ITALMOBILIARE
SOCIETA' PER AZIONI

PRESS RELEASE

BOARD OF DIRECTORS EXAMINES 2012 FINANCIAL STATEMENTS

ITALMOBILIARE GROUP

- **REVENUES: 4,775.7 MILLION EURO (4,952.9 MILLION EURO IN 2011)**

- **TOTAL RESULT FOR THE PERIOD: -472.6 MILLION EURO (-60.6 MILLION EURO) REFLECTING THE ACCOUNTING IMPACT FOR MORE THAN 366 MILLION EURO OF SIGNIFICANT EXTRAORDINARY IMPAIRMENT ON NON-CURRENT ASSETS AND FINANCIAL ASSETS**

- **NET DEBT: DOWN TO BELOW 2 BILLION EURO TO 1,930.5 MILLION EURO (2,039.6 MILLION EURO)**

- **GEARING RATIO 40.2% (36.8% AT END 2011)**

- **POSITIVE NET FINANCIAL POSITION OF PARENT AND FINANCIAL COMPANIES, 115.5 MILLION EURO (105.2 MILLION EURO)**

- **NET ASSET VALUE: 1,075.8 MILLION EURO AT DECEMBER 31, 2012 (1,138.5 MILLION EURO AT THE END OF 2011)**

****

Milan, March 26, 2013 – *The Italmobiliare S.p.A. Board of Directors today examined and approved the consolidated financial statements and the draft separate financial statements for financial year 2012.*

The negative signs in the economic cycle observed in the euro zone in the second half of 2011 intensified in 2012, leading to an open recession, with a severe impact on industrial operations in most of the advanced economies. In the emerging countries too, economic growth slowed, reflecting restrictive measures and weak international demand. The climate on the financial markets was highly unstable, despite an improvement in the second half of the year.
In this economic scenario, where the Group industrial segments were adversely affected by the long recessionary phase and the financial and banking segments were exposed to continuous market tension, the Italmobiliare Group closed 2012 with a negative result. Significant factors affecting performance were the extraordinary effects of the material impairment on goodwill on industrial operations in the construction materials and food packaging segments, for 334.1 million euro (148.1 million euro in 2011) and impairment on financial assets – particularly in the banking segment and on the investment in Burgo Group – for 32.2 million euro. Apart from these non-recurring charges, additional effects were the reduction in dividends received from investees as well as recognition of the share

of the loss posted by equity-accounted investee RcsMediaGroup for 28.7 million euro. Taking these effects into account, the Italmobiliare Group posted a total ***loss*** *for 2012 of 472.6 million euro and a* ***loss attributable to owners of the parent*** *of 270.3 million euro, compared respectively with a total loss of 60.6 million euro and a loss attributable to owners of the parent of 147.7 million euro in 2011.*

Among the Group operating segments, in the industrial sector, <u>the construction materials segment</u> consisting of the Italcementi group (which released its results on March 5, 2013), posted revenues of 4,480.1 million euro, down by 3.8% due to the fall in demand, especially in mature countries. Recurring EBITDA, at 632.4 million euro, was down 9.8%. After net non-recurring expense of 17.5 million euro, amortization and depreciation of 456.4 million euro and impairment on non-current assets for 309.4 million euro, EBIT was negative at 150.9 million euro (positive EBIT of 138.9 million euro in 2011). Considering the accounting effect of non-recurring transactions, the group posted a loss for the period of 362.4 million euro (profit of 91.2 million euro). Net of non-recurring expense the group would have posted a profit for the period of approximately 113 million euro.
The <u>food packaging and thermal insulation segment</u>, consisting of the Sirap Gema group, reported revenues of 239.8 million euro (235.6 million euro in 2011), despite a reduction in demand in food packaging. EBIT was negative at 31.0 million euro (-2.1 million euro in 2011), reflecting an increase in raw material costs as well as goodwill impairment at the rigid containers division, and other non-recurring expense. The group posted a loss for the period of 38.2 million euro (-8.9 million euro).
The <u>financial segment</u> – which includes the parent Italmobiliare – was affected by the tensions which were particularly severe in some euro zone countries in the first half of the year. The reduction in dividends received and material impairment on equities for 55.5 million euro generated a loss for the period of 70.6 million euro (an improvement from -96.2 million euro in 2011) thanks to positive cash operations.
In the <u>banking segment</u> (Finter Bank Zurich and Crédit Mobilier de Monaco) operating income of 30.5 million euro (-8.4%) reflected the decrease in commissions and third-party assets under management. Nevertheless a significant reduction in operating expense enabled the segment to post a gross operating profit of 1.6 million euro (-3.5 million euro in 2011). After non-recurring expense of 7.4 million euro, a loss was posted for the period of 8.7 million euro (-23.1 million euro in 2011).

