



9 M 2010 results



Consolidated financial structure

€ m

| Shareholders' equity - Group | 31 Dec. 2009 | 30 Sept. 2010 |
|--|----------------|----------------|
| Sorgenia | 557.8 | 580.2 |
| Espresso | 266.9 | 288.1 |
| Sogefi | 96.0 | 107.5 |
| KOS | 90.0 | 92.4 |
| Other investments | 16.0 | 15.8 |
| Total subsidiaries | 1,026.7 | 1,084.0 |
| <i>CIR & financial holdings</i> | | |
| Fixed assets | 128.6 | 127.9 |
| Private equity | 74.3 | 83.0 |
| Junior Notes Zeus (Jupiter) | 55.2 | 55.3 |
| Other assets, net | (9.7) | (3.3) |
| Net cash | 121.6 | 111.7 |
| Consolidated shareholders' equity | 1,396.7 | 1,458.6 |

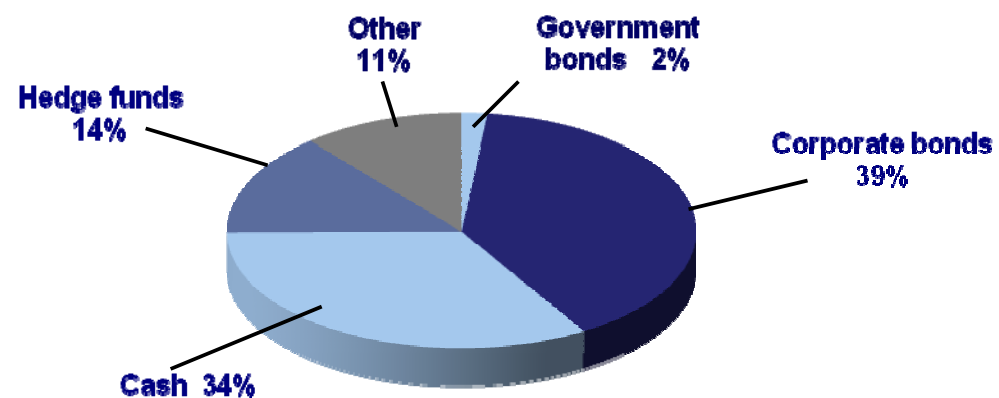


Liquid assets

€ m

| | 31 Dec. 2009 | 30 Sept. 2010 |
|----------------------------------|--------------|---------------|
| Government bonds | 4 | 10 |
| Corporate bonds | 254 | 220 |
| Cash and bank deposits | 193 | 187 |
| Hedge funds | 80 | 78 |
| Other (stocks, investment funds) | 21 | 62 |
| Total liquid assets | 552 | 557 |

Liquid assets at 30 September 2010

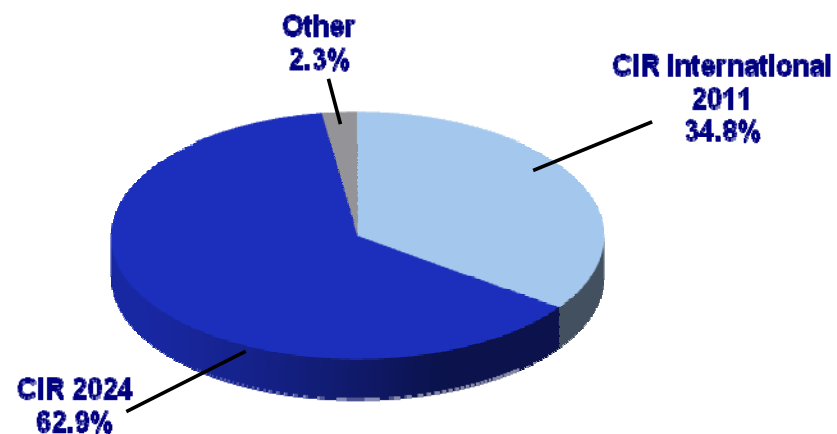




Composition of gross financial debt

| | 31 Dec. 2009 | 30 Sept. 2010 |
|-----------------------------|--------------|---------------|
| CIR International 2003/2011 | 157.6 | 154.9 |
| CIR S.p.A. 2004/2024 | 266.9 | 279.7 |
| Other debt | 6.1 | 10.2 |
| Gross financial debt | 430.6 | 444.8 |

