



PRESS RELEASE

Board of Directors approves results as of June 30 2010

KOS (CIR GROUP): REVENUES OF 159 MILLION IN FIRST HALF, GROSS OPERATING MARGIN APPROXIMATELY 20 MILLION

Consolidated results of first half 2010

- **Revenues: € 159 million (+17.9% from € 134.9 million in 1H 2009)**
- **EBITDA: € 20.2 million (+21.7% from € 16.6 million in 1H 2009);**
- **Net income: € 2.4 million (€ 1.2 million in 1H 2009);**
- **Net debt: € 215.7 million (€ 209.7 million at 31/03/2010), offset by owned properties with a book value of € 144.5 million**

Milan, July 23 2010 – The **Board of Directors** of KOS SpA (CIR group) met today under the chairmanship of **Claudio Stabon** to examine the **results of the first half of 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 half 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.

KOS today manages **59 facilities**, mainly in the centre-north of Italy with a total of over **5,500** beds in operation, plus approximately **400** more under construction.

Consolidated results

The **consolidated revenues** of the first half of 2010 totalled **159 million** euro and were **up by 17.9%** on the same period of 2009 (134.9 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 2.2 million euro for the IPO procedure (1.6 million euro) and for expenses relating to the acquisitions made in the period (0.6 million euro).

The gross operating margin (EBITDA) before the IPO and acquisition costs came to 22.4 million euro. **EBITDA** after the said costs was **20.2 million** euro, **up by 21.7%** compared to the first half of 2009 (16.6 million euro).

The net result for the first half before the IPO and acquisition costs was 4.2 million euro. The **net income** after the said costs was **2.4 million** euro, up from a result of 1.2 million euro in the first half of 2009.

The **consolidated net debt** of the KOS group at June 30 2010 amounted to **215.7 million** euro (209.7 million at March 31 2010), offsetting **owned properties** with a **carrying value** of approximately **144.5 million** euro. The rise compared to the figure for year end 2009 was due mainly to the acquisitions made during the first half and to the change in working capital.

The KOS group had **3,823** employees at June 30 2010 (3,421 at December 31 2009)

Contacts:

CIR group Communication Department

Salvatore Ricco

Francesca Sagramoso

Tel.: +39 02 722701

e-mail: infostampa@cirgroup.com

www.cirgroup.com ; www.kosgroup.com

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE KOS GROUP

	30.06.2010 (in euro/000)	31.12.2009 (in euro/000)
NON-CURRENT ASSETS	370,001	309,328
CURRENT ASSETS	134,662	111,370
TOTAL ASSETS	504,663	420,698
SHAREHOLDERS' EQUITY	146,356	139,730
- MINORITY INTERESTS	7,306	2,169
- GROUP EQUITY	139,050	137,561
NON-CURRENT LIABILITIES	193,657	156,311
CURRENT LIABILITIES	164,650	124,657
TOTAL LIABILITIES AND EQUITY	504,663	420,698
NET FINANCIAL POSITION	(215,660)	(163,537)

CONSOLIDATED INCOME STATEMENT OF THE KOS GROUP

	1st Half 2010 (in euro/000)	1st Half 2009 (in euro/000)
REVENUES	158,953	134,862
GROSS OPERATING MARGIN (EBITDA)	20,187	16,598
OPERATING INCOME (EBIT)	11,983	9,696
INCOME/(LOSS) BEFORE TAXES	7,073	5,488
NET INCOME/(LOSS) FOR THE PERIOD INCLUDING MINORITY INTERESTS	2,378	1,192
- NET INCOME/(LOSS) OF MINORITY SHAREHOLDERS	393	227
- NET INCOME/(LOSS) OF THE GROUP	1,985	965