

PRESS RELEASE

Board approves results at June 30 2006

CIR GROUP: 62.6 MILLION NET INCOME (+66.9%) REVENUES + 18.6%

Consolidated results for first half 2006

*Revenues 2,021.4 million euro (+18.6%)
Ebitda 256.2 million euro (+18.1%)
Ebit 208.4 million euro (+23.1%)
Net income 62.6 million euro (37.5 million in first half 2005)*

*Aggregate net financial surplus 271.9 million euro (359.8 million at 31/12/ 2005)
Consolidated net debt 786.4 million euro (465.2 million at 31/12/ 2005)
Total equity 1,852 million euro (1,856.4 million at 31/12/ 2005)*

Today in Milan, under the chairmanship of Mr Carlo De Benedetti, the Board of Directors of CIR met to examine the results of the Group as of June 30 2006.

During the first half of this year, the CIR Group continued as in the past to pursue its objective of increasing the value of its investments in the medium term through continuing development and increasing the profitability of the businesses in which it has a presence as well as researching new initiatives in business sectors with high growth potential.

The current structure of the Group includes four main business areas: **media** (publishing, radio and television), **utilities** (electricity and gas), **automotive components** (filters and suspension systems) and **healthcare**, a sector in which CIR has been investing over the last three years with a view to creating an efficient group within the fragmented Italian healthcare system. In the utilities business an ambitious plan of investment requiring further financial support from the shareholders is currently under way while in the publishing and components sectors development is being financed with resources generated in-house by the companies themselves.

In its pursuit of these development strategies, the CIR Group is continuing to privilege financial policy aimed at guaranteeing a balanced ratio of its own resources to those of third parties, thus maintaining a solid equity structure.

The consolidated economic results for the first half of 2006

In the first six months of the year CIR reported **consolidated net income** of 62.6 million euro, compared with 37.5 million in the corresponding period of 2005 (+66.9%).

The contribution of the operating groups to consolidated net income was a positive 65 million euro (+17.1% from 55.5 million in first half 2005) while the contribution of the financial subsidiaries rose by approximately 15 million euro due to capital gains realized on the sale of hedge funds. This contribution was offset in the same period by costs and financial charges net of tax of 17.5 million (17.8 million in the first half of 2005) incurred by CIR and the wholly owned financial companies.

In the first half of 2006 the **consolidated revenues** of CIR totalled 2,021.4 million euro, up by 18.6% from June 30 2005 (1,704.5 million). The main contributors to this rise of 316.9 million were the Sorgenia Group with 279.9 million and the Espresso Group with 33.9 million.

The **consolidated gross operating margin (EBITDA)** in the first half of 2006 rose by 18.1% reaching 256.2 million euro, compared with 217 million in the same period of 2005 (with a ratio to revenues unchanged at 12.7%).

The **consolidated operating margin (EBIT)** rose by 23.1%, from 169.3 million euro in the first six months of 2005 (9.9% of revenues) to 208.4 million in the first half of 2006 (10.3% of revenues).

Net financial charges totalled 28.6 million euro, against 19.2 million in first half 2005. Dividends and net gains from trading and the valuation of securities in first half 2006 came to 15.8 million euro (compared with a net loss of 4.8 million in the same period of 2005).

Consolidated net capital invested at June 30 2006 stood at 2,638.4 million euro, up from 2,321.6 million at December 31 2005, showing a rise of 316.8 million mainly due to the significant investment made primarily by the Sorgenia and HSS groups.

The **consolidated net financial position** at June 30 2006 showed net debt of 786.4 million euro (compared to 465.2 million at December 31 2005), resulting from a surplus of 271.9 million (compared to 359.8 million at December 31 2005) for CIR and the wholly owned financial companies and total debt of 1,058.3 million for the operating groups (up from 825 million at December 31 2005). This rise of 233.3 million was due to the investments made by the Sorgenia group for new power generating plants and by the HSS group for the acquisition of Anni Azzurri.

The **consolidated shareholders' equity of the Group** edged up from 1,185 million euro at December 31 2005 to 1,187.6 million at June 30 2006. **Minority equity** went down from 671.4 million euro at December 31 2005 to 664.4 million at June 30 2006. **Total shareholders' equity** stood at 1,852 million euro at June 30 2006, compared to 1,856.4 million at December 31 2005, with a decrease of 4.4 million after the distribution of 37.5 million in dividends by CIR and a total of 43.7 million by the subsidiaries to their minority shareholders.