Gross financial debt at 30 September 2010

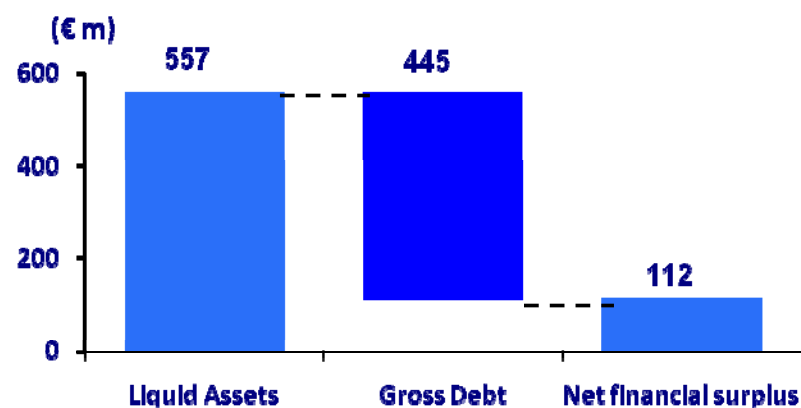




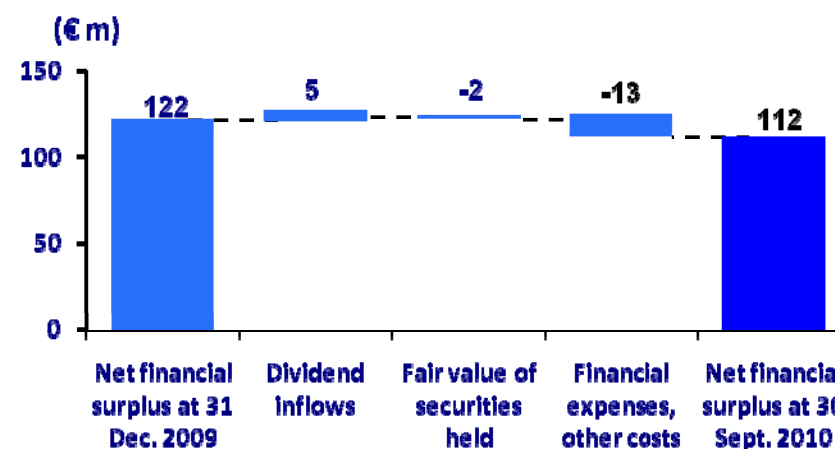
Net financial surplus at “holding system” level

- At the end of September 2010 net cash amounted to €111.7 m, down slightly on the figure at December 31 2009 (€ 121.6m)
- The net cash includes hedge funds investments (formerly Medinvest) which at September 30 2010 stood at € 78.0 m (ytd decrease: -1.2%)

Net financial surplus at 30 September 2010



Evolution of net financial surplus





Consolidated net financial position

€ m

| | 31 Dec. 2009 | 30 Sept. 2010 |
|--|--------------|---------------|
| Cir & financial holdings | 121.6 | 111.7 |
| Sorgenia Group | (1,321.1) | (1,746.2) |
| Espresso Group | (208.2) | (136.9) |
| Sogefi Group | (170.2) | (182.6) |
| KOS Group | (163.5) | (211.9) |
| Other subsidiaries | (59.7) | (56.8) |
| Consolidated net financial indebtedness | (1,801.1) | (2,222.7) |
| Total shareholders' equity | 2,332.3 | 2,457.4 |
| Consolidated net invested capital | 4,133.4 | 4,680.1 |



Consolidated income statement

€ m

| | 9M 2009 | 9M 2010 |
|---|---------------------|---------|
| Sorgenia Group | 10.9 | 29.5 |
| Espresso Group | 0.7 | 20.0 |
| Sogefi Group | (4.9) | 7.7 |
| KOS Group | 0.1 | 2.6 |
| Other subsidiaries | (1.0) | (1.0) |
| Total operating subsidiaries | 5.8 | 58.8 |
| Other financial companies | 40.1 ⁽¹⁾ | (1.7) |
| Total contribution from subsidiaries | 45.9 | 57.1 |
| Cir + Cir International result | 15.4 | (3.4) |
| Non-recurrent components | 76.7 ⁽¹⁾ | -- |
| Net income | 138.0 | 53.7 |

