

## THE BOARD OF DIRECTORS EXAMINES 2008 FINANCIAL STATEMENTS

### ITALMOBILIARE GROUP

- **REVENUES: 6,157 MILLION EURO (6,397 MILLION EURO IN 2007)**
- **TOTAL NET PROFIT: 111.8 MILLION EURO (660.9 MILLION EURO)**
- **NET PROFIT ATTRIBUTABLE TO GROUP: -106.1 MILLION EURO (217.2 MILLION EURO)**
- **NET DEBT: 2,571.9 MILLION EURO (2,149.6 MILLION EURO)**
- **SHAREHOLDERS' EQUITY: 5,481.6 MILLION EURO (6,300.2 MILLION EURO)**

### ITALMOBILIARE S.p.A.

- **NET PROFIT: -23.4 MILLION EURO (73.6 MILLION EURO)**
- **DIVIDEND: GIVEN THE CONTINUING FINANCIAL MARKET CRISIS AND THE NET RESULT, AT THE SHAREHOLDERS' MEETING THE BOARD WILL PROPOSE NON-DISTRIBUTION FOR FY 2008**
- **NET ASSET VALUE: 1,911.0 MILLION EURO (3,324.3 MILLION EURO AT DECEMBER 31, 2007) IN COMPARISON WITH A MARKET CAPITALIZATION OF 959.5 MILLION EURO**

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**Milan, March 25, 2009** – *At a meeting today the Board of Directors of Italmobiliare S.p.A. examined and approved the consolidated financial statements and the parent company financial statements for financial year 2008.*

*The exceptionally severe crisis, whose effects deepened and spread wider toward the end of last year, caused a significant decline in Italmobiliare Group margins during 2008, in both the industrial and the financial sectors. Earnings in the construction materials sector and the banking sector were positive, even if lower than in 2007, while the packaging and insulation sector achieved a turnaround with a return to net profit. The financial sector, adversely affected by the fall in share and debenture prices, the crisis of a number of financial players and the rise in credit spreads, reported large losses. The Group maintained its prudent approach of recognizing investments in debentures at fair value, that is, at the 2008 year-end market prices adversely affected by the crisis on world markets.*

*On 2008 revenues of 6,157.0 million euro (6,397 million euro in 2007), the Italmobiliare Group reported **total net profit** of 111.8 million euro and, largely due to the unfavorable result in the wholly owned financial sector, a **net loss attributable to the Group** of 106.1 million euro. This compared with total net profit of 660.9 million euro and Group net profit of 217.2 million euro in 2007.*

*In the **fourth quarter** alone, the Group had a total net loss of 181.0 million euro (150.6 million euro attributable to the Group), chiefly due to the decline on the financial markets*

and the outcome of impairment testing conducted at the end of the year, as previously reported on February 11.

For the full year, the financial sector reported expense from write-downs and losses on trading equities and debentures of approximately 145.5 million euro (-26.7 million euro in 2007), while impairment losses totaled 45.2 million euro (6.1 million euro in 2007), arising largely on assets in the construction materials sector. The market downturn generated adjustments to financial asset values of 182.7 million euro (absent in 2007), of which approximately one third related directly to the financial companies and the rest to the construction materials sector.

At December 31, 2008, **total shareholders' equity** was 5,481.6 million euro, compared with 6,300.2 million euro at December 31, 2007. At the same date **net debt** was 2,571.9 million euro (2,149.6 million euro at the end of 2007).

After the changes in shareholders' equity and net debt, the **gearing** ratio passed from 34.12% at the end of December 2007 to 46.92% at December 31, 2008.

At the end of 2008, the **net financial position of Italmobiliare and the wholly owned financial companies** was positive at 160.6 million euro (299.4 million euro at the end of 2007).

During 2008, Italmobiliare Group revenues held well in the construction materials sector (where Italcementi operates; Italcementi announced its 2008 results on March 6), to total 5,775.6 million euro (-3.8%), despite negative effects relating to the scope of consolidation, volumes and exchange rates. Operating results decreased as a result of increases in cost factors that were not offset by sales prices: recurring EBITDA was 1,113.1 million euro and EBIT was 607.3 million euro. Net profit for the year was 272.2 million euro, while group net profit was 138.8 million euro.

