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Press release

Board approves the Interim Report at June 30, 2007 that confirms the good performance of the Group

**CEMBRE (a STAR listed company): net profit for the first six months up 46.3%,
increase also of margin on sales**

- *Sales continue to be strong, both in Italy and abroad*

Consolidated figures

(€'000)	1 st Half 2007	Sales margin %	1 st Half 2006	Sales margin %	Change	2006	Sales margin %
Sales	49,071	100	41,795	100	17.4%	83,870	100
Gross operating profit	12,922	26.3	9,963	23.8	29.7%	19,131	22.7
Operating profit	11,345	23.1	8,424	20.2	34.7%	15,941	18.9
Pre-tax profit	11,271	23	8,349	20	35.0%	15,861	18.9
Net profit	7,319	14.9	5,002	12	46.3%	9,327	11.1

Brescia, September 26, 2007 – The Board of Directors of Cembre Spa – a STAR listed company and one of the largest European manufacturers of electrical connectors and tools for their installation – chaired by **Giovanni Rosani**, approved at today's meeting the Report on the 1st Half of 2007.

Consolidated revenues for the first six months of the year amounted to €49.1 million, up 17.4% on €41.8 million the 1st Half of 2006.

In the first six months of 2007, domestic sales amounted to €20.5 million, up 11.3%, while sales outside of Italy amounted to €28.6 million, up 22.3%. In the same period, 41.7% of Group sales were represented by Italy (as compared with 44% in the 1st Half of 2006), 46.8% by the rest of Europe (46.1% in the 1st Half of 2006), and the remaining 11.5% by the rest of the World (9.9% in the 1st Half of 2006).

Consolidated gross operating profit for the first six months of the year amounted to €12.9 million, corresponding to a 26.3% margin on sales, up 29.7% on €10 million the 1st Half of 2006, when it represented a 23.8% margin on sales.

In the first six months of 2007, the increase in the cost of raw materials relative to sales was offset by a decline in the relative weight of personnel costs. The latter, thanks to the increase of operating efficiency and a better use of resources, grew in fact at a lower pace than sales, from €1.3 million to €12.4 million.

Consolidated operating profit (EBIT) for the 1st Half of 2007 amounted to €11.3 million, corresponding to a 23.1% margin on sales, up 34.7% on €8.4 million in the same period in 2006 (when it represented a 20.2% margin on sales).

Consolidated pre-tax profit for the 1st Half of 2007 amounted to €1.2 million, representing a 23% margin on sales, up 35% the 1st Half of 2006, when it amounted to €8.3 million (20% margin on sales).

Consolidated net profit amounted in the first six months of 2007 to €7.3 million, up 46.3% on €5 million in the first six months of 2006. The margin on sales for the first six months of 2007 is equal to 14.9%, up from 12% in the same period in 2006.

Net consolidated financial debt at June 30, 2007 amounted to €3 million as compared with a positive financial position of €1.3 million at March 31, 2007, and positive €1.1 million at December 31, 2006. The balance was affected by the payment at the end of May 2007 of €3.7 million in dividends, the increase in net current assets due primarily to the growth of inventories from €26 million to €30 million, the payment in June of €3 million in taxes by the parent company, in addition to €2 million of capital expenditure for the period.

Consolidated results for the 1st Half of 2007 were affected to a relevant degree by a non recurrent operation generated by new norms regulating employee termination indemnities that came into effect January 1, 2007. The restatement using different actuarial assumptions of termination indemnities accrued at December 31, 2006 resulted in a €1 million reduction in the value of the same.

As required under paragraph 111 of IAS 19, such reduction was recorded in full in the income statement in 2007, together with the related deferred taxes amounting to €0.3 million. Figures for the 1st Half of 2007 and the related changes on the same period in the previous year, net of the effect of the mentioned event, are shown in the table that follows.

(€'000)	1st Half 2007	%	1st Half 2006	%	Change
	Restated	of sales		of sales	
Sales	49,071	100.0	41,795	100.0	17.4%
Gross operating profit	11,896	24.2	9,963	23.8	19.4%
Operating profit	10,319	21.0	8,424	20.2	22.5%
Pre-tax profit	10,245	20.9	8,349	20.0	22.7%
Net profit	6,632	13.5	5,002	12.0	32.6%

The mentioned extraordinary transaction represents the only relevant change with respect to the Quarterly Report for the 2nd Quarter of 2007.

