



C e m b r e

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Press release

The Shareholders Meeting approved the 2007 Financial Statements and the proposed allocation of net profit

CEMBRE (a STAR listed company): DIVIDEND GROWS BY 18.2%

Brescia, April 29, 2008 - The Ordinary Shareholders' Meeting of Cembre Spa – a STAR segment listed company and one of the largest European producers of electrical connectors and tools for their installation – called today at 9:30am and chaired by Carlo Rosani, aided in the meeting by Managing Director Giovanni Rosani, approved the Statutory Accounts of Cembre SpA at December 31, 2007 and the proposed allocation of net profit, resolving the distribution of a **€0.26 dividend** for each of the shares in circulation, representing an 18.2% increase on the €0.22 dividend distributed for the 2006 financial year.

The ex-dividend date is May 19, 2008, while dividends will be paid out from May 22.

Parent company **Cembre S.p.A.** closed 2007 reporting **sales** of €73.6 million, up 12.5% on 2006. **Operating profit** grew by 14.5% from €11.9 million in 2006 to €13.7million in 2007. **Net profit** of the parent company amounted to €9 million, as compared with €6.7 million, up 34.8%. In 2007 the parent company received €0.46 million from UK subsidiary Cembre Ltd. In 2006 no dividend was paid out by subsidiaries.

The 2007 Consolidated Financial Statements, whose highlights are shown below, were presented to the Shareholders' Meeting.

(€'000)	2007	% Margin	2006	% Margin	change
Consolidated sales	93,417	100	83,870	100	11.4%
Consolidated gross operating profit	21,710	23.2	19,131	22.8	13.5%
Consolidated operating profit	18,420	19.7	15,941	19.0	15.6%
Consolidated pre-tax profit	18,118	19.4	15,861	18.9	14.2%
Consolidated net profit	11,896	12.7	9,327	11.1	27.5%
Consolidated net financial position	(1,720)		1,071		

In 2007, **consolidated revenues** grew to €93.4 million, up 11.4% from €83.9 million in 2006.

Consolidated operating profit (Ebit) for 2007 amounted to €18.4 million, representing a 19.7% margin on sales, up 15.6% on €15.9 million in 2006 (a 19% margin on sales).

Consolidated profit before taxes for 2007 amounted to €18.1 million, representing a 19.4% margin on sales, up on €15.9 million in 2006, when it represented an 18.9% margin on sales, despite the

negative effect of the interest expense on short-term loans extended to the parent company and the unfavorable foreign-exchange performance.

Consolidated net profit for the year amounted to €11.9 million, representing a 12.7% margin on sales, grew by 27.5% on 2006, when it amounted to €9.3 million and represented an 11.1% margin on sales. Consolidated net profit was affected by the reduction in the current tax expense of the parent company and the restatement of deferred tax assets and liabilities as a result of the reduction of tax rates introduced by the 2008 Budget Law, resulting in the recording at the consolidated level of a €0.3 million reduction in tax liabilities.

“Positive results achieved in 2007 allow us to increase the dividend from €0.22 to €0.26 per share. We will continue to pursue a stronger operating efficiency and the widening of our product range, with the development of new products. We are thus confident that the company will continue to grow despite less favorable market conditions in 2008 than in the previous year. In the first three months of 2008, sales grew 6.5% on the same period of 2007; we consider this result positive, stating that, in the first quarter 2007, sales had increased strongly and that in march 2008, we had less working days than in 2007 (Easter holidays).” observed 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 major companies in the 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.

Established 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 525 as of December 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 tools for their installation.

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

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For further information please visit the Investor Relation section in the www.cembre.com site.

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.

Consolidated Financial Statements and statutory accounts of parent company Cembre SpA at December 31, 2007 are enclosed.

