

PRESS RELEASE

**SOGEFI GROUP: THE SHAREHOLDERS' MEETING APPROVES
THE 2005 ACCOUNTS
WITH REVENUES IN EXCESS OF ONE BILLION EUROS
AND A 50 % INCREASE IN NET INCOME**

**Consolidated revenues for the financial and accounting year 2005
(on the IAS/IFRS accounting principles)**

*Revenues € 1,023.4 million (+ 5.9%)
EBITDA € 126.9 million (+15.3%)
EBIT € 81 million (+24.7%)
Net income € 44.7 million (+48.7%)
Net financial position € 167.3 million (-18%)*

*Resolution passed to distribute a dividend of € 0.175 per share (€ 0.160 in 2005)
Appointments to the Board of Directors renewed
Board of Internal Auditors re-appointed
Management stock options plan approved*

The Ordinary General Meeting of Shareholders in SOGEFI SpA was held today in Mantua, under the chairmanship of Mr. Rodolfo De Benedetti, and approved the Accounts for the purposes of the Civil Code and examined the Consolidated Accounts of the Group for the financial and accounting year 2005.

The SOGEFI Group has improved on all its main consolidated results:

- **revenues** increased from 966.1 million euros in 2004 to 1,023.4 million (+5.9%) in 2005;
- **EBITDA** rose from 110 million euros to 126.9 million (+15.3%);
- **operating profit** was 105.6 million euros compared with 91.5 million in the previous year (+15.4%);
- **EBIT** rose to 81 million euros compared with 65 million (+24.7%);
- **net income** for 2005 showed the best result ever, reaching 44.7 million euros, compared with 30 million in the previous year (+48.7%);
- **net financial position** as at 31 December 2005 was down to 167.3 million euros, compared with 204 million at the end of 2004 (-18%);
- **net equity** as at 31 December 2005 was 246.9 million euros, an improvement as against 210.3 million at the end of 2004.

The Shareholders' Meeting approved the 2005 Accounts of the **Parent Company SOGEFI SpA**, which achieved **net income** of 79.5 million euros, compared with 22.5 million in 2004, chiefly as a result of a capital gain of 61.1 million made on the sale of its shareholding in Luhn & Pulvermacher-Dittmann & Neuhaus GmbH to the German subsidiary Allevard Federn GmbH, in the context of the Group's company restructuring.

Dividend – The Shareholders' Meeting resolved to distribute a dividend of 0.175 euros per share (0.160 in 2005), which will be payable as from 21 April 2006 by tearing off coupon N° 26 on 18 April 2006.

Renewal of mandate to purchase own shares – The Shareholders' Meeting renewed for a period of 18 months the mandate to the Board of Directors to purchase up to a maximum of 9

million own shares, at a price per share not exceeding 10% more or 10% less than the reference price registered by the shares in the session of the regulated market preceding each individual transaction.

The main reasons for renewing this authority are on the one hand the possibility of investing in shares in the Company at lower prices than their actual value based on the real economic stability of its net assets and on its income-generating prospects, and on the other hand the possibility of reducing the Company's average cost of capital.

2006 Stock options plan – The Shareholders' Meeting also approved a stock options plan for 2006, and gave a mandate to the Board of Directors to select beneficiaries from among the staff of the Company and its subsidiaries and to draw up the relevant Rules.

Renewal of Board of Internal Auditors – For the three years 2006-2008, the Board of Internal Auditors will consist of Angelo Girelli (Chairman) and Riccardo Zingales and Franco Caramanti (Statutory Auditors).

The Chairman and the Statutory Auditors, whose curricula vitae are available for inspection at Sogefi's principal place of business, do not hold shares in the Company.

On conclusion of the Meeting, the Board of Directors, using the mandate given to them by the Shareholders' Meeting of 19 April 2005, resolved to increase capital by a total of 1,770,000 shares, and also resolved to allot 80,000 options to purchase the same number of Sogefi shares, for the purposes of the stock options plan for 2006 approved by today's Shareholders' Meeting.

The following are the main points of the Rules for the 2006 stock options plan approved by the Board of Directors:

- the purpose of the stock options plan is to gain the loyalty of key personnel in the conduct of the business of the Group and to provide an incentive for harder work and improvements in performance in the Group's companies;
- the stock options plan for the year 2006 is intended for staff of the Company and its subsidiaries;
- exercise of the options is not dependent on the achievement of specific economic and financial results. The Rules also provide, as an essential condition of exercising an option, that the person exercising it must still be a member of staff of the Company or subsidiary as at the date of exercise of the option;
- options issued to employees will be exercisable as from 30/09/2006 until 31/05/2010, at four-monthly intervals. The date by which all options will cease to be of any effect and thus will no longer be capable of exercise will be 30/09/2016; furthermore, options allotted to contractors to purchase shares will be capable of exercise as from 01/07/2007 and not after 30/06/2008.
- the price will be determined in accordance with the provisions of Article 9 § 4 of the TUI DPR 917/86 as amended, as will be confirmed and notified by the Chairman of the Board of Directors;
- options are allotted free of charge, specific to the person to whom allotted, and are not transferable by gift inter vivos.

Mantua, 6 April 2006

CONTACTS

PRESS:

Beppe Pescetto
Francesca Sagramoso
tel.: 39/02/72.27.01

INVESTOR RELATIONS:

Euro Trapani
tel.: 39/02/46.75.02.18
www.sogefi.it