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## PRESS RELEASE

### **CIR ANNOUNCES TENDER OFFER AND PROPOSAL FOR ITS 2024 €300MN 5.75% NOTES (€210,162,000 OUTSTANDING)**

*Milan, 8 September 2014* – **CIR Sp.A. – Compagnie Industriali Riunite** (the **Company**) today announces that it is inviting eligible Noteholders of its €300,000,000 5.75 per cent. Notes due 2024 (the **Notes**) to tender their Notes for purchase by the Company for cash (such invitation, the **Offer**) and to approve, by Extraordinary Resolution, certain modifications to the terms and conditions of the Notes (the **Conditions of the Notes**) to provide for the Company to redeem (the **Issuer Early Redemption**) all, but not some only, of the Notes remaining (if any) on completion of the Offer (together, the **Proposal**). The outstanding nominal amount of the Notes is €210,162,000.

The offer period will begin on 9 September 2014 and will end on 1 October 2014. The Meeting of the Noteholders to approve the Extraordinary Resolution will convene in Milan on 13 October 2014. The majority required for the approval of the Extraordinary Resolution is the higher of (i) 50 per cent. of the aggregate principal amount of the Notes for the time being outstanding, and (ii) the two thirds of the Notes represented at the Meeting.

The Offer and the Proposal are being made as part of a more efficient liquidity management of CIR.

The Offer and the Proposal are made on the terms and subject to the conditions contained in the tender offer memorandum dated 9 September 2014 (the **Tender Offer Memorandum**) including, in the case of the Offer, the offer and distribution restrictions described below and set out more fully in the Tender Offer Memorandum. Copies of the Tender Offer Memorandum are available from the Tender Agent as set out below. Capitalised terms used in this announcement and not otherwise defined have the meaning given to them in the Tender Offer Memorandum.

<b>Notes</b>	<b>ISIN</b>	<b>Outstanding Nominal Amount</b>	<b>Tender consideration</b>	<b>Early Redemption Amount</b>	<b>Consent Amount**</b>	<b>Amount subject to the Offer</b>
€300,000,000 5.75 per cent. Notes due 2024*	XS020776617 0	€210,162,000	108.0 per cent. of the nominal amount of the Notes plus Accrued Interest	107.0 per cent. of the nominal amount of the Notes plus Accrued Interest	1 per cent. of the nominal amount of the relevant Notes subject to, <i>inter alia</i> , the passing of the Extraordinary Resolution	Total outstanding amount

\* An event of default has occurred under the Conditions of the Notes, notified to the Noteholders on 3 January 2014 and to the Trustee on 2 January 2014, as a result of the suspension by the Company's subsidiary Sorgenia S.p.A. of payment of principal instalments and interest due under loans granted by several financial institutions. The Company has not failed to make payments when due under the Notes. Under the Conditions of the Notes, in certain circumstances as a result of the above-mentioned event of default, the Notes may become due and payable prior to their stated maturity on 16 December 2024. The Company is not currently aware if the Notes will be so accelerated but, to the extent so accelerated, they will be redeemed at 100 per cent. of their nominal amount plus accrued interest. See "Rationale and Background for the Offer and the Proposal" below.

\*\* A Consent Amount of 1 per cent. of the nominal amount of the relevant Notes shall be paid to Noteholders who submit valid Tender Instructions and whose Notes are accepted for purchase pursuant to the Offer and to Noteholders who submit valid Voting Only Instructions in favour of the Proposal, in each case if the Extraordinary Resolution is passed and the Supplemental Trust Deed is executed, all as further described below and in the Tender Offer Memorandum.

## **Rationale and Background for the Offer and the Proposal**

The Offer and the Proposal are being made as part of the Company's liquidity management and at the same time they offer to the Noteholders more favourable economic conditions compared to the possible early redemption of the Notes pursuant to the ongoing event of default, further to the occurrence of an event of default under the Conditions of the Notes, notified to the Noteholders on 3 January 2014 and to the Trustee on 2 January 2014, as a result of the suspension by the Company's subsidiary Sorgenia S.p.A. of payment of principal instalments and interest due under loans granted by several financial institutions. The Company has not failed to make payments when due under the Notes.

Under the Conditions of the Notes, in certain circumstances as a result of the above-mentioned event of default, the Notes may become due and payable prior to their stated maturity on 16 December 2024. The Company is not currently aware if the Notes will be so accelerated but, to the extent so accelerated, they will be redeemed at 100 per cent. of their nominal amount plus accrued interest.

