ITALMOBILIARE

Consolidated quarterly report at September 30, 2009

ITALMOBILIARE

Contents

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Quarterly report

at September 30, 2009

November 13, 2009

ITALMOBILIARE S.p.A.

Via Borgonuovo, 20
20121 Milan – Italy
Share capital € 100,166,937
Milan Companies Register

Directors, Officers and Auditors

Board of Directors

(Term ends on approval of financial statements at 12.31.2010)

Giampiero Pesenti	1-2	Chairman - Chief Executive Officer
Italo Lucchini	1-3	Deputy Chairmane
Carlo Pesenti	1	Chief Operating Officer
Piergiorgio Barlassina		
Mauro Bini	4-5-6-7	
Giorgio Bonomi	4	
Gabriele Galateri di Genola	3-5	
Jonella Ligresti	5	
Luca Minoli		
Giorgio Perolari	1-3-4-5	
Livio Strazzera	1	
Francesco Saverio Vinci		
Graziano Molinari	8	Secretary to the Board

Board of Stautory Auditors

(Term ends on approval of financial statements at 12.31.2010)

Acting auditors	
Mario Cera	Chairman
Luigi Guatri	
Eugenio Mercorio	
Substitute auditors	
Marco Confalonieri	
Leonardo Cossu	
Enrico Locatelli	

Angelo Maria Triulzi	Manager in charge of preparing the company's financial reports
Reconta Ernst & Young S.p.A.	Independent Auditors

1 Member of the Executive Committee
2 Executive Director responsible for supervising the internal control system
3 Member of the Remuneration Committee
4 Member of the Internal Control Committee
5 Independent Director (in accordance with the Code of Conduct)
6 Lead independent director
7 Member of the Compliance Committee

COMMENTS ON OPERATIONS

Foreword

This quarterly report as at and for the year to September 30, 2009, has been drawn up in compliance with article 154 ter, paragraph 5, of Legislative Decree no. 58 of February 24, 1998, and subsequent amendments. It is also compliant with the measurement and recognition criteria of the International Financial Reporting Standards (IFRS).

The changes compared with the accounting standards used in drawing up the financial statements at December 31, 2008 were not such as to change the valuations and basis of presentation.

The main changes with respect to the financial statements as at December 31, 2008, illustrated in detail in the notes, arise from the adoption of the revised accounting standards IAS 1 “Presentation of Financial Statements” (new schedules and definitions, supplementary information) and IAS 23 “Borrowing Costs” (finance costs treated as part of the cost of an asset, thus justifying their capitalization), which came into effect in 2009. Additionally the accounting treatment of interests held by minorities has also changed, in compliance with the new IFRS 3 and IAS 27, which are applicable as from 2010. Under the new treatment, acquisitions of interests subsequent to acquisition of control do not require re-determination of identifiable asset and liability values, while transactions that reduce the interest held, without loss of control, are treated as sales to minorities.

To permit comparison with the data at September 30, 2009, the 2008 figures have been restated for compliance with revised IAS 1 and IAS 23 described above.

Apart from the three situations set out below, the changes in the scope of consolidation compared with 2008 were immaterial.

With regard to the significant influence exercised by the voting trust (which the Italmobiliare Group belongs to through the subsidiaries Franco Tosi S.r.l. and Italcementi S.p.A.) on **RCS MediaGroup** (members of the trust contributed shares representing 63.5% of the capital) and taking into account that the majority of the trust members consolidate their investment on an equity basis, it was considered appropriate to classify this company as on associate as from the end of 2008.

In the banking sector, it should be noted that Finter Bank Zürich acquired the Swiss bank **Hugo Kahn** (now Finanzgesellschaft Hugo Kahn & Co AG) which has been consolidated as from October 2008.

In the property sector, services and other **Populonia Italica S.r.l.** was consolidated until June 10, 2009, when the whole equity investment in this company was sold.

The changes in the scope of consolidation compared with 2008 are illustrated in the notes.

Information on operations

During the third quarter of 2009 the world economy showed signs of a recovery from the negative trends that dominated the first half of the year. Together with a material improvement in the financial conditions, the real economy also reflected indications of an upturn in production, demand and international trade; these improvements were stronger in the emerging area, in Asia in particular, but were also visible in the more mature industrialized nations.

The positive changes mainly concerned the financial sector which throughout 2009 and therefore also in the third quarter benefitted from the aforementioned improvements in the markets recording significantly better overall results in the period.

In the third quarter of 2009 the Italmobiliare Group recorded **net result for the period** of 132.6 million euro and **net result attributable to the Group** of 57.6 million euro, markedly up on the prior year period.

The nine months to September 30, 2009 showed **net result for the period** of 296.8 million euro and **net result attributable to the Group** of 116.3 million euro, compared with 295.6 million euro (+0.4%) and 45.5 million euro (+155.8%) at September 30, 2008.

The other main results recorded in the third quarter and in the nine months to September 30, 2009, together with the changes compared with the corresponding prior year periods are:

- **Revenues**: 1,362.2 million euro in the quarter (-13.4%) and 4,138.9 million euro in the nine months (-12.2%);
- **Recurring EBITDA**: 318.4 million euro in the quarter (+20.6%) and 858.5 million euro in the nine months (-2.3%);
- **EBITDA**: 321.3 million euro in the quarter (+24.7%) and 852.2 million euro in the nine months (-2.6%);
- **EBIT**: 201.0 million euro in the quarter (+36.8%) and 474.8 million euro in the nine months (-12.2%);
- **Finance income and costs**: net costs of 25.9 million euro in the quarter (down by 27.9%) and 84.8 million euro in the nine months (down by 20.5%);
- **Result before tax**: 159.8 million euro in the quarter (+50.8%) and 391.4 million euro in the nine months (-8.5%).

At the end of September 2009 **total shareholders' equity** stood at 5,765.8 million euro compared with 5,488.2 million euro at December 31, 2008 and 5,542.9 million euro at June 30, 2009.

Net debt at September 30, 2009 stood at 2,365.1 million euro, while at December 31, 2008 it was 2,571.9 million euro. At June 30, 2009 net debt was 2,630.9 million euro.

Following the changes in shareholders' equity and debt, gearing improved from 46.86% at the end of December 2008 to 41.02 % at the end of September 2009.

The Net Asset Value (NAV) of Italmobiliare at September 30, 2009 was 2,361.0 million euro (at June 30, 2009 it was 1,924.9 million euro and 1,911.0 million euro at the end of 2008). The calculation was made as set out in the directors' report to the separate financial statements of Italmobiliare S.p.A. at December 31, 2008.

The performance of the individual sectors, which make up the Italmobiliare Group, may be summarized as follows:

- the **construction materials sector**, where the Italcementi group operates in the third quarter, reported a fall in sales volumes from the year-earlier period (in line with the first-half trend) and a 15.5% decrease in revenues caused by the sales volume decline and, to a lesser extent, a negative price effect, differently from what was recorded in the first half. Recurring EBITDA (-7.2%) and EBIT (-16.2%) showed smaller decreases than in the first half, thanks to the significant reduction in costs, especially variable fuel costs, which in the early months of the year were still adversely affected by the high prices of 2008. In the third quarter, as in the first half, action continued to contain fixed costs and regain industrial efficiency. Total net result for the third quarter of 2009, in line with performance in the first half, was 94.1 million euro, down by 12.6% from the third quarter of 2008. In the January-September 2009 period, results in the sector were affected by the decline in sales volumes. Revenues, down by 12.9% from the year-earlier period, were penalized by the decrease in volumes, but benefited from the positive price effect of the first half of the year. The revenue decline had a negative impact on operating results, although this was mitigated by the containment of operating expenses, especially fixed costs, and a positive exchange-rate effect. Recurring EBITDA fell by 13.1%, while EBIT, reflecting heavy impairment losses on industrial assets, decreased by 29.9%. Total net result was 221.4 million euro, from 328.0 million euro in the first nine months of 2008 (-32.5%).
- the **food packaging and thermal insulation sector**, consisting of the Sirap Gema group, reported third-quarter revenues of 61.2 million euro, a decrease of 9.2% (67.5 million euro in the third quarter of 2008), a strong rise in EBIT to 7.1 million euro (2.9 million euro) and consolidated net profit of 3.7 million euro (0.0 million euro). 2009 third-quarter revenues fell in both the food packaging and the thermal insulation businesses. The significant reduction in costs, despite the small decrease in prices, produced a strong improvement in EBIT of 145.9%. The improvement in net result derived not only from the rise in EBIT but also from the reduction in finance costs, despite the obvious increase in income tax expense for the period. Revenues also declined in the year to September 30, 2009, to 179.6 million euro (-9.1%), reflecting a downturn in all business segments (with the exception of France, where the re-organization began to generate benefits). Thanks to the reduction in costs mentioned above and a slight decrease in amortization and depreciation, EBIT, at 14.7 million euro, improved by 76.0%. Result before tax was 9.2 million euro, a strong increase from the year-earlier period (2.6 million euro), and also benefited from the reduction in finance costs. Net result for the period, however, reflected lower growth (4.7 million euro) compared with the year-earlier period (3.4 million euro), which benefited from the positive effect of tax laws permitting the release of reserves with payment of a lower rate.
- the **financial sector**, which includes the parent company Italmobiliare and the wholly owned financial companies, benefited, as already noted, from the particularly favorable conditions on the financial markets (debentures and equities) to report a net result for the third quarter of 35.3 million euro, a decisive improvement over the year-earlier period (a net loss of 49.3 million euro). Net result for the year to September 30, 2009, rose to 100.2 million euro (2.0 million euro); the strong improvement in the sector's results for the quarter and the nine months reflected write-ups on the debenture and equity trading portfolio (as a result of the reduction in credit spreads and the recovery in market prices compared with the end of 2008), the positive results of associates, the decrease in borrowing costs (as a result of the reduction in interest rates and the decrease in the amount of debt) and the capital gain recognized in the second quarter of 2009 on the sale of Populonia Italica, despite the decrease in dividends received.

- the **banking sector** comprises Finter Bank Zürich and Crédit Mobilier de Monaco. For the third quarter, it reported a negative net result (largely due to the charges for the integration of the recently acquired Hugo Kahn bank) of 0.3 million euro, down from the result of the year-earlier period (a net positive result of 0.9 million euro), bringing net result for the year to September 30, 2009, to 2.2 million euro (4.5 million euro in the year-earlier period). This result arose essentially at Finter Bank Zürich.
- the **property sector, services and other** is not of great importance within the global context of the Group. In fact the operating results in the third quarter 2009 were of negligible size and only changed slightly compared with the prior-year period (net loss in the third quarter of 2009 of 186 thousand euro, while there was a profit of 109 thousand euro in the prior-year period). Also in the first nine months of 2009 the net profit was only 126 thousand euro compared with a significant profit in the prior-year period (4.4 million euro) due to an important sale of some land and buildings in the second quarter of 2008. It should be noted that the capital gain realized following the sale of Populonia Italica in the second quarter of 2009 was mainly recorded in the financial sector.

In its separate financial statements at September 30, 2009, the parent company Italmobiliare S.p.A. reported net result for the period of 74.8 million euro, compared with 64.3 million euro in the year-earlier period. This improvement arose largely from the capital gain on the sale of Populonia Italica and the reduction in net finance costs, despite the decrease in dividends received.

Consolidated figures

Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change	Q3 2008 published
Revenues	**1,362.2**	**1,573.7**	***(13.4)***	**1,573.7**
Recurring EBITDA	**318.4**	**263.9**	***20.6***	**263.9**
% of revenues	*23.4*	*16.8*		*16.8*
Other non-recurring income (expense)	2.9	(6.2)	*n.s.*	(6.2)
EBITDA	**321.3**	**257.7**	***24.7***	**257.7**
% of revenues	*23.6*	*16.4*		*16.4*
Amortization and depreciation	(115.2)	(110.7)	*4.0*	(110.7)
Impairment variation	(5.1)	-	*n.s.*	-
EBIT	**201.0**	**147.0**	***36.8***	**147.0**
% of revenues	*14.8*	*9.3*		*9.3*
Finance income (costs)	(25.9)	(36.0)	*(27.9)*	(37.8)
Adjustment to financial asset values	(22.3)	(11.3)	*96.2*	(11.3)
Share of results of associates	7.0	6.3	*11.0*	6.3
Result before tax	**159.8**	**106.0**	***50.8***	**104.2**
% of revenues	*11.7*	*6.7*		*6.6*
Income tax expense	(27.2)	(46.7)	*(41.7)*	(46.0)
Net result for the period	**132.6**	**59.3**	***123.6***	**58.2**
% of revenues	*9.7*	*3.8*		*3.7*
Net result attributable to the Group	**57.6**	**(22.0)**	***n.s.***	**(22.4)**
% of revenues	*4.2*	*(1.4)*		*(1.4)*
Minority interests	75.0	81.3	*(7.7)*	80.6

n.s. not significant

Recurring EBITDA corresponds to the difference between revenues and costs, excluding non-recurring other income (expense), amortization and depreciation, impairment variation, finance income (costs), share of results of associates and taxes.

EBITDA corresponds to the above including non-recurring other income (expense).

EBIT corresponds to the above including amortization and depreciation and impairment variation.