2012 ***revenues*** *were 4,775.7 million euro, down by 3.6% from 4,952.9 million euro in 2011.*
Recurring EBITDA *at 641.8 million euro was down 43.0 million euro from 2011, with a reduction arising in all segments except the financial segment (+17.1 million euro from 2011).*
After non-recurring expense of 28.2 million euro, largely due to restructuring expense in the industrial segment, ***EBITDA*** *was 613.6 million euro (722.5 million euro in 2011). In addition to* ***amortization and depreciation*** *expense of 471.9 million euro,* ***EBIT*** *was heavily affected by* ***significant impairment*** *(334.1 million euro from 148.1 million euro in 2011), whose impact generated a loss for the period of 192.4 million euro (profit of 89.4 million euro). Specifically, impairment arose in the construction materials segment for 309.4 million euro and food packaging and thermal insulation for 24.8 million euro.*
Impairment on financial assets *generated losses of 32.2 million euro (compared with -86.6 million euro in 2011) and referred mainly to impairment on bank stocks in the financial segment (22.0 million euro) and on the investment in Burgo Group (10.0 million euro). The* ***share of profit (loss) of equity-accounted investees*** *showed a loss of 20.0*

million euro (+9.7 million euro in 2011), caused mainly by the losses reported by the investees in the financial segment (-31.1 million euro).
The Group posted a ***loss for the period*** *of 472.6 million euro (loss of 60.6 million euro in 2011 which included capital gains of 106.5 million euro from the sale of operations in Turkey) with a* ***loss attributable to owners of the parent*** *of 270.3 million euro (-147.7 million euro in 2011).*

At December 31, 2012 Italmobiliare Group ***total equity*** *amounted to 4,799.0 million euro from 5,539.6 million euro at December 31, 2011. At the same date* ***net debt*** *was 1,930.5 million euro with an improvement of more than 109 million euro from the end of 2011; the* ***gearing ratio*** *passed to 40.2% in December 2012 from 36.8% at the end of 2011, while* ***leverage*** *was substantially stable at 3.01% (2.98% at the end of 2011).*
The ***net financial position of Italmobiliare and the wholly owned financial companies*** *was positive at the end of 2012 at 115.5 million euro (105.2 million euro at December 31, 2011).*

The parent ***Italmobiliare S.p.A.*** *closed 2012 with a loss of 66.7 million euro (loss of 57.3 million euro in 2011), arising substantially from impairment on subsidiaries and on equities for 62.7 million euro and from the reduction in revenues due to lower dividends received in 2012 compared with 2011 (-52.8%).*

Italmobiliare ***Net Asset Value*** *(NAV) at December 31, 2012, was 1,075.8 million euro (1,138.5 million euro at December 31, 2011).*

At the Annual General Meeting of May 29 the Italmobiliare Board of Directors will propose that no ***dividend*** *be paid out for financial year 2012.*

<u>Outlook</u> *– All factors considered, the difficulties in the real economy and the uncertainty in financial conditions are significant and difficult to quantify, with the result that it is not possible at the present time to provide guidance on the Group overall results for the current year.*

ITALMOBILIARE ON THE INTERNET: http//www.italmobiliare.it

Italmobiliare
Media Relations Tel. (0039) 02.29024.212
Investor Relations Tel. (0039) 02.29024.322

FOURTH QUARTER 2012

Fourth-quarter **revenues** fell by 2.5% from the year-earlier period, and were down in all Group segments with the exception of food packaging and thermal insulation (+2.5%).
The reduction in revenues generated a decrease in **recurring EBITDA** for 10.2 million euro from the year-earlier period, while non-recurring expense of 43.9 million euro relating essentially to construction materials for 33.8 million euro and food packaging and thermal insulation for 8.2 million euro, generated **EBITDA** of 85.9 million euro, a sharp decrease from the fourth quarter of 2011 (+160.2 million euro).
After a reduction of 7.2% in amortization and depreciation charges compared with the fourth quarter of 2011 and high restructuring expense and impairment on assets in the Group industrial segments for 317.9 million euro (-148.3 million euro in the year-earlier period), fourth-quarter **EBIT** was negative for 352.9 million euro (-118.4 million euro in the fourth quarter of 2011).
During the fourth quarter the Group posted impairment on financial assets for 10.0 million euro relating to the investment in Burgo Group held by the financial segment; the investment was measured, with the support of an independent advisor, on the basis of estimated equity value with the value in use method.
The share of the result of equity-accounted investees for the fourth quarter of 2012 was a loss of 5.1 million euro (+0.4 million euro in the year-earlier period), largely owing to losses at investees in the financial segment.
After a significant reduction in financial costs from the fourth quarter of 2011 (7.2 million euro compared with 29.9 million euro in the fourth quarter of 2011), the Group posted a **loss for the fourth quarter** of 437.3 million euro (loss of 227.9 million euro in the year-earlier period), arising from the negative contribution of all Group segments.
The **loss for the period attributable to owners of the parent** was 204.4 million euro (-155.1 million euro in the fourth quarter of 2011); a significant difference was also posted in the **loss attributable to non-controlling interests** for 232.9 million euro (-72.8 million euro in the fourth quarter of 2011).

