



# C e m b r e

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

## Press release

### **Cembre (a STAR listed company): The Shareholders Meeting approved the 2008 Financial Statements and the distribution of a €016 dividend per share**

- *The Shareholders' Meeting approved the 2008 Financial Statements and the proposed allocation of net profit*
- *The Shareholders' Meeting also appointed the Board of Directors and Board of Statutory Auditors*
- *Independent auditors PricewaterhouseCoopers Spa were appointed to audit the Company's accounts*
- *Operations on treasury shares were approved*

Brescia, April 28, 2009 – 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 – held today at 9:30am and chaired by Carlo Rosani, aided in the meeting by Managing Director Giovanni Rosani, approved the Statutory Accounts of Cembre S.p.A. at December 31, 2008 and the proposed allocation of net profit, resolving the distribution of a **€0.16 dividend** for each of the shares in circulation, representing a 38.4% decline on the €0.26 dividend distributed for the 2007 financial year. The choice to distribute a lower dividend with respect to the previous year is dictated by the need to retain prudentially part of the financial resources generated by the company to contrast possible future liquidity shortages that may be caused by the expected market downturn.

The ex-dividend date is May 18, 2009, while dividends will be paid out from May 21.

Parent company **Cembre S.p.A.** closed 2008 reporting **sales** of €75 million, up 1.9% on 2007. **Operating profit** declined instead by 11.2% from €13.7 million in 2007 to €12.1 million in 2008. **Net profit** of the parent company for 2008 amounted to €8.8 million, as compared with €9 million, down 2.2%, on the previous year. In 2008 the parent company received €0.39 million in dividends from UK subsidiary Cembre Ltd. and €0,24 million in dividends from French subsidiary Cembre Sarl.

The 2008 Consolidated Financial Statements, whose highlights are shown below, were presented to the Shareholders' Meeting.

(€'000)	2008	% Margin	2007	% Margin	change
<b>Consolidated sales</b>	94,288	100	93,417	100	0.9%
<b>Consolidated gross operating profit</b>	19,273	20.4	21,710	23.2	-11.2%
<b>Consolidated operating profit</b>	16,221	17.2	18,420	19.7	-11.9%
<b>Consolidated pre-tax profit</b>	16,031	17	18,118	19.4	-11.5%
<b>Consolidated net profit</b>	10,857	11.5	11,896	12.7	-8.7%
<b>Consolidated net financial position</b>	1,170		(1,720)		

In 2008, **consolidated revenues** grew to €94.3 million, up 0.9% from €93.4 million in 2007.

**Consolidated operating profit** (Ebit) for 2008 amounted to €16.2 million, representing a 17.2% margin on sales, down 11.9% on €18.4 million in 2007, when it represented a 19.7% margin on sales.

**Consolidated profit before taxes** for 2008 amounted to €16 million, representing a 17% margin on sales, down on €18.1 million in 2007, when it represented an 19.4% margin on sales.

**Consolidated net profit** for the year amounted to €10.9 million, representing an 11.5% margin on sales, down 8.7% on 2007, when it amounted to €11.9 million and represented a 12.7% margin on sales. Consolidated net profit was affected by the increase in personnel costs due to the higher number of employees and to pay increases due pursuant to the new labour contract for the category, in addition to changes in the depreciation schedules of some classes of property, plant and equipment that determined a reduction in the value of inventories estimated, at March 31, 2008, at about €734 thousand. The related figure at December 31, 2008 is not however available as the simulation would have been too onerous due in part to the change in the information system introduced in May 2008. In 2007, consolidated net profit had been positively affected by the change in accounting of Employee Termination Indemnities (having a positive impact of about €1 million), and the €0.4 million capital gain on the sale of a building.

#### **Appointment of the Board of Directors, the Board of Statutory Auditors and of the Independent Auditors**

The Shareholders' Meeting appointed the new Board of Directors, made up by 8 members, whose term expired, for a new three-year term for financial years 2009-2011, confirming Carlo Rosani as Chairman and directors Anna Maria Onofri, Giovanni Rosani, Sara Rosani, Giovanni De Vecchi, Aldo Bottini Bongrani, Giancarlo Maccarini (independent) and Fabio Fada (independent).

In the subsequent board meeting, the Board of Directors appointed Anna Maria Onofri as Vice-Chairman, conferring proxies to the Chairman, Carlo Rosani, to Giovanni Rosani and Anna Maria Onofri.