ITALMOBILIARE

Year to September 30, 2009

(in millions of euro)	**Year to 09.30.09**	**Year to 09.30.08**	**% change**	**Year to 09.30.08 published**
Revenues	**4,138.9**	**4,713.2**	***(12.2)***	**4,713.2**
Recurring EBITDA	**858.5**	**878.8**	***(2.3)***	**878.8**
% of revenues	*20.7*	*18.6*		*18.6*
Other non-recurring income (expense)	(6.3)	(3.8)	*64.4*	(3.8)
EBITDA	**852.2**	**875.0**	***(2.6)***	**875.0**
% of revenues	*20.6*	*18.6*		*18.6*
Amortization and depreciation	(348.0)	(334.5)	*4.1*	(334.5)
Impairment variation	(29.4)	-	*n.s.*	-
EBIT	**474.8**	**540.5**	***(12.2)***	**540.5**
% of revenues	*11.5*	*11.5*		*11.5*
Finance income (costs)	(84.8)	(106.8)	*(20.5)*	(111.4)
Adjustment to financial asset values	(24.7)	(26.6)	*(7.1)*	(26.6)
Share of results of associates	26.1	20.4	*28.1*	20.4
Result before tax	**391.4**	**427.5**	***(8.5)***	**422.9**
% of revenues	*9.5*	*9.1*		*9.0*
Income tax expense	(94.6)	(131.9)	*(28.3)*	(130.1)
Net result for the period	**296.8**	**295.6**	***0.4***	**292.8**
% of revenues	*7.2*	*6.3*		*6.2*
Net result attributable to the Group	**116.3**	**45.5**	***155.8***	**44.5**
% of revenues	*2.8*	*1.0*		*0.9*
Minority interests	180.5	250.1	*(27.8)*	248.3
Employees at period end (heads)	**23,096**	**24,639**		**24,639**

(in millions of euro)	**September 30, 2009**	**June 30, 2009**	**December 31, 2008**
Net debt	**2,365.1**	**2,630.9**	**2,571.9**

n.s. not significant

Revenues and operating results by business sector and geographical area

Third quarter

	Revenues		Recurring EBITDA		EBITDA		EBIT	
Line of business	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**
Construction materials	1,261.7	*(15.5)*	290.3	*(7.2)*	283.0	*(7.8)*	167.3	*(16.2)*
Packaging and insulation	61.2	*(9.2)*	10.2	*63.4*	10.2	*63.4*	7.1	*n.s.*
Finance	26.3	*n.s.*	24.2	*n.s.*	27.4	*n.s.*	27.4	*n.s.*
Banking	10.7	*10.4*	1.3	*6.8*	1.2	*5.6*	(0.2)	*n.s.*
Property, services, etc.	6.1	*n.s.*	(7.1)	*n.s.*	-	*n.s.*	-	*n.s.*
Inter-sector eliminations	(3.8)	*n.s.*	(0.5)	*n.s.*	(0.5)	*n.s.*	(0.6)	*n.s.*
Total	**1,362.2**	***(13.4)***	**318.4**	***20.6***	**321.3**	***24.7***	**201.0**	***36.8***
Geographical area								
European Union	792.1	*(15.6)*	171.5	*48.2*	179.0	*57.2*	110.2	*132.5*
Other European countries	54.5	*(30.6)*	2.6	*(60.7)*	2.6	*(61.3)*	(2.6)	*n.s.*
North America	122.2	*(18.8)*	19.4	*(23.1)*	15.1	*(39.9)*	5.0	*(67.4)*
Asia	105.2	*(14.3)*	28.5	*(2.9)*	28.3	*(1.9)*	17.8	*(4.0)*
Africa	261.1	*5.8*	94.0	*12.0*	94.1	*17.2*	70.6	*17.6*
Trading	69.8	*(36.0)*	5.4	*(7.3)*	5.2	*(11.8)*	3.5	*(14.0)*
Other and inter-area eliminations	(42.7)	*n.s.*	(3.0)	*n.s.*	(3.0)	*n.s.*	(3.5)	*n.s.*
Total	**1,362.2**	***(13.4)***	**318.4**	***20.6***	**321.3**	***24.7***	**201.0**	***36.8***

n.s. no significant

In the third quarter of 2009, Group consolidated **revenues** totaled 1,362.2 million euro against 1,573.7 million euro in the third quarter of 2008, a decrease of 13.4% stemming largely from the revenue decline in the construction materials business.

Recurring EBITDA (318.4 million euro) and **EBIT** (201.0 million euro) for the third quarter showed YoY increases of 20.6% and 36.8% respectively. The improvement was driven largely by the financial sector, which benefited greatly from the recovery on the financial markets.

The breakdown of operating results by geographical area shows positive changes in the third quarter of 2009 from the year-earlier period in countries in the European Union and Africa, while all the other areas reported lower operating results.

ITALMOBILIARE

Year to September 30

Line of business	Revenues		Recurring EBITDA		EBITDA		EBIT	
	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08
Construction materials	3,847.5	*(12.9)*	787.7	*(13.1)*	771.2	*(14.5)*	405.2	*(29.9)*
Packaging and insulation	179.6	*(9.1)*	23.8	*34.1*	23.8	*34.1*	14.7	*76.0*
Finance	118.0	*2.7*	82.7	*n.s.*	85.8	*n.s.*	85.7	*n.s.*
Banking	30.8	*(5.2)*	4.8	*(19.3)*	4.8	*(19.3)*	2.7	*(48.0)*
Property, services, etc.	7.4	*(2.5)*	(7.1)	*n.s.*	-	*n.s.*	-	*n.s.*
Inter-sector eliminations	(44.4)	*n.s.*	(33.4)	*n.s.*	(33.4)	*n.s.*	(33.5)	*n.s.*
Total	**4,138.9**	***(12.2)***	**858.5**	***(2.3)***	**852.2**	***(2.6)***	**474.8**	***(12.2)***
Geographical area								
European Union	2,448.2	*(17.3)*	471.2	-	478.7	*1.9*	278.9	*(0.5)*
Other European countries	144.5	*(35.3)*	1.5	*(90.1)*	1.6	*(89.9)*	(11.9)	*n.s.*
North America	311.8	*(17.7)*	9.1	*(81.1)*	4.5	*(90.8)*	(28.2)	*n.s.*
Asia	316.7	*(6.3)*	81.0	*(5.4)*	76.8	*(10.1)*	25.6	*(53.1)*
Africa	845.2	*18.5*	297.8	*17.7*	297.9	*19.3*	224.8	*21.4*
Trading	194.4	*(34.1)*	11.7	*(44.2)*	11.7	*(44.6)*	7.1	*(59.9)*
Other and inter-area eliminations	(121.9)	*n.s.*	(13.8)	*n.s.*	(19.0)	*n.s.*	(21.5)	*n.s.*
Total	**4,138.9**	***(12.2)***	**858.5**	***(2.3)***	**852.2**	***(2.6)***	**474.8**	***(12.2)***

n.s. not significant

Revenues for the first nine months amounted to 4,138.9 million euro, a decrease of 12.2% from the year-earlier period. The contributions of the Group core businesses to this downturn varied (gross of intersector eliminations): construction materials -12.9%, packaging and insulation -9.1%, and banking -5.2%; only the financial sector reported an improvement (+2.7%).

The overall reduction arose from the business slowdown (-13.4%), counterbalanced to only a minimal degree by the positive exchange-rate effect (+1.3%), while the change in the scope of consolidation had an immaterial impact (-0.1%). The positive exchange-rate effect reflected the appreciation of the Egyptian pound, the US dollar and the Swiss franc against the euro, which more than made up for the depreciation of the Turkish lira and the Indian rupee.

Compared with the first nine months of 2008, at the end of September 2009 **recurring EBITDA** (858.5 million euro) and **EBIT** (474.8 million euro) were down by 2.3% and 12.2% respectively, a reduction that arose chiefly in the construction materials and banking sectors.

On a geographical basis, operating results in the European Union countries were in line with the year-earlier period, while the Africa area posted improvements in operating results and all the other areas reported downturns. In absolute values, in both the third quarter and the first nine months, the European Union as a whole was the largest contributor to revenues and EBIT.

Finance costs and other items

Net finance costs decreased to 84.8 million euro (-20.5%), due to the reduction in interest rates and decrease in average debt, while **adjustments to financial asset values** of -24.7 million euro were applied to **financial assets** held by the construction materials sector (negative of 26.6 million euro in the first nine months of 2008). The **share of results of associates** increased to 26.1 million euro (+28.1%). **Result before tax** at September 30, 2009, decreased to 391.4 million euro from 427.5 million euro at September 30, 2008 (-8.5%).

Income tax expense for the nine months was 94.6 million euro, with a reduction in the average tax rate (24.15% at September 30, 2009, compared with 30.86% at September 30, 2008).

Consequently **net result for the period** to September 30, 2009, was 296.8 million euro, reflecting a negligible change (+0.4%) with respect to the year-earlier period, while **net result attributable to the Group**, at 116.3 million euro, made a much stronger improvement (155.8%), driven largely by the results of the wholly owned companies in the financial sector.

Total comprehensive income

As already announced and set out in detail in the notes, in compliance with the revised IAS 1, the Group has decided to present its comprehensive income results using two schedules. The first schedule reflects traditional income statement components and the net result for the period, while the second schedule, beginning with the net result for the period, presents other components of comprehensive income previously reflected only in the statement of movements in consolidated shareholders' equity: mainly fair value gains and losses on available-for-sale financial assets and financial derivatives and translation differences.

At September 30, 2009, the components of other comprehensive income showed a positive balance of 98.5 million euro (negative balance of 616.4 million euro in the first nine months of 2008, largely due to fair value changes and translation differences). Given these components and the net result for the period described above, total comprehensive income for the year to September 30, 2009, was +395.4 million euro (a total of +280.1 million euro attributable to the Group and a total of +115.3 million euro attributable to minorities), compared with negative total comprehensive income of 320.8 million euro at September 30, 2008 (a total of -447.1 million euro attributable to the Group and a total of +126.3 million euro attributable to minorities).

Net debt

At September 30, 2009, **net debt** stood at 2,365.1 million euro, a decrease of 206.8 million euro from December 31, 2008 (2,571.9 million euro).

The reduction arose largely from the significant level of cash flows from operating activities (881.3 million euro), which exceeded the overall level of investments in fixed assets (587.0 million euro, including 556.5 million euro of capital expenditure) and distributed dividends (100.3 million euro).

The **gearing ratio** (net debt to shareholders' equity) was 41.02% at September 30, 2009, an improvement over 46.86% at December 31, 2008.

(in millions of euro)	September 30, 2009	June 30, 2009	December 31, 2009
Cash, cash equivalents and current financial assets	(1,851.2)	(1,649.1)	(1,573.5)
Short-term financing	1,089.9	1,182.7	1,245.5
Medium/long-term financial assets	(93.7)	(88.1)	(111.1)
Medium/long-term financing	3,220.1	3,185.4	3,011.0
Net debt	**2,365.1**	**2,630.9**	**2,571.9**

Key financial data

(absolute values in millions of euro)	September 30, 2009	June 30, 2009	December 31, 2009
Net debt	2,365.1	2,630.9	2,571.9
Consolidated shareholders' equity	5,765.8	5,542.9	5,488.2
Gearing	**41.02%**	**47.46%**	**46.86%**
Net debt	2,365.1	2,630.9	2,571.9
EBITDA before other income (expense)[1]	1,000.4	945.9	1,020.7
Leverage	**2.36**	**2.78**	**2.52**

[1] rolling year basis

Investments in fixed assets

Flows for Group investments in fixed assets at September 30, 2009, amounted to 587.0 million euro, down by 163.5 million euro from September 30, 2008. The majority of investments concerned improvements to and re-organization of existing industrial facilities.

Flows for investments in property, plant and equipment and intangible assets, largely in the construction materials sector and, to a much lesser extent, in food packaging and thermal insulation, were 556.5 million euro, up by 47.6 million euro from September 30, 2008 (508.9 million euro).

Flows for investments in financial assets amounted to 30.5 million euro (241.6 million euro in the first nine months of 2008) and essentially concerned the construction materials sector.

Construction materials sector

This sector, which is the Italmobiliare core industrial business, comprises the cement, ready mixed concrete and aggregates operations of the Italcementi group.

Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change	Q3 2008 published
Revenues	**1,261.7**	**1,493.3**	***(15.5)***	**1,493.3**
Recurring EBITDA	**290.3**	**312.7**	***(7.2)***	**312.7**
% of revenues	*23.0*	*20.9*		*20.9*
Other non-recurring income (expense)	(7.3)	(5.9)	*23.7*	(5.9)
EBITDA	**283.0**	**306.8**	***(7.8)***	**306.8**
% of revenues	*22.4*	*20.5*		*20.5*
Amortization and depreciation	(110.5)	(107.1)	*3.2*	(107.1)
Impairment variation	(5.1)	-	*n.s.*	-
EBIT	**167.3**	**199.8**	***(16.2)***	**199.8**
% of revenues	*13.3*	*13.4*		*13.4*
Finance income (costs)	(25.0)	(35.0)	*(28.6)*	(36.8)
Adjustment to financial asset values	(23.4)	(11.4)	*>100*	(11.4)
Share of results of associates	6.3	5.6	*12.5*	5.6
Result before tax	**125.2**	**159.0**	***(21.2)***	**157.2**
% of revenues	*9.9*	*10.6*		*10.5*
Income tax expense	(31.2)	(51.4)	*(39.3)*	(50.7)
Net result for the period	**94.1**	**107.6**	***(12.6)***	**106.5**
% of revenues	*7.5*	*7.2*		*7.1*
Net result attributable to the Group	**48.4**	**66.8**	***(27.5)***	**65.9**
Minority interests	45.7	40.8	*12.0*	40.6

n.s. not significant

ITALMOBILIARE

Year to September 30

(in millions of euro)	Year to 09.30.09	Year to 09.30.08	% change	Year to 09.30.08 published
Revenues	**3,847.5**	**4,419.4**	***(12.9)***	**4,419.4**
Recurring EBITDA	**787.7**	**906.0**	***(13.1)***	**906.0**
% of revenues	*20.5*	*20.5*		*20.5*
Other non-recurring income (expense)	(16.5)	(4.1)	*>100*	(4.1)
EBITDA	**771.2**	**901.9**	***(14.5)***	**901.9**
% of revenues	*20.0*	*20.4*		*20.4*
Amortization and depreciation	(336.6)	(324.0)	*3.9*	(324.0)
Impairment variation	(29.4)	-	*n.s.*	-
EBIT	**405.2**	**577.8**	***(29.9)***	**577.8**
% of revenues	*10.5*	*13.1*		*13.1*
Finance income (costs)	(81.4)	(104.1)	*(21.8)*	(108.8)
Adjustment to financial asset values	(23.4)	(26.6)	*(12.1)*	(26.6)
Share of results of associates	9.8	18.7	*(47.7)*	18.7
Result before tax	**310.2**	**465.8**	***(33.4)***	**461.1**
% of revenues	*8.1*	*10.5*		*10.4*
Income tax expense	(88.8)	(137.8)	*(35.5)*	(135.9)
Net result for the period	**221.4**	**328.0**	***(32.5)***	**325.2**
% of revenues	*5.8*	*197.8*		*7.4*
Net result attributable to the Group	**103.5**	**197.8**	***(47.7)***	**195.5**
Minority interests	117.9	130.2	*(9.5)*	129.8
Employees at period end (heads)	**21,493**	**23,032**		**23,032**

(in millions of euro)	September 30, 2009	June 30, 2009	December 31, 2008
Net debt	**2,553.6**	**2,784.8**	**2,679.3**

n.s. not significant

The construction sector benefited to only a limited extent from the upturn in the economic enviroment, with performance continuing to decline in all the industrialized countries in which the Italcementi group operates. Emerging countries have seen diversified situations, while generally prevailed a trend to a slowdown in business levels.

