

THE BOARD OF DIRECTORS EXAMINES RESULTS AT SEPTEMBER 30, 2009

ITALMOBILIARE BOOSTS GROUP NET PROFIT AND IMPROVES NET FINANCIAL POSITION

- **TOTAL NET PROFIT: 296.8 MILLION EURO (295.6 MILLION EURO)**
- **GROUP NET PROFIT: 116.3 MILLION EURO (45.5 MILLION EURO)**
- **REVENUES: 4,138.9 MILLION EURO (4,713.2 MILLION EURO)**
- **INVESTMENTS IN FIXED ASSETS: 587.0 MILLION EURO**
- **SHAREHOLDERS' EQUITY: 5,765.8 MILLION EURO (5,488.2 MILLION EURO AT DECEMBER 31, 2008)**
- **NET DEBT: 2,365.1 MILLION EURO (2,571.9 MILLION EURO AT DECEMBER 31, 2008)**
- **GEARING RATIO 41.02% FROM 47.46% AT JUNE 30, 2009**
- **NET ASSET VALUE: 2,361.0 MILLION EURO (1,924.9 MILLION EURO AT JUNE 30, 2009)**
- **EARNINGS EXPECTED TO IMPROVE COMPARED WITH 2008**

Milan, November 13, 2009 – *At a meeting today, the Board of Directors of Italmobiliare S.p.A. examined and approved the consolidated quarterly report at September 30, 2009, which reflects total net profit of 296.8 million euro (+0.4%) and Group net profit of 116.3 million euro (+155.8% thanks to the contribution of the wholly owned companies in the financial sector).*

The results posted by the Italmobiliare Group for the first nine months of the year made decisive progress compared with the situation at the end of September 2008, after benefiting from the significant strengthening in the financial sector. The improvement was driven above all by the upturn on the debenture and equities markets, as a result of which assets in portfolio were written up. This generated a partial reversal of the impairment losses that emerged toward the end of 2008 and the first half of 2009 in particular. In the industrial sector, the construction materials business, operating in difficult economic conditions, reported a downturn in results, while the packaging and insulation area improved performance, confirming its anti-cyclical nature. Both business areas benefited from the action taken to contain fixed costs and boost industrial efficiency.

*In the third quarter of 2009 the Italmobiliare Group reported a **net profit for the period** of 132.6 million euro and a **Group net profit** of 57.6 million euro, well up on the results of the year-earlier period, which showed a net profit of 59.3 million euro and a Group net loss of 22.0 million euro.*

For the first nine months **net profit for the period** was 296.8 million euro and **Group net profit** was 116.3 million euro, compared with 295.6 million euro (+0.4%) and 45.5 million euro (+155.8%) at September 30, 2008. In the January-September period, **revenues** amounted to 4,138.9 million euro (-12.2%) while **recurring EBITDA** was 858.5 million euro (-2.3%) thanks to strong progress in the third quarter.

Total shareholders' equity at September 30, 2009, was 5,765.8 million euro, compared with 5,488.2 million euro at December 31, 2008, and 5,542.9 million euro at June 30, 2009.

Net debt at September 30, 2009, was 2,365.1 million euro, from 2,571.9 million euro at December 31, 2008. At June 30, 2009, net debt was 2,630.9 million euro. At the end of September, the **consolidated financial position of the financial sector**, which includes the parent company Italmobiliare S.p.A., was positive at 235.4 million euro (160.6 million euro at December 31, 2008), an increase of 21.6 million euro from June 30, 2009.

After the changes in shareholders' equity and debt, the **gearing** ratio improved from 46.86% at the end of December 2008 (47.46% at June 30, 2009) to 41.02% at the end of September 2009.

In its separate financial statements as at September 30, 2009, the **parent company Italmobiliare S.p.A.** posted a **net profit for the period** of 74.8 million euro, against 64.3 million euro in the year-earlier period. The improvement arose mainly from the capital gain on the sale of the Populonia Italica real estate company and the reduction in net finance costs, despite the decrease in dividends received.

