



**PRESS RELEASE**

*The Board of Directors approves results at 30 June 2009*

**SOGEFI: HALF-YEAR RESULTS DOWN DUE TO DECREASED CAR PRODUCTION,  
REVENUES AND MARGINS RECOVER IN THE SECOND QUARTER**

*In the second quarter significant margins growth versus the first quarter 2009  
(operating result positive by € 11.9 million in Q2, it was negative by € 3.9 million in Q1),  
thanks to the efficiency measures undertaken in the last months*

*At the end of June net debt was reduced by almost € 50 million against the 31 March 2009 level  
Negative net result overall for the six months*

**Consolidated results for First Half 2009**

*Revenues: € 374.5 million (-32.7% from € 556.3 million in H1 2008)  
Operating result: € 8 million (€ 53.8 million in H1 2008)  
EBITDA: € 14.2 million (€ 61 million in H1 2008)  
Net result: negative by € 10.6 million (positive € 20.2 million in H1 2008)  
Net indebtedness: € 212.6 million (€ 260.9 million at 31 March 2009)*

Milan, 24 July 2009 - The **Board of Directors** of Sogefi SpA, chaired by **Mr. Rodolfo De Benedetti**, has examined and approved the **half-year financial report at 30 June 2009**.

**Business trends**

**In the first six months of 2009 Sogefi Group's results have been hit by the sharp contraction in vehicle production worldwide since Q4 2008.** Despite an upturn in consumer demand thanks to ongoing incentives, especially in the second quarter, production levels remain below those of 2008 partly due to efforts by manufacturers to bring down inventories of unsold vehicles.

Purchase incentives are focused on the low end market, while demand for mid-range and high end vehicles is only beginning to show signs of recovery. Meanwhile the industrial vehicle market continues to slide. Falling volumes in spare parts are due to the destocking by the distribution channel under financial pressure.

In Europe, North America and Japan output fell by more than 30%, while in South America the sharp drop in exports was partially offset by the more modest slowing of local demand. Growth continues in India and China. The market for industrial vehicles, earth moving and agricultural machinery has suffered an abrupt collapse: without the benefit of government incentives, investments fell in Europe by 65%.

Despite the global scenario, **thanks to measures taken** at the start of the market crisis, **Sogefi Group results for Q2 2009**, while lower than a year ago, **show significant recovery** from the January-March period 2009.

These measures include:

- **Structural reduction of fixed and variable costs. Structural costs fell by 18.6% with labour cost down 23.1%** against the first six months of 2008.

- **Rationalisation of production facilities** aiming at an essential organization.
- **Improvement of the financial position.** Net indebtedness at 30 June 2009 stood at Euro **212.6 million** down from 260.9 million at 31 March 2009.
- **Intensified innovation efforts**, both in products and new markets.

### Consolidated results

**Consolidated sales for the first half** come to Euro **374.5 million, down 32.7%** from Euro 556.3 million for the year-ago period (-30.7% at equal exchange rates). **Second quarter revenues**, amounting to Euro 199.6 million, though down from 284.6 million in Q2 2008 (-29.8%), **grew significantly** from Euro 174.9 million in Q1 2009. Q1 revenues had fallen by 35.6% from 2008.

The biggest decline in revenues over the six months was seen in Europe (-35.1%), with Euro 293.1 million compared with 451.6 million for the first six months of 2008. In Latin America sales fell by 21.8% to Euro 67.4 million from 86.2 million in the first half of last year.

Sales for the *Suspension Components Division*, almost exclusively destined for original equipment and with a strong presence in industrial vehicles, fell by 37.9% on the previous period, recording revenues of Euro 177.7 million against 286.2 million for the first six months of 2008. The *Filtration Division*, which benefits from significant sales in the spare parts market, saw its revenues decline by 27.2% to Euro 197.6 million from 271.3 million in the first half of 2008.

Group profitability has been inevitably affected by the sharp falloff in revenues. To counter the situation the company has taken **drastic measures to contain all cost factors** through the following actions:

- cheaper prices paid for key raw materials, while maintaining sales prices substantially unchanged;
- overall reduction in labour costs of 30.7 million on the first six months 2008 (-23.1%), achieved by reducing the workforce (1,193 fewer employees than on 30 June 2008, 183 less than 31 December 2008);
- structural costs cut by 24.9 million (-18.6%), of which 10.9 million for personnel, compared with the first six months of 2008.

