**PRESS RELEASE**

## IMMSI GROUP: FIRST HALF OF 2009

**In the industrial sector, a positive turnaround in Q2 2009, with a significant increase in Asian markets – Strengthening on the Italian 2-wheel market and positive sales trend in commercial vehicles – Improved gross industrial margin as a percentage of net sales**

**Acquisition of a new major shipbuilding contract – Growth strategy focused on the Military sector, with significant investments in production capacity**

**Net debt lower than 31 December 2008**

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**Net sales € 862.9 million (975.9 million 1H08)**

**EBITDA € 100.9 million (120.3 million 1H08)**

**Net earnings € 4.3 million (26.3 million 1H08)**

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**Parent company Immsi S.p.A.: net profit 11.6 million**

*Milan, 27 August 2009* – At a meeting today chaired by Roberto Colaninno, the Board of Directors of IMMSI S.p.A. examined and approved the Group's results for the first half of 2009.

In the first six months of 2009, Immsi Group **consolidated net sales** totaled € 862.9 million (975.9 million in the first half of 2008), consisting of € 795.6 million from Piaggio Group, € 64.8 million from Rodriquez Cantieri Navali Group and € 2.4 million from the property sector.

In the **industrial sector**, the reduction in net sales of the **Piaggio Group** compared to the € 900.3 million of the first half of 2008 was influenced by not only the decline in net sales in the 2-wheel sector, but also by the reduction in the five-year BMW contract (-5.1 million euro compared to the first half of 2008) and the strengthening of the euro compared to Sterling and the Indian Rupee, which negatively impacted net sales by some € 3.8 million compared to the corresponding period in 2008.
In Q2 2009, the Piaggio Group recorded a major improvement in operating results compared to Q1 2009, with a **significant reversal in the trend** as a result of its competitive products and the strong recovery of the Asian markets, accompanied by a consolidation of its leadership in the Italian 2-wheel market and the positive performance of the commercial vehicles. The **improved gross industrial margin as a percentage of net sales** must be also pointed out, as well as the **increase in the EBITDA margin** in Q2, compared to the same period in 2008.

In the **shipbuilding sector** (**Rodriquez Cantieri Navali Group**), the first half of 2009 recorded an 11.4% decline in net sales, compared to the first half of 2008. This decrease is largely attributable to the parent company Rodriquez and the Conam subsidiary, and is also affected by the production delays at the Intermarine shipyard in Sarzana, caused by flooding when the river Magra broke its banks in January 2009.
The overall Rodriquez Group **order book** at 30 June 2009 stood at some € 225 million, as a result of the **positive business trend in the military sector**, which contributed some € 204 million, with orders for the construction of minesweepers and patrol boats, and € 20 million in the Fast Ferries

sector (including the order for the construction of five catamarans for the Sultanate of Oman, where the original order signed in 2006 totals some 90 million US Dollars).
We underline that the Rodriquez Group is currently negotiating some **major orders**, both in Italy and abroad, which during the financial period (see "Significant events after 30 June 2009" below) have already resulted in the conclusion of a significant contract with the Italian Navy amounting to € 198.7 million.

Immsi Group **EBITDA** in the first half of 2009 totaled € 100.9 million, or 11.7% of net sales, compared to the € 120.3 million recorded in the first half of 2008. We underline that the **EBITDA margin in Q2 2009** stood at 15.8%, an improvement on the Q2 2008 EBITDA margin of 15.4%.

**Operating profit** (EBIT), after € 48 million of amortization and depreciation, stood at € 52.9 million, a 6.1% return on net sales.

In the first half of 2009, Immsi Group recorded a **profit before tax** of € 30.1 million and a net profit of € 4.3 million, after accounting for € 18.7 million of taxation (14.3 million in the first half of 2008). In the first half of 2008, net profit totaled € 26.3 million.

Immsi Group **net debt** at 30 June 2009 stood at € 593.8 million, an improvement on the € 608.9 million at 31 December 2008.

Group **consolidated shareholders' equity** at 30 June 2009 totaled € 597.4 million, of which € 194 million attributable to minority interests. At 31 December 2008, shareholders' equity stood at € 585.4 million.

