



CIR GROUP

INTERIM REPORT AND FINANCIAL STATEMENTS AS OF MARCH 31 2009

Turin, April 30 2009



**INTERIM REPORT AND FINANCIAL STATEMENTS
AS OF MARCH 31 2009**

CIR S.p.A. – Share Capital €395,587,633.50 – Registered Office: Strada Volpiano, 53 – 10040 Leinì (Turin) – www.cirgroup.it
R.E.A. no. 3933 – Turin Register of Companies / Tax Code / IVA no. 00519120018
Company subject to management and coordination by COFIDE S.p.A.

Operating Headquarters: Via Ciovassino, 1 – 20121 Milan – Tel. +39 02 72270.1
Rome Office: Via del Tritone, 169 – 00187 Rome – Tel. +39 06 692055.1

C O N T E N T S

REPORT ON OPERATIONS FOR THE PERIOD ENDED MARCH 31 2009

| | |
|--|----|
| 1. PERFORMANCE OF THE GROUP | 7 |
| 2. PERFORMANCE OF THE BUSINESS SECTORS..... | 11 |
| 3. OTHER ACTIVITIES..... | 17 |
| 4. SIGNIFICANT EVENTS WHICH OCCURRED AFTER MARCH 31 2008 AND OUTLOOK FOR THE REST OF THE YEAR | 18 |
| 5. OTHER INFORMATION..... | 18 |

CONSOLIDATED FINANCIAL STATEMENTS

| | |
|---------------------------------|----|
| 1. BALANCE SHEET | 20 |
| 2. INCOME STATEMENT | 21 |
| 3. NET FINANCIAL POSITION | 22 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

| | |
|--------------------------------------|----|
| 1. FOREWORD..... | 23 |
| 2. CONSOLIDATION PRINCIPLES..... | 23 |
| 3. ACCOUNTING STANDARDS APPLIED..... | 23 |
| 4. SHARE CAPITAL | 23 |

DECLARATION AS PER ART. 36 & 37 OF CONSOB REG. NO. 16191 OF OCTOBER 29 2007..... 25

DECLARATION AS PER ART. 154 BIS, PARAGRAPH 2, OF D.LGS. NO. 58/1998..... 26

REPORT ON THE PERFORMANCE OF OPERATIONS AS OF MARCH 31 2009

In the first three months of 2009 the CIR Group reported consolidated net income of €19.5 million, up from €17.3 million in the same period of last year (+12.7%). Consolidated revenues came in at €1,138.3 million compared to €1,202.8 million in the same period of 2008 (-5.4%).

The contribution of the operating groups to consolidated earnings was virtually nil (it was €20.6 million in the first three months of 2008), mainly because of the significant decline in profitability during the period of the Sogefi and Espresso groups, which were particularly affected by the economic crisis.

The contribution of the financial subsidiaries was a positive €16.3 million (€5.2 million in first quarter 2008) and consisted of capital gains on the sale of shares of hedge funds by Medinvest, following further partial redemptions which left CIR's remaining investment at approximately €137 million at March 31 2009. This gradual disinvestment meets the need to rebalance the portfolio in order to optimize the financial structure of the Group.

The result of CIR and its financial holding companies in the first three months of 2009, a positive €3.1 million (up from a negative result of €8.5 million in the same period of 2008), was mainly due to a combination of net financial expense of €3.6 million (€6.6 million in first quarter 2008) and of net gains from trading and valuing securities of €10.2 million (€0.6 million in first quarter 2008), of which €7.7 million from the positive adjustment of the fair value of bonds and notes held in the portfolio.

Consolidated net financial debt stood at €1,837 million at March 31 2009 (€1,685.4 million at December 31 2008) and was made up of a net surplus for CIR and the financial holding companies of €72.1 million (€44.2 million at December 31 2008) and net debt for the operating groups of €1,909.1 million (€1,729.6 million at December 31 2008).

The balance sheet at March 31 2009 showed shareholders' equity of the Group amounting to €1,258.7 million compared to €1,264.9 million at December 31 2008 and total equity of €2,070.5 million compared to €2,078.9 million at December 31 2008.

The charts on the following pages show a breakdown by business sector of the economic and financial results of the Group, together with a breakdown of the contribution of the main subsidiaries and the aggregate results of CIR and the financial holding companies.

INCOME STATEMENT BY BUSINESS SECTOR AND CONTRIBUTIONS TO THE RESULTS OF THE GROUP

(in millions of euro)

| | 1st Quarter 2009 | | | | | | | | | | 1st Quarter 2008 | |
|---|------------------|---------------------|----------------------------------|--|----------------------------|--------------------------------|---|--------------|---------------------------------|-------------------------|-------------------------|--|
| CONSOLIDATED | Revenues | Costs of production | Other operating revenues & costs | Adjustments to value of investments valued at equity | Amortization & write-downs | Net financial income & expense | Dividends, gains & losses from trading & valuing securities | Income taxes | Result of Minority Shareholders | Net result of the Group | Net result of the Group | |
| AGGREGATE | | (1) | (2) | | | (3) | (4) | | | | | |
| Sorgenia group | 682.0 | (654.2) | (11.7) | 19.6 | (7.4) | (7.7) | -- | (2.4) | (11.2) | 7.0 | 9.9 | |
| Espresso group | 215.0 | (194.1) | (4.4) | 0.3 | (10.7) | (5.1) | -- | (3.5) | 1.1 | (1.4) | 5.7 | |
| Sogefi group | 174.8 | (168.5) | (3.7) | -- | (10.6) | (3.6) | -- | 2.8 | 3.7 | (5.1) | 5.1 | |
| HSS group | 66.5 | (56.9) | (2.3) | -- | (3.0) | (2.2) | -- | (1.9) | (0.1) | 0.1 | 0.3 | |
| Other subsidiaries | -- | (6.6) | 7.3 | -- | (0.1) | (1.3) | 0.1 | -- | 0.1 | (0.5) | (0.4) | |
| Total operating subsidiaries | 1,138.3 | (1,080.3) | (14.8) | 19.9 | (31.8) | (19.9) | 0.1 | (5.0) | (6.4) | 0.1 | 20.6 | |
| Financial subsidiaries | -- | (0.4) | -- | -- | -- | (1.4) | 21.5 | -- | (3.4) | 16.3 | 5.2 | |
| Total subsidiaries | 1,138.3 | (1,080.7) | (14.8) | 19.9 | (31.8) | (21.3) | 21.6 | (5.0) | (9.8) | 16.4 | 25.8 | |
| CIR & financial holding companies | | | | | | | | | | | | |
| Revenues | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | |
| Operating costs | -- | (4.4) | -- | -- | -- | -- | -- | -- | -- | (4.4) | (4.2) | |
| Other operating income and expense | -- | -- | 1.0 | -- | -- | -- | -- | -- | -- | 1.0 | 1.2 | |
| Adjustments to the value of investments valued at equity | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | (0.2) | |
| Amortization, depreciation & write-downs | -- | -- | -- | -- | (0.2) | -- | -- | -- | -- | (0.2) | (0.2) | |
| Net financial income and expense | -- | -- | -- | -- | -- | (3.6) | -- | -- | -- | (3.6) | (6.6) | |
| Dividends, gains & losses from trading securities | -- | -- | -- | -- | -- | -- | 10.2 | -- | -- | 10.2 | 0.6 | |
| Income taxes | -- | -- | -- | -- | -- | -- | -- | 0.1 | -- | 0.1 | 0.9 | |
| Total CIR & financial holding companies before non-recurring items | -- | (4.4) | 1.0 | -- | (0.2) | (3.6) | 10.2 | 0.1 | -- | 3.1 | (8.5) | |
| Non-recurring items | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | |
| Total consolidated of the Group | 1,138.3 | (1,085.1) | (13.8) | 19.9 | (32.0) | (24.9) | 31.8 | (4.9) | (9.8) | 19.5 | 17.3 | |

