



PRESS RELEASE

Board of Directors approves results for financial year 2009

CIR GROUP: NET INCOME AT 143.4 MILLION

The increase compared to 2008 was due mainly to the recovery of the financial markets.

Financial structure strengthened at holding level:

aggregate net financial surplus at 121.6 million euro (44.2 million at the end of 2008)

Revenues and margins lower due to the impact of the recession on the main subsidiaries of the group, but KOS (healthcare) showed growth. Thanks to the management action taken, the group recouped profitability during the year

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

Consolidated Results of financial year 2009

- **Revenues: € 4,266.8 million (-9.7% from € 4,727 million in 2008)**
- **EBITDA: € 294.6 million (-36.2% from € 461.5 million in 2008)**
- **Net income: € 143.4 million (+50.2% from € 95.5 million in 2008)**
- **Aggregate net financial surplus: € 121.6 million (€ 44.2 million at 31/12/2008)**
- **Net financial debt: € 1,801.1 million (1,685.4 million at 31/12/2008)**

Milan, March 11 2010 – The **Board of Directors of CIR-Compagnie Industriali Riunite SpA**, which met today under the chairmanship of **Stefano Micossi**, approved the **proposed statutory financial statements** and the **consolidated financial statements of the group for financial year 2009**.

Performance of operations

The CIR group closed 2009 with **consolidated net income** of **143.4 million euro**, **up** by over **50%** compared to 2008. The rise was due especially to the **significant improvement** in the result of the **financial activities** of the group (a gain of 47.3 million euro compared to a loss of 32.3 million euro in 2008), which benefited from the **recovery of the markets**.

The net result was also determined by the **positive contribution of the operating companies**, amounting to 32.7 million euro, and by realized non-recurring gains of 63.4 million euro (64.2 million euro in 2008). However the performance of revenues and the gross operating margin reflect the repercussions of the deep economic recession on the main operating subsidiaries, despite the growth reported by activities in the healthcare sector (KOS, the new name of the former Holding Sanità e Servizi).

*“The rise in net earnings obtained by the CIR group in such an extraordinarily difficult year as 2009 - commented **Rodolfo De Benedetti**, **Chief Executive Officer of CIR** – confirms the validity of our strategy of investing in a balanced portfolio of businesses over the long term.*

During the year we pursued and intensified the action started in the second half of 2008 to counter the effects of the economic downturn rapidly. In particular, we cut costs to adjust them to the new levels of business and we put in place new business development initiatives. The management of the subsidiaries showed great competence in dealing with complex situations. The road we have been following in these last 18 months is enabling all the companies of our group to face up to the currently uncertain economic climate in conditions of solidity and with a better competitive positioning.”

Consolidated results

The CIR group is active in **five business sectors**: energy (Sorgenia), media (Espresso), automotive components (Sogefi), healthcare (KOS), and financial services (Jupiter Finance).

Consolidated revenues of the CIR group in 2009 amounted to **4,266.8 million** euro, down from 4,727 million euro in 2008 (**-9.7%**).

The **consolidated gross operating margin (EBITDA)** was **294.6 million** euro (6.9% of revenues), down from 461.5 million euro in 2008 (**-36.2%**). The **consolidated operating result (EBIT)** came in at **148 million** euro (3.5% of revenues), down from 320.1 million euro in 2008. The decline in the consolidated operating results was due essentially to lower revenues, to the restructuring costs incurred by Espresso and Sogefi and to the lower margins of Sorgenia.

The financial management result was a positive 37.1 million euro (negative for 44.2 million euro in 2008). The improvement compared to 2008 was due essentially to lower net financial expense (104.1 million euro versus 129.7 million) and to positive adjustments to the value of financial assets (12.2 million euro compared with a negative figure of 58 million euro in the previous period).

The **consolidated net income** of the CIR group in 2009 came in at **143.4 million** euro, up from 95.5 million in 2008 (**+50.2%**). The growth in earnings was due to the significant improvement in the result of financial activities, a positive 47.3 million euro compared to a negative figure of 32.3 million euro in 2008. The contribution of financial activities benefited from the recovery of the markets, which determined a rise of approximately 42 million euro in the value of the securities in the portfolio. Another benefit came from the further disinvestment from Medinvest, which led to the realization of capital gains of approximately 44 million euro. The net result of the group also contained the contribution of the operating companies (32.7 million euro, down from 63.6 million euro in 2008) and net non-recurring gains of 63.4 million euro (64.2 million euro in 2008), resulting mainly from the subscription by the shareholder Verbund of a capital increase in Sorgenia.