The food packaging and thermal insulation sector, consisting of the Sirap Gema group, boosted revenues to 264.3 million euro (+6.5%), largely as a result of the growth of the food packaging business in Eastern Europe and sales of rigid containers. EBIT was 13.0 million euro, an improvement on 2007, which reflected the effects of the deconsolidation of Inline Ukraine L.C.F.I. and an impairment loss on the French subsidiary Sirap France S.A.. After a sharp rise in net finance costs (caused in part by translation losses), the sector reported a net profit of 2.2 million euro compared with a net loss in 2007 (1.2 million euro).

The financial sector, which comprises the parent company Italmobiliare and the wholly owned financial subsidiaries, was badly affected by the highly unfavorable conditions on the financial markets, posting a net loss of 124.0 million euro, a heavy decline with respect to the 2007 net profit of 85.3 million euro. The significant fall in earnings reflected the above-mentioned write-downs on trading equities and the debenture portfolio, losses on alternative investments and adjustments to financial asset values for 57.8 million euro (relating to the equity investments in RCS MediaGroup and Intek), compared with zero adjustments in 2007. The rise in debt charges was a far less significant factor in the downturn, given that the increase in spreads was absorbed in part by the reduction in interest rates at the end of the year.

In the banking sector (Finter Bank Zürich and Crédit Mobilier de Monaco) 2008 net profit was 4.1 million euro, down by 58.0% from 9.7 million euro in 2007. This result, essentially due to Finter Bank Zürich, was influenced by a decrease in net commission income, write-downs on the asset portfolio.

*For the year to December 31, 2008, the parent company **Italmobiliare S.p.A.** reported a **net loss** of 23.4 million euro compared to net profit of 73.6 million euro in 2007. The loss for the year arose entirely from adjustments to financial asset values totaling 84.6 million euro in the fourth quarter, largely in respect of the subsidiary Franco Tosi (83.8 million euro on impairment test basis). In June 2006 Italmobiliare sold a number of equity investments (all tied at the time to voting trusts) to Franco Tosi at market prices. The sale generated significant net capital gains for Italmobiliare (99.0 million euro), which, as intercompany transactions, were taken in full to an extraordinary reserve at the time of allocation of 2006 net profit. This prudential provision is today superior to the adjustments applied in 2008.*

*In view of the severe overall impact of the economic and financial crisis on results for 2008, and in light of the continuing uncertainty on the financial markets, the Italmobiliare Board of Directors will propose at the Shareholders' Meeting called for April 28 and 29 (first and second call respectively) that no **dividend** be distributed for financial year 2008.*

*Italmobiliare **Net Asset Value (NAV)** at December 31, 2008, was 1,911.0 million euro (3,324.3 million euro at December 31, 2007) in comparison with a market capitalization of 959.5 million euro.*

*The severe financial crisis, which has now also spread into the real economy, at varying intensities in the sectors in which the Group operates, has triggered a deep global recession, whose gravity and duration cannot be reliably assessed today. In this context, the Group's industrial operations are taking action to improve their cost structures, raise efficiency, in part through production re-organizations, and monitor cash flows closely. The uncertainty on the equities and debentures markets makes it difficult to provide reliable **guidance** on results in the financial sector.*

*The above considerations also apply to the parent company Italmobiliare, whose earnings will depend on trends on the financial markets, on movements in interest rates and on the prospects of the individual subsidiaries.*

*The Board of Directors also decided to ask the Shareholders' Meeting to renew the authorization for the purchase and disposal of treasury shares for a period of 18 months as from the resolution date, for a maximum amount of 150 million euro.*

## **FOURTH QUARTER 2008**

In the **fourth quarter** of 2008 Group revenues were 1,443.8 million euro, down 3.0% from the year-earlier period as a result of the sharp decline in the financial sector (-31.5%), the banking sector (-29.2%) and the much smaller downturn in construction materials (-2.3%). The Group posted a **net loss** of 181.0 million euro (a net profit of 147.5 million euro in the fourth quarter of 2007), due not only to the fall in EBIT as a result of the negative performance of the financial sector and the significant decline in construction materials, but also to write-downs of 156.1 million euro (absent in the year-earlier fourth quarter), despite the effect of net finance income.

## **FINANCIAL STATEMENTS AT DECEMBER 31, 2008**

For full-year 2008, Italmobiliare Group consolidated **revenues** amounted to 6,157.0 million euro (-3.8%); business growth accounted for 1.3%, while changes in the scope of consolidation had a negative impact of 3.4%. Exchange rates had a negative effect of 1.7%. **Recurring EBITDA** (1,020.7 million euro) and **EBITDA** (1,010.7 million euro) were down 30.2% and 30.9% respectively from 2007. These changes arose in absolute terms mainly from the construction materials sector and the financial sector. **EBIT** was 501.1 million euro (-49.8%) after a slight increase in amortization and depreciation from 2007 (464.4 million euro, against 459.1 million euro in 2007) and a sharp rise in impairment variations on fixed assets (from 6.1 million euro to 45.2 million euro), mostly in construction materials.

