



Results and Strategy

Consolidated Financial Structure

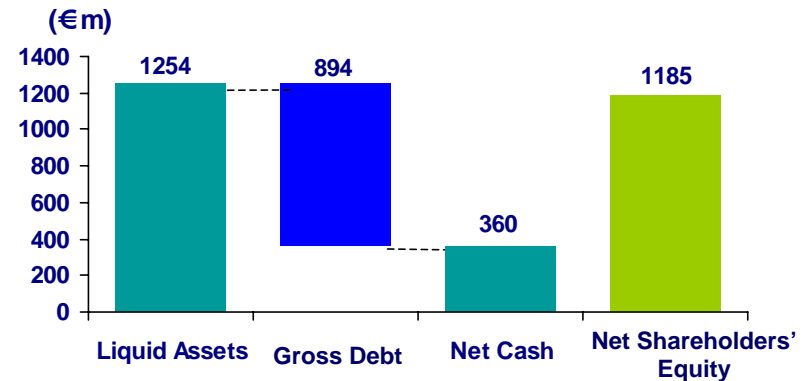
€ m	01 Jan. 2005	31 Dec. 2005	31 Mar. 2006
Espresso	246.7	279.5	293.5
Sorgenia ⁽¹⁾	188.4	220.9	218.9
Sogefi	122.6	145.6	153.0
HSS	10.0	21.2	21.2
Other investments	6.8	27.6	15.0
Total shareholdings	574.5	694.8	701.6
<i>CIR + CIR INTERNATIONAL</i>			
Fixed assets	83.6	81.4	82.6
Other non-current assets, net	2.8	0.0	(0.2)
Private equity	29.3	58.3	64.3
Net working capital	(19.5)	(9.3)	(14.3)
Net cash	448.6	359.8	368.8
Total shareholders' equity	1,119.3	1,185.0	1,202.8

(1) Formerly ENERZIA

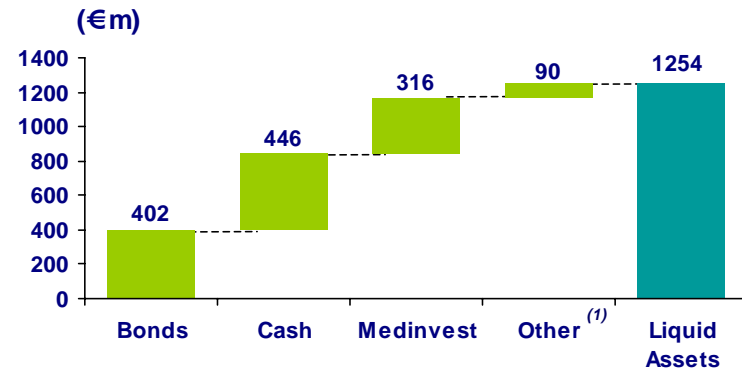
- Financial expenses from bond issues amount to € 36.5m (equal to an average rate of 4.2%)
- Financial income from liquid assets (excluding Medinvest) amounts to € 23.5 m (equal to a return of approx. 2.5%)
- The 2005 “unrealized” portion of Medinvest return is € 23m

Net Cash and Net Shareholders' Equity

As of 31 December 2005



Liquid Assets as of 31 December 2005



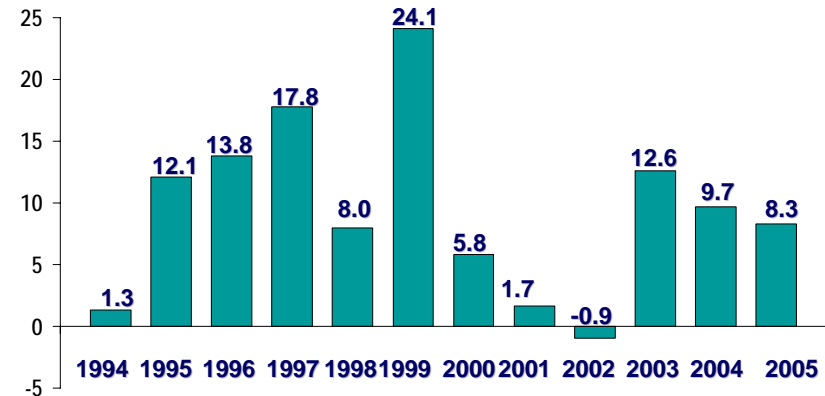
(1) Of which marketable securities = € 11,4 million; investment funds = € 52,4 million;

Medinvest: performance in US\$ since inception

- 2005 Performance : + 8.3%
- CAGR since 1994 (inception): + 9.6%
- End of May 2006 YTD increase: + 4.8%
- Average annual volatility since 1994: 5.4%