In the present press release use is made of certain alternative performance indicators that are not envisaged in IFRS-EU accounting principles, and whose significance and content are illustrated below, in line with the CESR/05-178b recommendation published on November 3, 2005:

Gross operating profit (EBITDA): defined as the difference between sales revenues and costs for materials, of services received, and the net balance of operating income and charges. It represents the profit before depreciation, amortization and write-downs, cash flow from financial activities and taxes.

Operating profit (EBIT): defined as the difference between Gross operating profit and the value of depreciation, amortization and write-downs. It represents the profit achieved before financial activities and taxes.

Net financial position: represents the algebraic sum of cash and cash equivalents, financial receivables and current and non-current financial debt.

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)

Consolidated Financial Statements at December 31, 2007

Consolidated Balance Sheet

	Notes	Dec. 31, 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	1	32.349		30.528
Intangible assets	2	466		143
Financial assets available for sale		5		5
Other non-current assets	3	77		92
Deferred tax assets	12	1.886		1.807
TOTAL NON-CURRENT ASSETS		34.783		32.575
B) CURRENT ASSETS				
Inventories	4	31.725		26.047
Trade receivables	5	26.355		26.504
Tax receivables	6	1		7
Other receivables	7	317		459
Cash and cash equivalents		4.549		3.964
TOTAL CURRENT ASSETS		62.947		56.981
C) NON-CURRENT ASSETS AVAILABLE FOR SALE		-		-
TOTAL ASSETS(A+B+C)		97.730		89.556
LIABILITIES AND SHAREHOLDERS' EQUITY				
A) SHAREHOLDERS' EQUITY				
Capital stock	8	8.840		8.840
Reserves	8	45.976		41.268
Net profit	8	11.896		9.327
TOTAL SHAREHOLDERS' EQUITY		66.712		59.435
B) NON-CURRENT LIABILITIES				
Non-current financial liabilities	9	86		71
Employee Severance Indemnity and other personnel benefits	10	3.352	143	4.658
Provisions for risks and charges	11	295		288
Deferred tax liabilities	12	3.653		4.230
TOTAL NON-CURRENT LIABILITIES		7.386		9.247
C) CURRENT LIABILITIES				
Current financial liabilities	9	6.183		2.822
Trade payables	13	11.013		11.464
Tax payables	14	1.033		1.816
Other payables	15	5.403		4.772
TOTAL CURRENT LIABILITIES		23.632		20.874
D) LIABILITIES ON ASSETS HELD FOR DISPOSAL		-		-
TOTAL LIABILITIES (B+C+D)		31.018		30.121
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)		97.730		89.556

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Consolidated Financial Statements at December 31, 2007

Consolidated Income Statement

	Notes	2007		2006
<i>(euro '000)</i>			<i>of which: related parties</i>	<i>of which: related parties</i>
Revenues from sales and services provided	16	93.417		83.870
Other revenues	17	821		345
TOTAL REVENUES		94.238		84.215
Cost of goods and merchandise		(39.955)		(35.818)
Cost of services received	18	(13.645)	(723)	(12.177) (623)
Lease and rental costs	19	(1.084)	(494)	(1.047) (483)
Personnel costs	20	(24.975)	(185)	(22.512) (206)
Non recurring operations	21	1.026		-
Other operating costs	22	(471)		(404)
Change in inventories		6.176		6.399
Increase in assets due to internal construction		555		607
Write-down of receivables		(145)		(124)
Accruals to provisions for risks and charges		(10)		(8)
GROSS OPERATING PROFIT		21.710		19.131
Property, plant and equipment depreciation		(3.113)		(3.092)
Intangible asset amortization		(177)		(98)
OPERATING PROFIT		18.420		15.941
Financial income (expense)	23	(101)		(6)
Foreign exchange gains (losses)		(201)		(74)
PROFIT BEFORE TAXES		18.118		15.861
Income taxes	24	(5.883)		(6.534)
Deferred taxes from non recurring operations	24	(339)		-
NET PROFIT FROM ORDINARY ACTIVITIES		11.896		9.327
NET PROFIT FROM ASSETS HELD FOR DISPOSAL		-		-
NET PROFIT		11.896		9.327
BASIC EARNINGS PER SHARE	25	0,70		0,55

