



C e m b r e

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Press release

BOARD APPROVES REPORT ON THE 1st QUARTER OF 2009

CEMBRE (a STAR listed company): THE GLOBAL ECONOMIC DOWNTURN AFFECTS REVENUES AND MARGINS GREAT IMPROVEMENT OF THE NET FINANCIAL POSITION

At April 30, further improvement of the Net Fin. Position: reached a surplus of € 2.8 million

Consolidated figures (€ '000)	1 st Qtr. 2009	Sales margin %	1 st Qtr. 2008	Sales margin %	Change
Sales	18,239	100	25,609	100	-28.8%
Gross operating profit	2,474	13.6	5,488	21.4	-54.9%
Operating profit	1,735	9.5	4,785	18.7	-63.7%
Pre-tax profit	1,786	9.8	4,407	17.2	-59.5%
Net financial position	2,294		(283)		

Brescia, May 14, 2009 – The Board of Directors of Cembre Spa, chaired by the Managing Director Giovanni Rosani, approved at today's meeting the Consolidated Financial Statements **at March 31, 2009**.

The Group's turnover was strongly affected by the global economic downturn. In the first three months of 2009, **consolidated sales revenues** declined by 28.8% on the 1st Quarter of 2008, from €25.6 million to €18.2 million, while domestic sales (€7.2 million) declined by 33%, and exports (€11 million) decreased by 25.7%, on the 1st Quarter of 2008.

In the 1st Quarter of 2009, 39.5% of sales were represented by Italy, 49% by the rest of Europe and 11.5% by the rest of the world.

Consolidated gross operating profit declined by 54.9% from €5.5 million in the 1st Quarter of 2008 (representing a 21.4% margin on sales), to €2.5 million (a 13.6% margin on sales) in the 1st Quarter of 2009. In 2009, raw materials costs declined by 30.8% as a result of lower market prices. The weight of personnel costs as a percentage of sales grew from 25.8% in the 1st Quarter of 2008, to 34.2% in the corresponding period in 2009, despite the reduction of personnel costs from €6.6 million to €6.2 million in the same period.

Consolidated operating profit for the 1st Quarter of 2009 amounted to €1.7 million, representing a 9.5% margin on sales, down 63.7% on €4.8 million in the 1st Quarter of 2008 (when it represented an 18.7% margin on sales).

Consolidated profit before taxes for the 1st Quarter of 2009 was equal to €1.8 million, representing a 9.8% margin on sales, down 59.5% on €4.4 million in the 1st Quarter of 2008, when it represented 17.2% of sales.

The **consolidated net financial position** of the Group improved from an indebtedness of €0.3 million at March 31, 2008, to a surplus of €2.3 million at March 31, 2009. With respect to December 31, 2008, the net financial position improved by €1.1 million. Short-term financial debt does not include dividends payable to shareholders on May 21, 2009, amounting to €2.72 million, as resolved by the Shareholders' Meeting on April 28, 2009. At March 31, 2008, dividends resolved and not included in the net financial position amounted to €4.42 million.

Capital expenditure of the Group made in the 1st Quarter of 2009 amounted to €0.5 million, as compared with a capital expenditure of €1.2 million in the 1st Quarter of 2008.

“Sales for the 1st Quarter of 2009 are strongly affected by the global downturn, and figures for April show a continuation of the trend. In the first months of the year the Group has however generated a positive cash flow that resulted in a further improvement in the consolidated net financial position to a surplus of about €2.8 million at the end of April” – commented 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 543 as of March 2009. 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 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.

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

Attachments: Financial Statements at March 31, 2009

The Quarterly Report at March 31, 2009 has not been audited.

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.

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 for the 1st Quarter 2009

Consolidated Income Statement

<i>(euro '000)</i>	1st Quarter 2009	1st Quarter 2008	Full Year 2008
Revenues from sales and services provided	18.239	25.609	94.288
Other revenues	68	82	347
TOTAL REVENUES	18.307	25.691	94.635
Cost of goods and merchandise	(6.227)	(8.996)	(36.597)
Change in inventories	(217)	(805)	1.441
Cost of services received	(2.899)	(3.513)	(13.096)
Lease and rental costs	(302)	(248)	(1.052)
Personnel costs	(6.246)	(6.600)	(25.979)
Other operating costs	(89)	(162)	(539)
Increase in assets due to internal construction	182	184	709
Write-down of receivables	(33)	(60)	(239)
Accruals to provisions for risks and charges	(2)	(3)	(10)
GROSS OPERATING PROFIT	2.474	5.488	19.273
Property, plant and equipment depreciation	(686)	(662)	(2.734)
Intangible asset amortization	(53)	(41)	(318)
OPERATING PROFIT	1.735	4.785	16.221
Financial income (expense)	(17)	(65)	(205)
Foreign exchange gains (losses)	68	(313)	15
PROFIT BEFORE TAXES	1.786	4.407	16.031

Consolidated Net Financial Position at March 31, 2009

<i>(euro '000)</i>	Mar. 31, 2009	Mar. 31, 2008	Dec. 31, 2008
Cash and cash equivalents	5.429	5.836	4.545
Non-current financial liabilities	(50)	(73)	(60)
Current financial liabilities	(3.085)	(6.046)	(3.315)
CONSOLIDATED NET FINANCIAL POSITION	2.294	(283)	1.170