



Results 2007 & 1st Q 2008

Consolidated financial structure

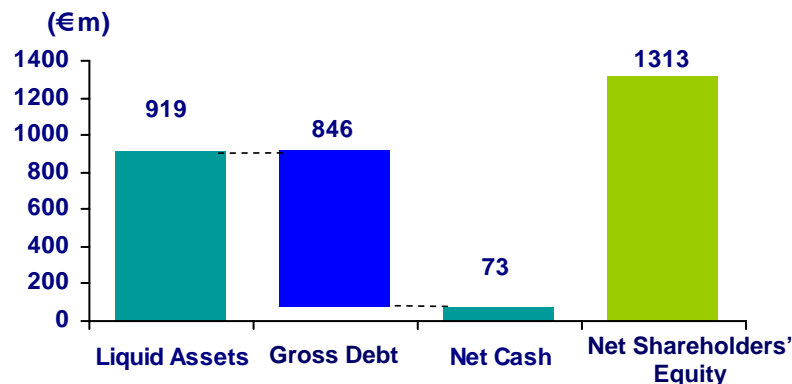
€ m

Shareholders' equity - Group	31 Dec. 2007	31 Mar. 2008
Sorgenia	301.8	310.0
Espresso	290.4	294.7
Sogefi	179.5	180.5
HSS	69.5	69.3
Other investments	15.3	22.0
Totale subsidiaries	856.5	876.5
<i>CIR + CIR INTERNATIONAL</i>		
Fixed assets	125.4	128.3
Private equity	90.9	91.2
Oakwood	69.1	73.1
Junior Notes Zeus (Jupiter)	37.9	37.9
Other non-current assets, net	27.8	33.5
Net cash	112.3	72.8
Consolidated Shareholders' equity	1,319.9	1,313.3

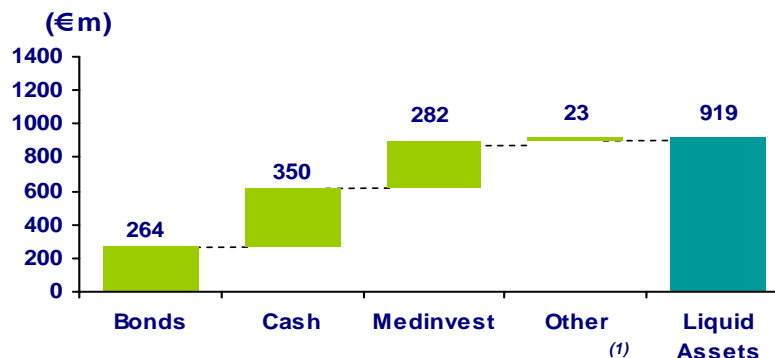
- 1Q 08 Financial expenses from bond issues amount to € 12.8 m (equal to an average rate of 6.1%)
- 1Q 08 financial income from liquid assets (excluding Medinvest) amounts to € 6,2 m (equal to a return of approx. 3.9%)
- The 1Q 08 “unrealized” portion of Medinvest return is € (15,4) m

Net Cash and Net Shareholders' Equity

As of 31 March 2008



Liquid Assets as of 31 March 2008



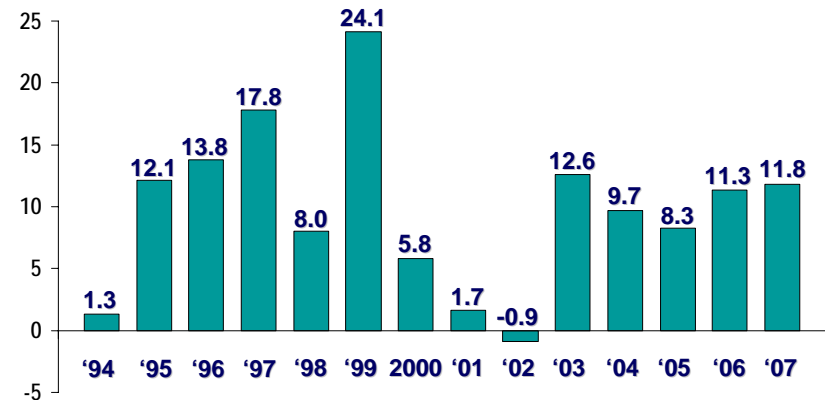
(1) Of which marketable securities = € 16.1 million; investments funds = € 5.0 million

Medinvest: performance in US\$ since inception

- Performance 2007: + 11.8%
- CAGR since 1994 (inception): + 9.9%
- April 2008 YTD decrease: -2.5%
- Average annual volatility since 1994: 5.4%

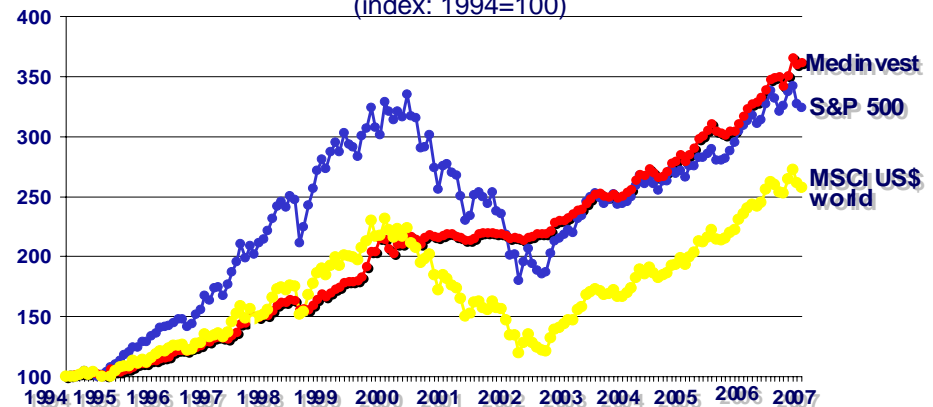
Historical Performance per Year*

(NAV % Annual Increase)



Cumulative Performance

(index: 1994=100)



**all data refer to Medinvest Ltd., incorporated in Jersey on 3 February 1994, whose assets were transferred into Medinvest Plc as of 1 May 2001*

Consolidated Net Financial indebtedness

€ m	31 Dec. 2007	31 Mar. 2008
CIR + Cir International	112.3	72.8
Sorigenia Group	(897.3)	(1,066.5)
Espresso Group	(264.9)	(234.7)
Sogefi Group	(92.4)	(101.4)
HSS Group	(148.6)	(163.1)
Other subsidiaries	(42.6)	(38.1)
Consolidated net financial indebtedness	(1,333.5)	(1,531.0)
Total shareholders' equity	2,041.8	2,045.0
Consolidated net invested capital	3,375.3	3,576.0

