PRESS RELEASE

SOGEFI GROUP: STABLE REVENUES DESPITE FALLING DEMAND. PROFITABILITY LOWER IN LINE WITH THE FIRST HALF

Consolidated results at September 30, 2008

Revenues € 813.3 million (+2%)
Operating profit € 79.4 million (-5.8%)
EBITDA € 91.2 million (-14.6%)
EBIT € 58.6 million (-20.4%)
Net profit € 29.6 million (-29.2%)
Net indebtedness after extraordinary dividends € 263.3 million (€ 102.8 million at 09/30/2007)

The Board of Directors of SOGEFI SpA, chaired by Mr. Rodolfo De Benedetti, met today in Milan to examine the Group results at September 30, 2008.

Despite the worsening global economic and financial picture, SOGEFI Group's consolidated revenues rose 2% (4% at stable exchange rates) at the end of September 2008 compared with the same period of 2007.

Consolidated sales stood at Euro 813.3 million, compared with 797.4 million for the first nine months of 2007. The improvement is due to the strong performance in Latin America (+29.4%) and industrial vehicle suspensions (+26.3%), coupled with higher prices in suspension components which offset the rising costs of steel. In Europe instead revenues slid by 1.7%, owing to weaker aftermarket sales.
In first nine months of 2008, sales of the Suspension Division were up 7.8% on the same period of 2007, while the Filtration Division reported a 3.2% decline.

In first nine months of 2008 **consolidated operating profit** amounted to Euro 79.4 million (9.8% of revenues, slightly better than the 9.7% at end of June 2008), compared with 84.4 million (10.6%) for the previous-year period (-5.8%). The decrease is due to a fall in sales in the high-return independent aftermarket and to the fact that the rise in steel prices witnessed in the third quarter has been only partially passed on to customers.

In the first nine months of 2008 EBITDA and EBIT were materially impacted by restructuring charges of Euro 8.8 million, whereas the same period of 2007 benefited from one-off gains of Euro 9 million (sale of a building, revaluation of assets and write-downs of liabilities), only partly offset by the costs of unrealised acquisitions for Euro 4.6 million. As a result, **consolidated EBITDA** stood at Euro 91.2 million (11.2% of revenues), compared with 106.8 million (13.4%) in the first nine months of 2007, while **consolidated EBIT** slipped to Euro 58.6 million (7.2% of revenues) from 73.5 million (9.2%).

The Filtration Division recorded an EBITDA of Euro 39.1 million (9.9% of revenues), compared with 57.1 million (13.9%) in 2007, and an EBIT of 25.7 million (6.5%), down from 43.4 million (10.6%).

The Suspension Division showed an EBITDA of Euro 56.1 million (13.4% of revenues), compared with 57.5 million (14.8%) in the previous-year period, and an EBIT of 37.1 million (8.9%), down slightly from 38.3 million (9.9%).

Profits before taxes and minority interests at September 30, 2008 stood at Euro 48.9 million, compared with 66.7 million (-26.7%) for the year-ago period.

Consolidated net profit amounted to Euro 29.6 million (3.6% of revenues), down 29.2% from 41.9 million (5.3%).

In the first nine months of 2008, following a cashout of Euro 159.5 million for ordinary and extraordinary dividends, SOGEFI Group's **net indebtedness** rose to Euro 263.3 million at September 30, 2008, from 102.8 million at September 30, 2007 and 92.4 million at December 31, 2007.

Total shareholders' equity at September 30, 2008, including minority interests, fell to Euro 195.9 million from 318.2 million at September 30, 2007 and 326.7 million at December 31, 2007.

Consolidated equity at September 30, 2008 dropped to Euro 180.1 million from 303.3 million at September 30, 2008 and 310.9 million at December 31, 2007.

Performance in the third quarter 2008

In the July-September quarter, sales grew 0.5% on the corresponding period of 2007, thanks to increased prices for Suspension Division which helped to counter the gradual falloff in demand. **Consolidated sales** came to Euro 257 million (255.6 million in the corresponding quarter of 2007), with 6.5% sales growth in Suspensions (132.3 million compared with 124.2 million) and a 5% decline in sales of the Filtration Division (125.2 million from 131.7 million).

Consolidated EBITDA, which suffered the effects of weaker Filter sales, higher restructuring costs and only partial transfer of the increased steel costs to selling prices, fell by 5.5% to Euro 30.2 million (11.8% of revenues) from 32 million (12.5%).
Similarly, **consolidated EBIT** fell slightly to Euro 19.9 million (7.7% of revenues), from 22 million (8.6%).
Net profits for the quarter came to Euro 9.5 million (3.7% of revenues), compared with 13 million in the previous-year period (5.1%).