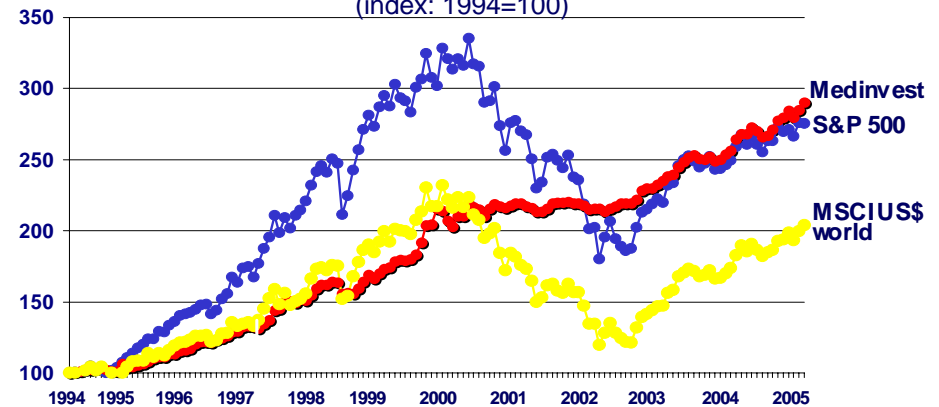
Historical Performance per Year*

(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

Increase of net debt of operating groups due to significant investments

Consolidated Net Financial Indebtedness

€ m	31 Mar. 2005	31 Dec. 2005	31 Mar. 2006
CIR + Cir International	425.5	359.8	368.8
Espresso Group	(84.1)	(253.1)	(174.2)
Sorgenia Group	(304.7)	(424.5)	(486.5)
Sogefi Group	(207.5)	(167.2)	(160.4)
HSS Group	5.1	4.2	(4.1)
Other subsidiaries	5.5	15.6	(0.5)
Consolidated net financial indebtedness	(160.2)	(465.2)	(456.9)

Consolidated Income Statement

€ m	2004	2005
Espresso Group	50.4	59.1
Sorgenia Group	23.6	16.8
Sogefi Group	17.9	26.3
HSS Group	(3.3)	(1.1)
Other subsidiaries	(2.1)	3.6
Total operating subsidiaries	86.5	104.7
Other financial companies	8.1	16.2
Total contributions from subsidiaries	94.6	120.9
Cir+Cir International result	(30.3)	(17.1)
Non-recurrent components	90.9	(16.1)
Net income	155.2	87.7

Consolidated Income Statement

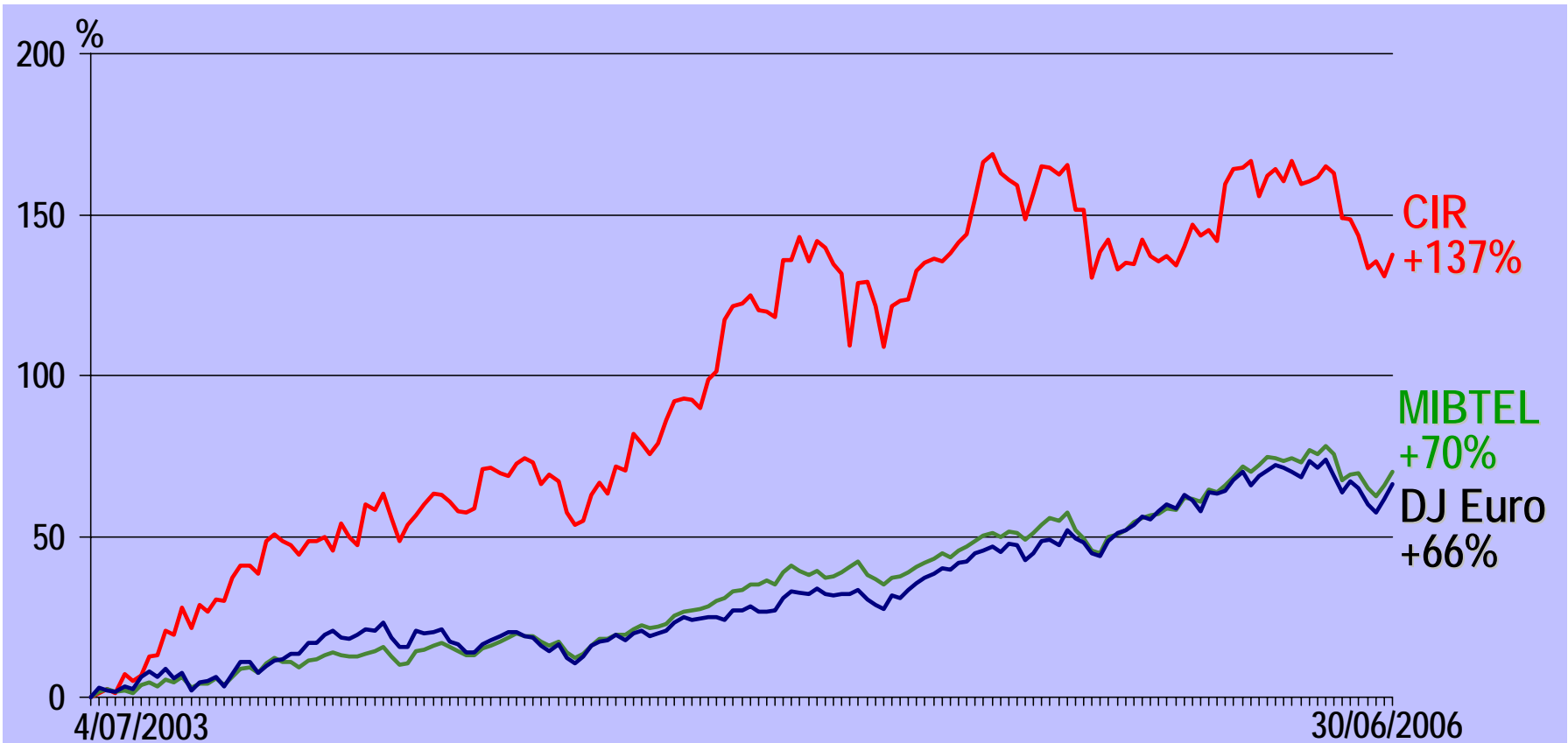
€ m	1Q 2005	1Q 2006
Espresso Group	11.4	13.5
Sorgenia Group	2.2	(2.3)
Sogefi Group	5.8	6.8
HSS Group	(0.7)	--
Total operating subsidiaries	18.7	18.0
Other financial companies	3.6	1.0
Total contributions from subsidiaries	22.3	19.0
Cir+Cir International result	(21.6)	(8.1)
Net income	0.7	10.9