Consolidated Income Statement

€ m	2006	2007
Sorgenia Group	33.1	37.5
Espresso Group	54.1	51.9
Sogefi Group	29.7	30.1
HSS Group	(3.8)	0.2
Other subsidiaries	(1.5)	0.2
Total operating subsidiaries	111.6	119.9
Other financial companies	15.0	20.1
Total contributions from subsidiaries	126.6	140.0
Cir+Cir International result	(25.5)	(23.1)
Non-recurrent components	--	(34.3)
Net income	101.1	82.6

Consolidated Income Statement

€ m	1Q 2007	1Q 2008
Sorgenia Group	10.5	9.9
Espresso Group	7.1	5.7
Sogefi Group	7.4	5.1
HSS Group	(0.5)	0.3
Other subsidiaries	(0.1)	(0.4)
Total operating subsidiaries	24.4	20.6
Other financial companies	8.9	5.2
Total contributions from subsidiaries	33.3	25.8
Cir+Cir International result	(5.0)	(8.5)
Net income	28.3	17.3

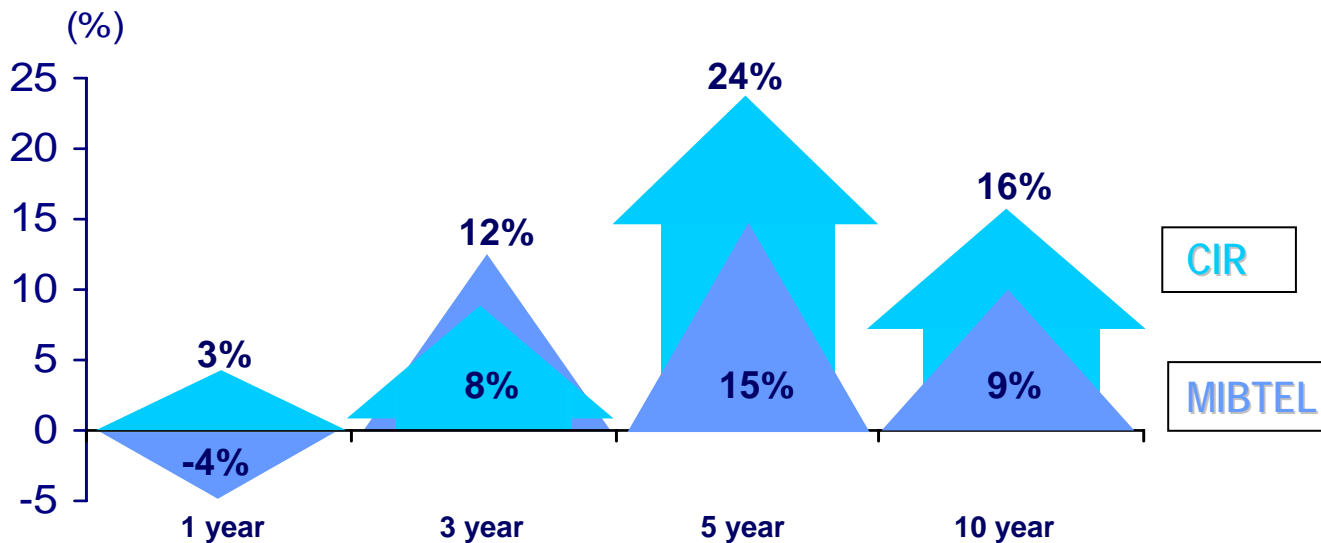
Dividend Sources

€m	Espresso	Sogefi	Sorgenia	Cofidefin	Total
2004	23.9	9.4	4.2	--	38
2005	28.4	10.4	--	3.9	43
2006	31.7	11.4	3.7	4.2	51
2007	35.3	13.0	4.4	4.5	57.2
2008	37.5	91.3 ⁽¹⁾	5.1	4.8	138.7

(1) Of which ordinary dividend: € 14.4 and extraordinary dividend: € 76.9

- Calculated in terms of compounded annual return and considering a medium-long term horizon, our stock has given a return of 24% over the last 5 years and 16% over the last 10 years

Compounded Annual Returns (1997-2007)⁽¹⁾

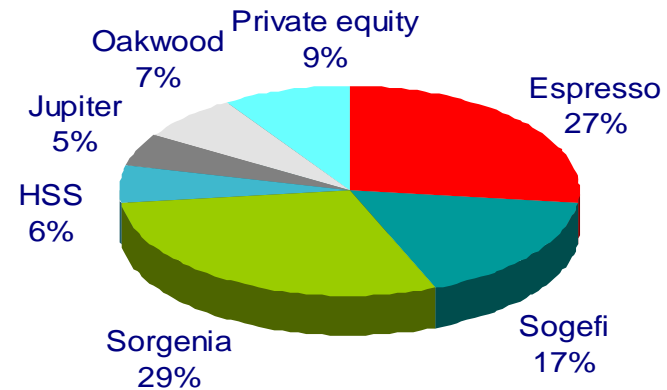


(1) Source: Bloomberg total returns (i.e. including dividends reinvested)

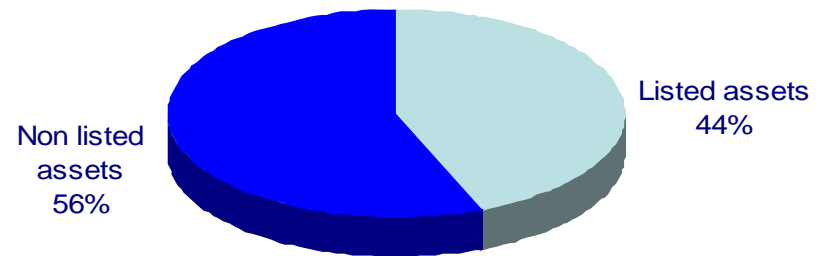
- To enhance our **industrial focus** concentrating mainly on the development of our portfolio companies following an investment logic of deep value in the long term
- High level of attention being devoted to **executing realistic and credible plans**, mainly investing in people as an answer to capital markets more demanding in judging companies
- To guarantee continuity in our **role as shareholder** while operating in close contact with the management of our subsidiaries to try and take the maximum advantage of opportunities generated for our business by the present environment