(1) This item corresponds to the sum of the items "change in inventories", "costs for purchase of goods", "costs for services", "personnel costs" in the consolidated income statement.

The item does not take into account € (4.2) million of intercompany elimination.

(2) This item corresponds to the sum of the items "other operating income" and "other operating costs" in the consolidated income statement. The item does not take into account intercompany elimination of € 4.2 million.

(3) This item corresponds to the sum of the items "financial income" and "financial expense" in the consolidated income statement

(4) This item corresponds to the sum of the items "dividends", "gains from trading securities", "losses from trading securities" and "adjustments to the value of financial assets" in the consolidated income statement.

CONSOLIDATED BALANCE SHEET BY BUSINESS SECTOR

(in millions of euro)

| | 31.03.2009 | | | | | | | | 31.12.2008 |
|--|----------------|---------------------|--|----------------------------------|----------------------------------|---------------------------|-------------------------------------|------------------------|------------------------|
| | CONSOLIDATED | Fixed assets (1) | Other net non-current liabilities (2) | Net working capital (3) | Net financial position (4) | Total equity of which: | Minority Shareholders' equity | Equity of the Group | Equity of the Group |
| AGGREGATE | | | | | | | | | |
| Sorgenia group | 1,779.5 | 53.7 | 253.9 | (1,178.7) (*) | 908.4 | 450.2 | 458.2 | 450.5 | |
| Espresso group | 904.4 | (171.2) | 1.5 | (248.8) | 485.9 | 224.7 | 261.2 | 262.4 | |
| Sogefi group | 364.6 | (36.8) | 106.2 | (261.0) | 173.0 | 83.5 | 89.5 | 92.6 | |
| HSS group | 291.9 | (20.2) | 29.3 | (161.5) | 139.5 | 49.7 | 89.8 | 90.6 | |
| Other subsidiaries | 0.5 | 86.9 | (2.4) | (59.1) | 25.9 | 4.8 | 21.1 | 21.6 | |
| Total subsidiaries | 3,340.9 | (87.6) | 388.5 | (1,909.1) | 1,732.7 | 812.9 | 919.8 | 917.7 | |
| CIR & financial holdings | | | | | | | | | |
| Fixed assets | 129.7 | | | | 129.7 | -- | 129.7 | 129.9 | |
| Other net non-current assets and liabilities | | 149.3 | | | 149.3 | (1.1) | 150.4 | 160.8 | |
| Net working capital | | | (13.3) | | (13.3) | -- | (13.3) | 12.3 | |
| Net financial position | | | | 72.1 | 72.1 | -- | 72.1 | 44.2 | |
| Total consolidated of the Group | 3,470.6 | 61.7 | 375.2 | (1,837.0) | 2,070.5 | 811.8 | 1,258.7 | 1,264.9 | |

(*) The financial position includes the free cashflow of Sorgenia Holding S.p.A.

(1) This item corresponds to the algebraic sum of the items "intangible assets", "tangible assets", "investment property", "investments in companies valued at equity" and "other equity investments" in the consolidated balance sheet.

(2) This item corresponds to the algebraic sum of the items "other receivables", "securities" and "deferred taxes" in non-current assets and of the items "other payables", "deferred taxes", "personnel provisions" and "provisions for risks and losses" in non-current liabilities in the consolidated balance sheet.

(3) This item corresponds to the algebraic sum of the items "inventories", "contracted work in progress", "trade receivables", "other receivables" in current assets and of the items "trade payables", "other payables" and "provisions for risks and losses" in the current liabilities of the consolidated balance sheet. The item does not include € 179.9 million reclassified in item (4) Net financial position.

(4) This item corresponds to the algebraic sum of the items "financial receivables", "securities", "available-for-sale financial assets" and "cash and cash equivalents" in current assets, of "bonds and notes" and "other borrowings" in non-current liabilities and of "bank overdrafts", "bonds and notes" and "other borrowings" in current liabilities of the consolidated balance sheet. It includes € 179.9 million reclassified from item (3) Net financial position.

1. PERFORMANCE OF THE GROUP

Consolidated revenues in the first three months of 2009 were € 1,138.3 million, down from €1,202.8 million in the same period of 2008, with a decline of €64.5 million (-5.4%).

Consolidated revenues can be broken down by business sector as follows:

| <i>(in millions of euro)</i> | <i>1st Quarter</i> | | | | | |
|------------------------------------|--------------------|--------------|----------------|--------------|------------------------|--------------|
| | <i>2009</i> | <i>%</i> | <i>2008</i> | <i>%</i> | <i>Change absolute</i> | <i>%</i> |
| Utilities | | | | | | |
| Sorgenia group | 682.0 | 59.9 | 610.3 | 50.7 | 71.7 | 11.7 |
| Media | | | | | | |
| Espresso group | 215.0 | 18.9 | 262.3 | 21.8 | (47.3) | (18.0) |
| Automotive components | | | | | | |
| Sogefi group | 174.8 | 15.4 | 271.7 | 22.6 | (96.9) | (35.7) |
| Healthcare | | | | | | |
| HSS group | 66.5 | 5.8 | 58.5 | 4.9 | 8.0 | 13.7 |
| Other sectors | | | | | | |
| | - | - | .. | .. | | |
| Total consolidated revenues | 1,138.3 | 100.0 | 1,202.8 | 100.0 | (64.5) | (5.4) |

The **comparison of the key figures of the income statement** of the CIR Group with those of the previous year is as follows:

| <i>(in millions of euro)</i> | <i>1st Quarter</i> | | | |
|---|--------------------|------------|--------------|------------|
| | <i>2009</i> | <i>%</i> | <i>2008</i> | <i>%</i> |
| Revenues | 1,138.3 | 100.0 | 1,202.8 | 100.0 |
| Consolidated gross operating margin (EBITDA) (1) | 59.3 | 5.2 | 116.0 | 9.6 |
| Consolidated operating income (EBIT) | 27.3 | 2.4 | 84.6 | 7.0 |
| Financial management result (2) | 6.9 | 0.6 | (21.7) | (1.8) |
| Income taxes | (4.9) | (0.4) | (26.2) | (2.2) |
| Net income including minority interests | 29.3 | 2.6 | 36.7 | 3.1 |
| Net income – minority interests | (9.8) | (0.9) | (19.4) | (1.6) |
| Net income of the Group | 19.5 | 1.7 | 17.3 | 1.4 |