These measures have enabled Sogefi to show a **consolidated operating profit of Euro 8 million** (2.1% of revenues), down from 53.8 million (9.7%) in H1 2008. The **cost cutting measures** were **particularly effective in the second quarter**, which generated a **profit of Euro 11.9 million** (6% of revenues), compared with a loss of 3.9 million in Q1 2009 and earnings of 30.3 million (10.6%) in Q2 2008.

**Non-recurring restructuring costs** over the six months came to **Euro 9.9 million** (6.9 million in the first half of last year).

**EBITDA** and **EBIT** for the half, after the non-operational items described above, amounted to a **positive Euro 14.2 million** (3.8% of revenues) and a **negative 7.1 million** respectively. These figures were **in strong improvement in the second quarter**, where EBITDA and EBIT were **both positive**, respectively Euro 11.9 million (6% of revenues) and 1.3 million (0.6%), notwithstanding restructuring charges of 8.6 million. In the first half of 2008 EBITDA and EBIT amounted to Euro 61 million (11% of revenues) and 38.7 million (7%). In Q2 2008 EBITDA stood at Euro 31.9 million (11.2% of revenues), while EBIT was 20.7 million (7.3%).

**Financial costs** remained unchanged compared with the first half of 2008 at **Euro 5.7 million**, in line with trends in interest rates and the average indebtedness for the period.

The result **before tax and minority interests** was negative by **Euro 12.7 million** (compared with profits of 32.7 million in the first six months of 2008).

**Consolidated net result** was **negative** for **Euro 10.6 million, of which only 1.8 million was generated in the second quarter**. Over the first six months of 2008 net profits came to Euro 20.2 million.

**Consolidated shareholders' equity** at 30 June 2009, including minority interests, came to **Euro 174.8 million** (178.3 million at 31 December 2008).

The company has vigorously **pursued and achieved its goal of preventing a deterioration of the net financial position**: at 30 June 2009 **net indebtedness** stood at **Euro 212.6 million**, following the *non recourse* sale of customer receivables worth 28.2 million. This compares with net indebtedness of Euro 260.9 million at 31 March 2009 and 257.2 million of 31 December 2008.

The **parent company Sogefi SpA** realised **net profits of Euro 32.8 million** in the first six months of 2009, down from 35 million in the same period of 2008, mainly due to lower dividends from the subsidiaries.

### **Outlook for the whole of FY 2009**

The second half should see a slow but steady recovery in demand, though much lower over the year than 2008.

Since it is unlikely that there will be a return to record 2007 sales levels in the next two years, Sogefi Group will continue over the coming months its reorganisation efforts aimed at achieving increased efficiency, cutting surplus capacity in Europe, containing all variable and structural costs and improving the net financial position. Such operations will incur further extraordinary costs, that do not allow to predict a net positive result for entire financial year.

*The manager responsible for preparing the company's financial statements, Giancarlo Coppa, declares under comma 2 of Article 154-(ii) of the Consolidated Law on Finance that the information presented in this press release corresponds to the results documented in the company accounts and balance sheets.*

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*Attached are the key Profit & Loss and Balance Sheet Statement for Sogefi Group at 30 June 2009*

**SOGEFI GROUP CONSOLIDATED BALANCE SHEET**

(in millions of Euro)