- Diversification into high quality, non correlated businesses
- Non listed assets have now reached 56% of total investments
- Relative weight of Sorgenia and HSS set to increase further

Total Investments (1)



Listed vs. non listed



(1) 100% = Total subsidiaries+Oakwood+private equity (€ 1,078.7) book value as at 31 March 2008



Operating Subsidiaries







Sales 2007 €1.9 Bln
EBTDA €152 m

Sales 2007 €1.1 Bln
EBITDA €223m

Sales 2007 €1.1 Bln
EBITDA €135m

Sales 2007 €183m
EBITDA €20m



UTILITIES

Electricity & Gas trading

Energy Management

Power production

Power Saving

Engineering & Maintenance

MEDIA

Newspaper Publishing

Magazine Publishing

Radio Broadcasting

Television Broadcasting

Internet

AUTOMOTIVE COMPONENTS

Filtration Systems

Suspensions

HEALTHCARE

Residential nursing homes

Psychiatric services

Rehabilitation

Hospitals

FINANCIAL SERVICES

Non performing loans

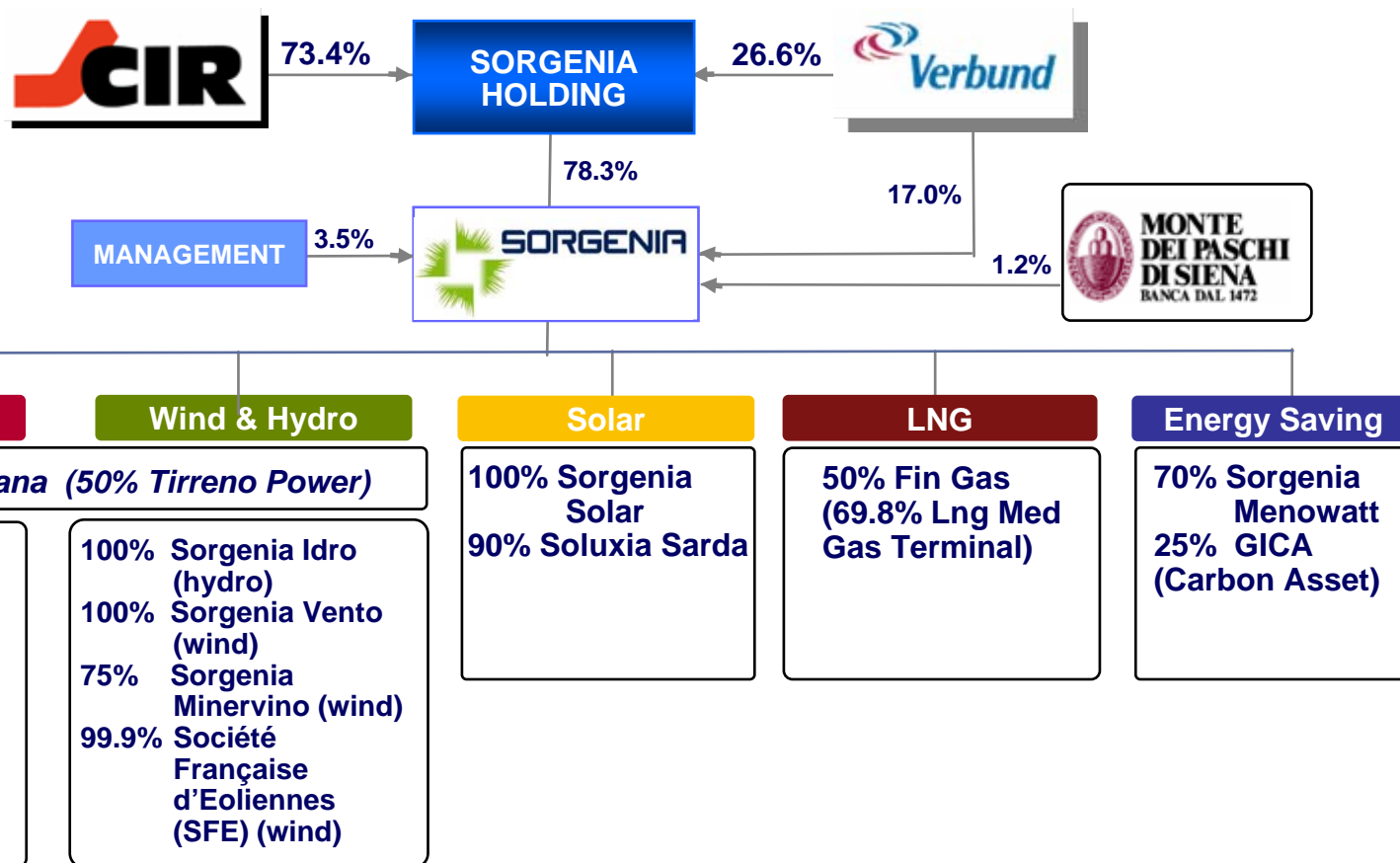
Specialty finance

- Number 1 Italian private energy operator
- 400,000 clients of which 690 in the gas sector
- Electricity volumes: 10 TWh, gas volumes: 2Bcm