In September 2008, SOGEFI Group signed a joint-venture agreement with the French company Sardou SA to manufacture vehicle suspension components in composite materials. The aim is to cut the present weight of steel-based products by 50% and help auto manufacturers make significant reductions to vehicle weight in the face of the EU's increasingly stringent standards on carbon emissions.

Sales in the final quarter will definitely feel the effects of the global financial recession which has hit the world automotive industry. Notwithstanding all possible steps have been taken to limit the effects of the predicted fall in revenues, a contraction of profitability levels in the year 2008 (compared with 2007) has to be foreseen.

The manager responsible for preparing the Group financial reports, Alberto Marastoni, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Milan, October 21, 2008

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SOGEFI GROUP CONSOLIDATED BALANCE SHEET

(in millions of Euro)

ASSETS	**09.30.2008**	**12.31.2007**
CURRENT ASSETS		
Cash and cash equivalents	44.7	63.7
Other financial assets	0.4	1.0
Working capital		
Inventories	135.1	113.2
Trade receivables	220.4	220.1
Other receivables	17.7	6.0
Tax receivables	12.5	10.7
Other assets	4.2	2.5
TOTAL WORKING CAPITAL	*389.9*	*352.5*
TOTAL CURRENT ASSETS	435.0	417.2
NON-CURRENT ASSETS		
Fixed assets		
Land	11.3	11.3
Property, plant and equipment	214.1	224.3
Other tangible fixed assets	4.0	4.4
Of wich: leases	*12.3*	*12.7*
Intangible assets	122.6	118.7
TOTAL FIXED ASSETS	352.0	358.7
OTHER NON-CURRENT ASSETS		
Equity investments in associated companies	0.1	0.1
Other financial assets available for sale	0.5	0.5
Financial receivables	0.8	-
Other receivables	8.4	5.0
Deferred tax assets	26.0	25.2
TOTAL OTHER NON-CURRENT ASSETS	35.8	30.8
TOTAL NON-CURRENT ASSETS	387.8	389.5
NON-CURRENT ASSETS HELD FOR SALE	6.7	6.8
TOTAL ASSETS	829.5	813.5

LIABILITIES	**09.30.2008**	**12.31.2007**
CURRENT LIABILITIES		
Bank overdrafts and short-term loans	60.3	12.4
Current portion of medium/long-term financial debts and other loans	28.6	13.7
Of which: leases	*1.4*	*1.3*
TOTAL SHORT-TERM FINANCIAL DEBTS	88.9	26.1
Other short-term liabilities for derivative financial instruments	0.4	0.5
TOTAL SHORT-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	89.3	26.6
Trade and other payables	234.9	228.9
Tax payables	4.7	11.8
Other current liabilities	3.6	3.0
TOTAL CURRENT LIABILITIES	332.5	270.3
NON-CURRENT LIABILITIES		
MEDIUM/LONG TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS		
Financial debts to bank	209.0	118.0
Other medium/long-term financial debts	11.0	12.5
Of which: leases	*8.1*	*9.1*
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS	220.0	130.5
Other medium/long term financial liabilities for derivative financial instruments	-	-
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	220.0	130.5
OTHER LONG-TERM LIABILITIES		
Long-term provisions	52.3	58.8
Other payables	0.2	-
Deferred tax liabilities	28.6	27.2
TOTAL OTHER LONG-TERM LIABILITIES	81.1	86.0
TOTAL NON-CURRENT LIABILITIES	301.1	216.5
SHAREHOLDERS' EQUITY		
Share capital	60.4	59.6
Reserves and retained earnings (accumulated losses)	90.1	199.1
Group net profit (loss)	29.6	52.2
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY	180.1	310.9
Minority interests	15.8	15.8
TOTAL SHAREHOLDERS' EQUITY	195.9	326.7
TOTAL LIABILITIES AND EQUITY	829.5	813.5

SOGEFI GROUP CONSOLIDATED INCOME STATEMENT FROM 01.01.2008 TO 09.30.2008

(in millions of Euro)