FINANCIAL STATEMENTS AT DECEMBER 31, 2012

For full-year 2012, Italmobiliare Group consolidated **revenues** were 4,775.7 million euro (4,952.9 million euro in 2011).
The change (-3.6%) arose from the following factors: a business slowdown of 4.7%, a positive exchange-rate effect of 1.6% and a negative consolidation effect for 0.5%.
The business slowdown arose in all Group segments, with the exception of the positive performance of 0.9% in the food packaging and thermal insulation segment, especially banking (-6.0%), construction materials (-5.0%), and the financial segment (-3.9%). The positive exchange-rate effect reflected the appreciation against the euro of the US dollar, Egyptian pound, Thai baht, Swiss franc and Ukrainian grivnia, while the Indian rupee and Polish zloty depreciated against the euro.
The consolidation effect arose in the construction materials segment with the sale of Axim operations in a number of countries, at the end of 2011.
Revenues by geographical area net of inter-segment eliminations showed a downturn in the European Union, Egypt and Morocco as a result of lower sales volumes in construction materials, while sales volumes rose in India, Thailand and North America thanks to the

upturn in public and private investment and in Eastern Europe, with a positive contribution from the food packaging and thermal insulation segment.

Revenues and operating results by geographical area

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2012	% change 2011	2012	% change 2011	2012	% change 2011	2012	% change 2011
European Union	2,721.2	*(8.7)*	264.1	*(20.7)*	235.4	*(35.2)*	(245.9)	*n.s.*
Other European countries	55.4	*3.5*	(4.4)	*(57.2)*	(4.0)	*(52.1)*	(8.4)	*(65.5)*
North America	439.5	*8.5*	44.5	*n.s.*	51.3	*n.s.*	(16.3)	*(64.0)*
Asia and Middle East	580.7	*13.8*	90.4	*(0.1)*	89.7	*(2.2)*	36.1	*(24.8)*
Africa	889.2	*(1.7)*	264.3	*(6.2)*	264.9	*(6.3)*	76.4	*(56.8)*
Trading	213.0	*16.1*	8.9	*(16.4)*	8.7	*(17.9)*	5.6	*(17.9)*
Other countries	342.2	*(19.3)*	(25.5)	*(24.4)*	(31.9)	*(8.6)*	(39.6)	*(31.8)*
Inter-area eliminations	(465.5)	*(8.4)*	(0.5)	*(85.1)*	(0.5)	*(91.3)*	(0.3)	*(95.4)*
Total	**4,775.7**	***(3.6)***	**641.8**	***(6.3)***	**613.6**	***(15.1)***	**(192.4)**	***n.s.***

n.s. not significant

Revenues and operating results by operating segment

(in millions of euro)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2012	% change 2011	2012	% change 2011	2012	% change 2011	2012	% change 2011
Construction materials	4,480.1	*(3.8)*	632.4	*(9.8)*	614.9	*(17.1)*	(150.9)	*n.s.*
Packaging and insulation	239.8	*1.8*	13.2	*(9.3)*	4.7	*(61.2)*	(31.0)	*n.s.*
Financial	56.2	*(9.9)*	19.3	*n.s.*	16.5	*n.s.*	16.1	*n.s.*
Banking	33.4	*(4.2)*	(5.3)	*(50.2)*	(4.8)	*(43.4)*	(9.1)	*(62.6)*
Property, services, other	1.6	*(23.9)*	(0.2)	*n.s.*	(0.1)	*n.s.*	(0.1)	*n.s.*
Inter-segment eliminations	(35.4)	*(10.2)*	(17.6)	*(22.7)*	(17.6)	*(29.4)*	(17.4)	*(29.7)*
Total	**4,775.7**	***(3.6)***	**641.8**	***(6.3)***	**613.6**	***(15.1)***	**(192.4)**	***n.s.***

n.s.: not significant

Recurring EBITDA at 641.8 million euro was down 43.0 million euro from 2011 (684.8 million euro). The slowdown arose in all segments except the financial segment, which reported an improvement of 17.1 million euro from 2011. The largest reductions in absolute terms were in construction materials (-68.7 million euro) penalized by the fall in sales volumes and the negative dynamic in variable costs.
In geographical terms, there was a significant decrease in the European countries and a smaller reduction in Africa, while a healthy improvement was reported on the North American market thanks to higher revenues from the upturn in the residential and commercial areas and containment of overheads.
Non-recurring items reflected net expense of 28.2 million euro (net income of 37.7 million euro in 2011), largely relating to construction materials for 17.5 million euro as a result of corporate restructuring costs and capital gains on the sale of assets, the food packaging and

thermal insulation segment for 8.5 million euro in relation to risks and the financial segment for 2.8 million euro.

This affected **EBITDA,** which decreased by 108.9 million euro (613.6 million euro compared with 722.5 million euro in 2011).

EBIT, after lower amortization and depreciation charges (471.9 million euro from 485.0 million euro in 2011) and high impairment (334.1 million euro from 148.1 million euro in 2011), was negative at 192.4 million euro (positive at 89.4 million euro in 2011). Impairment related to goodwill (267.9 million euro), property, plant and equipment and investment property (65.4 million euro) and intangible assets (0.8 million euro), as follows:

- construction materials for 309.4 million euro (134.3 million euro) reflecting the result of impairment testing on the cash-generating units of the Italcementi group which led to impairment losses on goodwill in Spain and Egypt and on property, plant and equipment in Greece,
- food packaging and thermal insulation for 24.8 million euro (2.4 million euro in 2011) largely due to impairment testing leading to goodwill impairment losses on some cash-generating units of the Sirap group, including 20.4 million euro at the rigid container CGU.