The **net financial debt** of the CIR group stood at **1,801.1 million** euro at December 31 2009, compared to 1,728.1 million euro at September 30 2009 and 1,685.4 million euro at December 31 2008.

The consolidated net debt figure was the result of the following:

- An **aggregate net financial surplus at holding level** of **121.6 million** euro. The rise from 44.2 million euro at December 31 2008 was due mainly to tax credits from prior periods paid out by the Inland Revenue Office (29.9 million euro), to the receipt of dividends (9.3 million euro) and to the positive fair value adjustment of securities in the portfolio (44 million euro);
- **Total net debt of the operating companies** totalling **1,922.7 million** euro, up from 1,729.6 million euro at December 31 2008. The rise, which was caused essentially by Sorgenia's investments in new production capacity, was partly offset by the reduction in the debt of Sogefi (87 million euro) and Espresso (70.7 million euro).

The net financial position includes CIR's investment in the shares of hedge funds held by Medinvest (79.8 million euro). In 2009 the performance of this investment was positive (+9.8%).

In November 2009, the shares of hedge funds held by Medinvest were concentrated in the company CIR International, as part of a process of simplifying international assets at holding level.

Total consolidated equity at December 31 2009 stood at **2,332.3 million** euro, up from 2,078.9 million euro at December 31 2008. The **group's equity** amounted to **1.396,7 million** euro, up from 1,264.9 million euro at December 31 2008.

At December 31 2009 the CIR group had **12,746 employees** (12,969 at December 31 2008).

Industrial businesses

Energy: Sorgenia

In an extremely difficult market environment due to the economic recession and the resulting sharp fall both in demand for energy and in prices in the sector, **Sorgenia's** revenues and margins in the electricity business substantially held up in 2009, thanks to a rise in electricity sales volumes (approximately 10.2 TWh) and to the integration of generation and sales, which enabled the company to limit its exposure to price fluctuations on the Electricity Exchange. Sales volumes and margins of the gas business, however, were lower, albeit less than the market. The repercussions of the negative trend of the economy also led to greater provisions being set aside on client receivables. As far as the business plan is concerned, between the end of 2009 and the beginning of 2010 the Modugno combined cycle CCGT plant, with an output of approximately 800 MW, started operating. And in wind generating, during 2009 the 39 MW wind park at San Gregorio Magno (SA) and the 12 MW park at Plainchamp (France) also started operating.

In 2009, Sorgenia reported **revenues** of **2,325.8 million** euro, which were **down by 4.4%** from 2,432 million euro in 2008. **EBITDA** came in at **117.8 million** euro, **substantially holding up** from the previous year **net of non-recurring items**. The decline from 189.6 million euro in 2008 was in fact due mainly to the following extraordinary items which had been present the previous year: the receipt of penalties for the late delivery of the Modugno power plant (27 million euro) and contingent gains relating to prior periods (15 million euro). Compared to the previous year, 2009 was also affected by a negative differential of approximately 21 million euro on the fair value adjustment of "differential contracts" with the Sole Purchaser (Acquirente unico). Consolidated **net income** came in at **66.9 million** euro, compared to 66.7 million in 2008 (**+0.3%**), partly thanks to a tax benefit relating to investments in new production capacity.

Media: Espresso Group

The results of the **Espresso** group in 2009 were impacted by the deep crisis that affected the economy and the market in which the group operates. The economic recession caused a significant contraction in the amount of advertising collected: according to a Nielsen Media Research survey, advertising investment fell by 13.4% and the decline affected practically all media, albeit with a varying intensity.