## Significant events after 30 June 2009

In the industrial sector, on 3 July 2009, **Piaggio Group's 2009-2012 Strategic Plan** was presented. The Plan focuses on significantly developing the Asian area, by strengthening the direct industrial presence and the expansion of the 2-wheel and commercial vehicle product lines, as well as developing the distribution, organization and human resource structures. On the domestic European market, Group strategies will focus on consolidating the current leadership, developing and innovating the product lines in the scooter segment with the Group's various brands, rationalizing the range of motorcycles and, at the same time, enhancing the value of the different missions of the Aprilia, Moto Guzzi and Derbi brands.
As a result of its technological innovation abilities developed in-house, the Group will aim at being the leader in providing new engines with low-to-no environmental impact and reduced fuel consumption: the Group will focus on developing and expanding its range of hybrid, electric and bi-fuel vehicles in the 2-wheel and commercial vehicle sectors. Furthermore, 1,000 and 1,200cc diesel and turbo diesel engines will be manufactured in India, a fundamental element in expanding the Group's products in the field of commercial vehicles.

In the **shipbuilding sector** (Rodriquez Group), at the end of July, the **Intermarine S.p.A.** subsidiary signed a contract with the **Italian Navy** to refit eight **Gaeta Class Minesweepers**. The order, worth 198.7 million euro, envisages the planning, construction, installation and integration of the new combat systems and equipment of the eight Gaeta Class Minesweepers, as part of the "mid-life" technological refitting of these vessels.

## Operating outlook

Regarding the operating outlook of Immsi Group in the second half of the year, Piaggio Group – also as a result of the new hi-tech products being launched – will focus on developing the Group's motorcycle brands in Europe and consolidating its leadership position in the scooter sector in Europe and in America, as well as developing the marketing of Vespa scooters in Vietnam, which officially began at the end of June 2009. As a result of its product range of vehicles with low environmental impact and reduced fuel consumption in the 2-wheel and commercial vehicle sectors, the Group can also fully benefit from the effects of the eco-incentives implemented by both the Italian and Spanish governments.

In the shipbuilding sector, in the current international crisis, the Rodriquez group will focus on significantly developing in the Military sector, where further major orders are expected to be signed in the next few months. From the strategic viewpoint, significant investments in production capacity are envisaged for the shipyards in Sarzana as part of the plan to develop the Military sector, by developing the areas and facilities which can also be used in the sport sector. In the yacht and passenger (Fast Ferries) sectors, where the deep and generalized crisis continues, the Group will minimize costs and the use of financial resources, while awaiting the market recovery.

**Immsi S.p.A.**

In the first half of 2009, the parent company Immsi Group S.p.A. recorded a net profit of € 11.6 million, down from the 18.5 million in the first half of 2008, primarily as a result of fewer positive financial income components. In particular, the overall dividends received by the Piaggio & C. S.p.A. subsidiary totaled € 12.7 million at 30 June 2009 (13.5 million in 2008) due to the fewer shares held (from 225.3 million shares held, when they went ex-dividend at the end of May 2008, to 212.2 million when they went ex-dividend at the end of May 2009) with the same return (0.06 € per share). Moreover, the net earnings in the first half of 2009 are affected by Unicredit's decision not to pay a cash dividend to its shareholders, but to distribute new Unicredit shares (a scrip dividend) arising from a free increase of share capital. Furthermore, in the first half of 2008, Immsi S.p.A. recorded a gain of 5.9 million euro on the sale of 1.5 million Unicredit shares.

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The manager in charge of preparing the company accounts and documents, Andrea Paroli, certifies, in accordance with paragraph 2 Art. 154-*bis* of Legislative Decree no. 58/1998 (Consolidated Financial Act), that the accounting disclosures in this press release correspond to the documentation, the ledgers and the accounting records.

The Interim Financial report at 30 June 2009, including the Auditors' Report, will be available to the public from tomorrow, 28 August 2009, at the registered offices of the company in Mantua, at Borsa Italiana S.p.A. and will be available on the web at http://www.immsi.it.

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## Immsi Group Income Statement