Net financial costs were down 15.7 million euro, from 103.6 million euro in 2011 to 87.9 million euro at December 31, 2012.Interest in respect of net debt amounted to 90.0 million euro, up by 3.4% from 2011, while exchange-rate differences, net of hedging, showed a gain of 4.7 million euro (loss of 11.3 million euro in 2011). A positive contribution was the sale of some equity investments in construction materials (capital gain of 25.3 million euro).

The caption does not include financial income and costs in the financial and banking segments, which are part of these segments’ core businesses and therefore classified under the line items constituting recurring EBITDA.

Impairment on financial assets reflected a loss of 32.2 million euro (-86.6 million euro in 2011) relating chiefly to impairment on bank stocks in the financial segment in the first half of 2012 (22.0 million euro) and on the equity investment in Burgo Group at the end of the year (10.0 million euro) after impairment testing on the basis of the present value of future cash flows.

The **share of profit (loss) of equity-accounted investees** reflected a loss of 20.0 million euro (+9.7 million euro in 2011), arising from the losses of the investees in the financial segment (-31.1 million euro) mitigated in part by the profits reported by the investees in the construction materials segment, for a share of 11.1 million euro.

The Group posted a **loss before tax** of 332.5 million euro (-91.1 million euro in 2011).

Continuing operations reflected a **loss** of 480.6 million euro (a loss of 155.0 million euro in 2011).

The Group posted a **loss for the period** of 472.6 million euro (a loss of 60.6 million euro for 2011) with a **loss attributable to owners of the parent** of 270.3 million euro (loss of 147.7 million euro in 2011) and a loss attributable to non-controlling interests of 202.3 million euro (profit of 87.1 million euro in 2011).

Total equity at December 31, 2012, was 4,799.0 million euro, a decrease of 740.6 million euro from December 31, 2011, arising as follows:

- the loss for the period of 472.6 million euro;
- dividends paid for 104.5 million euro;
- the negative exchange-rate effect for 91.7 million euro
- the negative change in the fair value and hedging reserve for 41.3 million euro;

- other variations relating to acquisitions/sales of investments in consolidated investees with a negative effect of 30.5 million euro.

At December 31, 2012, **net debt** stood at 1,930.5 million euro, a decrease of 109.1 million euro from December 31, 2011, thanks chiefly to control of cash flows from operations and a rigorous investment policy.

Performance in the core businesses

Performance in the **construction materials segment,** headed by the Italcementi group (Italmobiliare's main industrial activity)was affected by the economic crisis, which had a severe impact on demand for construction materials in the industrialized countries, while the trend was positive in some emerging countries, especially in Asia. After a sharp fall in sales volumes in the first nine months of the year, performance improved in the fourth quarter, thanks to a significantly smaller reduction in overall sales volumes. Revenues, at 4,480.1 million euro (4,657.4 million euro in 2011), were down 3.8% (-4.9% at constant size and exchange rates), largely because of the negative volume impact. Recurring EBITDA, at 632.4 million euro (701.1 million euro), was down 9.8%. After net non-recurring expense of 17.5 million euro (net income 40.8 million euro in 2011), amortization and depreciation of 456.4 million euro (468.7 million euro) and impairment of 309.4 million euro (134.3 million euro), EBIT was -150.9 million euro (+138.9 million euro). This was reflected in the result before tax, a loss of 224.2 million euro (profit of 65.5 million euro). After income tax expense of 146.2 million euro (69.1 million euro), continuing operations showed a loss of 370.4 million euro (a loss of 3.6 million euro). The group posted a loss for the year of 362.4 million euro (profit of 91.2 million euro). The loss attributable to owners of the parent was 395.8 million euro (loss of 3.1 million euro), while profit attributable to non-controlling interests decreased from 94.3 million euro in 2011 to 33.4 million euro.

Performance in the **food packaging and thermal insulation segment,** consisting of the Sirap Gema group, was affected by the continuing economic crisis which generated a downturn in consumption on the core markets. Specifically the reduction in demand in food packaging triggered an intensification in competitive pressures, with a negative impact on sales prices. In this context the group reported revenues of 239.8 million euro, a slight increase on 2011 (235.6 million euro). Recurring EBITDA was down 9.3% due to the significant rise in raw material costs, and to the increase in excise duty on energy. EBIT for the year was negative at 31.0 million euro (-2.1 million euro in 2011) and was strongly affected by goodwill impairment of 24.0 million euro relating largely to the rigid containers division, and by non-recurring expense of 8.5 million euro. After net financial costs of 4.8 million euro, a reduction of 10.1% from 2011, and tax of 2.4 million euro, the group posted a loss for the period of 38.2 million euro (a loss of 8.9 million euro in 2011).

The **financial segment,** which includes the parent Italmobiliare and the wholly owned financial companies, was affected by the financial tension of the first half of the year in some euro zone countries, which eased toward the end of the year. The loss for the year of 70.6 million euro (-96.2 million euro in 2011) was essentially due to the reduction in dividends paid by the main investees in the segment, impairment on equities (-55.5 million euro) and the loss reported by equity-accounted investees (-31.1 million euro), counterbalanced only in part by positive management of liquidity (+25.3 million euro). Since the financial sector is owned 100% by the Group, its profit for the period is reflected in full on profit attributable to owners of the parent.