At June 30 2006 the CIR Group had 11,201 **employees**.

The performance of the **industrial businesses of the Group** was positive in the first half of 2006 and the results of the subsidiaries showed an improvement compared with the same period of last year.

MEDIA

In the first half of 2006 the **Espresso Group** reported consolidated sales revenues of 601.5 million euro, up by 6% from June 30 2005, and achieved consolidated net income of 54.8 million, which was in line with the first half of last year. At June 30 2006 the net financial position of the Group showed net debt of 257.7 million euro, compared to 252.6 million at December 31 2005. In the first half of 2006 *la Repubblica* confirmed its position as number one newspaper for number of readers and the radio sector of the Espresso Group consolidated its leadership in Italy in terms of audience.

UTILITIES

In July 2006 the Energia Group adopted the new name of **Sorgenia**, with the objective of enhancing its positioning and the role it wishes to assume in the Italian free market for electricity and gas, defining its identity as an operator sensitive to environmental issues.

In the first half of 2006, Sorgenia continued to roll out its industrial plan: the Termoli (Campobasso) plant, where production tests are currently taking place, will be up and running in the next few weeks; work has now begun on construction of the plant in Modugno (Bari); and a third power plant is scheduled for construction in Bertinico-Turano Lodigiano (Lodi); regarding wind and photovoltaic plant, work is continuing on the various wind projects and 15 new 1 MW photovoltaic plants are scheduled to be built in the south of Italy. Meanwhile the repowering of the Tirreno Power plants in Napoli Levante and Vado Ligure is continuing.

In the first six months of 2006 Sorgenia recorded consolidated sales revenues of 855.8 million euro, up by 48.6% from 575.9 million in the same period of the previous year, thanks to the good performance of electricity sales. Consolidated net income came in at 37 million euro, with a significant rise from the 19.9 million reported for the same period of last year.

AUTOMOTIVE COMPONENTS

In the first half of 2006 the **Sogefi Group**, leading producer of automotive components, confirmed its leadership in Europe in the two sectors in which it operates: filters and suspension components. In the period under examination, with consolidated sales revenues of 532.9 million euro, substantially unchanged, the Group managed to increase its profitability even further in a market that was not entirely favourable, posting consolidated earnings of 27.5 million euro, up by 24.6% from 22 million in the same period of 2005.

HEALTHCARE

In the first half of 2006 **HSS—Holding Sanità e Servizi** further extended the scope of its operations with a view to consolidating a significant presence in the healthcare sector. In June HSS acquired 100% of Anni Azzurri, the company specializing in the construction of residences for the elderly, which is present in five regions with eleven residences and a total of 1,600 beds. Following this acquisition HSS now manages approximately 3,400 beds.

In the first six months of 2006 HSS reported consolidated revenues of 31 million euro (+33.6% from 23.2 million in the same period of 2005). The net result was a negative 1.1 million, penalized by costs incurred for acquisitions, which compares with a net loss of 1 million in the corresponding period of 2005 due to the start-up phase of the business.

Regarding **Jupiter Finance**, the company established with the objective of acquiring portfolios of non-performing loans from financial institutions and managing them, in line with its development program portfolios with a total nominal value of approximately 190 million euro have been acquired so far for a price of approximately 10 million euro.

The **Parent Company CIR SpA** closed the first half of 2006 with net income of 49.6 million euro (34.6 million in first half 2005) and shareholders' equity of 952.2 million at June 30 2006 (953.2 million at December 31 2005).

Between January 1 2006 and the date of these interim financial statements, CIR bought back 6,877,358 of its own shares for a total of 15.6 million euro. Therefore as of the same date the number of shares being held as treasury stock totalled 34,094,000, equal to 4.37% of share capital.

Furthermore, between January 1 2006 and the date of these interim financial statements 838,600 new shares were issued following the exercise of options by the beneficiaries of existing stock option plans. After this issuance the share capital now consists of 780,080,267 shares each with a nominal value of 0.50 euro, giving a total value of 390,040,133.50 euro.