## **Details of the Offer**

In order to participate in the Offer, and be eligible to receive the Purchase Price pursuant to the Offer, Noteholders must validly tender their Notes by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 5.00 p.m. (CET) on 1 October 2014 (the **Expiration Deadline**).

If the Company decides to accept valid tenders of Notes for purchase pursuant to the Offer, it will accept for purchase all of the Notes that are validly tendered, with no *pro rata* scaling.

### *Purchase Price*

The Company will pay, on the Settlement Date, a cash purchase price equal to 108.0 per cent. of the nominal amount of the Notes accepted by it for purchase pursuant to the Offer (the **Purchase Price**).

### *Accrued Interest Payment*

The Company will also pay, on the Settlement Date, an amount in cash (rounded to the nearest €0.01, with €0.005 rounded upwards) equal to the Accrued Interest on the Notes validly tendered for purchase by a Noteholder and accepted by the Company (the **Accrued Interest Payment**).

### *Consent Amount*

Each Noteholder that validly tenders its Notes and whose Notes are accepted for purchase pursuant to the Offer will receive, in addition to the Purchase Price and the relevant Accrued Interest Payment, and as additional consideration for its tender of Notes, an additional cash payment (the **Consent Amount**) equal to 1 per cent. of the nominal amount of the relevant Notes if the Extraordinary Resolution is passed and the Supplemental Trust Deed is executed.

Where payable, the Consent Amount will, on the Settlement Date, be paid by the Company to eligible Noteholders who have submitted valid Tender Instructions and whose Notes have been accepted for purchase pursuant to the Offer in the same manner as the payment of the Purchase Price is made to such Noteholders.

Noteholders who do not wish, or who are not able, to tender their Notes for purchase pursuant to the Offer may also be eligible, if the Extraordinary Resolution is passed and the Supplemental Trust Deed is executed and to the extent permitted by applicable laws and regulations, to receive the Consent Amount by voting in favour of the Proposal.

### **Details of the Proposal**

The Company is inviting the holders of the Notes to approve certain modifications to the Conditions of the Notes (as set out in Part II of the Second Schedule to the Trust Deed) (the **Conditions of the Notes**) to provide for the Issuer Early Redemption. Pursuant to the Issuer Early Redemption, the Company shall redeem, on the Settlement Date, all, but not some only, of the Notes remaining (if any) on completion of the Offer, at an early redemption price of 107.0 per cent. of the nominal amount of the Notes (the **Early Redemption Amount**) plus Accrued Interest.

Notice (the **Notice**) of a meeting (the **Meeting**) of the Noteholders to be held at the offices of Allen & Overy – Studio Legale Associato, via Manzoni 41-43, 20121 Milan, Italy on 13 October 2014 has been given to Noteholders in accordance with the Conditions of the Notes and Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) by delivery of the Notice to Euroclear and Clearstream, Luxembourg and by publication on the website of the Luxembourg Stock Exchange. The Notice has also been published on the website of the Company and will be made available in accordance with all applicable laws and regulations. The Meeting will commence at 11.00 a.m. (CET).

At the Meeting, the Noteholders will be asked to consider and, if thought fit, pass an extraordinary resolution relating to the Proposal as set out in the Notice (the **Extraordinary Resolution**), which will provide, among other things, for the Trustee to be authorised, directed, instructed and requested to concur in and execute the Supplemental Trust Deed to effect the necessary modifications pursuant to the Extraordinary Resolution which will implement the Proposal.

Any Noteholder who does not wish, or who is not able, to tender its Notes for purchase pursuant to the Offer may be eligible, if the Extraordinary Resolution is passed and the Supplemental Trust Deed is executed and to the extent permitted by applicable laws and regulations, to receive the Consent Amount by delivering, or arranging to have delivered on their behalf, a valid Voting Only Instruction in favour of the Proposal that is received by the Tender Agent by the Expiration Deadline voting in favour of the Proposal. Payment of any Consent Amount is, in all respects, conditional on the acceptance by the Company of the Notes validly tendered in the Offer and the passing of the Extraordinary Resolution.

Where payable, the Consent Amount will, on the Settlement Date, be paid by the Company to eligible Noteholders who have submitted a Voting Only Instruction in favour of the Proposal in the same manner as the payment of the Purchase Price and (if applicable) the Consent Amount will be made to eligible Noteholders.