The **banking sector** comprises Finter Bank Zürich and Crédit Mobilier de Monaco. Operating income in 2012 was 30.5 million euro, a decrease of 8.4% from 2011 (33.3

million euro), largely due to the reduction in commission income and in third-party assets under management. The contraction in margins was accompanied by a significant reduction in operating expense, enabling the segment to post a gross operating profit of 1.6 million euro (a loss of 3.5 million euro in 2011). After allowances for impairment of trade receivables, amortization, depreciation and impairment, the segment posted a loss for the period of 8.7 million euro (-23.1 million euro at December 31, 2011).

THE PARENT COMPANY – The parent Italmobiliare S.p.A. closed financial year 2012 with a loss of 66.7 million euro (a loss of 57.3 million euro in 2011), substantially due to impairment on subsidiaries and on equities for 62.7 million euro and the fall in **revenues** to 27.4 million euro from 49.2 million euro in 2011 (-44.3%). This significant reduction was essentially due to the difficult economic and financial situation on the stock markets, which was particularly intense in the first part of the year, and to pressure on liquidity, which caused a contraction in the dividend distribution policy of the main Italmobiliare investees, with dividends received down by 52.8% compared with 2011.

Despite the reduction in operating expense (-6.2% from 2011) and financial costs (-5.0% from 2011), the decrease in revenues led to a downturn in **recurring EBITDA** which was negative at 1.7 million euro compared with a positive result of 18.3 million euro in 2011. After provisions of 2.6 million euro against current risks on which a future outlay is deemed probable, **EBITDA** and **EBIT** were negative at 4.6 and 4.7 million euro respectively (positive at 17.7 and 17.6 million euro in 2011).

The material **impairment** of 62.7 million euro posted in 2012 (80.4 million euro in 2011) arose chiefly from:

- impairment on listed equities for 21.5 million euro relating to the equity investments in Unicredit and UBI Banche posted in the first half of the year due to the negative performance of the stock markets,
- impairment of 22.6 million euro on the investment in the subsidiary Sirap Gema S.p.A.. The figure reflects the adjustment of the subsidiary carrying amount to the assessment performed by an independent professional, who determined the equity value of the subsidiary at 14.9 million euro, through an estimate of the present value of expected future cash flows,
- adjustment to the assessment performed by an external professional on the RCS MediaGroup equity investment, who estimated the investee's value in use at 0.563 euro per share, with an impairment of 18.4 million euro.

After a positive income tax effect of 0.6 million euro (5.5 million euro at December 31, 2011) the parent posted a **loss for the year** of 66.7 million euro (57.3 million euro in 2011).

Italmobiliare **Net Asset Value** (NAV) at December 31, 2012, was 1,075.8 million euro (1,138.5 million euro at December 31, 2011) on capitalization of 413.7 million euro, reflecting a discount of 61.5% compared with 58.2% at December 31, 2011.

NAV was computed considering:

- the year-end market price of investments in listed companies,
- the value of non-listed companies determined, when possible, on the basis of market multiples or specific valuations or, alternatively, on equity determined with IAS/IFRS policies, where available, or otherwise with local accounting policies,
- the increased value of any real estate assets,

taking account of the fiscal effect.

At the Italmobiliare Board of Directors will propose at the shareholders' meeting called for May 29, 2013, that no **dividend** be paid out for financial year 2012.

OUTLOOK – Despite the signs of a strengthening in some emerging countries in the last few months, global growth prospects are still subject to high uncertainty. Specifically, risks remain in the euro zone due to the slow introduction of structural reforms and the imbalances in a number of member states. These factors could affect the climate of confidence for a longer time than previously assumed and cause further delay in a recovery in both public and private investment, and in consumer spending and employment.
In this situation, the Group industrial segments could be adversely affected, in the West European countries in particular, by the contraction in sales volumes and presumable increase in commodity prices and energy prices; conversely, a healthy recovery is expected in most of the emerging countries where the construction materials segment operates.
Results in the financial and banking segments will in turn depend upon the ability of economic and financial policy, in Europe in particular, to ensure market stability and an improvement in growth prospects.
For its part the Group, in addition to completing its planned efficiency programs, will this year focus on beginning new rationalization measure and introducing further action to cut costs.
All factors considered, the difficulties in the real economy and the uncertainty in financial conditions are significant and difficult to quantify, with the result that it is not possible at the present time to provide a guidance on the Group overall results for the current year.

BOND ISSUES AND MATURITIES – No new bonds were issued during the year and no issues are due to mature in the 18 months after closure of the 2012 financial statements with the exception of those illustrated by the subsidiary Italcementi S.p.A. in its press release of March 5, 2012.

