

IMMSI Società per Azioni

Share capital 178,464,000 euro fully paid up

Registered office: P.zza Vilfredo Pareto, 3 – 46100 Mantova

Mantova register of companies – Tax-payer's code and VAT number 07918540019

Interim Management Report

31 March 2011

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COMPANY BOARDS

The Board of Directors and the Board of Statutory Auditors of Immsi S.p.A. were appointed by a shareholder resolution on 29 April 2009 and their term in office expires on the date of the Shareholders' Meeting called to approve the financial statements for the year ending at 31 December 2011.

BOARD OF DIRECTORS

Roberto Colaninno	Chairman
Carlo d'Urso	Deputy Chairman
Michele Colaninno	Managing Director
Matteo Colaninno	Director
Mauro Gambaro	Director
Giorgio Cirila	Director
Giovanni Sala	Director
Enrico Maria Fagioli Marzocchi	Director
Ruggero Magnoni ⁽¹⁾	Director

BOARD OF STATUTORY AUDITORS

Alessandro Lai	Chairman
Leonardo Losi	Standing Auditor
Gianmarco Losi ⁽²⁾	Standing Auditor
Mariapaola Losi	Substitute Auditor
Elena Fornara ⁽²⁾	Substitute Auditor

INDEPENDENT AUDITORS

Deloitte & Touche S.p.A.	2006 - 2011
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GENERAL MANAGER

Michele Colaninno

(1) Director appointed upon the Board's resolution on 10 May 2011.

(2) Auditors appointed upon the Board's resolution on 10 May 2011.

In accordance with the principles of Corporate Governance recommended by the Self-Regulatory Code of Conduct for Listed Companies, as well as in accordance with Italian Legislative Decree D.Lgs. 231/01, the Board of Directors has established the following organs:

REMUNERATION COMMITTEE

Carlo d'Urso
Mauro Gambaro
Giorgio Ciria

Chairman

INTERNAL AUDIT COMMITTEE

Giovanni Sala
Mauro Gambaro
Giorgio Ciria

Chairman

COMMITTEE FOR THE APPROVAL OF RELATED PARTY DEALINGS

Giovanni Sala
Mauro Gambaro
Giorgio Ciria

Chairman

SUPERVISORY BOARD

Marco Reboa
Alessandro Lai
Maurizio Strozzi

Chairman

LEAD INDEPENDENT DIRECTOR

Mauro Gambaro

DIRECTOR APPOINTED

Michele Colaninno

PERSON IN CHARGE OF THE INTERNAL AUDIT

Maurizio Strozzi

MANAGER IN CHARGE OF PREPARING THE COMPANY ACCOUNTS AND DOCUMENTS

Andrea Paroli

INVESTOR RELATOR

Andrea Paroli

Main income and balance sheet figures of the Immsi Group

Some of the main income and balance sheet figures of the Immsi Group are presented below, divided by business sector: a more detailed description of the figures below may be found later on in this document.

Immsi Group at 31 March 2011

In thousands of euros	<i>Property and holding sector</i>	<i>in %</i>	<i>Industrial sector</i>	<i>in %</i>	<i>Naval sector</i>	<i>in %</i>	<i>Immsi Group</i>	<i>in %</i>
Net revenues	914		351,679		22,400		374,993	
Operating earnings before depreciation and amortisation (EBITDA)	-1,163	-127.2%	33,724	9.6%	-2,090	-9.3%	30,471	8.1%
Operating earnings (EBIT)	-1,326	-145.1%	12,153	3.5%	-2,819	-12.6%	8,008	2.1%
Earnings before taxation	-3,108	-340.0%	5,605	1.6%	-3,731	-16.7%	-1,234	-0.3%
Earnings for the period including non-controlling interest	-2,820	-308.5%	2,970	0.8%	-3,800	-17.0%	-3,650	-1.0%
Group earnings for the period (consolidable)	-1,966	-215.1%	1,610	0.5%	-2,401	-10.7%	-2,757	-0.7%
Net financial position	-176,544		-406,415		-150,288		-733,247	
Personnel (number)	72		7,493		342		7,907	

The "property and holding sector" consolidates the balance sheet and income results of Immsi S.p.A., Immsi Audit S.c.a.r.l., ISM Investimenti S.p.A., Is Molas S.p.A., Apuliae S.p.A., Pietra S.r.l. and RCN Finanziaria S.p.A..

Hereunder we give the same table referring to the same period of the preceding year. A comparison between the two periods is made in the specific comment related to the single business sectors presented further on.