The Board of Directors also reviewed and confirmed the eligibility of independent directors Giancarlo Maccarini and Fabio Fada for their position. The new *lead independent director* position introduced by the Code of Conduct of listed companies, will be covered by Fabio Fada, Certified Public Accountant and Professor of Financial Statement Analysis and International Accounting at the Economics Department of the University of Brescia.

An Internal Audit Committee and a Remuneration Committee were set up within the Board. Such committees are formed by directors Fabio Fada (independent), Giancarlo Maccarini (independent) and Giovanni De Vecchi (non-executive).

The Shareholders' Meeting also appointed the new Board of Statutory Auditors, whose term expired, for a new three-year term for financial years 2009-2011. Permanent Auditors are Guido Astori (Chairman), Andrea Boreatti and Leone Scutti.

A curriculum vitae of all Directors and Auditors is available for consultation on the Investor Relations section of the [www.cembre.com](http://www.cembre.com) Internet site.

The Shareholders' Meeting also appointed independent auditors PricewaterhouseCoopers Spa to audit the accounts of the company for financial years 2009-2017.

### **Authorization to acquire and sell treasury shares**

The Shareholders' Meeting resolved to approve the request in agenda to authorize the acquisition and sale of treasury shares pursuant to articles 2357 and 2357-ter of the Italian Civil Code, and article 132 of Legislative Decree 58/1998.

Pursuant also to article 144-bis of Consob Regulation 11971/99, it is acknowledged that said granted authorization to purchase and sell treasury shares is motivated for corporate management purposes. In particular, transactions involving the purchase and sale of own shares that are the object of the authorization to be submitted to the Shareholders' Meeting, will from time to time involve (i) the acquisition and/or sale of own shares for the purposes of investment and/or stabilization of the share price and to provide liquidity to shares traded on the market, under the terms and in the manner provided by applicable regulations, or (ii) the allowance of the use of own shares in the context of transactions carried out in the framework of the ordinary management of the Company or projects coherent with the strategic guidelines of the Company in the pursuit of which the opportunity of an exchange of shares, including the destination of such shares to service convertible bond issue and/or cum warrant issues, may arise.

As requested, the authorization for the purchase of treasury shares is granted from the date of the Ordinary Shareholders' Meeting for a period of twelve months, as provided by article 2357, paragraph 2, of the Italian Civil Code. The authorization for the sale of treasury shares is requested without time limitations.

Upon proposal of the Board of Directors, the Shareholders' Meeting resolved that purchases be made within the limits set by current regulations at the date of the Meeting, equal to 20% of the capital stock (pursuant to article 2357 of the Italian Civil Code, as amended by Law 33/2009), keeping into account the number of ordinary Cembre shares already held by the Company or its subsidiaries, in the manner to be determined from time to time in accordance with article 144-bis, comma 1, par. a) and b) and d) of Consob Regulation 11971/99, and thus through public offers to acquire or exchange, or on regulated markets, or through the attribution to shareholders, in a proportion to the number of shares already held, of a put call to be exercised in a period corresponding to the present authorization of the Shareholders' Meeting. Said purchases shall be made at a price that is not less than 35% below and not 5% more than the official listed closing price registered on the stock market day prior to each purchase transaction or, in case of purchases made through public offer or exchange, at a price that is not less than 35% below and not 5% more than the official listed closing price registered on the stock market day prior to the announcement of the operation to the public.

The Shareholders' Meeting moreover resolved to authorise, pursuant to article 2357 –ter of the Italian Civil Code, the disposal of treasury shares acquired in the stock market or outside it, or the sale of rights (including personal) relating to said shares (inclusive, as a mere example, security borrowing) provided that (a) the compensation for the sale of the ownership and any other personal or other right shall not be lower than the official price recorded by ordinary Cembre shares at the closing of the trading day that precedes each individual sale less 10%; and (b) disposals made in the framework of industrial projects or corporate finance operations, carried out by means of the exchange, conferral or any other means implying the transfer of own shares, in addition to disposals of own shares already earmarked to service convertible or cum warrant bond issues, may take place at a price or value that will be deemed appropriate for the specific transaction, keeping into account the price of the stock on the market.

The Shareholders' Meeting moreover attributed to the Board of Directors the power to establish, in the interest of the Company, the possible use of treasury shares to be acquired or already owned by the Company for one of the purposes allowed by Consob in the market, pursuant to article 180, comma 1, paragraph c) of Legislative Decree 58/1998, and therefore in the context of providing liquidity to the trading of said shares in the market and/or the acquisition of treasury shares to build a portfolio of the same, within the limits set in Consob Regulation no. 16839 of March 19, 2009.