Performance in construction materials sector

Third quarter

Sales volumes	Q3 2009	% change vs. Q3 2008	
		Historic	At constant size
Cement and clinker *(millions of metric tons)*	14.4	*(12.5)*	*(12.5)*
Aggregates[1] *(millions of metric tons)*	9.7	*(19.1)*	*(19.1)*
Ready mixed concrete *(millions of m^3)*	2.8	*(20.1)*	*(21.8)*

[1] excluding outgoes on work-in-progress account

Year to September 30

Sales volumes	Year to 09.30.2009	% change vs. 09.30.2009	
		Historic	At constant size
Cement and clinker *(millions of metric tons)*	42.2	*(12.7)*	*(12.7)*
Aggregates[1] *(millions of metric tons)*	29.7	*(19.7)*	*(19.7)*
Ready mixed concrete *(millions of m^3)*	8.4	*(21.6)*	*(23.8)*

[1] excluding outgoes on work-in-progress account

Italcementi group sales volumes in the third quarter of 2009 were down on those of the year-earlier third quarter, reflecting a trend not substantially dissimilar to that of the first half of the year at aggregate level and within the individual segments.

The performance of the individual segments was as follows.

In **cement** and **clinker** segment, the most significant decreases were reported in Central Western Europe, North America and Trading, although at slightly slower rates than in the first half. Among emerging markets, performance was positive in Egypt and Kazakhstan, and slowed in the other countries. In the year to the end of September the fall in sales volumes arose principally on markets in the industrialized countries, (notably Italy, North America and France), and in Trading operations. In the emerging countries, performance declined overall, but at a slower rate, with trends varying from country to country: growth in Egypt, Kazakhstan and China, a slight downturn in Morocco and a reduction in the other countries.

Performance in **aggregates** sector (both in the quarter and in the year to September 30) was affected by the sharp decline throughout Central Western Europe, where the majority of group sales are concentrated. Volumes increased in North America, although absolute values remained low.

The slowdown in sales volumes of **ready mixed concrete** was evident in all areas, and more severe than the decline in the cement sector due to the larger drop in demand on the various markets. In absolute values, the most significant changes were in France, Turkey, Spain and Egypt. This was true for both the third quarter and for the first nine months of 2009.

In the third quarter of 2009, **revenues** amounted to 1,261.7 million euro, a decrease of 15.5% reflecting the decrease in sales volumes and, albeit to a lesser extent, a negative price effect. The fall in revenues arose in all the macro areas, with the largest impact in absolute terms in Central Western Europe. Looking at the individual countries, progress was reported in Egypt and, at a far more contained level given the values concerned, in China and Kazakhstan.

Revenues in the year to September 30 amounted to 3,847.5 million euro, a decrease of 12.9% from the year-earlier period arising from the contraction in business performance (-14.4%), counterbalanced in part by the positive exchange-rate effect (+1.6%); the consolidation effect was immaterial (-0.1%).

Revenues rose in Eastern Europe and Southern Med Rim, reflecting strong progress in Egypt, a slight improvement in Morocco and a significant downturn in the other countries in the area (Turkey and Bulgaria). A sharp reduction was reported in Central Western Europe, with reductions in all countries, North America and Trading. The downturn was less marked in Asia, where the healthy progress in China and Kazakhstan mitigated the revenue fall in Thailand and India.

The positive exchange-rate effect stemmed for the most part from the appreciation of the Egyptian pound and the US dollar against the euro, which amply made up for the depreciation of the Turkish lira and the Indian rupee.

Although the percentage decline in revenues was larger than in the first half, the downturn in third-quarter operating results eased compared with the first six months thanks to the significant reduction in operating expenses. Variable costs benefited from the price reductions of the previous months. A positive trend continued in fixed costs as a result of the re-organization programs already introduced in 2008. Compared with the third quarter of 2008, **recurring EBITDA** decreased by 7.2% while the reduction in **EBIT** was 16.2%.

Operating results for the year to the end of September 2009 were affected by the sharp decline in sales volumes. Nevertheless, this was mitigated in part by a positive price effect and the reduction in operating expenses, thanks in particular to actions to improve industrial efficiency and the measures taken since 2008 to contain fixed costs, whose impact, estimated at approximately 76.0 million euro excluding the exchange-rate effect, was significant. These measures were introduced in most countries, notably Italy, North America, France and Spain. **Recurring EBITDA** (787.7 million euro) fell by 13.1%, largely due to the sharp drop in Central Western Europe and North America, offset only in part by the positive contribution of Eastern Europe and Southern Med Rim, while Asia's contribution was down overall, as a result of the uncertain climate on the Thai market. **EBIT**, at 405.2 million euro, decreased by 29.9%, reflecting the impact of net non-recurring expenses of 16.5 million euro and impairment losses applied to industrial assets (29.4 million euro) after valuations indicated the need to shorten the economic life of some production plants.

In the first nine months of 2009, **finance costs,** net of finance income, were 81.4 million euro, down 21.8% from the year-earlier period (104.1 million euro), computed using the same criteria; the difference was largely due to the decrease in net interest expense on net debt (from 94.7 to 80.4 million euro, mainly as a result of the reduction in interest rates) and the increase in capitalized finance costs on the main investment projects following the introduction of IAS 23 (from 4.7 to 12.7 million euro).

The **share of results of associates** decreased from 18.7 to 9.8 million euro. As noted in the half-year report at June 30, 2009, this reflected the downturn in results at Vassiliko (Cyprus) and Ciment Quebec (Canada), despite the improvement reported by Asment (Morocco).

Result before tax for the year to September 30, 2009, was 310.2 million euro (-33.4% from 2008), a decrease arising largely from trends in operating results.

In parallel, **income tax expense** dropped significantly (-35.5%), due in part to the greater weight of the results of countries with lower tax charges and to tax income (deferred tax assets) in some industrialized countries.

Net result for the first nine months was 221.4 million euro, down 32.5% from the year-earlier period. As in the first half of the year, the decrease in net profit at companies with low or no minority interests and the greater weight of the results of companies with significant minority interests (specifically the Egyptian companies) produced a larger reduction in **net result attributable to the Italcementi group** (-47.7%, from 197.8 million euro to 103.5 million euro) and a smaller decrease in net profit attributable to minority interests (-9.5%, from 130.2 to 117.9 million euro).

Net debt at September 30, 2009, stood at 2,553.6 million euro, down by 125.7 million euro from December 31, 2008 (2,679.3 million euro) and by 231.2 million euro from June 30, 2009 (2,784.8 million euro).

Although business levels were slacker than in 2008, cash flows from operations showed a significant improvement with respect to the year-earlier period. This was due in particular to containment of working capital, achieved through a series of specific measures. As a result, the group improved its net financial position, despite high investments in fixed assets (totaling 576.1 million euro) mainly to raise industrial efficiency.

Significant events during the period

The significant events of the third quarter 2009 are described below:

- in July, Moody's Investor Services confirmed the Italcementi Baa2 long-term rating and downgraded the outlook from stable to negative; at the same time it lowered the Ciments Français rating from Baa1 to Baa2, with negative outlook. In September, Standard and Poor's amended its long-term rating for Italcementi from BBB to BBB-, and confirmed the A-3 short-term rating; the outlook was upgraded to stable from negative. The Ciments Français rating was also amended from BBB/A-3 to BBB-/A-3 and the outlook from negative to stable;
- at the beginning of August, the subsidiary Società del Gres ing. Sala S.p.A. signed an agreement with the workers' union representatives, providing for recourse to state-subsidized redundancy fund as an alternative to lay-off, and a series of support measures. The agreement enabled the company to limit the social repercussions of termination of production at the Petosino plant near Bergamo;
- in July, Italcementi S.p.A. and Ciments Français S.A. arranged a 5-year medium-term line of credit for 400 million euro, of which 300 million euro for Italcementi S.p.A. and 100 million euro for Ciments Français S.A., replacing respectively a 275 million euro bilateral line of credit maturing in March 2011 and a 100 million euro bilateral line of credit maturing in July 2012. Ciments Français S.A. also renewed a 364-day 150 million euro revolving line of credit; in March and May it had already renewed for one further year two committed revolving lines of credit for a total of 250 million euro.

Other significant events in the first half of the year, detailed in full in the half-year directors' report at June 30, 2009, are described briefly below:

- on June 27, after learning that the conditions set for the merger between the two companies had not been met, Italcementi S.p.A. and Ciments Français S.A. announced that the merger project had been abandoned. It was felt that the requests presented by a group of American institutional investor were excessive and unacceptable for the two companies and not consistent with the objectives of the merger;
- at the end of March, at the European Coating Show in Nuremberg, Italcementi presented Alipre®, its new hi-tech range of sulfoalluminate clinker-based environment-friendly products;

- for the World Expo in Shanghai to be held from May 1 to October 31, 2010, the Italian Government presented the project for its pavilion, which will present Italian achievements of excellence under the theme *"Better city, Better Life",* the title of Expo 2010. The Italcementi group will be the official supplier of the pavilion, producing more than 3,700 panels in "transparent cement" creating plays of light and shadow that change continually over the course of the day.

At September 30, 2009 **Italcementi S.p.A.** held 3,793,029 ordinary treasury shares, representing 2.14% of ordinary share capital, and 105,500 savings treasury shares (0.1% of savings share capital). The number of treasury shares held compared to the end of 2008 was unchanged.

Performance by geographical area

Third quarter

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
Geographical area	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**	**Q3 2009**	**% change vs. Q3 2008**
Central Western Europe	685.3	*(17.7)*	139.8	*(6.4)*	137.0	*(7.3)*	73.9	*(18.4)*
North America	122.2	*(18.8)*	19.4	*(23.1)*	15.1	*(39.9)*	5.0	*(67.4)*
Eastern Europe and Southern Med Rim	323.8	*(8.5)*	100.2	*(5.1)*	100.4	*(1.5)*	70.6	*(5.3)*
Asia	105.2	*(14.3)*	28.5	*(2.9)*	28.3	*(1.9)*	17.8	*(4.0)*
Cement and clinker trading	69.8	*(36.0)*	5.4	*(7.3)*	5.2	*(11.8)*	3.5	*(14.0)*
Other and inter-area eliminations	(44.6)	*n.s.*	(3.0)	*n.s.*	(3.0)	*n.s.*	(3.5)	*n.s.*
Total	**1,261.7**	***(15.5)***	**290.3**	***(7.2)***	**283.0**	***(7.8)***	**167.3**	***(16.2)***

n.s. not significant

Year to September 30

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
Geographical area	**Year to 09.30.09**	**% change vs 09.30.08**	**Year to 09.30.09**	**% change vs 09.30.08**	**Year to 09.30.09**	**% change vs 09.30.08**	**Year to 09.30.09**	**% change vs 09.30.08**
Central Western Europe	2,110.6	*(18.3)*	381.0	*(17.3)*	378.4	*(17.5)*	195.4	*(32.3)*
North America	311.8	*(17.7)*	9.1	*(81.1)*	4.5	*(90.8)*	(28.2)	*n.s.*
Eastern Europe and Southern Med Rim	1,028.8	*1.5*	318.1	*3.7*	318.2	*4.8*	226.3	*3.6*
Asia	316.7	*(6.3)*	81.1	*(5.4)*	76.8	*(10.1)*	25.6	*53.1*
Cement and clinker trading	194.4	*(34.1)*	11.7	*(44.2)*	11.7	*(44.6)*	7.1	*59.9*
Other and inter-area eliminations	(114.8)	*n.s.*	(13.3)	*n.s.*	(18.4)	*n.s.*	(21.0)	*n.s.*
Total	**3,847.5**	***(12.9)***	**787.7**	***(13.1)***	**771.2**	***(14.5)***	**405.2**	***(29.9)***

n.s. not significant

Central Western Europe

In Central Western Europe revenues in the third quarter fell by 17.7% due to falls in all the countries in the area, but which were more marked in Spain and Italy. In the quarter the operating results improved only in Belgium, while they fell in the other countries. Overall the operating results for the period fell in Central Western Europe due to the reduction in revenues despite the action, take to improve efficiency.

In the nine months to the end of September 2009 (-18.3%) revenues reflect the trend in the third quarter. The operating results for the first nine months of 2009, although falling overall, saw positive figures in all countries, except for Italy which had negative EBIT. At a group level France was the country which recorded the highest revenues and EBIT.

North America

Signs of a recovery began to emerge in the third quarter of 2009, although the economic climate remained weak. Cement consumption on the Italcementi group market did not change significantly with respect to the negative trend of the first half, falling in the third quarter by 23.8% from the year-earlier period and in the nine months by 24.8%.

The continuous drop in consumption drove US cement producers, including our subsidiary, to close or temporarily halt operations at less efficient production units; average cement selling prices were steady compared with 2008, in both the third quarter and the nine months.

In the third quarter the decline in selling volumes was the main factor in the revenue decrease, while the fall in operating results was offset in part by sizeable savings on operating expenses. This was the result of the industrial, logistical and structural efficiency-raising program introduced throughout the production and distribution network of the american subsidiaries.

For the year to the end of September the severe fall in volumes led to a reduction in revenues and operating results, despite the fact that operating results benefited from a significant decrease in fixed costs.

Eastern Europe and Southern Med Rim

The countries which make up this area had differing trends overall positive selling:

- in **Egypt** stimulated by the residential sector and tourism, cement consumption grew strongly. The higher selling volumes and the increase in selling prices partially offset the notable rise in costs. Operating results benefited from a significant positive exchange-rate effect when translated into euro;
- after a slight increase in the first half of the year, cement demand in **Morocco** fell in the third quarter. As a consequence group selling volumes fell slightly on the prior year in both the third quarter and in the nine months. Despite the fall in revenues in local currency, operating results continued to improve, thanks above all to lower procurement costs;
- the global crisis continued to impact on **Bulgaria** in the third quarter, with a downturn in the residential segment and delays in the start-up of major infrastructure investments. The market was also characterized by cement imports from Turkey, which currently account for approximately 15% of local consumption, which nonetheless dropped still further during the third quarter. Operating results were badly affected by the decline in volumes, dropping significantly in the third quarter and the nine months;
- in **Turkey**, the recession throughout the economy that began in the fourth quarter of 2008 continued in the third quarter. This difficult situation led a sharp depreciation of the local currency against the euro. In a market where demand fell by approximately 10% over the nine months, the group reported a drop in selling volumes, together with a significant decrease in selling prices, partly caused by production overcapacity. Overall, operating results declined heavily compared with 2008.