Regarding the **outlook for this year for CIR**, in light of the good performance of the companies of the Group the year 2006 is expected to show an improvement in operating income compared with 2005.

Milan, September 7 2006

Below are charts showing highlights from the consolidated and statutory balance sheets and income statements.

CONTACTS

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CIR GROUP – CONSOLIDATED BALANCE SHEET

(in thousands of euro)

ASSETS	<i>30.06.2006</i>	<i>31.12.2005</i>
NON-CURRENT ASSETS	2,648,329	2,401,558
INTANGIBLE ASSETS	932,197	864,436
TANGIBLE ASSETS	1,032,333	897,972
REAL ESTATE INVESTMENTS	17,361	6,944
INVESTMENTS IN COMPANIES VALUED AT EQUITY	240,489	221,042
OTHER EQUITY INVESTMENTS	7,657	7,529
OTHER RECEIVABLES	251,330	261,403
SECURITIES	82,291	59,841
DEFERRED TAX ASSETS	84,671	82,391
CURRENT ASSETS	2,833,649	2,775,594
INVENTORIES	174,087	162,864
CONTRACTED WORK IN PROGRESS	2,098	933
TRADE RECEIVABLES	862,396	790,744
OTHER RECEIVABLES	265,798	201,362
FINANCIAL RECEIVABLES	9,729	26,513
SECURITIES	571,819	467,959
AVAILABLE-FOR-SALE FINANCIAL ASSETS	354,734	362,930
CASH AND CASH EQUIVALENTS	592,988	762,289
ASSETS FOR DISPOSAL	2,601	17,143
TOTAL ASSETS	5,484,579	5,194,295
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LIABILITIES AND SHAREHOLDERS' EQUITY	<i>30.06.2006</i>	<i>31.12.2005</i>
SHAREHOLDERS' EQUITY	1,852,027	1,856,383
SHARE CAPITAL	390,040	389,621
RESERVES	333,387	401,794
RETAINED EARNINGS (LOSSES)	401,550	305,945
NET INCOME FOR THE PERIOD	62,658	87,675
SHAREHOLDERS' EQUITY - GROUP	1,187,635	1,185,035
SHAREHOLDERS' EQUITY – MINORITY INTERESTS	664,392	671,348
NON-CURRENT LIABILITIES	2,229,816	2,186,453
BONDS	1,189,071	1,199,251
OTHER BORROWINGS	694,307	654,785
OTHER PAYABLES	1,064	21
DEFERRED TAX LIABILITIES	132,440	126,260
PERSONNEL PROVISIONS	168,466	163,671
PROVISIONS FOR RISKS AND LOSSES	44,468	42,465
CURRENT LIABILITIES	1,402,736	1,137,983
BANK OVERDRAFTS	136,855	54,962
OTHER BORROWINGS	295,398	175,881
TRADE PAYABLES	630,630	649,766
OTHER PAYABLES	303,429	213,768
PROVISIONS FOR RISKS AND LOSSES	36,424	43,606
LIABILITIES FOR DISPOSAL	--	13,476
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5,484,579	5,194,295

CIR GROUP – CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	<i>1st Half 2006</i>	<i>1st Half 2005</i>
TRADE REVENUES	2,021,449	1,704,495
CHANGE IN INVENTORIES	(39)	(2,919)
COSTS FOR THE PURCHASE OF GOODS	(1,148,838)	(881,992)
COSTS FOR SERVICES	(382,416)	(336,552)
PERSONNEL COSTS	(288,971)	(284,277)
OTHER OPERATING REVENUES	75,738	42,785
OTHER OPERATING COSTS	(41,627)	(33,095)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY	20,978	8,557
AMORTIZATION, DEPRECIATION AND WRITE-DOWNS	(47,833)	(47,751)
INCOME BEFORE FINANCIAL COMPONENTS AND TAXES (E B I T)	208,441	169,251
FINANCIAL INCOME	32,069	44,177
FINANCIAL EXPENSES	(60,757)	(63,365)
DIVIDENDS	1,417	343
GAINS FROM TRADING SECURITIES	53,271	45,873
LOSSES FROM TRADING SECURITIES	(25,750)	(51,694)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(13,055)	676
INCOME BEFORE TAXES	195,636	145,261
INCOME TAXES	(67,981)	(56,979)
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	127,655	88,282
- NET INCOME – MINORITY INTERESTS	(64,997)	(50,741)
- NET INCOME - GROUP	62,658	37,541
BASIC EARNINGS PER SHARE (in euro)	0.0835	0.0493
DILUTED EARNINGS PER SHARE (in euro)	0.0829	0.0490