At the date of the present press release, Cembre does not hold any treasury share.

\* \* \* \*

*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 545 as of December 2008. Since 1990 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.*

*Contacts:*

*Ferruccio Peroni (Peroni e Vitale Comunicazione) Mob. +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 Relation section in the [www.cembre.com](http://www.cembre.com) site.*

For further information please visit the Investor Relation section in the [www.cembre.com](http://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, 2008 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, 2008

#### Consolidated Balance Sheet

	Dec. 31, 2008	Dec. 31, 2007
<i>(euro '000)</i>		
<b>ASSETS</b>	<i>of which:</i>	<i>of which:</i>
	<i>related parties</i>	<i>related parties</i>
<b>A) NON-CURRENT ASSETS</b>		
Tangible assets	32.590	32.349
Intangible assets	692	466
Financial assets available for sale	5	5
Other non-current assets	76	77
Deferred tax assets	1.847	1.886
<b>TOTAL NON-CURRENT ASSETS</b>	<b>35.210</b>	<b>34.783</b>
<b>B) CURRENT ASSETS</b>		
Inventories	32.378	31.725
Trade receivables	24.650	26.355
Tax receivables	578	1
Other receivables	330	317
Cash and cash equivalents	4.545	4.549
<b>TOTAL CURRENT ASSETS</b>	<b>62.481</b>	<b>62.947</b>
<b>C) NON-CURRENT ASSETS AVAILABLE FOR SALE</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS(A+B+C)</b>	<b>97.691</b>	<b>97.730</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>A) SHAREHOLDERS' EQUITY</b>		
Capital stock	8.840	8.840
Reserves	51.766	45.976
Net profit	10.857	11.896
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>71.463</b>	<b>66.712</b>
<b>B) NON-CURRENT LIABILITIES</b>		
Non-current financial liabilities	60	86
Non-current tax payables	93	-
Employee Severance Indemnity and other personnel benefits	3.194	152
Provisions for risks and charges	292	3.352
Deferred tax liabilities	2.671	295
Deferred tax liabilities	2.671	3.653
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>6.310</b>	<b>7.386</b>
<b>C) CURRENT LIABILITIES</b>		
Current financial liabilities	3.315	6.183
Trade payables	10.819	11.013
Tax payables	247	1.033
Other payables	5.537	5.403
<b>TOTAL CURRENT LIABILITIES</b>	<b>19.918</b>	<b>23.632</b>
<b>D) LIABILITIES ON ASSETS HELD FOR DISPOSAL</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES (B+C+D)</b>	<b>26.228</b>	<b>31.018</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)</b>	<b>97.691</b>	<b>97.730</b>

## 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, 2008

#### Consolidated Income Statement

	Full Year 2008	Full Year 2007
<i>(euro '000)</i>	<i>of which: related parties</i>	<i>of which: related parties</i>
Revenues from sales and services provided	94.288	93.417
Other revenues	347	792
<b>TOTAL REVENUES</b>	<b>94.635</b>	<b>94.209</b>
Cost of goods and merchandise	(36.597)	(39.955)
Cost of services received	(13.096)	(739) (13.615)
Lease and rental costs	(1.052)	(500) (1.084)
Personnel costs	(25.979)	(192) (24.976)
Non recurring operations	-	1.026
Other operating costs	(539)	(471)
Change in inventories	1.441	6.176
Increase in assets due to internal construction	709	555
Write-down of receivables	(239)	(145)
Accruals to provisions for risks and charges	(10)	(10)
<b>GROSS OPERATING PROFIT</b>	<b>19.273</b>	<b>21.710</b>
Property, plant and equipment depreciation	(2.734)	(3.113)
Intangible asset amortization	(318)	(177)
<b>OPERATING PROFIT</b>	<b>16.221</b>	<b>18.420</b>
Financial income	113	108
Financial expenses	(318)	(209)
Foreign exchange gains (losses)	15	(201)
<b>PROFIT BEFORE TAXES</b>	<b>16.031</b>	<b>18.118</b>
Income taxes	(5.174)	(5.883)
Deferred taxes from non recurring operations	-	(339)
<b>NET PROFIT FROM ORDINARY ACTIVITIES</b>	<b>10.857</b>	<b>11.896</b>
<b>NET PROFIT FROM ASSETS HELD FOR DISPOSAL</b>	<b>-</b>	<b>-</b>
<b>NET PROFIT</b>	<b>10.857</b>	<b>11.896</b>
<b>BASIC EARNINGS PER SHARE</b>	<b>0,64</b>	<b>0,70</b>

