

Press Release

THE BOARD OF DIRECTORS APPROVES THE GROUP'S RESULTS AT SEPTEMBER 30, 2007

- THE GROUP'S PROFITABILITY IMPROVED IN THE FIRST NINE MONTHS OF 2007, COMPARED WITH THE SAME PERIOD LAST YEAR. EBITDA (EQUAL TO 108.9 MILLION EUROS) INCREASED BY 14.5%.
- NET INDEBTEDNESS DECREASED BY 87.2 MILLIONS TO 447.1 MILLION EUROS (-16.3%).

Florence, November 9, 2007. The Board of Directors of KME Group S.p.A. approved the Group's results at September 30, 2007.

- Revenues for the first nine months of 2007 totaled 2,686.1 million euros (2,633.3 million euros at September 30, 2006). Restated net of the value of raw materials, revenues amount to 678.4 million euros, 43.5 million euros higher (+6.9%) than the same period last year. However, demand has begun to show signs of softness in recent months.
- EBITDA, which increased to 108.9 million euros, or 13.8 million euros more (+14.5%) than in the same period last year, were equal to 16.1% of revenues net of the value of raw materials (15.0% in 2006).
The absence of the nonrecurring restructuring charges incurred in the first nine months of 2006 is partly responsible for EBIT increase, which rose from 37.4 million euros to 69.9 million euros.
- The consolidated profit before taxes in the period totaled 113.4 million euros, down from 146.5 million euros with respect to the first nine months last year, when profit before taxes reflected the impact of a larger contribution (+95%) from the revaluation of the raw material inventory.
- Consolidated net indebtedness decreased to 447.1 million euros at September 30, 2007, down from 534.3 million euros at December 31, 2006 and 455.2 million euros at June 30, 2007.

- With regard to the Group's foreseeable future performance, management reaffirms its expectations that the operating results for the full year may show a gain in profitability compared with 2006.

* * *

Consolidated Highlights at September 30, 2007

(in millions of euros)	First nine months 2007	First nine months 2006	2007/2006 % change
Revenues	2,686.1	2,633.3	+2.0%
Revenues (net of raw materials)	678.4	634.9	+6.9%
EBITDA	108.9	95.1	+14.5%
EBIT	69.9	37.4	+86.9%
Profit before taxes and inventory revaluation	42.7	8.6	+396.5%
Group profit before taxes	113.4	146.5	-22.6%
Net indebtedness	447.1 (at 9/30/07)	534.3 (at 12/31/06)	-16.3%

* * *

A Report on Operations for the nine months of 2007 will be made available in the English version at the Corporate website by Monday 12th, 2007.

* * *

The data and disclosures contained in this press release have been taken from the Quarterly Report of KME Group S.p.A. at September 30, 2007, published as an annex to this press release. The Quarterly Report contains the Declaration of the Corporate Accounting Documents Officer required pursuant to Article 154 bis, Section 2, of the Uniform Finance Law (Legislative Decree No. 58/98).

* * *

This press release and the unaudited Quarterly Report at September 30, 2007 are available at the Company website, www.kmegroup.it, where additional information may also be obtained.

Florence, November 9, 2007

The Board of Directors