



PRESS RELEASE

Board of Directors approves results as of March 31 2012

SOGEFI: REVENUES AT ALMOST 350 MILLION EURO (+35.6%), EBITDA AND NET INCOME UP BY 37%

Despite the slowdown in the automotive market due to the difficult global economic climate, the group has benefited from the acquisition of Systèmes Moteurs, consolidated in August 2011

*Position in North American market continues to strengthen:
revenues up fourfold from first quarter 2011 and now account for more than 10% of total*

Consolidated results of Q1 2012

Revenues: € 346.9 million (+35.6% from € 255.8 million in Q1 2011)
Operating result: € 24.6 million (+37.3% from € 17.9 million in Q1 2011)
EBITDA: € 34.3 million (+37.3% from € 25 million in Q1 2011)
Net income: € 9.2 million (+37.5% from € 6.7 million in Q1 2011)
Net debt: € 299.3 million (€ 299.8 million at 12/31/2011)

Milan, April 19 2012 - The **Board of Directors** of Sogefi SpA, which met today under the chairmanship of **Rodolfo De Benedetti**, approved the Interim Financial Report of the group for the **first quarter of 2012**.

Sogefi, the automotive components company of the **CIR group**, is one of the **main world producers of engine systems and suspension components** with a production presence comprising **43** production plants in **18** countries and **14** commercial offices.

Performance of operations

In the first quarter of 2012 the slowdown in the automotive sector in certain important markets continued because of the worsening economic and financial environment worldwide. In Europe, in particular, the economic climate together with the lower availability of credit further dampened the propensity to buy new cars. This led in the first quarter to a fall of 7.7% in new car registrations compared to the same period of 2011. This decline was reflected in the production levels of manufacturers, which went down by 5.1% compared to 2011 with negative lows in France, Italy and Spain.

In non-European markets there was a slowdown in levels of demand in Brazil and China, while North America continued to grow. Despite the worsening of the general climate, **Sogefi closed the quarter with a rise in its main economic indicators of over 35%** thanks to the full consolidation of the activities of Systèmes Moteurs, the acquisition of which was completed in the second half of 2011.

Consolidated results

Revenues for the first quarter came in at **346.9 million** euro and were **up by 35.6%** compared to the figure of 255.8 million euro for the same period of 2011, thanks to the consolidation of Systèmes Moteurs as from August 1 of last year. With the same consolidation as last year, revenues would have been 254.1 million euro, substantially in line with 2011. The positive evolution of revenues applied especially to the **Engine Systems Division**, to which Systèmes Moteurs belongs, which posted strong growth (208.3 million euro versus 117.8 million in 2011), while the **Suspension Components Division** reported sales that were substantially unchanged from those of last year (139.3 million euro versus 138.7 million euro).

The most significant figure was the **continuing growth in North America** (NAFTA area), where **Sogefi achieved revenues of 36.8 million euro, which were up fourfold on 2011** thanks to the acquisition of Systèmes Moteurs and to organic growth. **North America now contributes 10.6% of the total revenues of the Sogefi group** compared to 6.2% at the end of 2011. Growth is also continuing in India (revenues +75% compared to first quarter 2011), while in the Mercosur region there was a contraction of 4.3% due to the trend of the local market in the period. In Europe Sogefi reported revenues of 243.6 million euro, up by 32% on last year as a result of the contribution of Systèmes Moteurs (stable at 184.1 million euro with the same consolidation, despite the contraction in the market).

During the quarter the cost of the main commodities remained substantially unchanged from the corresponding period of last year.

The **operating result** for the quarter came in at **24.6 million** euro (7.1% of revenues), **posting growth of 37.3%** compared to the figure for the same period of last year (17.9 million euro). The ratio of operating result to revenues with the same consolidation as last year, without including Systèmes Moteurs, would have been 6.9%.

EBITDA for the first three months came to **34.3 million** euro (9.9% of revenues) and was **up by 37.3%** on the 25 million euro for the same period of 2011 (9.8% of revenues). With the same consolidation the ratio of EBITDA to revenues would have been 9.5%. **EBIT** was **20.1 million** euro (5.8% of revenues), **posting a rise of 45%** on the figure of 13.9 million euro in first quarter 2011. With the same consolidation the ratio of EBIT to revenues would have been 5.3%.

The **net income of the group** came in at **9.2 million** euro and was **up by 37.5%** compared to 6.7 million in the first quarter of 2011.

Net debt totalled **299.3 million** euro at March 31 2012, which was **substantially in line** with the figure at the end of 2011 (299.8 million euro). The **equity of the group** stood at **202.1 million** euro at March 31 2012, up from 195.9 million euro at December 31 2011.

The Sogefi group had **6,752 employees** at the end of the first quarter of 2012 (6,708 at December 31 2011).