1) This item corresponds to the sum of the items "income before financial items and taxes (EBIT)" and "amortization, depreciation and write-downs" in the consolidated income statement

2) This item corresponds to the sum of the items "financial income", "financial expense", "dividends", "gains from trading securities", "losses from trading securities" and "adjustments to the value of financial assets" in the consolidated income statement

In the first three months of 2009 the **consolidated gross operating margin (EBITDA)** was €59.3 million (5.2% of revenues), down from €116 million in the first three months of 2008 (9.6% of revenues), with a decline of €56.7 million (-48.9%). This result was determined by:

- A substantial fall in the profitability of the Sogefi and Espresso groups, which were affected by lower revenues and the restructuring costs incurred;
- A fall in the earnings of the Sorgenia group.

The **consolidated operating income (EBIT)** in the first three months of 2009 was €27.3 million (2.4% of revenues) down from €84.6 million (7% of revenues) in the same period of 2008.

The financial management result came in at a positive €6.9 million (net expense of €21.7 million in the first quarter of 2008) and was the result of the following:

- Net financial expense of €24 million (€28.9 million in the first three months of 2008);
- Dividends and net gains from trading securities of €38.1 million (€9.1 million of net gains in the first three months of 2008);
- Negative adjustments to the value of financial assets of €6.4 million (negative for €1.9 million in first quarter 2008).

The **comparison of the key figures of the balance sheet** of the CIR Group at March 31 2009 with those at December 31 2008 and March 31 2008 is as follows:

| <i>(in millions of euro) (1)</i> | <i>31.03.2009</i> | <i>31.12.2008</i> | <i>31.03.2008</i> |
|---|-------------------|-------------------|-------------------|
| Fixed assets | 3,470.6 | 3,365.7 | 3,067.9 |
| Other net non-currents assets and liabilities | 61.7 | 57.1 | 109.6 |
| Net working capital | 375.2 | 341.5 | 398.5 |
| Net invested capital | 3,907.5 | 3,764.3 | 3,576.0 |
| Net financial debt | (1,837.0) | (1,685.4) | (1,531.0) |
| Total Shareholders' equity | 2,070.5 | 2,078.9 | 2,045.0 |
| Shareholders' equity of the Group | 1,258.7 | 1,264.9 | 1,313.3 |
| Minority Shareholders' equity | 811.8 | 814.0 | 731.7 |

(1) *The figures given are the result of a different grouping of the various financial statements. For a full description see the notes below the chart "Consolidated balance sheet by business sector" shown earlier.*

Consolidated net invested capital at March 31 2009 stood at € 3,907.5 million, up from €3,764.3 million at December 31 2008, with a rise of €143.2 million.

The **consolidated net financial position** at March 31 2009, as already mentioned, showed net debt of €1,837 million (up from €1,685.4 million at December 31 2008), which was the result of:

- a net financial surplus for CIR and the financial holding companies of €72.1 million, which compares with €44.2 million at December 31 2008. The rise was due for €29.9 million to tax rebates for prior periods paid out by the Inland Revenue and received at the beginning of April;
- total debt in the operating groups of €1,909.1 million, up from €1,726.6 million at December 31 2008. The rise of €179.5 million was due mainly to the absorption of working capital and the investments made in new production capacity by the Sorigenia group.

The net financial position includes CIR's share of the investment in Medinvest, which amounted to €137.3 million at March 31 2009. The accounting treatment of Medinvest involves recognizing directly to shareholders' equity the fair value changes in the funds; the fair value reserve relating to Medinvest at March 31 2009 amounted to €24.1 million (€36.8 million at December 31 2008). In first quarter 2009 the sale of shares in hedge funds by Medinvest produced a realized gain, net of write-downs, of €18 million (€5.7 million in first quarter 2008).

Since its inception (April 1994) the performance of Medinvest up to and including 2008 gave a weighted average return in dollar terms of 7.7% on the portfolio. In the first three months of 2009 performance was a positive 0.5%.

Total Shareholders' equity at March 31 2009 stood at €2,070.5 million compared to €2,078.9 million at December 31 2008, with a reduction of €8.4 million.

The **Shareholders' equity of the Group** amounted to €1,258.7 million at March 31 2009 compared to €1,264.9 million at December 31 2008, with a net decrease of €6.2 million.

Minority Shareholders' equity amounted to €811.8 million at March 31 2009 down from €814 million at December 31 2008, with a reduction of €2.2 million.

The **consolidated cash flow statement** in the first three months of 2009, prepared according to a managerial format which shows the changes in net financial position, can be summed up in the following chart :

| <i>(in millions of euro)</i> | <i>1st Quarter 2009</i> | <i>1st Quarter 2008</i> |
|--|-----------------------------|-----------------------------|
| SOURCES OF FUNDING | | |
| Net income for the period including minority interests | 29.3 | 36.7 |
| Amortization, depreciation, write-downs and other non-monetary changes | (25.3) | 26.7 |
| Self-financing | 4.0 | 63.4 |
| Change in working capital | (48.0) | (166.2) |
| CASH FLOW GENERATED (ABSORBED) BY OPERATIONS | (44.0) | (102.8) |
| Capital increases | .. | 4.8 |
| TOTAL SOURCES OF FUNDS | (44.0) | (98.0) |
| APPLICATIONS | | |
| Net investments in fixed assets | (107.7) | (60.6) |
| Buy-back of own shares | (0.9) | (12.8) |
| Payment of dividends | .. | (1.6) |
| Other changes | 1.0 | (24.5) |
| TOTAL APPLICATIONS | (107.6) | (99.5) |
| FINANCIAL SURPLUS (DEFICIT) | (151.6) | (197.5) |
| NET FINANCIAL DEBT AT BEGINNING OF PERIOD | (1,685.4) | (1,333.5) |
| NET FINANCIAL DEBT AT END OF PERIOD | (1,837.0) | (1,531.0) |

The cash flow absorbed by operations amounted to €44 million. A comparison with the same period of the previous year shows that less working capital was absorbed than in the previous year, which was due mainly to changes that took place in the Sorgenia group.