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Consolidated financial statements at December 31, 2007

Consolidated Statement of Cash Flows

€ '000

	Dec. 31, 2007	Dec. 31, 2006
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	11.896	9.327
Depreciation, amortization and write-downs	3.290	3.190
(Gains)/Losses on disposal of assets	(399)	(33)
Net change in Employee Severance Indemnity	(1.306)	180
Net change in provisions for risks and charges	7	(7)
Operating profit (loss) before change in working capital	13.488	12.657
(Increase) Decrease in trade receivables	149	(4.828)
(Increase) Decrease in inventories	(5.678)	(6.300)
(Increase) Decrease in other receivables and deferred tax assets	69	(475)
Increase (Decrease) of trade payables	(579)	4.410
Increase (Decrease) of other payables and deferred tax liabilities	(729)	828
Change in working capital	(6.768)	(6.365)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	6.720	6.292
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(500)	(87)
- tangible	(6.404)	(5.353)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	1.869	(30)
Increase (Decrease) of trade payables for assets	128	38
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(4.907)	(5.432)
C) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	15	8
Increase (Decrease) in bank loans and borrowings	3.356	(314)
Increase (Decrease) in other loans and borrowings	20	(21)
Increase (Decrease) in derivative instruments	-	(21)
Change in reserves	(879)	(24)
Dividends distributed	(3.740)	(2.550)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(1.228)	(2.922)
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	585	(2.062)
E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	3.964	6.026
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)	4.549	3.964

CASH AND CASH EQUIVALENTS AT END OF PERIOD	4.549	3.964
Current financial liabilities	(6.183)	(2.822)
Non current financial liabilities	(86)	(71)
NET CONSOLIDATED FINANCIAL POSITION	(1.720)	1.071
INTERESTS PAID IN THE YEAR	(209)	(76)

BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash	19	18
Banks	4.530	3.946
	4.549	3.964

Cembre SpA

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Cosolidated financial statements at December 31, 2007 Statement of Changes in the Consolidated Shareholders' Equity for the Year 2007

(€ '000)	Capital stock	Share premium reserve	Legal reserve	Suspended-tax reserves	Consolidation reserve	Conversion differences	Extraordinary reserve	Urealized gains reserve	Exchange gains reserve	Retained earnings	Net profit	Total Shareholders' Equity
Balance at December 31, 2005	8.840	12.245	1.663	68	3.367	(9)	16.104	3.799	-	-	6.605	52.682
Conversion differences					(21)	(3)						(24)
Allocation of previous year net profit (1)			105		1.867		2.069		14		(6.605)	(2.550)
Other changes							14		(14)			-
Net profit for 2006											9.327	9.327
Balance at December 31, 2006	8.840	12.245	1.768	68	5.213	(12)	18.187	3.799	-	-	9.327	59.435
Conversion differences					87	(966)						(879)
Allocation of previous year net profit (1)					2.661		2.926				(9.327)	(3.740)
Other changes								(84)		84		-
Net profit for 2007											11.896	11.896
Balance at December 31, 2007	8.840	12.245	1.768	68	7.961	(978)	21.113	3.715	-	84	11.896	66.712

(1) Dividends resolved by the Shareholders' Meeting are included in the Total Shareholders' Equity column under Allocation of previous year net profit.