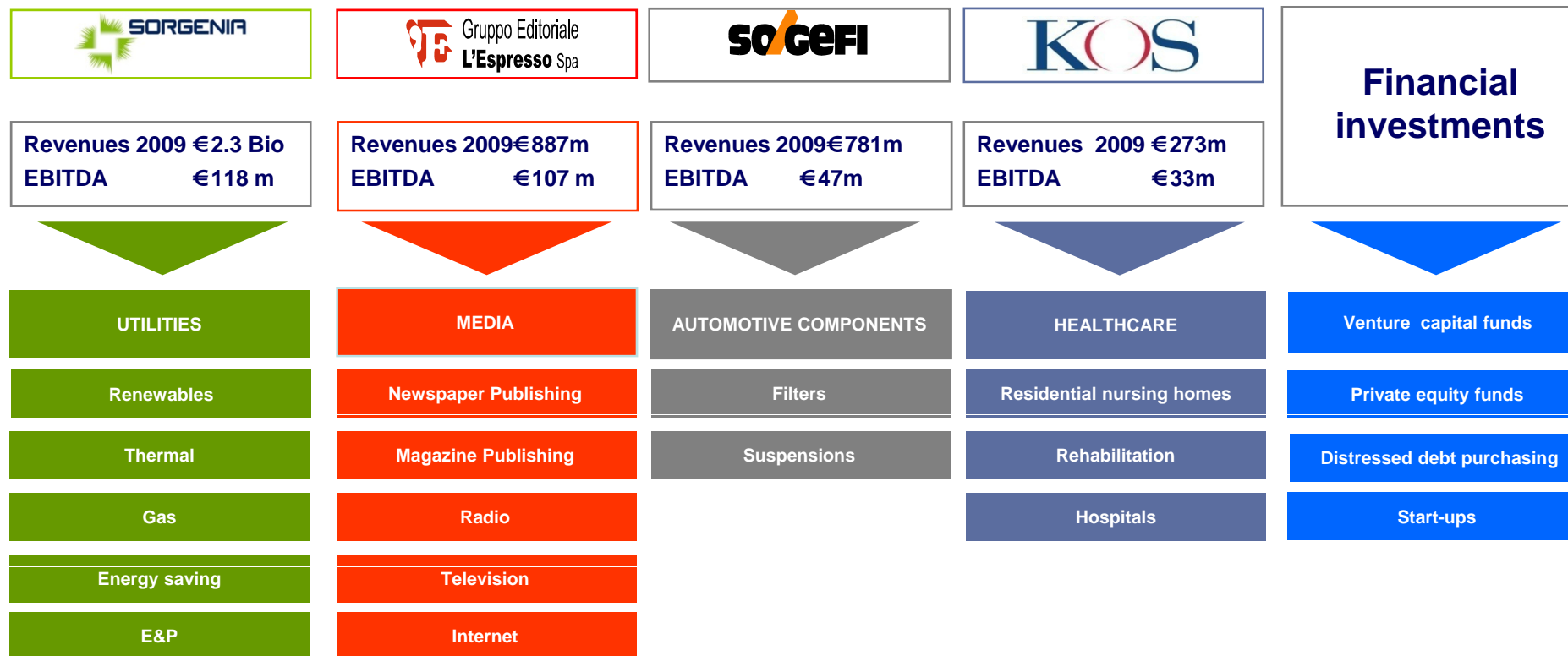
(1) 9M 09 non-recurring gains = €117m of which € 40.1 came from capital gain on hedge funds redemptions and € 76.7 from Verbund capital increase in Sorgenia



