



CAMFIN s.p.a.

## PRESS RELEASE

### CAMFIN SPA BOARD OF DIRECTORS APPROVES FINANCIAL STATEMENTS AS OF 31 MARCH 2009

- **CONSOLIDATED NET RESULT: -16.1 MILLION EUROS (-5.4 MILLION EUROS IN THE FIRST QUARTER OF 2008)**
- **CONSOLIDATED NET FINANCIAL POSITION: -577.44 MILLION EUROS (-559.3 MILLION EUROS AT END 2008)**
- **PROGRAM TO STRENGTHEN EQUITY AND FINANCIAL STRUCTURE, INCLUDING THROUGH DEBT REDUCTION AND RESCHEDULING, BEGUN: OPTION TO SELL STAKE IN ENERGIE INVESTIMENTI EXERCISED FOR A VALUE OF APPROXIMATELY 120 MILLION EUROS WITH CLOSING EXPECTED BY END MAY**
- **PARENT COMPANY 2009 RESULT EXPECTED AT BREAK-EVEN, TAKING INTO ACCOUNT THE ECONOMIC EFFECTS OF PLANNED SALES AND THE RATIONALIZATION PROCESS OF THE BUSINESS NOW UNDERWAY**

Milan, 11 May 2009 – The Board of Directors of Camfin SpA, which met today, reviewed the **interim financial statements as of 31 March 2009**.

#### **Operating performance of the Group in the first three months of 2009**

**Net income from investments** as of 31 March 2009 was negative for 6.44 million euros, compared with a positive figure of 5.63 million euros in the first three months of 2008. The variation was due mainly to trading income, negative for 6.47 million euros. Valuations of the *Put & Call* options held on *Pirelli & C. SpA* affected these results, as well as the **result from investments** valued at net equity method, positive for 2.37 million euros compared with a negative figure of 79.75 million euros in the fourth quarter of 2008 (and a positive figure of 8.5 million euros in the first three months of 2008).

As for affiliate **Pirelli & C. SpA**, restructuring measures begun last year allowed for containing the impact of the protracted crisis and concluding the first quarter of 2009 with improved results compared with the last quarter of 2008, even if lower than the corresponding period of last year due to the slowdown in the automotive and real estate industries.

With reference to the other industrial holdings of the Camfin Group, **Energie Investimenti** registered **revenues** of 399.3 million euros as of 31 March 2009, up from 373.7 million euros at the end of the first quarter of 2008. **EBITDA** was positive for 14.8 million euros, up from 10.5 million euros in the same period of 2008, and **net income** rose to 6.2 million euros from 3.9 million euros as of 31 March 2008.

**Pirelli & C. Eco Technology**, the company operating in sustainable mobility, had **revenues** of 14.3 million euros as of 31 March 2009, compared with 16.6 million euros in the first quarter of 2008. **EBIT** was negative for 2.8 million euros and the **net result** was negative for 3.4 million euros after financial charges of 0.6 million euros. This figure was due to both a decline in revenues from white diesel fuel Gecam and structural costs related to expansion of the particulate filter business, whose development resulted in the sale of 903 Feelpure filter systems in the first quarter of 2009, compared with 122 systems in the first three months of 2008. Sales were concentrated mainly in Italy and the Netherlands, countries where the system obtained homologation in 2008. The company recently began a pilot testing

phase in Portugal, and the process for homologation is underway in Germany and in China, where the testing phase closed successfully.

As for the environmental and renewable energy businesses of **Pirelli & C. Ambiente**, in the quarter the result was negative for 1.2 million euros. During the period, activities in environmental land reclamation and production of quality fuel from waste continued, as well as in photovoltaic energy, where affiliate Solar Utility completed the installation of its first fields.

Proceeding with the review of consolidated results, **net financial charges** of the Camfin Group as of 31 March 2009 amounted to 7.8 million euros, down by 1.7 million euros from the 9.5 million euros in the first quarter of 2008, thanks to lower interest rates of reference.