<b>ASSETS</b>	<b>June 30, 2009</b>	<b>December 31, 2008</b>	<b>June 30, 2008</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	80.5	49.5	51.8
Other financial assets	0.2	0.8	0.6
<i>Working capital</i>			
Inventories	94.0	114.5	130.0
Trade receivables	146.5	170.0	245.4
Other receivables	6.9	19.0	5.3
Tax receivables	9.9	14.9	9.2
Other assets	4.8	3.8	5.3
<b>TOTAL WORKING CAPITAL</b>	<b>262.1</b>	<b>322.2</b>	<b>395.2</b>
<b>TOTAL CURRENT ASSETS</b>	<b>342.8</b>	<b>372.5</b>	<b>447.6</b>
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Land	14.1	13.9	11.4
Property, plant and equipment	218.8	218.0	219.5
Other tangible fixed assets	4.3	4.6	4.3
<i>Of which: leases</i>	<i>12.8</i>	<i>11.8</i>	<i>12.4</i>
Intangible assets	129.5	127.3	120.5
<b>TOTAL FIXED ASSETS</b>	<b>366.7</b>	<b>363.8</b>	<b>355.7</b>
<b>OTHER NON-CURRENT ASSETS</b>			
Equity investments in associated companies	0.1	0.1	0.1
Other financial assets available for sale	0.4	0.4	0.7
Financial receivables	-	-	0.8
Other receivables	9.4	8.8	7.5
Deferred tax assets	33.2	26.7	26.6
<b>TOTAL OTHER NON-CURRENT ASSETS</b>	<b>43.1</b>	<b>36.0</b>	<b>35.7</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>409.8</b>	<b>399.8</b>	<b>391.4</b>
<b>NON-CURRENT ASSETS HELD FOR SALE</b>	<b>0.7</b>	<b>0.7</b>	<b>6.7</b>
<b>TOTAL ASSETS</b>	<b>753.3</b>	<b>773.0</b>	<b>845.7</b>
<b>LIABILITIES</b>	<b>June 30, 2009</b>	<b>December 31, 2008</b>	<b>June 30, 2008</b>
<b>CURRENT LIABILITIES</b>			
Bank overdrafts and short-term loans	12.9	19.8	54.0
Current portion of medium/long-term financial debts and other loans	88.7	35.7	77.3
<i>Of which: leases</i>	<i>1.5</i>	<i>1.4</i>	<i>1.4</i>
<b>TOTAL SHORT-TERM FINANCIAL DEBTS</b>	<b>101.6</b>	<b>55.5</b>	<b>131.3</b>
Other short-term liabilities for derivative financial instruments	0.2	0.5	1.2
<b>TOTAL SHORT-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>101.8</b>	<b>56.0</b>	<b>132.5</b>
Trade and other payables	198.1	204.1	258.0
Tax payables	3.5	4.2	6.1
Other current liabilities	2.5	1.7	3.0
<b>TOTAL CURRENT LIABILITIES</b>	<b>305.9</b>	<b>266.0</b>	<b>399.6</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS</b>			
Financial debts to bank	177.2	238.6	160.4
Other medium/long-term financial debts	10.8	10.7	11.3
<i>Of which: leases</i>	<i>7.8</i>	<i>7.2</i>	<i>8.4</i>
<b>TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS</b>	<b>188.0</b>	<b>249.3</b>	<b>171.7</b>
Other medium/long-term financial liabilities for derivative financial instruments	3.5	2.3	-
<b>TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS</b>	<b>191.5</b>	<b>251.6</b>	<b>171.7</b>
<b>OTHER LONG-TERM LIABILITIES</b>			
Long-term provisions	52.3	48.9	58.6
Other payables	0.4	0.4	0.1
Deferred tax liabilities	28.4	27.8	28.2
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	<b>81.1</b>	<b>77.1</b>	<b>86.9</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>272.6</b>	<b>328.7</b>	<b>258.6</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	60.4	60.4	60.4
Reserves and retained earnings (accumulated losses)	110.3	72.0	92.9
Group net profit (loss)	(10.6)	28.5	20.2
<b>TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY</b>	<b>160.1</b>	<b>160.9</b>	<b>173.5</b>
Minority interests	14.7	17.4	14.0
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>174.8</b>	<b>178.3</b>	<b>187.5</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>753.3</b>	<b>773.0</b>	<b>845.7</b>

**SOGEFI GROUP CONSOLIDATED INCOME STATEMENT FROM 01.01.2009 TO 06.30.2009**

(in millions of Euro)

	1st half 2009		1st half 2008		Year 2008	
	Amount	%	Amount	%	Amount	%
Sales revenues	374.5	100.0	556.3	100.0	1,017.5	100.0
Variable cost of sales	257.2	68.7	368.3	66.2	681.7	67.0
<b>CONTRIBUTION MARGIN</b>	<b>117.3</b>	<b>31.3</b>	<b>188.0</b>	<b>33.8</b>	<b>335.8</b>	<b>33.0</b>
Manufacturing and R&D overheads	45.7	12.2	59.1	10.6	107.3	10.5
Depreciation and amortization	21.2	5.7	22.3	4.0	42.5	4.2
Distribution and sales fixed expenses	15.6	4.2	19.0	3.4	35.9	3.5
Administrative and general expenses	26.8	7.1	33.8	6.1	62.5	6.2
<b>OPERATING RESULT</b>	<b>8.0</b>	<b>2.1</b>	<b>53.8</b>	<b>9.7</b>	<b>87.6</b>	<b>8.6</b>
Restructuring costs	9.9	2.7	6.9	1.2	11.5	1.1
Losses (gains) on disposal	-	-	(0.1)	-	-	-
Exchange (gains) losses	1.1	0.3	1.1	0.2	2.2	0.2
Other non-operating expenses (income)	4.1	1.0	7.2	1.3	11.5	1.2
<b>EBIT</b>	<b>(7.1)</b>	<b>(1.9)</b>	<b>38.7</b>	<b>7.0</b>	<b>62.4</b>	<b>6.1</b>
Financial expenses (income), net	5.7	1.5	5.8	1.0	14.0	1.4
Losses (gains) from equity investments	(0.1)	-	0.2	0.1	0.2	-
<b>RESULT BEFORE TAXES AND MINORITY INTERESTS</b>	<b>(12.7)</b>	<b>(3.4)</b>	<b>32.7</b>	<b>5.9</b>	<b>48.2</b>	<b>4.7</b>
Income taxes	(2.4)	(0.7)	11.0	2.0	16.8	1.7
<b>NET RESULT BEFORE MINORITY INTERESTS</b>	<b>(10.3)</b>	<b>(2.7)</b>	<b>21.7</b>	<b>3.9</b>	<b>31.4</b>	<b>3.0</b>
Loss (income) attributable to minority interests	(0.3)	(0.1)	(1.5)	(0.3)	(2.9)	(0.2)
<b>GROUP NET RESULT</b>	<b>(10.6)</b>	<b>(2.8)</b>	<b>20.2</b>	<b>3.6</b>	<b>28.5</b>	<b>2.8</b>

