



PRESS RELEASE

Board of Directors approves results as of December 31 2011

**SOGEFI: REVENUES AT 1.16 MLD (+25.3%), ALL TIME HIGH FOR THE GROUP
MARGINS POST DOUBLE-DIGIT GROWTH, NET INCOME AT 24.7 MLN (+31.4%)**

*Despite the slowdown of the economy in the last quarter,
sales were driven by the acquisition of Systèmes Moteurs, consolidated in August,
and by the organic growth of the businesses. Pro-forma revenues at 1,335 million euro*

*The Group continues to expand in extra-European countries: revenues up significantly in
North America (+266.1%), Mercosur (+9.6%), China (+36.4%) and India (+37.6%).
Strong growth of profitability in the Suspension Components Division*

Board of Directors proposes distribution of dividend of 0.13 euro per share

Consolidated results for financial year 2011

*Revenues: € 1,158.4 million (+25.3% from € 924.7 million in 2010)
Operating income: € 89.1 million (+31.9% from € 67.5 million in 2010)
EBITDA: € 108.3 million (+24.9% from € 86.7 million in 2010)
Net income: € 24.7 million (+31.4% from € 18.8 million in 2010)
Net debt: € 299.8 million (€ 325.3 million at 09/30/2011)*

Milan, February 23 2012 - The **Board of Directors** of Sogefi SpA, which met today under the chairmanship of **Rodolfo De Benedetti**, has approved the **proposed statutory financial statements and the consolidated financial statements** of the group for **financial year 2011**.

Sogefi, the automotive components company of the **CIR group**, is one of the **main world producers of engine systems and suspension components** with a production presence with **43** operations in **18** countries and **14** commercial offices.

Performance of operations

In 2011 production volumes of cars and industrial vehicles at global level only partly benefited from the good performance in the first half of the year because of the slowdown in the economy that took place in the later part of the year. The highest impact was reported in the European market with a decline of 1.7% in car registrations for the whole year compared to 2010.

The South American, Chinese and Indian markets, while continuing their positive trend, showed lower growth rates than those of the previous three years. Strong growth, however, was seen in the North American market, where all the main constructors reported higher levels of production and sales.

Despite the complex market scenario and the decline in demand recorded in the later part of the year, **the Sogefi group closed 2011 with double-digit growth in all its main economic indicators.**

In particular, the group posted revenues of 1,158 million euro, reaching an all-time high for the thirty years of its history. This result was obtained thanks to the acquisition of the businesses of Systèmes Moteurs S.A.S., which was consolidated as from August 1 2011, and to the organic growth of the businesses of the group.

The acquisition of Systèmes Moteurs enabled Sogefi to achieve three important industrial objectives: the extension of its product lines into engine air and cooling systems; higher penetration in North America, China and India; a greater presence among German prestige car manufacturers.

Consolidated results

Revenues for 2011 came in at **1,158.4 million euro**, and **were up by 25.3%** from the figure of 924.7 million euro in 2010. The rise was due to the acquisition of Systèmes Moteurs and to the organic growth of the businesses of the group. In fact on the same basis of consolidation as last year revenues would have been 1,021.2 million euro, with a rise of 10.4%. **Pro-forma revenues, including the businesses of Systèmes Moteurs in the consolidation as from January 1 2011, would be 1,335 million euro.**

In 2011 **Sogefi continued its process of growth in extra-European markets**, making significant progress in Mercosur (+9.6%), North America (+266.1% thanks to the contribution of Systèmes Moteurs; +46.1% with the same consolidation as last year), China (+36.4%) and India (+37.6%).

The year was characterized by a higher impact of the cost of materials (especially steel), which was almost all passed on to selling prices. This impact, even in relation to the higher impact on the activities of Systèmes Moteurs, came to 49.8% compared to 46% last year. By contrast, the ratio of labour costs to total sales revenues fell by 24.6% to 22.9%.

The **operating result** was **89.1 million euro, up by 31.9%** on the figure for 2010 (67.5 million), with a ratio to sales of 7.7% (7.3% in 2010). With the same consolidation as last year, operating income would have been 78.6 million euro (7.7% of sales), with a rise of 16.4%.