Asia

In the area there was an overall fall in revenues both in the quarter (-14.3%) and in the nine months to the end of September (-6.3%). Also in terms of operating results there was an overall fall, but with differing performances among the countries compared to the prior year periods:

- given continuing political uncertainty, operating results for the quarter and the nine months in **Thailand** were down compared with 2008, largely due to the sharp fall in revenues (volume and price effect) and the rise in the cost of electricity and fuel. The company restructuring plan generated non-recurring expenses in the first half of the year, but enabled significant long-term structural savings in operating expenses at the level of fixed costs (maintenance, personnel);
- in **India** operating results for the third quarter decreased with respect to the year-earlier period, largely due to the fall in volumes and the devaluation of the rupee against the euro, which the reduction in fuel costs counterbalanced only in part; for the nine months, operating results improved thanks to the positive impact of prices and operating expenses;
- operating results in **China** made healthy progress in the third quarter, despite the decline in selling volumes, largely thanks to the level of selling prices and the reduction in coal costs. For the year to the end of September results improved, reflecting the rise in revenues (volumes and prices) and the positive exchange-rate effect;
- In **Kazakhstan**, the construction industry reported a remarkable turnaround back to pre-crisis levels in the third quarter of 2009, thanks to important government initiatives (hospitals, schools, motorways) and the recovery in the residential segment. Operating results were assisted by the strong rise in volumes but adversely affected by the sharp reduction in selling prices; nevertheless they improved in the third quarter and in the nine months.

Cement and clinker trading

Intragroup and third-party **cement and clinker** selling volumes decreased by 26.7% in the third quarter of 2009 (-31.1% for the year to the end of September).

The fall in volumes in the quarter arose largely on intragroup sales, as a result of the slump in demand and increased competitive pressures, while our terminals reported an overall increase of 17.7% in selling volumes (+3.7% for the year to the end of September).

Operating results fell in the third quarter and in the year to the end of September due to the reduction in selling volumes and margins.

E-business

Despite the difficulties in general national and international economic conditions, BravoSolution S.p.A. and its subsidiaries reported a satisfactory increase in revenues for the year to the end of September, as well as a significant improvement in EBITDA. Bravosolution S.p.A. consolidated revenues at September 30, 2009, amounted to 37.3 million euro, up 8.4% from the year-earlier period (34.4 million euro). EBITDA was 4.1 million euro (2.8 million euro in the year-earlier period), while EBIT was 1.6 million euro (1.7 million euro).

Looking ahead to the full-year results, despite the unfavorable economic climate, BravoSolution expects to maintain revenue growth together with healthy operating results, and to post a higher full-year consolidated a positive net result, better than it is recorded in 2008.

Disputes

No additional significant disputes arose with respect to those illustrated in the half-year report at June 30, 2009. The developments that took place in the existing disputes during the third quarter of 2009 are illustrated below.

Spain

With regard to the investigation begun in 2006 by the Spanish Antitrust authority into possible unfair trading practices by some ready mixed concrete producers in the Cantabria region, in July the Competition Council imposed a fine of 182,820 euro on Hormigones Y Minas. The company has decided not to present an appeal.

Sibconcord

With regard to the Ciments Français / Sibconcord dispute:

- regarding the civil suit in Russia, the counterparty has asked that the hearing be postponed to January 25, 2010;
- regarding arbitration, the proceeding begun by Ciments Français to obtain recognition of its rights is in the preliminary stage and the judges have approved the Ciments Français S.A. proposal for the dispute to be examined in two successive stages:
  - the first to determine the validity of the agreement between Ciments Français and Sibcem
  - the second to judge the default by Sibcem and the right of Ciments Français to retain the initial payment of 50 million euro.

Significant events after the end of the period

There were no significant events.

Calcestruzzi

On September 25, 2009, the Calcestruzzi S.p.A. Board of Directors approved the company balance sheet and income statement as at and for the year to August 31, 2009, which reflected a net loss for the period of 20.1 million euro: added to the losses of the previous years, this brought accumulated losses at August 31, 2009, to 65.8 million euro, more than one third of share capital.

The Shareholders' Meeting was therefore convened to adopt resolutions pursuant to art. 2446 of the Italian Civil Code. The extraordinary Shareholders' Meeting of October 26 approved the proposal of the Board of Directors to cover the above losses through use and cancellation of all available reserves for a total of 17.5 million euro and, for the outstanding amount of 48.3 million euro, through a reduction in share capital.

In consideration of the above and of the Calcestruzzi group's consolidated net loss of 23.4 million euro for the period January 1 – August 31, 2009, Italcementi S.p.A. wrote down its shareholding in Calcestruzzi S.p.A. (99.90% of share capital) for the above-mentioned amount.

A corresponding charge is reflected in the Italcementi S.p.A. consolidated accounts at September 30, 2009. The equity investment will be tested at the end of this year to assess whether it has suffered additional impairment.

On October 28, 2009, the Calcestruzzi S.p.A. Board of Directors approved the company balance sheet and income statement as at and for the year to September 30, 2009, and examined the consolidated balance sheet and income statement at the same date.

The Calcestruzzi S.p.A. balance sheet and income statement at September 30, 2009, reflect:

- revenues of 233.1 million euro (-23.8% from 306.0 million euro in the year-earlier period)
- negative recurring EBITDA of 17.7 million euro (negative recurring EBITDA of 11.8 million euro in the first nine months of 2008)
- negative EBIT of 22.8 million euro (negative EBIT of 18.9 million euro in the first nine months of 2008)
- a net loss for the period of 23.3 million euro (a net loss of 23.7 million euro for the first nine months of 2008)
- shareholders' equity of 86.4 million euro (107.7 million euro at December 31, 2008)
- net debt of 173.9 million euro (net debt of 159.8 million euro at December 31, 2008).

The Calcestruzzi S.p.A. consolidated balance sheet and income statement at September 30, 2009, reflect:

- revenues of 296.2 million euro (-22.4% from 381.7 million euro in 2008)
- negative recurring EBITDA of 17.1 million euro (negative recurring EBITDA of 10.3 million euro in 2008)
- negative EBIT of 25.2 million euro (negative EBIT of 19.2 million euro in 2008)
- a net loss of 26.9 million euro (a net loss of 16.1 million euro in 2008)
- shareholders' equity of 86.3 million euro (shareholders' equity of 111.1 million euro at December 31, 2008)
- net debt of 210.3 million euro (net debt of 189.5 million euro at December 31, 2008).

Outlook

According to our estimates, in the fourth quarter of the year the general performance in consolidated sales will continue to be slower, although the overall trend will be less negative than in the first nine months. Specifically, the negative trend in the industrialized countries is expected to ease in part due to the slowdown reported last year, while the positive mood in demand in some of the emerging countries will continue. In a number of markets, the signs of a downturn in selling prices that emerged in the third quarter of 2009 will be confirmed.

Both effects will be counterbalanced in part by the measures taken to cut operating expenses and boost efficiency. Under these conditions, operating results for full-year 2009 will, as a whole, be down on 2008, in line with the trend reported in the first nine months.

At the same time, cash flow from operations and the reduction in working capital will enable to finance the investment peak in strategic industrial plants, due to go into operation over the coming months, without significant changes in the net debt of the Italcementi group.

Food packaging and thermal insulation sector

The Group is present in food packaging and thermal insulation through Sirap Gema S.p.A. and its subsidiaries.

The tables below summarize the income statement of the Sirap Gema group in the third quarter and in the nine months to September 30. They also show, in regard to the situation at the end of September 2009, the net debt compared with the figure at the end of June 2009 and the end of December 2008.

Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change
Revenues	**61.2**	**67.5**	***(9.2)***
Recurring EBITDA	**10.2**	**6.2**	***63.4***
% of revenues	*16.7*	*9.2*	
Other non-recurring income (expense)	-	-	
EBITDA	**10.2**	**6.2**	***63.4***
% of revenues	*16.7*	*9.2*	
Amortization and depreciation	(3.1)	(3.3)	*(7.2)*
Impairment variation	-	-	
EBIT	**7.1**	**2.9**	***n.s.***
% of revenues	*11.6*	*4.3*	
Finance income (costs)	(1.3)	(2.2)	*(39.1)*
Result before tax	**5.8**	**0.7**	***n.s.***
% of revenues	*9.5*	*1.0*	
Income tax expense	(2.1)	(0.7)	*n.s.*
Net result for the period	**3.7**	**0.0**	***n.s.***
% of revenues	*n.s.*	*n.s.*	
Net result attributable to the Group	**3.7**	**0.0**	***n.s.***
Minority interests	n.s.	n.s.	

n.s. not significant

Year to September 30

(in millions of euro)	Year to 09.30.09	Year to 09.30.08	% change
Revenues	**179.6**	**197.6**	***(9.1)***
Recurring EBITDA	**23.8**	**17.8**	***34.1***
% of revenues	*13.3*	*9.0*	
Other non-recurring income (expense)	-	-	-
EBITDA	**23.8**	**17.8**	***34.1***
% of revenues	*13.3*	*9.0*	
Amortization and depreciation	(9.1)	(9.5)	*(2.9)*
Impairment variation	-	-	-
EBIT	**14.7**	**8.3**	***76.0***
% of revenues	*8.2*	*4.2*	
Finance income (costs)	(5.4)	(5.7)	*(5.4)*
Result before tax	**9.2**	**2.6**	***n.s.***
% of revenues	*5.1*	*1.3*	
Income tax expense	(4.5)	0.8	*n.s.*
Net result for the period	**4.7**	**3.4**	***37.2***
% of revenues	*2.6*	*1.7*	
Net result attributable to the Group	**4.7**	**3.4**	***38.4***
Minority interests	n.s.	n.s.	-
Employees at period end (heads)	**1,391**	**1,394**	

(in millions of euro)	September 30, 2009	June 30, 2009	December 31, 2008
Net debt	**127.5**	**134.6**	**140.9**

n.s. not significant

The first nine months of 2009 saw the continuation or worsening of the main phenomena which were already evident at the end of 2008:

- the economic crisis caused lower consumption in all the segments thus leading to a reduction in volumes and, in some countries, a change in the mix in favor of cheaper products;
- the prices of polymers for the whole period were well below those in the prior-year period as a result of lower demand and the fall in oil prices, although there was a modest rising trend in the third quarter;
- the currencies of European countries which are not in the euro zone depreciated significantly which was not offset by the slight recovery seen in some cases in the third quarter.

Group **revenues** (179.6 million euro in the nine months to September 30, 2009) fell by 9.1%, compared with the prior-year period due to lower volumes and negative exchange-rate changes (approximately -3.4%). In the third quarter of 2009 revenues (61.2 million euro) fell (-9.2%) compared with the prior-year period due to the same factors which affected revenues for the first nine months, together with a slight fall in prices.

EBIT in the first nine months of 2009 stood at 14.7 million euro, a marked rise (+76.0%) on the prior-year period (8.3 million euro). In the third quarter of 2009 EBIT (7.1 million euro) also rose sharply on the prior year (2.9 million euro). This increase was caused by the reduction in the cost of raw materials, the significant efficiency improvements in production and logistics and a prudent selling policy.

Finance costs (5.4 million euro) fell by 5.4% thanks to a drop in average debt and interest rates and despite the impact of negative exchange-rate differences of around 1 million euro following the depreciation of currencies outside the euro zone.

Tax expense (4.5 million euro) increased significantly due both to the increase in profit before tax and mainly because in 2008, Sirap Gema, in line with many other Italian companies, arranged to release reserves arising from application of higher amortization rates for tax purposes. Since the cost of the operation was lower than ordinary taxation, it was arranged to cancel the related deferred taxes, thus giving rise to lower taxes for a total of 3.3 million euro.

Net result totaled 4.7 million euro, up by 37.2% on the prior-year period (3.4 million euro). The third quarter too also saw a significant increase from basically zero profit in 2008 to a very healthy profit (3.7 million euro) in 2009.

Net debt was 127.5 million euro and markedly better than at December 31, 2008 (140.9 million euro) following the cash flow from operations and limited investments in fixed assets.

Investments in fixed assets totaled 7.1 million euro (17.7 million euro in the first nine months of 2008) and were largely used for the construction of the new plant in Poland.

Significant events in the period

On April 2, 2009, an agreement was completed to establish usufruct over all the shares of the company established under Austrian law **Dorner Pack G.m.b.H.** in favor of the subsidiary Petruzalek G.m.b.H. Dorner Pack operates in the field of the marketing of machinery for food packaging and holds several contracts for leading operators in the Austrian market.

The agreement transfers to Petruzalek G.m.b.H. all powers of management, control and voting rights, as well as the right to benefit exclusively from January 1, 2009 of the operating results. Petruzalek will pay an annual fee of 0.25 million euro to the grantor for those rights. The consolidated financial statements at September 30, 2009 therefore, include the income statement figures for the first nine months of 2009, as well as the balance sheet balances at the end of the period.

On September 24 the legal representatives of **Sirap Gema S.p.A.** and **Amprica S.p.A.** signed the document to merge the latter into the former. The legal effects with regard to third parties started as from October 1, while the accounting and tax effects were backdated to January 1, 2009.

This operation is the completion of the broader reorganization of the Sirap Gema group, which was started in 2006, with the aims of simplifying the shareholding chain, improving the operating efficiency of production facilities and the logistics of both companies and developing commercial, strategic and control synergies.

The liquidation of **Inline Balkans o.o.d.** (Bulgaria) was completed with its cancellation from the local companies register on April 2, 2009. The limited production work of the Bulgarian subsidiary Inline Balkans o.o.d., together with its plant, equipment and stocks, was transferred to Petruzalek e.o.o.d. which has been operating for several years in Bulgaria with its own operating structure.