Dividend Sources

€m	Espresso	Sogefi	Sorgenia	Cofidefin	Total
2001	19.9	8.1	1.5	--	29
2002	18.1	8.1	3.4	--	30
2003	21.7+ 50(<i>extraord.</i>)	8.5	3.6	--	84
2004	23.9	9.4	4.2	--	38
2005	28.4	10.4	0.0	3.9	43
2006	31.7	11.4	3.7	4.2	51

CIR Stock Performance

(June 2003-June 2006)



	Year + %	<u>2004</u>	<u>2005</u>	<u>2006</u>
CIR		+ 72.7%	+ 37.8%	-3.0%
DJ Euro		+ 20.4%	+ 15.8%	+ 15.9%
MIBTEL		+ 19.8%	+ 19.9%	+ 15.6%





Source: Bloomberg

1. To play the role of active shareholder in businesses with different economic cycles, where each company is managed by an independent management team
2. To start new initiatives where the main objective is to identify companies with high growth potential and to develop them in order to maximize the value creation for our shareholders
3. To diversify/concentrate our investment portfolio, having a target of achieving at least 10% of our NAV for each company

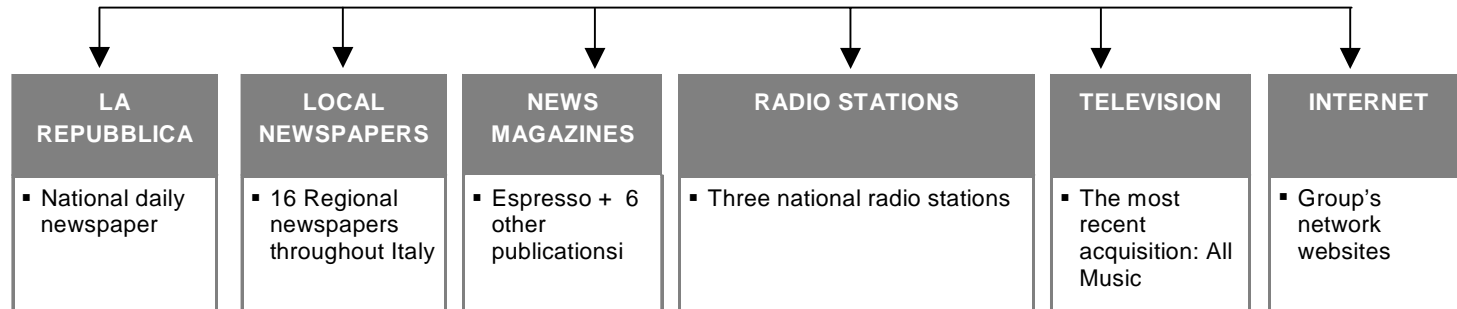
- Increase of our NAV per share and reduction of the holding discount through value creation
- Growth in the value of our investments over the medium term
- Flexible use of buy backs



Operating Subsidiaries

 Gruppo Editoriale L'Espresso SpA	 SOGEFI	 SORGENIA	 Holding JHS Sanità e Servizi
2005 Sales €1,079.9m EBITDA € 222.2m	2005 Sales €1,023.4m EBITDA €126.9m	2005 Sales €1,225.2m EBITDA € 55.1m	2005⁽¹⁾ Sales €104m ⁽¹⁾ EBITDA € 5.5m
MEDIA	AUTOMOTIVE COMPONENTS	UTILITIES	HEALTHCARE
Newspaper Publishing	Filtration Systems	Electricity & Gas	Residential nursing homes
Magazines Publishing	Suspensions	Energy Management	Psychiatric services
Radio Broadcasting		Technical Assistance	Rehabilitation
Television Broadcasting		Audit Services	Hospitals
Internet		Energy Outsourcing	

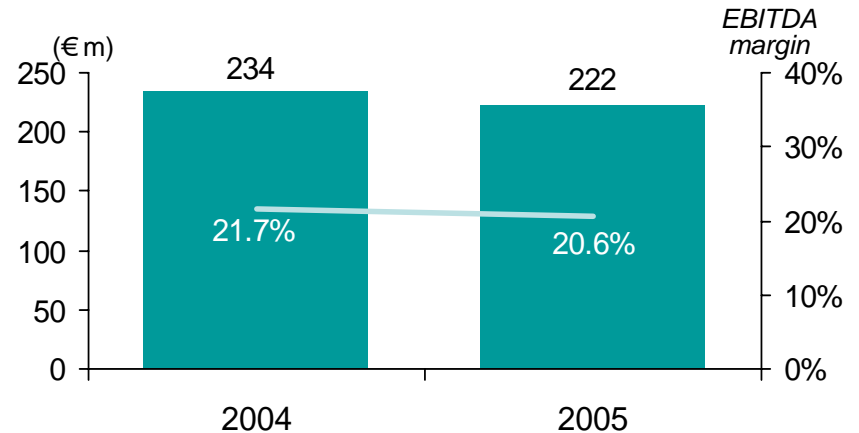
(1) Pro forma estimate including "Anni Azzurri"