Due to the impact of the above elements, the **consolidated net result** was negative for 16.1 million euros compared with a negative figure of 5.4 million euros in the same period of 2008.

As of 31 March 2009, the stake held by the Camfin Group in Pirelli & C. amounted to 1,370,721,796 shares, or about 26.19% of the ordinary share capital. Added to this is a structure of *Put & Call* options, which expired in March 2009 and were renewed until June 2009, adjusting exercise prices according to market conditions, thus giving the Group the possibility to purchase a further stake in the ordinary share capital of Pirelli & C. equal to 1.46%.

**Net equity** attributable to the Group amounted to 171.1 million euros compared with 201.1 million euros as of 31 December 2008, with a substantial decline due to reduction of net equity of the affiliate Pirelli & C. and to the results of the parent company and the other companies in the Group.

The **net financial position** was negative for 577.4 million euros compared with 559.3 million euros as of 31 December 2008, with a variation mainly linked to the valuation of the above mentioned *Put & Call* options on Pirelli & C. shares and to the financial charges attributable to the period.

As already pointed out on the occasion of the presentation of the 2008 financial results with reference to the details of the net financial position here attached, it should be noted that part of the financial debt, amounting to about 270 million euros, in reality payable in the medium and long term, was reclassified to short-term debt in order to respect IAS 1 terms.

#### **Parent company Camfin S.p.A.**

**Net income** showed a loss of 15.8 million euros compared with a loss of 11.8 million euros as of 31 March 2008. The negative result was mainly due to the fair value of the *Put & Call* options of the Pirelli & C. S.p.A. stake in March 2009, a period in which the share price reached its historic minimum.

**Financial charges** amounted to 6.8 million euros, down from 8.2 million euros in the first quarter of 2008.

The **net financial position** was negative for 495.6 million euros, compared with 480.3 million euros as of 31 December 2008.

\* \* \*

The Board of Directors coopted Mauro Rebutto in place of Andrea Acutis, who resigned on 28 April 2009. The curriculum vitae of the new director, who is qualified as an independent director and also appointed a member of the remuneration committee, may be consulted on the website [www.gruppocamfin.it](http://www.gruppocamfin.it)

The Board also integrated the Board of Statutory Auditors, appointing as a member Fabio Artoni, who replaced Flavio Torrini.

## Events which occurred subsequent to 31 March 2009

- **Program for strengthening equity structure**

In the period following the close of the quarter, in line with what was announced on occasion of the 2008 financial results, Camfin began, with the support of Mediobanca, definition of a series of initiatives aimed at strengthening the equity and financial structure of the Group and, in particular, rescheduling the debt. Contacts with the main creditor banks indicate the existence of substantial agreement, generally, on lines of action and related initiatives to be taken in this sense, which will be submitted to a future Board of Directors' meeting.

Within the context of the program of strengthening the equity and financial structure, during the month of April the necessary formalities were put in place for sale of the stake in Energie Investimenti, according to the steps foreseen by the shareholder pacts signed at the time the company was set up.

On 24 April 2009, the subsidiary Cam Partecipazioni therefore exercised the option to sell it held in the joint venture owned 60% by the Gaz de France-Suez group and 40% by Cam Partecipazioni. Execution of the sale – for a value of about 120 million euros - is expected to take place in the month of May.

## Prospects for the current year

In the current year the Camfin Group, which will not receive dividends from Pirelli & C., should benefit from the measures communicated by Pirelli on occasion of the 2009-2011 three-year plan presented last February. To this, expected positive economic effects deriving from the sale of the stake in Energie Investimenti, as well as the effects of the process of rationalization of the business currently underway and the presumable revaluation – if considered at current stock market prices – of the *Put & Call* structure on Pirelli & C., should be added. These effects should bring the parent company result to break-even.