CIR GROUP – CASH FLOW STATEMENT

(in thousands of euro)

	<i>1st Half 2006</i>	<i>1st Half 2005</i>
OPERATING ACTIVITY		
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	127,655	88,282
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION AND WRITE-DOWNS	47,833	47,751
PORTION OF RESULT OF COMPANIES VALUED AT EQUITY	(20,978)	(8,557)
ACTUARIAL VALUATION OF STOCK OPTION PLANS	966	4,637
CHANGE IN PROVISIONS FOR PERSONNEL AND RISKS AND LOSSES	6,275	7,183
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	9,516	(676)
INCREASE (REDUCTION) IN NON-CURRENT ASSETS AND LIABILITIES	9,451	9,942
(INCREASE) REDUCTION IN NET WORKING CAPITAL	(97,295)	(78,598)
OTHER CHANGES	(2,159)	--
CASH FLOW FROM OPERATING ACTIVITY	81,264	69,964
of which:		
- interest received (paid out)	(16,676)	(11,876)
- payment of income taxes	(7,364)	(45,787)
INVESTMENT ACTIVITY		
(PURCHASE) SALE OF SECURITIES	(142,773)	(6,134)
NET DISBURSEMENT FOR CORPORATE ACQUISITIONS	(149,195)	--
NET INFLOWS FROM SALES	4,265	--
PURCHASE OF FIXED ASSETS	(109,086)	(317,085)
CASH FLOW FROM INVESTMENT ACTIVITY	(396,789)	(323,219)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	419	15,603
OTHER CHANGES IN SHAREHOLDERS' EQUITY	(5,517)	17,693
BONDS	(10,180)	(36,406)
DRAWDOWN/(REPAYMENT) OF OTHER BORROWINGS	175,823	(24,009)
BUY-BACK OF OWN SHARES	(15,030)	(22,311)
NET CHANGE IN SECURITIES AND AVAILABLE-FOR-SALE ASSETS	--	(128,065)
DIVIDENDS PAID OUT	(81,184)	(73,894)
CASH FLOW FROM FUNDING ACTIVITY	64,331	(251,389)
INCREASE (REDUCTION) OF NET CASH AND CASH EQUIVALENTS	(251,194)	(504,644)
NET CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	707,327	1,421,065
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	456,133	916,421

CIR GROUP – STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

<i>(in thousands of euro)</i>	<i>Attributable to the 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 (losses) for the period</i>	<i>Total</i>		
BALANCE AT JANUARY 1 2005	388,279	374,528	201,274	155,247	1,119,328	583,332	1,702,660
Capital increases	787	1,381	--	--	2,168	13,435	15,603
Dividends to Shareholders	--	--	--	(38,009)	(38,009)	(35,885)	(73,894)
Portion of net income at disposal of Board of Directors	--	--	--	(708)	(708)	--	(708)
Retained earnings	--	--	116,530	(116,530)	--	--	--
AGM resolution to buy back own shares	--	11,859	(11,859)	--	--	--	--
Fair value of hedging instruments	--	(265)	--	--	(265)	(187)	(452)
Fair value of securities	--	13,816	--	--	13,816	--	13,816
Fair value reserve of securities recognized to income statement	--	(4,261)	--	--	(4,261)	--	(4,261)
Adjustment for own-share transactions	--	(22,311)	--	--	(22,311)	--	(22,311)
Notional credit of stock options	--	4,637	--	--	4,637	--	4,637
Effects of equity changes in subsidiaries	--	2,416	--	--	2,416	(4,527)	(2,111)
Translation differences	--	7,388	--	--	7,388	4,021	11,409
Net income for the period	--	--	--	37,541	37,541	50,741	88,282
BALANCE AT JUNE 30 2005	389,066	389,188	305,945	37,541	1,121,740	610,930	1,732,670