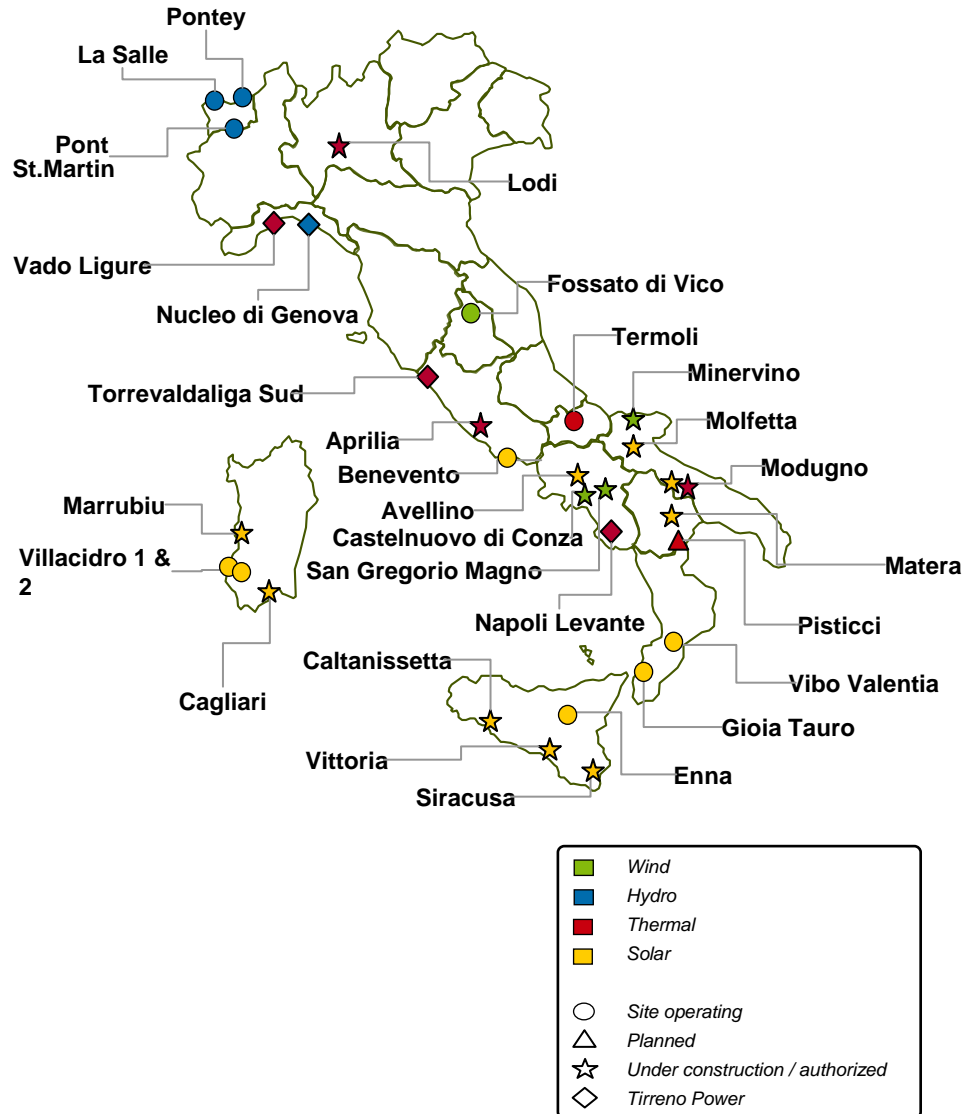
Objectives

- **To combine production efficiency and respect for the environment,** increasing production from renewable sources and opting for technological solutions with greater environmental compatibility
- **To build an offer that guarantees clients cheap, easy and clean energy** even by promoting energy efficiency initiatives

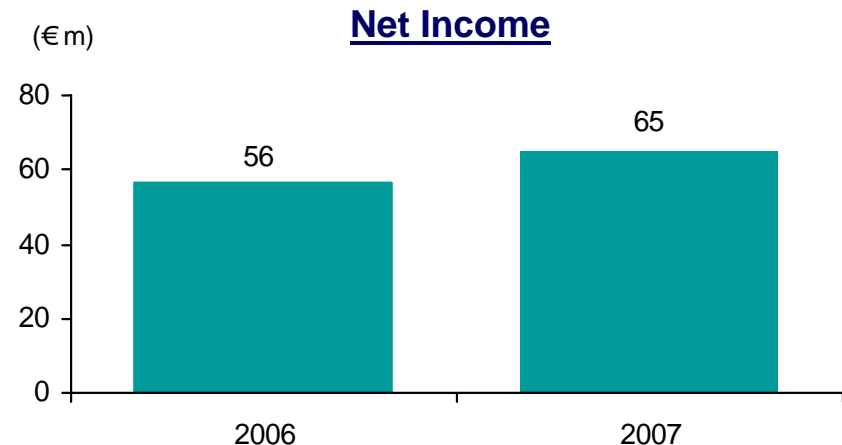
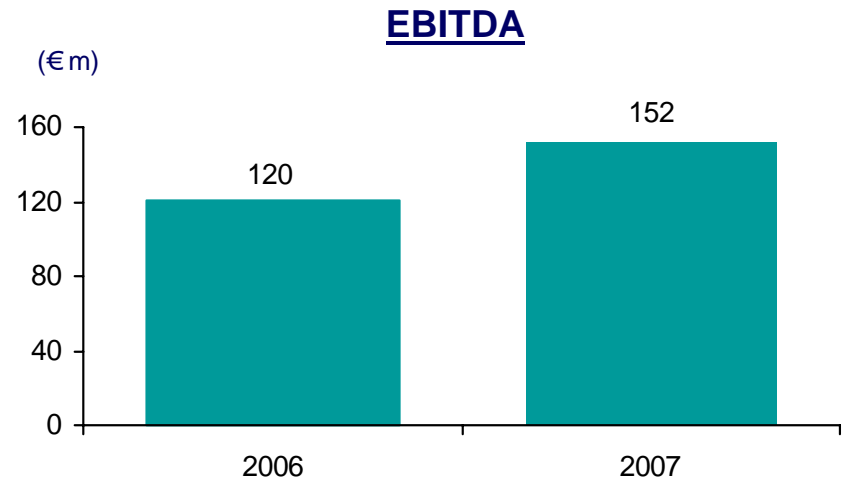
Sorgenia - Operating structure



- Tirreno Power: 50% controlled by Energia Italiana, repowering plan is almost completed
- CCGT power plants:
 - ◆ Termoli plant (770 MW) on stream
 - ◆ Modugno plant (770 MW) under construction (start of production: 2H2008)
 - ◆ Lodi plant (800MW) under construction
 - ◆ Aprilia plant authorized (appeal to Consiglio di Stato)
- After the acquisition of Société Française d'Eoliennes (Nov. 07), the wind sector has 101.5 MW in operation and 110 MW under construction
- The photovoltaic sector: 9 MW of solar plants operating and 6 MW under construction (start of production: in the course of 2008)
- LNG Med Gas Terminal (12 Bcm) Gioia Tauro (Calabria), an equal share joint venture between Iride and Sorgenia, has obtained a favourable Environmental Impact Assessment (VIA)