Operating results by geographical area reflected downturns in all regions, although the size of the changes varied. In absolute terms, the EU countries were once again the largest contributor to both revenues and EBIT.

## Geographical breakdown of revenues and operating results

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2008	% change vs 2007	2008	% change vs 2007	2008	% change vs 2007	2008	% change vs 2007
European Union	3,834.5	(7.7)	523.0	(35.2)	539.7	(34.6)	277.6	(51.2)
Other European countries	280.9	(14.8)	9.7	(84.2)	9.6	(83.4)	(23.8)	(157.7)
North America	500.4	(17.4)	55.5	(56.5)	53.2	(58.2)	8.3	(89.7)
Asia	449.5	1.2	105.1	(15.5)	103.8	(15.8)	38.0	(53.5)
Africa	973.5	19.5	334.8	-	311.6	(2.6)	216.0	(2.5)
Trading	370.8	1.7	18.1	(11.5)	18.3	(15.9)	13.5	(31.2)
Inter-area eliminations	(252.6)	(20.4)	(25.5)	93.1	(25.5)	93.0	(28.5)	80.2
<b>Total</b>	<b>6,157.0</b>	<b>(3.8)</b>	<b>1,020.7</b>	<b>(30.2)</b>	<b>1,110.7</b>	<b>(30.9)</b>	<b>501.1</b>	<b>(49.8)</b>

n.s. not significant

**Net finance costs**, including net exchange-rate differences and derivatives, amounted to 93.3 million euro, down by 28.7 million euro from 2007 (122.0 million euro) largely due to final recognition, following the termination of the agreement for the sale of operations in Turkey, of the advance payment of 50 million euro received from the counterpart. Excluding this non-recurring item, net finance costs increased by 21.3 million euro. Among finance costs, net interest expense on borrowings rose by 20.5 million euro. The caption does not include finance income and costs in the financial and banking sectors, which are part of those sectors' core business and therefore classified under the line items constituting recurring EBITDA. **Adjustments to financial asset values** generated a negative effect of 182.7 million euro, and were absent in 2007. These adjustments referred to construction materials for 124.9 million euro and the financial sector for 57.8 million euro, the latter relating largely to RCS MediaGroup, written down on the basis of an independent valuation that determined value in use at 1.62 euro per share; subsequently, this equity investment was classified as an associate due to the significant influence of the voting trust. The **share of results of associates**, 29.6 million euro, rose by 13.7 million euro from 2007, thanks to earnings improvements and valuation of Asment (Morocco), previously valued at cost, with the equity method.

**Profit before tax** was 254.7 million euro, down by 71.4% from 2007 (891.4 million euro). Income tax expense was 142.9 million euro, down by 38.0% from 2007 due to the decrease in profit before tax, while the average tax rate rose from 25.85% to 56.10% since a number of negative income components (of which the most important are adjustments to asset values) are not tax-deductible.

**Net profit** for the year was 111.8 million euro, a decrease of 83.1% from 2007 (660.9 million euro). **Net profit attributable to the Group** was negative at 106.1 million euro compared with positive net profit of 217.2 million euro in 2007; minority interests were positive at 217.9 million euro, down from the prior-year figure of 443.7 million euro.

**Total shareholders' equity** at December 31, 2008, was 5,481.6 million euro, a reduction of 818.6 million euro from December 31, 2007. The overall change was determined largely by the positive effect of net profit (111.8 million euro) and the negative effects of the reduction in the translation reserve (-47.7 million euro), dividend payouts (-193.4 million euro), fair value adjustment losses (-647.6 million euro), as well as by the change in the scope of consolidation and the change in control percentages (-41.7 million euro). At

December 31, 2008, **net debt** was 2,571.9 million euro, up by 422.3 million euro from the end of 2007.

The **gearing** ratio (net debt/shareholders' equity) rose to 46.92% at December 31, 2008, from 34.12% at the end of 2007.