In the first six months of 2007, **parent company** Cembre S.p.A. reported **sales** fo €38.9 million, up 19.1% on the same period in 2006. **Operating profit** for the 1st Half of 2007 grew by 34.7% from €6.5 million in the first six months of 2006, to €8.8 million in the same period in 2007. Net of the nonrecurring operation relating to employee termination indemnities, operating profit would have amounted to €7.7 million, up 18.9% on the 1st Half of 2006. **Net profit** of the parent company for the period amounted to €5.6 million, up from €3.7 million in the 1st Half of 2006, representing a 48.8% increase. Without considering the change relating to the employee termination indemnity, net profit would have amounted to €4.9 million, up 30.4% on the 1st Half of 2006. The strong

increase in profit before taxes is due, in addition to the above mentioned phenomena, to €0.46 million of dividends resolved by the UK subsidiary. In 2006, in fact, no dividend was paid out by any of Cembre's subsidiaries.

“The growth in sales in the 1st Half of 2007, coupled with an improvement in operating efficiency, allowed to increase further profit margins, also net of the extraordinary effect of the restatement of employee termination indemnities using new actuaries. The performance of the Group for the first eight months of 2007 remains positive, with sales growing by 15.3% on the same period in the previous year” declared Cembre's Managing Director, Giovanni Rosani.

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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 an insistence on 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 512 as of June 2007. 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.

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For further information please visit the Investor Relations section at www.cembre.com

The Manager responsible for preparing the Company's financial reports, Claudio Bornati, declares, pursuant to paragraph 2 of 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 records.

Attachments to the Interim Report at June 30, 2007

- Consolidated Balance Sheet
- Consolidated Income Statement
- Consolidated Statement of Cash Flows
- Balance Sheet of parent company Cembre SpA
- Income Statement of parent company Cembre SpA
- Statement of Cash Flows of parent company Cembre SpA

Please note that, at the date of present document, limited audit activity has not been completed. Independent Auditors Report on the Consolidated Financial Statements at June 30, 2007 of the Cembre Group will be issued later.

Cembre S.p.A.

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

Condensed Consolidated Financial Statements at June 30, 2007

Consolidated Balance Sheet

	Jun. 30, 2007	Dec. 31, 2006
<i>(euro '000)</i>		
ASSETS	<i>of which:</i>	<i>of which:</i>
	<i>related parties</i>	<i>related parties</i>
A) NON-CURRENT ASSETS		
Tangible assets	29.750	30.528
Intangible assets	364	143
Financial assets available for sale	5	5
Other non-current assets	90	92
Deferred tax assets	2.303	1.807
TOTAL NON-CURRENT ASSETS	32.512	32.575
B) CURRENT ASSETS		
Inventories	29.959	26.047
Trade receivables	30.554	26.504
Tax receivables	43	7
Other receivables	264	459
Cash and cash equivalents	3.846	3.964
TOTAL CURRENT ASSETS	64.666	56.981
C) NON-CURRENT ASSETS AVAILABLE FOR SALE	1.009	-
TOTAL ASSETS(A+B+C)	98.187	89.556
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	46.801	41.268
Net profit	7.319	9.327
TOTAL SHAREHOLDERS' EQUITY	62.960	59.435
B) NON-CURRENT LIABILITIES		
Non-current financial liabilities	83	71
Employee Severance Indemnity and other personnel benefits	3.737	4.658
Provisions for risks and charges	292	288
Deferred tax liabilities	4.275	4.230
TOTAL NON-CURRENT LIABILITIES	8.387	9.247
C) CURRENT LIABILITIES		
Current financial liabilities	6.790	2.822
Trade payables	11.170	11.464
Tax payables	2.327	1.816
Other payables	6.553	4.772
TOTAL CURRENT LIABILITIES	26.840	20.874
D) LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES (B+C+D)	35.227	30.121
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)	98.187	89.556

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Consolidated Income Statement