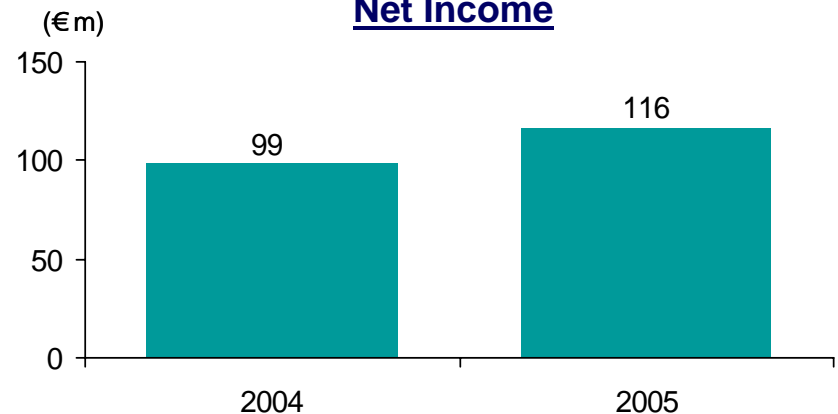
- **Leading Italian multi media Group**
 - ◆ La Repubblica: N. 1 with 3 million readers
 - ◆ Radio DeeJay: absolute leadership in the week (13.1 millions listeners)
 - ◆ Repubblica.it: the first Italian information site: 6.1 million of monthly unique users; total group sites: 9.4 million users
 - ◆ 24 million copies of books, DVDs sold in 2005

- The decrease of EBITDA is only due to the lower contribution from add-ons. In fact, in spite of highly positive results reported in 2005, these were lower than 2004 because of the unrepeatable great success of the “*Enciclopedia di Repubblica*” and “*La Storia*”
- Excluding add-ons all Group’s activities maintained or increased their profitability

EBITDA

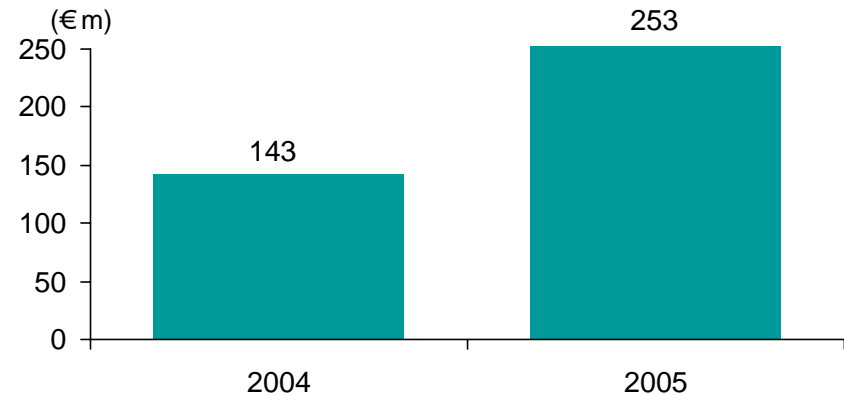


Net Income

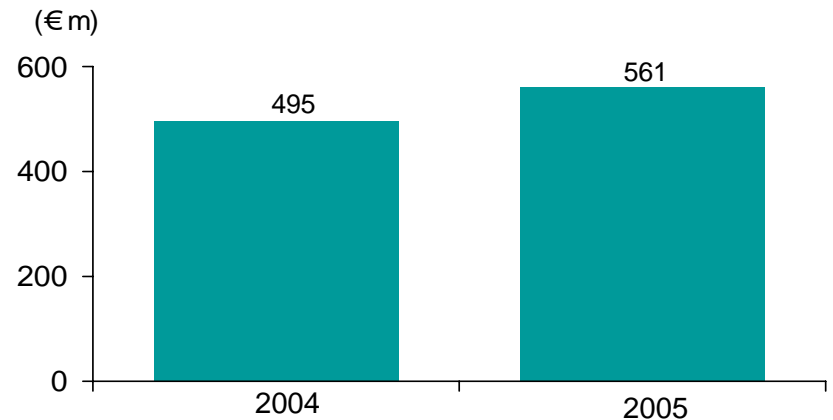


- The significant cash generation has partially compensated cash outflows for the distribution of dividends to shareholders (€ 55.8 m), investments (€ 63.7 m of which € 21.4 m relevant to TV frequencies), and the acquisition of the broadcasting network All Music (€ 115 m)