Corporate structure

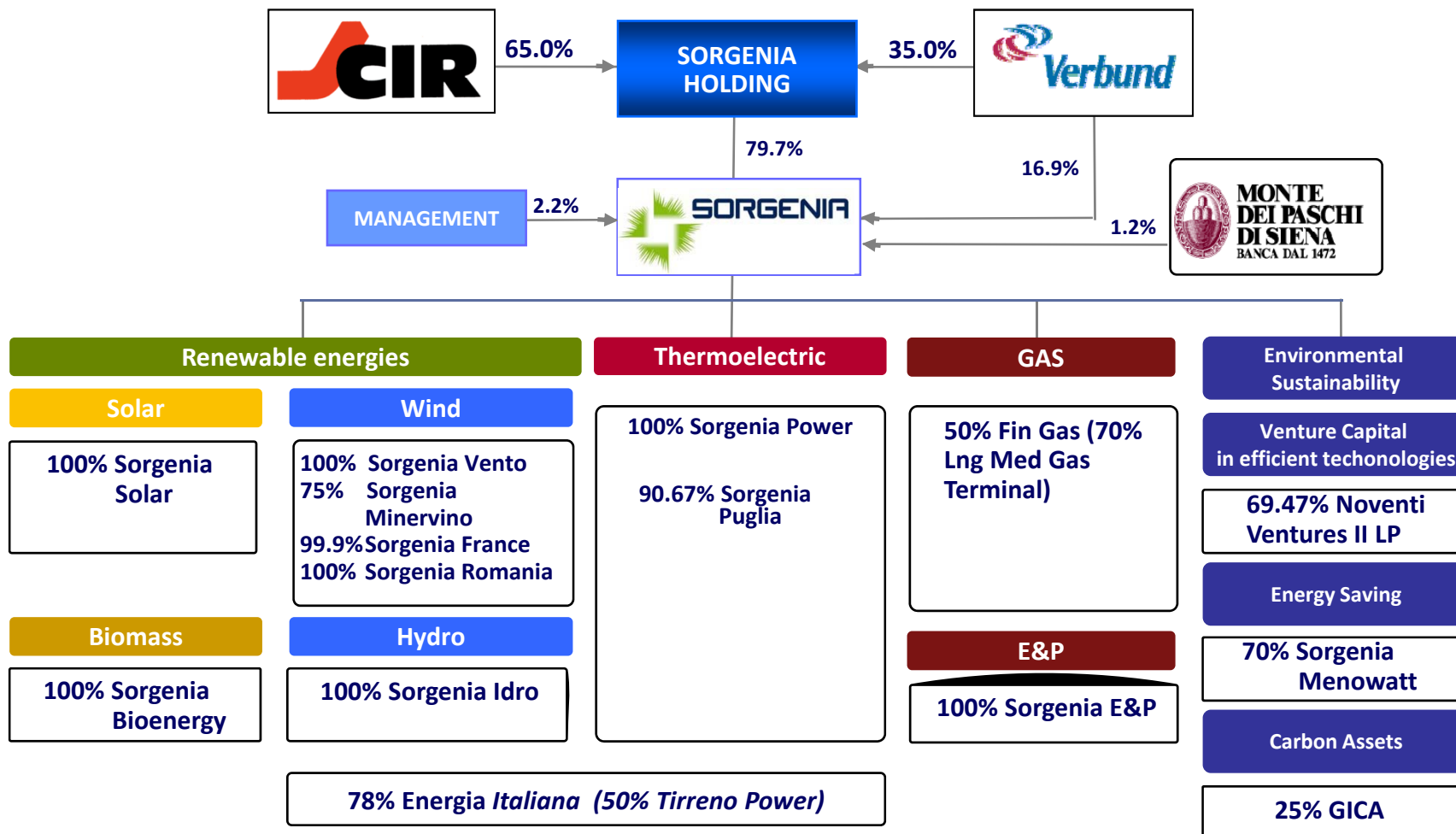


Operating subsidiaries



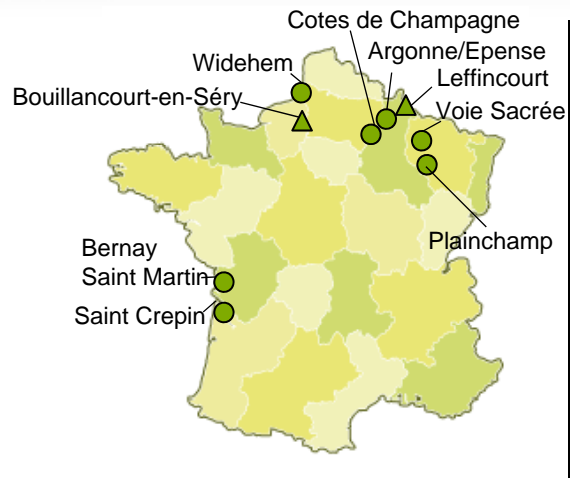


Sorgenia - Operating structure





Sorgenia – power generating plants in Italy and in France



| | |
|---------------------------------------|--------------------------------|
| ■ | Wind |
| ■ | Solar |
| ■ | Hydro |
| ■ | Thermo |
| ■ | Biomass |
| ○ | In production |
| △ | Authorized/ under construction |



