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PRESS RELEASE

Board of Directors approves results as of March 31 2009

CIR GROUP: NET INCOME UP TO 19.5 MILLION (+12.7%)

This number benefits from the positive result obtained at holding level, from the earnings of Sorgenia and the capital gains on the partial disinvestment from Medinvest

Revenues and margins were affected most by the decline in the results of Sogefi and Espresso, caused by the economic crisis and the crises in their respective business sectors. The group continues to grow in the healthcare sector (HSS)

Consolidated results of first quarter 2009

Revenues: € 1,138.3 million (-5.4% from € 1,202.8 million in Q1 2008)
EBITDA: € 59.3 million (-48.9% from € 116 million in Q1 2008)
Net income: € 19.5 million (+12.7% from € 17.3 million in Q1 2008)
Aggregate net surplus: € 72.1 million (€ 44.2 million at December 31 2008)
Consolidated net debt: € 1,837 million (€ 1,685.4 million at December 31 2008)

Turin, April 30 2009 – The **Board of Directors** of **CIR (Compagnie Industriali Riunite) SpA** met today in Turin under the chairmanship of **Mr Carlo De Benedetti** to examine the interim financial report of the group as of **March 31 2009**.

Performance of operations

CIR closed the **first quarter of 2009** with a **double digit rise in consolidated net income** compared to the first three months of 2008 (**+12.7%** to **19.5 million** euro), despite the repercussions that the grave economic crisis has been having on the main business sectors of the group, especially automotive components and the media. The figure benefited essentially from **three factors**: the **positive result achieved at holding level** thanks to the **positive contribution of financial management**, the **earnings** of the main subsidiary **Sorgenia (energy)** and the **capital gains** resulting from the strategy of partial disinvestment from **Medinvest**. The **revenues** and **margins** of the group were **down**, affected in particular by the decline in the results of the subsidiaries **Sogefi (automotive components)** and **Espresso (media)**, which were penalized by the crises in their respective businesses. In the **healthcare** business (**HSS-Holding Sanità e Servizi**) the activity of the CIR group **continues to grow**.

Consolidated results

The **consolidated revenues** of the CIR group in the first quarter came in at **1,138.3 million** euro, down from 1,202.8 million euro in the first three months of 2008 (**-5.4%**). The change, despite the growth of Sorgenia and HSS, was due to the decline in the sales of Sogefi and Espresso.

The **consolidated gross operating margin (EBITDA)** was **59.3 million** euro (5.2% of revenues), down from 116 million euro in the first quarter of 2008 (**-48.9%**). The **consolidated operating income (EBIT)** figure was

27.3 million euro, **down** from 84.6 million euro in 2008. The contraction in operating income was due essentially to the decline in the profitability of Sogefi and Espresso, which were affected by the difficult situation in their respective business sectors and by the decline in margins of Sorgenia, which was penalized by higher sourcing costs, mainly of a temporary nature, and by the lower earnings of the gas business.

The **financial management result** was a **positive 6.9 million** euro, compared with net expense of 21.7 million euro in 2008. The improvement was mainly the result of lower net financial expense and a significant rise in net gains from trading and valuing securities.

The **consolidated net income** of the CIR group in first quarter 2009 was **19.5 million euro,** up from 17.3 million in the same period of the previous year (**+12.7%**). This figure benefited from the positive result posted at holding level (3.1 million euro), from the net income of Sorgenia and HSS (7.1 million euro for the part attributable to CIR) and from capital gains from the partial disinvestment from Medinvest (16.3 million euro). These items more than compensated for the negative impact (-7 million euro) of the losses of the other subsidiaries, especially Sogefi and Espresso.

Consolidated net invested capital stood at **3,907.5 million** euro at March 31 2009, up from 3,764.3 million at the end of 2008, with a **rise of 143.2 million** euro.

The **net financial debt** of the CIR group at March 31 2009 stood at **1,837 million** euro (1,685.4 million euro at December 31 2008), resulting from the following:

- An **aggregate net financial surplus at holding level** of **72.1 million** euro. The improvement from 44.2 million euro at December 31 2008 was due mainly to tax rebates from previous periods paid out by Inland Revenue and received in the first few days of April;
- **Total net debt of the operating companies** of **1,909.1 million** euro, up from 1,729.6 million euro at December 31 2008. This rise was mainly due to the change in working capital and to the investments made by Sorgenia in new production capacity.

The net financial position includes CIR's share of the investment in Medinvest, which at March 31 2009 stood at 137.3 million euro. In first quarter 2009 the partial disinvestment from Medinvest meant that net gains of 16.3 million euro were realized. The strategy of disinvestment has the objective of rebalancing the portfolio in order to optimize the financial structure of the group. The performance of Medinvest since inception (April 1994) until December 31 2008 gave a weighted average annual return on the portfolio of 7.7%. In the first three months of 2009 performance was positive (+0.6%).