*Pursuant to Art. 154-bis, paragraph 2 of the Consolidated Finance Act, Camfin. S.p.A. Financial Reporting Officer Mr. Roberto Rivellino declares that all figures contained in this press release correspond to the company's records, books and accounting entries.*

In this press release, in addition to the financial aggregates provided for as per the IFRS, there are also aggregates that have yet to be provided for under IFRS (« Non-GAAP Measures »). These aggregates are presented in order to facilitate a better valuation of the Group's operating performance and are not to be considered as alternatives to those provided for under the IFRS. More in detail, the following « Non-GAAP Measures » are utilized:

**Net income from investments:** this is an aggregate that includes all items reported in the income statement referring to investments not consolidated on a line-by-line basis, precisely dividends, shares in companies valued at net equity, loss of value in available-for-sale financial assets, capital gains/(losses) from the sale of available-for-sale financial assets. This does not include the fair value valuation of available-for-sale financial assets which are recognized directly in net equity.

**Net financial position:** this aggregate represents the gross financial debt less cash and cash equivalents, as well as other interest bearing financial receivables.

\* \* \*

Camfin Press Office – Tel. +39 02 64424270  
Camfin Investor Relations – Tel. +39 02 72582417– ir@gruppocamfin.it  
www.gruppocamfin.it

*In order to provide the most complete disclosure possible regarding financial statements as of 31 March 2009, attached please find the abridged consolidated financial statements included in the interim report. Please note that these attachments are not subject to audit by an auditing firm.*

## Consolidated income statement

(in €/000)

<b>INCOME STATEMENT</b>	<b>Q1 2009</b>	<b>Q1 2008</b>
Pro-quota results of affiliated companies and joint venture	2,379	8,508
Fair value adjustment for financial assets and liabilities	(2,357)	(2,877)
Trading income	(6,471)	-
<b>Net income (loss) from equity investments</b>	<b>(6,449)</b>	<b>5,631</b>
Net financial charges	(7,817)	(9,537)
Other ordinary income (charges)	(1,719)	(1,521)
<b>Pre-tax income (loss)</b>	<b>(15,985)</b>	<b>(5,427)</b>
Taxes	(94)	-
<b>Net income (loss)</b>	<b>(16,079)</b>	<b>(5,427)</b>

## Pro-quota results of affiliated companies and joint venture

(in €/000)

	<b>Q1 2009</b>	<b>Q1 2008</b>
Pirelli & C. S.p.A.	2,426	8,624
Pirelli & C. Ambiente S.p.A.	(574)	(569)
Pirelli & C. Eco Technology S.p.A.	(1,945)	(1,102)
Energie Investimenti S.p.A.	2,472	1,555
Fondo Vivaldi	-	-
Others	-	-
	<b>2,379</b>	<b>8,508</b>

## Abridged consolidated balance sheet

(in €/1000)

	<b>31/03/2009</b>	<b>31/12/2008</b>
Financial fixed assets	748.568	760.104
Plant, property and equipment	285	291
Intangible fixed assets	91	111
Net working capital	5.231	5.620
	<b>754.175</b>	<b>766.126</b>
Net equity	171.066	201.121
Funds	5.667	5.681
Net financial position	577.442	559.324
	<b>754.175</b>	<b>766.126</b>

(in€/000)

	<b>31/03/2009</b>	<b>31/12/2008</b>
Amounts owed to banks and other financiers	(546,776)	(489,354)
Financial receivables	340	1,051
Financial assets booked at fair value in the income statement	158	138
Cash and cash equivalents	5,558	15,955
Financial liabilities booked at fair value in the income statement	(4,390)	(2,013)
Non current medium term financial payables	(43,932)	(96,701)
<b>Net financial debt</b>	<b>(589,042)</b>	<b>(570,924)</b>
<b>Net financial position</b>	<b>31/03/2009</b>	<b>31/12/2008</b>
Non current financial assets	11,600	11,600
Financial assets booked at fair value in the income statement	-	-
<b>Total net financial position</b>	<b>(577,442)</b>	<b>(559,324)</b>

Note: Part of the financial debt, amounting to about 270 million euros, in reality payable in the medium and long term, was reclassified to short-term debt in order to respect IAS 1 terms.