| In thousands of euro | *1H 2009* | | *1H 2008* | | *% change* | |
|---|---|---|---|---|---|---|
| **Net sales** | **862,890** | **100%** | **975,939** | **100%** | **-113,049** | **-11.6%** |
| Costs for materials | 496,714 | 57.6% | 568,248 | 58.2% | -71,534 | -12.6% |
| Costs for services and the use of third party assets | 174,757 | 20.3% | 196.370 | 20.1% | -21,613 | -11.0% |
| Personnel costs | 140,360 | 16.3% | 147,903 | 15.2% | -7,543 | -5.1% |
| Other operating income | 72,211 | 8.4% | 74,356 | 7.6% | -2,145 | -2.9% |
| Other operating costs | 22,405 | 2.6% | 17,487 | 1.8% | 4,918 | 28.1% |
| **EARNINGS BEFORE AND DEPRECIATION** | **100,865** | **11.7%** | **120,287** | **12.3%** | **-19,422** | **-16.1%** |
| Depreciation of tangible assets | 20,863 | 2.4% | 22,192 | 2.3% | -1,329 | -6.0% |
| Amortization of goodwill | 0 | - | 0 | - | 0 | - |
| Amortization of intangible assets with a finite life | 27,063 | 3.1% | 26,330 | 2.7% | 733 | 2.8% |
| **OPERATIVO EARNINGS** | **52,939** | **6.1%** | **71,765** | **7.4%** | **-18,826** | **-26.2%** |
| Earnings from equity investments | 171 | 0.0% | 47 | 0.0% | 124 | 263.8% |
| Financial income | 6,639 | 0.8% | 20,598 | 2.1% | -13,959 | -67.8% |
| Financial costs | 29,669 | 3.4% | 35,540 | 3.6% | -5,871 | -16.5% |
| **EARNINGS BEFORE TAXATION** | **30,080** | **3.5%** | **56,870** | **5.8%** | **-26,790** | **-47.1%** |
| Taxation | 18,656 | 2.2% | 14,262 | 1.5% | 4,394 | 30.8% |
| **EARNINGS AFTER TAXATION FROM CONTINUING ASSETS** | **11,424** | **1.3%** | **42,608** | **4.4%** | **-31,184** | **-73.2%** |
| Gain (loss) from assets intended for disposal or sale | 0 | - | 0 | - | 0 | - |
| **EARNINGS FOR THE PERIOD INCLUDING MINORITY INTEREST** | **11,424** | **1.3%** | **42,608** | **4.4%** | **-31,184** | **-73.2%** |
| Minority interest earnings for the period | 7,113 | 0.8% | 16,292 | 1.7% | -9,179 | -56.3% |
| **GROUP EARNINGS FOR THE PERIOD** | **4,311** | **0.5%** | **26,316** | **2.7%** | **-22,005** | **-83.6%** |

## Immsi Group Balance Sheet

| In thousands of euro | *30.06.2009* | *%* | *31.12.2008* | *%* | *30.06.2008* | *%* |
|---|---|---|---|---|---|---|
| **Current assets:** | | | | | | |
| Cash and cash equivalents | 168,851 | 7.2% | 55,353 | 2.6% | 102,511 | 4.7% |
| Financial assets | 24,256 | 1.0% | 6,707 | 0.3% | 31,534 | 1.4% |
| Operating assets | 770,535 | 32.8% | 639,213 | 30.3% | 833,745 | 38.3% |
| **Total current assets** | **963,642** | **41.0%** | **701,273** | **33.3%** | **967,790** | **44.4%** |
| **Non-current assets:** | | | | | | |
| Financial assets | 0 | - | 0 | - | 0 | - |
| Intangible assets | 824,878 | 35.1% | 827,472 | 39.3% | 816,092 | 37.5% |
| Tangible assets | 299,549 | 12.8% | 299,500 | 14.2% | 297,962 | 13.7% |
| Other assets | 260,991 | 11.1% | 278,372 | 13.2% | 95,818 | 4.4% |
| **Total non-current assets** | **1,385,418** | **59.0%** | **1,405,344** | **66.7%** | **1,209,872** | **55.6%** |
| **TOTAL ASSETS** | **2,349,060** | **100%** | **2,106,617** | **100%** | **2,177,662** | **100%** |
| **Current liabilities:** | | | | | | |
| Financial liabilities | 369,656 | 15.7% | 332,752 | 15.8% | 280,340 | 12.9% |
| Operating liabilities | 806,321 | 34.3% | 690,134 | 32.8% | 792,943 | 36.4% |
| **Total current liabilities** | **1,175,977** | **50.1%** | **1,022,886** | **48.6%** | **1,073,283** | **49.3%** |
| **Non-current liabilities:** | | | | | | |
| Financial liabilities | 417,234 | 17.8% | 338,187 | 16.1% | 369,471 | 17.0% |
| Other non-current liabilities | 158,496 | 6.7% | 160,161 | 7.6% | 146,516 | 6.7% |
| **Total non-current liabilities** | **575,730** | **24,5%** | **498,348** | **23.7%** | **515,987** | **23.7%** |
| **TOTAL** | **1,751,707** | **74.6%** | **1,521,234** | **72.2%** | **1,589,270** | **73.0%** |
| **TOTAL SHAREHOLDERS' EQUITY** | **597,353** | **25.4%** | **585,383** | **27.8%** | **588,392** | **27.0%** |
| **TOTAL LIABILITIES AND EQUITY** | **2,349,060** | **100%** | **2,106,617** | **100%** | **2,177,662** | **100%** |