***

In addition to the 2012 separate financial statements, the Board of Directors agreed to present to the ***ordinary session*** of the forthcoming shareholders' meeting called for May 29, 2013, with a single notice of call:

1) the **Remuneration Report**, drawn up pursuant to art. 123-ter of Law no.58, February 24, 1998 (Consolidated Finance Act);

2) subject to revocation of the shareholder resolution of May 29, 2012, authorizing the purchase of treasury shares, a proposal for the **renewal of the authorization for the purchase and disposal of treasury shares** for a period of 18 months as from the resolution date. Shares may be purchased in order to:

- dispose of treasury shares:

* for sale to employees and/or directors in connection with stock option plans reserved for employees and/or directors;
* for medium/long-term investment purposes;

- intervene, in compliance with current regulations, directly or through intermediaries, in order to limit anomalous movements in share prices and to regularize trends in trading and share prices in response to momentary distortions caused by excessive volatility or low trading liquidity;
- build a treasury stock portfolio to service extraordinary financial transactions or for other purposes deemed to be in the financial, business and/or strategic interests of the company;
- offer shareholders an additional tool to monetize their investments.

The proposal provides that the per-share purchase price shall not be more than 15% above or below the average reference price on the same regulated market in the three trading sessions prior to each transaction; the overall amount paid by the company for buy-backs shall not exceed 50 million euro; the overall nominal value of the maximum number of bought-back ordinary and/or treasury shares, including treasury shares already held as of today by the company and by the subsidiaries, shall not exceed one tenth of the share capital.

Furthermore:

- buy-backs shall normally be conducted in a manner that ensures equitable treatment of shareholders and does not allow offers to purchase to be directly matched with predetermined offers to sell, or, taking account of the various possible objectives, in any other manner allowed under current laws and regulations governing the stock market on which the transaction is performed;
- the shares shall be disposed of in any manner deemed suitable to achieve the objectives pursued, directly or through intermediaries, in compliance with the current applicable community and national laws and regulations;
- share buy-back and sale transactions shall be performed in compliance with applicable laws and, specifically, with current laws and regulations.

As of today, the company holds 871,411 ordinary treasury shares and 28,500 ordinary savings shares, representing, respectively, 3.93% of ordinary share capital and 0.17% of savings share capital.

The Board of Directors will also propose the introduction in the by-laws of a transitory disposition whereby, in accordance with the by-laws and with Law no. 120 of July 12, 2011 (so-called “Law on gender quotas”), at the first renewal of the company officers after the entry into force of the law in question, the number of candidates in the lists (not minority lists) of the gender with fewer representatives shall be at least one fifth (this will consequently apply to the renewal of the company officers whose term ends with the AGM to be held in 2014).

***

The Board of Directors ascertained that the directors Mauro Bini, Gabriele Galateri di Genola, Jonella Ligresti, Gianemilio Osculati, Giorgio Perolari and Paolo Sfameni meet the independence requirements set out in the Voluntary Code of Conduct drawn up by the Corporate Governance Committee (also with regard to directors Mauro Bini and Giorgio Perolari, waiving the criterion regarding term of office).

The Manager in charge of preparing the Italmobiliare S.p.A. financial reports, Giorgio Moroni, declares – pursuant to paragraph 2 article 154-bis of the Consolidated Law on Finance (Legislative Decree 58/1998) – that the accounting information contained in this press release corresponds to the document results, books and accounting entries.

Disclaimer

This press release may contain forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in legislation and government regulation (in each case, in Italy or abroad), and many other factors, most of which are beyond the Group's control.

Attachments: pre-audit income statement and statement of financial position

Italmobiliare Group					
Income statement (in thousands of euro)	**2012**	**%**	**2011 IFRS 5**	**%**	**% change**
Revenues	**4,775,658**	**100.0**	**4,952,864**	**100.0**	**-3.6**
Other revenues	51,380		44,430		
Change in inventories	21,128		1,933		
Internal work capitalized	32,545		32,229		
Raw materials and supplies	(2,001,922)		(2,053,585)		
Services	(1,168,063)		(1,188,278)		
Employee expense	(1,003,244)		(1,027,551)		
Other operating income (expense)	(65,708)		(77,280)		
Recurring EBITDA	**641,774**	**13.4**	**684,762**	**13.8**	**-6.3**
Net capital gains on sale of non-current assets	39,057		66,315		
Non-recurring employee expense for re-orgs	(56,453)		(26,467)		
Other non-recurring income (expense)	(10,751)		(2,097)		
EBITDA	**613,627**	**12.8**	**722,513**	**14.6**	**-15.1**
Amortization and depreciation	(471,859)		(485,001)		
Impairment	(334,140)		(148,099)		
EBIT	**(192,372)**	**-4.0**	**89,413**	**1.8**	
Financial income	58,677		73,754		
Financial costs	(145,286)		(159,224)		
Net exchange-rate differences and derivatives	(1,278)		(18,140)		
Impairment on financial assets	(32,208)		(86,562)		
Share of profit (loss) of equity-accounted investees	(20,017)		9,709		
Profit (loss) before tax	**(332,484)**	**-7.0**	**(91,050)**	**-1.8**	
Income tax (expense)	(148,129)		(63,919)		
Profit (loss) relating to continuing operations	**(480,613)**	**-10.1**	**(154,969)**	**-3.1**	
Profit (loss) relating to discontinued operations	7,992		94,345		
Profit (loss) for the period	**(472,621)**	**-9.9**	**(60,624)**	**-1.2**	
Attributable to:					
Owners of the parent	**(270,294)**	**-5.7**	**(147,707)**	**-3.0**	
Non-controlling interests	**(202,327)**	**-4.2**	**87,083**	**1.8**	
Earnings per share					
- Basic					
ordinary shares	(7.184) €		(3.926) €		
savings shares	(7.184) €		(3.926) €		
- Diluted					
ordinary shares	(7.184) €		(3.925) €		
savings shares	(7.184) €		(3.925) €		

