

PRESS RELEASE

**HOLDING SANITA' E SERVIZI SIGNS CONTRACT
FOR THE ACQUISITION OF 100% OF THE S. STEFANO GROUP.
THE SHAREHOLDERS OF S. STEFANO WILL ACQUIRE 11.5% OF HSS**

HOLDING SANITA' E SERVIZI (HSS), the group controlled by **CIR** that operates in the healthcare sector, has signed a contract for the acquisition of 100% of **S. STEFANO SpA**, the company that controls the business of the **S. STEFANO GROUP**, leader for the Marche region in rehabilitation both in hospital and out of hospital.

The **S. STEFANO GROUP** has been operating for over 40 years and has recently extended the scope of its business to residences for the non self-sufficient elderly. Today it manages a total of around 730 beds and in 2006 reported consolidated revenues of approximately 71 million euro, with an Ebitda of 10.2 million euro.

The total enterprise value of the deal is approximately 100 million euro, while its equity value is approximately 62 million euro, which will be funded with own resources and bank debt.

The deal, which is subject only to the usual authorization by the Antitrust Authorities, is expected to complete by the end of the summer of 2007. It will enable the **HSS GROUP** to strengthen its presence considerably in the rehabilitation sector and to reach, in just four years of business, a total turnover year-on-year of approximately 215 million euro (approx. 185 in 2007), with a total of 4,490 beds managed throughout the business, which as well as rehabilitation also includes hospital services, residences for the elderly and psychiatric residences.

The current shareholders of the **S. STEFANO GROUP**, through the company **S.STEFANO PARTECIPAZIONI s.s.**, will subscribe a capital increase in **HSS** for an amount of 21.1 million euro, thus acquiring a stake of 11.5% in **HSS**. Mario Ferraresi, Chairman of **S. STEFANO SpA**, will take the position of Deputy Chairman of **HSS**.

Piero Micossi, Chief Executive of **HOLDING SANITA' E SERVIZI**, said: "The acquisition of the **S. STEFANO Group** is an important step forward for **HSS** in its growth strategy in the Italian market for rehabilitation services."

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CONTACTS

CIR GROUP www.cirgroup.it
EXTERNAL RELATIONS
AND PRESS OFFICE
Beppe Pescetto
Francesca Sagramoso
Tel.: +39 02 722701
e-mail: infostampa@cirgroup.it