	1/01 - 6/30 2007	1/01 - 6/30 2006
<i>(euro '000)</i>	<i>of which: related parties</i>	<i>of which: related parties</i>
Revenues from sales and services provided	49.071	41.795
Other revenues	166	237
TOTAL REVENUES	49.237	42.032
Cost of goods and merchandise	(21.282)	(17.325)
Cost of services received	(7.079)	(358) (5.956)
Lease and rental costs	(539)	(244) (518)
Personnel costs	(12.384)	(86) (11.310)
Personnel costs from non recurring transactions	1.026	-
Other operating costs	(220)	(198)
Change in inventories	3.964	3.073
Increase in assets due to internal construction	289	231
Write-down of receivables	(85)	(58)
Accruals to provisions for risks and charges	(5)	(8)
GROSS OPERATING PROFIT	12.922	9.963
Tangible asset depreciation	(1.495)	(1.499)
Intangible asset amortization	(82)	(40)
Write-down of long-term assets	-	-
OPERATING PROFIT	11.345	8.424
Financial income (expense)	(27)	(9)
Foreign exchange gains (losses)	(47)	(66)
PROFIT BEFORE TAXES	11.271	8.349
Income taxes	(3.602)	(3.347)
Deferred taxes from non recurring transactions	(339)	-
NET PROFIT FROM ORDINARY ACTIVITIES	7.330	5.002
NET PROFIT FROM ASSETS HELD FOR DISPOSAL	(11)	-
NET PROFIT	7.319	5.002
BASIC EARNINGS PER SHARE	0,43	0,29

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Condensed Consolidated Financial Statements at June 30, 2007

Consolidated Statement of Cash Flows

euro '000

	Jun. 30, 2007	Jun. 30, 2006
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	7.319	5.002
Depreciation, amortization and write-downs	1.577	1.539
(Gains)/Losses on disposal of assets	(11)	(22)
Net change in Employee Severance Indemnity	(921)	89
Net change in provisions for risks and charges	4	7
Operating profit (loss) before change in working capital	7.968	6.615
(Increase) Decrease in trade receivables	(4.050)	(4.406)
(Increase) Decrease in inventories	(3.912)	(2.949)
(Increase) Decrease in other receivables and deferred tax assets	(337)	(172)
Increase (Decrease) of trade payables	(294)	2.752
Increase (Decrease) of other payables and deferred tax liabilities	2.337	1.480
Change in working capital	(6.256)	(3.295)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	1.712	3.320
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(303)	(38)
- tangible	(1.763)	(1.622)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets	48	333
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(2.018)	(1.327)
C) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	2	5
Increase (Decrease) in bank loans and borrowings	3.960	(687)
Increase (Decrease) in other loans and borrowings	20	21
Increase (Decrease) in derivative instruments	-	(14)
Change in reserves	(54)	(174)
Dividends distributed	(3.740)	(2.550)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	188	(3.399)
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(118)	(1.406)
E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3.964	6.026
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)	3.846	4.620

CASH AND CASH EQUIVALENTS AT END OF PERIOD	3.846	4.620
Current financial liabilities	(6.790)	(2.460)
Non current financial liabilities	(83)	(102)
Liabilities on derivative instruments	-	(7)
NET CONSOLIDATED FINANCIAL POSITION	(3.027)	2.051
INTERESTS PAID IN THE YEAR	(78)	(39)

BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash	16	21
Banks	3.830	4.599
	3.846	4.620

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Parent company statements of accounts at June 30, 2007

