

PRESS RELEASE

New banking agreement, 2015 maturity for 475-million-euro credit lines

Florence, June 30, 2010 - KME Group S.p.A. announces that it signed an agreement with the Group's lender banks (*Mandated Lead Arrangers*: Deutsche Bank, Banca Nazionale del Lavoro, Unicredit; *Lead Arrangers*: Mediobanca, Intesa San Paolo, Commerzbank, Banca Popolare di Milano; *First Additional Lender*: Banca Monte dei Paschi di Siena) extending from September 2011 to January 2015 the maturity of credit lines totaling 475 million euros. The credit lines are available on a revolving basis.

The abovementioned agreement applies to two lines called "*tranche a*" and "*tranche b*," (Asset based lending) which were provided to the Group in 2006 and currently have outstanding balances about equal in the aggregate to the extended-maturity amount. The new facility is structured with the same broad utilization flexibility to cover the Group financing requirements.

This new agreement, which is further proof of the confidence of the banking system, provides extended maturities, reduces the requested securities and simplifies the identification of the benchmark parameters used to measure compliance with operating-financial covenants, making them more consistent with the Group's industrial plans. The only benchmarks incorporated in the new covenants are the EBITDA/Financial expense ratio and the Gross financial debt/Shareholders' equity ratio and their levels are in line with the extended facilities. Compliance with the covenants will be verified every six months, beginning on June 30, 2010.

The cost of the new lines is roughly in line with that of the extended facilities.

* * *

This press release is available online at: www.kme.com. Additional information may be obtained directly from the Company (telephone number +39 055.4411454; e-mail investor.relations@kme.com).