The **revenues** of the group at December 31 2009 came in at **886.6 million** euro, posting a **decline of 13.5%** compared to the previous year (1,025.5 million euro). Circulation revenues, excluding optional products, came to 274.2 million euro, holding up well (-0.8% on 2008). The circulation revenues of *la Repubblica* in particular actually showed a positive trend (+1.4%). Advertising revenues, at 496.9 million euro, posted a decline of 18.3%, while the revenues from optional products went down by 12.4% to 100.6 million euro. Operating costs were reduced by 11.9%, with savings of 97.6 million di euro resulting from the company reorganization plan which, when fully up and running, should give a reduction of 140 million euro. **EBITDA** came in at **106.7 million** euro and **was down by 25.2%** on 2008 (142.5 million euro). **Net income** was **5.8 million** euro (20.6 million euro in 2008).

Automotive components: Sogefi

In 2009 **Sogefi**, European leader in the production of filters and suspension components, suffered the effects of an unprecedented contraction in the vehicle production of mature markets. The crisis in the financial markets and the resulting slowdown of the world economy particularly dampened demand for new vehicles. In Europe, the main market of the Sogefi group, the decline in production was 18% for cars and over 60% for industrial vehicles. From the beginning of the crisis in the sector, Sogefi has acted rapidly and effectively to limit this impact. The actions undertaken were the following: a structural reduction of cost factors, the reorganization of production facilities, the enhancement of centres of competence and service (research, development and purchasing), product and process innovation, and cash flow generation by managing working capital and focusing investments.

Revenues came in at **781 million** euro and were down by **23.2%** from 1,017.5 million euro in 2008. **EBITDA**, after restructuring costs of 17.2 million euro, came to **47.2 million** euro, down from 104.9 million in 2008 (**-55%**). The **net result** was a **negative 7.6 million** euro, compared to earnings of 28.5 million euro in the previous year. Thanks to the action undertaken, the company has recouped profitability and returned to profit already in the third quarter.

Healthcare: KOS

In 2009 **KOS** consolidated its position in the Italian market, especially in the care-home sector (managing nursing homes for the non self-sufficient elderly) and in the healthcare sector (managing hospitals and rehabilitation centres). During the year KOS continued in its growth strategy with the acquisition of two nursing homes in the Marche and in Piedmont. At the beginning of 2010 the company further strengthened its position in nursing homes and rehabilitation with two acquisitions in Lombardy and the Marche respectively, after which it has now reached 5,555 beds in operation. To these should be added a further 388 under construction.

In 2009, the KOS group reported **revenues** of **273.4 million** euro, **up by 11%** on 2008 (246.3 million), thanks to the development of all area of the business and to the new acquisitions made during the year. **EBITDA** came in at **33 million** euro, **up by 14.9%** compared to 2008 (28.7 million euro). The company closed 2009 with a consolidated net result of break-even (-0.4 million euro excluding minority interests), compared to a loss of 1.2 million euro in 2008 (-1.5 million euro excluding minority interests). The net result was affected by non-recurring costs of 3.3 million euro due, apart from provisions and write-downs, to a corporate reorganization that in the future will make it possible to further improve the efficiency of the company.

Financial services: Jupiter and other businesses

In the financial services sector, the CIR group is present with the company **Jupiter Finance** and other minor businesses. Jupiter Finance operates in the sector of non-performing loans. At December 31 2009 the gross book value of the loans under management amounted to approximately 2.2 billion euro. Approximately 60% of the portfolio was acquired through securitization vehicles, while the remaining 40% is managed on behalf of other investors. CIR is also a shareholder of Ktesios and Pepper, companies of the KTP Finance group active in the sector of loans secured on one fifth of borrowers' salaries and in servicing on behalf of mortgage originators respectively. CIR's remaining investment in the KTP group, following a value adjustment of 16 million euro made during the year, amounted to 4 million euro.

Performance of the parent company of the group

The **parent company CIR SpA** closed financial year 2009 with a net loss of **2 million** euro (net income of 33.3 million euro in 2008), caused by the reduction of the dividend flow from the subsidiaries. **Shareholders' equity** stood at **979.7 million** euro at December 31 2009, up from 974.5 million euro at December 31 2008.

Outlook for the year 2010

The performance of operations of the CIR 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. The automotive components sector 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 yet – energy consumption and the advertising market. Moreover, for 2010 at present no non-recurring income like that of the previous two years can be predicted.

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 dividend 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 Shareholders' Meeting (AGM) 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 50 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.

As of today CIR is holding 43,074,000 ordinary shares, corresponding to 5.44% of share capital.

