



PRESS RELEASE

Implementation of Share Capital Reduction for the Purpose of Establishing an *Available Reserve*

Florence, June 25, 2008 – KME Group announces that, with regard to the resolutions adopted by the Extraordinary Shareholders' Meeting of March 14, 2008, no challenges have been filed by creditors, pursuant to Article 2445, Section III, of the Italian Civil Code, to the voluntary reduction of the Company's share capital in the amount of 74,164,741.31 euros carried out for the purpose of concurrently establishing an *Available Reserve* of the same amount.

Consequently, the Company's new share capital amounts to 250,000,000.00 euros, composed of n. 254,552,240 shares in total, including 235,480,130 common shares and 19,072,110 savings shares.

The Board of Directors

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This press release is available at the Company website, www.kme.com, where additional information may also be obtained.