n.s. = not significant

Italmobiliare Group					
Statement of comprehensive income (in thousands of euro)	**2012**	**%**	**2011 (IFRS 5)**	**%**	**Change**
Profit (loss) for the period	**(472,621)**	**-9.9**	**(60,624)**	**-1.2**	**(411,997)**
Fair value gains (losses) on:					
Available-for-sale financial assets	(14,694)		(154,229)		139,535
Derivatives	(28,971)		20,144		(49,115)
Translation differences	(91,343)		(24,580)		(66,763)
Tax on other comprehensive income	2,519		(2,408)		4,927
Share of other comprehensive income of equity-accounted investees	1,184		(712)		1,896
Other comprehensive income (expense)	**(131,305)**	**-2.7**	**(161,785)**	**-3.3**	**30,480**
Other comprehensive income (expense) relating to discontinued operations	-		(2,913)		**2,913**
Total comprehensive income (expense)	**(603,926)**	**-12.6**	**(225,322)**	**-4.5**	**(378,604)**
Attributable to:					
Owners of the parent	**(297,054)**		**(271,817)**		**(25,237)**
Non-controlling interests	**(306,872)**		**46,495**		**(353,367)**

Italmobiliare Group			
Statement of financial position (in thousands of euro)	**12/31/2012**	**12/31/2011**	**Change**
Non-current assets			
Property, plant and equipment	4,220,901	4,546,850	(325,949)
Investment property	34,162	28,596	5,566
Goodwill	1,644,299	1,986,488	(342,189)
Intangible assets	107,643	111,914	(4,271)
Equity-accounted investees	283,721	324,662	(40,941)
Other equity investments	306,397	338,886	(32,489)
Trade receivables and other non-current assets	262,921	224,219	38,702
Deferred tax assets	127,240	172,466	(45,226)
Non-current amounts due from employees	3,548	2,476	1,072
Total non-current assets	**6,990,832**	**7,736,557**	**(745,725)**
Current assets			
Inventories	735,519	775,622	(40,103)
Trade receivables	810,437	925,843	(115,406)
Other current assets including derivatives	397,522	411,129	(13,607)
Tax assets	64,771	71,972	(7,201)
Equity investments, bonds and financial assets	465,300	759,715	(294,415)
Cash and cash equivalents	957,573	821,478	136,095
Total current assets	**3,431,122**	**3,765,759**	**(334,637)**
Non-current discontinued operations	**2,104**	**3,445**	**(1,341)**
Total assets	**10,424,058**	**11,505,761**	**(1,081,703)**
Equity			
Share capital	100,167	100,167	
Share premium	177,191	177,191	
Reserves	(523)	4,438	(4,961)
Treasury shares	(21,226)	(21,226)	
Retained earnings	1,560,082	1,847,828	(287,746)
Equity attributable to owners of the parent	**1,815,691**	**2,108,398**	**(292,707)**
Non-controlling interests	2,983,284	3,431,166	(447,882)
Total equity	**4,798,975**	**5,539,564**	**(740,589)**
Non-current liabilities			
Financial liabilities	2,196,608	2,318,948	(122,340)
Employee benefits	240,501	210,548	29,953
Provisions	249,288	261,053	(11,765)
Other non-current liabilities	40,652	29,830	10,822
Deferred tax liabilities	213,800	226,991	(13,191)
Total non-current liabilities	**2,940,849**	**3,047,370**	**(106,521)**
Current liabilities			
Loans and borrowings	652,629	349,436	303,193
Financial liabilities	225,935	538,579	(312,644)
Trade payables	651,591	690,831	(39,240)
Provisions	612	2,123	(1,511)
Tax liabilities	33,539	44,753	(11,214)
Other current liabilities	1,119,637	1,292,733	(173,096)
Total current liabilities	**2,683,943**	**2,918,455**	**(234,512)**
Total liabilities	**5,624,792**	**5,965,825**	**(341,033)**
Liabilities directly linked to discontinued operations	**291**	**372**	**(81)**
Total equity and liabilities	**10,424,058**	**11,505,761**	**(1,081,703)**

Italmobiliare Group				
Statement of cash flows (in thousands of euro)	**December 31, 2012**		**December 31, 2011 (IFRS 5)**	
Net debt at beginning of period		**(2,039.6)**		**(2,095.5)**
Cash flow from operating activities		497.4		416.8
Capital expenditure:				
PPE, investment property, intangible assets	*(380.3)*		*(407.2)*	
Non-current financial assets	*(18.9)*		*(47.0)*	
Total capital expenditure		**(399.2)**		**(454.2)**
Proceeds from sale of non-current assets		110.4		188.0
Dividends paid		(104.8)		(147.8)
Calcestruzzi group net debt at January 1, 2011				(217.7)
Cash flow from discontinued operations (Set Group Holding)		44.2		259.2
Others		(38.9)		11.6
Change in net debt		**109.1**		**55.9**
Net debt at end of period		**(1,930.5)**		**(2,039.6)**