Performance by segment and geographical area

Third quarter

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	Q3 2009	% change vs. Q3 2008	Q3 2009	% change vs. Q3 2008	Q3 2009	% change vs. Q3 2008	Q3 2009	% change vs. Q3 2008
Food packaging								
Italy	23.4	*(11.2)*	4.2	*32.5*	4.2	*32.5*	2.3	*76.5*
France	6.8	*(0.4)*	1.8	*n.s.*	1.8	*n.s.*	1.6	*n.s.*
Other EU countries	15.3	*(15.4)*	1.1	*(14.5)*	1.1	*(14.5)*	0.7	*(8.6)*
Other non-EU countries	5.2	*(22.3)*	0.4	*20.7*	0.4	*20.7*	0.3	*33.1*
Eliminations	(3.6)		-	-	-	-	-	-
Total	**47.1**	***(12.8)***	**7.5**	***49.1***	**7.5**	***49.1***	**4.9**	***130.6***
Thermal insulation-Italy	**14.5**	***(8.4)***	**2.7**	***123.1***	**2.7**	***123.1***	**2.2**	***187.0***
Eliminations	(0.4)		-		-		-	
Total	**61.2**	***(9.2)***	**10.2**	***63.4***	**10.2**	***63.4***	**7.1**	***145.9***

n.s. not significant

Year to September 30

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08	Year to 09.30.09	% change vs. 09.30.08
Food packaging								
Italy	73.4	*(9.2)*	10.1	*7.4*	10.1	*7.4*	4.6	*8.2*
France	20.4	*4.2*	3.8	*n.s.*	3.8	*n.s.*	3.2	*n.s.*
Other EU countries	46.2	*(10.9)*	2.8	*(7.6)*	2.8	*(7.6)*	1.6	*6.2*
Other non-EU countries	15.0	*(14.3)*	0.7	*(18.1)*	0.7	*(18.1)*	0.4	*(24.1)*
Eliminations	(11.9)	-	-		-		-	
Total	**143.1**	***8.7***	**17.4**	***30.6***	**17.4**	***30.6***	**9.8**	***88.9***
Thermal insulation - Italy	**40.6**	***(15.2)***	**6.4**	***44.4***	**6.4**	***44.4***	**4.9**	***55.2***
Eliminations	(4.1)	-	-		-		-	
Total	**179.6**	***(9.1)***	**23.8**	***34.1***	**23.8**	***34.1***	**14.7**	***76.0***

n.s. not significant

Food packaging

Revenues in the third quarter fell by 12.8% due to the decrease in volumes and, partly, in prices in all areas except for France where, thanks to a prudent selling policy and a mix which favored barrier trays, average prices were above those in the prior year period. The negative economic situation continued to affect levels of household spending, but while for expanded products demand was maintained overall by the move from the consumption of red meat to poultry, in the rigid packaging sector there was a lower demand for preprepared meals, salads, desserts, etc., thus leading to reduced demand for containers. In Eastern Europe some countries were affected by the depreciation of their currencies and, in the case of Petruzalek, also by a lower level of investment in packaging machinery, as well as by a mix in demand which favored cheaper products.

EBIT, both in the nine months and in the last quarter, grew mainly due to the renewed profitability of the French subsidiary, which was significantly reorganized in 2008, and the lower cost of raw materials.

Thermal insulation

Despite the difficult situation in the construction sector, the group managed to take advantage of the market opportunities arising from the law on energy saving by concentrating on the areas with greater added value.

In the third quarter of the year revenues (14.5 million euro) fell by 8.4% compared to the prior-year period, following the lower volumes and the fall in selling prices. The latter were largely stable in the first half, but the competitive pressure to find volumes forced them to fall slightly. EBIT, however, continued to make strong progress thanks to greater efficiency arising from the new production line installed in the summer of 2008 and the further reduced cost of raw materials.

Disputes

With reference to the information in previous reports on the general tax audit of Sirap Gema S.p.A. by the Verolanuova tax agency during 2004, it should be noted that the settlement of taxes should now be considered closed, since the company has paid the amount (35,116 euro) which was finally ascertained by the agency at a lower figure compared to the initial assessment.

In regard to the information provided in previous reports regarding the inspection conducted in June 2008 by officers from the European Commission – General Division 4 (“Competition”) at Sirap Gema S.p.A. offices in Verolanuova (Brescia), it should be noted that, following the above inspection, the Commission has taken no further investigative actions against Sirap Gema S.p.A. and/or group companies.

It should be recalled that, at the start of 2008, Sirap-Gema S.p.A. became aware of a hostile operation against its subsidiary **Inline Ucraine L.C.F.I.** Sirap-Gema S.p.A. promptly appointed a professional law firm in Kiev to take on the case and to establish what should be done in terms of civil and penal proceedings. On June 30, 2009, agreements were signed with the counterparty by which it will be possible to end the ongoing legal actions connected to this operation without starting bankruptcy proceedings.

Significant events after the end of period

There were no significant events.

Outlook

The size and future development of the economic crisis make any forecasts uncertain. However, if the current trends in the costs of raw materials continue in the fourth quarter and consumption, especially in food packaging, is not further affected, the operating results for 2009 will be better than that for 2008.

Financial sector

The financial sector includes the parent company Italmobiliare and the wholly owned financial subsidiaries: Franco Tosi S.r.l., Sance S.r.l., Italmobiliare International Finance Limited (Dublin), Société de Participation Financière Italmobiliare S.A. (Luxembourg), SG Finance S.A. (Luxembourg), Soparfinter S.A. (Luxembourg), and Fincomind A.G. (Switzerland).

Third quarter

(in millions of euro)	**Q3 2009**	**Q3 2008**	**% change**
Revenues	26.3	6.8	*n.s.*
EBIT	27.4	(55.7)	*n.s.*
Net result for the period	**35.3**	**(49.3)**	***n.s.***

n.s. not significant

Year to September 30

(in millions of euro)	**Year to 09.30.2009**	**Year to 09.30.2008**	**% change**
Revenues	118.0	114.9	*2.7*
EBIT	85.7	(7.3)	*n.s.*
Net result for the period	**100.2**	**2.0**	***n.s.***

n.s. not significant

(in millions of euro)	**September 30, 2009**	**June 30, 2009**	**December 31, 2008**
Net financial position	235.4	213.8	160.6
Shareholders' equity	1,449.2	1,295.5	1,187.9
Employees at period end (heads)	51	51	47

Results in accordance with the financial method

Given the specific nature of the financial sector, to permit full understanding of performance, the table below sets out the results of the sector in the format normally used for financial companies:

- “Net income on equity investments”, which includes, with regard to available-for-sale investments, dividends received, capital gains and losses on divestments of equity investments, and impairment of these financial assets;
- “Net income (expense) from cash investments”, which includes interest income on bank coupons and deposits, impairment to securities and trading equities, capital gains/losses on the sale of trading securities, income/expense on trading derivatives;
- “Net debt charges” which essentially reflect interest expense on financing, bank commissions and costs;
- “Other income and expense”, which includes employee expenses and operating expenses for the financial structure, net of amounts recovered from other group companies, as well as changes in provisions for risks.

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Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change
Net income on equity investments	1.8	1.0	*84.5*
Net income (expense) from cash investments	29.5	(43.1)	*n.s.*
Net debt charges	(1.4)	(8.4)	*(84.1)*
Total financial income and expense	**29.9**	**(50.5)**	***n.s.***
Other income and expense	(0.8)	(4.3)	*(82.1)*
Income tax expense	6.2	5.5	*11.1*
Net result for the period	**35.3**	**(49.3)**	***n.s.***

n.s. not significant

Year to September 30

(in millions of euro)	Year to 09.30.2009	Year to 09.30.2008	% change
Net income on equity investments	68.0	81.2	*(16.3)*
Net income (expense) from cash investments	48.8	(52.1)	*n.s.*
Net debt charges	(7.2)	(20.6)	*(65.2)*
Total financial income and expense	**109.6**	**8.5**	***n.s.***
Other income and expense	(8.9)	(14.0)	*36.3*
Income tax expense	(0.5)	7.5	*(106.2)*
Net result for the period	**100.2**	**2.0**	***n.s.***

n.s. not significant

Net income on equity investments increased slightly in the quarter on the prior year period from 1.0 million euro in the third quarter of 2008 to 1.8 million euro in the third quarter of 2009 largely due to the lower write-downs of some equity investments. In the nine months to the end of September net income on equity investments of 68.0 million euro fell, however, by 16.3%, due to the lower dividends received from equity investments, the negative results of an associate (RCS MediaGroup) and the write-downs of some equity investments, only partially offset by the positive results of other associates and by the capital gains on disposals.

Net income from cash investments in the third quarter of 2009 totaled 29.5 million euro, while in the prior-year period there was net expense of 43.1 million euro. This improvement was largely due to the positive trend on bond markets, and partly on share markets, which led to an adjustment to trading asset portfolios held to current values; this saw a partial recovery from the unfavorable trend in 2008, above all in the second half of the year.

The nine months from January to September was also positive at 48.8 million euro compared to expense of 52.1 million euro in the prior-year period.

The market was positively influenced by: public support for banks, the significant increase in liquidity in the system and the containment of credit risk spread cover for most financial operators. All this had a positive impact on bond prices and also our portfolios experienced major revaluations, besides the positive results achieved on the disposal of some bonds. The bonds portfolio in companies belonging to the financial sector totaled 278.8 million euro, with an average A rating.

As for **net debt charges**, it must be noted that the money markets were also revitalized by the abundant liquidity, with the result that there was a clear fall in interest rates. This, together with the fall in average debt in the sector, caused a fall in net debt charges which in the quarter fell from 8.4 to 1.4 million euro and in the nine months to the end of September fell from 20.6 to 7.2 million euro.

Other expense, net of income, at September 30, 2009 improved to 8.9 million euro compared with 14.0 million euro for the first nine months of 2008. This improvement was above all due to higher income in the last quarter. The figure for the third quarter (0.8 compared to 4.3 million euro) was positively affected by the release of some risk provisions which were no longer justified.

Income tax expense went from + 7.5 million euro (in the first nine months of 2008) to -0.5 million euro, in the year to September 30, 2009, due to differing profit situations in the two periods and the change in some elements in tax law and their interpretation. As for the third quarter of 2009, the tax component was still positive (6.2 compared to 5.5 million euro). In this period taxes were affected by different sign of taxable income and a change in the assessment of the deductibility of interest expense.

Net result for the third quarter of 2009 stood at 35.3 million euro (a loss of 49.3 million euro in the third quarter of 2008), while the net result for the period January-September was 100.2 million euro, up compared with 2.0 million euro in the prior-year period.

The companies which make up the financial sector hold significant equity investments, most of which are classified as ”Available for sale”. Changes in the “fair value” of these equity investments, with the exclusion of those consolidated at cost in the individual financial statements, are recorded under shareholders’ equity in the “Fair value reserve”. At the end of September 2009 the consolidated size of this reserve in the financial sector totaled 223.7 million euro, compared with 43.2 million euro at December 31, 2008. The significant increase is related to the positive performance of some stock market prices, above all for the Unicredit shares.

In the first nine months of 2009 the parent company **Italmobiliare S.p.A.** recorded net result of 74.8 million euro (64.3 million euro at the end of September 2008).

Significant events in the period

In the first nine months of 2009 Italmobiliare collected 68 million euro from **Italmobiliare International Finance** as reimbursement of a capital contribution.

In February 2009 Italmobiliare underwrote **Unicredit Cashes** for a nominal value of 10 million euro, classified under ”Available for sale” securities.

At the end of March Italmobiliare sold **Italmobiliare International BV** for 19,500 euro, corresponding to the value of shareholders’ equity.

In April 2009 the shareholders’ meeting of **Franco Tosi S.r.l.** resolved to replenish the loss of 96.4 million euro at December 31, 2008 by:

- using total balance sheet reserves for 12.6 million euro;
- reducing share capital to 6.2 million euro to cover the remaining part (83.8 million euro).

At the same time it decided to increase the share capital up to 50 million euro through issue of a nominal 43.8 million euro, with a share premium of 56.2 million euro. The increase has been subscribed in full (100 million euro) by the sole shareholder Italmobiliare S.p.A. through use of non-interest-bearing financing due to Franco Tosi S.r.l. for the amount in question.

This transaction had no impact on the Group consolidated net result and the financial sector one, nor on the half-year situation of Italmobiliare S.p.A..

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In May **Unicredit**, following the free share capital increase which was approved on April 29, 2009, allocated 29 new ordinary shares for every 159 ordinary shares held, for a total of 17,428,743 shares transferred to the financial sector companies.

In June 2009, Italmobiliare sold, together with Ava, all the shares in **Populonia Italica S.r.l**., a company in the property sector which owns a building in Milan and some lands in Tuscany and Liguria. The gross capital gain in Italmobiliare was 19.8 million euro.

On September 18, 2009 the **Mediobanca** Board of Directors, in relation to the remuneration of shareholders and the enhancement of the share capital, approved the free allocation of shares on the basis of 1 for every 20 held and of warrants. The number of shares arising from this operation totaled 498,564 and they were made available to shareholders together with the warrants (9,971,282) on October 1, 2009, ex-dividend on September 28 of the related rights.

In August and September 2009 Italmobiliare bought 110,289 **Mittel** shares for a total outlay of 348,452 euro. In this way Italmobiliare increased its equity investment in Mittel from 12.088% to 12.245%.

In the first nine months of 2009 **Italmobiliare S.p.A.** did not buy any treasury shares nor were any stock options exercised by rights holders. Therefore at September 30, 2009 the company held 871,411 ordinary treasury shares, 3.928% of the ordinary share capital, and 28,500 savings shares (0.174% of all savings shares).

Net financial position of Italmobiliare and the financial sector

The table below provides an itemized description of the net financial positions of the parent company Italmobiliare S.p.A. and of the financial sector, which includes, besides the parent company Italmobiliare S.p.A. also the other 100% owned financial companies.

(in thousands of euro)	September 30, 2009		June 30, 2009		December 31, 2008	
	Italmobiliare	**Financial sector**[1]	**Italmobiliare**	**Financial sector**[1]	**Italmobiliare**	**Financial sector**[1]
Cash, cash equivalents and current financial assets	104,127	465,518	111,936	468,825	120,414	525,717
Short-term financing	(26,080)	(29,940)	(66,655)	(70,164)	(166,936)	(166,252)
Short-term net financial position	**78,047**	**435,578**	**45,281**	**398,661**	**(46,522)**	**359,465**
Medium/long-term financial assets	10,741	64,578	10,031	63,868	9,231	66,902
Medium/long-term financing	(264,770)	(264,770)	(248,725)	(248,725)	(265,780)	(265,780)
Medium/long-term net financial position	**(254,029)**	**(200,192)**	**(238,694)**	**(184,857)**	**(256,549)**	**(198,878)**
Net financial position	**(175,982)**	**235,386**	**(193,413)**	**213,804**	**(303,071)**	**160,587**

[1] Consisting of: Italmobiliare S.p.A. - Franco Tosi S.r.l. - Italmobiliare International Finance Ltd - Société de Participation Financière S.A. Fincomind A.G. - Soparfinter S.A. - Sance S.r.l. - SG Finance S.A.