**SOGEFI GROUP NET FINANCIAL POSITION**

(in millions of Euro)

	06.30.2009	12.31.2008	06.30.2008
A. Cash	80.5	49.5	51.8
B. Other cash at bank and on hand	-	-	-
C. Financial instruments held for trading	-	-	0.1
<b>D. Liquid funds (A) + (B) + (C)</b>	<b>80.5</b>	<b>49.5</b>	<b>51.9</b>
<b>E. Current financial receivables</b>	<b>0.2</b>	<b>0.8</b>	<b>0.5</b>
F. Current payables to banks	(12.9)	(19.8)	(54.0)
G. Current portion of non-current indebtedness	(88.7)	(35.7)	(77.3)
H. Other current financial debts	(0.2)	(0.5)	(1.2)
<b>I. Current financial indebtedness (F) + (G) + (H)</b>	<b>(101.8)</b>	<b>(56.0)</b>	<b>(132.5)</b>
<b>J. Current financial indebtedness, net (I) + (E) + (D)</b>	<b>(21.1)</b>	<b>(5.7)</b>	<b>(80.1)</b>
K. Non-current payables to banks	(177.2)	(238.6)	(160.4)
L. Bonds issued	-	-	-
M. Other non-current financial debts	(14.3)	(12.9)	(11.3)
<b>N. Non-current financial indebtedness (K) + (L) + (M)</b>	<b>(191.5)</b>	<b>(251.5)</b>	<b>(171.7)</b>
<b>O. Net indebtedness (J) + (N)</b>	<b>(212.6)</b>	<b>(257.2)</b>	<b>(251.8)</b>
Non-current financial receivables	-	-	0.8
<b>Financial indebtedness, net including non-current financial receivables</b>	<b>(212.6)</b>	<b>(257.2)</b>	<b>(251.0)</b>

**SOGEFI GROUP CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER**

(in millions of Euro)

	04.01 - 06.30.2009		04.01 - 06.30.2008		Variation	
	Amount	%	Amount	%	Amount	%
Sales revenues	199.6	100.0	284.6	100.0	(85.0)	(29.8)
Variable cost of sales	134.1	67.2	187.3	65.8	(53.2)	(28.4)
<b>CONTRIBUTION MARGIN</b>	<b>65.5</b>	<b>32.8</b>	<b>97.3</b>	<b>34.2</b>	<b>(31.8)</b>	<b>(32.7)</b>
Manufacturing and R&D overheads	23.1	11.6	29.4	10.3	(6.3)	(21.5)
Depreciation and amortization	10.7	5.3	11.2	3.9	(0.5)	(4.7)
Distribution and sales fixed expenses	7.9	3.9	9.6	3.4	(1.7)	(18.0)
Administrative and general expenses	11.9	6.0	16.8	6.0	(4.9)	(28.7)
<b>OPERATING RESULT</b>	<b>11.9</b>	<b>6.0</b>	<b>30.3</b>	<b>10.6</b>	<b>(18.4)</b>	<b>(60.8)</b>
Restructuring costs	8.6	4.3	5.8	2.1	2.8	47.9
Losses (gains) on disposal	-	-	-	-	-	-
Exchange (gains) losses	0.7	0.4	-	-	0.7	-
Other non-operating expenses (income)	1.3	0.7	3.8	1.2	(2.5)	(67.4)
EBIT	1.3	0.6	20.7	7.3	(19.4)	(93.8)
Financial expenses (income), net	2.5	1.2	3.5	1.2	(1.0)	(29.3)
Losses (gains) from equity investments	(0.1)	-	0.2	0.1	(0.3)	(145.8)
<b>RESULT BEFORE TAXES AND MINORITY INTERESTS</b>	<b>(1.1)</b>	<b>(0.6)</b>	<b>17.0</b>	<b>6.0</b>	<b>(18.2)</b>	<b>(106.7)</b>
Income taxes	0.4	0.2	5.0	1.7	(4.6)	(91.7)
<b>NET RESULT BEFORE MINORITY INTERESTS</b>	<b>(1.5)</b>	<b>(0.8)</b>	<b>12.0</b>	<b>4.3</b>	<b>(13.5)</b>	<b>(112.9)</b>
Loss (income) attributable to minority interests	(0.3)	(0.1)	(0.8)	(0.4)	0.5	66.7
<b>GROUP NET RESULT</b>	<b>(1.8)</b>	<b>(0.9)</b>	<b>11.2</b>	<b>3.9</b>	<b>(13.0)</b>	<b>(116.2)</b>

