



## PRESS RELEASE

*Board of Directors approves results as of September 30 2010*

### **KOS (CIR GROUP): REVENUES OF FIRST NINE MONTHS AT 239 MILLION EURO, EBITDA AT 32.2 MILLION, NET INCOME AT 4 MILLION**

#### **Consolidated results of the first nine months of 2010**

- **Revenues: € 239 million (+17.4% from € 203.5 million in 9M 2009);**
- **EBITDA: € 32.2 million (+30.9% from € 24.6 million in 9M 2009);**
- **Net income of the group: € 4 million (€ 0.2 million in 9M 2009);**
- **Net debt: € 211.9 million (€ 215.7 million at 30/06/2010), offset by owned properties with a book value of € 144.9 million**

*Milan, October 21 2010* – The **Board of Directors** of **KOS SpA (CIR group)** met today under the chairmanship of **Claudio Stabon** and examined the **results at September 30 2010**.

#### **Performance of operations**

The **KOS group is one of the main Italian private operators in the care-home sector**. Founded in 2002, the group is today active in three business areas: **nursing homes (RSAs), rehabilitation centres and hospital management (managing a hospital and high-tech services in hospitals)**.

In the first nine months of 2010, at consolidated level, KOS achieved **an improvement in its main economic indicators** compared to the same period of 2009, thanks to the development of all the companies of the group and to the broadening of its sphere of activity.

In October the KOS group finalized the acquisition of a psychiatric hospital in Modena (Villa Rosa) with 81 beds, and of a group of diagnostic and radiology facilities in the province of Bologna. These acquisitions took effect after the close of the quarter and are therefore not included in the figures as of September 30.

KOS today manages **60 facilities**, mainly in the centre-north of Italy with a total of over **5,600** beds in operation, plus approximately **400** more under construction.

#### **Consolidated results**

The **consolidated revenues** of the first nine months of 2010 totalled **239 million** euro and were **up by 17.4%** on the same period of 2009 (203.5 million euro), thanks to the development of the three business areas and to the new acquisitions made in the period.

In the first half the company incurred costs of approximately 2.4 million euro for the IPO procedure (1.8 million euro) and for expenses relating to the acquisitions made in the period (0.6 million euro).

The **gross operating margin (EBITDA)** came to **32.2 million** euro and was **up** by **30.9%** compared to the first nine months of 2009 (24.6 million euro).

The **net income of the group** in the first nine months totalled **4 million** euro, compared to a result of 0.2 million euro in the same period of 2009.

The **consolidated net debt** of the KOS group at September 30 2010 amounted to **211.9 million** euro (215.7 million at June 30 2010), offsetting **owned properties** with a **carrying value** of approximately **144.9 million** euro.

The KOS group had **3,954** employees at September 30 2010 (3,421 at December 31 2009)

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*Attached are the key figures from the income statement and balance sheet at September 30 2010 of the KOS group (prepared according to IAS/IFRS but not audited).*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KOS GROUP***(in euro/000)***30/09/10****31/12/09**

NON-CURRENT ASSETS	371,509	309,328
CURRENT ASSETS	136,643	111,370
<b>TOTAL ASSETS</b>	<b>508,152</b>	<b>420,698</b>
TOTAL EQUITY	148,640	139,730
MINORITY SHAREHOLDERS' EQUITY	7,405	2,169
GROUP EQUITY	141,235	137,561
NON-CURRENT LIABILITIES	194,864	156,311
CURRENT LIABILITIES	164,648	124,657
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>508,152</b>	<b>420,698</b>
NET FINANCIAL POSITION	( 211,921 )	( 163,537 )

**CONSOLIDATED INCOME STATEMENT OF THE KOS GROUP***(in euro/000)***30/09/10****30/09/09**

REVENUES	239,049	203,511
GROSS OPERATING MARGIN (EBITDA)	32,192	24,608
OPERATING INCOME (EBIT)	19,148	12,980
INCOME(LOSS) BEFORE TAXES	12,482	6,614
<b>NET INCOME(LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>4,497</b>	<b>506</b>
NET INCOME/LOSS OF MINORITY SHAREHOLDERS	492	333
NET INCOME/LOSS OF THE GROUP	4,005	173