Italmobiliare Net Asset Value (NAV) at September 30, 2009, was 2,361.0 million euro (1,924.9 million euro at June 30, 2009 and 1,911.0 million euro at the end of 2008).

Outlook – Although the general financial crisis appears to be coming to an end, despite some indications of improvement the signs of a recovery in the real economy are still weak. Consequently the outlook is highly uncertain, with a mixture of positive elements and non-encouraging factors, which also involve the financial markets.

Given these conditions, and taking into account performance to the end of September, the outlook of the individual lines of business and their relative importance, in the absence of currently unforeseeable events the Italmobiliare Group expects to post positive consolidated earnings for full-year 2009, up on those of 2008.

The Joint General Manager, Angelo Maria Triulzi, has presented his resignation as a manager of the company, effective from January 7, 2010. The Board of Directors thanked Mr Triulzi for his contribution and was informed that Giorgio Moroni had been appointed to the post of **Joint General Manager** for Administration & Finance. The Board subsequently named Mr Moroni as Manager in charge of preparing the company's financial reports as from November 16, 2009.

THIRD QUARTER 2009

In the third quarter of 2009, Group consolidated **revenues** totaled 1,362.2 million euro against 1,573.7 million euro in the third quarter of 2008, a decrease of 13.4% stemming largely from the revenue decline in the construction materials business.

Recurring EBITDA (318.4 million euro) and **EBIT** (201.0 million euro) for the third quarter showed YoY increases of 20.6% and 36.8% respectively. The improvement was driven largely by the financial sector, which benefited greatly from the recovery on the financial markets.

The breakdown of operating results by geographical area shows positive changes in the third quarter of 2009 from the year-earlier period in countries in the European Union and Africa, while all the other areas reported lower operating results.

Revenues and operating results by line of business

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	Q3 2009	%change vs. Q3 2008	Q3 2009	%change vs. Q3 2008	Q3 2009	%change vs. Q3 2008	Q3 2009	%change vs. Q3 2008
Construction materials	1,261.7	(15.5)	290.3	(7.2)	283.0	(7.8)	167.3	(16.2)
Packaging and insulation	61.2	(9.2)	10.2	63.4	10.2	63.4	7.1	n.s.
Financial	26.3	n.s.	24.2	n.s.	27.4	n.s.	27.4	n.s.
Banking	10.7	10.4	1.3	6.8	1.2	5.6	(0.2)	n.s.
Property, services, other	6.1	n.s.	(7.1)	n.s.	-	n.s.	-	n.s.
Inter-sector eliminations	(3.8)	n.s.	(0.5)	n.s.	(0.5)	n.s.	(0.6)	n.s.
Total	1,362.2	(13.4)	318.4	20.6	321.3	24.7	201.0	36.8

n.s.: not significant

YEAR TO SEPTEMBER 30, 2009

Revenues for the first nine months amounted to 4,138.9 million euro, a decrease of 12.2% from the year-earlier period. The contributions of the Group core businesses to this downturn varied (gross of intersector eliminations): construction materials -12.9%, packaging and insulation -9.1%, and banking -5.2%; only the financial sector reported an improvement (+2.7%). The overall reduction arose from the business slowdown (-13.4%), counterbalanced to only a minimal degree by the positive exchange-rate effect (+1.3%), while the change in the scope of consolidation had an immaterial impact (-0.1%). The positive exchange-rate effect reflected the appreciation of the Egyptian pound, the US dollar and the Swiss franc against the euro, which more than made up for the depreciation of the Turkish lira and the Indian rupee.