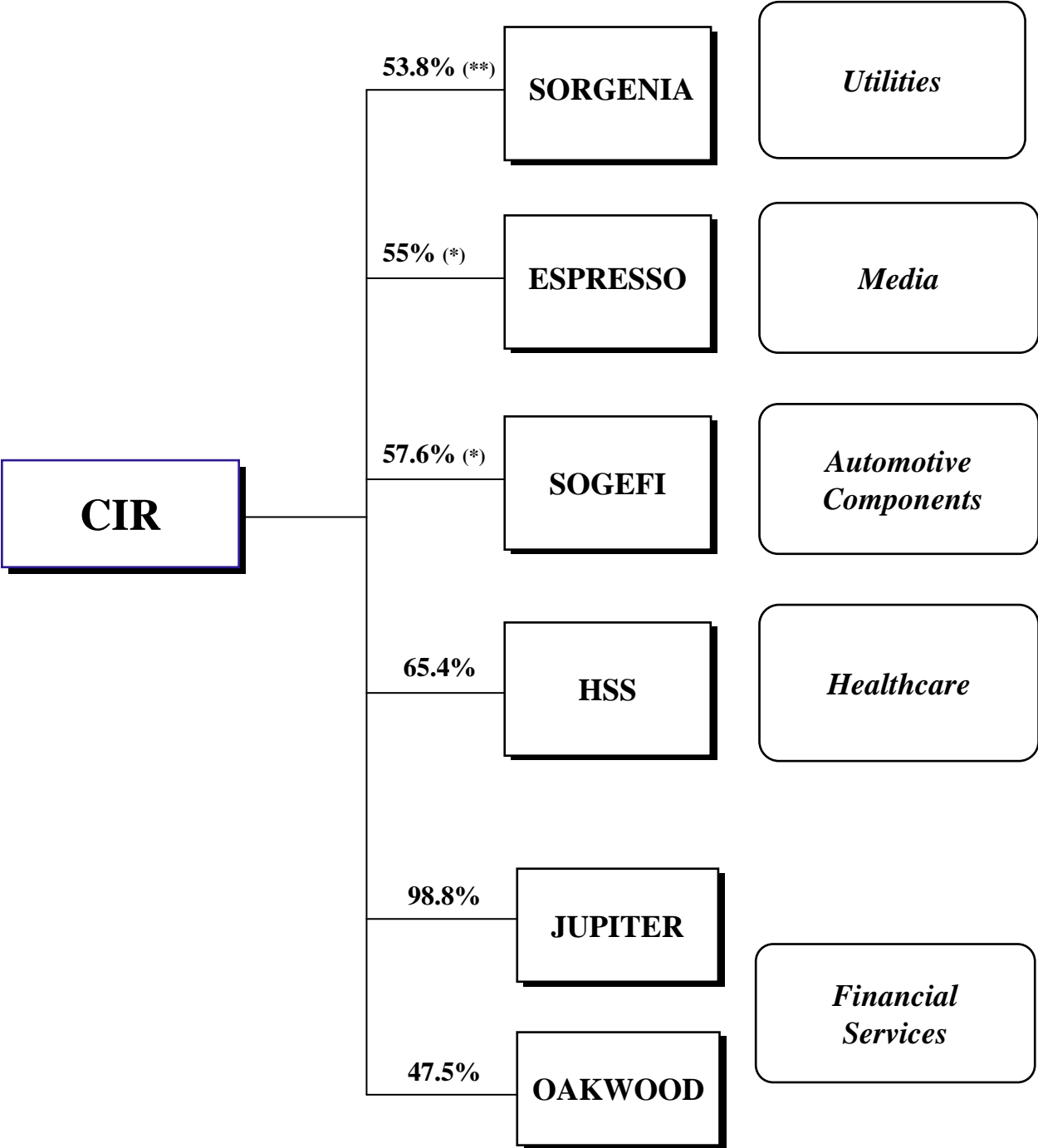
The applications during the period related mainly to the investment in production capacity made by the Sorgenia group.

The breakdown of the net financial position is given in the section containing the accounts.

At March 31 2009 the Group had 12,912 employees on its books, down from 12,969 at December 31 2008.

MAIN EQUITY INVESTMENTS OF THE GROUP (*)

AT MARCH 31 2009



(*) The percentage is calculated net of own shares held as treasury stock

(**) Percentage of indirect control through Sorgenia Holding

2. PERFORMANCE OF THE BUSINESS SECTORS

UTILITIES SECTOR

The chart below shows the main performance indicators of the Sorgenia group for this current year and a comparison with those of the same periods of the previous year:

| <i>(in millions of euro)</i> | <i>Ist Quarter 2009</i> | <i>Ist Quarter 2008</i> | <i>Change</i> | |
|------------------------------|-----------------------------|-----------------------------|-----------------|----------|
| | | | <i>absolute</i> | <i>%</i> |
| Revenues | 682.0 | 610.3 | 71.7 | 11.7 |
| Net result | 12.9 | 17.2 | (4.3) | (25.0) |

| | <i>31/03/2009</i> | <i>31/12/2008</i> | <i>31/03/2008</i> |
|-------------------------------|-------------------|-------------------|-------------------|
| Net financial position | (1,186.5) | (1,013.9) | (1,076.7) |
| No. of employees | 355 | 339 | 299 |

In the first three months of 2009 the Sorgenia group reported consolidated revenues of €682 million, with a rise of 11.7% from €610.3 million in the first quarter of 2008, despite the scenario of grave economic crisis that caused a fall in demand for electricity (- 7.9%), especially for thermoelectric power generating (-19%), and a sharp drop in electricity prices on the exchange.

In spite of good performance in the electricity business, consolidated EBITDA, which came in at €35.8 million down from €46.5 million in the first three months of 2008, compared with last year was affected by the lower result of the gas business, by higher sourcing costs due to the time lag factor (gas prices adjust later than oil prices) which are expected to go down over the coming quarters.

Consolidated EBIT declined from €39.2 million in the first three months of 2008 to €28.4 million in first quarter 2009.

In the first three months of 2009 the Sorgenia group reported consolidated net income of €12.9 million, down from €17.2 million in the same period of 2008.

The consolidated net financial position at March 31 2009 showed net debt of €1,186.5 million compared to €1,013.9 million at December 31 2008. The rise was due principally to investments in new production capacity (€97.2 million) and to the rise in working capital in relation to the growth in revenues (€68 million).

In the first three months of 2009 Sorgenia continued to roll out its business plan.

In the area of thermoelectric generating, the final stages were reached in the construction of the combined cycle plant at Modugno (BA), which is scheduled to start operating by the summer, while building work continued on the Bertónico-Turano Lodigiano plant (LO) and preliminary works were completed on the site of the Aprilia plant (LT). The investee company Tirreno Power has now substantially completed the repowering of its power plants.

In wind generating the two wind parks at Castelnuovo di Conza (SA), 10 MW, and Minervino Murge (BA), 18 MW, started commercial operations. Work continued on the 39 MW plant at San Gregorio Magno (SA). In France the subsidiary Société Française d'Eoliennes continued with construction work on the 12 MW wind park at Plainchamp. The development plans of Sorigenia Romania are also proceeding according to schedule. These plans involve building, managing and maintaining wind parks. In the first quarter of 2009 wind surveys continued as did development activities in various parts of the country.

