



## **PRESS RELEASE**

*Board of Directors examines results as of September 30 2009*

### **HSS (CIR GROUP): REVENUES AND MARGINS UP IN FIRST NINE MONTHS**

*More than 5,000 beds now in operation*

#### **Consolidated results for first nine months of 2009**

**Revenues: € 203.5 million (+13.1% from € 179.9 million in 9M 2008)**

**EBITDA: € 24.6 million (+16% from € 21.2 million in 9M 2008)**

**Net income: € 0.2 million (from € 1.1 million in 9M 2008)**

**Net debt: € 161.6 million (€ 160.9 million at June 30 2009)**

*Milan, October 15 2009* – The **Board of Directors** of **HSS-Holding Sanità e Servizi SpA** met today in Milan under the chairmanship of **Claudio Stabon** to examine the **consolidated results of the first nine months of 2009**.

#### **Performance of operations**

The HSS group closed the first **nine months** of 2009 with **double-figure growth in its revenues and gross operating margin** compared to the same period of 2008, despite the difficult general economic environment. During the period the group continued in its strategy of strengthening its operating subsidiaries and seeking new development opportunities to consolidate its presence in the private healthcare sector in Italy. Following the recent acquisition of two residences in Ancona and in the Cuneo area, HSS **now has more than 5,000 beds** operational and has **further strengthened** its position in the **area of managing residences for the elderly**.

Recalling the extraordinary professional and human contribution made by **Piero Micossi**, the chief executive of HSS who died prematurely at the beginning of August, the directors confirmed the development objectives of the company which will continue along the path followed in these last seven years.

#### **Consolidated results**

In the first nine months of 2009 the HSS group reported **consolidated revenues** of **203.5 million** euro, **up by 13.1%** compared to the same period of 2008 (179.9 million euro), thanks to the development of **all areas of the business**.

The **gross operating margin (EBITDA)** was **24.6 million** euro, **up by 16%** on the first nine months of 2008 (21.2 million euro). The group's share of the **consolidated net result** was a **positive** figure of **0.2 million** euro, down from 1.1 million euro in the corresponding period of 2008. This decline was due to non-



recurring costs of 1.9 million euro incurred in the third quarter. These costs, together with provisions set aside for risks and write-downs, were due to a reorganization of the company which will enable it to improve efficiency further in the future.

The consolidated **net financial debt** of the HSS group at September 30 2009 amounted to **161.6 million** euro, offsetting real estate properties with a carrying value of approximately 120 million euro. This figure is substantially in line with the group's net debt figure at June 30 2009 (160.9 million euro). The rise from 149.1 million euro at the close of 2008 was due mainly to the acquisitions made and to a change in working capital.

The group had **3,387 employees** at September 30 2009 (3,130 at December 31 2008).

### **Activities of the HSS group**

The **HSS group**, which today manages a total of **5,059 beds**, plus more than **368 under construction**, is **active in three sectors**:

- managing **residences for the elderly**, with **38 facilities** under management (3,832 beds in operation and 328 under construction);
- managing **hospitals and rehabilitation centres**, with **6 rehabilitation units** (in Lombardy, Emilia Romagna, Trentino and Marche), **8 psychiatric rehabilitation communities** (in Liguria, Piedmont and Lombardy) and **13 day hospitals**, for a total of 1,107 beds in operation and 40 beds under construction;
- managing a **hospital and high tech services** in hospitals, with **7 diagnostic imaging units**.

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*Below are the key figures from the reclassified income statement and balance sheet as of September 30 2009 of the HSS group (prepared in accordance with IAS/IFRS).*



**KEY CONSOLIDATED BALANCE SHEET FIGURES OF THE HOLDING SANITA' E SERVIZI GROUP**

	Sep. 30, 2009 (in euro/000)	Dec. 31, 2008 (in euro/000)
<b>NON-CURRENT ASSETS</b>	307,286	297,379
<b>CURRENT ASSETS</b>	113,708	110,972
<b>TOTAL ASSETS</b>	<b>420,994</b>	<b>408,351</b>
<b>SHAREHOLDERS' EQUITY</b>	139,899	140,698
- MINORITY SHAREHOLDERS' EQUITY	2,147	2,180
- <b>SHAREHOLDERS' EQUITY OF THE GROUP</b>	<b>137,752</b>	<b>138,518</b>
<b>NON-CURRENT LIABILITIES</b>	147,488	149,131
<b>CURRENT LIABILITIES</b>	133,607	118,522
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>420,994</b>	<b>408,351</b>
<b>NET FINANCIAL POSITION</b>	(161,637)	(149,097)

**CONSOLIDATED INCOME FIGURES OF THE HOLDING SANITA' E SERVIZI GROUP**

	Jan-Sep 2009 (in euro/000)	Jan-Sep 2008 (in euro/000)
<b>SALES REVENUES</b>	203,511	179,883
<b>GROSS OPERATING MARGIN (EBITDA)</b>	24,608	21,214
<b>OPERATING INCOME (EBIT)</b>	12,980	13,438
<b>PRE-TAX INCOME/(LOSS)</b>	6,614	6,003
<b>NET INCOME/(LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	506	1,373
- NET INCOME/(LOSS) OF MINORITY SHAREHOLDERS	333	218
- <b>NET INCOME/(LOSS) OF THE GROUP</b>	<b>173</b>	<b>1,155</b>