	Period 01.01 – 09.30.2008		Period 01.01 – 09.30.2007		Variation	
	Amount	%	Amount	%	Amount	%
Sales revenues	813.3	100.0	797.4	100.0	15.9	2.0
Variable cost of sales	539.6	66.4	518.9	65.1	20.7	4.0
CONTRIBUTION MARGIN	273.7	33.6	278.5	34.9	(4.8)	(1.7)
Manufacturing and R&D overheads	85.4	10.5	86.9	10.9	(1.5)	(1.8)
Depreciation and amortization	32.7	4.0	33.3	4.2	(0.6)	(1.8)
Distribution and sales fixed expenses	27.5	3.4	28.9	3.6	(1.4)	(4.7)
Administrative and general expenses	48.7	5.9	45.0	5.6	3.7	7.9
OPERATING PROFIT	79.4	9.8	84.4	10.6	(5.0)	(5.8)
Restructuring costs	8.8	1.1	1.7	0.2	7.1	431.6
Losses (gains) on disposal	(0.1)	-	(4.7)	(0.6)	4.6	(96.8)
Exchange (gains) losses	1.1	0.1	0.7	0.1	0.4	51.0
Other non-operating expenses (income)	11.0	1.4	13.2	1.7	(2.2)	(15.4)
EBIT	58.6	7.2	73.5	9.2	(14.9)	(20.4)
Financial expenses (income), net	9.5	1.2	6.9	0.8	2.6	36.7
Losses (gains) from equity investments	0.2	-	(0.1)	-	0.3	(251.0)
PROFIT BEFORE TAXES AND MINORITY INTERESTS	48.9	6.0	66.7	8.4	(17.8)	(26.7)
Income taxes	17.1	2.1	22.7	2.9	(5.6)	(25.0)
NET PROFIT BEFORE MINORITY INTERESTS	31.8	3.9	44.0	5.5	(12.2)	(27.6)
Loss (income) attributable to minority interests	(2.2)	(0.3)	(2.1)	(0.2)	(0.1)	(4.3)
GROUP NET PROFIT	29.6	3.6	41.9	5.3	(12.3)	(29.2)

SOGEFI GROUP CONSOLIDATED NET FINANCIAL POSITION

(in millions of Euro)

	09.30.2008	12.31.2007	09.30.2007
A. Cash	44.7	63.7	62.0
B. Other cash at bank and on hand	-	-	-
C. Financial instruments held for trading	0.1	0.1	1.5
D. Liquid funds (A) + (B) + (C)	**44.8**	**63.8**	**63.5**
E. Current financial receivables	**0.4**	**0.9**	**0.5**
F. Current payables to banks	(60.3)	(12.4)	(21.5)
G. Current portion of non-current indebtedness	(28.6)	(13.7)	(11.9)
H. Other current financial debts	(0.4)	(0.5)	-
I. Current financial indebtedness (F) + (G) + (H)	**(89.3)**	**(26.6)**	**(33.4)**
J. Current financial indebtedness, net (I) + (E) + (D)	**(44.1)**	**38.1**	**30.6**
K. Non-current payables to banks	(209.0)	(118.0)	(122.4)
L. Bonds issued	-	-	-
M. Other non-current financial debts	(11.0)	(12.5)	(11.4)
N. Non-current financial indebtedness (K) + (L) + (M)	**(220.0)**	**(130.5)**	**(133.8)**
O. Net indebtedness (J) + (N)	**(264.1)**	**(92.4)**	**(103.2)**
	-	-	-
Non-current financial receivables	0.8	-	0.4
Financial indebtedness, net including non-current financial receivables	**(263.3)**	**(92.4)**	**(102.8)**

SOGEFI GROUP CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER

(in millions of Euro)

	Period 07.01 – 09.30.2008		Period 07.01 – 09.30.2007		Variation	
	Amount	%	Amount	%	Amount	%
Sales revenues	257.0	100.0	255.6	100.0	1.4	0.5
Variable cost of sales	171.3	66.7	165.6	64.8	5.7	3.5
CONTRIBUTION MARGIN	85.7	33.3	90.0	35.2	(4.3)	(4.9)
Manufacturing and R&D overheads	26.3	10.2	27.7	10.9	(1.4)	(5.1)
Depreciation and amortization	10.4	4.0	10.1	3.9	0.3	3.1
Distribution and sales fixed expenses	8.5	3.3	9.2	3.6	(0.7)	(7.4)
Administrative and general expenses	14.8	5.8	14.7	5.7	0.1	0.3
OPERATING PROFIT	25.7	10.0	28.3	11.1	(2.6)	(9.3)
Restructuring costs	2.0	0.8	0.7	0.3	1.3	182.6
Losses (gains) on disposal	-	-	-	-	-	-
Exchange (gains) losses	-	-	0.3	0.1	(0.3)	(94.3)
Other non-operating expenses (income)	3.8	1.5	5.3	2.1	(1.5)	(28.0)
EBIT	19.9	7.7	22.0	8.6	(2.1)	(9.5)
Financial expenses (income), net	3.8	1.4	2.4	0.9	1.4	59.4
Losses (gains) from equity investments	-	-	-	-	-	-
PROFIT BEFORE TAXES AND MINORITY INTERESTS	16.1	6.3	19.6	7.7	(3.5)	(17.8)
Income taxes	6.0	2.3	6.0	2.3	-	-
NET PROFIT BEFORE MINORITY INTERESTS	10.1	4.0	13.6	5.4	(3.5)	(26.0)
Loss (income) attributable to minority interests	(0.6)	(0.3)	(0.6)	(0.3)	-	-
GROUP NET PROFIT	9.5	3.7	13.0	5.1	(3.5)	(27.2)