



**PRESS RELEASE**

**CIR: UPDATE ON THE DEBT RESTRUCTURING OF SORGENIA**

*Milan, April 16 2014* – CIR S.p.A, following its previous disclosures and at the request of Consob, is releasing some updated information on the negotiations in progress regarding the debt restructuring of its subsidiary Sorgenia, partly in response to unconfirmed news items that have been circulating in the press in recent weeks.

The negotiations between Sorgenia and the lending banks are continuing. On April 4 the banks sent the company a working hypothesis for restructuring the debt, subject to certain conditions. As stated in the press reports, this document envisages, among other things, a rights issue for Sorgenia for a total of € 400 million to be offered to the shareholders and, for the part not exercised (total or partial) through the conversion of receivables of the lending banks into shares, the issuance of a mandatory convertible bond for € 200 million and some amendments to the company bylaws.

A few days ago the Board of Directors of Sorgenia, while acknowledging the proposal made by the banks, decided that for the aspects for which it has competence certain points in the document needed to be clarified and analysed further in the interest of the company, and gave a mandate to management to start discussions with the lending banks. The Board of Directors will meet again when these analyses and discussions are over to express a definitive opinion on the matter. At the same time CIR S.p.A., in its role as shareholder and for the aspects for which it has competence, is evaluating its own position.

To date it is not possible to know when the negotiations for the restructuring of Sorgenia's debt will end.

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This press release can also be consulted on the website:

<http://www.cirgroup.it/sala-stampa/comunicati-stampa.html>