In the sphere of renewable energy from biomass and plant fuel derivatives, the company Sorigenia Bioenergy has started building a biomass plant with an output of approximately 1 MW in the local district of Gallina (SI).

In the field of hydrocarbon exploration and production (E&P), at the beginning of April the group reached an agreement with JKX Oil&Gas Plc and Aurelian Oil and Gas Plc, British companies operating in the E&P sector particularly in Eastern Europe, to take part in the exploration in relation to two petroleum licenses in Bulgaria. For the Sorigenia group this is the first upstream deal since its subsidiary Sorigenia E&P was set up in the second half of 2008.

MEDIA SECTOR

The chart below shows the main performance indicators of the Espresso group for this current year and a comparison with those of the same periods of the previous year:

| <i>(in millions of euro)</i> | <i>1st Quarter 2009</i> | <i>1st Quarter 2008</i> | <i>Change</i> | |
|------------------------------|-----------------------------|-----------------------------|-----------------|----------|
| | | | <i>absolute</i> | <i>%</i> |
| Revenues | 215.0 | 262.3 | (47.3) | -18.0 |
| Net result | (2.5) | 10.5 | (13.0) | n.s. |

| | <i>31/03/2009</i> | <i>31/12/2008</i> | <i>31/03/2008</i> |
|-------------------------------|-------------------|-------------------|-------------------|
| Net financial position | (248.8) | (278.9) | (234.7) |
| No. of employees | 3,266 | 3,344 | 3,456 |

In the first quarter of 2009 the revenues of the Espresso group came in at €215 million and were down by 18% compared to the same period of 2008.

Advertising revenues, totalling € 109.3 million, showed an overall decline of 26.8%. The daily newspapers (-22.4%) declined somewhat less than the market, thanks to the fact that the local papers held up better. The remaining media showed a performance substantially in line with the various markets in which they operate.

Circulation revenues, not considering add-ons, were €65.8 million (-1.6% compared to the same period of last year). The revenues from the daily newspapers were in line with the figures for 2008 while the periodicals underwent a slight decline.

In terms of circulation, *la Repubblica* and *L'espresso* declined more significantly (-21.4% and -24.6% respectively) due mainly to the decision to suspend or reduce certain distribution formulae with a high advertising content, which were not very profitable. Lastly, the local newspapers reported circulation figures in line with those of the first three months of 2008, thus confirming that this sector has held up best in this market crisis.

Revenues from optional and add-on products totalled €35.8 million, posting a decline of just 7.9% in a sharply contracting market, thanks to the fact that the public obviously liked the new initiatives of the period.

The consolidated gross operating margin for the first three months of 2009 was €16.7 million (€35.6 million in the first three months of 2008): the impact on the income statement of the drastic reduction in advertising was mitigated by a 12% reduction in operating costs mainly due to the action plans already put in place.

Operating income was €6 million down from €25.4 million in first quarter 2008 and the consolidated net result was a loss of €2.5 million after net income of €10.5 million in the same period of 2008.

The consolidated net financial position showed net debt of €248.8 million at March 31 2009, down from €278.9 million at December 31 2008, thanks to the improvement in working capital and to lower disbursements for investment and the buy-back of own shares.

There were a total of 3,266 employees on the books of the group at March 31 2009, with a reduction of 78 people from the figure of 3,344 at December 31 2008 - the first effects of the restructuring programs currently under way.

The performance in the first quarter together with the evidence available for the month of April confirm the dramatic reduction in advertising investment. As things stand, there is no sign of recovery in a general environment of great uncertainty, which favours a reduction or at least a postponement of investment.

To counter the critical evolution of the market, especially in the publishing sector, the group has already put in place a series of cost cutting measures which enabled the group to offset part of the effects of the collapse of advertising as from the first quarter of the year.

It is evident however, from the results of the first quarter that further cost cutting action will be needed, starting from a simplification of company structure and of organization with a radical re-engineering of processes.

At the same time the group will maintain its commitment to protecting and improving its titles and brands through the development of its content on the new platforms, with particular reference to the websites of the local titles, and to the adoption without any further significant investment of new improvements to the quality of printing and to the graphics of its newspapers, including the extension during the year of full colour printing to almost all of the local newspapers.

Management also intends to continue to strengthen the managerial competencies of the group, monitoring the most critical areas in order to ensure that progress is made.

AUTOMOTIVE COMPONENTS SECTOR

The chart below shows the main performance indicators of the Sogefi group for this current year and a comparison with those of the same periods of the previous year:

| <i>(in millions of euro)</i> | <i>Ist Quarter 2009</i> | <i>Ist Quarter 2008</i> | <i>Change</i> | |
|------------------------------|-----------------------------|-----------------------------|-----------------|----------|
| | | | <i>absolute</i> | <i>%</i> |
| Revenues | 174.9 | 271.7 | (96.8) | (35.6) |
| Net result | (8.8) | 9.0 | (17.8) | (198.0) |

| | <i>31/03/2009</i> | <i>31/12/2008</i> | <i>31/03/2008</i> |
|-------------------------------|-------------------|-------------------|-------------------|
| Net financial position | (260.9) | (257.2) | (101.4) |
| No. of employees | 6,003 | 6,100 | 6,319 |

In a market where there has been a further contraction in production worldwide since the last quarter of 2008, the consolidated revenues of the Sogefi group in first quarter came in at €174.9 million, down by 35.6% from €271.7 million in the same period of 2008, affected by the sharp contraction in sales volumes in the original market, but also by lower levels of activity in the European after market. The new incentive schemes, introduced by many governments to encourage people to buy new and more eco-compatible cars, mainly affected the car sector with effects as from the second half of February, while in the absence of any support, sales and production of industrial vehicles have plummeted.

In this incredibly difficult environment, Sogefi has taken further action to counter the impact of the general crisis in the sector:

- A structural reduction of all the main cost factors, both fixed and variable, aided partly by the decline in the prices of raw materials. Compared to the first quarter of 2008, overheads have been cut by 17.1% and the workforce by 14.2%;
- In view of the current scenario, an acceleration of the restructuring plans for production facilities already scheduled. Specifically a plant in France is scheduled for closure and the production of suspension components in the United States will be discontinued by the end of 2009;
- The intensification of research and innovation activities especially in the segment of suspension in composite materials, and the development of business in Asian markets, particularly India, in the filter segment.

In first quarter 2009 the revenues of the *filter* division were €90.2 million (-32.2%) down from €133 million in first quarter 2008 while those of the *suspension components* division were €84.9 million (-39%), down from €139.2 million in first quarter 2008.

Consolidated EBITDA was a positive €2.2 million (1.3% of revenues) compared with €29.1 million (10.7% of revenues) in first quarter 2008. The EBITDA of the *filter* division declined from €13 million in first quarter 2008 to €2.3 million and that of the *suspension components* division went down from €17.5 million to €0.5 million.