Stock option plans and powers to the Board of Directors

The Board of Directors voted to put before the Shareholders' Meeting a stock option plan for 2010 aimed at executives of the company, its subsidiaries and its parent company for a maximum of 8,300,000 options.

The Board will also put before the Shareholders, at an extraordinary meeting of the same, the proposal that an addition be made to the Board's authorization to issue convertible bonds or bonds with warrants attached within the limits of the law, even with the exclusion of the option right.

Significant events which have taken place since December 31 2009

On February 23 2010 the first hearing was held in Milan of the civil appeal proceedings of the "Lodo Mondadori" case. On October 3 2009 the Court of Milan in its first degree hearing upheld the right of CIR to compensation from Fininvest, for patrimonial damages, for the sum of approximately 750 million euro. Following this ruling, Fininvest delivered to CIR a guarantee at the first request for an amount of 806 million euro of the payment should the ruling of the Court of Appeal confirm this payment as being due to CIR.

Bonds maturing in the 24 months following December 31 2009

The company, which has a BB rating with a stable outlook issued by Standard&Poor's, has the following bond maturity in the 24 months following December 31 2009. The bond was issued by the subsidiary CIR International SA with the guarantee of CIR SpA:

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

Conference call

The results of financial year 2009 will be illustrated today at 4.30 pm CET by the **Chief Executive Officer of CIR, Rodolfo De Benedetti**, in a conference call. Journalists can follow the presentation on the phone, in listen-only mode by dialling +39 0683360400, or in a webcast on the website www.cirgroup.com.

The executive responsible for the preparation of the company's financial statements, Alberto Piaser, 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.

Contacts:

CIR Group Communication Department

Salvatore Ricco

Francesca Sagramoso

Tel.: +39 02 722701

e-mail: infostampa@cirgroup.com

www.cirgroup.com

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 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 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).
- **Aggregate net financial surplus:** an indicator of the financial structure of CIR and its financial subsidiaries; 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).

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

CIR GROUP

1. CONSOLIDATED BALANCE SHEET		
<i>(in thousands of euro)</i>		
ASSETS	31:12:2009	31:12:2008
NON-CURRENT ASSETS	4,286,823	3,804,558
INTANGIBLE ASSETS	1,316,903	1,264,499
TANGIBLE ASSETS	2,187,369	1,789,985
INVESTMENT PROPERTY	18,115	18,687
INVESTMENTS IN COMPANIES CONSOLIDATED AT EQUITY	275,899	282,824
OTHER EQUITY INVESTMENTS	9,629	9,682
OTHER RECEIVABLES	207,899	236,147
<i>of which with related parties (*)</i>	4,480	20,734
SECURITIES	83,051	84,633
DEFERRED TAXES	187,958	118,101
CURRENT ASSETS	2,363,327	3,168,534
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	201,618	363,753
<i>of which with related parties (*)</i>	1,727	151,288
FINANCIAL RECEIVABLES	27,229	25,721
SECURITIES	278,548	513,362
AVAILABLE-FOR-SALE FINANCIAL ASSETS	104,967	217,420
CASH AND CASH EQUIVALENTS	549,321	616,363
ASSETS HELD FOR DISPOSAL	700	653
TOTAL ASSETS	6,650,850	6,973,745
LIABILITIES AND SHAREHOLDERS' EQUITY		
	31:12:2009	31:12:2008
SHAREHOLDERS' EQUITY	2,332,335	2,078,888
ISSUED CAPITAL	396,059	395,588
less OWN SHARES	(21,537)	(21,487)
SHARE CAPITAL	374,522	374,101
RESERVES	295,983	307,856
RETAINED EARNINGS (LOSSES)	582,818	487,448
NET INCOME FOR THE YEAR	143,432	95,444
SHAREHOLDERS' EQUITY OF THE GROUP	1,396,755	1,264,849
MINORITY SHAREHOLDERS' EQUITY	935,580	814,039
NON-CURRENT LIABILITIES	2,958,552	2,931,482
BONDS AND NOTES	718,262	895,458
OTHER BORROWINGS	1,843,359	1,653,615
OTHER PAYABLES	1,177	3,333
<i>of which with related parties (*)</i>	69	69
DEFERRED TAXES	181,489	174,903
PERSONNEL PROVISIONS	137,346	147,482
PROVISIONS FOR RISKS AND LOSSES	76,919	56,691
CURRENT LIABILITIES	1,359,963	1,963,375
BANK OVERDRAFTS	66,290	164,801
BONDS AND NOTES	731	347,445
OTHER BORROWINGS	132,499	146,987
<i>of which from related parties (*)</i>	2	71
TRADE PAYABLES	836,587	946,989
<i>of which to related parties (*)</i>	28,649	22,089
OTHER PAYABLES	228,178	277,153
PROVISIONS FOR RISKS AND LOSSES	95,678	80,000
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,650,850	6,973,745