Net Financial Indebtedness

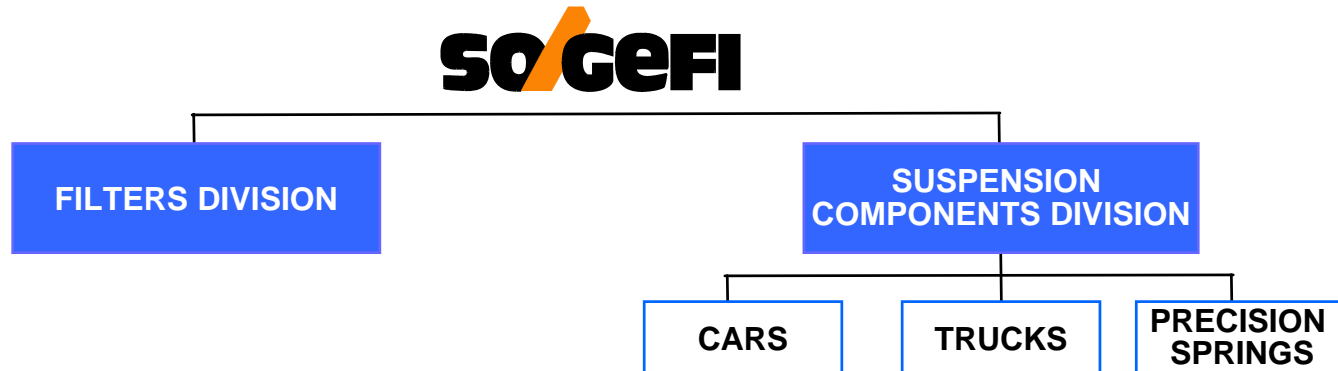


Total Shareholders' Equity



First Quarter Results

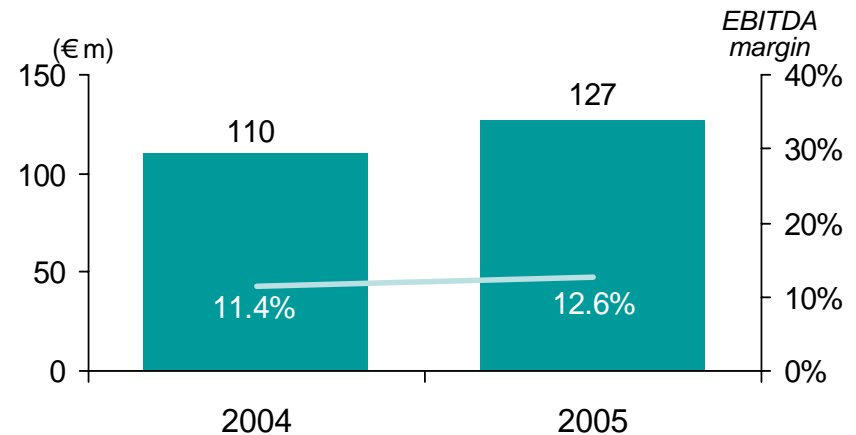
€ m	1Q 2005	1Q 2006
Revenues	276.5	303.2
EBITDA	60.8	62.3
Net income	22.3	26.6
Net financial indebtedness <i>(end of period)</i>	(83.9)	(173.4)



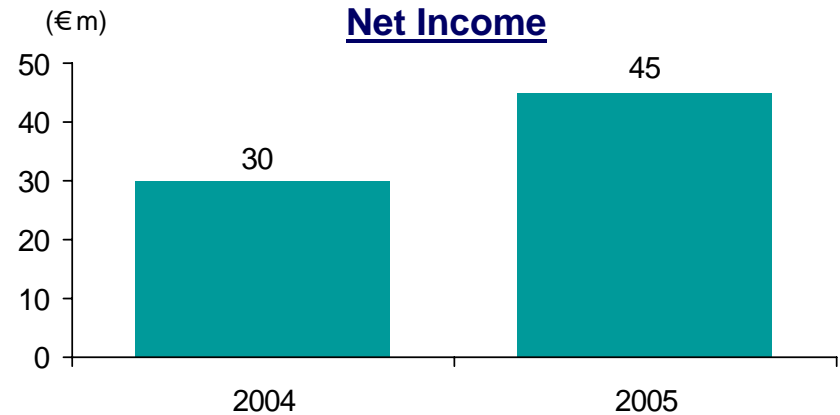
- World leading automotive components manufacturer active in the production of filters and suspensions
 - ◆ European leader in after- market filters
 - ◆ N. 2 in the world and N. 1 in Europe in suspensions
 - ◆ Balanced revenue mix by product and geography:
 - ▶ 51% / 49% filters / suspensions
 - ▶ 89% delivered outside of Italy

- Profitability improved despite the decline in revenues shown in the filtration business
- 2005 consolidated net income represents the best ever result. This is partly due to the improvement in the tax rate, owing mainly to company restructuring over the last two years

EBITDA

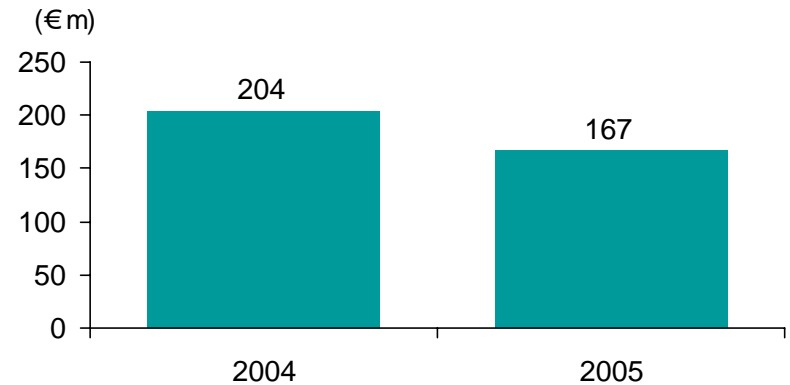


Net Income

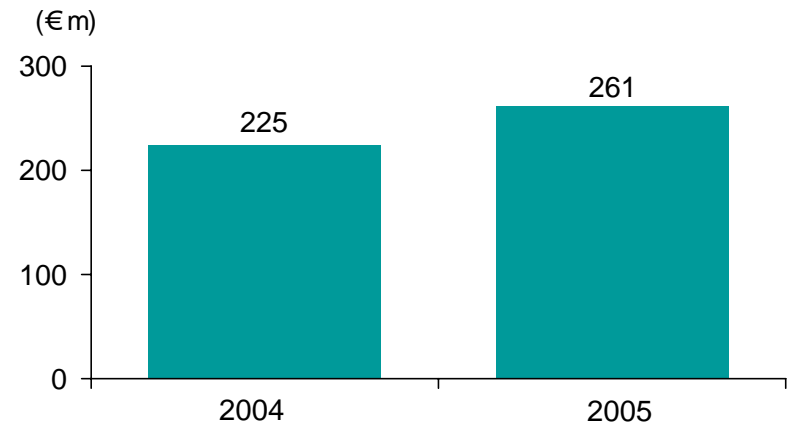


- Strong capacity to generate cash reducing financial indebtedness.
- On 22 December 2005 Sogefi repaid the expiring debenture loan of € 80 m