In the first quarter of 2009 consolidated EBIT was a negative €8.4 million versus a positive result of €17.9 million in the same period of 2008. The *suspension components* division reported a negative EBIT of €5.8 million (a positive €11 million in first quarter 2008) while the *filter* division reported a negative EBIT of €1.8 million compared to a positive figure of €8.5 million in the same period of 2008.

Consolidated net income was a loss of €8.8 million and compares with earnings of €9 million in first quarter 2008.

The net debt of the group stood at €260.9 million at March 31 2009, which was in line with the figure of €257.2 million at December 31 2008, even in a period of great difficulty, thanks to management's focus on the objective of not allowing the net financial position to worsen.

The group had 6,003 employees on its books at March 31 2009, down from 6,100 at December 31 2008. 5,892 members of staff were present at work on March 31 2009, 977 less than at the end of March 2008 and 33 less than at December 31 2008.

Although there is likely to be a partial recovery in demand over the next few months as the effects of the new car incentives kick in, sales for the whole year will nevertheless be significantly lower than those of 2008. As already mentioned previously, the group has taken further action to cut costs, adjusting them to the new levels of turnover, and will accelerate the restructuring plans already scheduled for its production plants. Lower revenues and higher extraordinary costs for reorganizing the business make it inevitable that the result for the whole year will be a negative one.

HEALTHCARE SECTOR

The chart below shows the main performance indicators of the HSS group for this current year and a comparison with those of the same periods of the previous year:

| <i>(in millions of euro)</i> | <i>1st Quarter 2009</i> | <i>1st Quarter 2008</i> | <i>Change</i> | |
|------------------------------|-----------------------------|-----------------------------|-----------------|----------|
| | | | <i>absolute</i> | <i>%</i> |
| Revenues | 66.5 | 58.5 | 8.0 | 13.7 |
| Net result | 0.1 | 0.4 | (0.3) | n.s. |

| | <i>31/03/2009</i> | <i>31/12/2008</i> | <i>31/03/2008</i> |
|-------------------------------|-------------------|-------------------|-------------------|
| Net financial position | (161.2) | (149.1) | (163.1) |
| No. of employees | 3,235 | 3,130 | 2,661 |

This year the HSS group has continued to strengthen its operating subsidiaries and to seek new opportunities for development in order to consolidate its presence in the private healthcare sector in Italy. In April 2009 a residence for the elderly in Ancona was acquired from Orpea Italia.

In the first three months of 2009 the group reported revenues of €66.5 million, up by €8 million (+13.7%) from €58.5 million in the same period of 2008, thanks to the development of all areas of the business.

The EBITDA of the first quarter of 2009 was €7.5 million, up by 5.6% from €7.1 million in the same period of 2008 and EBIT was €4.3 million compared to €4.6 million in the first three months of 2008.

Consolidated net income came in at €0.1 million down from €0.4 million in the same period of 2008.

At March 31 2009 the HSS group had net debt of €160.1 million, offset by properties with a carrying value of approximately €120 million. The increase from €149.1 million at December 31 2008 was due mainly to the change in working capital.

The activity of the HSS group is currently directed at managing:

- 1) *Residences for the elderly*, with 37 residences under management (3,792 beds operational and over 330 under construction);
- 2) Hospitals and *rehabilitation* centres, with 6 rehabilitation facilities (in Lombardy, Emilia Romagna, Trentino and Marche), 8 psychiatric rehabilitation communities (in Liguria, Piedmont and Lombardy) and 13 day hospitals, with a total of 1,107 beds in operation and 50 beds under construction;
- 3) *A hospital and hi-tech services* in hospitals, with 7 diagnostic imaging departments.

The HSS group currently manages a total of approximately 5,019 beds and has a further 380 beds under construction.

The group had 3,235 employees at March 31 2009.

FINANCIAL SERVICES SECTOR

JUPITER FINANCE – This company, operating in the non-performing loans (NPL) sector since 2005, has become one of the leading operators in the acquisition and management of problem loans.

Since it started business Jupiter Finance has been acquiring portfolios of NPLs through the securitization vehicle Zeus Finance and also, since the end of 2008, through the vehicle Urania Finance S.A., for a total of approximately €1.3 billion of gross book value (GBV). The acquisition price of the portfolios of NPLs amounted to a total of €157 million.

The first quarter of 2009 was characterized by big changes in the competitive environment: on the one hand the number of operators specializing in acquisition has reduced dramatically because of the credit crunch and the difficulties of international investment banks. On the other hand banks and finance companies have stopped selling their problem loan portfolios for the time being because of the fall in market prices. The rise in the general level of non-performing loans in the second half of 2009 is expected to trigger the market at conditions particularly interesting for companies like Jupiter Finance which are still active.

At the end of the first quarter of 2009 the activities of the company generated total inflows of €69 million, up by some 22% compared with the objectives contained in the business plan drawn up when the portfolios were acquired.

The following chart shows the ratio between amounts received and the price paid for the portfolios by year of acquisition:

| <i>Year of acquisition (in millions of euro)</i> | <i>GBV</i> | <i>Price</i> | <i>Receipts</i> | <i>Receipts/Price %</i> |
|--|------------|--------------|-----------------|-------------------------|
| 2005 | 14 | 1 | 2.5 | 250% |
| 2006 | 314 | 38 | 21.7 | 57% |
| 2007 | 541 | 67 | 35.7 | 53% |
| 2008 | 441 | 51 | 9.4 | 18% |
| GRAND TOTAL | 1,309 | 157 | 69.3 | 44% |

From the point of view of operations, Jupiter Finance has continued to consolidate its credit recovery department with the introduction of specialists from the sector.

In April Jupiter Finance arranged a new loan of €100 million underwritten by the same prime bank that had made the first loan of €200 million in 2007 to Zeus Finance. The company was extremely satisfied with this new agreement, which was reached in a highly negative market environment. This confirms that what the company has been doing so far was the correct action to take.

OAKWOOD – The Oakwood Global Finance group operates in the financial services sector through the companies Ktesios and Pepper. The value of CIR’s investment at March 31 2009 was €20 million.

Ktesios, the main investment of Oakwood, operates in Italy in the market of loans secured on one fifth of workers’ salaries or pensions, confirming its position as one of the leaders in this segment. In the first quarter of 2009 the company made loans for €190 million up from €175 million in the same period of 2008.

Pepper has gradually abandoned the lending market, concentrating its activity on servicing loans for lending institutions, where it has reached a position of leadership in the Australian market.

3. OTHER ACTIVITIES

CIR VENTURES – The portfolio of CIR Ventures, the venture capital fund of the Group, contains investments in six companies of which five in the United States and one in Israel, operating in the sector of information and communication technology. The total fair value of these investments at March 31 2009 was 14 million dollars.

The management activity of the fund is still mainly directed towards supporting the companies in the portfolio and identifying opportunities to take profit.