Year to September 30

Revenues and operating results by geographical area

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2009	% change vs. 2008	2009	% change vs. 2008	2009	% change vs. 2008	2009	% change vs. 2008
European Union	2,448.2	(17.3)	471.2	-	478.7	1.9	278.9	(0.5)
Other European countries	144.5	(35.3)	1.5	(90.1)	1.6	(89.9)	(11.9)	n.s.
North America	311.8	(17.7)	9.1	(81.1)	4.5	(90.8)	(28.2)	n.s.
Asia	316.7	(6.3)	81.0	(5.4)	76.8	(10.1)	25.6	(53.1)
Africa	845.2	18.5	297.8	17.7	297.9	19.3	224.8	21.4
Trading	194.4	(34.1)	11.7	(44.2)	11.7	(44.6)	7.1	(59.9)
Others, inter-area eliminations	(121.9)	n.s.	(13.8)	n.s.	(19.0)	n.s.	(21.5)	n.s.
Total	4,138.9	(12.2)	858.5	(2.3)	852.2	(2.6)	474.8	(12.2)

Revenues and operating results by line of business

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2009	% change vs. 2008	2009	% change vs. 2008	2009	% change vs. 2008	2009	% change vs. 2008
Construction materials	3,847.5	(12.9)	787.7	(13.1)	771.2	(14.5)	405.2	(29.9)
Packaging and insulation	179.6	(9.1)	23.8	34.1	23.8	34.1	14.7	76.0
Financial	118.0	2.7	82.7	n.s.	85.8	n.s.	85.7	n.s.
Banking	30.8	(5.2)	4.8	(19.3)	4.8	(19.3)	2.7	(48.0)
Property, services, other	7.4	(2.5)	(7.1)	n.s.	-	n.s.	-	n.s.
Inter-sector eliminations	(44.4)	n.s.	(33.4)	n.s.	(33.4)	n.s.	(33.5)	n.s.
Total	4,138.9	(12.2)	858.5	(2.3)	852.2	(2.6)	474.8	(12.2)

n.s.: not significant

Compared with the first nine months of 2008, at the end of September 2009 **recurring EBITDA** (858.5 million euro) and **EBIT** (474.8 million euro) were down by 2.3% and 12.2% respectively, a reduction that arose chiefly in the construction materials and banking sectors. On a geographical basis, operating results in the European Union countries were in line with the year-earlier period, while the Africa area posted improvements in operating results and all the other areas reported downturns. In absolute values, in both the third quarter and the first nine months, the European Union as a whole was the largest contributor to revenues and EBIT.

Net finance costs decreased to 84.8 million euro (-20.5%), due to the reduction in interest rates and decrease in average debt, while **impairment losses** of 24.7 million euro were applied to **financial assets** held by the construction materials sector (losses of 26.6 million euro in the first nine months of 2008). The **share of results of associates** increased to 26.1 million euro (+28.1%). **Profit before tax** at September 30, 2009, decreased to 391.4 million euro from 427.5 million euro at September 30, 2008 (-8.5%).

Income tax expense for the nine months was 94.6 million euro, with a reduction in the average tax rate (24.15% at September 30, 2009, compared with 30.86% at September 30, 2008).

Consequently **net profit for the period** to September 30, 2009, was 296.8 million euro, reflecting a negligible change (+0.4%) with respect to the year-earlier period, while **Group net profit**, at 116.3 million euro, made a much stronger improvement (155.8%), driven largely by the results of the wholly owned companies in the financial sector.

As already announced, in compliance with the revised IAS 1, the Group has decided to present its comprehensive income results using two schedules. The first schedule reflects traditional income statement components and the net result for the period, while the second schedule, beginning with the net result for the period, presents other components of comprehensive income previously reflected only in the statement of movements in consolidated shareholders' equity: mainly fair value gains and losses on available-for-sale financial assets and financial derivatives, translation gains and losses.

