



## PRESS RELEASE

Meeting of the Board of Directors today

### IMMSI: FIRST HALF 2007

- **NET SALES €1,033.3 MLN (+9.2% YoY)**
- **EBITDA €141.2 MLN, 13.7% RETURN ON NET SALES (+7.9% YoY)**
  - **NET PROFIT €23.6 MLN (+21.6% YoY)**
    - **NET DEBT €417.5 MLN**  
(down €45.1 mln from 31.03.07)

### PARENT COMPANY IMMSI S.P.A.:

- **NET PROFIT €7.4 MLN**

*Milan, 12 September 2007* – At a meeting today in Milan chaired by Roberto Colaninno, the Board of Directors of IMMSI S.p.A. examined and approved the Group's results for the first six months of 2007.

The IMMSI Group posted improvements in its half-year income, equity and financial results compared with the first six months of 2006, with:

- net sales of € 1,033.3 million, up 9.2%
- EBITDA of € 141.2 million, up 7.9%
- net profit of € 23.6 million, up 21.6%
- net debt of € 417.5 million, down by € 45.1 million from 31 March 2007.

IMMSI Group 2007 half-year **consolidated net sales** totalled € 1,033.3 million, rising by more than € 87 million (+9.2%) from the year-earlier first half (€ 946.0 million). This included Piaggio Group net sales of € 968.6 million, a YoY improvement of 7.2% reflecting growth in both the Two-Wheeler business (+6.9%) and the Light Transport Vehicles business (+5.9%). Net sales in the shipbuilding sector (Rodriquez Cantieri Navali Group) amounted to € 62.3 million, up 54.6% on the first half of 2006, as a result of completion and delivery of previous orders and production progress on orders acquired during the previous financial year.

The Rodriquez Group order book stood at approximately € 450 million at 30 June 2007. In the property sector, the project for the Is Molas tourist complex was completed and presented to the authorities for the necessary licences, expected to be granted by the end of the year.

**EBITDA** amounted to € 141.2 million, for a 13.7% return on net sales, an improvement of 7.9% on the result in the year-earlier first half (€ 130.8 million). The contribution of the Piaggio Group was € 145.9 million, up approximately 8.1% on the year-earlier first half.

After depreciation and amortisation for € 41.7 million, **EBIT** was € 99.4 million, or 9.6% of net sales, an improvement of 15.5% on the year-earlier first half (€ 86.1 million).

First-half profit before tax gained 14.2% to reach € 80.4 million, equivalent to 7.8% of net sales, compared with € 70.4 million (7.4% of net sales) in the first half to 30 June 2006.

**The half-year net profit** was € 23.6 million, an increase of 21.6% on € 19.4 million in the first half of 2006.

Group net debt at 30 June 2007 amounted to € 417.5 million, from € 462.6 million at 31 March 2007 and € 414.3 million at 31 December 2006. The positive performance in operating cash flow in the half year (€ 64 million) was offset in part by dividend payouts (€ 10.3 million), payment of Group company dividends to minority shareholders (€ 5.3 million), own-share buybacks at Piaggio & C. S.p.A. (€ 16.8 million), and enabled the Group to finance gross investments for the period totalling € 43.4 million. The net financial position at 30 June 2006 was € 426.6 million.

IMMSI Group total shareholders' equity at 30 June 2007 was € 671.9 million, compared with € 646.5 million at 31 March 2007. Shareholders' equity at 31 December 2006 was € 645.6 million.

#### **Significant events after 30 June 2007**

In July and August Piaggio & C. S.p.A. continued to purchase own shares to service the Piaggio 2007-2009 stock option plan. At 31 August it held 7,190,000 own shares, for an average purchase price of € 3.666.

#### **Outlook**

Based on its 2007 half-year results, the IMMSI Group expects to post a profit for the full year.

#### **IMMSI S.p.A.**

In the first half of 2007, the Parent Company reported **net sales** of € 2.1 million, negative **EBITDA** of € 0.6 million and a **net profit** of € 7.4 million, after recognising dividends collected from Piaggio for approximately € 6.5 million and other net finance income for approximately € 1.2 million.

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The Independent Auditors have not yet published their opinion.

