

PRESS RELEASE

Florence, March 29, 2007 – At a meeting held today, the Board of Directors of KME Group S.p.A. was informed of Vincenzo Cannatelli's decision to resign, starting from March 31 next, from his position as Chief Executive Officer of KME Group S.p.A to pursue other professional interests.

The Board of Directors thanked Vincenzo Cannatelli for his outstanding contribution and for the important results he achieved, and asked him to continue serving on the Board of Directors so that he may provide further guidance and support to the Company. In the last 12 months, the Company has continued to improve its rentabilities and to lay the basis for a more promising future. The company results in 2006 and more in the present financial year show clear elements of improvement and a good outlook.

KME Group is confident about its management professional capacity and believe to achieve the further strengthening of the results respecting the planned targets. Vincenzo Manes, Executive Vice President of KME Group S.p.A., will retain all of his operational responsibilities within the Group.

The company also decided to establish an energy company, called **KME Green Energy S.p.A.**, with an initial share capital of 2 million euros. Vincenzo Cannatelli will be the Chairman of this new company, in which Aledia S.p.A. will have a 20% interest. The purpose of this transaction is to help lower the Group's high energy costs and, at the same time, capitalize on the opportunities provided by the strong growth expected in the energy sector in the coming years. The new company will focus on identifying and developing at 14 manufacturing facilities located in the main European countries energy projects that are consistent with the European Union's strong commitment to supporting growth in the area of renewable energy sources.

For additional information:

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