# 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, 2008

### Consolidated Statement of Cash Flows

€ '000

	2008	2007
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit for the period	10.857	11.896
Depreciation, amortization and write-downs	3.052	3.290
(Gains)/Losses on disposal of assets	(2)	(399)
Net change in Employee Severance Indemnity	(158)	(1.306)
Net change in provisions for risks and charges	(3)	7
<b>Operating profit (loss) before change in working capital</b>	<b>13.746</b>	<b>13.488</b>
(Increase) Decrease in trade receivables	1.705	149
(Increase) Decrease in inventories	(653)	(5.678)
(Increase) Decrease in other receivables and deferred tax assets	(551)	69
Increase (Decrease) of trade payables	(239)	(579)
Increase (Decrease) of other payables, deferred tax liabilities and tax payables	(1.541)	(729)
<b>Change in working capital</b>	<b>(1.279)</b>	<b>(6.768)</b>
<b>NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES</b>	<b>12.467</b>	<b>6.720</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets:		
- intangible	(544)	(500)
- tangible	(4.064)	(6.404)
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	1.091	1.869
Increase (Decrease) of trade payables for assets	45	128
<b>NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(3.472)</b>	<b>(4.907)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase) Decrease in other non current assets	1	15
Increase (Decrease) in bank loans and borrowings	(2.864)	3.356
Increase (Decrease) in other loans and borrowings	(30)	20
Change in reserves	(1.686)	(879)
Dividends distributed	(4.420)	(3.740)
<b>NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(8.999)</b>	<b>(1.228)</b>
<b>D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(4)</b>	<b>585</b>
<b>E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>4.549</b>	<b>3.964</b>
<b>F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)</b>	<b>4.545</b>	<b>4.549</b>

<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>4.545</b>	<b>4.549</b>
Current financial liabilities	(3.315)	(6.183)
Non current financial liabilities	(60)	(86)
<b>NET CONSOLIDATED FINANCIAL POSITION</b>	<b>1.170</b>	<b>(1.720)</b>
<b>INTERESTS PAID IN THE YEAR</b>	<b>(318)</b>	<b>(209)</b>

<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		
Cash	16	19
Banks	4.529	4.530
	<b>4.545</b>	<b>4.549</b>

## 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, 2008

#### Statement of Changes in the Consolidated Shareholders' Equity

(€ '000)	Capital stock	Share premium reserve	Legal reserve	Suspended-tax reserves	Consolidation reserve	Conversion differences	Extraordinary reserve	Unrealized gains reserve	Retained earnings	Net profit	Total Shareholders' Equity
<b>Balance at December 31, 2006</b>	<b>8.840</b>	<b>12.245</b>	<b>1.768</b>	<b>68</b>	<b>5.213</b>	<b>(12)</b>	<b>18.187</b>	<b>3.799</b>	<b>-</b>	<b>9.327</b>	<b>59.435</b>
Conversion differences					87	(966)					(879)
Allocation of previous year net profit (1)					5.230		2.926			(11.896)	(3.740)
Other changes								(84)	84		-
Net profit for 2007										11.896	11.896
<b>Balance at December 31, 2007</b>	<b>8.840</b>	<b>12.245</b>	<b>1.768</b>	<b>68</b>	<b>10.530</b>	<b>(978)</b>	<b>21.113</b>	<b>3.715</b>	<b>84</b>	<b>9.327</b>	<b>66.712</b>
Conversion differences					134	(1.822)	2				(1.686)
Allocation of previous year net profit (1)					2.911		4.565			(11.896)	(4.420)
Net profit for 2008										10.857	10.857
<b>Balance at December 31, 2008</b>	<b>8.840</b>	<b>12.245</b>	<b>1.768</b>	<b>68</b>	<b>13.575</b>	<b>(2.800)</b>	<b>25.680</b>	<b>3.715</b>	<b>84</b>	<b>8.288</b>	<b>71.463</b>