During the year reorganization continued to cut structure costs. More specifically, the personnel at the Llantrisant plant (Wales) was downsized considerably and there were other minor reorganizations in most of the companies of the group. Total restructuring costs came to 8.8 million euro compared to 12 million euro in 2010. The restructuring action also includes non-operating costs of 3.4 million euro for the writedowns of assets. Non-operating costs also include disbursements of 4.4 million euro related to the acquisition of Systèmes Moteurs.

EBITDA for the year was **108.3 million euro** (9.3% of sales revenues), **up by 24.9%** from 86.7 million euro in 2010 (9.4% of sales). With the same consolidation as last year, excluding the businesses of Systèmes Moteurs and the acquisition costs, EBITDA would have been 99.8 million euro (9.8% of sales).

Pro-forma EBITDA for 2011, including the businesses of Systèmes Moteurs from January 1 2011, would be 123.1 million euro (9.2% of pro-forma revenues).

EBIT rose to **59.5 million euro** (5.1% of sales), up from 41.8 million euro in 2010 (4.5% of sales), posting **growth of 42.5%**. With the same consolidation as last year, excluding the businesses of Systèmes Moteurs and the acquisition costs, EBIT would have been 55.9 million euro (5.5% of sales).

Net income came in at **24.7 million euro** and was **up 31.4%** on the figure for the previous year (18.8 million euro).

Net debt stood at **299.8 million euro** at December 31 2011, **down sharply** from the figure of 325.3 million reported at September 30. The rise compared to the figure at the end of 2010 (164.9 million euro) was due mainly to the acquisition of Systèmes Moteurs and to the payment of dividends of 16.1 million euro.

Consolidated equity stood at **195.9 million** euro at December 31 2011 (197.2 million at December 31 2010).

The **group** had **6,708 employees**, of which 1,187 from Systèmes Moteurs, on its books at December 31 2011 up from 5,574 at December 31 2010.

Engine Systems Division

The revenues of the ***Engine Systems Division*** came to 611.5 million euro (+31.5%), including a contribution of 135.7 million euro from the businesses of Systèmes Moteurs in the last five months of the year. With the same consolidation as last year revenues would have been 475.9 million euro (+2.3%). Weak demand in the European independent aftermarket was more than compensated by a rise in all markets in the original equipment (OEM) and OES aftermarket (Europe +4.2%, Mercosur +5.8%, United States +45.8%, China +183.9%, India +22.2%).

Although the profitability of the division with the new consolidation area is higher in absolute terms, it is lower in terms of ratio to sales because of the decline in sales (-4.1%) in the most profitable market, that of the independent aftermarket. EBITDA and EBIT were also affected by the costs incurred for the reorganization of the Welsh plant at Llantrisant (10.3 million euro). EBITDA came in at 47 million euro (+19.9%) while EBIT came to 23 million (+18.4%).

The ***Air filter and Cooling*** businesses, corresponding to the companies acquired with Systèmes Moteurs, in the last five months of the year (after entering the Sogefi consolidation) reported revenues of 135.7 million euro, EBITDA of 12.3 million euro and EBIT of 7.3 million euro.

Suspension Components Division

The ***Suspension Components Division*** closed 2011 with strong growth thanks to the rise in volumes in both its sectors of activity (cars and industrial vehicles) in the first part of the year and to its ability to offset the higher cost of steel by raising its selling prices.

Revenues rose by 18.6% (+15.6% for the light commercial vehicle segment and +35.7% for the industrial vehicle sector) to 547.7 million euro, from 461.6 million euro in 2010.

Profitability improved at all levels from the previous year, thanks to greater activity in the more profitable industrial vehicle market, the reduction in structure costs and the already mentioned upward adjustment of prices in line with the higher cost of the raw material. EBITDA was 12.5% of revenues, climbing to 68.3 million euro (+31.2%), while EBIT rose to 8.1% of revenues (44.1 million euro, up by 60.2% on 2010).

