



PRESS RELEASE

Annual General Meeting of the Shareholders and Board of Directors Meeting

CIR: SHAREHOLDERS MEETING APPROVES ANNUAL REPORT 2009

Turin, April 30 2010 – The **Annual General Meeting of the Shareholders** of **CIR-Compagnie Industriali Riunite SpA** met today in Turin under the chairmanship of **Stefano Micossi**.

Approval of Annual Report and Financial Statements for 2009

In its ordinary session, the Shareholders Meeting **approved the Statutory Financial Statements** and **examined the Consolidated Financial Statements** of the group for **financial year 2009**.

The CIR group closed 2009 with **consolidated net income** of **143.4 million euro**, **up** from 95.5 million euro in 2008 (+50.2%). The rise was due above all to the **significant improvement** in the result of the **financial activities** of the group (a positive 47.3 million euro versus a negative figure of 32.3 million euro in 2008), which benefited from the **recovery of the markets**. The net result also contained the **positive contribution of the operating companies**, totalling 32.7 million euro, and realized non-recurring gains of 63.4 million euro (64.2 million euro in 2008). The performance of revenues (4,266.8 million euro, down by 9.7% on 2008) and the gross operating margin (294.6 million euro, down by 36.2%), however, reflects the repercussions of the deep economic recession on the main operating subsidiaries, despite the growth reported by the healthcare businesses (KOS, new name of the former Holding Sanità e Servizi). The parent company of the group CIR SpA closed financial year 2009 with a loss of 2 million euro, compared to earnings of 33.3 million euro in 2008.

The Shareholders adopted the proposal of the Board of Directors that **no dividends be distributed** for the year 2009 in order to **strengthen the capital structure of the company further**, giving it greater resources to support business development.

Authorization to buy back own shares and approval of the stock option plan

The Shareholders' Meeting then renewed for a period of 18 months the authorization of the Board of Directors to buy back a maximum of 30 million of the company's own shares, with a maximum disbursement limit of 50 million euro, at a unit price that must not be more than 10% higher or lower than the closing price recorded by the shares on the trading day preceding that of each individual transaction.

The main reasons why this authorization has been renewed are, on the one hand, the possibility of investing in the shares of the company at prices below their effective value based on the size of the company's equity and on its income prospects and, on the other hand, the possibility of reducing the average cost of capital for the company. As of today CIR is holding 43,074,000 of its own shares, corresponding to 5.44% of share capital.

In accordance with the terms of paragraph 4, Art. 144.bis of the Rules for Issuers, in relation to the outcome of the program of purchase/sale of own shares approved by the Shareholders Meeting held on April 30 2009, it should be noted that in the period under examination there were no purchases or sales of own shares by the company.

The Shareholders also approved a stock option plan for 2010 for executives of the company, its subsidiaries and its parent company, for a maximum of 8,300,000 options.

Extraordinary session

In its extraordinary session, the Shareholders Meeting approved the proposal that the authorization of the Board of Directors to issue convertible bonds or bonds with warrants attached, as permitted by law, be supplemented to also include bonds as above without the option right. The reason for the extension of this authorization, put forward by the Board of Directors, was to be able to take advantage of any future opportunities to raise funds at advantageous conditions, given the growing interest of the market for investment in convertible instruments.

Board of Directors Meeting

After the Shareholders Meeting, on the basis of the authorization received from the Shareholders, the Board of Directors approved a capital increase of a total of 8,150,000 shares to service stock option plan 2010.

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