



PRESS RELEASE

SERVIZI ITALIA: purchases for 17.6 million Euro 75% of the health sector services branch of Padana Everest S.p.A., main player in the industrial laundry sector in Italy.

With this operation, Servizi Italia strengthens its position as the leader in the hospital linen rental and laundering sector, with a market share rising up to 24.8%.

Servizi Italia S.p.A., quoted on the Expandi market of the Italian Stock Exchange, today signed a preliminary agreement for the purchase of 75% of the Health Sector Services Division of Padana Everest S.p.A. (a firm with its registered offices in Travagliato, in the province of Brescia, operating in the industrial laundry sector) at a price of 17,625,000 Euro.

Specifically, the operation will be completed by the purchase on the part of Servizi Italia of 75% of a newly-created limited liability company to which Padana Everest will entrust the Health Sector Services Division - the object of the preliminary agreement - as of August 1st 2008. The management of the division will continue to operate within the firm.

This purchase creates important synergies for Servizi Italia, the shareholding structure of which increasingly resembles that of an Industry Group, also in terms of the cross-selling opportunities offered by the long-term contracts acquired and the consequent possibility to expand its client portfolio and further strengthen its leadership position in the sector consolidation process, with a market share rising up to 24.8% at national level (Source: Databank 2007). To this must be added an extremely important production platform, extended with the two new laundry establishments in Travagliato (BS) and Podenzano (PC).

Padana Everest S.p.A., which is owned by the Marchetti family, was set up in 1989 and operates mainly in the area of laundry services provided to both public and private operators, through two distinct, separate business units: the health sector services division, which accounts for around 90% of the firm's business and works with hospitals and health care structures, renting, laundering and sterilising linen and surgical instruments; and the hotel and catering division, which deals with renting and laundering table and bed linen, as well as the sale of hygiene accessories.

In 2007, the Health Sector Services Division, the object of this operation, registered a pro-forma turnover of around 20.7 million, EBITDA of around 5.9 million Euro and a fiscal year result of around 2.1 million Euro.

With a staff of some 340 and 40 clients from the private and public sector, mainly in Northern Italy, Padana Everest is the 7th largest operator in its sector in Italy, with a national market share of 3.1% (Source: Databank 2007).



The price of the transaction, defined in accordance with well-defined equity values and positive net financial position of the Health Sector Services Division of Padana Everest. It does not include the transfer of property ownership, which is excluded from the deal (the premises will be granted on lease).

Payment of the amount due will be spread over 4 instalments, payable in 24 months, without accrual of interest.

The terms of the contract state that sales/purchase options shall be granted in favour of Padana Everest and Servizi Italia respectively on the remaining 25% not held by Servizi Italia (25%); this option may be exercised at a preset price of 5.875 million Euro.

The closing of the operation is subject to the approval of the Antitrust authority.

“This new acquisition - declared Luciano Facchini, Managing Director of Servizi Italia – is part of the external growth plan announced by the firm. It is of considerable strategic importance, because it will allow us to plan the development of services to the health care sector and at the same time to optimise the management and productive structures of the Group, thereby improving efficiency. In this way, Servizi Italia strengthens and expands its presence throughout Central and Northern Italy, in a context with enormous potential.”

Servizi Italia S.p.A., a company with registered office in Castellina di Soragna (PR),), listed on the Expandi market of Borsa Italiana S.p.A. is the leading Italian integrated provider of rental, laundry, and sterilisation services for healthcare laundry and surgical instruments to hospitals.

With a technologically advanced production platform of nine laundry facilities, five linen sterilisation centres, eight surgical instrument sterilisation centres, and eighty wardrobes, the Company primarily deals with public and private health care facilities in Central and Northern Italy, with a wide array of services offered.

In 2007, Servizi Italia, achieved total consolidated revenues of € 143 million (+5.8% from 2006), consolidated EBITDA of € 41.8 million (+8.2%), and net consolidated profit of € 6.6 million (+56%).

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Castellina di Soragna (PR), 02 July 2008