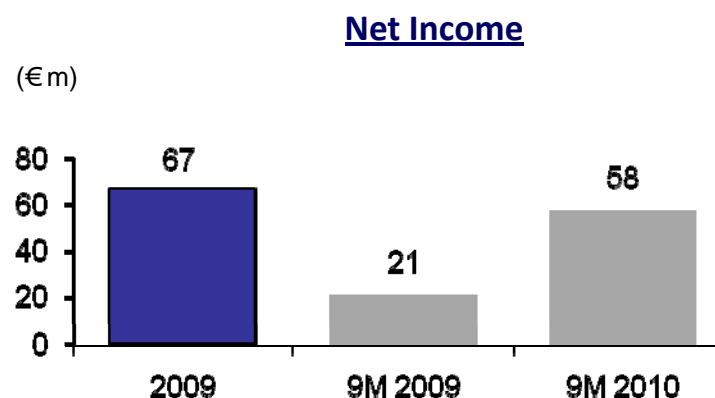
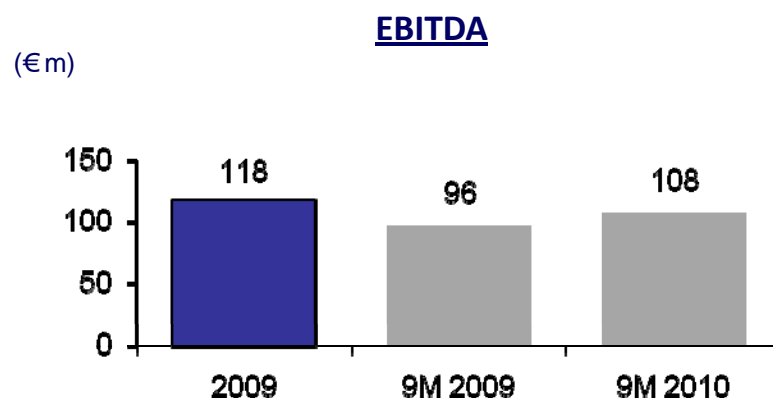
Sorgenia – production capacity

| Plants | In operation or in commissioning | In construction | Total |
|--|----------------------------------|-----------------|--------------|
| Sorgenia Power (Termoli CCGT) | 770 | | 770 |
| Sorgenia Puglia (Modugno CCGT) | 800 | | 800 |
| Sorgenia Power (Bertonico-Turano Lodigiano CCGT) | 800 | | 800 |
| Sorgenia Power (Aprilia CCGT) | | 800 | 800 |
| Tirreno Power (pro-rata 39%) | 1,300 | | 1,300 |
| SFE (Wind France) | 112 | 41 | 153 |
| Wind Italy | 81 | | 81 |
| Sorgenia Idro (hydroelectric) | 8 | | 8 |
| Sorgenia Solar (photovoltaic) | 16 | 8 | 23 |
| Sorgenia Bioenergy (biomass) | 1 | | 1 |
| Total output (MW) | 3,887 | 849 | 4,735 |



Sorgenia 9M 2010 results

- 9M 2010 EBITDA benefited in particular from the increase in volumes of the electricity business (+14.1%) and from the start up of the Modugno power plant, which more than compensated for the reduction in gas margin, high congestion costs on the national grid and the breakdown of the Termoli power plant occurred in 1Q 2010

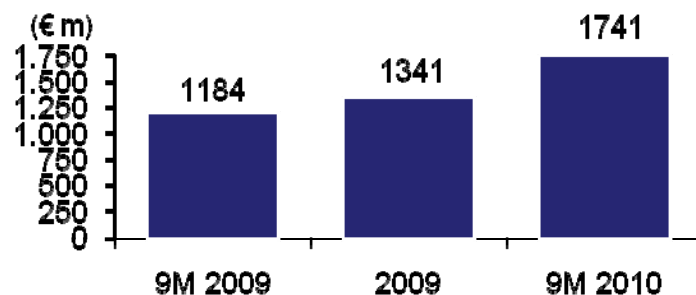




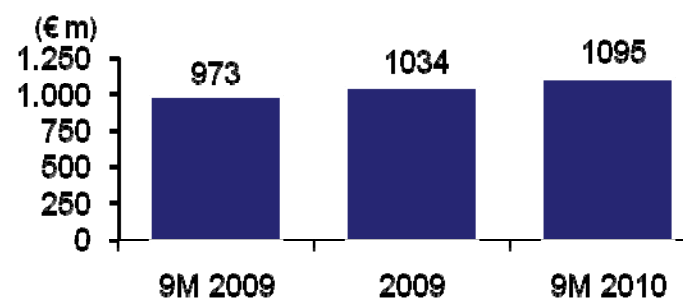
Sorgenia increase of net debt due to investments in new plants

