



## PRESS RELEASE

*Board of Directors approves results as of December 31 2009*

### **KOS (CIR GROUP): REVENUES AT 273.4 MILLION (+11%), EBITDA RISES TO 33 MILLION (+14.9%)**

*The company confirms its position as one of the principal operators in private healthcare in Italy, especially in the sectors of nursing homes, hospitals and rehabilitation centres, and high-tech services*

*More than 5,250 beds in operation after recent acquisitions*

#### Consolidated results for financial year 2009

**Revenues: € 273.4 million (+11% from € 246.3 million in 2008)**

**EBITDA: € 33 million (+14.9% from € 28.7 million in 2008)**

**Net result: break-even (negative for € 1.2 million in 2008)**

**Net debt: € 163.5 million (€ 149.1 million at December 31 2008)**

*Milan, February 25 2010* – The **Board of Directors** of KOS SpA (CIR group), which met today under the chairmanship of **Claudio Stabon**, approved the **proposed financial statements** for **financial year 2009**.

#### Performance of operations

The KOS group closed 2009 with **growth** in **revenues (+11%)** and **gross operating margin (+14.9%)** compared to 2008. In 2009 the company **consolidated its position in the Italian market**, particularly in the **long term care sector** (managing skilled nursing homes) 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. The **presence of the company in the rehabilitation area** was **strengthened further** in January 2010 thanks to a **new acquisition** made in the Marche region, after which the **number of beds** in operation topped **5,250**. To these should be added a further **388 under construction**.

#### Consolidated results

In 2009, the Kos group reported **consolidated revenues of 273.4 million** euro, with a rise of **11%** on 2008 (**246.3 million**), thanks to the development of all areas of the business and to the new acquisitions made during the year.

The **gross operating margin (EBITDA)** was **33 million** euro, **up by 14.9%** compared to 2008 (28.7 million euro). The company closed 2009 with a **consolidated net result** which **broke even** (-0.4 million euro excluding minority shareholders), compared to a loss of 1.2 million euro in 2008 (-1.5 million euro excluding minority shareholders). 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.

The **consolidated net debt** of the KOS group at December 31 2009 amounted to **163.5 million** euro (149.1 million at December 31 2008), offset by **owned property** with a **carrying value** of approximately **120 million** euro. This figure was substantially in line with the net debt of the group at September 30 2009 (161.6 million euro). The rise compared to the figure at the end of 2008 was due mainly to the acquisitions made during the year.

The KOS group had **3,421 employees** at December 31 2009 (3,130 at December 31 2008).

### **Activities of the KOS group**

The **KOS group**, which today manages a total of **5,258 beds**, plus another **388 under construction**, is **active in three sectors**:

- **RSAs (skilled nursing homes)**, with **38 care homes** under management (**3,836** beds in operation and 336 under construction);
- **Rehabilitation** (management of **hospitals and rehabilitation centres**), with **10 rehabilitation facilities** (in Lombardy, Emilia Romagna, Trentino and Marche), **9 psychiatric rehabilitation communities** (in Liguria, Piedmont and Lombardy) and **13 outpatient clinics**, for a total of **1,292** beds in operation and 52 beds under constructions;
- **Hospital management (hospitals and high-tech services in hospitals)**, with **one hospital** and **7 diagnostic imaging departments**.

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*Below are the key figures from the balance sheet and income statement as of December 31 2009 of the KOS group (prepared according to IAS/IFRS).*

**KEY CONSOLIDATED BALANCE SHEET FIGURES - KOS GROUP**

	<b>Dec 31, 2009</b> (in euro/000)	<b>Dec. 31, 2008</b> (in euro/000)
<b>NON-CURRENT ASSETS</b>	<b>309,728</b>	<b>297,379</b>
<b>CURRENT ASSETS</b>	<b>111,370</b>	<b>110,972</b>
<b>TOTAL ASSETS</b>	<b>421,098</b>	<b>408,351</b>

<b>SHAREHOLDERS' EQUITY</b>	<b>139,730</b>	<b>140,698</b>
- MINORITY SHAREHOLDERS' EQUITY	2,169	2,180
- <b>SHAREHOLDERS' EQUITY OF THE GROUP</b>	<b>137,561</b>	<b>138,518</b>
<b>NON-CURRENT LIABILITIES</b>	<b>156,311</b>	<b>149,131</b>
<b>CURRENT LIABILITIES</b>	<b>125,057</b>	<b>118,522</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>421,098</b>	<b>408,351</b>
<b>NET FINANCIAL POSITION</b>	<b>(163,537)</b>	<b>(149,097)</b>

**CONSOLIDATED INCOME FIGURES - KOS GROUP**

	<b>Jan-Dec 2009</b> (in euro/000)	<b>Jan-Dec 2008</b> (in euro/000)
<b>SALES REVENUES</b>	<b>273,404</b>	<b>246,345</b>
<b>GROSS OPERATING MARGIN (EBITDA)</b>	<b>33,026</b>	<b>28,750</b>
<b>OPERATING INCOME (EBIT)</b>	<b>16,521</b>	<b>14,667</b>
<b>PRE-TAX INCOME/(LOSS)</b>	<b>8,214</b>	<b>4,318</b>
<b>NET INCOME/(LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>4</b>	<b>(1,189)</b>
- NET INCOME/(LOSS) OF MINORITY SHAREHOLDERS	358	292
- <b>NET INCOME/(LOSS) OF THE GROUP</b>	<b>(354)</b>	<b>(1,481)</b>