

PRESS RELEASE

The Pozzo family has reached an important agreement with Robert Bosch for the future development of the Freud accessories business.

Robert Bosch is one of the most important European companies, with a worldwide leadership in the design, manufacturing and distribution of products and solutions among the others in the automotive, power tools and accessories, and heating systems industries. In the fiscal year 2007 the group generated sales of more than 46 billion euros in 300 countries of which more than 3 billion in the sole power tools and accessories business.

The agreement concerns the sale (by Freud S.p.a., the industrial holding of the group of companies making reference to the Pozzo family) of the "business unit" which design, manufactures and distributes worldwide woodworking tools or "accessories" and represented by the following legal units: Pozzo S.p.a. e Freud Produzioni Industriali S.p.a., in Italy, Freud America Inc. its subsidiaries Freud Canada Inc. e Woodworking Tools Distribution LLC, Freud Tooling UK Ltd and finally, Freud International Trading Co. Ltd, based in Shanghai.

The sale is subject to the approval by the competent authorities and will be effective, provided such approval in March 2009.

The division sold to Bosch employs approximately 600 associates and the two parties have agreed to develop it also thanks to the powerful synergies possible within the German group with its distribution network and its industrial oriented structure.

The Pozzo family will be involved in the project for the development of the acquired business in a long term logic.

Robert Bosch acknowledged the quality and technological leadership of Freud products and foresees important opportunities for the acquired activities in terms of development of the Italian facilities, in the development of the traditional Freud market channel and in the exploitation of new opportunities in new markets.

The Pozzo family is proud to hand over the leadership of Freud to one of the worldwide leading companies and it is firmly convinced to offer in such way a great opportunity of development to the industrial district where the activities are located and to the stakeholders in general and it is as well proud to continue to carry on the other activities under its responsibility in Italy and abroad.

In particular we shall mention the Spanish companies Casals Ventilación S.L., Casals Herramientas Electricas S.L., Talleres Casals Herramientas S.L. all in Catalunya, the newco Casals in Nanchino (China) as well as the distribution company Casals S.r.l. in Milan, Italy.

We shall also mention the other companies engaged in the manufacturing of woodworking tools remaining within the Pozzo area of business and specifically Herramientas Especiales y de Precisión S.A. in Valencia with its subsidiary Saturne International S.a.r.l. in France.

With the aforesaid activities the traditional industrial vocation of the family will continue.

We wish to thank all the associates, who contributed with their effort and professional competence to the success of Freud and all the industrial, commercial and financial partners who made possible this success. We are sure they all will take the opportunity represented by joining one of the most important multinational companies with strategies, corporate identity and management procedures of absolute excellence.

Udine, December 18, 2008