**By tendering Notes in the Offer or submitting a Voting Only Instruction in favour of the Proposal, Noteholders will automatically instruct the Principal Paying Agent to appoint one or more representatives as their proxy to vote in favour of the Extraordinary Resolution at the Meeting.**

**It will not be possible to validly submit Voting Only Instructions in favour of the Proposal without at the same time giving such instructions to the Principal Paying Agent.**

## **General**

The acceptance by the Company of Notes validly tendered in the Offer is not dependent on the Extraordinary Resolution being passed or the Supplemental Trust Deed being executed.

Under the Offer and the Proposal, all Tender Instructions and Voting Only Instructions in favour of the Proposal will be irrevocable except in the limited circumstances described in the Tender Offer Memorandum.

## **Indicative Timetable**

### **Events**

### **Times and Dates**

Commencement of the Offer and the Proposal

9 September 2014

Expiration Deadline

5.00 p.m. (CET) on 1 October 2014

Meeting

11.00 a.m. (CET) on 13 October 2014

Announcement of (i) the results of the Meeting, (ii) whether the Company will accept valid tenders of Notes pursuant to the Offer; (iii) the Acceptance Amount and Accrued Interest; and (iv) if the Extraordinary Resolution is passed and the Supplemental Trust Deed is executed, the date on which outstanding Notes are to be redeemed pursuant to the Issuer Early Redemption.

As soon as reasonably practicable after the Meeting

Settlement Date

16 October 2014

*The above timetable is subject to change and dates and times may be extended, re-opened or amended by the Company in accordance with the terms of the Offer and the Proposal as described in the Tender Offer Memorandum.*

***The acceptance by the Company of Notes validly tendered in the Offer is not dependent on the Extraordinary Resolution being passed. Noteholders are advised to check with any dealer, custodian, trust company or other trustee, bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer or the Proposal, before the deadline specified in the Tender Offer Memorandum and then adhere to such deadlines.***

***The deadlines set by any such intermediary and each Clearing System for the submission of Tender Instructions may be earlier than the relevant deadline specified above.***

***However, the Company is not under any obligation to accept any tender of Notes for purchase pursuant to the Offer. Tenders of Notes for purchase may be rejected in the sole discretion of the Company for any reason and the Company is not under any obligation to Noteholders to furnish any reason or justification for refusing to accept a tender of Notes for purchase. For example, tenders of Notes for purchase may be rejected if the Offer is terminated, if the Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.***

Unless stated otherwise, announcements and press releases in connection with the Offer and the Proposal will be made by an announcement on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)), on the relevant Reuters International Insider Screen and/or by the delivery of notices and press releases to the Clearing Systems for communication to Direct Participants. Copies of all such announcements, press releases and notices can also be obtained from the Tender Agent.

**Noteholders are advised to read carefully the Tender Offer Memorandum for full details of and information on the procedures for participating in the Offer and the Proposal.**

Requests for information in relation to the Offer and the Proposal should be directed to:

**JOINT DEALER MANAGERS**

**Société Générale**  
41 Tower Hill  
London EC3N 4SG  
United Kingdom  
Attention: Liability Management  
Telephone: +44 (0)20 7676 7579  
Email: [liability.management@sgcib.com](mailto:liability.management@sgcib.com)

**UniCredit Bank AG**  
Arabellastrasse, 12  
81925 Munich  
Germany  
Attention: Debt Capital Markets, Italy; Liability  
Management  
Telephone: +39 02 8862 0581; +49 89 378 17425  
Email: [dcmitaly@unicredit.eu](mailto:dcmitaly@unicredit.eu);  
[corporate.lm@unicredit.de](mailto:corporate.lm@unicredit.de)

Requests for information in relation to the procedures for tendering Notes and participating in the Offer and the Proposal, and the submission of a Tender Instruction or a Voting Only Instruction in favour of the Proposal should be directed to:

**TENDER AGENT**

**Lucid Issuer Services Limited**  
Leroy House  
436 Essex Road  
London N1 3QP  
United Kingdom

Telephone: +44 (0)20 7704 0880  
Attention: Thomas Choquet  
Email: [cir@lucid-is.com](mailto:cir@lucid-is.com)

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**CIR group contacts:**

**Communication Department**

Salvatore Ricco  
Mariella Speciale  
Tel.: +39 02 722701  
e-mail: [infostampa@cirgroup.com](mailto:infostampa@cirgroup.com)  
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**Finance and Investor Relations Department**