At September 30, 2009, the components of other comprehensive income showed a positive balance of 98.5 million euro (negative balance of 616.4 million euro in the first nine months of 2008, largely due to fair value changes and translation differences). Given these components and the net profit for the period described above, total comprehensive income for the year to September 30, 2009, was +395.4 million euro (a total of +280.1 million euro attributable to the Group and a total of +115.3 million euro attributable to minorities), compared with negative total comprehensive income of 320.8 million euro at September 30, 2008 (a total of -447.1 million euro attributable to the Group and a total of +126.3 million euro attributable to minorities).

At September 30, 2009, **net debt** stood at 2,365.1 million euro, a decrease of 206.8 million euro from December 31, 2008 (2,571.9 million euro). The reduction arose largely from the significant level of cash flows from operating activities (881.3 million euro), which exceeded the overall level of investments in fixed assets (587.0 million euro, including 556.5 million euro of capital expenditure) and dividends distributed (100.3 million euro).

The **gearing ratio** (net debt to shareholders' equity) was 41.02% at September 30, 2009, an improvement over 46.86% at December 31, 2008.

Group **investments in fixed assets** at September 30, 2009, amounted to 587.0 million euro, down by 163.5 million euro from September 30, 2008. The majority of investments concerned improvements to and re-organization of existing industrial facilities.

Capital expenditure, largely in the construction materials sector and, to a much lesser extent, in food packaging and thermal insulation, was 556.5 million euro, up by 47.6 million euro from September 30, 2008 (508.9 million euro).

Investments in financial assets amounted to 30.5 million euro (241.6 million euro in the first nine months of 2008), and essentially concerned the construction materials sector.

Italmobiliare **Net Asset Value (NAV)** at September 30, 2009, was 2,361.0 million euro (1,924.9 million euro at June 30, 2009, and 1,911.0 million euro at December 31, 2008).

Performance in the core businesses

For the third quarter of 2009, the **construction materials sector**, where the Italcementi group operates, reported a fall in sales volumes from the year-earlier period (in line with the first-half trend) and a 15.5% decrease in revenues caused by the sales volume decline and, to a lesser extent, a negative price effect, after a positive effect in the first half. Recurring EBITDA (-7.2%) and EBIT (-16.2%) showed smaller decreases than in the first half, thanks to the significant reduction in costs, especially variable fuel costs, which in the early months of the year were still adversely affected by the high prices of 2008. In the third quarter, as in the first half, action continued to contain fixed costs and regain industrial efficiency. Total net profit for the third quarter of 2009, in line with performance in the first half, was 94.1 million euro, down by 12.6% from the third quarter of 2008. In

the January-September 2009 period, results in the sector were affected by the decline in sales volumes. Revenues, down by 12.9% from the year-earlier period, were penalized by the decrease in volumes, but benefited from the positive price effect of the first half of the year. The revenue decline had a negative impact on operating results, although this was mitigated by the containment of operating expenses, especially fixed costs, and a positive exchange-rate effect. Recurring EBITDA fell by 13.1%, while EBIT, reflecting heavy impairment losses on industrial assets, decreased by 29.9%. Total net profit was 221.4 million euro, from 328.0 million euro in the first nine months of 2008 (-32.5%).

The **food packaging and thermal insulation sector**, consisting of the Sirap Gema group, reported third-quarter revenues of 61.2 million euro, a decrease of 9.2% (67.5 million euro in the third quarter of 2008), a strong rise in EBIT to 7.1 million euro (2.9 million euro) and consolidated net profit of 3.7 million euro (0.0 million euro). 2009 third-quarter revenues fell in both the food packaging and the thermal insulation businesses. The significant reduction in costs, despite the small decrease in prices, produced a strong improvement in EBIT of 145.9%.