Immsi Group at 31 March 2010

In thousands of euros	<i>Property and holding sector</i>	<i>in %</i>	<i>Industrial sector</i>	<i>in %</i>	<i>Naval sector</i>	<i>in %</i>	<i>Immsi Group</i>	<i>in %</i>
Net revenues	1,106		340,564		21,222		362,892	
Operating earnings before depreciation and amortisation (EBITDA)	-1,673	-151.3%	31,794	9.3%	-1,206	-5.7%	28,915	8.0%
Operating earnings (EBIT)	-1,854	-167.6%	11,331	3.3%	-2,044	-9.6%	7,433	2.0%
Earnings before taxation	-2,319	-209.7%	5,417	1.6%	-2,967	-14.0%	131	0.0%
Earnings for the period including non-controlling interest	-2,116	-191.3%	2,855	0.8%	-3,064	-14.4%	-2,325	-0.6%
Group earnings for the period (consolidable)	-1,457	-131.7%	1,652	0.5%	-1,936	-9.1%	-1,741	-0.5%
Net financial position	-149,655		-422,598		-133,741		-705,994	
Personnel (number)	89		7,499		370		7,958	

The "property and holding sector" consolidates the balance sheet and income results of Immsi S.p.A., Immsi Audit S.c.a.r.l., ISM Investimenti S.p.A., Is Molas S.p.A., Apuliae S.p.A., Pietra S.r.l. and RCN Finanziaria S.p.A..

Form and contents of the Interim Report

This Interim Management Report at 31 March 2011, which is not subject to audit, was drawn up pursuant to the Italian Legislative Decree D.Lgs. 58/1998 and subsequent amendments, as well as to the issuers regulations emanated by Consob, and contains the reclassified consolidated financial statements and explanatory notes drawn up according to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (“IASB”) and approved by the European Union. The interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) were also taken into account.

In drawing up the Interim Management Report at 31 March 2011 the Group has applied the accounting standards implemented in drawing up the consolidated financial statements at 31 December 2010 (to which reference is made for any further investigation), as well as the amendments and interpretations contemplated by IASB and applicable as of 1 January 2011, from whose implementation however no effects have emerged on the accounts for the Group.

It is noted that, as provided for by the Consob communication no. DEM/5073567 dated 4 November 2005, the Company has availed itself of the right to state fewer details than as required in the international accounting standard IAS 34 – *Interim Financial Reporting*.

The preparation of the Interim Report requires the management to make estimates and assumptions that particularly affect the reported amounts of revenues, expenses, assets and liabilities recorded in the financial statements and disclosure of contingent assets and liabilities at the date of the end of the period. If in the future such estimates and assumptions deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. In addition, some evaluative processes, particularly the more complex ones such as the determination of impairment losses on non-current assets, are generally carried out completely only at the time of drawing up the annual financial statements, when all the potentially necessary information is available, saving the cases in which there are indicators of impairment that require immediate evaluation of possible losses of value.

This Interim Management Report is expressed in euros since that is the currency in which most of the Group’s transactions take place. Unless stated otherwise, the figures in the financial statements and explanatory notes that follow are expressed in thousands of euros.

As regards the Immsi Group, below can be found the Reclassified income statement and Statement of comprehensive income for the first three months of 2011 compared with the same period in 2010, as well as the Reclassified statement of financial situation at 31 March 2011 compared with the situation at 31 December 2010 and at 31 March 2010, and the Statement of cash flows at 31 March 2011 compared with the same period of the year 2010. There is also a Statement of changes in shareholders' equity at 31 March 2011 compared with the figures for the same period of the previous year.

No atypical, non-recurrent or unusual operations have been found during the first three months of 2011, as in the same period of the previous year.

The manager in charge of preparing the company accounts and documents, Andrea Paroli, declares, in accordance with paragraph 2 of article 154-*bis* of the Italian Finance Consolidation Act (“*Testo Unico della Finanza*”), that the accounting report contained in this document corresponds to the evidence of the documents, books and accounting records.

This document can include forecast statements, regarding future events and operational, economic and financial results of the Immsi Group. Said forecasts have a certain degree of risk and uncertainty by nature, since they depend on the occurrence of future events and developments. The actual results may differ even significantly compared to the forecast ones, in relation to several factors.

Consolidation area

For consolidation purposes we have used the financial statements at 31 March 2011 of the companies included in the consolidation area, duly adapted and reclassified, where necessary, in order to make them conform to the international accounting standards and to the standard classification criteria on a comparative basis within the Group.

The scope of consolidation includes the companies in which the Parent Company, directly or indirectly, owns more than half of the voting rights exercisable in Shareholders' Meetings, or has the power to control or direct voting rights by means of contractual or bylaw clauses, or can appoint the majority of the members of the Boards of Directors. Excluded from the line-by-line consolidation are non-operating controlled companies or those with low operating levels as their influence on the final result of the Group is insignificant.