Net Financial Indebtedness

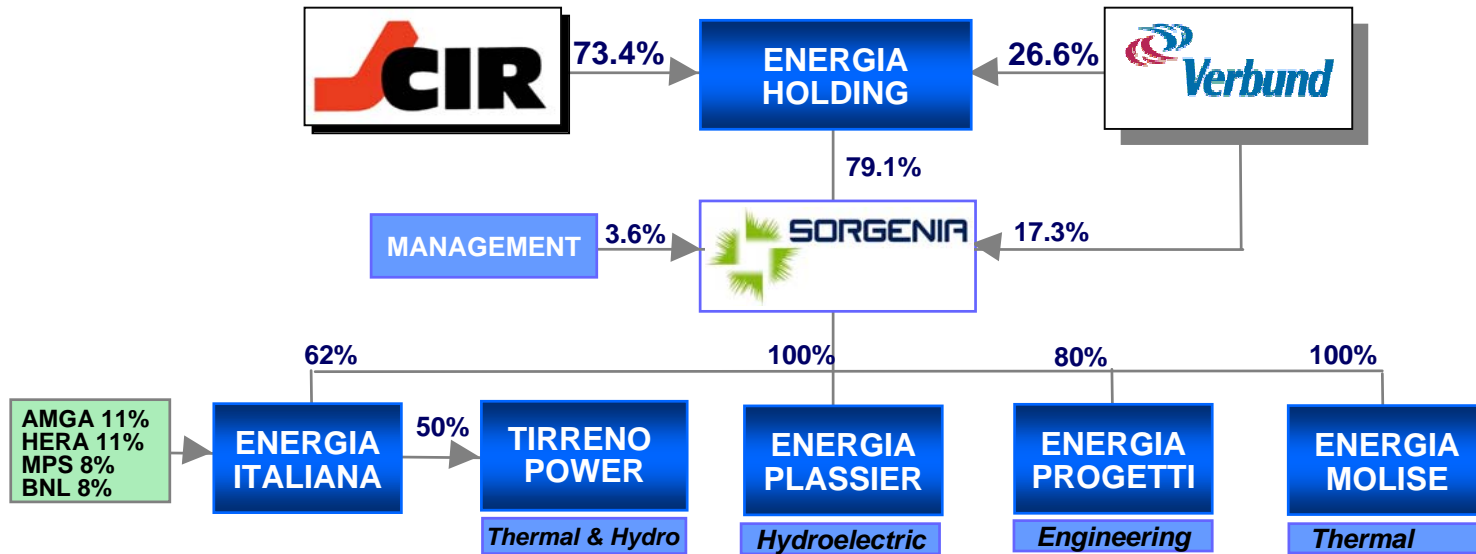


Total Shareholders' Equity



First Quarter Results

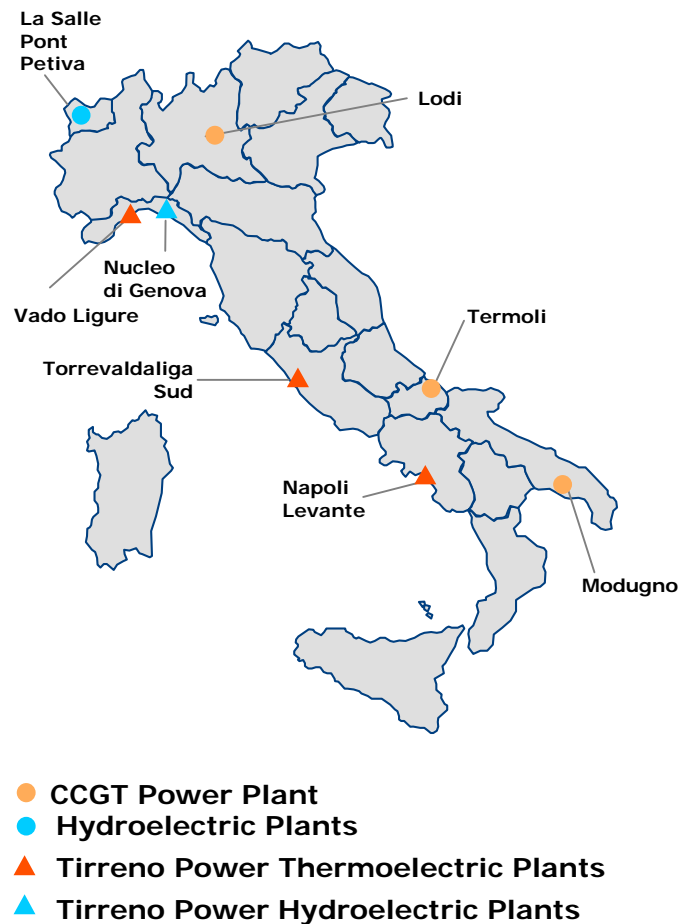
€ m	1Q 2005	1Q 2006
Revenues	253.2	264.3
EBITDA	31.1	33.4
Net income	9.8	11.6
Net financial indebtedness <i>(end of period)</i>	(207.4)	(160.4)



