

PRESS RELEASE

**SOGEFI GROUP GROWTH CONTINUES IN FOURTH QUARTER
2007 PROFITS AND REVENUES INCREASE**

Consolidated results for Q4 2007

*Revenues € 274.4 million (+8.4%)
EBITDA € 27.7 million (+7.8%)
EBIT € 16.3 million (+5.5%)
Net income € 10.3 million (-9.7%)*

Consolidated preliminary results for FY 2007

*Revenues € 1,071.8 million (+5.2%)
EBITDA € 134.6 million (+4.7%)
EBIT € 89.9 million (+7.7%)
Net income € 52.2 million (+2.8%)
Net indebtedness € 92.4 million (-26.9%)*

The Board of Directors of SOGEFI SpA, chaired by Mr. Rodolfo De Benedetti, met today in Milan to examine the group results for the last quarter of 2007 and the preliminary results for the whole of FY 2007.

TRENDS AND RESULTS FOR FOURTH QUARTER 2007

As in the previous quarter, in the last quarter of the financial year Sogefi Group recorded significant growth (+8.4%) against the same period of 2006. **Consolidated sales** for Q4 came to Euro 274.4 million, against 253.1 million for the previous-year period, thanks in particular to positive performance by the Suspension Components Division and to growth in Latin America in both Suspension Components and the Filtration Division.

Group **operating profits** in the quarter improved on the same period of 2006, as costs remained substantially unchanged from the first half of 2007.

Consolidated EBITDA was Euro 27.7 million (10.1% of sales), up 7.8% on the 25.7 million (10.2%) of Q4 2006, notwithstanding the Euro 5.9 million budgeted for restructuring in FY 2008.

Consolidated operating income in Q4 2007 amounted to Euro 29.2 million (10.6% of sales), an increase of 9.8% on the Euro 26.6 million (10.5%) in the last quarter of 2006.

Consolidated EBIT was Euro 16.3 million (5.9% of sales), up 5.5% on the 15.5 million (6.1%) in Q4 2006.

Consolidated profit before taxes also improved, reaching Euro 13.9 million from 12.8 million in 2006, while **consolidated net profit**, at Euro 10.3 million, fell by 9.7% from 11.5 million in the previous year due to higher taxes.

In the fourth quarter of 2007, SOGEFI Group confirmed its capacity for cash generation, bringing **net indebtedness** down to Euro 92.4 million at 31 December 2007 (-26.9% from 126.3 million at 31 December 2006 and -10.1% from 102.8 million at 30 September 2007).

2007 PRELIMINARY RESULTS

Despite higher costs of raw materials and energy combined with significant extraordinary and reorganisation costs, in 2007 SOGEFI Group achieved record results both in revenues and earnings.

Consolidated revenues grew 5.2% to reach Euro 1,071.8 million from 1,018.6 million in 2006.

Consolidated operating income rose 6.6% to reach Euro 113.6 million (10.6% of sales), against 106.6 million (10.5%) in 2006.

Consolidated EBITDA was Euro 134.6 million, an increase of 4.7% from 128.5 million in 2006, remaining at 12.6% of revenues, while **consolidated EBIT** grew by 7.7% to Euro 89.9 million (8.4% of sales) compared with 83.5 million (8.2%) in 2006.

In 2007 SOGEFI Group **Consolidated net profit** came to Euro 52.2 million (4.9% of sales), up 2.8% on the 50.8 million (5%) of 2006.

The Board of Directors will meet on 26 February to examine the Statutory Accounts of SOGEFI SpA and the Consolidated Accounts of the Group for the financial and accounting year 2007.

Despite a worsening international economic outlook, SOGEFI Group expects to see positive trends continue in the first half of FY 2008, with business growth in the Mercosur area, in industrial vehicles and the French car manufacturers, as well as in the Group's marginal presence in North America where the market is likely to contract.

The manager responsible for preparing the Group financial reports, Euro Trapani, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

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CONSOLIDATED BALANCE SHEET OF THE SOGEFI GROUP (PRELIMINARY DATA)

(in millions of Euro)

| ASSETS | 12.31.2007 | 12.31.2006 |
|--|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | 63.7 | 51.5 |
| Other financial assets | 1.0 | 0.2 |
| <i>Working capital</i> | | |
| Inventories | 113.2 | 111.7 |
| Trade receivables | 220.1 | 227.0 |
| Other receivables | 6.0 | 6.0 |
| Tax receivables | 10.7 | 10.9 |
| Other assets | 2.5 | 2.4 |
| TOTAL WORKING CAPITAL | 352.5 | 358.0 |
| TOTAL CURRENT ASSETS | 417.2 | 409.7 |
| NON-CURRENT ASSETS | | |
| Fixed assets | | |
| Land | 11.3 | 15.6 |
| Property, plant and equipment | 224.3 | 229.3 |
| Other tangible fixed assets | 4.4 | 4.5 |
| <i>Of wich: leases</i> | 12.7 | 18.3 |
| Intangible assets | 118.7 | 117.4 |
| TOTAL FIXED ASSETS | 358.7 | 366.8 |
| OTHER NON-CURRENT ASSETS | | |
| Equity investments in associated companies | 0.1 | 0.1 |
| Other financial assets available for sale | 0.5 | 0.4 |
| Financial receivables | - | 0.3 |
| Other receivables | 5.0 | 5.3 |
| Deferred tax assets | 25.2 | 26.8 |
| TOTAL OTHER NON-CURRENT ASSETS | 30.8 | 32.9 |
| TOTAL NON-CURRENT ASSETS | 389.5 | 399.7 |
| NON-CURRENT ASSETS HELD FOR SALE | 6.8 | 2.6 |
| TOTAL ASSETS | 813.5 | 812.0 |