The area of consolidation has not significantly changed compared to the consolidated financial statements at 31 December 2010 and the consolidated accounting situation at 31 March 2010. In particular, the variation recorded in the perimeter of consolidation related to the establishment, on 22 March 2011, of a new selling agency in Indonesia by the Piaggio group did not alter the comparability of the balance sheet and income results between the two periods of reference, in consideration of the limited entity of the change made.

On the contrary, the Piaggio group consolidated portion of shareholders' equity, that at 31 March 2011 and at 31 December 2010 amounted to 53.75% was equal to 54.89% at 31 March 2010. This change is the consequence of the combined effect of i) the sale by Immsi S.p.A. of 5 million shares of Piaggio & C. S.p.A. to Banca IMI in November 2010; ii) the cancellation of 24,247,007 treasury stock held in portfolio by Piaggio & C. S.p.A. (equal to approximately 6.12% of the total shares prior to cancellation) as deliberated by the company Shareholders' Meeting held on 16 April 2010 and iii) the further purchases of Piaggio shares on the "MTA-Mercato Telematico Azionario" (Electronic Share Market) by Piaggio & C. S.p.A. (at 31 March 2011 and at 31 December 2010 Piaggio & C. S.p.A. holds no. 4,882,711 treasury stocks, equal to about 1.31% of the share capital).

Finally, it should be remembered that during the year 2010, subsidiaries Conam S.p.A. and Rodriquez Marine System S.r.l. were merged into the controlling company, Rodriquez Cantieri Navali S.p.A.: this transaction do not alter the comparability of the balance sheet and income results between the two periods of reference.

Alternative Non-GAAP Performance Measures

In accordance with the CESR/05-178b recommendation on alternative performance measures, this Interim Management Report contains some measures that, albeit not laid down in the IFRS ("Non-GAAP Measures"), derived from IFRS financial measures.

These measures are presented in order to measure the trend of the Group's operations to a better extent and should not be considered as an alternative to IFRS measures and are homogeneous with those included in the Annual Reports and in the Half-Yearly Reports. It should, furthermore, be borne in mind that the methods for calculating the measures applied therein might not be homogeneous with those adopted by others, as they are not specifically governed by the reference accounting standards, with the result that said measures might not prove sufficiently comparable.

In particular the following alternative performance measures have been used:

- **EBITDA:** defined as operating earnings gross of amortisation and depreciation;
- **Net financial debt:** represented by (current and non-current) financial liabilities, minus cash on hand and other cash and cash equivalents, as well as other financial receivables.

Among the schedules contained in this Report, a table detailing the composition of this indicator is also included.

Reclassified consolidated financial statements and explanatory notes

Reclassified income statement of the Immsi Group

In thousands of euros	1 st Quarter 2011		1 st Quarter 2010		Change	
Net revenues	374,993	100%	362,892	100%	12,101	3.3%
Costs for materials	221,783	59.1%	210,739	58.1%	11,044	5.2%
Costs for services and the use of third party assets	76,467	20.4%	74,389	20.5%	2,078	2.8%
Personnel costs	69,244	18.5%	66,776	18.4%	2,468	3.7%
Other operating income	26,841	7.2%	27,298	7.5%	-457	-1.7%
Other operating costs	3,869	1.0%	9,371	2.6%	-5,502	-58.7%
OPERATING EARNINGS BEFORE DEPRECIATION AND AMORTISATION (EBITDA)	30,471	8.1%	28,915	8.0%	1,556	5.4%
Depreciation of tangible assets	9,931	2.6%	10,110	2.8%	-179	-1.8%
Impairment of goodwill	0	-	0	-	0	-
Amortisation of finite life intangible assets	12,532	3.3%	11,372	3.1%	1,160	10.2%
OPERATING EARNINGS (EBIT)	8,008	2.1%	7,433	2.0%	575	7.7%
Earnings on equity investments	0	-	0	-	0	-
Financial income	4,262	1.1%	5,154	1.4%	-892	-17.3%
Financial charges	13,504	3.6%	12,456	3.4%	1,048	8.4%
EARNINGS BEFORE TAXATION	-1,234	-0.3%	131	0.0%	-1,365	n.m.
Taxation	2,416	0.6%	2,456	0.7%	-40	-1.6%
EARNINGS AFTER TAXATION FROM CONTINUING ASSETS	-3,650	-1.0%	-2,325	-0.6%	-1,325	-57.0%
Profit (loss) from assets for disposal or sale	0	-	0	-	0	-
EARNINGS FOR THE PERIOD INCLUDING NON-CONTROLLING INTEREST	-3,650	-1.0%	-2,325	-0.6%	-1,325	-57.0%
Non-controlling interest earnings for the period	-893	-0.2%	-584	-0.2%	-309	-52.9%
GROUP EARNINGS FOR THE PERIOD	-2,757	-0.7%	-1,741	-0.5%	-1,016	-58.4%