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

2. CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

	2009		2008
SALES REVENUES	4,266,865		4,726,999
<i>of which from related parties (*)</i>		490	
CHANGE IN INVENTORIES	(14,150)		953
COSTS FOR THE PURCHASE OF GOODS	(2,554,020)		(2,852,871)
<i>of which from related parties (*)</i>		--	
COSTS FOR SERVICES	(744,104)		(782,395)
<i>of which from related parties (*)</i>	(1,531)	(2,094)	
PERSONNEL COSTS	(664,835)		(687,664)
OTHER OPERATING INCOME	104,317		137,679
<i>of which from related parties (*)</i>	1,295	548	
OTHER OPERATING COSTS	(139,110)		(130,475)
ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY	39,679		49,286
AMORTIZATION, DEPRECIATION AND WRITEDOWNS	(146,651)		(141,373)
INCOME BEFORE FINANCIAL ITEMS AND IMPOSTE (E B I T)	147,991		320,139
FINANCIAL INCOME	53,823		69,104
<i>of which from related parties (*)</i>	10,426	11,244	
FINANCIAL EXPENSE	(157,896)		(198,829)
<i>of which with related parties (*)</i>	(10,201)	(10,112)	
DIVIDENDS	587		310
GAINS FROM TRADING SECURITIES	151,518		218,589
LOSSES FROM TRADING SECURITIES	(6,936)		(21,343)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(4,008)		(112,093)
INCOME BEFORE TAXES	185,079		275,877
INCOME TAXES	4,334		(98,808)
INCOME BEFORE TAXES FROM OPERATING ACTIVITY	189,413		177,069
INCOME/(LOSS) FROM ASSETS HELD FOR DISPOSAL	--		--
NET INCOME FOR THE YEAR INCLUDING MINORITY INTERESTS	189,413		177,069
- NET INCOME OF MINORITY SHAREHOLDERS	(45,981)		(81,625)
- NET INCOME OF THE GROUP	143,432		95,444
BASIC EARNINGS PER SHARE (in euro)	0.1917		0.1275
DILUTED EARNINGS PER SHARE (in euro)	0.1917		0.1275

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

3. CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euro)

	2009	2008
OPERATING ACTIVITY		
NET INCOME FOR THE YEAR INCLUDING MINORITY INTERESTS	189,413	177,069
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION & WRITEDOWNS	146,651	141,373
SHARE OF THE RESULT OF COMPANIES CONSOLIDATED AT EQUITY	(39,679)	(49,286)
ACTUARIAL VALUATION OF STOCK OPTION PLANS	10,598	8,344
CHANGE IN PERSONNEL PROVISIONS & PROVISIONS FOR RISKS & LOSSES	25,770	20,149
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	4,008	112,093
CAPITAL GAIN ON SUBSCRIPTION OF CAPITAL INCREASES BY MINORITY SHAREHOLDERS	(76,735)	(117,810)
CAPITAL GAINS ON SALE OF SECURITIES	(67,847)	(75,803)
INCREASE (REDUCTION) IN NON-CURRENT RECEIVABLES AND PAYABLES	(37,226)	(1,895)
(INCREASE) REDUCTION IN NET WORKING CAPITAL	83,029	(275,080)
OTHER CHANGES	51,601	50,382
CASH FLOW FROM OPERATING ACTIVITY	289,583	(10,464)
of which:		
- interest received (paid out)	(62,518)	(124,900)
- income tax payments	(70,756)	(75,761)
INVESTMENT ACTIVITY		
(PURCHASE) SALE OF SECURITIES	369,039	(189,782)
PURCHASE OF FIXED ASSETS	(625,009)	(471,769)
CASH FLOW FROM INVESTMENT ACTIVITY	(255,970)	(661,551)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	187,851	274,006
OTHER CHANGES IN SHAREHOLDERS' EQUITY	32,713	(56,145)
DRAWDOWN/(REPAYMENT) OF OTHER BORROWINGS	(200,162)	433,688
FINANCIAL RECEIVABLES WITH JOINTLY CONTROLLED COMPANIES	--	42,499
BUYBACK OF OWN SHARES	(1,160)	(16,770)
DIVIDENDS PAID OUT	(21,386)	(155,796)
CASH FLOW FROM FUNDING ACTIVITY	(2,144)	521,482
INCREASE (REDUCTION) IN NET CASH AND CASH EQUIVALENTS	31,469	(150,533)
NET CASH AND CASH EQUIVALENTS AT START OF PERIOD	451,652	602,095
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	483,121	451,562

4. STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands of euro)	Attributable to shareholders of the parent company							Minority interests	Total
	Issued capital	less own shares	Share capital	Reserves	Retained earnings(losses)	Net income (losses) for year	Total		
BALANCE AT DECEMBER 31 2007	395,466	(19,822)	375,644	412,983	448,674	82,580	1,319,881	721,912	2,041,793
Capital increases	122	--	122	243	--	--	365	273,641	274,006
Dividends to Shareholders	--	--	--	--	--	(37,410)	(37,410)	(118,386)	(155,796)
Retained earnings	--	--	--	--	45,170	(45,170)	--	--	--
Unclaimed dividends as per Art. 23 of Bylaws	--	--	--	13	--	--	13	--	13
Fair value measurement of hedging instruments	--	--	--	(6,169)	--	--	(6,169)	(5,158)	(11,327)
Fair value measurement of securities	--	--	--	(54,525)	--	--	(54,525)	(34)	(54,559)
Securities fair value reserve recognized to income statement	--	--	--	(53,073)	--	--	(53,073)	365	(52,708)
Adjustment for own share transactions	--	(1,665)	(1,665)	1,665	(6,396)	--	(6,396)	--	(6,396)
Notional recognition of stock options	--	--	--	905	--	--	905	--	905
Effects of equity changes in subsidiaries	--	--	--	(865)	--	--	(865)	(131,185)	(132,050)
Currency translation differences	--	--	--	6,679	--	--	6,679	(8,741)	(2,062)
Net income for the year	--	--	--	--	--	95,444	95,444	81,625	177,069
BALANCE AT DECEMBER 31 2008	395,588	(21,487)	374,101	307,856	487,448	95,444	1,264,849	814,039	2,078,888
Capital increases	471	--	471	528	--	--	999	186,852	187,851
Dividends to Shareholders	--	--	--	--	--	--	--	(21,386)	(21,386)
Retained earnings	--	--	--	--	95,444	(95,444)	--	--	--
Unclaimed dividends as per Art. 23 of Bylaws	--	--	--	14	--	--	14	--	14
Fair value measurement of hedging instruments	--	--	--	(433)	--	--	(433)	(736)	(1,169)
Fair value measurement of securities	--	--	--	7,670	--	--	7,670	(444)	7,226
Securities fair value reserve recognized to income statement	--	--	--	(38,918)	--	--	(38,918)	--	(38,918)
Adjustment for own share transactions	--	(50)	(50)	50	(74)	--	(74)	--	(74)
Notional recognition of stock options	--	--	--	5,455	--	--	5,455	--	5,455
Effects of equity changes in subsidiaries	--	--	--	1,508	--	--	1,508	(94,135)	(92,627)
Currency translation differences	--	--	--	12,253	--	--	12,253	5,409	17,662
Net income for the year	--	--	--	--	--	143,432	143,432	45,981	189,413
BALANCE AT DECEMBER 31 2009	396,059	(21,537)	374,522	295,983	582,818	143,432	1,396,755	935,580	2,332,335