### IMMSI Group reclassified income statement

In thousands of euro	1H 2007		1H 2006		Change	in %
<b>Net sales</b>	<b>1,033,280</b>	<b>100%</b>	<b>946,033</b>	<b>100%</b>	<b>87,247</b>	<b>9.2%</b>
Cost of materials	609,368	59.0%	530,175	56.0%	79,193	14.9%
Cost of services and use of third-party assets	197,756	19.1%	200,332	21.2%	-2,576	-1.3%
Employee expenses	136,224	13.2%	136,297	14.4%	-73	-0.1%
Other operating income	67,793	6.6%	70,480	7.5%	-2,687	-3.8%
Other operating expense	16,546	1.6%	18,905	2.0%	-2,359	-12.5%
<b>EBITDA</b>	<b>141,179</b>	<b>13.7%</b>	<b>130,804</b>	<b>13.8%</b>	<b>10,375</b>	<b>7.9%</b>
Depreciation tangible assets	22,271	2.2%	22,263	2.4%	8	0.0%
Amortisation goodwill	0	-	0	-	0	-
Amortisation intangible assets with finite life	19,477	1.9%	22,442	2.4%	-2,965	-13.2%
<b>EBIT</b>	<b>99,431</b>	<b>9.6%</b>	<b>86,099</b>	<b>9.1%</b>	<b>13,332</b>	<b>15.5%</b>
Share of result of associates	-1	0.0%	-2	0.0%	1	-50.0%
Finance income	7,894	0.8%	8,539	0.9%	-645	-7.6%
Finance expense	26,962	2.6%	24,245	2.6%	2,717	11.2%
<b>PROFIT BEFORE TAX</b>	<b>80,362</b>	<b>7.8%</b>	<b>70,391</b>	<b>7.4%</b>	<b>9,971</b>	<b>14.2%</b>
Income tax expense	36,868	3.6%	16,432	1.7%	20,436	124.4%
<b>NET RESULT FROM ON-GOING OPERATIONS</b>	<b>43,494</b>	<b>4.2%</b>	<b>53,959</b>	<b>5.7%</b>	<b>-10,465</b>	<b>-19.4%</b>
Profit (loss) from discontinued operations	0	-	0	-	0	-
<b>NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>43,494</b>	<b>4.2%</b>	<b>53,959</b>	<b>5.7%</b>	<b>-10,465</b>	<b>-19.4%</b>
Net profit attributable to minority interests	19,875	1.9%	34,531	3,7%	-14,656	-42.4%
<b>NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO GROUP</b>	<b>23,619</b>	<b>2.3%</b>	<b>19,428</b>	<b>2.1%</b>	<b>4,191</b>	<b>21.6%</b>

## IMMSI Group financial and equity highlights

In thousands of euro	30.06.2007	in %	31.12.2006	in %	30.06.2006	in %
<b>Current assets:</b>						
Cash and cash equivalents	114,464	5.4%	101,941	5.2%	133,984	6.3%
Financial assets	13,188	0.6%	12,594	0.6%	44,624	2.1%
Operating assets	819,054	38.3%	565,250	28.9%	751,158	35.4%
<b>Total current assets</b>	<b>946,706</b>	<b>44.3%</b>	<b>679,785</b>	<b>34.8%</b>	<b>929,766</b>	<b>43.9%</b>
<b>Non-current assets:</b>						
Financial assets	1,015	0.0%	1,015	0.1%	1,015	0.0%
Intangible assets	809,557	37.9%	802,112	41.1%	737,468	34.8%
Tangible assets	312,143	14.6%	318,135	16.3%	313,455	14.8%
Other assets	68,433	3.2%	151,752	7.8%	137,533	6.5%
<b>Total non-current assets</b>	<b>1,191,148</b>	<b>55.7%</b>	<b>1,273,014</b>	<b>65.2%</b>	<b>1,189,471</b>	<b>56.1%</b>
<b>TOTAL ASSETS</b>	<b>2,137,854</b>	<b>100.0%</b>	<b>1,952,799</b>	<b>100.0%</b>	<b>2,119,237</b>	<b>100.0%</b>
<b>Current liabilities:</b>						
Financial liabilities	147,595	6.9%	120,039	6.1%	179,522	8.5%
Operating liabilities	754,897	35.3%	591,558	30.3%	726,428	34.3%
<b>Total current liabilities</b>	<b>902,492</b>	<b>42.2%</b>	<b>711,597</b>	<b>36.4%</b>	<b>905,950</b>	<b>42.7%</b>
<b>Non-current liabilities:</b>						
Financial liabilities	398,584	18.6%	409,827	21.0%	426,670	20.1%
Other non-current liabilities	164,848	7.7%	185,772	9.5%	206,113	9.7%
<b>Total non-current liabilities</b>	<b>563,432</b>	<b>26.4%</b>	<b>595,599</b>	<b>30.5%</b>	<b>632,783</b>	<b>29.9%</b>
<b>TOTAL LIABILITIES</b>	<b>1,465,924</b>	<b>68.6%</b>	<b>1,307,196</b>	<b>66.9%</b>	<b>1,538,733</b>	<b>72.6%</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>671,930</b>	<b>31.4%</b>	<b>645,603</b>	<b>33.1%</b>	<b>580,504</b>	<b>27.4%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,137,854</b>	<b>100.0%</b>	<b>1,952,799</b>	<b>100.0%</b>	<b>2,119,237</b>	<b>100.0%</b>