<i>(in thousands of euro)</i>	<i>Attributable to the 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 the period</i>	<i>Total</i>		
BALANCE AT DECEMBER 31 2005	389,621	401,794	305,945	87,675	1,185,035	671,348	1,856,383
Capital increases	419	487	--	--	906	5,860	6,766
Dividends to Shareholders	--	--	--	(*) (37,520)	(37,520)	(43,664)	(81,184)
Retained earnings	--	--	50,155	(50,155)	--	--	--
Cancellation of resolution of April 27 2005 regarding buy-back of own shares	--	(54,816)	54,816	--	--	--	--
Fair value of hedging instruments	--	178	--	--	178	69	247
Fair value of securities	--	738	--	--	738	--	738
Fair value reserve of securities recognized to income statement	--	(11,255)	--	--	(11,255)	--	(11,255)
Adjustment for own-share transactions	--	(5,664)	(9,366)	--	(15,030)	--	(15,030)
Notional credit of stock options	--	966	--	--	966	--	966
Valuation of stock options of subsidiaries	--	--	--	--	--	(20,410)	(20,410)
Effects of equity changes in subsidiaries	--	15,121	--	--	15,121	(12,882)	2,239
Translation differences	--	(14,162)	--	--	(14,162)	(926)	(15,088)
Net income for the period	--	--	--	62,658	62,658	64,997	127,655
BALANCE AT JUNE 30 2006	390,040	333,387	401,550	62,658	1,187,635	664,392	1,852,027

(*) AGM of April 27 2006: dividend €0.05 per share

CIR S.p.A. – BALANCE SHEET

(in euro)

ASSETS	<i>30.06.2006</i>	<i>31.12.2005</i>
NON-CURRENT ASSETS	960,688,294	919,464,511
INTANGIBLE ASSETS	52,656	55,667
TANGIBLE ASSETS	4,329,738	11,911,546
REAL ESTATE INVESTMENTS	17,361,196	6,944,487
EQUITY INVESTMENTS	937,705,968	898,728,609
SUNDRY RECEIVABLES	210,927	211,859
DEFERRED TAX ASSETS	1,027,809	1,612,343
CURRENT ASSETS	374,999,012	409,885,235
SUNDRY RECEIVABLES	57,985,713	52,328,165
SECURITIES	233,422,333	180,962,954
CASH AND CASH EQUIVALENTS	83,590,966	176,594,116
TOTAL ASSETS	1,335,687,306	1,329,349,746
LIABILITIES AND SHAREHOLDERS' EQUITY	<i>30.06.2006</i>	<i>31.12.2005</i>
SHAREHOLDERS' EQUITY	952,186,005	953,217,713
SHARE CAPITAL	390,040,134	389,620,834
RESERVES	310,149,561	369,175,921
RETAINED EARNINGS / (LOSSES)	202,350,553	189,622,482
NET INCOME FOR THE PERIOD	49,645,757	4,798,476
NON-CURRENT LIABILITIES	305,904,095	297,286,488
BONDS	304,114,971	295,483,269
OTHER PAYABLES	--	--
DEFERRED TAX LIABILITIES	260,385	340,908
PERSONNEL PROVISIONS	1,528,739	1,462,311
CURRENT LIABILITIES	77,597,206	78,845,545
BORROWINGS FROM SUBSIDIARIES	42,922,701	42,102,350
OTHER PAYABLES	31,639,801	33,708,491
PROVISIONS FOR RISKS AND LOSSES	3,034,704	3,034,704
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,335,687,306	1,329,349,746

CIR S.p.A. – INCOME STATEMENT

(in euro)