| LIABILITIES | 12.31.2007 | 12.31.2006 |
|---|-------------------|-------------------|
| CURRENT LIABILITIES | | |
| Bank overdrafts and short-term loans | 12.4 | 13.3 |
| Current portion of medium/long-term financial debts and other loans | 13.7 | 18.6 |
| <i>Of which: leases</i> | 1.3 | 1.2 |
| TOTAL SHORT-TERM FINANCIAL DEBTS | 26.1 | 31.9 |
| Other short-term liabilities for cash flow hedge | 0.5 | - |
| TOTAL SHORT-TERM FINANCIAL DEBTS AND CASH FLOW HEDGES | 26.6 | 31.9 |
| Trade and other payables | 228.9 | 234.5 |
| Tax payables | 11.8 | 8.2 |
| Other current liabilities | 3.0 | 2.4 |
| TOTAL CURRENT LIABILITIES | 270.3 | 277.0 |
| NON-CURRENT LIABILITIES | | |
| MEDIUM/LONG TERM FINANCIAL DEBTS AND CASH FLOW HEDGES | | |
| Financial debts to bank | 118.0 | 128.4 |
| Other medium/long-term financial debts | 12.5 | 18.0 |
| <i>Of which: leases</i> | 9.1 | 15.3 |
| TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS | 130.5 | 146.4 |
| TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND CASH FLOW HEDGES | 130.5 | 146.4 |
| OTHER LONG-TERM LIABILITIES | | |
| Long-term provisions | 58.8 | 68.4 |
| Other payables | - | - |
| Deferred taxation | 27.2 | 24.5 |
| TOTAL OTHER LONG-TERM LIABILITIES | 86.0 | 92.9 |
| TOTAL NON-CURRENT LIABILITIES | 216.5 | 239.3 |
| SHAREHOLDERS' EQUITY | | |
| Share capital | 59.6 | 58.8 |
| Reserves and retained earnings (accumulated losses) | 199.1 | 170.0 |
| Group net profit (loss) for the year | 52.2 | 50.8 |
| TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY | 310.9 | 279.6 |
| Minority interests | 15.8 | 16.1 |
| TOTAL SHAREHOLDERS' EQUITY | 326.7 | 295.7 |
| TOTAL LIABILITIES AND EQUITY | 813.5 | 812.0 |

CONSOLIDATED INCOME STATEMENT OF THE SOGEFI GROUP FROM 01.01.2007 TO 12.31.2007 (PRELIMINARY DATA)

(in millions of Euro)

| | Period | | Period | | Variation | |
|--|--------------------|-------------|--------------------|-------------|------------|------------|
| | 01.01 – 12.31.2007 | | 01.01 – 12.31.2006 | | Amount | % |
| | Amount | % | Amount | % | Amount | % |
| Sales revenues | 1,071.8 | 100.0 | 1,018.6 | 100.0 | 53.2 | 5.2 |
| Variable cost of sales | 699.4 | 65.3 | 653.2 | 64.1 | 46.2 | 7.1 |
| CONTRIBUTION MARGIN | 372.4 | 34.7 | 365.4 | 35.9 | 7.0 | 1.9 |
| Manufacturing and R&D overheads | 115.2 | 10.7 | 114.3 | 11.2 | 0.9 | 0.8 |
| Depreciation and amortization | 44.7 | 4.2 | 45.0 | 4.4 | (0.3) | (0.8) |
| Distribution and sales fixed expenses | 38.4 | 3.6 | 37.7 | 3.7 | 0.7 | 1.9 |
| Administrative and general expenses | 60.5 | 5.6 | 61.8 | 6.1 | (1.3) | (2.0) |
| OPERATING INCOME | 113.6 | 10.6 | 106.6 | 10.5 | 7.0 | 6.6 |
| Restructuring costs | 7.6 | 0.7 | 5.2 | 0.5 | 2.4 | 44.4 |
| Losses (gains) on disposal | (4.6) | (0.4) | (4.0) | (0.4) | (0.6) | (16.5) |
| Exchange (gains) losses | 0.9 | 0.1 | 0.9 | 0.1 | - | - |
| Other non-operating expenses (income) | 19.8 | 1.8 | 21.0 | 2.1 | (1.2) | (5.7) |
| EBIT | 89.9 | 8.4 | 83.5 | 8.2 | 6.4 | 7.7 |
| Financial expenses (income), net | 9.4 | 0.9 | 10.2 | 1.0 | (0.8) | (7.5) |
| Losses (gains) from equity investments | (0.1) | - | (1.6) | (0.2) | 1.5 | 93.2 |
| PROFIT BEFORE TAXES AND MINORITY INTERESTS | 80.6 | 7.5 | 74.9 | 7.4 | 5.7 | 7.6 |
| Income taxes | 25.4 | 2.4 | 21.5 | 2.1 | 3.9 | 17.9 |
| NET PROFIT BEFORE MINORITY INTERESTS | 55.2 | 5.1 | 53.4 | 5.3 | 1.8 | 3.4 |
| Losses (income) attributable to minority interests | (3.0) | (0.2) | (2.6) | (0.3) | (0.4) | 15.5 |
| GROUP NET PROFIT FOR THE YEAR | 52.2 | 4.9 | 50.8 | 5.0 | 1.4 | 2.8 |