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

## 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)

### Financial statements at December 31, 2008

#### Balance Sheet

	Dec. 31, 2008	Dec. 31, 2007	
<i>(amounts in euro)</i>			
<b>ASSETS</b>	<i>of which: related parties</i>	<i>of which: related parties</i>	
<b>A) NON CURRENT ASSETS</b>			
Tangible assets	22.886.464	21.819.941	
Intangible assets	689.149	460.296	
Investments in subsidiaries	9.292.893	8.057.883	
Financial assets available for sale	5.224	5.224	
Other non-current assets	5.600	9.762	
Deferred tax assets	360.704	371.017	
<b>TOTAL NON-CURRENT ASSETS</b>	<b>33.240.034</b>	<b>30.724.123</b>	
<b>B) CURRENT ASSETS</b>			
Inventories	23.441.442	23.927.378	
Trade receivables	15.529.974	16.508.934	
Trade receivables from subsidiaries	7.789.363	7.538.172	7.538.172
Financial receivables from subsidiaries	-	2.055.562	2.055.562
Other assets	268.516	240.953	
Cash and cash equivalents	894.080	727.275	
<b>TOTAL CURRENT ASSETS</b>	<b>48.314.441</b>	<b>50.998.274</b>	
<b>C) NON-CURRENT ASSETS AVAILABLE FOR SALE</b>	<b>-</b>	<b>-</b>	
<b>TOTAL ASSETS(A+B+C)</b>	<b>81.554.475</b>	<b>81.722.397</b>	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>A) SHAREHOLDERS' EQUITY</b>			
Capital stock	8.840.000	8.840.000	
Reserves	43.560.280	38.993.166	
Net profit	8.790.112	8.987.113	
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>61.190.392</b>	<b>56.820.279</b>	
<b>B) NON-CURRENT LIABILITIES</b>			
Non-current financial liabilities	-	-	
Non-current tax payables	92.885	-	
Employee Severance Indemnity and other personnel benefits	3.041.043	3.208.264	142.762
Provisions for risks and charges	291.708	295.024	
Deferred tax liabilities	2.543.487	3.542.600	
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>5.969.123</b>	<b>7.045.888</b>	
<b>C) CURRENT LIABILITIES</b>			
Current financial liabilities	1.216.146	3.914.810	
Trade payables	9.317.506	9.724.517	
Trade payables to subsidiaries	296.642	449.267	449.267
Tax payables	-	402.831	
Other Payables	3.564.666	3.364.805	
<b>TOTAL CURRENT LIABILITIES</b>	<b>14.394.960</b>	<b>17.856.230</b>	
<b>D) LIABILITIES ON ASSETS HELD FOR DISPOSAL</b>	<b>-</b>	<b>-</b>	
<b>TOTAL LIABILITIES (B+C+D)</b>	<b>20.364.083</b>	<b>24.902.118</b>	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (A+B+C+D)</b>	<b>81.554.475</b>	<b>81.722.397</b>	

## 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)

### Financial statements at December 31, 2008

#### Income Statement

<i>(amounts in euro)</i>	<b>Full Year 2008</b>		<b>Full Year 2007</b>	
		<i>of which: related parties</i>		<i>of which: related parties</i>
Revenues from sales and services provided	75.043.776	23.175.657	73.622.957	21.805.769
Other revenues	252.575	131.966	653.720	149.730
<b>TOTAL REVENUES</b>	<b>75.296.351</b>		<b>74.276.677</b>	
Cost of goods and merchandise	(32.827.726)	(2.682.091)	(36.260.151)	(2.091.091)
Cost of services received	(9.135.004)	(724.699)	(9.788.346)	(726.039)
Lease and rental costs	(767.109)	(500.324)	(765.364)	(493.503)
Personnel costs	(18.108.833)	(192.256)	(17.319.823)	(185.044)
Non recurring operations	-	-	1.026.143	-
Other operating costs	(245.343)	-	(214.013)	-
Change in inventories	(485.936)	-	4.779.871	-
Increase in assets due to internal construction	709.040	-	439.832	-
Write-down of receivables	(118.007)	-	(123.256)	-
Accruals to provisions for risks and charges	(9.971)	-	(9.514)	-
<b>GROSS OPERATING PROFIT</b>	<b>14.307.462</b>		<b>16.042.056</b>	
Tangible asset depreciation	(1.854.343)	-	(2.202.256)	-
Intangible asset amortization	(315.197)	-	(173.785)	-
<b>OPERATING PROFIT</b>	<b>12.137.922</b>		<b>13.666.015</b>	
Financial income	675.917	626.947	572.645	520.132
Financial expenses	(171.241)	-	(172.610)	-
Foreign exchange gains (losses)	3.457	-	(165.791)	-
<b>PROFIT BEFORE TAXES</b>	<b>12.646.055</b>		<b>13.900.259</b>	
Income taxes	(3.855.943)	-	(4.574.519)	-
Deferred taxes from non recurring operations	-	-	(338.627)	-
<b>NET PROFIT FROM ORDINARY ACTIVITIES</b>	<b>8.790.112</b>		<b>8.987.113</b>	
<b>NET PROFIT FROM ASSETS HELD FOR DISPOSAL</b>	<b>-</b>		<b>-</b>	
<b>NET PROFIT</b>	<b>8.790.112</b>		<b>8.987.113</b>	