Results of the parent company of the group Sogefi SpA

The **parent company Sogefi SpA** closed 2011 with **net income** of **10.5 million** euro, down from 12.4 million in the previous year. Despite the higher dividend flow received than in 2010, the lower figure was due essentially to the costs incurred for the acquisition of Systèmes Moteurs, to the writedown of the Italian investee Sogefi Rejna SpA for 5.5 million euro to bring it into line with the results of the impairment test carried out at December 31, and to higher financial expense.

Net debt stood at **254.7 million** euro at December 31 2011, with a rise of 135.2 million euro from the figure at December 31 2010. The change was mainly due to the disbursement made for the acquisition of Systèmes Moteurs.

Outlook for the year 2012

2012 began in a recessionary scenario in Europe, the group's main market, and with slower growth in other important countries such as Brazil and China. Despite this, the group expects to see higher revenues and income in 2012 than in 2011 thanks partly to the fact that the Systèmes Moteurs businesses will be in the consolidation for the whole year. At present no price rises are expected for the main commodities. Management will as always be focusing on a greater flexibility of production resources and on reducing cost factors to counter any significant decline in business and revenues which cannot be envisaged today.

Proposed dividend

The Board of Directors will propose that the Shareholders' Meeting approve the **distribution of a dividend of 0.13 euro per share** (the same as in 2011), which will be paid out as from May 4 2012 against presentation of coupon no. 30 on April 30 2012.

Shareholders' Meeting

The Meeting of the Shareholders of Sogefi has been convened at the first call for April 19 2012 and at the second call for April 20 2012. The Board of Directors has specifically resolved:

- To propose that the Shareholders Meeting cancel and renew its authorization of the Board of Directors for a period of 18 months to buy back a maximum of 10 million of the company's own shares (including 3,486,229 shares already held as of today, corresponding to 2.99% of the ordinary share capital) at a unit price that cannot be more than 10% higher or lower than the official price of the shares recorded at the trading session on the regulated market prior to that of each individual transaction. The main reasons why this authorization is being renewed are the possibility of investing in shares of the company at prices below their actual value, based on the real economic value of its equity and its income generating prospects and also of being able to use the shares bought back for the Company's share-based compensation plans.
- To put forward for approval by the Shareholders' Meeting a stock grant plan for 2012 for employees of the company and its subsidiaries and the Chief Executive Officer of the company for a maximum of 1,600,000 conditional rights, each of which will give the beneficiaries the right to be assigned 1 Sogefi share free of charge. The shares assigned will be the own shares held by the Company as treasury stock.

Cooptation of a Director

The Board has coopted as Director Mr Gerardo Benuzzi to replace Mr Alberto Piaser, who resigned the post on February 1 2012. Mr Benuzzi will remain in office until the next Shareholders' Meeting.

The Shareholders' Meeting will be called upon to approve the appointment of a Director and to renew the appointment of the Board of Statutory Auditors.

The executive responsible for the preparation of the company's financial statements, Giancarlo Coppa, hereby declares, in compliance with the terms of paragraph 2 Article 154-bis of the Finance Consolidation Act (TUF), that the accounting figures contained in this press release correspond to the results documented in the company's accounts and general ledger.

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Attached are the key figures from the income statement and the statement of financial position as of December 31 2011 of the Sogefi group and of the parent company Sogefi SpA

SOGEFI GROUP

RECLASSIFIED CONSOLIDATED ANNUAL INCOME STATEMENT

(in millions of Euro)