## Immsi Group Cash Flow Statement

| In thousands of euro | 1H 2009 | 1H 2008 |
|---|---|---|
| *Operations* | | |
| Earnings for the period | 4,311 | 26,316 |
| Minority interest | 7,113 | 16,292 |
| Taxation | 18,656 | 14,262 |
| Depreciation of tangible assets (including property investments | 20,863 | 22,192 |
| Amortization of intangible assets | 27,063 | 26,330 |
| Provisions for risks and for severance indemnity and similar obligations | 16,213 | 14,663 |
| Write-downs / (Revaluations) | 1,289 | 1,836 |
| Losses / (Gains) on disposal of tangible assets (including property investments) | 21 | (33) |
| Losses / (Gains) on disposal of intangible assets | (18) | (2,596) |
| Losses / (Gains) on disposal of consolidated equity investments | 0 | 0 |
| Losses / (Gains) arising from assets intended for disposal or cancellation | 0 | 0 |
| Losses / (Gains) on disposal of securities | 1,340 | (5,884) |
| Interest receivable | (2,042) | (2,564) |
| Dividend income | 0 | (2,594) |
| Interest payable | 23,989 | 24,728 |
| Depreciation of public grants | (6,591) | (7,127) |
| Earnings portion before taxation in associated companies (and other companies at equity) | 0 | 6 |
| *Change in working capital:* | | |
| (Increase) / Decrease in trade receivables | (142,941) | (178,577) |
| (Increase) Decrease in inventories | (21,822) | (58,429) |
| Increase / (Decrease) in trade payables | 121,249 | 188,022 |
| (Increase) / Decrease in contract work in progress | 10,685 | 2,971 |
| Increase / (Decrease) in provisions for risks | (10,657) | (10,725) |
| Increase / (Decrease) in reserves for severance indemnity and similar | (5,159) | (6,196) |
| Other changes | 22,550 | 496 |
| *Cash generated from operations* | 86,112 | 63.389 |
| Interest paid | (17,823) | (27,773) |
| Taxation paid | (10,011) | (6,080) |
| *Cash flow from* | 58,278 | 29,536 |

| | 1H 2009 | 1H 2008 |
|---|---|---|
| *Investment* | | |
| Acquisition of subsidiaries, net of liquid assets | (2,877) | (11,777) |
| Sale price of subsidiaries, net of liquid assets | 9,205 | 0 |
| Investments in tangible assets | (22,414) | (16,423) |
| Sale price, or repayment value, of tangible assets (including property investments) | 264 | 125 |
| Investments in intangible assets | (26,508) | (24,494) |
| Sale price, or repayment value, of intangible | 27 | 2,596 |
| Acquisition of non-consolidated equity investments | 0 | 0 |
| Sale price of non-consolidated equity investments | 4 | (4) |
| Loans provided | (2) | (63) |
| Repayment of loans | 612 | 651 |
| Purchase of financial assets | (18,159) | (12,334) |
| Sale price of financial assets | 0 | 8,041 |
| Interest received | 1,085 | 10,483 |
| Sale price of assets intended for disposal or cancellation | 0 | 0 |
| Other flows from assets intended for disposal or cancellation | (99) | (221) |
| Public grants received | 8,437 | 985 |
| Dividends from equity | 0 | 2,594 |
| *Cash flow from* | (50,425) | (39,841) |
| *Financing* | | |
| Increase in share capital by Group | 0 | 0 |
| Increase in share capital by third party shareholders | 0 | 253 |
| Purchase of treasury stock | (868) | (4,339) |
| Inflow related to the issue of convertible bonds | 0 | 0 |
| Loans received | 219,381 | 28,528 |
| Outflow for repayment of loans | (94,058) | (46,728) |
| Finance leases received | 0 | 174 |
| Repayment of finance leases | (420) | (396) |
| Outflow for dividends paid to parent company shareholders | 0 | (10,296) |
| Outflow for dividends paid to minority interest | (9,383) | (9,802) |
| *Cash flow from* | 114,652 | (42,606) |
| *Increase / (Decrease) in liquid assets* | 122,505 | (52,911) |
| *Opening balance* | 16,403 | 106,470 |
| Exchange differences | 152 | 335 |
| *Closing balance* | 139,060 | 53,894 |