### **Performance in the core businesses**

Performance in the **construction materials** sector, where the *Italcementi* group operates, was affected by the international economic events of 2008. Specifically, in the first half, the significant increase in prices for raw materials and, above all, energy products, was a predominant factor. Subsequently, the financial crisis spread from the USA to the rest of the world, extending its effects to many sectors of the real economy. In this context, the group reported steady revenue levels (5,775.6 million euro, a decrease of 3.8%) despite negative effects due to the scope of consolidation, volumes and exchange rates. Operating results fell significantly: recurring EBITDA, at 1,113.1 million euro, decreased by 20.7% on 2007; EBIT, after a small increase in amortization and depreciation (+1.1%), was 607.3 million euro (-36.6%). Profit before tax was 420.8 million euro (851.9 million euro in 2007), reflecting the negative impact of operating results and also of adjustments to financial asset values for 124.9 million euro (not present in 2007), but benefited from non-recurring finance income of 50 million euro after final recognition of the advance payment on termination of the agreement for the sale of operations in Turkey. The earnings decline produced a reduction in income tax expense from 239.4 million euro in 2007 to 148.5 million euro in 2008. Net profit for the year was 272.2 million euro (612.5 million euro in 2007), while group net profit was 138.8 million euro (423.9 million euro in 2007). Minority interests decreased from 188.6 million euro to 133.4 million euro.

The **food packaging and thermal insulation sector**, consisting of the *Sirap Gema* group, reported a 6.5% increase in revenues (which totaled 264.3 million euro), thanks mainly to growth in food packaging sales in Eastern Europe and in rigid container sales. EBIT was 13.0 million euro, a strong improvement arising exclusively from the fact that 2007 EBIT reflected the deconsolidation of Inline Ukraine L.C.F.I. and an impairment loss of approximately 8.8 million euro on the subsidiary Sirap France S.A.. Net finance costs rose sharply due to higher average debt and year-end translation losses (2.1 million euro) among the East European subsidiaries as a result of the significant depreciation of local currencies. Nevertheless, net profit for the year improved (to 2.2 million euro, against a net loss of 1.2 million euro in 2007), not only because of the absence of the two factors described above, but also because of a virtually zero tax effect (-0.1 million euro in 2008, from -1.5 million euro in 2007) following application of regulations that in Italy enabled reserves to be released through payment of a lower tax rate and simultaneously released provisions for deferred tax. Net profit attributable to the group was positive at 2.1 million euro (0.5 million euro in 2007).

The **financial sector**, which includes the parent company Italmobiliare and the wholly owned financial companies, was affected by the highly unfavorable conditions on the financial markets in the second half of the year, and in the fourth quarter in particular. As a result, the financial sector reported a net loss of 124.0 million euro for 2008, a sharp fall from net profit of 85.3 million euro in 2007. This significant decline arose from adjustments to financial asset values (57.8 million euro relating to the equity investments in RCS MediaGroup and Intek, compared with zero adjustments in 2007), large write-downs on the debenture portfolio (negative market trends and the collapse of a number of major operators) and on trading shares, and losses on alternative investments. The increase in debt charges was a far less significant factor in the downturn, given that the increase in spreads was absorbed in part by the reduction in interest rates at the end of the year. Since

the financial sector is owned 100% by the Group, its large net loss is reflected in full on the net profit attributable to the Group.

The **banking sector** comprises *Finter Bank Zürich* and *Crédit Mobilier de Monaco*. It reported a net profit of 4.1 million euro, down by 58.0% from 9.7 million euro in 2007. This result, essentially due to the performance of Finter Bank Zürich, reflected a decrease in net commission income, write-downs on the asset portfolio and charges relating to the recent acquisition of the Hugo Kahn bank.

The **property sector, services and others**, is not of great importance within the global context of the Group and its results are therefore not normally of material significance. This year, however, the sector transacted an important sale of land and buildings, to report a net profit of 4.7 million euro (2.6 million euro in 2007).

**THE PARENT COMPANY** – The parent company Italmobiliare S.p.A. reported a **net loss** of 23.4 million euro for the year to December 31, 2008, compared to a net profit of 73.6 million euro in 2007. The 2008 loss reflected the impact of impairment losses on the subsidiaries Franco Tosi S.r.l and Sance S.r.l totaling -84.6 million euro. Excluding this effect, 2008 would have reported a net profit of 61.2 million euro, down by 12.4 million euro from 2007 (-16.8%).

At December 31, 2008, Italmobiliare had revenues of 116.7 million euro compared to 102.6 million euro in 2007. The rise in dividend flows was positive, at +19.5 million euro, mainly as a result of higher dividends from some foreign subsidiaries. EBITDA and EBIT amounted to 58.5 and 58.4 million euro respectively, compared with 60.9 million euro in 2007. 2007 benefited however from capital gains of 2.5 million euro on sales of equities and fair value gains of 0.5 million euro on trading shares, whereas 2008 saw an increase in net finance costs and losses on the trading portfolio.