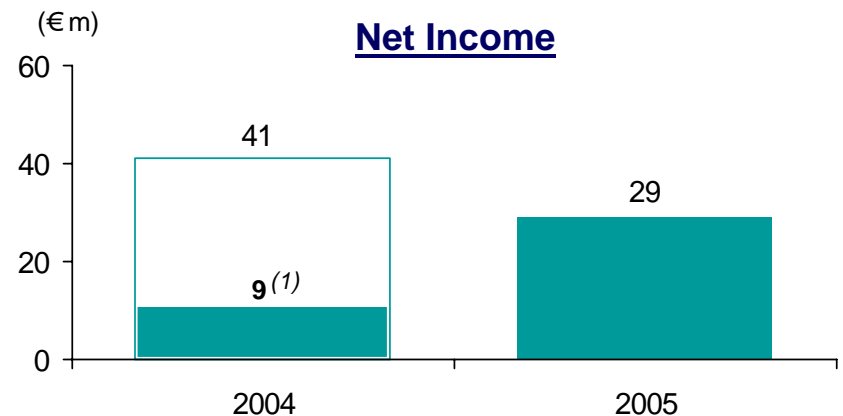
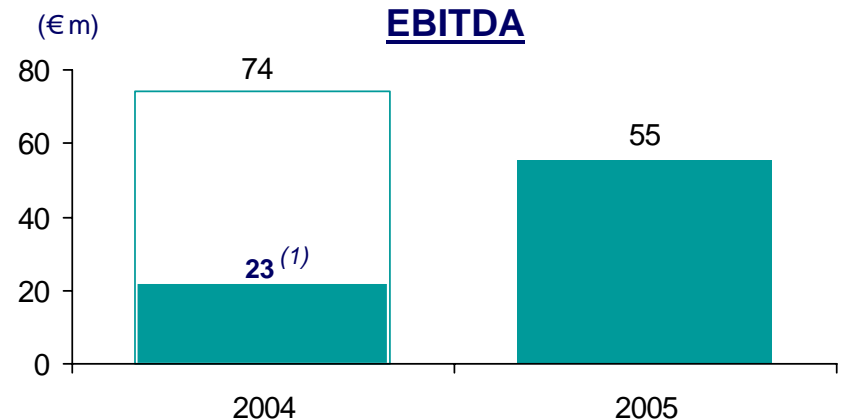
Italian utility operator founded in 1999 by CIR and Verbund

- 25,400 customers of which 400 in the natural gas sector
- Electricity volumes: 7,681 GWh, gas volumes: 2,060 Mcm
- Sorgenia continues to diversify its product range which has now been extended to the small and medium cap business sector

- Active involvement in the electricity generation business
 - ◆ Tirreno Power: 50% controlled by Energia Italiana, repowering plan in progress
- Greenfield CCGT plants:
 - ◆ Start operations of Termoli plant (770 MW) 3Q 2006
 - ◆ Start construction of Modugno plant (800 MW) 2Q 2006
 - ◆ Authorization obtained for Bertonico-Turano Lodigiano
 - ◆ VIA environmental approval for Aprilia plant



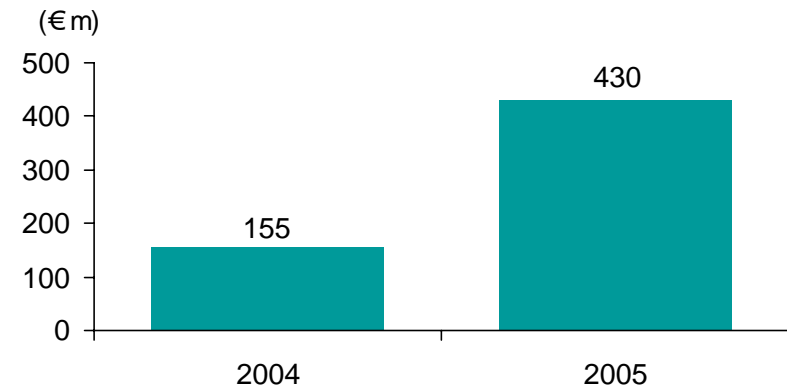
- These results include pro-rata portion of Tirreno Power which in 2004 benefited on a one-off basis from stranded costs paid to the company by the Ministry of Production Activities for an amount of €167.5 m
- Cleaned operating profit (net of extraordinary items) would have risen by 139%



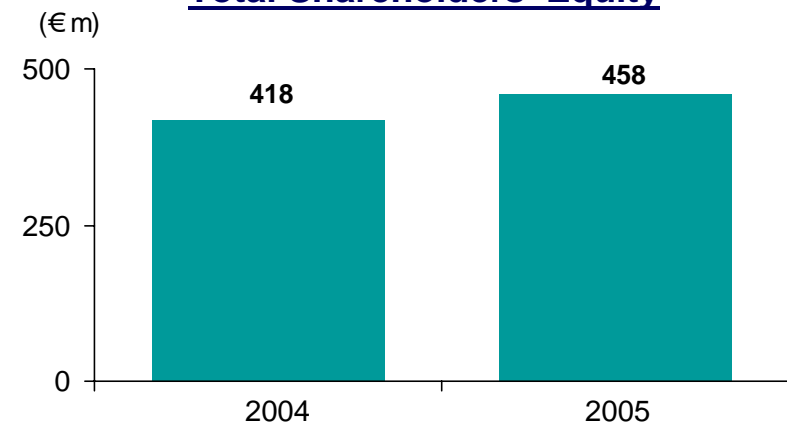
(1) Excluding "stranded costs"