NET FINANCIAL POSITION OF THE SOGEFI GROUP (PRELIMINARY DATA)

(in millions of Euro)

| | 12.31.2007 | 12.31.2006 |
|--|----------------|----------------|
| A. Cash | 63.7 | 51.5 |
| B. Other cash at bank and on hand | 0.9 | - |
| C. Financial instruments held for trading | 0.1 | 0.2 |
| D. Liquid funds (A) + (B) + (C) | 64.7 | 51.7 |
| E. Current financial receivables | - | - |
| F. Current payables to banks | (12.4) | (13.3) |
| G. Current portion of non-current indebtedness | (13.7) | (18.6) |
| H. Other current financial payables | (0.5) | - |
| I. Current financial indebtedness (F) + (G) + (H) | (26.6) | (31.9) |
| J. Current financial indebtedness, net (I) - (E) - (D) | 38.1 | 19.8 |
| K. Non-current payables to banks | (118.0) | (128.4) |
| L. Bonds issued | - | - |
| M. Other non-current payables | (12.5) | (18.0) |
| N. Non-current financial indebtedness (K) + (L) + (M) | (130.5) | (146.4) |
| O. Net indebtedness (J) + (N) | (92.4) | (126.6) |
| Long term financial receivables | - | 0.3 |
| Financial indebtedness, net including non-current financial receivables | (92.4) | (126.3) |

CONSOLIDATED INCOME STATEMENT OF THE SOGEFI GROUP FOR THE FOURTH QUARTER

(in millions of Euro)

| | Period 10.01 - 12.31.2007 | | Period 10.01 - 12.31.2006 | | Variation | |
|--|------------------------------|-------------|------------------------------|-------------|--------------|--------------|
| | Amount | % | Amount | % | Amount | % |
| Sales revenues | 274.4 | 100.0 | 253.1 | 100.0 | 21.3 | 8.4 |
| Variable cost of sales | 180.6 | 65.8 | 165.0 | 65.2 | 15.6 | 9.5 |
| CONTRIBUTION MARGIN | 93.8 | 34.2 | 88.1 | 34.8 | 5.7 | 6.5 |
| Manufacturing and R&D overheads | 28.2 | 10.3 | 26.9 | 10.6 | 1.3 | 4.8 |
| Depreciation and amortization | 11.4 | 4.1 | 10.2 | 4.0 | 1.2 | 11.2 |
| Distribution and sales fixed expenses | 9.6 | 3.6 | 9.2 | 3.6 | 0.4 | 4.0 |
| Administrative and general expenses | 15.4 | 5.6 | 15.2 | 6.0 | 0.2 | 1.8 |
| OPERATING INCOME | 29.2 | 10.6 | 26.6 | 10.5 | 2.6 | 9.8 |
| Restructuring costs | 5.9 | 2.1 | 1.9 | 0.8 | 4.0 | 204.4 |
| Losses (gains) on disposal | 0.1 | - | (0.1) | (0.1) | 0.2 | 135.0 |
| Exchange (gains) losses | 0.2 | 0.1 | 0.2 | 0.1 | - | - |
| Other non-operating expenses (income) | 6.7 | 2.5 | 9.1 | 3.6 | (2.4) | (26.3) |
| EBIT | 16.3 | 5.9 | 15.5 | 6.1 | 0.8 | 5.5 |
| Financial expenses (income), net | 2.4 | 0.8 | 2.5 | 1.0 | (0.1) | (3.5) |
| Losses (gains) from equity investments | - | - | 0.2 | 0.1 | (0.2) | (100.0) |
| PROFIT BEFORE TAXES AND MINORITY INTERESTS | 13.9 | 5.1 | 12.8 | 5.0 | 1.1 | 8.9 |
| Income taxes | 2.7 | 1.0 | 0.7 | 0.3 | 2.0 | 290.0 |
| NET PROFIT BEFORE MINORITY INTERESTS | 11.2 | 4.1 | 12.1 | 4.7 | (0.9) | (7.0) |
| Losses (income) attributable to minority interests | (0.9) | (0.3) | (0.6) | (0.2) | (0.3) | (43.1) |
| GROUP NET PROFIT | 10.3 | 3.8 | 11.5 | 4.5 | (1.2) | (9.7) |