**Impairment variations** for the year referred mainly to the subsidiary Franco Tosi S.r.l. for -83.8 million euro, reflecting impairment on the equity investments portfolio, mainly Unicredit, Mediobanca and RCS MediaGroup. Measurement was based on a valuation by an independent consultant.

Italmobiliare S.p.A. **shareholders' equity** at December 31, 2008, was 1,103.7 million euro from 1,568.5 million euro at the end of 2007. **Net debt** was 303.1 million euro, down from 477.4 million euro at December 31, 2007.

The **financial sector** (Italmobiliare S.p.A. and the wholly owned financial companies) had a **positive net financial position** of 160.6 million euro (299.4 million euro at December 31, 2007).

Italmobiliare **Net Asset Value (NAV)** at December 31, 2008, was 1,911.0 million euro (3,324.3 million euro at December 31, 2007), computed considering:

- the year-end market price of investments in listed companies;
- the value of non-listed companies determined, when possible, on the basis of market multiples or specific valuations;
- the equity of the other equity investments determined with IAS/IFRS policies, where available, or with local accounting policies;
- the increased value of any real estate assets;

and taking account of the fiscal effect.

In view of the net result for the year and the continuing uncertainty on the financial markets, the Italmobiliare Board of Directors will propose at the Shareholders' Meeting called for April 28 and 29, 2009 (first and second call respectively) that no dividend be distributed for financial year 2008.

**OUTLOOK** – The severe financial crisis, which has now also spread into the real economy, at varying intensities in the sectors in which the Group operates, has triggered a deep global recession, whose gravity and duration cannot be reliably assessed today.

In this context, the Group's industrial operations are taking action to improve their cost structures, raise efficiency, in part through production re-organizations, and monitor cash flows closely. The uncertainty on the equities and debentures markets makes it difficult to provide reliable guidance on results in the financial sector.

The above considerations also apply to the parent company Italmobiliare, whose earnings will depend on trends on the financial markets, on movements in interest rates and on the prospects of the individual subsidiaries.

**DEBENTURE ISSUES AND MATURITIES** – No new debentures were issued during the year and no issues are due to mature in the 18 months after closure of the 2008 financial statements with the exception of those illustrated by the subsidiary Italcementi S.p.A. in its press release of March 6, 2009.

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The Board of Directors also decided to ask the Shareholders' Meeting called for April 28 and 29, 2009, on first and second call respectively, to renew the authorization for the purchase and disposal of treasury shares for a period of 18 months as from the resolution date. The shares may be purchased for the following purposes:

- to dispose of treasury shares:
  - \* for sale to employees and/or directors in connection with stock option plans reserved for them;
  - \* for medium/long-term investment;
- to take action, in compliance with current regulations, directly or through intermediaries, to limit anomalous movements in share prices and stabilize trading and share price trends in respect of temporary distortions caused by excessive volatility or limited liquidity on trading;
- to build a treasury share portfolio for use in the event of extraordinary financial transactions or for other applications deemed of financial, operating and/or strategic interest for the parent company;
- to offer shareholders an additional instrument for monetization of their investment.

The proposal provides that:

- the price of each share shall not be more than a maximum of 15% above or below the average reference price on the Italian stock exchange in the three sessions preceding each transaction;
- the overall amount paid by the parent company for the purchase shall not exceed 150 million euro;
- the maximum number of ordinary and/or savings shares acquired shall not have an overall nominal value, including treasury shares already held as of today by the parent company and the subsidiaries, in excess of one tenth of share capital.

Furthermore:

- purchases shall normally be arranged in a manner to ensure equitable treatment of the shareholders and not allow the proposed acquisitions to be linked with preexisting proposed sales, or, taking account of the various possible purposes, in any other manner allowed by current laws and regulations;



- disposal of the shares shall take place in any manner deemed appropriate to achieve the objectives pursued either directly or through intermediaries, in compliance with current national and community laws and regulations;
- treasury share purchase and sale transactions shall be conducted in compliance with applicable dispositions and in particular in compliance with current laws and regulations. As of today, the parent company holds 871,411 ordinary treasury shares and 28,500 ordinary savings shares, representing respectively 3.93% of ordinary share capital and 0.17% of savings share capital.

The Board of Directors ascertained that the directors Mauro Bini, Gabriele Galateri di Genola, Jonella Ligresti and Perolari meet the independence requirements set out in the Voluntary Code of Conduct (also with regard to director Giorgio Perolari, waiving the criterion regarding term of office).