## IMMSI S.p.A. reclassified income statement

In thousands of euro	1H 2007		1H 2006		Full Year 2006	
<b>Net sales</b>	<b>2,114</b>	<b>100%</b>	<b>4,640</b>	<b>100%</b>	<b>6,305</b>	<b>100%</b>
Cost of materials	38	1.8%	52	1.1%	98	1.6%
Cost of services and use of third-party assets	1,798	85.1%	2,306	49.7%	5,011	79.5%
Employee expenses	753	35.6%	817	17.6%	1,762	27.9%
Other operating income	101	4.7%	968	20.9%	740	11.7%
Other operating expense	201	9.5%	846	18.2%	698	11.1%
<b>EBITDA</b>	<b>-576</b>	<b>-27.2%</b>	<b>1,587</b>	<b>34.2%</b>	<b>-524</b>	<b>-8.3%</b>
Depreciation tangible assets	40	1.9%	196	4.2%	421	6.7%
Amortisation goodwill	0	-	0	-	0	-
Amortisation intangible assets with finite life	0	-	14	0.3%	29	0.5%
<b>EBIT</b>	<b>-616</b>	<b>-29.1%</b>	<b>1,377</b>	<b>29.7%</b>	<b>-974</b>	<b>-15.4%</b>
Share of result of associates	0	-	0	-	0	-
Finance income	9,402	444.7%	3,031	65.3%	41,504	658.3%
Finance expense	1,682	79.6%	1,243	26.8%	5,911	93.8%
<b>PROFIT BEFORE TAX</b>	<b>7,104</b>	<b>336.0%</b>	<b>3,165</b>	<b>68.2%</b>	<b>34,619</b>	<b>549.1%</b>
Income tax expense	-275	-13.0%	2,986	64.4%	6,647	105.4%
<b>NET RESULT FROM ON-GOING OPERATIONS</b>	<b>7,379</b>	<b>349.1%</b>	<b>179</b>	<b>3.9%</b>	<b>27,972</b>	<b>443.6%</b>
Profit (loss) from discontinued operations	0	-	0	-	0	-
<b>NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>7,379</b>	<b>349.1%</b>	<b>179</b>	<b>3.9%</b>	<b>27,972</b>	<b>443.6%</b>
Net profit attributable to minority interests	0	-	0	-	0	-
<b>GROUP NET PROFIT FOR THE PERIOD</b>	<b>7,379</b>	<b>349.1%</b>	<b>179</b>	<b>3.9%</b>	<b>27,972</b>	<b>443.6%</b>

## IMMSI S.p.A. financial and equity highlights

In thousands of euro	30.06.2007	in %	31.12.2006	in %	30.06.2006	in %
<b>Current assets:</b>						
Cash and cash equivalents	6,749	1.4%	4,444	1.0%	87.669	21.4%
Financial assets	1,250	0.3%	1,100	0,2%	1.000	0,2%
Operating assets	86,514	18.4%	1,205	0,3%	1.254	0,3%
<b>Total current assets</b>	<b>94,513</b>	<b>20.1%</b>	<b>6,749</b>	<b>1,5%</b>	<b>89,923</b>	<b>22,0%</b>
<b>Non-current assets:</b>						
Financial assets	12,000	2.6%	12,000	2.7%	12,000	2.9%
Intangible assets	0	0.0%	0	0.0%	15	0.0%
Tangible assets	11,600	2.5%	11,599	2.6%	11,700	2.9%
Other assets	352,256	74.9%	421,351	93.3%	295,113	72.2%
<b>Total non-current assets</b>	<b>375,856</b>	<b>79.9%</b>	<b>444,950</b>	<b>98.5%</b>	<b>318,828</b>	<b>78.0%</b>
<b>TOTAL ASSETS</b>	<b>470,369</b>	<b>100.0%</b>	<b>451,699</b>	<b>100.0%</b>	<b>408,751</b>	<b>100.0%</b>
<b>Current liabilities:</b>						
Financial liabilities	35,720	7.6%	4,608	1.0%	79,354	19.4%
Operating liabilities	2,323	0.5%	12,487	2.8%	5,585	1.4%
<b>Total current liabilities</b>	<b>38,043</b>	<b>8.1%</b>	<b>17,095</b>	<b>3.8%</b>	<b>84,939</b>	<b>20.8%</b>
<b>Non-current liabilities:</b>						
Financial liabilities	45,832	9.7%	45,814	10.1%	45,787	11.2%
Other non-current liabilities	11,169	2.4%	12,659	2.8%	14,848	3.6%
<b>Total non-current liabilities</b>	<b>57,001</b>	<b>12.1%</b>	<b>58,473</b>	<b>12.9%</b>	<b>60,635</b>	<b>14.8%</b>
<b>TOTAL LIABILITIES</b>	<b>95,044</b>	<b>20.2%</b>	<b>75,568</b>	<b>16.7%</b>	<b>145,574</b>	<b>35.6%</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>375,325</b>	<b>79.8%</b>	<b>376,131</b>	<b>83.3%</b>	<b>263,177</b>	<b>64.4%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>470,369</b>	<b>100.0%</b>	<b>451,699</b>	<b>100.0%</b>	<b>408,751</b>	<b>100.0%</b>