CIR SPA

1. BALANCE SHEET					
<i>(in euro)</i>					
ASSETS	%(**)	31:12:2009	%(**)	31:12:2008	
NON-CURRENT ASSETS		1,012,090,877		1,041,152,254	
INTANGIBLE ASSETS		213,639		191,477	
TANGIBLE ASSETS		3,018,487		3,176,710	
INVESTMENT PROPERTY		18,114,599		18,686,421	
EQUITY INVESTMENTS		856,680,271		1,017,990,864	
MISCELLANEOUS RECEIVABLES		133,296,990		24,200	
<i>of which with related parties (*)</i>	133,272,790	100.0	--	--	
DEFERRED TAXES		766,891		1,082,582	
CURRENT ASSETS		307,202,505		293,334,311	
MISCELLANEOUS RECEIVABLES		31,587,092		54,469,830	
<i>of which with related parties (*)</i>	1,155,601	3.7	--	7,827,661	14.4
FINANCIAL RECEIVABLES		1,418,000		--	
SECURITIES		101,584,046		226,547,842	
CASH AND CASH EQUIVALENTS		172,613,367		12,316,639	
TOTAL ASSETS		1,319,293,382		1,334,486,565	
LIABILITIES AND SHAREHOLDERS' EQUITY					
	%(**)	31:12:2009	%(**)	31:12:2008	
SHAREHOLDERS' EQUITY		979,692,382		974,501,436	
ISSUED CAPITAL		396,058,634		395,587,634	
less OWN SHARES		(21,537,000)		(21,487,000)	
SHARE CAPITAL		374,521,634		374,100,634	
RESERVES		352,819,129		345,985,148	
RETAINED EARNINGS / (LOSSES)		254,341,399		221,164,387	
NET INCOME FOR THE YEAR		(1,989,780)		33,251,267	
NON-CURRENT LIABILITIES		298,032,340		298,631,544	
BONDS AND NOTES		296,168,462		295,982,153	
DEFERRED TAXES		298,460		--	
PERSONNEL PROVISIONS		1,565,418		2,649,391	
CURRENT LIABILITIES		41,568,660		61,353,585	
OTHER PAYABLES		27,428,028		11,306,639	
<i>of which with related parties (*)</i>	12,961,083	47.3	5,456,508	48.3	
PROVISIONS FOR RISKS AND LOSSES		14,140,632		50,046,946	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,319,293,382		1,334,486,565	
(*) As per Consob resolution no. 6064293 of July 28 2006					
(**) Percentage of the whole					

2. INCOME STATEMENT					
<i>(in euro)</i>					
		%(**)	2009	%(**)	2008
SUNDRY REVENUES AND INCOME			7,139,502		7,053,387
<i>of which from related parties (*)</i>	5,729,000	80.2		5,916,115	83.9
COSTS FOR SERVICES			(14,771,383)		(11,036,154)
<i>of which from related parties (*)</i>	(1,805,000)	12.2		(2,280,000)	20.7
PERSONNEL COSTS			(9,202,151)		(5,086,680)
OTHER OPERATING COSTS			(2,138,073)		(37,921,421)
AMORTIZATION, DEPRECIATION AND WRITEDOWNS			(865,553)		(866,662)
OPERATING RESULT			(19,837,658)		(47,857,530)
FINANCIAL INCOME			10,207,930		9,252,266
<i>of which from related parties (*)</i>	3,302,156	32.3		266,261	2.9
FINANCIAL EXPENSE			(17,533,720)		(17,871,672)
<i>of which with related parties (*)</i>	--			(208,591)	1.2
DIVIDENDS			11,392,025		138,738,023
<i>of which from related parties (*)</i>	11,361,610	99.7		138,689,930	100.0
GAINS FROM TRADING SECURITIES			6,910,176		253,220
LOSSES FROM TRADING SECURITIES			(942,498)		(2,396,079)
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS			2,527,965		(54,721,218)
INCOME / (LOSS) BEFORE TAXES			(7,275,780)		25,397,010
INCOME TAXES			5,286,000		7,854,257
NET INCOME FOR THE YEAR			(1,989,780)		33,251,267
BASIC EARNINGS PER SHARE (in euro)			(0.0027)		0.0444
DILUTED EARNINGS PER SHARE (in euro)			(0.0027)		0.0444
(*) As per Consob resolution no. 6064293 of July 28 2006					
(**) Percentage of the whole					