The improvement in net profit derived not only from the rise in EBIT but also from the reduction in finance costs, despite the obvious increase in income tax expense for the period. Revenues also declined in the year to September 30, 2009, to 179.6 million euro (-9.1%), reflecting a downturn in all business segments (with the exception of France, where the re-organization began to generate benefits). Thanks to the reduction in costs mentioned above and a slight decrease in amortization and depreciation, EBIT, at 14.7 million euro, improved by 76.0%. Profit before tax was 9.2 million euro, a strong increase from the year-earlier period (2.6 million euro), and also benefited from the reduction in finance costs. Net profit for the period, however, reflected lower growth (4.7 million euro) compared with the year-earlier period (3.4 million euro), due to the positive effect of tax laws permitting the release of reserves with payment of a lower rate.

The **financial sector**, which includes the parent company Italmobiliare and the wholly owned financial companies, benefited from the particularly favorable conditions on the financial markets (debentures and equities) to report a net profit for the third quarter of 35.3 million euro, a decisive improvement over the year-earlier period (a net loss of 49.3 million euro). Net profit for the year to September 30, 2009, rose to 100.2 million euro (2.0 million euro); the strong improvement in the sector's results for the quarter and the nine months reflected write-ups on the debenture and equity trading portfolio (as a result of the reduction in credit spreads and the recovery in market prices compared with the end of 2008), the positive results of associates, the decrease in borrowing costs (as a result of the reduction in interest rates and the decrease in the amount of debt) and the capital gain recognized in the second quarter of 2009 on the sale of Populonia Italica, despite the decrease in dividends received.

The consolidated financial position of the financial sector, which also includes the parent company Italmobiliare S.p.A., was positive at the end of September at 235.4 million euro (160.6 million euro at December 31, 2008), an increase of 21.6 million euro from June 2009.

The **banking sector** comprises Finter Bank Zürich and Crédit Mobilier de Monaco. For the third quarter, it reported a net loss (largely due to the charges for the integration of the recently acquired Hugo Kahn bank) of 0.3 million euro, down from the result of the year-earlier period (a net profit of 0.9 million euro), bringing net profit for the year to September 30, 2009, to 2.2 million euro (4.5 million euro in the year-earlier period). This result arose essentially at Finter Bank Zürich.

In its separate financial statements at September 30, 2009, the **parent company Italmobiliare S.p.A.** reported **net profit for the period** of 74.8 million euro, compared

with 64.3 million euro in the year-earlier period. This improvement arose largely from the capital gain on the sale of the Populonia Italica real estate company and the reduction in net finance costs, despite the decrease in dividends received.

The Manager in charge of preparing Italmobiliare S.p.A. financial reports, Angelo Maria Triulzi, declares, pursuant to paragraph 2 article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting entries.

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This press release, and in particular the section entitled “Outlook”, contain forward-looking statements. These statements are based on the Group’s current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in government regulations (in each case, in Italy or abroad) and many other factors, most of which are beyond the Group’s control.

Attachments: income statement data and balance sheet highlights

To permit comparison with 2009, the 2008 figures have been re-stated for compliance with IAS 1 revised (Presentation of Financial Statements) and IAS 23 revised (Borrowing Costs)

Italmobiliare Group					
Income statement (in thousands of euro)	Q3 2009	%	Q3 2008	%	% change
Revenues	1,362,225	100.0%	1,573,740	100.0%	-13.4
Other revenues	7,642		12,132		
Change in inventories	(9,712)		12,626		
Internal work capitalized	11,760		17,223		
Goods and utilities expenses	(487,679)		(706,989)		
Services expenses	(291,657)		(294,418)		
Employee expenses	(236,458)		(238,501)		
Other operating income (expense)	(37,739)		(111,901)		
Recurring EBITDA	318,382	23.4%	263,912	16.8%	20.6
Net capital gains on sale of fixed assets	9,969		76		
Non-recurring employee expenses	(11,702)				
Other non-recurring income (expense)	4,626		(6,247)		
EBITDA	321,275	23.6%	257,741	16.4%	24.7
Amortization and depreciation	(115,124)		(110,747)		
Impairment variations	(5,124)		6		
EBIT	201,027	14.8%	147,000	9.3%	36.8
Finance income	7,756		12,660		
Finance costs	(32,690)		(49,533)		
Net exchange-rate differences and derivatives	(1,003)		878		
Impairment variations on financial assets	(22,303)		(11,368)		
Share of results of associates	7,027		6,333		
Profit before tax	159,814	11.7%	105,970	6.7%	50.8
Income tax expense	(27,204)		(46,671)		
Net profit for the period	132,610	9.7%	59,299	3.8%	123.6
Attributable to:					
Equity holders of the parent	57,593	4.2%	(21,994)	-1.4%	n.s
Minority interests	75,017	5.5%	81,293	5.2%	-7.7