## 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)

### Financial Statements at December 31, 2008

#### Statement of Cash Flows

(Amounts in Euro)

	2008	2007
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit for the period	8.790.112	8.987.113
Depreciation, amortization and write-downs	2.169.540	2.376.041
(Gains)/Losses on disposal of assets	(25.466)	(388.246)
Net change in Employee Severance Indemnity	(167.220)	(1.303.308)
Net change in provisions for risks and charges	(3.316)	6.870
<b>Operating profit (loss) before change in working capital</b>	<b>10.763.650</b>	<b>9.678.470</b>
(Increase) Decrease in trade receivables	727.769	(1.146.770)
(Increase) Decrease in inventories	485.936	(4.779.872)
(Increase) Decrease in other receivables and deferred tax assets	(408.316)	422.767
Increase (Decrease) of trade payables	(605.309)	(47.026)
Increase (Decrease) of other payables and deferred tax liabilities	(1.109.198)	(599.727)
<b>Change in working capital</b>	<b>(909.118)</b>	<b>(6.150.628)</b>
<b>NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES</b>	<b>9.854.532</b>	<b>3.527.842</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets:		
- intangible	(544.050)	(498.854)
- tangible	(2.936.268)	(2.723.815)
- financial	(1.235.010)	-
Proceeds from disposal of tangible, intangible, financial assets		
- tangible	40.868	1.437.628
- financial	-	57.523
Increase (Decrease) of trade payables for assets	45.673	128.173
<b>NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES</b>	<b>(4.628.787)</b>	<b>(1.599.345)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
(Increase) Decrease in other non current assets	4.162	398
(Increase) Decrease of financial receivables	2.055.562	(9.124)
Increase (Decrease) in bank loans and borrowings	(2.698.664)	1.347.708
Dividends distributed	(4.420.000)	(3.740.000)
<b>NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES</b>	<b>(5.058.940)</b>	<b>(2.401.018)</b>
<b>D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>166.805</b>	<b>(472.521)</b>
<b>E) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>727.275</b>	<b>1.199.796</b>
<b>F) CASH AND CASH EQUIVALENTS AT END OF PERIOD (D+E)</b>	<b>894.080</b>	<b>727.275</b>

<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>894.080</b>	<b>727.275</b>
Financial receivables from subsidiaries	-	2.055.562
Current financial liabilities	(1.216.146)	(3.914.810)
<b>NET FINANCIAL POSITION</b>	<b>(322.066)</b>	<b>(1.131.973)</b>
<b>INTEREST PAID IN THE PERIOD</b>	<b>(171.241)</b>	<b>(172.189)</b>

<b>BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		
Cash	4.109	9.817
Banks	889.971	717.458
	<b>894.080</b>	<b>727.275</b>

## 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)

### Financial Statement at December 31, 2008

#### Statement of Changes in the Shareholders' Equity at December 31, 2008

(€ '000)	Capital stock	Share premium reserve	Legal reserve	Suspended-tax reserves	Extraordinary reserve	Unrealized gains reserve	Retained earnings	Net profit	Total Shareholders' Equity
<b>Balance at December 31, 2006</b>	<b>8.840.000</b>	<b>12.244.869</b>	<b>1.768.000</b>	<b>68.412</b>	<b>18.084.407</b>	<b>3.902.133</b>	-	<b>6.665.345</b>	<b>51.573.166</b>
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 2007								8.987.113	8.987.113
<b>Balance at December 31, 2007</b>	<b>8.840.000</b>	<b>12.244.869</b>	<b>1.768.000</b>	<b>68.412</b>	<b>20.777.156</b>	<b>4.051.204</b>	<b>83.525</b>	<b>8.987.113</b>	<b>56.820.279</b>
Allocation of previous year net profit (1)					4.567.114			(8.987.113)	(4.419.999)
Other changes									-
Net profit for 2008								8.790.112	8.790.112
<b>Balance at December 31, 2008</b>	<b>8.840.000</b>	<b>12.244.869</b>	<b>1.768.000</b>	<b>68.412</b>	<b>25.344.270</b>	<b>4.051.204</b>	<b>83.525</b>	<b>8.790.112</b>	<b>61.190.392</b>

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