INVESTMENTS IN PRIVATE EQUITY FUNDS - Through its subsidiary CIR International the CIR group holds a diversified portfolio of funds and minority private equity holdings, the fair value of which determined on the basis of the NAV provided by the various funds at March 31 2009 was approximately €65 million. In first quarter 2009 further investments were made for approximately €0.6 million for remaining commitments outstanding, which amounted to around €33 million at March 31 2009.

4. SIGNIFICANT EVENTS WHICH OCCURRED AFTER MARCH 31 2009 AND OUT-LOOK FOR THE REST OF THE YEAR

Regarding the main events which have taken place since March 31 2009, information has already been given in the part of this report on the performance of the business sectors.

In 2009 the results of the Group will inevitably feel the effects of the current phase of deep recession, with a different intensity in the various business sectors. As already indicated in the comments on the individual operating groups and especially those most exposed to the crisis, action has already been taken to counter the negative cycle and further measures are scheduled, such as those already planned for Sogefi and Espresso.

5. OTHER INFORMATION

Other

The company CIR S.p.A. – Compagnie Industriali Riunite has its registered office in Strada Volpiano 53, Leinì (To), Italy and its operating headquarters in Via Ciovassino 1, Milan, Italy.

CIR shares, which have been quoted on the Milan Stock Exchange since 1973, since 2004 have been traded on the Blue-chip segment (Reuter code: CIRX.MI, Bloomberg code CIR IM). Since March 23 2009 CIR stock has been part of the S&P/MIB index.

This Financial Report for the period January 1 – March 31 2009 was approved by the Board of Directors on April 30 2009.

CIR S.p.A. is subject to management and coordination by Cofide S.p.A..

CONSOLIDATED FINANCIAL STATEMENTS

BALANCE SHEET

INCOME STATEMENT

NET FINANCIAL POSITION

1. CONSOLIDATED BALANCE SHEET

(in thousands of euro)

| ASSETS | <i>31.03.2009</i> | <i>31.12.2008</i> | <i>31.03.2008</i> |
|---|-------------------|-------------------|-------------------|
| NON-CURRENT ASSETS | 3,909,214 | 3,804,558 | 3,514,605 |
| INTANGIBLE ASSETS | 1,266,788 | 1,264,499 | 1,258,264 |
| TANGIBLE ASSETS | 1,870,198 | 1,789,985 | 1,488,586 |
| INVESTMENT PROPERTY | 18,544 | 18,687 | 19,116 |
| INVESTMENTS IN COMPANIES VALUED AT EQUITY | 300,225 | 282,824 | 290,130 |
| OTHER EQUITY INVESTMENTS | 14,781 | 9,682 | 11,831 |
| OTHER RECEIVABLES | 234,573 | 236,147 | 258,424 |
| SECURITIES | 75,380 | 84,633 | 96,403 |
| DEFERRED TAXES | 128,725 | 118,101 | 91,851 |
| CURRENT ASSETS | 2,686,635 | 3,168,534 | 2,784,848 |
| INVENTORIES | 183,885 | 195,311 | 191,493 |
| CONTRACTED WORK IN PROGRESS | 3,171 | 2,915 | 2,211 |
| TRADE RECEIVABLES | 1,211,373 | 1,233,689 | 1,080,502 |
| OTHER RECEIVABLES | 372,159 | 363,753 | 215,837 |
| FINANCIAL RECEIVABLES | 18,520 | 25,721 | 19,914 |
| SECURITIES | 230,001 | 513,362 | 296,472 |
| AVAILABLE-FOR-SALE FINANCIAL ASSETS | 174,426 | 217,420 | 323,722 |
| CASH AND CASH EQUIVALENTS | 493,100 | 616,363 | 654,697 |
| ASSETS HELD FOR DISPOSAL | 668 | 653 | 6,689 |
| TOTAL ASSETS | 6,596,517 | 6,973,745 | 6,306,142 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | <i>31.03.2009</i> | <i>31.12.2008</i> | <i>31.03.2008</i> |
| SHAREHOLDERS' EQUITY | 2,070,456 | 2,078,888 | 2,045,024 |
| ISSUED CAPITAL | 395,588 | 395,588 | 395,490 |
| less OWN SHARES | (21,537) | (21,487) | (21,387) |
| SHARE CAPITAL | 374,051 | 374,101 | 374,103 |
| RESERVES | 282,326 | 307,856 | 396,727 |
| RETAINED EARNINGS (LOSSES) | 582,818 | 487,448 | 525,214 |
| NET INCOME FOR THE PERIOD | 19,474 | 95,444 | 17,294 |
| SHAREHOLDERS' EQUITY OF THE GROUP | 1,258,669 | 1,264,849 | 1,313,338 |
| MINORITY SHAREHOLDERS' EQUITY | 811,787 | 814,039 | 731,686 |
| NON-CURRENT LIABILITIES | 2,900,459 | 2,931,482 | 2,481,026 |
| BONDS AND NOTES | 882,682 | 895,458 | 767,262 |
| OTHER BORROWINGS | 1,640,119 | 1,653,615 | 1,369,974 |
| OTHER PAYABLES | 3,333 | 3,333 | 286 |
| DEFERRED TAXES | 173,203 | 174,903 | 142,772 |
| PERSONNEL PROVISIONS | 144,321 | 147,482 | 159,182 |
| PROVISIONS FOR RISKS AND LOSSES | 56,801 | 56,691 | 41,550 |
| CURRENT LIABILITIES | 1,625,602 | 1,963,375 | 1,780,092 |
| BANK OVERDRAFTS | 186,712 | 164,801 | 156,645 |
| BONDS AND NOTES | 2,799 | 347,445 | 387,445 |
| OTHER BORROWINGS | 220,632 | 146,987 | 144,473 |
| TRADE PAYABLES | 864,356 | 946,989 | 791,790 |
| OTHER PAYABLES | 267,530 | 277,153 | 235,104 |
| PROVISIONS FOR RISKS AND LOSSES | 83,573 | 80,000 | 64,635 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 6,596,517 | 6,973,745 | 6,306,142 |

