITHDRAWALS	(849,265)	(125,777)
LOSSES / (GAINS) ON SALE OF EQUITY INVESTMENTS IN SUBSIDIARIES	(172,661)	0
LOSSES / (GAINS) ON SALE OF CURRENT SECURITIES	605,484	(834,489)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	224,508	(1,769,212)
DEFERRED TAXES ON FAIR VALUE CHANGES	0	(291,872)
(INCREASE) REDUCTION IN NET WORKING CAPITAL	36,434,939	(2,380,028)
<i>of which with related parties</i>	<i>36,454,798</i>	<i>(2,094,585)</i>
CASH FLOW FROM OPERATING ACTIVITY	37,696,154	10,918,774
INVESTMENT ACTIVITY		
CHANGE IN INVESTMENTS IN SUBSIDIARIES	1,471,891	(8,261,724)
CHANGE IN TANGIBLE ASSETS AND INVESTMENT PROPERTY	(21,227)	(23,647)
CHANGE IN OTHER FIXED ASSET RECEIVABLES	(52,772)	91,196
CASH FLOW FROM INVESTMENT ACTIVITY	1,397,892	(8,194,175)
FUNDING ACTIVITY		
CHANGE IN OTHER BORROWINGS	(30,058,936)	(556,981)
NET CHANGE IN CURRENT SECURITIES	16,523,063	(11,292,416)
DIVIDENDS PAID OUT	0	(10,788,149)
CASH FLOW FROM FUNDING ACTIVITY	(13,535,873)	(22,637,546)
INCREASE (REDUCTION) IN NET CASH AND CASH EQUIVALENTS	25,558,173	(19,912,947)
NET CASH AND CASH EQUIVALENTS AT START OF PERIOD	5,878,634	25,791,581
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	31,436,807	5,878,634

4. CHANGES IN SHAREHOLDERS' EQUITY

(in euro)

	Share Capital	Reserves	Retained earnings (losses)	Net income (loss) for the year	Total
BALANCE AT JANUARY 1 2008	359,604,959	173,250,663	29,114,040	12,737,194	574,706,856
Allocation to reserve of net income for 2007	0	636,860	1,312,185	(1,949,045)	0
Distributed to Shareholders	0	0	0	(10,788,149)	(10,788,149)
Fair value adjustment of securities:					
- Change in reserve	0	(25,817,815)	0	0	(25,817,815)
- Deferred taxes on change in reserve		6,760,434	0	0	6,760,434
Result for the year 2008	0	0	0	16,226,050	16,226,050
BALANCE AT DECEMBER 31 2008	359,604,959	154,830,142	30,426,225	16,226,050	561,087,376
Allocation to reserve of net income for 2008	0	811,302	15,414,748	(16,226,050)	0
Fair value adjustment of securities:					
- Change in reserve	0	3,237,140	0	0	3,237,140
Result for the year 2009	0	0	0	1,377,288	1,377,288
BALANCE AT DECEMBER 31 2009	359,604,959	158,878,584	45,840,973	1,377,288	565,701,804