



PRESS RELEASE

GRANITIFIANDRE: Shareholders' AGM approves unanimously the 2008 Annual Accounts, Consolidated revenues of Euro 219.4 million (-2.8% on like-for-like exchange rates).

Strong cash flow generated from normal operations (Euro 14 million).

Margins remain robust although affected by increased energy costs, investments in technological development and launch of new products.

Dividend approved of Euro 1.8 million - Euro 0.05 per share.

The Shareholders' AGM of GranitifAndre - world leader in the production and distribution of top of the range vitrified stoneware porcelain slabs listed on the STAR section of the Italian Stock Exchange – was held today to review the Consolidated and Parent Company Financial Statements as at December 31, 2008.

The Shareholders' Meeting was chaired by Graziano Verdi, once again at the helm of the GranitiFiandre Group since March 13 as Chairman and CEO.

2008 Financial Statements

The GranitiFiandre Group, in spite of the unfavourable economic climate and the extraordinary increase in industrial costs related to the price of petroleum, maintained revenues in line with the strong results achieved in 2007 (+15.2% growth on 2006) and robust margins.

Consolidated revenues amounted to Euro 219.4 million (-2.8% on like-for-like exchange rates, -4.4% on 2008 average exchange rates). Brand materials sales were even stronger – with greater margins: Euro 166.3 million, in line (-2.2% on like-for-like exchange rates) with 2007 which recorded growth of over 20%.

Margins were significantly impacted by the increase in energy costs (impact of over Euro 2.2 million), the substantial investments in technological developments and the launch of the new brand "Xtra GranitifAndre".

The Group will invest over Euro 12 million to create a new high-end technology production line to manufacture a large format (150 x 75cm) of a sufficient thickness for high architectural content floor and walls, and with industrial margins above the classic high-end range.

In 2008, the installation also began of the third production line at the American factory of Crossville (Tennessee) which resulted in significant industrial start-up costs.

The EBITDA for the year amounted to Euro 30.1 million, -25.1% on Euro 40.2 million in the previous year; EBIT amounted to Euro 14.6 million, -42.3% compared to Euro 25.3 million in 2007.

Cash flow generated from normal operations was very strong (Euro 14 million).



The pre-tax profit was Euro 12.3 million (Euro 22.6 million in 2007) with a margin of 5.6%; Net profit was Euro 6.1 million (Euro 13.8 million in 2007).

The debt position at December 31, 2008 was Euro 53.5 million compared to Euro 46.4 million at December 31, 2007. The increase arises from investments in tangible and intangible fixed assets totalling Euro 14.5 million, a 2007 dividend of Euro 5.5 million and payment of income taxes at group level of over Euro 7 million.

Allocation of Net Profit

The net profit for the year of the parent company GranitiFiandre S.p.A. was Euro 7 million (Euro 8.7 million in 2007).

The Shareholders' Meeting approved the proposal of the Board of Directors to allocate Euro 1.8 million for dividend distribution and Euro 5.2 million to the extraordinary reserve.

The dividend, amounting to Euro 0.05 per share, will be paid on May 28, 2009, with dividend coupon dated May 25, 2009.

2010 Shanghai Expo

Among the most recent events we report that, as already announced, the General Government Commission for the Shanghai 2010 World Expo choose GranitiFiandre as partner for the construction of the Italian Marquee for the Expo.

GranitiFiandre will create flooring for the building, designed by Giampaolo Imbrighi, with a 3,600 square metre surface area and 18 metres in height, using technically and aesthetically innovative materials.

The Italian Marquee will present products and materials which will showcase the innovative capacity, the dynamism and the experience acquired by Italian companies in the area of improving the quality of cities, with particular attention on environmental aspects.

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Castellarano (RE), April 15, 2009



The executive responsible for the preparation of the corporate accounting documents, Dario Maggioni, declares in accordance with article 154 bis, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in the present press release corresponds to the underlying accounting documents, records and accounting entries.

The Executive Responsible for the preparation
of corporate accounting documents

Dario Maggioni

Castellarano, April 15, 2009

Financial Statements attached.



GRANITIFIANDRE
Financial Statements

Reclassified Consolidated Income Statement

In Euro thousands

Description	12/31/08	12/31/07
Revenues	219,393	229,433
Changes in inventory	12,018	5,109
Increase in internal work capitalised	22	23
Other revenues and income	8,471	6,326
Value of production	239,903	240,891
Purchases	(64,034)	(62,361)
Services and operating costs	(97,762)	(90,996)
Personnel costs	(48,010)	(47,357)
EBITDA - Gross operating result	30,097	40,177
Amortisation & depreciation	(13,912)	(13,825)
Provisions & write-downs	(1,582)	(1,051)
EBIT - Operating result	14,603	25,302
Net financial incomes (charges)	(2,286)	(2,696)
Result before taxes	12,317	22,606
Income taxes	(5,784)	(7,543)
Net result before minority interest share	6,533	15,063
Minority interest share	(385)	(1,216)
Group result	6,147	13,846



Reclassified consolidated balance sheet

In Euro thousands

Description	12/31/08	12/31/07
Fixed assets		
Intangible	10,374	10,671
Tangible	130,243	126,661
Financial	2,685	1,561
Total	143,303	138,893
Net working capital		
Trade receivables	57,584	59,436
Other receivables	2,886	2,809
Tax credits	13,005	12,010
Inventories	85,554	72,514
Trade payables	(63,577)	(56,964)
Tax payables	(4,519)	(4,469)
Other payables	(9,733)	(10,763)
Total	81,200	74,573
Provisions for risks and employee leaving indemnity		
Provisions for employee leaving indemnity	(7,564)	(8,123)
Provisions for risks/other long term liabilities	(1,745)	(1,619)
Total	(9,309)	(9,743)
Capital employed	215,194	203,723
Net financial position		
Cash and securities	(8,643)	(11,103)
Short-term loans payables	59,272	53,852
Medium long-term loans payables	2,827	3,664
Total	53,456	46,412
Shareholders' equity		
Share capital	18,431	18,431
Reserves	130,342	118,255
Group result	6,147	13,846
Minority interest capital and reserves	6,433	5,562
Minority interest result	385	1,216
Total	161,738	157,311
Total source of financing	215,194	203,723



Consolidated net financial position

In Euro thousands

Description	12/31/08	12/31/07
Cash and banks	8,376	10,394
Securities and short-term financial receivable	268	709
Related party loans - short term	(13,194)	(12,542)
Short-term bank payables & other lenders	(46,078)	(41,310)
Net financial position - short term	(50,629)	(42,749)
Medium/long term bank payables	(210)	(263)
Medium/long term - other lenders	(1,813)	(2,447)
Related party loans - long term	(804)	(953)
Total medium/long term	(2,827)	(3,664)
Net financial position	(53,456)	(46,412)