PRESS STATEMENT
Rome, December 7th, 2006

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THE COMPLETION OF THE REVIEW OF THE INDUSTRIAL PLAN

The Board of Directors of SACE S.p.A. has today approved:
- **the updating of the 2006-2008 three-year industrial plan and the 2009 forecast**;
- **the commencement of a technical analysis aimed at reducing the share capital**.

UPDATING THE 2006-2008 THREE-YEAR INDUSTRIAL AND THE 2009 FORECAST

The review of the industrial plan of the SACE Group is aimed at consolidating and reinforcing the productive model for the certain business lines (banks, companies, SMEs, global products, short-term and sureties) through which, during 2006, our services were further diversified and improved, our management enhanced and our insurance volumes and premiums significantly increased.

For the purpose of enhancing the support for the competitiveness of Italian companies on foreign markets while simultaneously improving the diversification of portfolio risks, SACE's 2007 development-strategy guidelines provide for:
- the consolidation of traditional insurance operations and additions to the range of the innovative products introduced in 2005 (Credit Enhancement, Financial Guarantees, Investment Policy, etc.);
- the enhancement of the domestic and international distribution network, with new offices scheduled for Brazil, India, Turkey and China (in addition to our existing offices in Moscow, Shanghai and Hong Kong);
- the reinforcement of the online channel and the full operation of the internet platform to issue insurance cover.
- heightened attention to the needs of Italian SMEs through the simplification of products specifically designed for them and the development of a dedicated distribution channel;
- the adoption of active management policies and the careful monitoring of risks, in order to improve diversification by geographical area, duration, sector and business.

The 2007 goals approved by the Board of Directors are premised upon a growth in both volumes and gross premiums and, with respect to the progress already achieved in 2006, further investments in structures and human resources. The forecast of 8.6 billion euros in new guarantees marks a new milestone with respect to the 7.7 billion euro target fixed for and achieved in 2006.

In fixing new objectives for the two-year period 2008-2009, the development plan takes account of:
- the acceleration in the growth of investment policies;
- the expansion of activities in East Asia;
- a possible **further enlargement of the company's operational perimeter**, following changes to the regulatory framework at present under scrutiny by Parliament, and which would enable SACE S.p.A. to provide more effective support to the internationalisation of Italian companies through:
  a) intervention in the operations of foreign companies in the event that significant employment or strategic interests concerning Italy are at stake (such as energy networks and infrastructures, transport infrastructure, major commercial or investment projects);
  b) the extension of its services to equities houses.

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In relation to short-term credit insurance and surety operations (undertaken by subsidiaries SACE BT and Assedile), the guidelines for the next three-year period are:

- the consolidation of the operations that commenced in 2005;
- the enlargement of the offer of products and services synergic to credit insurance.
- the completion of the multi-channel distribution system through the development of an agent and broker network;
- the maximising of operational and commercial synergies by completing the integration of SACE BT and Assedile;
- reaching a break-even by SACE BT in 2007.

THE COMMENCEMENT OF THE TECHNICAL ANALYSIS FOR REDUCING SACE'S SHARE CAPITAL

The liquidity and the capital structure of SACE S.p.A. have significantly improved in recent years as a result of the policies adopted for risk management and the anticipated reimbursement of credit negotiated at the Paris Club. Consequently, the overall amount of the means at the disposal of the company in terms of its own working capital and technical reserves are now in excess of the capital requirements as determined by its portfolio risks. An amendment to the Finance Bill presented by the government to the Senate proposes that SACE S.p.A. reduce its capital in line with its current activities and the company's development plans. On June 30th, 2006, SACE S.p.A. posted 8.3 billion euro in net equity, of which about 7.8 billion euros comprised share capital. The technical reserves, at the same date, stood at 2 billion euros.

In the light of the foregoing, the Board of Directors has today commenced a technical evaluation to determine the amount of the capital that may be returned to the shareholder in view of the solidity of corporate assets, the commitments made, and the prospects for developing the company's activities as set forth in the 2006-2009 Industrial Plan. The Board of Directors is scheduled to meet again on December 20th to pass a resolution on a definitive proposal to submit to the Shareholders' Meeting.

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*The **SACE Group** offers export credit insurance, and investment and surety protection. The overall value of the operations insured by Sace in 2005 amounted to about 16 billion euro. In 2006 the parent company SACE SpA obtained an Aa2 rating from Moody's.*