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With reference to financial year 2008, no stock options were assigned to the Chief Executive Officer and the Chief Operating Officer.

The Chief Executive Officer informed the Board that a total of 19,350 stock options had been granted to 4 managers.

The options in question may be exercised between the fourth and the tenth year after the grant date.

## STOCK OPTION PLAN FOR DIRECTORS

	Option grants							
	<u>Section 1</u>							
	Options relating to currently valid plans approved under previous shareholder resolutions							
Date of shareholder resolution	Description of instrument	Number of financial instruments underlying granted but non-vested options	Number of financial instruments underlying vested but unexercised options	Date of assignment by the Bod body	Exercise price	Market price of underlying financial instruments at grant date	Option expiry	
Giampiero Pesenti Chairman-CEO (Italmobiliare S.p.A.)	-	ITM ord. shares	-	45,000	03.30.2004	35.199	35.040	03.29.2014
	-	ITM ord. shares	-	55,000	03.30.2005	54.5355	53.380	03.29.2015
	-	ITM ord. shares	-	55,000	03.21.2006	65.701	72.960	03.20.2016
	-	ITM ord. shares	60,000	-	03.21.2007	86.0685	86.550	03.20.2017
	-	ITM ord. shares	60,000	-	03.28.2008	59.908	62.370	03.27.2018

## STOCK OPTION PLAN FOR MANAGERS

	Option grants							
	<u>Section 1</u>							
	Options relating to currently valid plans approved under previous shareholder resolutions							
Date of shareholder resolution	Description of instrument	Number of financial instruments underlying granted but non-vested options	Number of financial instruments underlying vested but unexercised options	Date of assignment by the Bod body	Exercise price	Market price of underlying financial instruments at grant date	Option expiry	
Carlo Pesenti Chief Operating Officer (Italmobiliare S.p.A.)	-	ITM ord. shares	-	24,500	03.30.2004	35.199	35.040	03.29.2014
	-	ITM ord. shares	-	37,500	03.30.2005	54.5355	53.380	03.29.2015
	-	ITM ord. shares	-	37,500	03.21.2006	65.701	72.960	03.20.2016
	-	ITM ord. shares	40,000	-	03.21.2007	86.0685	86.550	03.20.2017
	-	ITM ord. shares	35,500	-	03.28.2008	59.908	62.370	03.27.2018
Managers of Italmobiliare S.p.A.	-	ITM ord. shares	-	9,563	03.24.2003	31.280	32.090	03.23.2013
	-	ITM ord. shares	-	26,580	03.30.2004	35.199	35.040	03.29.2014
	-	ITM ord. shares	-	15,937	03.30.2005	54.5355	53.380	03.29.2015
	-	ITM ord. shares	-	17,380	03.21.2006	65.701	72.960	03.20.2016
	-	ITM ord. shares	22,479	-	03.21.2007	86.0685	86.550	03.20.2017
	-	ITM ord. shares	28,700	-	03.28.2008	59.908	62.370	03.27.2018
	-	ITM ord. shares	19,350	-	03.25.2009	20.526	20.487	03.24.2019

*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.*

**ITALMOBILIARE ON THE INTERNET: <http://www.italmobiliare.it>**

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Attachment: pre-audit income statements and balance sheets