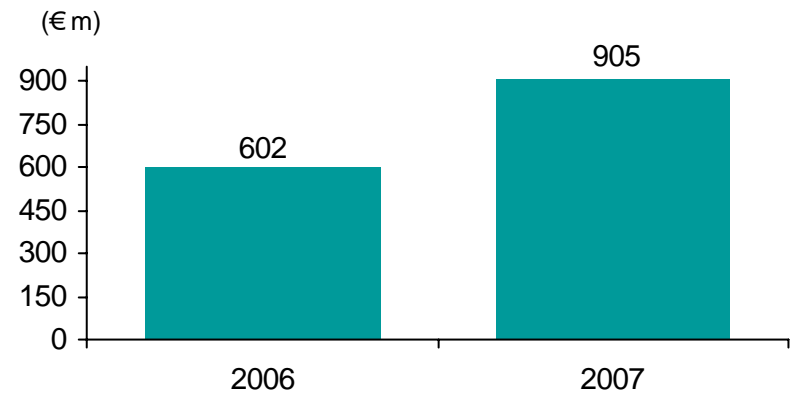


- 2007 EBITDA rose by 26% benefiting from the availability for the whole year of the power produced by the Termoli power plant and from the success of the commercial policy optimizing the client portfolio
- Consolidated net income rose by 16% in 2007

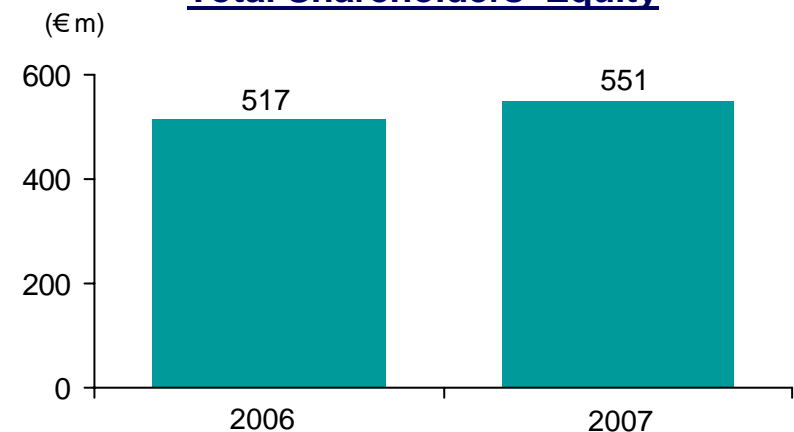


- The increase was mainly due to investment made in the acquisition of Société Française d'Eoliennes, the acquisition of 16% of Energia Italiana, the investment in the construction of the Modugno power plant and the photovoltaic plants of Soluxia

Net Financial Indebtedness

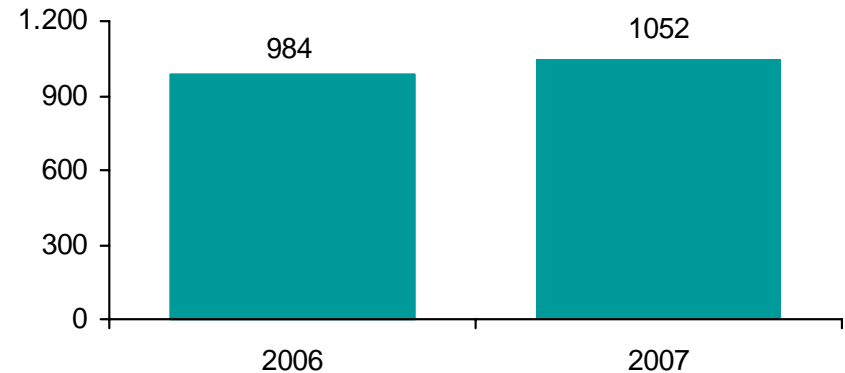


Total Shareholders' Equity

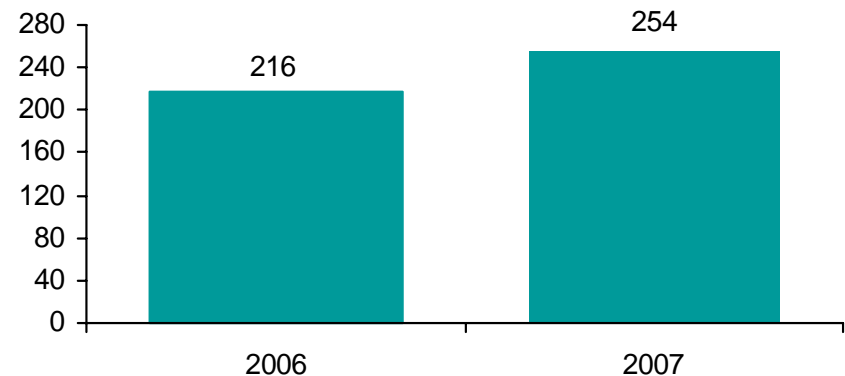


- The repowering is proceeding according to plan. **Vado Ligure** (760 MW) started operating in 2007 and **Napoli Levante** (380MW) should enter production in 2008
- 2007 revenues rose by 6.9% and EBITDA by 17.6%

Revenues

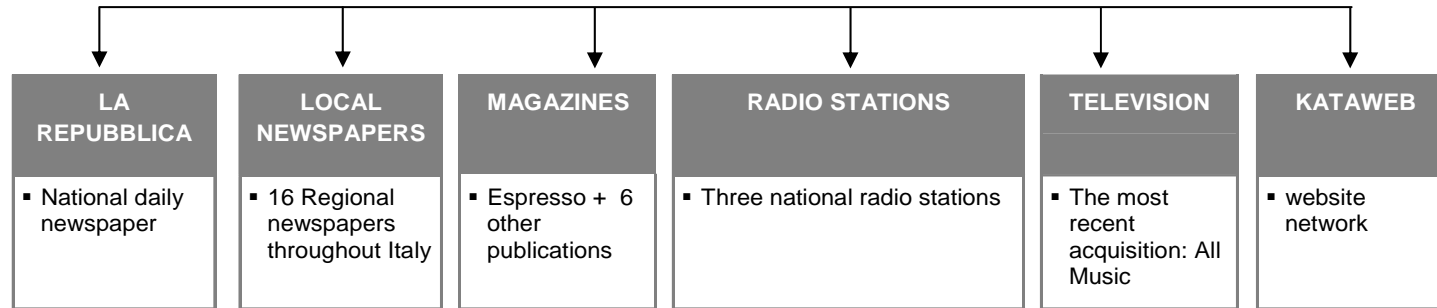


EBITDA



First Quarter Results

€ m	1Q 07	1Q 08
Revenues	472.4	610.3
EBITDA	41.3	46.5
Net income	18.1	17.2
Net financial indebtedness <i>(end of period)</i>	(563.6)	(1,076.7)