Italmobiliare had net debt at the end of September 2009 of 176.0 million euro (303.1 million euro at December 31, 2008), down by 17.4 million euro compared with June 2009.

The consolidated financial position of the financial sector was positive at 235.4 million euro (160.6 million euro at December 31, 2008), up by 21.6 million euro compared with June 2009, largely due to the increase in the value of the trading portfolio (shares and bonds) and to the reduction in gross debt.

Significant events after the end of the period

There were no significant events.

Outlook

As already noted in previous reports, full-year results in the financial sector depend largely on dividend inflows and trends on the financial markets. The flow of dividends from companies outside the sector is in steady decline this year, while great uncertainty is created by the high level of volatility in various financial markets (mainly the equities and bond markets) and the extent of the ongoing recovery in the real economy. However, taking into account results so far, it can be estimated that, subject to a very sharp downturn in the financial markets and subject to currently unforeseeable events, the result for the year in the financial sector should be positive and thus significantly better than that achieved in 2008.

Banking sector

The banking sector consists of two wholly owned banks: Finter Bank Zürich and Crédit Mobilier de Monaco.

Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change
Revenues	10.7	9.7	*10.4*
EBIT	(0.2)	0.9	*n.s.*
Net result for the period	**(0.3)**	**0.9**	***n.s.***

n.s. not significant

Year to September 30

(in millions of euro)	Year to 09.30.2009	Year to 09.30.2008	% change
Revenues	30.8	32.5	*(5.2)*
EBIT	2.7	5.1	*(48.0)*
Net result for the period	**2.2**	**4.5**	***(52.0)***

(in millions of euro)	September 30, 2009	June 30, 2009	December 31, 2008
Net financial position	73.6	73.1	79.5
Shareholders' equity	98.6	98.6	100.7
Number of employees at period end	149	161	165

Results in accordance with the banking model

Given the specific nature of the banking sector, to permit full understanding of performance, the table below sets out the results of the sector in the format normally used for banks. The table shows:

- “Net interest income”, which reflects the balance on interest income and dividends received net of amounts paid to clients;
- “Intermediation margin”, which includes commission income and expense on lending transactions, on securities trading, other financial services and income on trading transactions. It also includes insurance operations conducted through the Finter Life subsidiary;
- “Gross operating profit” which includes employee expenses and overheads for the banking organization;
- “Result from operations”, which includes amortization and depreciation, impairment and provisions.

Third quarter

(in millions of euro)	Q3 2009	Q3 2008	% change
Net interest income	1.4	1.7	*(20.0)*
Intermediation margin	9.6	8.8	*9.3*
Gross operating profit	1.2	1.2	*0.8*
Result from operations	(0.2)	0.9	*n.s.*
Net result for the period	**(0.3)**	**0.9**	***n.s.***

Year to September 30

(in millions of euro)	Year to 09.30.2009	Year to 09.30.2008	% change
Net interest income	4.4	5.0	*(12.6)*
Intermediation margin	29.7	29.8	*(0.1)*
Gross operating profit	5.1	6.1	*(17.4)*
Result from operations	2.7	5.1	*(48.0)*
Net result for the period	**2.2**	**4.5**	***(52.0)***

The results for this sector consist almost entirely of the results of Finter Bank Zürich.

The loss in the third quarter is due to the charges for the consolidation and integration of the newly purchased Bank Hugo Kahn which were incurred by Finter Bank Zürich.

Finter Bank Zürich

In the third quarter of 2009 the Finter Bank Zürich group recorded consolidated revenues of 15.9 million Swiss francs, up by 4.8% compared with the third quarter of 2008. This increase was mainly caused by higher net profits from trading on the portfolio albeit with lower interest income.

Overall revenues in the first nine months of 45.1 million Swiss francs, however, fell by 11.0% compared with the prior-year revenues. This fall was caused by lower commission income (34.2 million Swiss francs compared to 36.6 million) linked to client transactions, lower interest income (6.1 million Swiss francs compared to 8.5 million), partly offset by lower interest charges, and by other minor items. Trading transactions on the private portfolio saw a net profit in the first nine months of 2009 of 3.7 million Swiss francs, down compared with a net profit of 4.7 million Swiss francs in the prior-year period.

The fall in revenues together with an increase in amortization and depreciation, despite a fall in operating costs, caused a marked fall (53.2%) in EBIT in the nine months of 3.7 million Swiss francs.

After tax, the consolidated net result for the first nine months was markedly down at 3.1 million Swiss francs (-56.5%).

The insurance company Finter Life (90% owned by Finter Bank Zürich and consolidated on a line-by-line basis) started operating during 2007. In the first nine months of 2009 it made a loss of 0.6 million Swiss francs, higher than the forecast loss but better than the loss in the prior-year period (1.0 million Swiss francs).

Consolidated shareholders' equity of Finter Bank Zürich went from 140.9 million Swiss francs at December 31, 2008 to 140.0 million Swiss francs at the end of September 2009, after the distribution of dividends for 4.5 million Swiss francs.

Assets under management at the end of the first nine months of 2009 totaled 6.1 billion Swiss francs. Compared to the end of 2008 the situation improved slightly. The movements linked to the entry and exit of clients more or less cancelled each other out, with a small positive balance.

Crédit Mobilier de Monaco

Crédit Mobilier de Monaco is a bank in Monaco whose main activity is guarantee-backed loans. The results in the nine months to the end of September 2009 were broadly in line with those for the previous year. In fact, the net result at the end of September 2009 was 141 thousand euro compared with 146 thousand at the end of September 2008, albeit with a differing performance in the individual components.

In the third quarter of 2009 the results were worse than the prior-year period (34 thousand euro compared to 57 thousand euro) mainly due to lower surpluses on lien sales at public auction.

Significant events in the period

As already noted in the interim report at June 30, 2009, during the **Bank Hugo Kahn** extraordinary shareholders' meeting on March 6, 2009, all assets relating to banking operations were transferred to Finter Bank Zürich with retroactive effect from January 1, 2009. Bank Hugo Kahn & Co Ltd. has changed its name to Finanzgesellschaft Hugo Kahn & Co AG.

The banking license was returned to the Swiss Federal Bank Commission (FBC) during the second quarter of 2009, since all the legal procedures had been completed. This was required by the Swiss FBC as a condition for approval of the acquisition of Bank Hugo Kahn and is the reason why the word "bank" does not appear in the new name. As from January 1, 2009 all reports to be made to the Swiss National Bank and the FBC have been drafted by Finter Bank Zürich.

Significant events after the end of the period

There were no significant events.

Outlook

In the final part of the year the banking sector must face ongoing uncertainties in the performance of the financial markets, including currency markets, as well as some costs to be incurred to reduce risks linked to the consolidation of the initiatives undertaken (merger of some branches and of the former Bank Hugo Kahn), the change in the information platform and the repositioning in light of recent events. Taking into account the results achieved so far and the aforementioned elements, it is forecast that, subject to currently unforeseeable events, the result for 2009 should be lower than that of 2008.

Property sector, services and other

This sector includes a number of real estate companies and service companies. The latter essentially provide services within the Group. It should be noted that **Populonia Italica S.r.l.,** which is part of this sector, was consolidated only until June 10, 2009, when the whole equity investment in the company was sold. The capital gain which arose from this disposal was mostly recorded in the financial sector by Italmobiliare S.p.A.

At September 30, 2009 revenues for the sector, following the sale of a piece of land, totaled 7.5 million euro, in line with the figure for the prior-year period (7.6 million euro), which also benefited from the sale of some real estate assets by Populonia Italica.

As a consequence of the earnings made with this sale, EBIT for the first nine months of 2008 was 6.0 million euro and the overall result was 4.4 million euro, while at September 30, 2009 EBIT was practically zero and the overall result was just 0.1 million euro (in fact there was no capital gain from the sale of the land in 2009).

The third quarter saw normal business levels in the sector, but which were affected by the absence of the contribution from Populonia Italica S.r.l. and therefore the result for the period was a small loss of 0.2 million euro (a profit of 0.1 million euro in the third quarter of 2008).

Despite the problems generally affecting the property sector, no particular risks and uncertainties in this area of the Group’s business are expected in the final part of the year. The merger of Azienda Vendite e Acquisti AVA S.r.l. into Punta Ala Promozione e Sviluppo Immobiliare S.r.l. is expected for the fourth quarter of the year.

For the above reasons, it may be forecast that the full-year result for 2009 in this sector will be well below that realized in the previous year.

Dealings with related parties

For the purposes of the consolidated financial statements, dealings with related parties were with:

- subsidiaries that are not consolidated on a line-by-line basis;
- associates;
- other related parties.

All dealings with related parties – exchange of goods, services and financial relations – were conducted at normal market conditions. In terms of the consolidated financial statements of Italmobiliare S.p.A. the size of dealings with related parties is not of a significant amount.

At September 30, 2009 no atypical or unusual transactions had taken place.

Dealings with subsidiaries and associates

Dealings with subsidiaries not consolidated on a line-by-line basis and with associates are of a commercial nature (exchange of goods and/or services) and financial nature.

Italmobiliare also provides administration services for some associates, regulated on the basis of the costs of providing the service.

Calcestruzzi

After the deconsolidation of the Calcestruzzi subgroup, all economic and financial transactions with the subgroup are included under dealings with related parties, and involved sales of goods, services and finance costs.

Dealings with other related parties

Dealings with other related parties at September 30, 2009 concerned:

- the Fondazione Italcementi Cav. Lav. Carlo Pesenti;
- administrative, financial, contractual and fiscal consultancy services for the Italmobiliare Group provided by Finsise S.p.A., a company whose majority shareholder is Italo Lucchini, Deputy Chairman of Italmobiliare;
- consultancy services for the senior management of Italmobiliare in relation to the rationalization and development of Group activities, provided by Piergiorgio Barlassina, a director of Italmobiliare;
- legal consultancy, judicial and extrajudicial assistance provided to Italmobiliare Group by the associate professional studio Dewey LeBoeuf, of which Italmobiliare director Luca Minoli is a partner.

Disputes

Appropriate provision has been made on an accrual basis for legal and tax disputes concerning Group companies, in cases where, in respect of risks that have emerged and their assessment, contingent liabilities are probable and measurable.

Details of the main disputes have been provided in the sections related to the individual sectors.

Outlook

While the macro-financial crisis would seem to be coming to an end, the real economy, despite some indications of improvement, is still providing weak signs of recovery. This creates deep uncertainty about the future in which some positive and some less encouraging elements mix, consequently also involving the financial markets.

In this situation, taking into account what has been achieved up to the end of September, and given the forecasts made by each sector and their relative weight, it is held that the consolidated results for the full year for the Italmobiliare Group may be positive and an improvement on the results from the previous year, subject to currently unforeseeable events.

Consolidated quarterly financial statements

Financial statements

Consolidated income statement

(in thousands of euro)	Q3 2009	%	Q3 2008 restated	%	Change	%
Revenues	**1,362,225**	**100.0%**	**1,573,740**	**100.0%**	**(211,515)**	**-13.4%**
Other revenues	7,642		12,132		(4,490)	
Change in inventories	(9,712)		12,626		(22,338)	
Internal work capitalized	11,760		17,223		(5,463)	
Goods and utilities expenses	(487,679)		(706,989)		219,310	
Services expenses	(291,657)		(294,418)		2,761	
Employee expenses	(236,458)		(238,501)		2,043	
Other operating income (expense)	(37,739)		(111,901)		74,162	
Recurring EBITDA	**318,382**	**23.4%**	**263,912**	**16.8%**	**54,470**	**20.6%**
Net capital gains on sale of fixed assets	9,969		76		9,893	
Non-recurring employee expenses for reorganizations	(11,702)				(11,702)	
Other non-recurring income (expense)	4,626		(6,247)		10,873	
EBITDA	**321,275**	**23.6%**	**257,741**	**16.4%**	**63,534**	**24.7%**
Amortization and depreciation	(115,124)		(110,747)		(4,377)	
Impairment variation	(5,124)		6		(5,130)	
EBIT	**201,027**	**14.8%**	**147,000**	**9.3%**	**54,027**	**36.8%**
Finance income	7,756		12,660		(4,904)	
Finance costs	(32,690)		(49,533)		16,843	
Net exchange rate differences and net derivatives	(1,003)		878		(1,881)	
Impairment on financial assets	(22,303)		(11,368)		(10,935)	
Share of results of associates	7,027		6,333		694	
Result before tax	**159,814**	**11.7%**	**105,970**	**6.7%**	**53,844**	**50.8%**
Income tax expense	(27,204)		(46,671)		19,467	
Net result for the period	**132,610**	**9.7%**	**59,299**	**3.8%**	**73,311**	**123.6%**
Attributable to:						
Group	**57,593**	**4.2%**	**(21,994)**	**-1.4%**	**79,587**	**n.s.**
Minority interests	**75,017**	**5.5%**	**81,293**	**5.2%**	**(6,276)**	**-7.7%**