<b>Italmobiliare Group</b>					
<b>Income Statement</b> (n thousands of euro)	<b>2008</b>	<b>%</b>	<b>2007</b>	<b>%</b>	<b>% change</b>
<b>Revenues</b>	<b>6,157,042</b>	<b>100.</b>	<b>6,396,975</b>	<b>100.</b>	<b>-3.8</b>
Other revenues	63,622		86,856		
Change in inventories	60,311		58,074		
Internal work capitalized	53,091		41,727		
Goods and utilities expenses	(2,504,467)		(2,390,309)		
Services expenses	(1,386,690)		(1,474,067)		
Employee expenses	(1,022,143)		(1,031,283)		
Other operating income (expense)	(400,071)		(225,877)		
<b>Recurring EBITDA</b>	<b>1,020,695</b>	<b>16.6</b>	<b>1,462,096</b>	<b>22.9</b>	<b>-30.2</b>
Net capital gains on sale of fixed assets	24,618		16,771		
Non-recurring employee expenses for re-org.s	(27,537)		(15,391)		
Other non-recurring income (expense)	(7,029)		(765)		
<b>EBITDA</b>	<b>1,010,747</b>	<b>16.4</b>	<b>1,462,711</b>	<b>22.9</b>	<b>-30.9</b>
Amortization and depreciation	(464,443)		(459,099)		
Impairment variation	(45,221)		(6,122)		
<b>EBIT</b>	<b>501,083</b>	<b>8.1</b>	<b>997,490</b>	<b>15.6</b>	<b>-49.8</b>
Finance income	105,643		55,811		
Finance costs	(195,409)		(169,460)		
Net exch.rate differences and derivatives	(3,501)		(8,384)		
Adjustments to financial asset values	(182,707)				
Share of results of associates	29,566		15,915		
<b>Profit before tax</b>	<b>254,675</b>	<b>4.1</b>	<b>891,372</b>	<b>13.9</b>	<b>-71.4</b>
Income tax expense	(142,863)		(230,428)		
<b>Net profit for the period</b>	<b>111,812</b>	<b>1.8</b>	<b>660,944</b>	<b>10.3</b>	<b>-83.1</b>
Attributable to:					
<b>Equity holders of the parent</b>	(106,053)	-1.7	217,224	3.4	-148.8
<b>Minority interests</b>	217,865	3.5	443,720	6.9	-50.9
Earnings per share					
- Basic					
ordinary shares	(2.852) €		5.740 €		
savings shares	(2.774) €		5.818 €		
- Diluted					
ordinary shares	(2.850) €		5.722 €		
savings shares	(2.772) €		5.800 €		

<b>Italmobiliare Group</b>			
<b>Balance Sheet</b> (in thousands of euro)	<b>12/31/2008</b>	<b>12/31/2007</b>	<b>Change</b>
<b>Non-current assets</b>			
Property, plant and equipment	4,373,508	4,229,262	144,246
Investment property	29,344	28,147	1,197
Goodwill	2,035,059	2,001,125	33,934
Intangible assets	137,805	70,117	67,688
Investments in associates	342,971	214,288	128,683
Other equity investments	634,736	1,417,241	(782,505)
Receivables and other non-current assets	165,369	127,317	38,052
Deferred tax assets	46,371	40,176	6,195
Non-current receivables due from employees	205	438	(233)
<b>Total non-current assets</b>	<b>7,765,368</b>	<b>8,128,111</b>	<b>(362,743)</b>
<b>Current assets</b>			
Inventories	984,189	887,074	97,115
Trade receivables	1,176,744	1,423,349	(246,605)
Other current assets	454,004	365,048	88,956
Income tax assets	105,660	68,073	37,587
Equity investments and financial receivables	810,292	900,811	(90,519)
Cash and cash equivalents	590,535	501,527	89,008
<b>Total current assets</b>	<b>4,121,424</b>	<b>4,145,882</b>	<b>(24,458)</b>
<b>Total assets</b>	<b>11,886,792</b>	<b>12,273,993</b>	<b>(387,201)</b>
<b>Shareholders' equity</b>			
Share capital	100,167	100,167	
Reserves	299,699	858,179	(558,480)
Treasury shares	(21,226)	(21,226)	
Retained earnings	1,798,682	1,972,492	(173,810)
<b>Group shareholders' equity</b>	<b>2,177,322</b>	<b>2,909,612</b>	<b>(732,290)</b>
Minority interests	3,304,253	3,390,564	(86,311)
<b>Total shareholders' equity</b>	<b>5,481,575</b>	<b>6,300,176</b>	<b>(818,601)</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and long-term borrowings	2,970,766	2,572,200	398,566
Employee benefit liabilities	176,557	198,135	(21,578)
Non-current provisions	287,446	276,682	10,764
Other non-current liabilities	43,083	46,526	(3,443)
Deferred tax liabilities	286,673	332,132	(45,459)
<b>Total non-current liabilities</b>	<b>3,764,525</b>	<b>3,425,675</b>	<b>338,850</b>
<b>Current liabilities</b>			
Bank overdrafts and short-term borrowings	560,446	675,354	(114,908)
Interest-bearing loans and short-term borrowings	269,611	230,995	38,616
Trade payables	738,399	807,442	(69,043)
Current provisions	1,989	3,157	(1,168)
Income tax liabilities	64,574	37,805	26,769
Other current liabilities	1,005,673	793,389	212,284
<b>Total current liabilities</b>	<b>2,640,692</b>	<b>2,548,142</b>	<b>92,550</b>
<b>Total liabilities</b>	<b>6,405,217</b>	<b>5,973,817</b>	<b>431,400</b>
<b>Total Shareholders' equity and liabilities</b>	<b>11,886,792</b>	<b>12,273,993</b>	<b>(387,201)</b>