Outlook for the year 2012

The consolidation of the Systèmes Moteurs businesses for the whole year allows the group to predict a significant rise in consolidated revenues for 2012, even in the presence of possible downturns in demand in the event of an adjustment of the production levels of European and Brazilian clients to their sales in the first quarter. The costs of the main commodities, including steel, should remain stable in coming quarters, enabling the group to reach levels of profitability that are at least in line with those reported in the first quarter.

The executive responsible for the preparation of the company's financial statements, Giancarlo Coppa, hereby declares, in compliance with the terms of paragraph 2 of Article 154-bis of the Finance Consolidation Act (TUF), that the accounting figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

Contacts:

Sogefi Investor Relations

Giancarlo Coppa

tel.: +39 02 46750218

www.sogefigroup.com

CIR Group Communication Department

Salvatore Ricco

Francesca Sagramoso

tel.: +39 02 722701

e-mail: infostampa@cirgroup.com

www.cirgroup.com

Attached are the key figures from the Income Statement and the Statement of Financial Position at March 31 2012 of the Sogefi group.

It should be noted that these accounts have not been externally audited.

SOGEFI GROUP CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in millions of Euro)

ASSETS	03.31.2012	12.31.2011
CURRENT ASSETS		
Cash and cash equivalents	124.7	102.5
Other financial assets	6.1	1.9
<i>Working capital</i>		
Inventories	163.5	152.5
Trade receivables	199.9	178.6
Other receivables	9.1	10.2
Tax receivables	19.9	19.6
Other assets	4.3	2.8
TOTAL WORKING CAPITAL	396.7	363.7
TOTAL CURRENT ASSETS	527.5	468.1
NON-CURRENT ASSETS		
Fixed assets		
Land	16.6	15.8
Property, plant and equipment	234.1	239.3
Other tangible fixed assets	5.2	4.8
<i>Of which: leases</i>	12.6	12.8
Intangible assets	217.3	213.5
TOTAL FIXED ASSETS	473.2	473.4
OTHER NON-CURRENT ASSETS		
Investments in joint ventures	0.3	0.3
Other financial assets available for sale	0.5	0.5
Non-current trade receivables	0.9	0.9
Financial receivables	-	-
Other receivables	15.0	14.1
Deferred tax assets	38.6	37.9
TOTAL OTHER NON-CURRENT ASSETS	55.3	53.7
TOTAL NON-CURRENT ASSETS	528.5	527.1
NON-CURRENT ASSETS HELD FOR SALE	0.6	0.7
TOTAL ASSETS	1,056.6	995.9
LIABILITIES	03.31.2012	12.31.2011
CURRENT LIABILITIES		
Bank overdrafts and short-term loans	7.1	9.8
Current portion of medium/long-term financial debts and other loans	54.3	47.0
<i>Of which: leases</i>	1.3	1.7
TOTAL SHORT-TERM FINANCIAL DEBTS	61.4	56.8
Other short-term liabilities for derivative financial instruments	0.6	0.6
TOTAL SHORT-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	62.0	57.4
Trade and other payables	309.5	283.6
Tax payables	11.8	8.6
Other current liabilities	6.5	7.3
TOTAL CURRENT LIABILITIES	389.8	356.9
NON-CURRENT LIABILITIES		
MEDIUM/LONG TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS		
Financial debts to bank	350.1	330.5
Other medium/long-term financial debts	8.3	7.9
<i>Of which: leases</i>	5.5	5.7
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS	358.4	338.4
Other medium/long term financial liabilities for derivative financial instruments	9.7	8.4
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	368.1	346.8
OTHER LONG-TERM LIABILITIES		
Long-term provisions	39.7	40.5
Other payables	1.5	1.6
Deferred tax liabilities	35.5	35.2
TOTAL OTHER LONG-TERM LIABILITIES	76.7	77.3
TOTAL NON-CURRENT LIABILITIES	444.8	424.1
SHAREHOLDERS' EQUITY		
Share capital	60.7	60.7
Reserves and retained earnings (accumulated losses)	132.2	110.5
Group net result for the period	9.2	24.7
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY	202.1	195.9
Non-controlling interests	19.9	19.0
TOTAL SHAREHOLDERS' EQUITY	222.0	214.9
TOTAL LIABILITIES AND EQUITY	1,056.6	995.9

SOGEFI GROUP CONSOLIDATED INCOME STATEMENT FROM 01.01.2012 TO 03.31.2012

(in millions of Euro)