Total consolidated equity at March 31 2009 was **2,070.5 million** euro versus 2,078.9 million euro at December 31 2008. The **shareholders' equity of the group** stood at **1,258.7 million** euro down from 1,264.9 million euro at December 31 2008.

At March 31 2009 the CIR group had **12,912 employees** (12,969 at December 31 2008).

Industrial businesses

Energy (Sorgenia)
In the first quarter of 2009 the **Sorgenia group** reported **revenues up to 682 million** euro and a **gross operating margin on the electricity business in line** with the first quarter of 2008, despite a scenario of deep economic crisis which caused a decline in demand for electricity (-7.9%), especially in thermoelectric generation (-19%), and a sharp fall in electricity prices on the exchange.

During the period Sorgenia continued to roll out its **business plan**. In particular, work has almost finished on the **combined cycle power plant** at Modugno (BA), which is scheduled to start operating by the summer of 2009, and work continued on the construction of the Bertonico-Turano Lodigiano power plant (LO). In the field of **renewable sources**, the **two new wind parks** with a total output of **28 MW** in Campania and

Puglia went fully up and running and construction work began on a **biomass plant** of around **1 MW** in the local district of Gallina (SI). In the sector of **hydrocarbon production and exploration**, the activity of the subsidiary Sorgenia E&P SpA continued and at the beginning of April a first agreement was signed in relation to two petroleum licenses in Bulgaria.

In the first quarter of 2009, the Sorgenia group reported **revenues** of **682 million** euro, **up** by **11.7%** from 610.3 million euro in the same period of 2008. **EBITDA** was **35.8 million** euro, down from 46.5 million euro in first quarter 2008 (**-23%**). Despite the fact that the profit margin on the electricity business was in line with 2008, this indicator was negatively affected by the lower result of the gas business and by a less favourable euro/dollar exchange rate for sourcing natural gas. EBITDA was also weighed down by temporary factors such as the time lag for the adjustment of gas prices compared to oil prices and a negative fair value measurement (-2 million euro) of supply contracts. The fact that margins in the electricity business held up was mainly because Sorgenia's production all goes for sale to end-user clients and not for sale on the electricity exchange. **Consolidated net income** was **12.9 million** euro, **down** from 17.2 million in 2008 due to lower margins.

Media (Espresso group)
The results of the **Espresso group** in the first three months of 2009 felt the effect of the further worsening of the macroeconomic scenario, which caused a contraction in advertising investment that was even more marked than the one experienced in the second half of 2008. According to figures published by Nielsen Media Research, the advertising market as a whole posted a decline of 19.5% in the first two months of 2009 compared to 2008. At the same time, in a context of falling consumption, the circulation of the daily newspaper and periodical titles also reported a further decline: specifically in the first two months of 2009 overall circulation figures for daily newspapers fell by 5.3% (source FIEG).

The **revenues** of the group came in at **215 million** euro in first quarter 2009, posting a **decline of 18%** compared to the same period of last year (262.3 million euro). Advertising revenues, totalling 109.3 million euro, showed an overall decline of 26.8%: the daily press, down by 22.4%, fell less than the market thanks to the fact that sales of local papers held up better. **EBITDA** came in at **16.7 million** euro, **down** by **53.2%** from first quarter 2008 (35.6 million euro). The impact on the income statement of the dramatic fall in advertising was partly offset by the **12% reduction in operating costs**, resulting mainly from the cost-cutting action already put in place. The **net result** was a **loss of 2.5 million** euro, compared to net income of 10.5 million euro in first quarter 2008.

Automotive components (Sogefi)
The results of the **Sogefi group** in the first quarter of 2009 were negatively affected by the further decline in world vehicle production compared to the already critical situation in the last quarter of 2008. This phenomenon was due to lower demand by individual consumers and to the need on the part of producers to reduce stocks of unsold vehicles. The **revenues and margins** of the company were therefore affected by the **sharp contraction in sales volumes in the original market**, but also by **lower levels of activity in the European after market,** where operators are suffering the effects of the credit crunch. In such an extraordinarily difficult situation, the company has taken **further action to counter the impact of the general crisis in the sector**, starting with a structural reduction of all cost factors.

During the quarter the Sogefi group reported **revenues** of **174.9 million** euro, **down** by **35.6%** from 271.7 million in the same period of 2008. **Consolidated EBITDA** was a **positive 2.2 million** euro (29.1 million euro in first quarter 2008). The **consolidated net result** was a **negative 8.8 million** euro (net income of 9 million euro in the first three months of last year).