	Period		Period		Change	
	01.01 – 12.31.2011	%	01.01 – 12.31.2010	%	Amount	%
Sales revenues	1,158.4	100.0	924.7	100.0	233.7	25.3
Variable cost of sales	805.9	69.6	622.9	67.4	183.0	29.4
CONTRIBUTION MARGIN	352.5	30.4	301.8	32.6	50.7	16.8
Manufacturing and R&D overheads	115.0	9.9	98.6	10.6	16.4	16.6
Depreciation and amortization	48.8	4.2	44.9	4.9	3.9	8.6
Distribution and sales fixed expenses	35.3	3.0	32.4	3.5	2.9	9.0
Administrative and general expenses	64.3	5.6	58.4	6.3	5.9	10.4
OPERATING RESULT	89.1	7.7	67.5	7.3	21.6	31.9
Restructuring costs	8.8	0.8	12.0	1.3	(3.2)	(27.2)
Losses (gains) on disposal	0.1	-	(0.5)	-	0.6	n.m.
Exchange (gains) losses	0.9	0.1	0.2	-	0.7	295.7
Other non-operating expenses (income)	19.8	1.7	14.0	1.5	5.8	41.5
EBIT	59.5	5.1	41.8	4.5	17.7	42.5
Financial expenses (income), net	12.7	1.1	9.6	1.0	3.1	32.7
Losses (gains) from equity investments	-	-	(0.2)	-	0.2	100.0
RESULT BEFORE TAXES AND NON-CONTROLLING INTERESTS	46.8	4.0	32.4	3.5	14.4	44.5
Income taxes	18.9	1.6	11.6	1.3	7.3	63.7
NET RESULT BEFORE NON-CONTROLLING INTERESTS	27.9	2.4	20.8	2.2	7.1	33.8
Loss (income) attributable to non-controlling interests	(3.2)	(0.3)	(2.0)	(0.2)	(1.2)	(55.6)
GROUP NET RESULT	24.7	2.1	18.8	2.0	5.9	31.4

CONSOLIDATED NET FINANCIAL POSITION

(in millions of Euro)

	12.31.2011	12.31.2010
A. Cash	102.5	66.8
B. Other cash at bank and on hand	-	-
C. Financial instruments held for trading	1.9	-
D. Liquid funds (A) + (B) + (C)	104.4	66.8
E. Current financial receivables	-	0.2
F. Current payables to banks	(9.8)	(35.9)
G. Current portion of non-current indebtedness	(47.0)	(42.8)
H. Other current financial debts	(0.6)	(0.2)
I. Current financial indebtedness (F) + (G) + (H)	(57.4)	(78.9)
J. Current financial indebtedness, net (I) + (E) + (D)	47.0	(11.9)
K. Non-current payables to banks	(330.5)	(141.4)
L. Bonds issued	-	-
M. Other non-current debts	(16.3)	(11.6)
N. Non-current financial indebtedness (K) + (L) + (M)	(346.8)	(153.0)
O. Net indebtedness (J) + (N)	(299.8)	(164.9)
Non-current financial receivables	-	-
Financial indebtedness, net including non-current financial receivables	(299.8)	(164.9)

CONSOLIDATED CASH FLOW STATEMENT

(in millions of Euro)

	12.31.2011	12.31.2010
SELF-FINANCING	70.9	55.3
Change in net working capital	14.2	(15.4)
Other medium/long-term assets/liabilities	(5.0)	0.7
CASH FLOW GENERATED BY OPERATIONS	80.1	40.6
Sale of equity investments	-	0.1
Net decrease from sale of fixed assets	0.3	0.7
TOTAL SOURCES	80.4	41.4
Increase in intangible assets	20.5	11.7
Purchase of tangible assets	36.3	24.3
Purchase of equity investments	146.5	-
TOTAL APPLICATION OF FUNDS	203.3	36.0
Net financial position of subsidiaries purchased/sold during the year	8.3	-
Exchange differences on assets/liabilities and equity	(1.8)	0.7
FREE CASH FLOW	(116.4)	6.1
Holding Company increases in capital	0.3	0.3
Net purchase of treasury shares	(2.7)	-
Increases in share capital of consolidated subsidiaries	-	0.9
Dividends paid by the Holding Company to shareholders	(14.9)	-
Dividends paid by subsidiaries to non-controlling interests	(1.2)	(2.0)
CHANGES IN SHAREHOLDERS' EQUITY	(18.5)	(0.8)
Change in net financial position	(134.9)	5.3
Opening net financial position	(164.9)	(170.2)
CLOSING NET FINANCIAL POSITION	(299.8)	(164.9)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of Euro)