	Period		Period		Change	
	01.01 – 03.31.2012		01.01 – 03.31.2011		Amount	%
	Amount	%	Amount	%	Amount	%
Sales revenues	346.9	100.0	255.8	100.0	91.1	35.6
Variable cost of sales	243.4	70.2	174.7	68.3	68.7	39.3
CONTRIBUTION MARGIN	103.5	29.8	81.1	31.7	22.4	27.6
Manufacturing and R&D overheads	35.6	10.3	26.7	10.4	8.9	33.3
Depreciation and amortization	14.2	4.1	11.1	4.3	3.1	27.8
Distribution and sales fixed expenses	10.0	2.9	9.0	3.5	1.0	12.0
Administrative and general expenses	19.1	5.4	16.4	6.5	2.7	16.3
OPERATING RESULT	24.6	7.1	17.9	7.0	6.7	37.3
Restructuring costs	0.5	0.2	0.6	0.2	(0.1)	(11.3)
Losses (gains) on disposal	-	-	-	-	-	-
Exchange losses (gains)	0.2	0.1	0.9	0.4	(0.7)	(80.2)
Other non-operating expenses (income)	3.8	1.0	2.5	1.0	1.3	52.8
EBIT	20.1	5.8	13.9	5.4	6.2	45.0
Financial expenses (income), net	4.1	1.2	2.2	0.8	1.9	91.0
Losses (gains) from equity investments	-	-	-	-	-	-
RESULT BEFORE TAXES AND NON-CONTROLLING INTERESTS	16.0	4.6	11.7	4.6	4.3	36.4
Income taxes	6.0	1.7	4.4	1.7	1.6	34.3
NET RESULT BEFORE NON-CONTROLLING INTERESTS	10.0	2.9	7.3	2.9	2.7	37.7
Loss (income) attributable to non-controlling interests	(0.8)	(0.2)	(0.6)	(0.3)	(0.2)	(39.7)
GROUP NET RESULT	9.2	2.7	6.7	2.6	2.5	37.5

SOGEFI GROUP NET FINANCIAL POSITION

(in millions of Euro)

	03.31.2012	12.31.2011	03.31.2011
A. Cash	124.7	102.5	68.2
B. Other cash at bank and on hand	-	-	-
C. Financial instruments held for trading	6.1	1.9	-
D. Liquid funds (A) + (B) + (C)	130.8	104.4	68.2
E. Current financial receivables	-	-	0.3
F. Current payables to banks	(7.1)	(9.8)	(46.5)
G. Current portion of non-current indebtedness	(54.3)	(47.0)	(44.6)
H. Other current financial debts	(0.6)	(0.6)	(0.2)
I. Current financial indebtedness (F) + (G) + (H)	(62.0)	(57.4)	(91.3)
J. Current financial indebtedness, net (I) + (E) + (D)	68.8	47.0	(22.8)
K. Non-current payables to banks	(350.1)	(330.5)	(133.0)
L. Bonds issued	-	-	-
M. Other non-current financial debts	(18.0)	(16.3)	(10.8)
N. Non-current financial indebtedness (K) + (L) + (M)	(368.1)	(346.8)	(143.8)
O. Net indebtedness (J) + (N)	(299.3)	(299.8)	(166.6)
Non-current financial receivables	-	-	-
Financial indebtedness, net including non-current financial receivables	(299.3)	(299.8)	(166.6)

SOGEFI GROUP CASH FLOW STATEMENT

(in millions of Euro)

	March 31, 2012	December 31, 2011	March 31, 2011
SELF-FINANCING	22.3	70.9	16.0
Change in net working capital	(4.3)	14.2	(10.0)
Other medium/long-term assets/liabilities	(1.2)	(5.0)	(0.1)
CASH FLOW GENERATED BY OPERATIONS	16.8	80.1	5.9
Sale of equity investments	-	-	-
Net decrease from sale of fixed assets	-	0.3	0.1
TOTAL SOURCES	16.8	80.4	6.0
Increase in intangible assets	7.9	20.5	3.1
Purchase of tangible assets	8.5	36.3	5.6
Purchase of equity investments	-	146.5	-
TOTAL APPLICATION OF FUNDS	16.4	203.3	8.7
Net financial position of subsidiaries purchased/sold during the period	-	8.3	-
Exchange differences on assets/liabilities and equity	0.6	(1.8)	0.9
FREE CASH FLOW	1.0	(116.4)	(1.8)
Holding Company increases in capital	-	0.3	0.1
Net purchase of treasury share	(0.5)	(2.7)	-
Increase in share capital of consolidated subsidiaries	-	-	-
Dividends paid by the Holding Company to shareholders	-	(14.9)	-
Dividends paid by subsidiaries to non-controlling interests	-	(1.2)	-
CHANGES IN SHAREHOLDERS' EQUITY	(0.5)	(18.5)	0.1
Change in net financial position	0.5	(134.9)	(1.7)
Opening net financial position	(299.8)	(164.9)	(164.9)
CLOSING NET FINANCIAL POSITION	(299.3)	(299.8)	(166.6)