Balance Sheet

<i>euro '000</i>	Jun. 30, 2007	Dec. 31, 2006
ASSETS		
A) NON CURRENT ASSETS		
Tangible assets	21.631	22.348
Intangible assets	357	135
Investments in subsidiaries	8.058	8.115
Financial assets available for sale	5	5
Other non-current assets	10	10
Deferred tax assets	460	628
TOTAL NON-CURRENT ASSETS	30.521	31.241
B) CURRENT ASSETS		
Inventories	22.041	19.148
Trade receivables	18.483	16.823
Trade receivables from subsidiaries	8.570	6.077
Financial receivables from subsidiaries	2.492	2.046
Other assets	225	407
Cash and cash equivalents	387	1.200
TOTAL CURRENT ASSETS	52.198	45.701
C) NON-CURRENT ASSETS AVAILABLE FOR SALE	1.009	-
TOTAL ASSETS(A+B+C)	83.728	76.942
LIABILITIES AND SHAREHOLDERS' EQUITY		
A) SHAREHOLDERS' EQUITY		
Capital stock	8.840	8.840
Reserves	38.993	36.068
Net profit	5.569	6.665
TOTAL SHAREHOLDERS' EQUITY	53.402	51.573
B) NON-CURRENT LIABILITIES		
Employee Severance Indemnity and other personnel benefits	3.582	4.512
Provisions for risks and charges	292	288
Deferred tax liabilities	4.113	4.059
TOTAL NON-CURRENT LIABILITIES	7.987	8.859
C) CURRENT LIABILITIES		
Current financial liabilities	6.641	2.567
Trade payables	9.596	9.669
Trade payables to subsidiaries	500	423
Tax payables	1.338	987
Other Payables	4.264	2.864
TOTAL CURRENT LIABILITIES	22.339	16.510
D) LIABILITIES ON ASSETS HELD FOR DISPOSAL	-	-
TOTAL LIABILITIES (B+C+D)	30.326	25.369
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)	83.728	76.942

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Parent company statements of accounts at June 30, 2007

Income Statement

<i>euro '000</i>	1/01-06/30 2007	1/01-06/30 2006
Revenues from sales and services provided	38.888	32.646
Other revenues	132	145
TOTAL REVENUES	39.020	32.791
Cost of goods and merchandise	(19.018)	(15.513)
Cost of services received	(5.105)	(4.195)
Lease and rental costs	(383)	(368)
Personnel costs	(8.673)	(7.818)
Personnel costs from non recurring transactions	1.026	-
Other operating costs	(94)	(81)
Change in inventories	2.893	2.627
Increase in assets due to internal construction	289	231
Write-down of receivables	(69)	(57)
Accruals to provisions for risks and charges	(5)	(8)
GROSS OPERATING PROFIT	9.881	7.609
Tangible asset depreciation	(1.048)	(1.074)
Intangible asset amortization	(80)	(36)
OPERATING PROFIT	8.753	6.499
Financial income (expense)	454	34
Foreign exchange gains (losses)	(42)	(52)
PROFIT BEFORE TAXES	9.165	6.481
Income taxes	(3.246)	(2.737)
Deferred taxes from non recurring transactions	(339)	-
NET PROFIT FROM ORDINARY ACTIVITIES	5.580	3.744
NET PROFIT FROM ASSETS HELD FOR DISPOSAL	(11)	-
NET PROFIT	5.569	3.744

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Parent company statements of accounts at June 30, 2007

Statement of Cash Flows

(euro '000)

	Jun. 30, 2007	Jun. 30, 2006
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	5.569	3.743
Depreciation, amortization and write-downs	1.129	1.110
(Gains)/Losses on disposal of assets	(1)	(1)
Net change in Employee Severance Indemnity	(930)	97
Net change in provisions for risks and charges	4	7
Operating profit (loss) before change in working capital	5.771	4.956
(Increase) Decrease in trade receivables	(4.153)	(2.785)
(Increase) Decrease in inventories	(2.893)	(2.627)
(Increase) Decrease in other receivables and deferred tax assets	350	(106)
Increase (Decrease) of trade payables	4	2.710
Increase (Decrease) of other payables and deferred tax liabilities	1.805	1.048
Change in working capital	(4.887)	(1.760)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	884	3.196
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(302)	(36)
- tangible	(1.352)	(1.335)
Proceeds from disposal of tangible, intangible, financial assets	69	255
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(1.585)	(1.116)
C) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease of financial receivables	(446)	(2.000)
Increase (Decrease) in bank loans and borrowings	4.074	1.804
Increase (Decrease) in derivative instruments	-	(15)
Dividends distributed	(3.740)	(2.550)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(112)	(2.761)
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(813)	(681)
E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1.200	3.110
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)	387	2.429

CASH AND CASH EQUIVALENTS AT END OF PERIOD	387	2.429
Financial receivables from subsidiaries	2.492	2.000
Current financial liabilities	(6.641)	(2.095)
Liabilities on derivative instruments	-	(7)
NET FINANCIAL POSITION	(3.762)	2.327
INTEREST PAID IN THE PERIOD	(66)	(14)

BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash	4	11
Banks	383	2.418
	387	2.429