Italmobiliare Group						
Net financial position (in thousands of euro)	**December 31, 2012**		**December 31, 2011**		**Change**	
Cash, cash equivalents and current financial assets	**1,505,060**		**1,693,184**		**(188,124)**	
Cash and cash equivalents		957,573		821,478		136,095
Derivatives		21,065		8,279		12,786
Other current financial assets		526,422		863,427		(337,005)
Short-term financing	**(1,405,059)**		**(1,567,469)**		**162,410**	
Bank overdrafts		(652,629)		(349,436)		(303,193)
Short-term borrowings		(747,322)		(1,193,157)		445,835
Derivatives		(5,108)		(24,876)		19,768
M/L financial assets	**199,313**		**167,400**		**31,913**	
Non-current financial assets		72,520		72,144		376
Derivatives		126,793		95,256		31,537
M/L financing	**(2,229,802)**		**(2,332,734)**		**102,932**	
Long-term borrowings		(2,196,608)		(2,318,948)		122,340
Derivatives		(33,194)		(13,786)		(19,408)
Net financial position	**(1,930,488)**		**(2,039,619)**		**109,131**	

Italmobiliare S.p.A					
Income statement **(**euro)	**2012**	**%**	**2011**	**%**	**% change**
Revenues	**27,410,616**	**100.0**	**49,239,677**	**100.0**	**-44.3**
Other revenues	1,425,396		936,516		
Raw materials and supplies	(161,748)		(146,261)		
Services	(4,669,140)		(5,707,106)		
Employee expense	(16,116,704)		(15,904,607)		
Other operating income (expense)	(9,586,962)		(10,082,195)		
Recurring EBITDA	**(1,698,542)**	**-6.2**	**18,336,024**	**37.2**	**n.s.**
Net capital gains on sale of non-current assets	7,816		50		
Other non-recurring income (expense)	(2,901,345)		(617,158)		
EBITDA	**(4,592,071)**	**-16.8**	**17,718,916**	**36.0**	**n.s.**
Amortization and depreciation	(90,392)		(112,442)		
EBIT	**(4,682,463)**	**-17.1**	**17,606,474**	**35.8**	**n.s.**
Financial income and costs	(16,995)		(39,752)		
Impairment on financial assets	(62,684,111)		(80,411,448)		
Profit (loss) before tax	**(67,383,569)**	**n.s.**	**(62,844,726)**	**n.s.**	**7.2**
Income tax (expense)	646,528		5,544,817		
Profit (loss) for the period	**(66,737,041)**	**n.s.**	**(57,299,909)**	**n.s.**	**16.5**

n.s. = not significant

Italmobiliare S.p.A			
Statement of financial position (euro)	**12/13/2012**	**12/31/2011**	**Change**
Non-current assets			
Property, plant and equipment	3,617,704	3,622,815	(5,111)
Investment property	92,878	138,860	(45,982)
Intangible assets	13,279	62,031	(48,752)
Subsidiaries and associates	908,237,801	946,408,259	(38,170,458)
Other equity investments	205,878,558	202,914,352	2,964,206
Deferred tax assets	65,879,222	91,875,552	(25,996,330)
Other non-current assets	4,699,793	8,203,685	(3,503,892)
Total non-current assets	**1,188,419,235**	**1,253,225,554**	**(64,806,319)**
Current assets			
Trade receivables	6,652,127	3,425,425	3,226,702
Other current assets including derivatives	8,230,725	3,817,181	4,413,544
Tax assets	37,872,718	42,175,367	(4,302,649)
Equity investments, bonds and financial assets	15,353,864	14,668,881	684,983
Cash and cash equivalents	1,619,055	6,508,549	(4,889,494)
Total current assets	**69,728,489**	**70,595,403**	**(866,914)**
Total assets	**1,258,147,724**	**1,323,820,957**	**(65,673,233)**
Equity			
Share capital	100,166,937	100,166,937	
Share premium	177,191,252	177,191,252	
Reserves	(31,314,762)	(52,711,444)	21,396,682
Treasury shares	(21,226,190)	(21,226,190)	
Retained earnings	616,165,598	682,902,643	(66,737,045)
Total equity	**840,982,835**	**886,323,198**	**(45,340,363)**
Non-current liabilities			
Financial liabilities	148,549,146	179,530,905	(30,981,759)
Employee benefits	1,700,335	1,543,488	156,847
Provisions	8,645,188	6,045,188	2,600,000
Other non-current liabilities	90,594,757	117,590,425	(26,995,668)
Deferred tax liabilities	117,849	91,147	26,702
Total non-current liabilities	**249,607,275**	**304,801,153**	**(55,193,878)**
Current liabilities			
Loans and borrowings	58,823,500	70,451,000	(11,627,500)
Financial liabilities	90,687,703	48,502,705	42,184,998
Trade payables	3,669,340	3,825,599	(156,259)
Provisions	-	-	-
Tax liabilities	-	-	-
Other current liabilities	14,377,071	9,917,302	4,459,769
Total current liabilities	**167,557,614**	**132,696,606**	**34,861,008**
Total liabilities	**417,164,889**	**437,497,759**	**(20,332,870)**
Total equity and liabilities	**1,258,147,724**	**1,323,820,957**	**(65,673,233)**