- In 9 M 2010 the rollout to the business plan of the Sorgenia group continued
- Net debt change was due mainly to financial outflows for investments in new production capacity, especially in thermoelectric and wind generation and to the increase in working capital

Net Financial Indebtedness



Total Shareholders' Equity



Espresso: operating structure



- In 9m 2010 advertising revenues, equal to €369.3 m increased 7.1% with respect to the first nine months of 2009
- All the Group's main activities have recorded a remarkable profitability improvement, which for the daily newspapers was due to the drastic cost reduction related to reorganization plans, and for the radio division and the digital activities was due to the significant increase in revenues
- The Group is committed to implementing an editorial plan for new media through all new platforms. The i-Pad version of *la Repubblica* and *L'Espresso* have already been implemented while the local daily newspapers version has been launched at the end of October



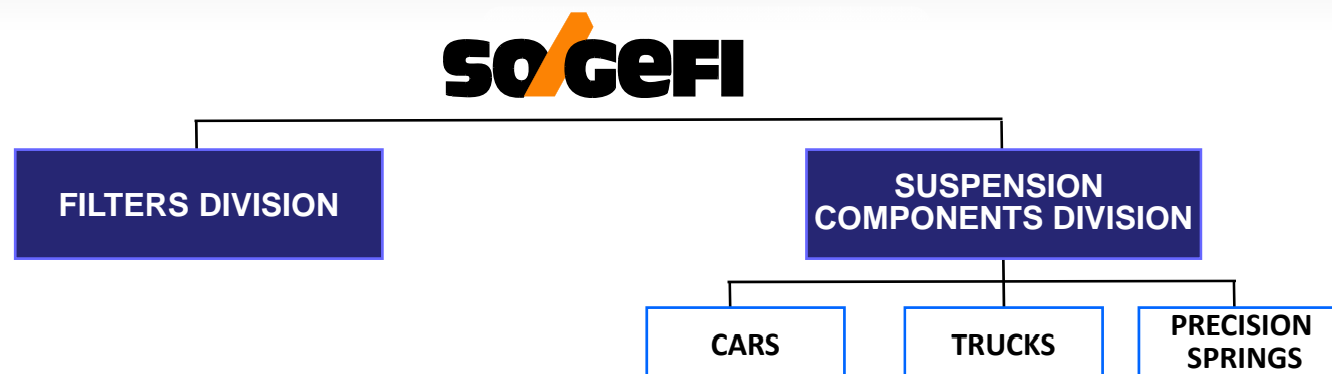
Espresso – strong cash flow generation

9M Results

€ m

| | 9M 2009 | 9M 2010 |
|--|---------|---------|
| Revenues | 640.9 | 639.5 |
| EBITDA | 60.7 | 104.0 |
| Net income | 1.2 | 36.3 |
| Net financial indebtedness (end of period) | (218.9) | (136.9) |

Sogefi: operating structure



- Significant growth in revenues and profitability reported by the group in the first six months of the year continues in the third quarter too thanks to the recovery in world production levels and the cost-cutting actions which began at the end of 2008
- During the third quarter the group further strengthened its presence in markets with the greatest growth potential, finalizing in the suspension components sector a joint-venture in India after the one signed at the end of 2008 in the filter sector
- In the later part of the year the levels of business volumes recorded in the third quarter should be confirmed while no significant restructuring charges are expected