Consolidated income statement

(in thousands of euro)	Year to 09.30.2009	%	Year to 09.30.2008 restated	%	Change	%
Revenues	**4,138,904**	**100.0%**	**4,713,241**	**100.0%**	**(574,337)**	**-12.2%**
Other revenues	33,417		41,969		(8,552)	
Change in inventories	(81,381)		13,457		(94,838)	
Internal work capitalized	34,264		32,935		1,329	
Goods and utilities expenses	(1,511,047)		(1,916,129)		405,082	
Services expenses	(878,410)		(999,978)		121,568	
Employee expenses	(743,353)		(758,309)		14,956	
Other operating income (expense)	(133,860)		(248,357)		114,497	
Recurring EBITDA	**858,534**	**20.7%**	**878,829**	**18.6%**	**(20,295)**	**-2.3%**
Net capital gains on sale of fixed assets	14,700		6,117		8,583	
Non-recurring employee expenses for reorganizations	(24,550)		(4,340)		(20,210)	
Other non-recurring income (expense)	3,524		(5,625)		9,149	
EBITDA	**852,208**	**20.6%**	**874,981**	**18.6%**	**(22,773)**	**-2.6%**
Amortization and depreciation	(348,050)		(334,475)		(13,575)	
Impairment variation	(29,366)		(17)		(29,349)	
EBIT	**474,792**	**11.5%**	**540,489**	**11.5%**	**(65,697)**	**-12.2%**
Finance income	24,108		37,272		(13,164)	
Finance costs	(101,448)		(138,681)		37,233	
Net exchange rate differences and net derivatives	(7,494)		(5,340)		(2,154)	
Impairment on financial assets	(24,715)		(26,603)		1,888	
Share of results of associates	26,125		20,394		5,731	
Result before tax	**391,368**	**9.5%**	**427,531**	**9.1%**	**(36,163)**	**-8.5%**
Income tax expense	(94,526)		(131,921)		37,395	
Net result for the period	**296,842**	**7.2%**	**295,610**	**6.3%**	**1,232**	**0.4%**
Attributable to:						
Group	**116,275**	**2.8%**	**45,457**	**1.0%**	**70,818**	**155.8%**
Minority interests	**180,567**	**4.4%**	**250,153**	**5.3%**	**(69,586)**	**-27.8%**

Consolidated statement of comprehensive income

(in thousands of euro)	Year to 09.30.2009	%	Year to 09.30.2008 restated	%	Change	%
Net result for the period	**296,842**	**7.2**	**295,610**	**6.3**	**1,232**	**0.4**
Fair value adjustments to:						
Available-for-sale financial assets	228,478		(625,372)		853,850	
Derivative financial instruments	(38,278)		2,156		(40,434)	
Translation differences	(99,528)		(10,884)		(88,644)	
Tax relating to components of other comprehensive income	7,836		17,690		(9,854)	
Components of other comprehensive income	**98,508**		**(616,410)**		**714,918**	
Total comprehensive income	**395,350**	**9.6**	**(320,800)**	**-6.8**	**716,150**	**-223.2**
Attributable to:						
Group	280,069		(447,061)		727,130	
Minority interests	115,281		126,261		(10,980)	

Financial position

(in thousands of euro)	September 30, 2009	June 30, 2009	December 31, 2008	Change Sept. 30 2009 Dec. 31 2008	% change
Cash, cash equivalents and current financial	(1,851,170)	(1,649,084)	(1,573,543)	(277,627)	17.6
Short-term financing	1,089,851	1,182,691	1,245,522	(155,671)	(12.5)
Medium/long-term financial assets	(93,660)	(88,123)	(111,050)	17,390	(15.7)
Medium/long-term financing	3,220,071	3,185,390	3,010,954	209,117	6.9
Net debt	**2,365,092**	**2,630,874**	**2,571,883**	**(206,791)**	**(8.0)**
Total shareholders' equity	**5,765,790**	**5,542,903**	**5,488,234**	**277,556**	**5.1**

With the exclusion of the Calcestruzzi group from the scope of consolidation, consolidated net debt at September 30, 2009, reflects, under “Cash, cash equivalents and current financial assets”, the subsidiary Italcementi S.p.A.’s current account receivables in respect of the Calcestruzzi group companies of 200.5 million euro (175.4 million euro at December 31, 2008).

Net debt at September 30, 2009, determined in compliance with Consob communication no. DEM/6064293 of July 28, 2006 (i.e., excluding medium/long-term financial assets), stood at 2,458,752 thousand euro (2,682,933 thousand euro at December 31, 2009).

Notes to the financial statements

The Italmobiliare S.p.A. quarterly report as at September 30, 2009 was approved by the Board of Directors on November 13, 2009. At the meeting, the Board authorized publication of a press release dated November 13, 2009, containing key information from the report.

This quarterly report at September 30, 2009, has been drawn up in accordance with the provisions of article 154 ter, paragraph 5, of Legislative Decree no.58 of February 24, 1998, and subsequent amendments. It has also been drawn up using the measurement and recognition criteria of the International Financial Reporting Standards (IFRS).

The consolidated financial statements have been prepared on the basis of the situations at September 30, 2009 prepared by the respective consolidated companies.

Declaration of compliance with the IFRS – Accounting policies

The quarterly report has been drawn up in compliance with the International Financial Reporting Standards (IFRS) applicable at September 30, 2009 adopted by the EC Commission.
The accounting policies used to draw up the consolidated interim financial statements are consistent with those used to draw up the Group annual report at December 31, 2008, with the exception of the adoption of the following standards and interpretations approved by the European Union and applicable as from January 1, 2009:

- IAS 1 revised "Presentation of financial statements": approved by the European Commission in December 2008. This standard requires presentation of a "statement of comprehensive income" including, in addition to the usual income statement items, components previously included directly in shareholders' equity. In applying this standard, the Group has elected to present its comprehensive income using two statements: the first statement reflects traditional income statement components and the net result for the period, while the second statement, beginning with the net result for the period, presents other components of comprehensive income, previously reflected only in the statement of movements in consolidated shareholders' equity: fair value gains and losses on available-for-sale financial assets and financial derivatives, translation gains and losses and the related tax effect.
- IAS 23 revised "Borrowing costs": approved by the European Commission in December 2008. This standard requires capitalization of finance costs that are directly attributable to the acquisition, construction or production of "qualifying assets". In compliance with paragraph 28 of IAS 23, the Group has established January 1, 2006, as the commencement date for capitalization of finance costs. As a result of the change in accounting treatment, the value of property, plant and equipment has increased and the value of net finance costs has decreased.
- IFRS 8 "Operating segments": approved by the European Commission in November 2008. This standard replaces IAS 14 "Segment reporting" and governs disclosures on business segments.

IFRS2 revision "Share-based payments" and IFRIC 14 "The limit on a defined benefit asset, minimum funding requirements and their interaction" approved by the European Commission in December 2008 and applicable as from January 1, 2009, did not have an impact on the Group consolidated accounts.

With regard to the criterion governing "Accounting treatment of interests held by minorities", the Group has decided to change the criterion applied until December 31, 2008, and to adopt the accounting treatment indicated by the new IFRS 3 and IAS 27, approved by the European Commission in June 2009, but which will be applicable for the period starting after June 30, 2009 (2010 for the Italmobiliare Group).
The new criterion is as follows:

- purchases of interests after control has been obtained do not require revaluation of identifiable assets and liabilities. The difference between the cost and the equity interest acquired is recognized as Group shareholders' equity;
- transactions that reduce the percentage interest held, without loss of control, are treated as sales to minorities and the difference between the interest sold and the price paid is recognized as Group shareholders' equity.

Presentation of 2008 comparatives

To permit a YoY comparison, the 2008 figures have been re-stated for compliance with IAS 1 revised and IAS 23 revised as illustrated above.

The main effects on the balance sheet and income statement arising from the re-statement of the figures published in 2008 following application of IAS 23 revised are set out below:

(in thousands of euro)	09.30.2008 restated	09.30.2008 published	Change
Revenues	4,713,241	4,713,241	
Recurring EBITDA	878,829	878,829	
EBITDA	874,981	874,981	
EBIT	540,489	540,489	
Profit before tax	427,531	422,880	4,651
Net profit for the period	**295,610**	**292,795**	**2,815**
Attributable to:			
Group	**45,457**	**44,524**	**933**
Minority interests	**250,153**	**248,271**	**1,882**

Finance costs capitalized at September 30, 2008 totaled 4,651 thousand euro.

(in thousands of euro)	Q3 2008 restated	Q3 2008 published	Change
Revenues	1,573,740	1,573,740	
Recurring EBITDA	263,912	263,912	
EBITDA	257,741	257,741	
EBIT	147,000	147,000	
Profit before tax	105,970	104,195	1,775
Net profit for the period	**59,299**	**58,228**	**1,071**
Attributable to:			
Group	**(21,994)**	**(22,351)**	**357**
Minority interests	**81,293**	**80,579**	**714**

Finance costs capitalized in the 3rd quarter of 2008 totaled 1,775 thousand euro.

Principal exchange rates used to translate the financial statements of foreign entities

Exchange rates for 1 euro:

Currency	Average			Period end		
	September 30, 2009	Full year 2008	September 30, 2008	September 30, 2009	December 31, 2008	September 30, 2008
Thai baht	47.31717	48.47535	49.33252	48.98800	48.28500	48.47300
Czech crown	26.60873	24.94600	24.81327	25.16400	26.87500	24.66000
Slovak crown		31.26170	31.56570		30.12600	30.30000
Serbian dinar	93.78960	81.43250	80.23330	93.26860	89.39120	76.80200
Kuwaiti dinar	0.39468	0.39526		0.41981	0.38449	
Moroccan dirham	11.20970	11.34752	11.41965	11.38140	11.19130	11.30510
Canadian dollar	1.59364	1.55942	1.54869	1.57090	1.69980	1.49610
US dollar	1.36588	1.47076	1.52169	1.46430	1.39170	1.43030
Hungarian florin	283.64000	251.51200	247.56200	269.70000	266.70000	242.83000
Swiss franc	1.51059	1.58739	1.60821	1.50780	1.48500	1.57740
Ukranian hrivna	10.85080	7.68728	7.42820	11.93660	10.95960	7.15738
Croatian kuna	7.36257	7.22389	7.24010	7.25800	7.35550	7.10490
Albanian lek	130.31176	122.71747	122.62043	134.66900	123.18400	122.85600
Moldavian leu	15.06447	15.23560	15.76660	16.84660	14.47400	14.81500
Bulgarian lev	1.95583	1.95583	1.95583	1.95583	1.95583	1.95583
Egyptian lira	7.62305	7.99545	8.23141	8.05506	7.67609	7.79304
Bosnian mark	1.95583	1.95583	1.95583	1.95583	1.95583	1.95583
New Turkish lira	2.13833	1.89525	1.85675	2.16030	2.14080	1.79780
New Romanian leu	4.22929	3.68264	3.63804	4.21800	4.02250	3.74130
Mauritanian ougulyia	358.10060	354.12828	362.62220	379.97100	363.93000	336.12100
Chinese renmimbi	9.33202	10.22361	10.62631	9.99580	9.49560	9.79540
Russian ruble	44.32890	36.42070	36.57260	43.98000	41.28300	36.40950
Indian rupee	66.82635	63.73427	63.57419	70.00100	67.63600	66.37630
Sri Lankan rupee	157.21885	159.24368	164.06903	168.12600	157.20600	154.61800
Pound sterling	0.88644	0.79628	0.78202	0.90930	0.95250	0.79030
Kazakh tange	200.82066	176.96299	183.14745	221.05400	168.22700	171.44500
Polish zloty	4.38032	3.51210	3.42754	4.22950	4.15350	3.39670

The exchange rates used to translate the financial statements of the foreign entities are those published by the Bank of Italy, with the exception of the “New Turkish lira”, published by the Turkish Central Bank.

Scope of consolidation

Changes in the scope of consolidation

The main changes in the scope of consolidation compared to 2008 are as follows:

- line-by-line consolidation as from January 25, 2008, of the Verticalnet group (USA), which is part of the BravoSolution e-business group;
- line-by-line consolidation as from March 1, 2008, of Crider & Shockey (USA) in the ready mixed concrete sector;
- line-by-line consolidation as from May 1, 2008, of Kuwait German Ready Mix (Kuwait) and from July 1, 2008 of Al Mahaliya (Kuwait), both in the ready mixed concrete sector;
- line-by-line consolidation as from the second half of 2008 of the companies Italgen Misr for Energy SAE (Egypt), Italgen Elektrik Uretim AS and Bares Elektrik Uretimi AS (Turkey), active in the energy sector and part of the Italgen group;
- line-by-line consolidation as from April 2009 of Masoni Sas and Beton Masoni Sas (France), active in ready mixed concrete;
- line-by-line consolidation as from May 2009 of Gulf Ready Mix (Kuwait), active in ready mixed concrete;
- line-by-line consolidation of Dorner Pack (Austria) as from the second quarter of 2009, active in food packaging;
- line-by-line consolidation of Banca Hugo Kahn (now Finanzgesellschaft Hugo Kahn & Co AG), consolidated as from October 2008;
- line-by-line consolidation of Gesvim S.r.l. as from the third quarter of 2009 (consolidated on a 50% proportionate basis until June 30, 2009);
- the valuation of RCS MediaGroup (Italy) on an equity basis as from December 31, 2008;
- the deconsolidation of Italmobiliare International BV (Holland) and Populonia Italica S.r.l. (Italy), which were both sold in 2009.

