



PRESS RELEASE

GRANITIFIANDRE: preliminary agreement signed for the sale of 50% of Hydrodesign to Finart, parent company of Gammadue, for Euro 4.1 million and a gain of approx. Euro 500 thousand.

Hydrodesign, with a turnover of Euro 17.2 million and approx. 200 employees in Italy and Spain - 1/5th of the workforce of the GranitiFiandre Group – is involved in the water-jet cutting of ceramic tiles.

Granitifianre - world leader in the production and distribution of top of the range vitrified stoneware porcelain slabs – signed a preliminary contract for the sale of Hydrodesign S.r.l. to Finart, holding company of Gammadue.

Hydrodesign S.r.l., based in Castellarano (RE), in turn controls 85% of the company Kaleidos Design with headquarters in Castellon de la Plana (Spain), is held for 51% by GranitiFiandre.

Both companies are involved in the water-jet cutting of vitrified stoneware porcelain slabs and employ approx. 200 persons.

In 2008, the Hydrodesign Group recorded revenues of Euro 17.2 million (Euro 19.4 million in 2007), with an EBITDA of Euro 1.8 million (Euro 2.8 million in 2007) and a Net Profit of approx. Euro 800 thousand compared to Euro 1.2 million in the previous year.

The preliminary contract provides for the acquisition by Finart, holding company of Gammadue, of 50% of the share capital of Hydrodesign by June 4, 2009 for a payment of Euro 4.1 million. The carrying value of the investment in Hydrodesign S.r.l. in the consolidated financial statements of GranitiFiandre amounts to Euro 3.6 million.

“The operation with Gammadue, leader in high-end ceramic design, allows the optimisation and exploration of synergies in the work carried out in vitrified stoneware already created with Hydrodesign, commented the Chairman and Chief Executive Officer of GranitiFiandre Graziano Verdi. We place the greatest strategic interest in focusing on our core business and in particular on the significant international investments in the USA and in Germany which in the first four months of the year recorded growth respectively of 8.6% and 4%, strongly countering the general sector trend and the general economic situation”.



“Gammadue is the leading company in the decoration and cutting of ceramic slabs, commented Graziano Tonelli, Chief Executive Officer of Finart, and with this operation we further strengthen our position in the market, while embarking on a venture with the founding shareholders of Hydrodesign can significantly expand our product portfolio and strengthen management and our research and development”.

Gamma Due, founded in 1977 in Sassuolo (Modena), is today recognised as the international leader for the applied design of ceramics, and operates in the design and production of decorations, in graphic and technical assistance and in marketing and communication consultancy with a presence in all of the world markets through direct contact with ceramic companies.

GranitiFiandre, Italian leader in the sector for the production of top of the range vitrified stoneware porcelain slabs, an alternative to quarry materials, offers products which recreate the most well renowned and prestigious marble, granite and stones globally, with similar characteristics but superior technical qualities (brightness, consistency, resistance and low absorption).

The company was the first to be listed on the STAR segment of the Milan Stock Exchange in June 2001 and has headquarters at Castellarano (Reggio Emilia), employing more than 1,000 persons and with production sites, as well as in Italy, since 2004 at Vetschau (Berlin – Germany) through the German subsidiary Porcelaingres GMBH and from May 2005 at Crossville (Tennessee – USA) through the US subsidiary StonePeak Ceramics Inc.

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