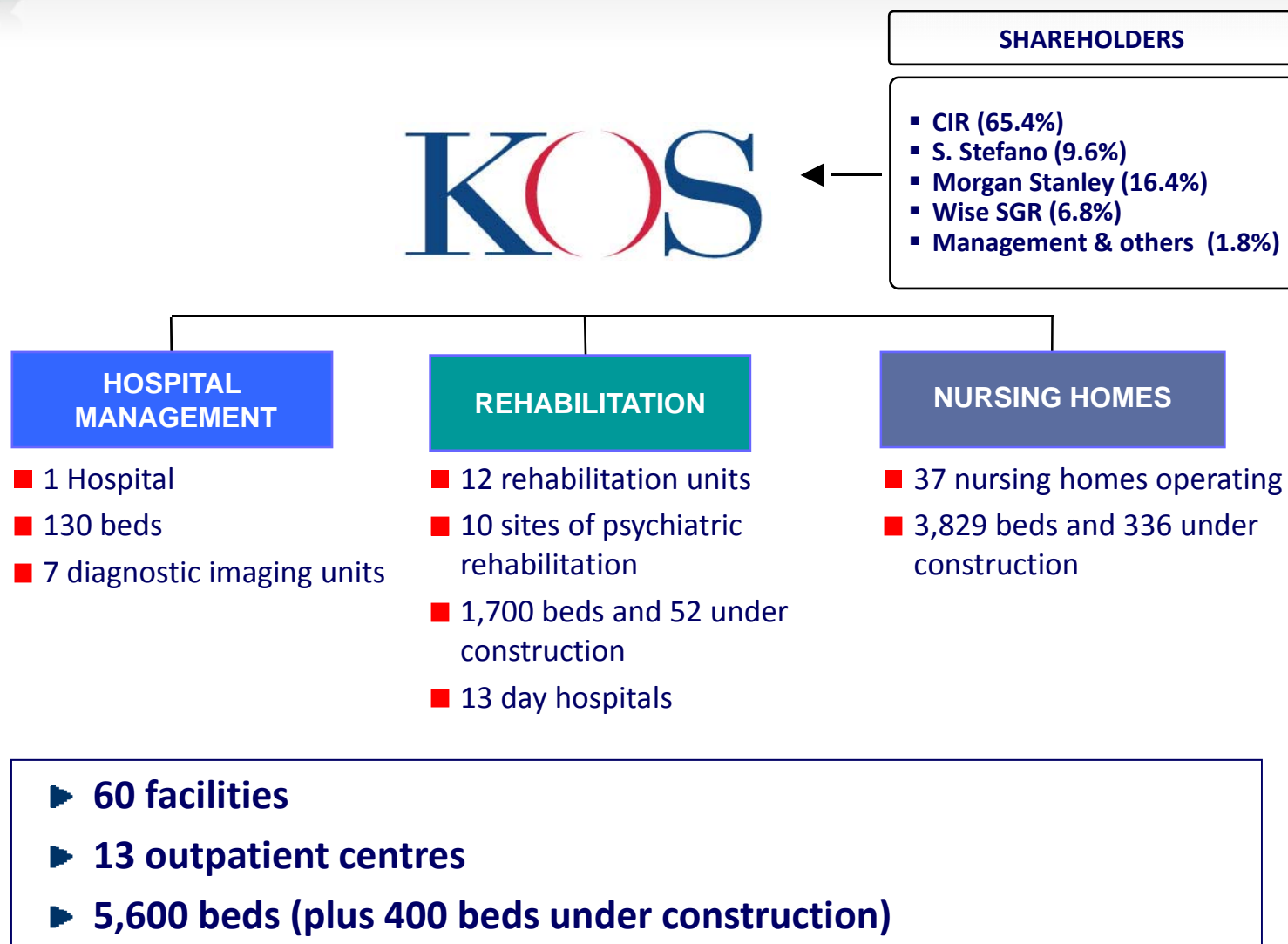
Sogefi – 9M revenues up by 20% and margins doubled

9M Results

€ m

| | 9M 2009 | 9M 2010 |
|---|---------|---------|
| Revenues | 573.8 | 687.0 |
| EBITDA | 32.2 | 64.5 |
| Net result | (8.6) | 13.5 |
| Net financial indebtedness (end of period) | (202.7) | (182.6) |

KOS: operating structure





KOS: today

- Established in 2002, **KOS** has become one of the main operators in private healthcare in Italy
- KOS is active in **three business areas: nursing homes, rehabilitation centres and hospital management**
- In 9M 2010 KOS achieved an improvement in its main economic indicators compared to the same period of 2009, thanks to the development of all the companies of the group and to the broadening of its sphere of activity
- In October KOS finalized the acquisition of a psychiatric hospital in Modena (Villa Rosa) with 81 beds, and of a group of diagnostic and radiology facilities in the province of Bologna