- The rise of financial indebtedness is due to the investments made during the year in the power plant under construction in Termoli (€ 147m), to financing the repowering program for Tirreno Power (€22 m for Energia Italiana portion) and to the absorption of financial resources by working capital (€ 107m)

Net Financial Indebtedness

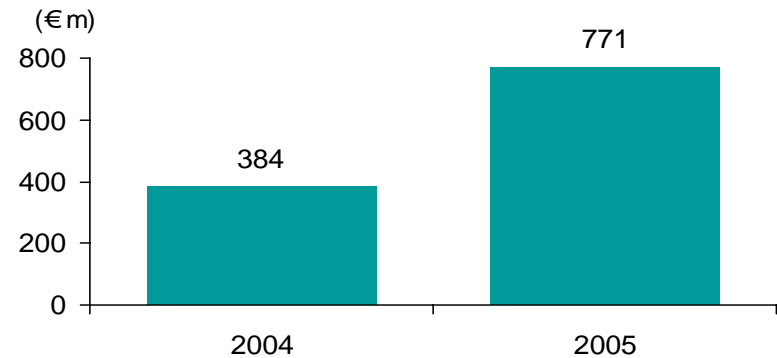


Total Shareholders' Equity

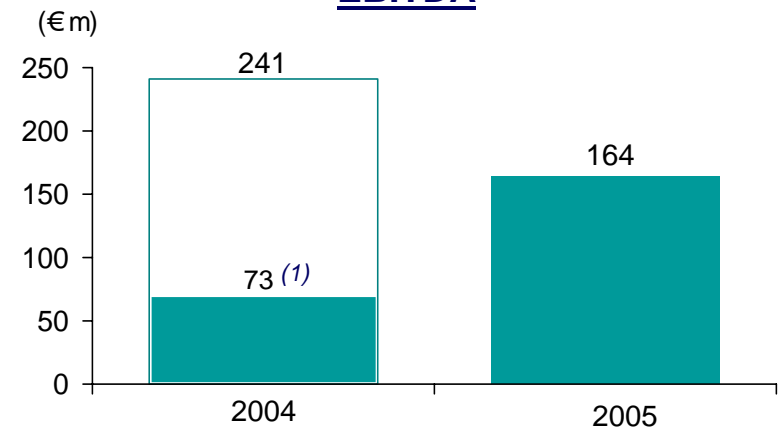


- 2005 EBITDA, net of the effect of stranded costs of € 167.5 m reported in 2004, would have increased by over 123%
- As far as the repowering program:
 - ◆ Both of the combined cycle modules of Torrevaldaliga plant began operations in 2005
 - ◆ Vado Ligure is expected to start operating during 2007
 - ◆ Napoli Levante is expected to be up and running in 2008

Revenues



EBITDA



(1) Excluding "stranded costs"

Key Financial Figures

€ m	2005	2009E
Revenues	1,225.2	2,540
EBITDA	55.1	390
Total shareholders' equity	458	1,000
Net financial indebtedness <i>(end of period)</i>	(429.9)	(825)

Source: Company Business Plan

First Quarter Results

€ m	1Q 2005	1Q 2006
Revenues	286.8	454.5
EBITDA	7.5	(1.2)
Net income	3.8	(3.9)
Net financial indebtedness <i>(end of period)</i>	(305.6)	(491.7)

- HSS is operating in the healthcare sector since September 2002
- The long term objective of the company is to create a mid-size healthcare group with a nationwide presence through multiple acquisitions and start-up
- The CEO, Professor Piero Micossi, has a long track record in the industry
- On June 9 2006 HSS signed a completion contract for the acquisition of 100% of “Anni Azzurri”, a company specializing in building and managing residences for the elderly which in 2005 reported consolidated revenues of € 50m with 1,600 beds under management. The total value of the deal is approx. € 155 m of which € 95 m refers to the value of real estate properties. The equity value is € 60 m, 40% of which will be self financed

- Residential nursing homes – leading operator in Italy with 2,600 beds under management after “Anni Azzurri”
- Hospitals - ospedale di Suzzara: 130 beds under management with € 25 m revenues
- Psychiatric services – 6 psychiatric care communities
- Rehabilitation –functional recovery and rehabilitation services for professional and amateur sport
- In 2005 HSS reported revenues of € 53,8 m (pro forma post “Anni Azzurri” € 104 m and EBITDA of € 5,5 m)

First Quarter Results

€ m	1Q 2005	1Q 2006
Revenues	10.8	15.4
EBITDA	(0.7)	0.7
Net income	(0.9)	0.0
Net financial indebtedness <i>(end of period)</i>	5.1	(4.1)

- Non-performing loans sector is characterized by strong discontinuity and by rule changes (Basilea2 and IFRS) which may imply attractive business opportunity
- The financial institutions market is estimated of approx. €55 billion of which €15-20 billion represented by non-performing loans of medium size banks
- Jupiter Finance was created on Sept. 2005 and authorized under ex art 106 TUB rules, with the objective to become an important player in this market
- The business model is characterized by a strong specialization of financial vehicle (SPV) and highly qualified credit collection teams
- The CEO is Andrea Mignanelli, formerly partner of McKinsey & Co., and the Operating Officer is Michele Cermele, coming from MasterCard

**Development of core
businesses focusing on
value creation**

**Start up of new
initiatives in high
potential sectors**



**Conservative financing
strategy**

**Stable growth of cash
flow at consolidated
level**

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