ASSETS	12.31.2011	12.31.2010
CURRENT ASSETS		
Cash and cash equivalents	102.5	66.8
Other financial assets	1.9	0.2
<i>Working capital</i>		
Inventories	152.5	98.4
Trade receivables	178.6	138.8
Other receivables	10.2	10.2
Tax receivables	19.6	12.2
Other assets	2.8	2.5
TOTAL WORKING CAPITAL	363.7	262.1
TOTAL CURRENT ASSETS	468.1	329.1
NON-CURRENT ASSETS		
Fixed assets		
Land	15.8	14.4
Property, plant and equipment	239.3	208.4
Other tangible fixed assets	4.8	4.3
<i>Of which: leases</i>	<i>12.8</i>	<i>13.8</i>
Intangible assets	213.5	133.5
TOTAL FIXED ASSETS	473.4	360.6
OTHER NON-CURRENT ASSETS		
Jointly controlled entities	0.3	-
Other financial assets available for sale	0.5	0.4
Long term trade receivables	0.9	-
Financial receivables	-	-
Other receivables	14.1	10.2
Deferred tax assets	37.9	38.3
TOTAL OTHER NON-CURRENT ASSETS	53.7	48.9
TOTAL NON-CURRENT ASSETS	527.1	409.5
NON-CURRENT ASSETS HELD FOR SALE	0.7	0.7
TOTAL ASSETS	995.9	739.3
LIABILITIES	12.31.2011	12.31.2010
CURRENT LIABILITIES		
Bank overdrafts and short-term loans	9.8	35.9
Current portion of medium/long-term financial debts and other loans	47.0	42.8
<i>Of which: leases</i>	<i>1.7</i>	<i>1.9</i>
TOTAL SHORT-TERM FINANCIAL DEBTS	56.8	78.7
Other short-term liabilities for derivative financial instruments	0.6	0.2
TOTAL SHORT-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	57.4	78.9
Trade and other payables	283.6	210.0
Tax payables	8.6	6.3
Other current liabilities	7.3	2.1
TOTAL CURRENT LIABILITIES	356.9	297.3
NON-CURRENT LIABILITIES		
MEDIUM/LONG TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS		
Financial debts to bank	330.5	141.4
Other medium/long-term financial debts	7.9	9.6
<i>Of which: leases</i>	<i>5.7</i>	<i>7.2</i>
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS	338.4	151.0
Other medium/long term financial liabilities for derivative financial instruments	8.4	2.0
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	346.8	153.0
OTHER LONG-TERM LIABILITIES		
Long-term provisions	40.5	41.8
Other payables	1.6	0.4
Deferred tax liabilities	35.2	32.4
TOTAL OTHER LONG-TERM LIABILITIES	77.3	74.6
TOTAL NON-CURRENT LIABILITIES	424.1	227.6
SHAREHOLDERS' EQUITY		
Share capital	60.7	60.5
Reserves and retained earnings (accumulated losses)	110.5	117.9
Group net result for the year	24.7	18.8
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY	195.9	197.2
Non-controlling interests	19.0	17.2
TOTAL SHAREHOLDERS' EQUITY	214.9	214.4
TOTAL LIABILITIES AND EQUITY	995.9	739.3

SOGEFI S.p.A.

RECLASSIFIED ANNUAL INCOME STATEMENT

(in millions of Euro)

	2011	2010
Financial income/expenses and dividends	22.1	9.4
Adjustments to financial assets	(5.5)	-
Other operating revenues	12.8	11.7
Operating costs	(16.6)	(16.7)
Other non-operating income (expenses)	(5.3)	6.5
RESULT BEFORE TAXES	7.5	10.9
Income taxes	(3.0)	(1.5)
NET RESULT	10.5	12.4

CASH FLOW STATEMENT

(in millions of Euro)