Italmobiliare Group					
Income Statement (in thousands of euro)	Jan./Sept. 2009	%	Jan./Sept. 2008	%	% change
Revenues	4,138,904	100.0%	4,713,241	100.0%	-12.2
Other revenues	33,417		41,969		
Change in inventories	(81,381)		13,457		
Internal work capitalized	34,264		32,935		
Goods and utilities expenses	(1,511,047)		(1,916,129)		
Services expenses	(878,410)		(999,978)		
Employee expenses	(743,353)		(758,309)		
Other operating income (expense)	(133,860)		(248,357)		
Recurring EBITDA	858,534	20.7%	878,829	18.6%	-2.3
Net capital gains on sale of fixed assets	14,700		6,117		
Non-recurring employee expenses	(24,550)		(4,340)		
Other non-recurring income (expense)	3,524		(5,625)		
EBITDA	852,208	20.6%	874,981	18.6%	-2.6
Amortization and depreciation	(348,050)		(334,475)		
Impairment variations	(29,366)		(17)		
EBIT	474,792	11.5%	540,489	11.5%	-12.2
Finance income	24,108		37,272		
Finance costs	(101,448)		(138,681)		
Net exchange-rate differences and derivatives	(7,494)		(5,340)		
Impairment variations on financial assets	(24,715)		(26,603)		
Share of results of associates	26,125		20,394		
Profit before tax	391,368	9.5%	427,531	9.1%	-8.5
Income tax expense	(94,526)		(131,921)		
Net profit for the period	296,842	7.2%	295,610	6.3%	0.4
Attributable to:					
Equity holders of the parent	116,275	2.8%	45,457	1.0%	155.8
Minority interests	180,567	4.4%	250,153	5.3%	-27.8

Italmobiliare Group					
Consolidated statement of comprehensive income (in thousands of euro)	September 30, 2009	%	September 30, 2008	%	% change
Net profit for the period	296,842	7.2	295,610	6.3	0.4
Fair value adjustments to:					
Available-for-sale financial assets	228,478		(625,372)		
Derivative financial instruments	(38,278)		2,156		
Translation differences	(99,528)		(10,884)		
Tax relating to components of other comprehensive income	7,836		17,690		
Components of other comprehensive income	98,508		(616,410)		
Total comprehensive income	395,350	9.6	(320,800)	-6.8	-223.2
Attributable to:					
Equity holders of the parent	280,069		(447,061)		
Minority interests	115,281		126,261		

Italmobiliare Group					
Financial Position (in thousands of euro)	September 30, 2009	June 30, 2009	December 31, 2008	Change Sept30, 09/ Dec31, 08	
				Δ	%
Cash, cash equivalents and short-term financial assets	(1,851,170)	(1,649,084)	(1,573,543)	(277,627)	17.6
Short-term financing	1,089,851	1,182,691	1,245,522	(155,671)	(12.5)
Medium/long-term financial assets	(93,660)	(88,123)	(111,050)	17,390	(15.7)
Medium/long-term financing	3,220,071	3,185,390	3,010,954	209,117	6.9
Net debt	2,365,092	2,630,874	2,571,883	(206,791)	(8.0)
Total shareholders' equity	5,765,790	5,542,903	5,488,234	277,556	5.1