■ The strategy is:

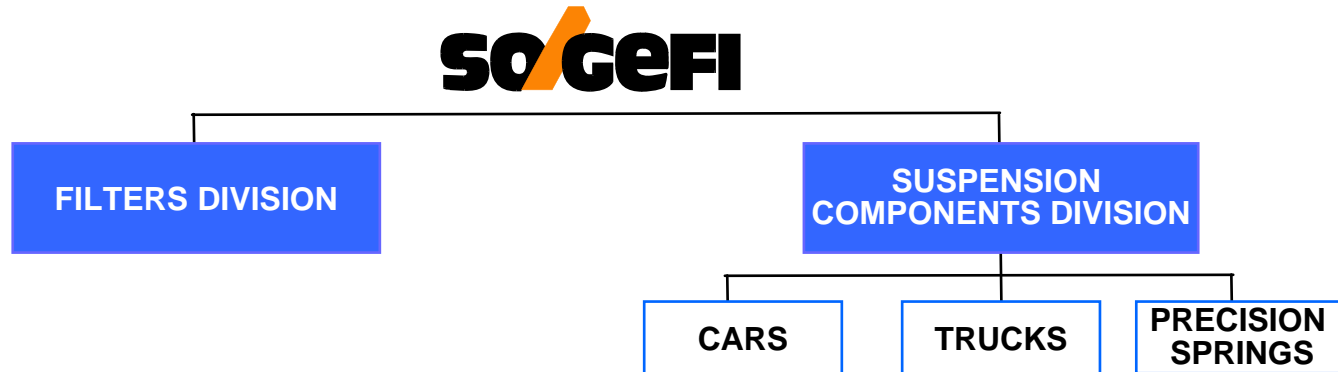
- ▶ to capitalize on being a branded content company
- ▶ to focus on own high-quality original contents
- ▶ to reach its audience through different delivery channels
- ▶ to promote the total audience concept to both existing and potential advertising investors to be reached through promotions ideas, innovative sale techniques and forms

■ In 2007 advertising revenues totalled €657.1 m with 6.7% increase over 2006. La Repubblica and the Group's local dailies increase in advertising was 5.2% vs. 3.5% of the market

■ Internet advertising up by 64% vs. 40.6% of the market, representing 4.6% of total advertising revenues

First Quarter Results

€ m	1Q 07	1Q 08
Revenues	272.5	262.3
EBITDA	42.5	35.6
Net income	13.5	10.5
Net financial indebtedness <i>(end of period)</i>	(218.3)	(234.7)

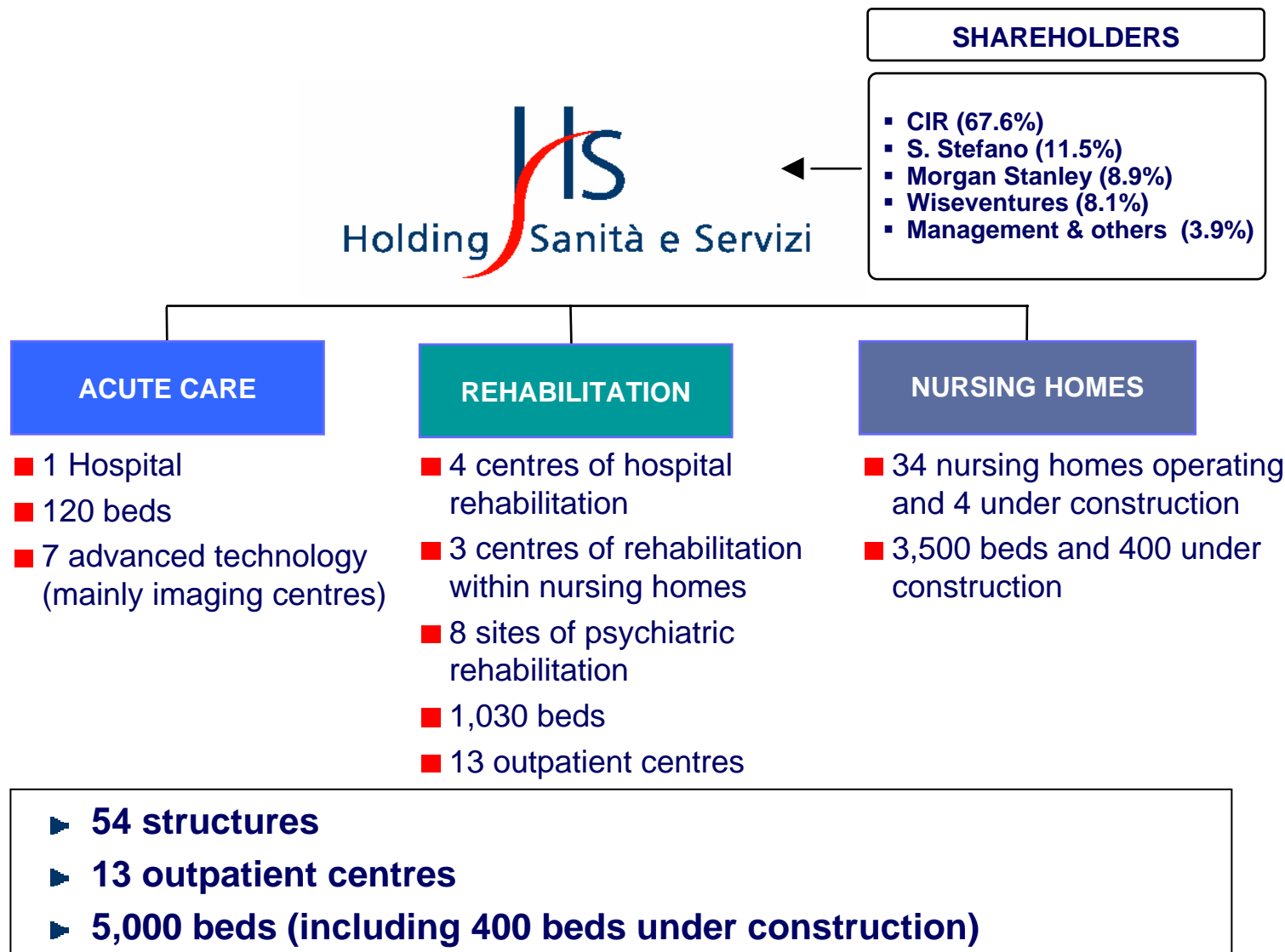


- European leadership in two key vehicles technologies
 - ▶ Partner supplier on all vehicles: cars, light commercial and heavy trucks, excavators, agriculture, trains, marine
 - ▶ Diversified customer base, global footprint, innovative products
 - ▶ Proven track records of growing revenues and profitability
- Distribution of an extraordinary dividend of €1.18 = €133m in order to optimize the capital structure