	<i>1st Half 2006</i>	<i>1st Half 2005</i>
SUNDRY REVENUES AND INCOME	3,011,983	2,714,725
COSTS FOR SERVICES	(4,798,318)	(4,423,316)
PERSONNEL COSTS	(3,131,061)	(6,672,975)
OTHER OPERATING COSTS	(668,994)	(654,967)
AMORTIZATION, DEPRECIATION AND WRITE-DOWNS	(251,445)	(50,918)
OPERATING INCOME (LOSS)	(5,837,835)	(9,087,451)
FINANCIAL INCOME	5,841,179	5,811,382
FINANCIAL EXPENSES	(10,228,507)	(9,286,713)
DIVIDENDS	61,079,051	42,791,314
GAINS FROM TRADING SECURITIES	827,090	197,650
LOSSES FROM TRADING SECURITIES	(276,800)	(76,050)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(5,926,688)	(1,775,530)
INCOME/(LOSS) BEFORE TAXES	45,477,490	28,574,602
INCOME TAXES	4,168,267	6,044,599
NET INCOME FOR THE PERIOD	49,645,757	34,619,201
BASIC EARNINGS PER SHARE (in euro)	0.0661	0.0455
DILUTED EARNINGS PER SHARE (in euro)	0.0657	0.0452

CIR S.p.A. – CASH FLOW STATEMENT

(in euro)

	<i>1st Half 2006</i>	<i>1st Half 2005</i>
OPERATING ACTIVITY		
NET INCOME FOR THE PERIOD	49,645,757	34,619,201
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION AND WRITE-DOWNS	6,178,133	4,143,919
ACTUARIAL VALUATION OF STOCK OPTION PLANS	966,165	4,637,196
(INCREASE)/ REDUCTION IN NET WORKING CAPITAL	(6,905,889)	11,929,627
OTHER NON-MONETARY CHANGES	9,107,073	4,031,407
CASH FLOW FROM OPERATING ACTIVITY	58,991,239	59,361,350
of which:		
- interest income (expense)	4,082,375	4,672,611
- dividends received	61,079,051	42,791,314
- inflows (disbursements) for income taxes *	--	3,602,464
INVESTMENT ACTIVITY		
PURCHASE OF SHORT-TERM SECURITIES	(57,988,089)	(25,300,984)
PURCHASE OF FIXED ASSETS	(42,362,670)	(41,797,519)
CASH FLOW FROM INVESTMENT ACTIVITY	(100,350,759)	(67,098,503)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	906,546	2,168,000
BUY-BACK OF OWN SHARES	(15,029,996)	(22,311,196)
DIVIDENDS PAID OUT	(37,520,180)	(38,008,840)
CASH FLOW FROM FUNDING ACTIVITY	(51,643,630)	(58,152,036)
INCREASE (REDUCTION) IN CASH AND CASH EQUIVALENTS	(93,003,150)	(65,889,189)
NET CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	176,594,116	315,916,569
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	83,90,966	250,027,380

* The balance for 1st Half 2005 refers to current tax assets received subsequent to participation in tax consolidation

CIR S.p.A. – STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

<i>(in euro)</i>	<i>Share capital</i>	<i>Reserves</i>	<i>Retained earnings (losses)</i>	<i>Net income for period</i>	<i>Total</i>
BALANCE AT JANUARY 1 2005	388,278,784	385,186,096	213,553,049	26,644,945	1,013,662,874
Capital increases	786,550	1,381,202	--	--	2,167,752
Dividends to Shareholders	--	--	(12,071,908)	(25,936,932)	(38,008,840)
Portion of net income at disposal of Board of Directors	--	--	--	(708,013)	(708,013)
AGM resolution to buy back own shares	--	11,858,659	(11,858,659)	--	--
Adjustment for own-share transactions	--	(22,310,948)	--	--	(22,310,948)
Notional credit of stock options	--	4,637,196	--	--	4,637,196
Net income for the period	--	--	--	34,619,201	34,619,201
BALANCE AT JUNE 30 2005	389,065,334	380,752,205	189,622,482	34,619,201	994,059,222
BALANCE AT DECEMBER 31 2005	389,620,834	369,175,921	189,622,482	4,798,476	953,217,713
Capital increases	419,300	487,246	--	--	906,546
Dividends to Shareholders	--	--	(32,721,704)	(4,798,476)	(37,520,180)
Adjustment for own-share transactions	--	(5,664,381)	(9,365,615)	--	(15,029,996)
Notional credit of stock options	--	966,165	--	--	966,165
Cancellation of resolution of April 27 2005 regarding buy-back of own shares	--	(54,815,390)	54,815,390	--	--
Net income for the period	--	--	--	49,645,757	49,645,757
BALANCE AT JUNE 30 2006	390,040,134	310,149,561	202,350,553	49,645,757	952,186,005