Revenues

Revenues from sales and services totaled 4,138,904 thousand euro, as follows:

(in thousands of euro)	Q3 2009	Q3 2008	Change	% change
Industrial revenues				
Product sales	1,281,038	1,512,906	(231,868)	-15.3%
Revenues from services	40,293	46,315	(6,022)	-13.0%
Total	**1,321,331**	**1,559,221**	**(237,890)**	**-15.3%**
Financial revenues				
Interest	2,264	8,547	(6,283)	-73.5%
Dividends	30	11	19	n.s.
Capital gains and other revenues	22,422	(4,035)	26,457	n.s.
Total	**24,716**	**4,523**	**20,193**	**n.s.**
Banking revenues				
Interest	1,329	2,116	(787)	-37.2%
Commissions	7,915	7,181	734	10.2%
Other revenues	1,173	369	804	n.s.
Total	**10,417**	**9,666**	**751**	**7.8%**
Property and services revenues	**5,761**	**330**	**5,431**	**n.s.**
Grand total	**1,362,225**	**1,573,740**	**(211,515)**	**-13.4%**

(in thousands of euro)	Year to 09.30.2009	Year to 09.30.2008	Change	% change
Industrial revenues				
Product sales	3,909,467	4,473,946	(564,479)	-12.6%
Revenues from services	112,232	138,623	(26,391)	-19.0%
Total	**4,021,699**	**4,612,569**	**(590,870)**	**-12.8%**
Financial revenues				
Interest	8,677	24,609	(15,932)	-64.7%
Dividends	3,107	34,930	(31,823)	-91.1%
Capital gains and other revenues	69,150	2,016	67,134	n.s.
Total	**80,934**	**61,555**	**19,379**	**31.5%**
Banking revenues				
Interest	4,608	6,104	(1,496)	-24.5%
Commissions	22,443	23,145	(702)	-3.0%
Other revenues	2,674	3,062	(388)	-12.7%
Total	**29,725**	**32,311**	**(2,586)**	**-8.0%**
Property and services revenues	**6,546**	**6,806**	**(260)**	**-3.8%**
Grand total	**4,138,904**	**4,713,241**	**(574,337)**	**-12.2%**

The breakdown of consolidated revenues by business sector and geographical area is set out below:

by sector:

(in thousands of euro)	Q3 2009	Q3 2008	Change	
			Value	%
Construction materials	1,260,112	1,491,707	(231,595)	-15.5%
Packaging and insulation	61,209	67,446	(6,237)	-9.2%
Finance	24,549	4,545	20,004	n.s.
Banking	10,593	9,714	879	9.0%
Property, services, others	5,762	328	5,434	n.s.
Total	**1,362,225**	**1,573,740**	**(211,515)**	**-13.4%**

(in thousands of euro)	Year to 09/30/09	Year to 09/30/08	Change	
			Value	%
Construction materials	3,841,937	4,414,836	(572,899)	-13.0%
Packaging and insulation	179,631	197,547	(17,916)	-9.1%
Finance	80,609	61,537	19,072	31.0%
Banking	30,178	32,509	(2,331)	-7.2%
Property, services, others	6,549	6,812	(263)	-3.9%
Total	**4,138,904**	**4,713,241**	**(574,337)**	**-12.2%**

by geographical area:

(in thousands of euro)	Q3 2009	Q3 2008	Change	
			Value	%
European Union	768,402	906,967	(138,565)	-15.3%
Other European countries	56,550	78,236	(21,686)	-27.7%
North America	122,075	150,455	(28,380)	-18.9%
Asia	102,256	110,012	(7,756)	-7.1%
Africa	259,509	246,028	13,481	5.5%
Trading	53,433	82,042	(28,609)	-34.9%
Total	**1,362,225**	**1,573,740**	**(211,515)**	**-13.4%**

(in thousands of euro)	Year to 09/30/09	Year to 09/30/08	Change	
			Value	%
European Union	2,365,041	2,866,628	(501,587)	-17.5%
Other European countries	146,013	222,772	(76,759)	-34.5%
North America	311,390	378,671	(67,281)	-17.8%
Asia	306,561	312,414	(5,853)	-1.9%
Africa	839,942	707,277	132,665	18.8%
Trading	169,957	225,479	(55,522)	-24.6%
Total	**4,138,904**	**4,713,241**	**(574,337)**	**-12.2%**

Goods and utilities expenses

Goods and utilities expenses amounted to 1,511,047 thousand euro as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
Raw materials and semifinished goods	374,531	576,935	(202,404)	-35.1%
Fuel	267,875	474,206	(206,331)	-43.5%
Packaging, materials, machinery, other	229,366	276,381	(47,015)	-17.0%
Finished goods	187,127	261,124	(73,997)	-28.3%
Electricity, water, gas	329,663	349,657	(19,994)	-5.7%
Change in inventories of raw materials, consumables, other	122,485	(22,174)	144,659	n.s.
Total	**1,511,047**	**1,916,129**	**(405,082)**	**-21.1%**

Services expenses

Services expenses amounted to 878,410 thousand euro, as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
External services and maintenance	280,557	380,368	(99,811)	-26.2%
Transport	351,725	359,033	(7,308)	-2.0%
Legal fees and consultancy	56,775	54,017	2,758	5.1%
Rents	58,307	70,968	(12,661)	-17.8%
Insurance	34,490	34,822	(332)	-1.0%
Other	96,556	100,770	(4,214)	-4.2%
Total	**878,410**	**999,978**	**(121,568)**	**-12.2%**

Employee expenses

Employee expenses totaled 743,353 thousand euro, as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
Wages and salaries, social security contributions, provisions and pension funds	655,547	674,738	(19,191)	-2.8%
Cost of stock option plans	10,767	11,417	(650)	-5.7%
Other expenses	77,039	72,154	4,885	6.8%
Total	**743,353**	**758,309**	**(14,956)**	**-2.0%**

"Other expenses" related mainly to canteen costs, employee insurance costs and personnel training and recruitment.

The number of employees was:

(heads)	Year to 09.30.2009	Year to 09.30.2008	2008
Number of employees at period end	23,096	24,639	23,864
Average number of employees	23,458	24,439	24,491

Other operating income (expense)

Other operating expense, net of other operating income, amounted to 133,860 thousand euro, as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
Other taxes	91,182	71,774	19,408	27.0%
Provision for bad debts	17,665	9,417	8,248	n.s
Provision for environmental restoration - quarries	51,737	64,360	(12,623)	-19.6%
Interest expense and other charges of companies in financial and banking sectors	22,203	107,489	(85,286)	-79.3%
Other income	(48,927)	(4,683)	(44,244)	n.s.
Total	**133,860**	**248,357**	**(114,497)**	**-46.1%**

"Operating expenses for financial and banking companies" mainly refers to write-downs made by companies in the financial sector to trading securities and shares for 7,487 thousand euro (82,800 thousand euro at September 30, 2008) and interest expense and other finance costs for 14,716 thousand euro at September 30, 2008 (24,689 thousand euro at September 30, 2008).

"Other income" at September 30, 2009 included capital gains on the trading of CO_2 emission rights for 19.5 million euro.

Non-recurring income and expense

Non-recurring expense, net of income, stood at 6,326 thousand euro and mainly consisted of capital gains on the disposal of fixed assets for 14.7 million euro and the costs for the reorganization and rationalization programs for industrial facilities for 24.5 million euro, of which 15.9 million was in Italy, 4.6 million in North America and 4.0 million in Thailand.

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08
Net capital gains on sale of fixed assets	14,700	6,117
Total non-recurring employee expenses for re-organizations	(24,550)	(4,340)
Other non-recurring income (expense)	3,524	(5,625)
Total	**(6,326)**	**(3,848)**

Amortization and depreciation

The total of 348,050 thousand euro (334,475 thousand euro at September 30, 2008) refers to the amortization and depreciation of property, plant and equipment for 339,119 thousand euro (323,834 thousand euro at September 30, 2008) and intangible assets for 8,931 thousand euro (10,641 thousand euro at September 30, 2008).

Impairment variation

Impairment losses applied to Group industrial assets amounted to 29.4 million euro, reflecting write-downs on industrial facilities in Thailand for 19.1 million euro, in Italy for 9.3 million euro, in Spain and in Kuwait for 1.0 million euro.

Finance income (costs)

Finance costs, net of finance income, amounted to 84,834 thousand euro, as follows:

	Year to 09.30.09		Year to 09.30.08	
(in thousands of euro)	**Income**	**Costs**	**Income**	**Costs**
Interest income	16,024		27,339	
Interest expense		(101,152)		(124,439)
Subtotal	**16,024**	**(101,152)**	**27,339**	**(124,439)**
Net interest in respect of NFP		**(85,128)**		**(97,100)**
Net dividends	2,463		4,616	
Capital gains from disposal of equity investments	1,926		1,193	
Other finance income	3,695		4,124	
Capitalized interest expense		12,743		4,650
Other finance costs		(13,039)		(18,892)
Subtotal	8,084	**(296)**	**9,933**	**(14,242)**
Total finance income (costs)	**24,108**	**(101,448)**	**37,272**	**(138,681)**
Gains (losses) from interest-rate derivative contracts		(174)		(514)
Gains (losses) from exchange-rate derivative contracts	4,840			(4,495)
Net exchange rate differences		(12,160)		(331)
Net exchange rate differences and net derivatives		**(7,494)**		**(5,340)**
Total finance income (costs), exchange-rate differences and net derivat		**(84,834)**		**(106,749)**

Adjustment to financial asset values

This item totals 24,715 thousand euro (26,603 thousand euro at September 30, 2008) and refers largely to the prudent write-down applied to the equity investment in Calcestruzzi to take account of the group's operating losses from January 1 to August 31.

Share of results of associates

This item totaled 26,125 thousand euro, while at September 30, 2008 it totaled 20,394 thousand euro, as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
Vassiliko (Cyprus)	(537)	5,683	(6,220)	n.s.
Asment (Morocco)	6,711	4,449	2,262	50.8%
Ciment Quebec (Canada)	4,369	6,438	(2,069)	-32.1%
Innocon (Canada)	(368)	(103)	(265)	n.s.
Techno Gravel (Egypt)	820	503	317	63.0%
Mittel (Italy)	7,807	1,038	6,769	n.s.
SES (Italy)	11,783	666	11,117	n.s.
RCS MediaGroup (Italy)	(4,700)		(4,700)	n.s.
Other	240	1,720	(1,480)	-86.0%
Total	**26,125**	**20,394**	**5,731**	**28.1%**

Income tax expense

Income tax expense for the period was 94,526 thousand euro, as follows:

(in thousands of euro)	Year to 09.30.09	Year to 09.30.08	Change	% change
Current tax	141,867	149,825	(7,958)	-5.3%
Prior-year tax and other prior-year fiscally driven items, net	(15,209)	7,839	(23,048)	n.s.
Deferred tax liabilities	(32,132)	(25,743)	(6,389)	24.8%
Total	**94,526**	**131,921**	**(37,395)**	**-28.3%**

Non-recurring transactions

Details on and the impact of the most significant non-recurring transactions on Group equity, income and financial position are set out below:

	09.30.2009					
(in thousands of euro)	Shareholders' equity		Net profit for the period		Net debt	
	amount	%	amount	%	amount	%
Book values	**5,765,790**		**296,842**		**(2,365,092)**	
Net capital gains on sale of fixed assets	14,700	0.25%	14,700	4.95%	27,328	1.16%
Non-recurring employee expenses for reorganizations	(24,550)	0.43%	(24,550)	8.27%		
Other non-recurring income (expense)	3,524	0.06%	3,524	1.19%	(100)	0.00%
Tax on non-recurring transactions	1,633	0.03%	1,633	0.55%		
Non-recurring tax						
Total	**(4,693)**	**0.08%**	**(4,693)**	**1.58%**	**27,228**	**1.15%**
Figurative value without non-recurring transactions	**5,770,483**		**301,535**		**(2,392,320)**	

	09.30.2008					
(in thousands of euro)	Shareholders' equity		Net profit for the period		Net debt	
	amount	%	amount	%	amount	%
Book values	**5,767,247**		**295,610**		**(2,398,703)**	
Net capital gains on sale of fixed assets	6,117	0.11%	6,117	2.07%	22,532	0.94%
Non-recurring employee expenses for reorganizations	(4,340)	0.08%	(4,340)	1.47%		
Other non-recurring income (expense)	(5,625)	0.10%	(5,625)	1.90%	(1,988)	0.08%
Tax on non-recurring transactions	592	0.01%	592	0.20%		
Non-recurring tax						
Total	**(3,256)**	**0.06%**	**(3,256)**	**1.10%**	**20,544**	**0.86%**
Figurative value without non-recurring transactions	**5,770,503**		**298,866**		**(2,419,247)**	

Investments in fixed assets

Investments in fixed assets for the year to September 30, 2009, amounted to 587,021 thousand euro, as follows:

(in thousands of euro)	Year to 09/30/09	Year to 09/30/08	Change	
			Value	%
Intangible assets	14,460	7,643	6,817	89.2%
Property, plant and equipment	496,043	457,742	38,301	8.4%
Non-current financial assets	42,570	247,275	(204,705)	-82.8%
Change in payables/receivables for purchase of financial as	(12,055)	(5,698)	(6,357)	n.s.
Change in payables/receivables for purchase of tangible and intangible fixed assets	46,003	43,531	2,472	5.7%
Total	**587,021**	**750,493**	**(163,472)**	**-21.8%**

Investments in property, plant and equipment in 2008 have been restated to take account of finance costs capitalized in compliance with IAS 23 revised.

Investments in property, plant and equipment at September 30, 2009, amounted to 496,043 thousand euro, an increase of 8.4% from the first nine months of 2008. They focused mainly on the European Union for 129,805 thousand euro (including Italy 63,765 thousand euro, France 35,687 thousand euro, Bulgaria 10,366 thousand euro and Spain 5,756 thousand euro), North America for 174,457 thousand euro, Africa and the Middle East for 137,166 thousand euro and emerging countries in Asia for 43,273 thousand euro, of which India 34,646 thousand euro.

Investments in non-current financial assets at September 30, 2009, totaled 42,570 thousand euro, of which 7,002 thousand euro in the third quarter.

Net debt

Net debt at September 30, 2009, was 2,365,092 thousand euro (2,571,883 thousand euro at December 31, 2008). It comprised gross financing for 4,309,922 thousand euro (4,256,476 thousand euro at December 31, 2008) and gross financial assets for 1,944,830 thousand euro (1,684,593 thousand euro at December 31, 2008).
Gross financing was made up of short-term financing of 1,089,851 thousand euro (1,245,522 thousand euro at December 31, 2008) and medium/long-term financing of 3,220,071 thousand euro (3,010,954 thousand euro at December 31, 2008).
Net debt at September 30, 2009, included the current account receivable of 200,545 thousand euro in respect of the companies of the Calcestruzzi group.
The fall in net debt from December 31, 2008, was 206,791 thousand euro, as follows:

(in thousands of euro)	**Change vs. December 31, 2008**
Cash, cash equivalents and current financial assets	(277,627)
Short-term financing	(155,671)
Change in short-term net debt	***(433,298)***
Medium/long-term financial assets	17,390
Medium/long-term financing	209,117
Change in medium/long-term net debt	***226,507***
Change in total net debt	**(206,791)**

This change arose as a result of the net cash flows generated:

- on operating activities, before changes in working capital, for +653.1 million euro;
- from changes in working capital for +228.2 million euro;
- from investments in fixed assets for -587.0 million euro;
- from divestments for +24.2 million euro;
- from distribution of dividends for -100.3 million euro;
- from other net movements for -11.4 million euro.

Post balance-sheet events

No significant events have taken place since closure of the period that require amendments to or additional comments on the Group balance sheet, income statement and financial position at September 30, 2009.
For further details reference should be made to the interim directors’ report.

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The Manager in charge of preparing the company financial reports, Angelo Maria Triulzi, declares, pursuant to paragraph 2, article 154 bis of the Consolidated Law on Finance, that the accounting information in this document corresponds to the document results, books and accounting entries.