<b>Italmobiliare S.p.A.</b>					
<b>Income Statement</b> (in thousands of euro)	<b>2008</b>	<b>%</b>	<b>2007</b>	<b>%</b>	<b>% change</b>
<b>Revenues</b>	<b>116,658</b>	<b>100.0</b>	<b>102,550</b>	<b>100.0</b>	<b>13.8</b>
Other revenues	396		1,373		
Goods and utilities expenses	(141)		(148)		
Services expenses	(6,904)		(5,761)		
Employee expenses	(13,714)		(13,699)		
Other operating income (expense)	(37,909)		(26,044)		
<b>Recurring EBITDA</b>	<b>58,386</b>	<b>50.0</b>	<b>58,271</b>	<b>56.8</b>	<b>0.2</b>
Net capital gains on sale of fixed assets	292		19		
Other non-recurring income (expense)	(194)		2,567		
<b>EBITDA</b>	<b>58,484</b>	<b>50.1</b>	<b>60,857</b>	<b>59.3</b>	<b>-3.9</b>
Amortization and depreciation	(57)		(59)		
<b>EBIT</b>	<b>58,427</b>	<b>50.1</b>	<b>60,798</b>	<b>59.3</b>	<b>-3.9</b>
Finance income and costs	(83)		(76)		
Adjustments to financial asset values	(84,624)				
<b>Profit before tax</b>	<b>(26,280)</b>	<b>-22.5</b>	<b>60,722</b>	<b>59.2</b>	<b>-143.3</b>
Income tax expense	2,890		12,870		
Net profit (loss) from discontinued operations					
<b>Net profit for the period</b>	<b>(23,390)</b>	<b>-20.1</b>	<b>73,592</b>	<b>71.8</b>	<b>-131.8</b>

<b>Italmobiliare S.p.A.</b>			
<b>Balance Sheet</b> (in thousands of euro)	<b>12/31/2008</b>	<b>12/31/2007</b>	<b>Change</b>
<b>Non-current assets</b>			
Property, plant and equipment	3,683	3,690	(7)
Investment property	101	292	(191)
Intangible assets	44	1	43
Investments in subsidiaries and associates	939,824	1,211,491	(271,667)
Other equity investments	218,031	582,338	(364,307)
Receivables and other non-current assets	260,970	263,602	(2,632)
<b>Total non-current assets</b>	<b>1,422,653</b>	<b>2,061,414</b>	<b>(638,761)</b>
<b>Current assets</b>			
Trade receivables	2,220	2,103	117
Other current assets	3,186	4,226	(1,040)
Income tax assets	45,238	41,279	3,959
Equity investments and financial receivables	15,534	41,259	(25,725)
Cash and cash equivalents	104,880	216	104,664
<b>Total current assets</b>	<b>171,058</b>	<b>89,083</b>	<b>81,975</b>
<b>Total assets</b>	<b>1,593,711</b>	<b>2,150,497</b>	<b>(556,786)</b>
<b>Shareholders' equity</b>			
Share capital	100,167	100,167	
Reserves	233,939	613,856	(379,917)
Treasury shares	(21,226)	(21,227)	1
Retained earnings	790,799	875,663	(84,864)
<b>Total shareholders' equity</b>	<b>1,103,679</b>	<b>1,568,459</b>	<b>(464,780)</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and long-term borrowings	265,780	346,440	(80,660)
Employee benefit liabilities	1,184	1,179	5
Non-current provisions	13,319	13,506	(187)
Other non-current liabilities	30	34	(4)
Deferred tax liabilities	1,085	1,386	(301)
<b>Total non-current liabilities</b>	<b>281,398</b>	<b>362,545</b>	<b>(81,147)</b>
<b>Current liabilities</b>			
Bank overdrafts and short-term borrowings	150,000	171,377	(21,377)
Interest-bearing loans and short-term borrowings	15,996	6,463	9,533
Trade payables	2,704	2,226	478
Income tax liabilities	-	-	-
Other current liabilities	39,934	39,427	507
<b>Total current liabilities</b>	<b>208,634</b>	<b>219,493</b>	<b>(10,859)</b>
<b>Total liabilities</b>	<b>490,032</b>	<b>582,038</b>	<b>(92,006)</b>
<b>Total Shareholders' equity and liabilities</b>	<b>1,593,711</b>	<b>2,150,497</b>	<b>(556,786)</b>