	2011	2010
SELF-FINANCING	14.9	12.5
Change in net working capital	(0.9)	(0.3)
Other medium/long-term assets/liabilities	(4.2)	1.2
CASH FLOW GENERATED BY OPERATIONS	9.8	13.4
Sale of equity investments	-	5.4
TOTAL SOURCES	9.8	18.8
Increase in intangible assets	1.5	0.1
Purchase of tangible assets	-	-
Purchase of equity investments	126.2	2.4
TOTAL APPLICATION OF FUNDS	127.7	2.5
FREE CASH FLOW	(117.9)	16.3
Holding Company increases in capital	0.3	0.3
Net purchase of treasury shares	(2.7)	-
Dividends paid by the Holding Company	(14.9)	-
CHANGES IN SHAREHOLDERS' EQUITY	(17.3)	0.3
Change in net financial position	(135.2)	16.6
Opening net financial position	(119.5)	(136.1)
CLOSING NET FINANCIAL POSITION	(254.7)	(119.5)

STATEMENT OF FINANCIAL POSITION

(in millions of Euro)

ASSETS	12.31.2011	12.31.2010
CURRENT ASSETS		
Cash and cash equivalents	44.4	14.8
Centralized treasury current accounts with subsidiaries	6.1	3.4
Other financial assets	-	-
Other financial loans with subsidiaries	29.1	9.4
<i>Working capital</i>		
Inventories	-	-
Trade receivables	6.7	4.2
Other receivables	0.2	0.1
Tax receivables	0.5	0.3
Other assets	0.8	0.9
TOTAL WORKING CAPITAL	8.2	5.5
TOTAL CURRENT ASSETS	87.8	33.1
NON-CURRENT ASSETS		
Fixed assets		
Land	13.4	12.2
Buildings	12.6	14.8
Other tangible fixed assets	-	0.1
<i>Of which: leases</i>	-	-
Intangible assets	1.6	0.1
TOTAL FIXED ASSETS	27.6	27.2
OTHER NON-CURRENT ASSETS		
Investments in subsidiaries	389.6	268.9
Investments in associates	-	-
Other financial assets available for sale	-	-
Other financial loans	94.1	101.3
<i>Of which: other medium/long-term assets for derivative financial instruments</i>	-	-
Other receivables	-	-
Deferred tax assets	3.2	1.3
TOTAL OTHER NON-CURRENT ASSETS	486.9	371.5
TOTAL NON-CURRENT ASSETS	514.5	398.7
TOTAL ASSETS	602.3	431.8
LIABILITIES	12.31.2011	12.31.2010
CURRENT LIABILITIES		
Bank overdrafts and short-term loans	0.1	30.2
Centralized treasury current accounts with subsidiaries	70.2	49.2
Current portion of medium/long-term financial debts and other loans	32.9	33.8
<i>Of which: leases</i>	-	-
TOTAL SHORT-TERM FINANCIAL DEBTS	103.2	113.2
Other short-term liabilities for derivative financial instruments	0.6	0.1
TOTAL SHORT-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	103.8	113.3
Trade and other payables	5.8	3.9
Tax payables	0.3	0.3
Other current liabilities	-	0.1
TOTAL CURRENT LIABILITIES	109.9	117.6
NON-CURRENT LIABILITIES		
MEDIUM/LONG TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS		
Financial debts to bank	316.3	133.1
Other medium/long-term financial debts	-	-
<i>Of which: leases</i>	-	-
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS	316.3	133.1
Other medium/long-term financial liabilities for derivative financial instruments	8.3	2.0
TOTAL MEDIUM/LONG-TERM FINANCIAL DEBTS AND DERIVATIVE FINANCIAL INSTRUMENTS	324.6	135.1
OTHER LONG-TERM LIABILITIES		
Long-term provisions	1.0	1.1
Other payables	-	-
Deferred tax liabilities	0.2	0.5
TOTAL OTHER LONG-TERM LIABILITIES	1.2	1.6
TOTAL NON-CURRENT LIABILITIES	325.8	136.7
SHAREHOLDERS' EQUITY		
Share capital	60.6	60.5
Reserves and retained earnings (accumulated losses)	95.5	104.6
Net result for the year	10.5	12.4
TOTAL SHAREHOLDERS' EQUITY	166.6	177.5
TOTAL LIABILITIES AND EQUITY	602.3	431.8