First Quarter Results

€ m	1Q 07	1Q 08
Revenues	267.1	271.7
EBITDA	34.6	29.1
Net income	12.7	9.0
Net financial indebtedness <i>(end of period)</i>	(124.5)	(101.4)

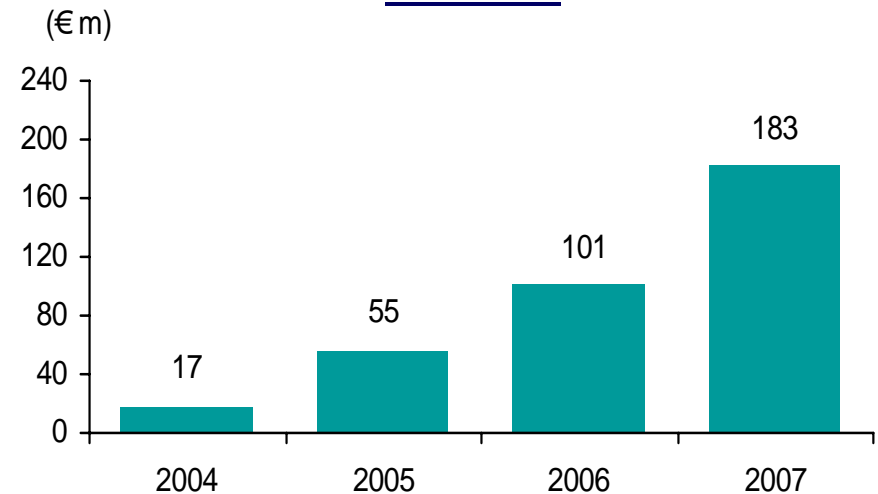
HSS: operating structure



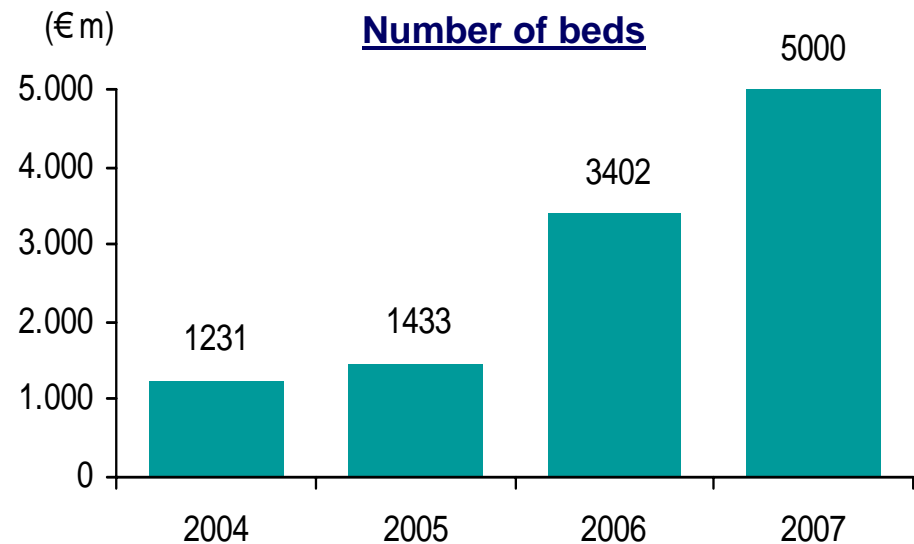
- **HSS** is leader in Italy in nursing homes with a widespread presence throughout the country
- HSS development of a balanced mix of services across the whole spectrum of healthcare products has recently been highly improved thanks to S. Stefano Group acquisition
- HSS main targets:
 - ◆ to develop a brand highly recognizable for its high level of service, strong ethical commitment and clear patient focusing of the organization
 - ◆ to attract the best professionals
 - ◆ to equate efficiency with quality of service provided

- In the last 3 years revenues and number of beds under management more than tripled thanks to acquisitions
- In 2007 the total number of beds reached 5,000 units of which 4,600 are operating and 400 are under construction

Revenues

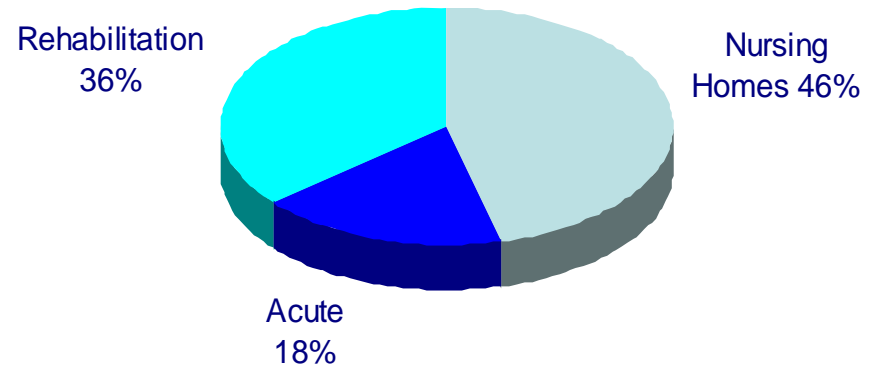


Number of beds



- Thanks to S. Stefano acquisition, rehabilitation services can count on over 1,000 beds representing more than one third of total revenues

Revenues by Type of Business⁽¹⁾



(1) 100% = revenues 2007 pro forma

First Quarter Results

€ m	1Q 07	1Q 08
Revenues	35	58.5
EBITDA	4.2	7.1
Net income	(0.6)	0.4
Net financial indebtedness <i>(end of period)</i>	(108.1)	(163.1)

Jupiter Finance aims to be a leading European player specialized in distressed debt purchasing and management:

Multi asset class

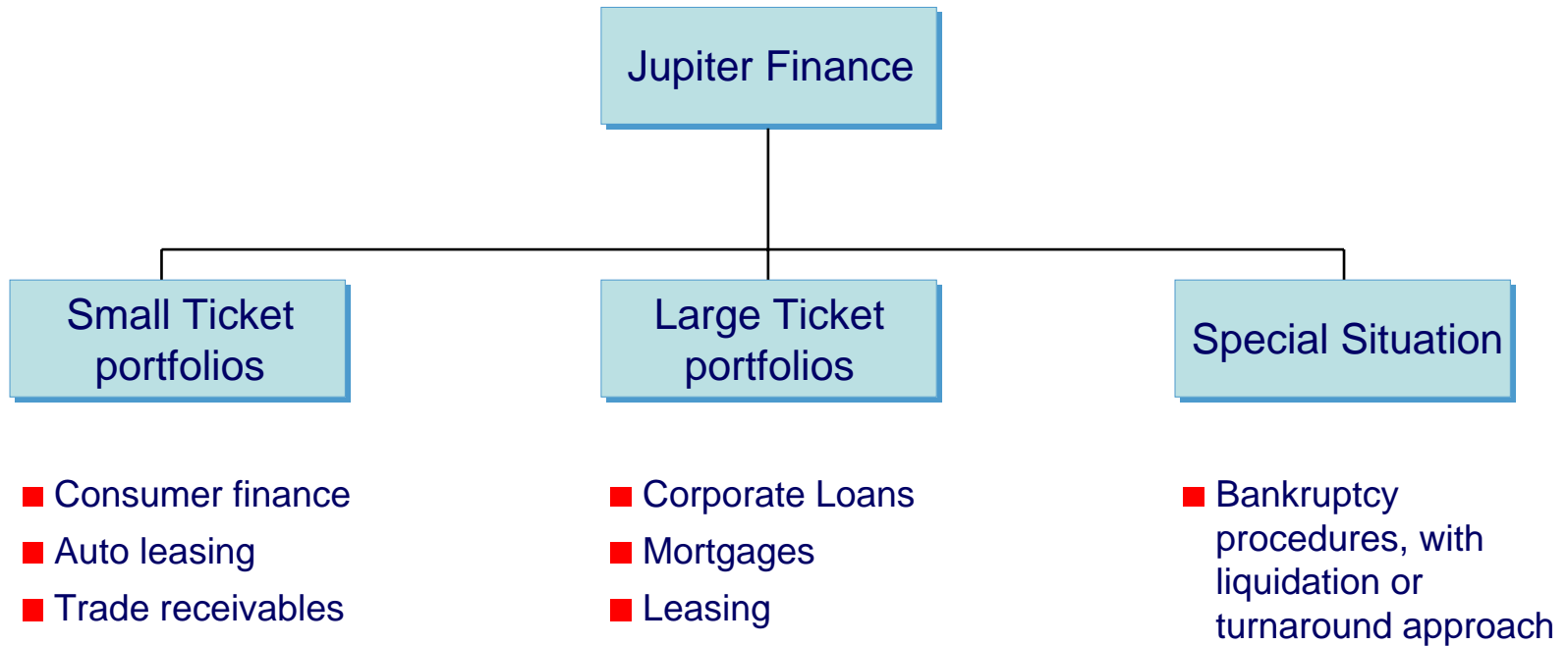
There are several categories of NPL with high profitability, high growth opportunities and different seasonality

Selectively integrated

Selective integration may generate benefits in terms of efficiency, effectiveness and commercial opportunities depending on the NPL type

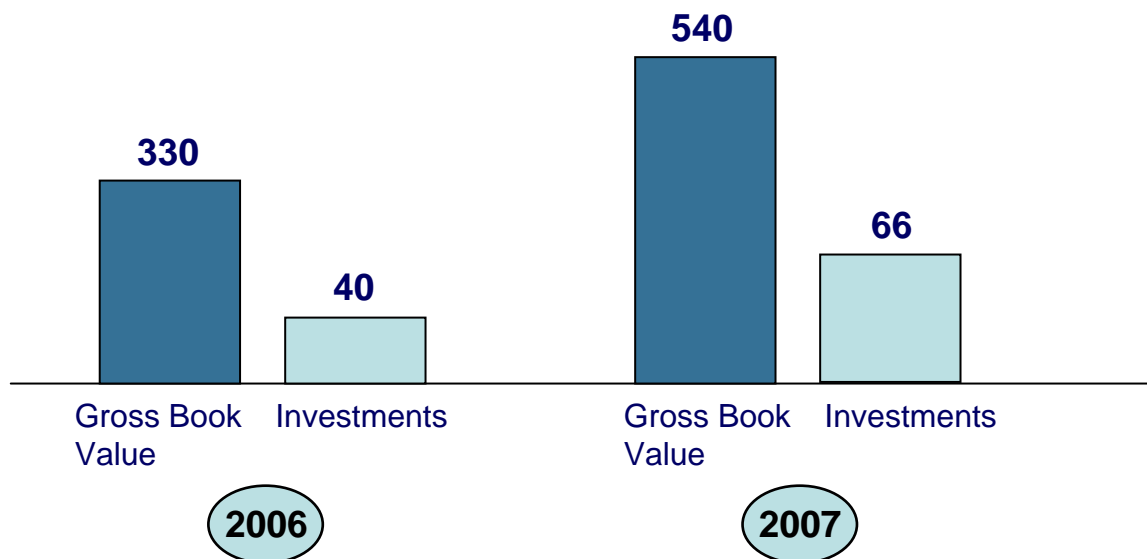
Multicountry

We are currently replicating the existing model to other countries in Southern and Central Europe



- **100 transactions closed in two years**
- **Team of 20 professionals with strong and diversified background**
- **Solid network of relationships with sector specialists**

€ m



- Jupiter Finance has invested €106 million in its first two years, acquiring non performing loans for a gross book value of €870 million.
- The debt ratio, given by the portfolio mix of secured and unsecured loans, is about 50-60%
- Collections from acquired portfolios are in line with business plans

- CIR has invested, in a joint-control partnership with Merrill Lynch, in **Oakwood Global Finance**, a company specialized on acquiring and developing specialty finance businesses internationally
- CIR investment amounting to € 131.6 m written down by approx. € 64.6m, the write-down referring mainly to the companies operating in the British market which went out of business following the crisis in the financial markets
- The remaining value of the investment refers to the other two companies of the Oakwood group, which were less affected by the crisis in the markets: *Ktesios*, specializing in loans to individuals secured on their salaries or pensions, which is market leader in Italy in its sector; and *Pepper*, which operates in the Australian market in non-conforming mortgages.



www.cirgroup.com

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