



Reg. Office: Via Serenissima 9 – 25135 Brescia  
tel.: +39-030-3692.1 fax: +39-030-3365766

### Press release

The Board of Directors approves the Financial Statements for the 1<sup>st</sup> Quarter of 2006

**CEMBRE (a STAR listed company):  
REVENUES, MARGIN AND PROFITS GROW  
IN THE FIRST THREE MONTHS OF 2006**

- **Consolidated Ebitda reaches €4.3 million (up 31.4%)**
- **Consolidated pre-tax profit grows to €3.5 million (up 39.3%)**

CONSOLIDATED FIGURES (€'000)	1 <sup>st</sup> Qtr. 2006	% margin	1 <sup>st</sup> Qtr. 2005	% margin	change
<b>Sales</b>	19,930	100	15,804	100	26.1%
<b>Gross operating profit</b>	4,318	21.7	3,286	20.8	31.4%
<b>Operating profit</b>	3,570	17.9	2,413	15.3	47.9%
<b>Pre-tax profit</b>	3,531	17.7	2,534	16.0	39.3%

*Brescia, May 15, 2006* – The Board of Directors of Cembre Spa chaired by Carlo Rosani, approved at today's meeting the Consolidated Financial Statements **at March 31, 2006**.

In the 1<sup>st</sup> Quarter of 2006, **consolidated revenues** grew by 26.1% on the same period in 2005, from €15.8 million to €19.9 million.

In the 1<sup>st</sup> Quarter of 2006, a total of 44.6% of sales were represented by Italy, 46.4% by the rest of Europe and 9% by the rest of the world. In the same period, domestic sales grew by 26.3%, while exports increased by 26%.

**Consolidated gross operating profit** grew 31.4% from €3.3 million in the 1<sup>st</sup> Quarter of 2005 (representing a 20.8% margin on sales), to €4.3 million (a 21.7% margin on sales) in the 1<sup>st</sup> Quarter of 2006.

**Consolidated operating profit** for the 1<sup>st</sup> Quarter of 2006 amounted to €3.6 million, representing a 17.9% margin on sales, up 47.9% on €2.4 million in the 1<sup>st</sup> Quarter of 2005 (a 15.3% margin on sales), thanks partly to the lower weight of depreciation and amortization charges.

**Consolidated pre-tax profit** for the 1<sup>st</sup> Quarter of 2006 amounted to €3.5 million, representing a 17.7% margin on sales, up 39.3% on €2.5 million in the 1<sup>st</sup> Quarter of 2005 (a 16% margin on sales),

The **net financial position** of the Group marked a strong improvement from positive €0.3 million at March 31, 2005, to positive €3.9 million at March 31, 2006, as the good operating performance allowed to repay loans outstanding.

*“The strong growth in revenues registered in the first three months of 2006 on the same period in the previous year is partly due to the stagnation of the Italian market in 2005, in line with 2004 levels. The positive trend continued however in April 2006, with consolidated revenues registering a 20.7% growth on the first four months of 2005, both in Italy and abroad”* declared Cembre’s Chairman, Carlo Rosani.

\* \* \* \*

*Cembre designs, manufactures and distributes electrical connectors and cable accessories. It enjoys a leadership position in Italy and significant market shares in the rest of Europe. It is also the world's largest producer of connector installation tools (mechanical, pneumatic and hydraulic) and tools for cable shearing. The products it has developed for connection to the rail and for other railway applications are used by the main companies in this sector round the world.*

*Cembre owes its success to the development of innovative, high-quality products, a broad and thorough collection, and an extensive distribution network both in Italy and abroad.*

*Founded in Brescia in 1969, the Cembre Group is now a full-fledged international force. Along with the parent company in Brescia it has seven subsidiaries: five trading companies (in Germany, France, Spain, the United States and Norway) and two manufacturing and trading subsidiaries (Cembre Ltd. in Birmingham, U.K. and General Marking S.r.l. in Bergamo), for a total workforce of 466 as of March 2006. Since 1992 its products have been certified by Lloyd's Register Quality Assurance for the design and production of accessories for cables, electrical connectors and their installation tools.*

*Cembre has been listed on the Italian Stock Exchange since December 15, 1997, and on the STAR section since September 24, 2001.*

*The financial statements and accounts of all companies of the Cembre Group are audited by independent auditors Ernst & Young.*

Contact: Peroni e Vitale comunicazione

Ferruccio Peroni +39-335-6974871

[f.peroni@peronievitale.it](mailto:f.peroni@peronievitale.it)

Claudio Bornati (Cembre S.p.A.) +39-030-36921 [BornatiC@cembre.com](mailto:BornatiC@cembre.com)

For further information please visit the Investor Relations section at [www.cembre.com](http://www.cembre.com)

**Consolidated Financial Statements at March 31, 2006 are attached.**

# Cembre SpA

Registered Office: Via Serenissima 9, Brescia, Italy  
Share Capital: Euro 8,840,000 (fully paid-up)  
Registration no: FC 00541390175 (Commercial Register of Brescia)

## Report on the Operations of the First Quarter 2006

### Consolidated financial statements at March 31, 2006

#### Consolidated income statement

<i>(euro '000)</i>	<b>1/1 - 31/03 2006</b>	<b>1/1 - 31/03 2005</b>
Revenues from sales and services provided	19.930	15.804
Other revenues	46	9
<b>TOTAL REVENUES</b>	<b>19.976</b>	<b>15.813</b>
Cost of goods and merchandise	(7.851)	(5.290)
Cost of services received	(3.011)	(2.491)
Lease and rental costs	(257)	(281)
Personnel costs	(5.568)	(5.054)
Other operating costs	(99)	(84)
Change in inventories	1.080	584
Increase in assets due to internal construction	128	115
Write-down of receivables	(76)	(23)
Accruals to provisions for risks and charges	(4)	(3)
<b>GROSS OPERATING PROFIT</b>	<b>4.318</b>	<b>3.286</b>
Tangible asset depreciation	(732)	(830)
Intangible asset amortization	(16)	(43)
Write-down of long-term assets	0	0
<b>OPERATING PROFIT</b>	<b>3.570</b>	<b>2.413</b>
Financial income (expense)	5	(42)
Foreign exchange gains (losses)	(44)	163
<b>PROFIT BEFORE TAXES</b>	<b>3.531</b>	<b>2.534</b>

#### Consolidated net financial position at March 31, 2006

<i>(euro '000)</i>	<b>31/03/2006</b>	<b>31/03/2005</b>	<b>31/12/2005</b>
Cash and cash equivalents	5.040	6.853	6.026
Non-current financial liabilities	(118)	(241)	(89)
Current financial liabilities	(1.049)	(6.244)	(3.139)
Liabilities on derivative instruments	(13)	(29)	(21)
<b>NET FINANCIAL POSITION</b>	<b>3.860</b>	<b>339</b>	<b>2.777</b>