Healthcare (HSS)
The **HSS group** closed the first quarter of 2009 with **revenues and operating margin up** and a **positive net result**. During the period, the group continued to strengthen its operating subsidiaries and seek new opportunities for development to consolidate its presence in the private healthcare sector in Italy. In April

2009 a residence for the elderly in Ancona was acquired from Orpea Italia. After this deal, HSS now has **over 5,000 beds in operation** and has further strengthened its position in the management of residences for the elderly.

In first quarter 2009 the HSS group reported **consolidated revenues** of **66.5 million** euro, **up** by **13.6%** compared to the first three months of 2008 (58.5 million), thanks to the development of all areas of the business. **EBITDA** came in at **7.5 million** euro, up by 5.6% from first quarter 2008 (7.1 million). The **consolidated net result** attributable to the group was a **positive 0.1 million** euro, compared to 0.4 million euro in the same period of 2008. The change was due to the higher impact of amortization and taxation.

Financial services (Jupiter and other businesses)

In the financial services sector, the CIR group is present through the company **Jupiter Finance** and other lesser businesses. Jupiter Finance operates in the segment of non-performing loans. **Receipts** obtained since 2005, when the company was founded, until March 31 2009 amount to **69 million** euro and are **22% above the targets** forecast on acquisition of the portfolios. CIR is also a shareholder of **Ktesios**, the company of the Oakwood group active in the sector of personal loans secured on one fifth of employee salaries. In the first quarter of 2009 Ktesios made loans for approximately **190 million** euro. CIR's remaining investment in the Oakwood group as of March 31 2009 was 20 million euro.

Outlook for the rest of this year

In 2009 the results of the CIR group will inevitably be affected by the current phase of deep recession, with a different degree of intensity in the various business sectors, especially in the auto and media businesses. In the coming quarters the group will continue to concentrate on improving efficiency and repositioning its subsidiaries operating in the sectors in greatest difficulty and on the further development of businesses which are better able to resist the crisis and have a higher growth potential.

Bonds and notes maturing in the 24 months following March 31 2009

The company, which has a BB+ rating from Standard & Poor's with a negative outlook, in the 24 months following March 31 2009 has the maturity of the following note issued by the CIR International SA and guaranteed by CIR SpA:

- January 10 2011, maturity of the note with a residual principal of 148 million euro (originally 300 million euro). The note (ISIN code XS0169896817), listed on the Luxembourg Stock Exchange, pays an annual coupon of 6.375%.

The officer responsible for the preparation of the company's financial statements, Mr Alberto Piaser, attests in accordance with the terms of paragraph 1 of Art. 154 bis of the Finance Consolidation Act that the accounting figures given in this press release correspond to documented results and to the entries in the company's books.

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Attached are the key figures from the consolidated balance sheet and income statement of the group

CIR GROUP – CONSOLIDATED BALANCE SHEET

(in thousands of euro)

ASSETS	*31.03.2009*	*31.12.2008*	*31.03.2008*
NON-CURRENT ASSETS	**3,909,214**	**3,804,558**	**3,514,605**
INTANGIBLE ASSETS	1,266,788	1,264,499	1,258,264
TANGIBLE ASSETS	1,870,198	1,789,985	1,488,586
INVESTMENT PROPERTY	18,544	18,687	19,116
INVESTMENTS IN COMPANIES VALUED AT EQUITY	300,225	282,824	290,130
OTHER EQUITY INVESTMENTS	14,781	9,682	11,831
OTHER RECEIVABLES	234,573	236,147	258,424
SECURITIES	75,380	84,633	96,403
DEFERRED TAXES	128,725	118,101	91,851
CURRENT ASSETS	**2,686,635**	**3,168,534**	**2,784,848**
INVENTORIES	183,885	195,311	191,493
CONTRACTED WORK IN PROGRESS	3,171	2,915	2,211
TRADE RECEIVABLES	1,211,373	1,233,689	1,080,502
OTHER RECEIVABLES	372,159	363,753	215,837
FINANCIAL RECEIVABLES	18,520	25,721	19,914
SECURITIES	230,001	513,362	296,472
AVAILABLE-FOR-SALE FINANCIAL ASSETS	174,426	217,420	323,722
CASH AND CASH EQUIVALENTS	493,100	616,363	654,697
ASSETS HELD FOR DISPOSAL	668	653	6,689
TOTAL ASSETS	**6,596,517**	**6,973,745**	**6,306,142**