3. CASH FLOW STATEMENT		
<i>(in euro)</i>		
	2009	2008
OPERATING ACTIVITY		
NET INCOME FOR THE YEAR	(1,989,780)	33,251,267
ADJUSTMENTS:		
AMORTIZATION, DEPRECIATION AND WRITEDOWNS	865,553	866,662
LOSSES/(GAINS) ON SALE OF EQUITY INVESTMENTS AND CURRENT SECURITIES	(4,630,177)	2,142,858
ACTUARIAL VALUATION OF STOCK OPTION PLANS	4,324,835	354,229
PROVISIONS MADE TO LEAVING INDEMNITY FUND (TFR)	287,329	263,683
ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	(2,527,965)	54,721,218
(INCREASE) REDUCTION IN NET WORKING CAPITAL	35,896,586	41,893,107
<i>of which with related parties</i>	<i>10,903,845</i>	<i>(7,328,471)</i>
CASH FLOW FROM OPERATING ACTIVITY	32,226,381	133,493,024
of which:		
- interest received (paid out)	4,677,352	(15,368,371)
- dividends received	10,582,025	138,738,023
- inflows (outflows) as payment of income taxes *	8,342,358	24,849,027
INVESTMENT ACTIVITY		
(PURCHASE)/SALE OF CURRENT SECURITIES	128,061,387	(126,925,421)
(PURCHASE)/SALE OF FIXED ASSETS	129,325,474	(28,373,837)
CASH FLOW FROM INVESTMENT ACTIVITY	257,386,861	(155,299,258)
FUNDING ACTIVITY		
INFLOWS FROM CAPITAL INCREASES	999,389	365,308
PAYOUT OF LEAVING INDEMNITY	(241,648)	(274,943)
BUYBACK OF OWN SHARES	(74,255)	(6,396,015)
LOANS MADE TO SUBSIDIARIES	(130,000,000)	--
DIVIDENDS PAID OUT	--	(37,410,570)
CASH FLOW FROM FUNDING ACTIVITY	(129,316,514)	(43,716,220)
INCREASE (REDUCTION) IN NET CASH AND CASH EQUIVALENTS	160,296,728	(65,522,454)
NET CASH AND CASH EQUIVALENTS AT START OF PERIOD	12,316,639	77,839,093
NET CASH AND CASH EQUIVALENTS AT END OF PERIOD	172,613,367	12,316,639
* The amounts refer to current tax assets received from taking part in the tax consolidation		

4. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY							
<i>(in euro)</i>	<i>Issued capital</i>	<i>less own shares</i>	<i>Share capital</i>	<i>Reserves</i>	<i>Retained earnings (losses)</i>	<i>Net income for the year</i>	<i>Total</i>
BALANCE AT DECEMBER 31 2007	395,465,334	(19,822,000)	375,643,334	343,159,102	185,051,374	79,919,598	983,773,408
Capital increases	122,300	--	122,300	243,008	--	--	365,308
Dividends to Shareholders	--	--	--	--	--	(37,410,570)	(37,410,570)
Net income allocated to reserve	--	--	--	--	42,509,028	(42,509,028)	--
Unclaimed dividends as per Art. 23 of the Bylaws	--	--	--	12,451	--	--	12,451
Adjustment for own share transactions	--	(1,665,000)	(1,665,000)	1,665,000	(6,396,015)	--	(6,396,015)
Notional recognition of stock options	--	--	--	905,587	--	--	905,587
Result for the year	--	--	--	--	--	33,251,267	33,251,267
BALANCE AT DECEMBER 31 2008	395,587,634	(21,487,000)	374,100,634	345,985,148	221,164,387	33,251,267	974,501,436
Capital increases	471,000	--	471,000	528,389	--	--	999,389
Dividends to Shareholders	--	--	--	--	--	--	--
Net income allocated to reserve	--	--	--	--	33,251,267	(33,251,267)	--
Unclaimed dividends as per Art. 23 of the Bylaws	--	--	--	14,253	--	--	14,253
Fair value measurement of hedging instruments	--	--	--	786,851	--	--	786,851
Adjustment for own share transactions	--	(50,000)	(50,000)	50,000	(74,255)	--	(74,255)
Notional recognition of stock options	--	--	--	5,454,488	--	--	5,454,488
Result for the year	--	--	--	--	--	(1,989,780)	(1,989,780)
BALANCE AT DECEMBER 31 2009	396,058,634	(21,537,000)	374,521,634	352,819,129	254,341,399	(1,989,780)	979,692,382