Michele Caviglioli  
Angela Andriolo  
Tel.: +39 02 722701  
e-mail: [info@cirgroup.com](mailto:info@cirgroup.com)

## DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer and/or the Proposal. If any Noteholder is in any doubt as to the contents of this announcement or the Tender Offer Memorandum or the action it should take or is unsure of the impact of the implementation of the Proposal or the Extraordinary Resolution to be proposed at the Meeting or participating in the Offer, it is recommended to such Noteholder, who is unsure of the impact of the Proposal, the Extraordinary Resolution or participating in the Offer, to seek its own independent financial, legal and tax advice on the merits and on the consequences of participating in the Offer and/or voting in favour of, or against, the Extraordinary Resolution, including in respect of any tax consequences, immediately from its stockbroker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes pursuant to the Offer or otherwise participate in the Proposal. The distribution of this announcement and the Tender Offer Memorandum may be restricted by law in certain jurisdictions. None of Société Générale, UniCredit Bank AG, Lucid Issuer Services Limited, CIR S.p.A. – Compagnie Industriali Riunite or any of their respective directors, employees or affiliates makes any recommendation as to whether holders of Notes should tender Notes for purchase pursuant to the Offer or otherwise participate in the Proposal.

## OFFER AND DISTRIBUTION RESTRICTIONS

Neither this announcement nor the Tender Offer Memorandum constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and the Tender Offer Memorandum comes are required by each of the Company, the Joint Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

### United States

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Notes may not be tendered in the Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States, as defined in Regulation S of the United States Securities Act of 1933, as amended. Accordingly, copies of this announcement and the Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to any persons located or resident in the United States. Any purported tender of Notes in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located or resident in the United States or from within the United States or from any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in the Offer will be deemed to represent that it is not located in the United States and it is not participating in the Offer from the United States, or that it is acting on a non-discretionary basis for a principal that is located outside the United States that is not giving an order to participate in the Offer from the United States. For the purposes of this and the above paragraph, United States means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

### Italy

None of the Offer, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Offer have been or will be submitted to the clearance procedures of the Commissione Nazionale per le Società e la Borsa (**CONSOB**) pursuant to Italian laws and regulations.

The Offer is being carried out in the Republic of Italy (**Italy**) as an exempt offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Any holder or beneficial owner of the Notes may tender their Notes in the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes or this announcement or the Tender Offer Memorandum.

### United Kingdom

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offer have not been made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those

persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**) or within Article 43 of the Order, or to other persons to whom it may lawfully be made in accordance with the Order.

#### **France**

The Offer is not being made, directly or indirectly, to the public in the Republic of France (**France**). Neither this announcement nor the Tender Offer Memorandum nor any other document or material relating to the Offer has been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, in each case acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code Monétaire et Financier*, are eligible to participate in the Offer. This announcement and the Tender Offer Memorandum have not been and will not be submitted for clearance to nor approved by the *Autorité des Marchés Financiers*.

#### **Belgium**

Neither this announcement nor the Tender Offer Memorandum nor any other documents or materials relating to the Offer have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*) and, accordingly, the Offer may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids as amended or replaced from time to time. Accordingly, the Offer may not be advertised and the Offer will not be extended, and neither this announcement nor the Tender Offer Memorandum nor any other documents or materials relating to the Offer (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than “qualified investors” in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets (as amended from time to time), acting on their own account. Insofar as Belgium is concerned, this announcement and the Tender Offer Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in this announcement and the Tender Offer Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

#### **General**

Neither this announcement nor the Tender Offer Memorandum constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Offer to be made by a licensed broker or dealer or similar and any of the Joint Dealer Managers and their respective affiliates is such a licensed broker or dealer or similar in any such jurisdiction, the Offer shall be deemed to be made by such Joint Dealer Manager or such affiliate, as the case may be, on behalf of the Company in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in the Offer will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Offer or submission of a Voting Only Instruction in favour of the Proposal from a Noteholder that is unable to make these representations may be rejected. Each of the Company, the Joint Dealer Managers and the Tender Agent reserves the right, in its absolute discretion (and without prejudice to the relevant Noteholder's responsibility for the representations made by it), to investigate, in relation to any tender of Notes for purchase pursuant to the Offer or submission of a Voting Only Instruction in favour of the Proposal, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Company determines (for any reason) that such representation is not correct, such tender or submission may be rejected.