## SOGEFI S.p.A.

### RECLASSIFIED INCOME STATEMENT FOR THE FIRST HALF

(in millions of Euro)

	1st half 2009	1st half 2008	Year 2008
Financial income/expenses and dividends	33.9	39.1	35.5
Adjustments to financial assets	-	(2.0)	(4.6)
Other operating revenues	5.0	4.3	10.4
Operating costs	(6.6)	(6.5)	(13.4)
Other non-operating income (expenses)	-	(0.4)	(0.4)
<b>PROFIT BEFORE TAXES</b>	<b>32.3</b>	<b>34.5</b>	<b>27.5</b>
Income taxes	(0.5)	(0.5)	(1.7)
<b>NET PROFIT</b>	<b>32.8</b>	<b>35.0</b>	<b>29.2</b>

### BALANCE SHEET

(in millions of Euro)

	June 30, 2009	December 31, 2008	June 30, 2008
Short-term assets	4.7	6.3	4.7
Short-term liabilities	(5.0)	(4.1)	(6.4)
Net working capital	(0.3)	2.2	(1.7)
Investments	264.5	264.3	258.8
Other fixed assets	28.7	28.2	27.6
<b>CAPITAL INVESTED</b>	<b>292.9</b>	<b>294.7</b>	<b>284.7</b>
Other medium and long-term liabilities	(1.7)	(1.5)	(2.0)
<b>NET CAPITAL INVESTED</b>	<b>291.2</b>	<b>293.2</b>	<b>282.7</b>
Net financial position	128.6	162.9	144.5
Shareholders' equity	162.6	130.3	138.2
<b>TOTAL</b>	<b>291.2</b>	<b>293.2</b>	<b>282.7</b>

### CASH FLOW STATEMENT

(in millions of Euro)

	1st half 2009	1st half 2008	Year 2008
<b>SELF-FINANCING</b>	<b>32.9</b>	<b>38.0</b>	<b>33.7</b>
Change in net working capital	2.5	2.7	(1.2)
Other medium/long-term assets/liabilities	(0.7)	0.5	(1.4)
<b>CASH FLOW GENERATED BY OPERATIONS</b>	<b>34.7</b>	<b>41.2</b>	<b>31.1</b>
Sale of equity investments	-	-	0.2
<b>TOTAL SOURCES</b>	<b>34.7</b>	<b>41.2</b>	<b>31.3</b>
Increase of intangible assets	-	0.1	-
Purchase of tangible assets	0.2	-	0.3
Purchase of equity investments	0.2	0.2	8.5
<b>TOTAL APPLICATION OF FUNDS</b>	<b>0.4</b>	<b>0.3</b>	<b>8.8</b>
<b>FREE CASH FLOW</b>	<b>34.3</b>	<b>40.9</b>	<b>22.5</b>
Holding Company increases in capital	-	4.8	4.8
Net purchase of treasury shares	-	(1.2)	(1.2)
Dividends paid by the Holding Company	-	(159.5)	(159.5)
<b>CHANGES IN SHAREHOLDER'S EQUITY</b>	<b>-</b>	<b>(155.9)</b>	<b>(155.9)</b>
<b>Change in net financial position</b>	<b>34.3</b>	<b>(115.0)</b>	<b>(133.4)</b>
<b>Opening net financial position</b>	<b>(162.9)</b>	<b>(29.5)</b>	<b>(29.5)</b>
<b>CLOSING NET FINANCIAL POSITION</b>	<b>(128.6)</b>	<b>(144.5)</b>	<b>(162.9)</b>