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Financial statements at December 31, 2007

Balance Sheet

	Notes	Dec. 31, 2007		Dec. 31, 2006	
<i>(amounts in euro)</i>					
ASSETS			<i>of which: related parties</i>		<i>of which: related parties</i>
A) NON CURRENT ASSETS					
Tangible assets	1	21.819.941		22.347.764	
Intangible assets	2	460.296		135.227	
Investments in subsidiaries	3	8.057.883		8.115.406	
Financial assets available for sale	4	5.224		5.224	
Other non-current assets	5	9.762		10.160	
Deferred tax assets	15	371.017		628.253	
TOTAL NON-CURRENT ASSETS		30.724.123		31.242.034	
B) CURRENT ASSETS					
Inventories	6	23.927.378		19.147.506	
Trade receivables	7	16.508.934		16.823.315	
Trade receivables from subsidiaries	8	7.538.172	7.538.172	6.077.021	6.077.021
Financial receivables from subsidiaries	9	2.055.562	2.055.562	2.046.438	2.046.438
Other assets	10	240.953		406.484	
Cash and cash equivalents	11	727.275		1.199.796	
TOTAL CURRENT ASSETS		50.998.274		45.700.560	
C) NON-CURRENT ASSETS AVAILABLE FOR SALE					
		-		-	
TOTAL ASSETS(A+B+C)		81.722.397		76.942.594	
LIABILITIES AND SHAREHOLDERS' EQUITY					
A) SHAREHOLDERS' EQUITY					
Capital stock	12	8.840.000		8.840.000	
Reserves	12	38.993.166		36.067.821	
Net profit	12	8.987.113		6.665.345	
TOTAL SHAREHOLDERS' EQUITY		56.820.279		51.573.166	
B) NON-CURRENT LIABILITIES					
Employee Severance Indemnity and other personnel benefits	13	3.208.264	142.762	4.511.572	132.808
Provisions for risks and charges	14	295.024		288.154	
Deferred tax liabilities	15	3.542.600		4.059.331	
TOTAL NON-CURRENT LIABILITIES		7.045.888		8.859.057	
C) CURRENT LIABILITIES					
Current financial liabilities	16	3.914.810		2.567.102	
Trade payables	17	9.724.517		9.669.634	
Trade payables to subsidiaries	18	449.267	449.267	423.003	423.003
Tax payables	19	402.831		986.873	
Other Payables	20	3.364.805		2.863.759	
TOTAL CURRENT LIABILITIES		17.856.230		16.510.371	
D) LIABILITIES ON ASSETS HELD FOR DISPOSAL					
		-		-	
TOTAL LIABILITIES (B+C+D)		24.902.118		25.369.428	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)		81.722.397		76.942.594	

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Financial statements at December 31, 2007

Income Statement

<i>(amounts in euro)</i>	Notes	2007		2006	
			<i>of which: related parties</i>		<i>of which: related parties</i>
Revenues from sales and services provided	21	73.622.957	21.805.769	65.470.671	18.810.371
Other revenues	22	682.689	149.730	249.086	94.513
TOTAL REVENUES		74.305.646		65.719.757	
Cost of goods and merchandise	23	(36.260.151)	(2.091.091)	(31.773.332)	(1.328.334)
Cost of services received	24	(9.818.500)	(726.039)	(8.761.042)	(651.754)
Lease and rental costs	25	(765.364)	(493.503)	(746.094)	(483.149)
Personnel costs	26	(17.318.638)	(185.044)	(15.358.098)	(205.545)
Non recurring operations	27	1.026.143		-	
Other operating costs	28	(214.013)		(169.522)	
Change in inventories		4.779.871		4.870.842	
Increase in assets due to internal construction		439.832		606.986	
Write-down of receivables		(123.256)		(115.673)	
Accruals to provisions for risks and charges	29	(9.514)		(7.941)	
GROSS OPERATING PROFIT		16.042.056		14.265.883	
Tangible asset depreciation		(2.202.256)		(2.239.102)	
Intangible asset amortization		(173.785)		(89.823)	
OPERATING PROFIT		13.666.015		11.936.958	
Financial income (expense)	30	400.035	59.123	62.939	46.438
Foreign exchange gains (losses)	31	(165.791)		(80.131)	
PROFIT BEFORE TAXES		13.900.259		11.919.766	
Income taxes	32	(4.574.519)		(5.254.421)	
Deferred taxes from non recurring operations	32	(338.627)		-	
NET PROFIT FROM ORDINARY ACTIVITIES		8.987.113		6.665.345	
NET PROFIT FROM ASSETS HELD FOR DISPOSAL		-		-	
NET PROFIT		8.987.113		6.665.345	