2. CONSOLIDATED INCOME STATEMENT

(in thousands of euro)

| | <i>01/01-31/03</i> <i>2009</i> | <i>01/01-31/03</i> <i>2008</i> |
|--|-----------------------------------|-----------------------------------|
| SALES REVENUES | 1,138,318 | 1,202,788 |
| CHANGE IN INVENTORIES | (7,172) | 980 |
| COSTS FOR THE PURCHASE OF GOODS | (733,298) | (716,310) |
| COSTS FOR SERVICES | (180,761) | (196,392) |
| PERSONNEL COSTS | (159,705) | (174,795) |
| OTHER OPERATING INCOME | 11,496 | 13,454 |
| OTHER OPERATING COSTS | (29,502) | (20,541) |
| ADJUSTMENTS TO THE VALUE OF INVESTMENTS VALUED AT EQUITY | 19,907 | 6,784 |
| AMORTIZATION, DEPRECIATION AND WRITE-DOWNS | (31,940) | (31,388) |
| INCOME BEFORE FINANCIAL ITEMS AND TAXES (E B I T) | 27,343 | 84,580 |
| FINANCIAL INCOME | 19,050 | 16,645 |
| FINANCIAL EXPENSE | (43,905) | (45,558) |
| DIVIDENDS | -- | -- |
| GAINS FROM TRADING SECURITIES | 40,940 | 11,691 |
| LOSSES FROM TRADING SECURITIES | (2,793) | (2,602) |
| ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS | (6,365) | (1,920) |
| INCOME BEFORE TAXES | 34,270 | 62,836 |
| INCOME TAXES | (4,958) | (26,145) |
| NET INCOME FOR PERIOD INCLUDING MINORITY INTERESTS | 29,312 | 36,691 |
| - NET INCOME OF MINORITY INTERESTS | (9,838) | (19,397) |
| - NET INCOME OF THE GROUP | 19,474 | 17,294 |

3. NET FINANCIAL POSITION

(in thousands of euro)

| | <i>31.03.2009</i> | <i>31.12.2008</i> | <i>31.03.2008</i> |
|--|--------------------|--------------------|--------------------|
| A. Cash and bank deposits | 493,100 | 616,363 | 654,697 |
| B. Other cash and cash equivalents | 174,426 | 217,420 | 323,722 |
| C. Securities held for trading | 230,001 | 513,362 | 296,472 |
| D. Cash and cash equivalents (A) + (B) + (C) | 897,527 | 1,347,145 | 1,274,891 |
| E. Current financial receivables | 198,420 | 175,721 | 19,914 |
| F. Current bank borrowings | (319,409) | (223,754) | (224,992) |
| G. Bonds and notes issued | (2,799) | (347,445) | (387,445) |
| H. Current part of non-current debt | (87,927) | (87,963) | (76,108) |
| I. Other current borrowings | (8) | (71) | (18) |
| J. Current financial debt (F) + (G) + (H) + (I) | (410,143) | (659,233) | (688,563) |
| K. Current net financial position (J) + (E) + (D) | 685,804 | 863,633 | 606,242 |
| L. Non-current bank borrowings | (1,486,848) | (1,498,298) | (1,244,603) |
| M. Bonds and notes issued | (882,682) | (895,458) | (767,262) |
| N. Other non-current payables | (153,271) | (155,317) | (125,371) |
| O. Non-current financial debt (L) + (M) + (N) | (2,522,801) | (2,549,073) | (2,137,236) |
| P. Net financial position (K) + (O) | (1,836,997) | (1,685,440) | (1,530,994) |

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. FOREWORD

This consolidated interim report as of March 31 2009, which has not be subjected to an audit, was prepared in accordance with IAS/IFRS international accounting standards which have been mandatory since 2005 for preparing the consolidated financial statements of companies listed on European regulated markets.

The figures given for the purposes of comparison were also determined in accordance with IAS/IFRS

This interim report was prepared in compliance with the provisions of Art. 154/ter paragraph 5 of D.Lgs. no. 58 of February 24 1998 and subsequent amendments (TUF). Therefore the instructions of the international accounting standard regarding interim financial statements were not adopted (IAS 34 “Interim Financial Statements”).

2. CONSOLIDATION PRINCIPLES

Consolidation is carried out using the full line-by-line method. The criteria adopted for the application of this method are the same as those used at December 31 2008.

The consolidated interim financial statements of the Group as of March 31 2009, like those as of December 31 2008 are the result of the consolidation at those dates of the financial statements of the Parent Company CIR and of all the companies directly or indirectly controlled, joint ventures or associates with the exception of companies in liquidation. The assets and liabilities of companies scheduled for disposal are stated in the items of assets and liabilities which show this specific eventuality.

3. ACCOUNTING PRINCIPLES APPLIED

The Accounting Principles adopted for the preparation of the interim financial statements as of March 31 2009 are the same as those adopted for the financial statements for the year ended December 31 2008.

4. SHARE CAPITAL

Share capital stood at €395,587,633.50 at March 31 2009, unchanged from December 31 2008, and consisted of 791,175,267 shares each with a nominal value of €0.50.

At March 31 2009 the Company was holding 43,074,000 of its own shares as treasury stock, compared to 42,974,000 at December 31 2008.

In application of IAS 32, since January 1 2005 own shares held by the Parent Company have been deducted from shareholders' equity.

The share capital is fully subscribed and paid up. None of the shares are subject to any rights, privileges or limitations on the distribution of dividends, with the exception of own shares.

It should be noted that the Board of Directors was authorized for a period of five years as from April 27 2005 to increase the share capital either once or more than once up to a maximum of €500 million (nominal value) and for a further maximum of €20 million (nominal value) in favour of employees of the Company and its subsidiaries and parent companies.

Regarding stock option plans, at March 31 2009 there were 29,539,400 options in circulation, corresponding to the same number of shares.

Declaration as per Articles 36 and 37 of Consob Resolution 16191 of October 29 2007

In relation to the obligations set out in Art. 2.6.2, paragraph 15, of the Rules of Borsa Italiana, taking into account the instructions given in Articles 36 and 37 of Consob Resolution 16191, it is hereby declared that no conditions exist which could prevent CIR shares from being listed on the MTA market organized and managed by Borsa Italiana S.p.A., since any foreign subsidiaries not belonging to the European Union, which are of particular importance to CIR (the “Company”): publish their bylaws, the composition and powers of their administrative bodies, according to the legislation applicable to them or voluntarily, and they also provide the Company’s independent auditors with all the information necessary for them to carry out the audit of the annual and interim accounts of CIR and they have an administrative accounting system that enables them to provide Management and the auditors of the Company regularly with the income, balance sheet and financial figures needed to prepare the consolidated financial statements; in relation to the fact that it is subject to management and coordination by its parent company COFIDE - Compagnia Finanziaria De Benedetti S.p.A. – the Company has fulfilled all the disclosure obligations stipulated in Article 2497-bis of the Civil Code, it negotiates with clients and suppliers fully independently, has no centralized treasury agreement with COFIDE, on the Board of Directors of the Company, out of a total of 13 directors, 7 have the requisites for independence and are of a sufficient number to guarantee that their judgement has a significant weight when decisions are adopted by the board.

THE BOARD OF DIRECTORS

DECLARATION IN ACCORDANCE WITH THE TERMS OF ART. 154 BIS, PARAGRAPH 2,
OF D.LGS. NO. 58/1998

Re: Interim Report and Financial Statements as of March 31 2009

The undersigned Alberto Piaser, officer responsible for the preparation of the financial statements of the company,

Hereby declares

in accordance with paragraph 2 of Article 154 bis of the Finance Consolidation Act (TUF) that the accounting information contained in this document corresponds to the documented results and to the books and general ledger of the Company.

Turin, April 30 2009

Signed by
C I R S.p.A.
Alberto Piaser