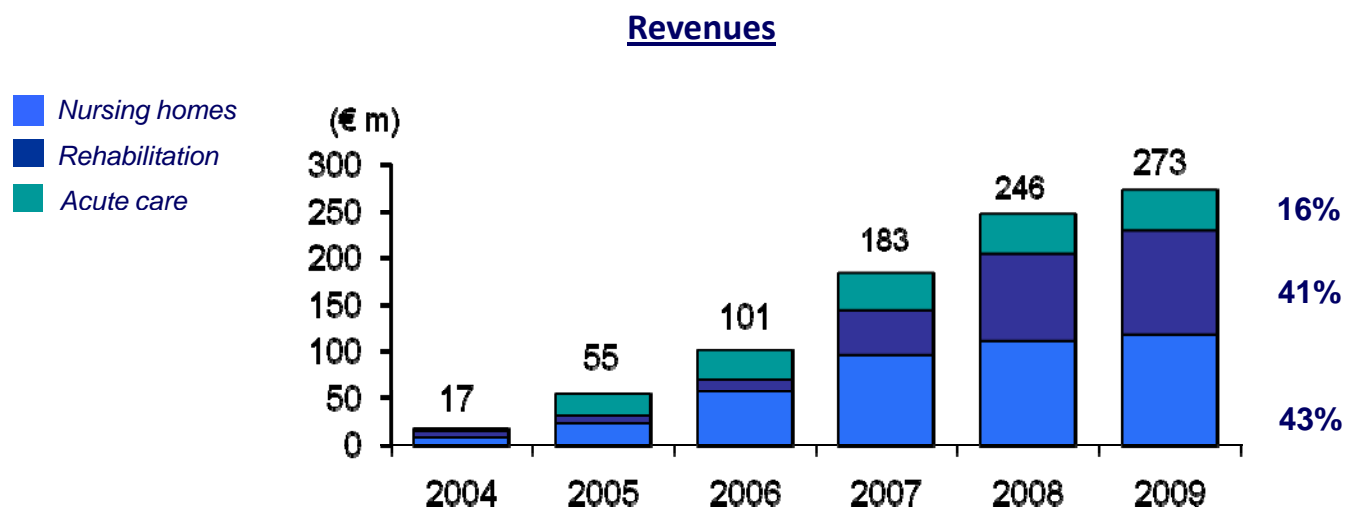
KOS: agreement with AXA

- AXA Private Equity will enter into the capital structure of **KOS** with a 41.1% share by buying out most minority shareholders and subscribing to a dedicated rights issue
- In the next three years, through further capital increases, AXA will raise its stake to 46.7% with a total financial commitment of 150 million euro
- CIR will remain the majority shareholder with an interest that after completion of the deal will be of a 51% stake
- The agreement is based on an average valuation of **KOS's** equity before the capital increases of 243 million euro
- The planned listing on the Stock Exchange has been cancelled although it remains an option in the medium-long term



KOS: evolution of consolidated revenues

- KOS group closed 2009 with double digit growth in revenues compared to 2008 (+ 11%) thanks to the development of all areas of the business and to the new acquisitions made during the year
- Following the acquisitions of the first months of 2010, KOS now has reached 5,600 beds (plus 400 under construction)





KOS – increasing results in 9M 2010

9M Results

€ m

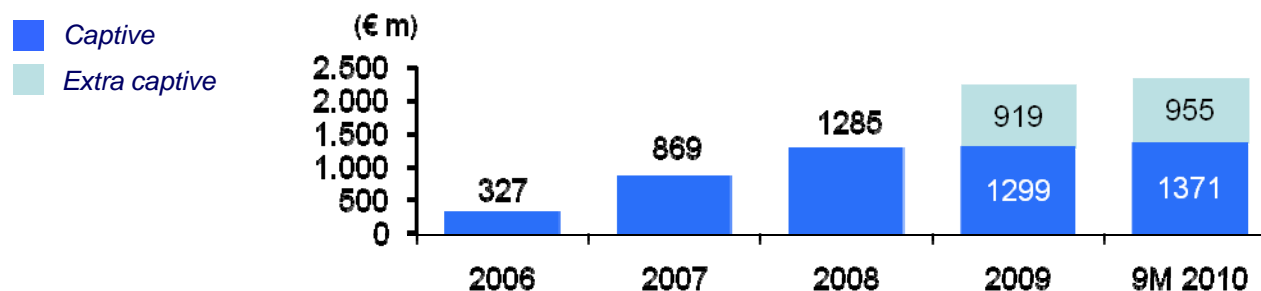
| | 9M 2009 | 9M 2010 |
|--|---------|---------|
| Revenues | 203.5 | 239.0 |
| EBITDA | 24.6 | 32.2 |
| Net income | 0.2 | 4.0 |
| Net financial indebtedness (end of period) | (161.6) | (211.9) |



Jupiter Finance: investment performance

- In 2009 Jupiter Finance has decided to open its servicing platform to third parties. A first mandate has been granted by an international institutional investor for a total gross book value of € 919 million
- As of 30 September 2010 the non-performing loans managed amounted to €2.3 billion, subdivided into captive loans for € 1.4 billion and non-captive loans for € 955 million

NPLs managed by Jupiter Finance



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