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Financial Statements at December 31, 2007

Statement of Cash Flows

(Amounts in Euro)

	Dec. 31, 2007	Dec. 31, 2006
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	8.987.113	6.665.345
Depreciation, amortization and write-downs	2.376.041	2.328.925
(Gains)/Losses on disposal of assets	(388.246)	(4.518)
Net change in Employee Severance Indemnity	(1.303.308)	159.271
Net change in provisions for risks and charges	6.870	7.552
Operating profit (loss) before change in working capital	9.678.470	9.156.575
(Increase) Decrease in trade receivables	(1.146.770)	(3.436.386)
(Increase) Decrease in inventories	(4.779.872)	(4.870.841)
(Increase) Decrease in other receivables and deferred tax assets	422.767	(313.414)
Increase (Decrease) of trade payables	(47.026)	3.995.753
Increase (Decrease) of other payables and deferred tax liabilities	(599.727)	397.615
Change in working capital	(6.150.628)	(4.227.273)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	3.527.842	4.929.302
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(498.854)	(80.438)
- tangible	(2.723.815)	(4.467.968)
Proceeds from disposal of tangible, intangible, financial assets		
- tangible	1.437.628	13.738
- financial	57.523	-
Increase (Decrease) of trade payables for assets	128.173	37.514
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(1.599.345)	(4.497.154)
C) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	398,00	(54)
(Increase) Decrease of financial receivables	(9.124)	(2.046.438)
Increase (Decrease) in bank loans and borrowings	1.347.708	2.275.349
Increase (Decrease) in derivative instruments	-	(21.024)
Dividends distributed	(3.740.000)	(2.550.000)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(2.401.018)	(2.342.167)
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(472.521)	(1.910.019)
E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1.199.796	3.109.815
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)	727.275	1.199.796

CASH AND CASH EQUIVALENTS AT END OF PERIOD	727.275	1.199.796
Financial receivables from subsidiaries	2.055.562	2.046.438
Current financial liabilities	(3.914.810)	(2.567.102)
NET FINANCIAL POSITION	(1.131.973)	679.132
INTEREST PAID IN THE PERIOD	(172.189)	(37.689)

BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD		
Cash	9.817	7.189
Banks	717.458	1.192.607
	727.275	1.199.796

Cembre S.p.A.

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 Financial Statements at December 31, 2007
 Registration no: FC 00541390175 (Commercial Register of Brescia)

Financial Statement at December 31, 2007 Statement of Changes in the Shareholders' Equity for Year 2007

	Capital stock	Share premium reserve	Legal reserve	Suspended-tax reserves	Extraordinary reserve	Foreign exchange gains reserve	Urealized gains reserve	Retained earnings	Net profit	Total Shareholders' Equity
Balance at December 31, 2005	8.840.000	12.244.869	1.663.013	68.412	16.000.423	-	3.902.133	-	4.738.971	47.457.821
Allocation of previous year net profit (1)			104.987		2.069.480	14.504			(4.738.971)	(2.550.000)
Other changes					14.504	(14.504)				-
Net profit for 2006									6.665.345	6.665.345
Balance at December 31, 2006	8.840.000	12.244.869	1.768.000	68.412	18.084.407	-	3.902.133	-	6.665.345	51.573.166
Allocation of previous year net profit (1)					2.925.345				(6.665.345)	(3.740.000)
Other changes					(232.596)		149.071	83.525		-
Net profit for 2006									8.987.113	8.987.113
Balance at December 31, 2007	8.840.000	12.244.869	1.768.000	68.412	20.777.156	-	4.051.204	83.525	8.987.113	56.820.279

(1) Dividends resolved by the Shareholders' Meeting are included in the Total Shareholders' Equity column under Allocation of previous year net profit.