LIABILITIES AND SHAREHOLDERS' EQUITY	*31.03.2009*	*31.12.2008*	*31.03.2008*
SHAREHOLDERS' EQUITY	**2,070,456**	**2,078,888**	**2,045,024**
ISSUED CAPITAL	395,588	395,588	395,490
less OWN SHARES	(21,537)	(21,487)	(21,387)
SHARE CAPITAL	374,051	374,101	374,103
RESERVES	282,326	307,856	396,727
RETAINED EARNINGS (LOSSES)	582,818	487,448	525,214
NET INCOME FOR THE PERIOD	19,474	95,444	17,294
SHAREHOLDERS' EQUITY OF THE GROUP	**1,258,669**	**1,264,849**	**1,313,338**
MINORITY SHAREHOLDERS' EQUITY	811,787	814,039	731,686
NON-CURRENT LIABILITIES	**2,900,459**	**2,931,482**	**2,481,026**
BONDS AND NOTES	882,682	895,458	767,262
OTHER BORROWINGS	1,640,119	1,653,615	1,369,974
OTHER PAYABLES	3,333	3,333	286
DEFERRED TAXES	173,203	174,903	142,772
PERSONNEL PROVISIONS	144,321	147,482	159,182
PROVISIONS FOR RISKS AND LOSSES	56,801	56,691	41,550
CURRENT LIABILITIES	**1,625,602**	**1,963,375**	**1,780,092**
BANK OVERDRAFTS	186,712	164,801	156,645
BONDS AND NOTES	2,799	347,445	387,445
OTHER BORROWINGS	220,632	146,987	144,473
TRADE PAYABLES	864,356	946,989	791,790
OTHER PAYABLES	267,530	277,153	235,104
PROVISIONS FOR RISKS AND LOSSES	83,573	80,000	64,635
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**6,596,517**	**6,973,745**	**6,306,142**

CIR GROUP – CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	01/01-31/03 2009	*01/01-31/03 2008*
SALES REVENUES	1,138,318	1,202,788
CHANGE IN INVENTORIES	(7,172)	980
COSTS FOR THE PURCHASE OF GOODS	(733,298)	(716,310)
COSTS FOR SERVICES	(180,761)	(196,392)
PERSONNEL COSTS	(159,705)	(174,795)
OTHER OPERATING INCOME	11,496	13,454
OTHER OPERATING EXPENSE	(29,502)	(20,541)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY	19,907	6,784
AMORTIZATION, DEPRECIATION AND WRITE-DOWNS	(31,940)	(31,388)
INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T)	**27,343**	**84,580**
FINANCIAL INCOME	19,050	16,645
FINANCIAL EXPENSE	(43,905)	(45,558)
DIVIDENDS	--	--
GAINS FROM TRADING SECURITIES	40,940	11,691
LOSSES FROM TRADING SECURITIES	(2,793)	(2,602)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(6,365)	(1,920)
INCOME BEFORE TAXES	**34,270**	**62,836**
INCOME TAXES	(4,958)	(26,145)
NET INCOME FOR THE PERIOD INCLUDING MINORITY INTERESTS	**29,312**	**36,691**
- NET INCOME OF MINORITY SHAREHOLDERS	(9,838)	(19,397)
- NET INCOME OF THE GROUP	**19,474**	**17,294**

CIR GROUP – NET FINANCIAL POSITION

(in thousands of euro)

		31.03.2009	*31.12.2008*	*31.03.2008*
A.	Cash and bank deposits	493,100	616,363	654,697
B.	Other cash and cash equivalents	174,426	217,420	323,722
C.	Securities held for trading	230,001	513,362	296,472
D.	**Cash and cash equivalents (A) + (B) + (C)**	897,527	1,347,145	1,274,891
E.	**Current financial receivables**	198,420	175,721	19,914
F.	Current bank borrowings	(319,409)	(223,754)	(224,992)
G.	Bonds and notes issued	(2,799)	(347,445)	(387,445)
H.	Current part of non-current debt	(87,927)	(87,963)	(76,108)
I.	Other current borrowings	(8)	(71)	(18)
J.	**Current financial debt (F) + (G) + (H) + (I)**	(410,143)	(659,233)	(688,563)
K.	**Current net financial position (J) + (E) + (D)**	685,804	863,633	606,242
L.	Non-current bank borrowings	(1,486,848)	(1,498,298)	(1,244,603)
M.	Bonds and notes issued	(882,682)	(895,458)	(767,262)
N.	Other non-current payables	(153,271)	(155,317)	(125,371)
O.	**Non-current financial debt (L) + (M) + (N)**	(2,522,801)	(2,549,073)	(2,137,236)
P.	**Net financial position (K) + (O)**	(1,836,997)	(1,685,440)	(1,530,994)