Statement of comprehensive income of the Immsi Group

In thousands of euros	31 March 2011	31 March 2010
EARNINGS FOR THE PERIOD INCLUDING NON-CONTROLLING INTEREST	(3,650)	(2,325)
Gains/(Losses) on cash flow hedges	(889)	1,174
Gains/(Losses) on exchange differences on translating foreign operations	(5,406)	5,306
Gains/(Losses) on evaluation at fair value of assets available for sale and property investments	1,797	(1,402)
TOTAL OTHER GAINS (LOSSES) FOR THE PERIOD	(4,498)	5,078
TOTAL OF COMPREHENSIVE INCOME (LOSSES) FOR THE PERIOD	(8,148)	2,753
Comprehensive non-controlling interest earnings for the period	(4,040)	2,308
COMPREHENSIVE GROUP EARNINGS FOR THE PERIOD	(4,108)	445

The values presented in the preceding table are all given net of the corresponding fiscal effect.

Net revenues

Consolidated net revenues at 31 March 2011 amount to 375 million euros, of which 93.8% (351.7 million euros) are attributable to the industrial sector (Piaggio group), 6% (22.4 million euros) to the naval sector (Rodriquez group) and the balance (about 0.9 million euros) to the property and holding sector (Immsi S.p.A. and Is Molas S.p.A., net of the intragroup annulments).

It should be reminded that the type of products sold and of the sectors in which the Group operates is such that revenues are seasonal, the first six months being more favourable than the second six-month period.

With reference to the industrial sector (Piaggio group) the net revenues in the first three months of 2011 are at 351.7 million euros, an increase of 3.3% compared to the same period in 2010. After analysing the trends in net revenues in the sub-sectors of reference, the increase is to be attributed to the success achieved on the Indian commercial vehicles market that has more than compensated for the downturn in the European two-wheeler market.

As regards the naval sector (Rodriquez group), consolidated revenues come to 22.4 million euros at 31 March 2011, up by 5.6%, on 21.2 million euros at 31 March 2010. The increase is mainly due to higher progress of production carried out by the subsidiary Intermarine S.p.A. that during the first quarter of 2010 had also suffered from delays in the progress of production in the yard of Sarzana, following the flood of the river Magra in the month of December 2009.

As regards the property and holding sector, the net revenues at 31 March 2011, equal to 0.9 million euros, slightly decreased (-0.2 million euros) compared to the net revenues in the first three months of 2010 (1.1 million euros), mainly due to lower revenues related to the tourist and hotel business of the subsidiary Is Molas S.p.A..

Operating earnings before depreciation and amortisation (EBITDA)

Consolidated operating earnings before depreciation and amortisation (EBITDA) amounts to 30.5 million euros at 31 March 2011 (8.1% of net revenues). Compared to the operating earnings before depreciation and amortisation (EBITDA) for the first three months of 2010, this value increased (around 1.6 million euros or +5.4%) mainly thanks to higher contributions related to the industrial sector (Piaggio group) and to the property and holding sector. At 31 March 2011 this figure amounted to 28.9 million euros (8% of net revenues).

The portion attributable to the industrial sector (Piaggio group) amounts to 33.7 million euros, 1.9 million euros increase compared to the figure at 31 March 2010 (31.8 million euros) and 9.6% of the net revenues of the sector, an increase compared to 9.3% in the same period in 2010.

One of the main cost item of the Immsi Group is represented by personnel costs equal to 69.2 million euros (18.5% of net revenues), a 2.5 million euros (or +3.7%) slight increase compared to the value recorded during the same period in 2010, equal to 66.8 million euros (18.4% of net revenues of the Group). The increase is basically due to the growth of the Group average work force, passing from 7,838 staff in the first quarter of 2010 to 7,941 staff in the same period of 2011.

Operating earnings (EBIT)

Operating income (EBIT) in the first quarter of 2011 amounts to 8 million euros (2.1% of net revenues). The increase on the same period of 2010 is around 0.6 million euros (+7,7%).

Consolidated operating income (EBIT) for the first three months of the preceding period was 7.4 million euros (2.0% of net revenues).

Depreciation and amortisation for the period come to a total of 22.5 million euros (21.5 million euros in the first quarter of 2010), whose incidence on net revenues (6%) is basically unchanged compared to the first quarter of 2010 (5,9%), being made up of 9.9 million euros of depreciation of tangible assets (10.1 million euros in the same period of year 2010) and 12.5 million euros of amortisation of intangible assets (11.4 million euros in the same period of year 2010).

Moreover, it is pointed out that operating earnings do not include impairments of goodwill either in the first three months of 2011 or in the same period of preceding year, in that, on the basis of the results expected in the multi-year development plans prepared by the Group companies and used for testing for impairment carried out on 31 December 2010 and on 31 December 2009 no write-downs were deemed to be necessary in that such goodwill was considered to be recoverable with future cash flows.

In addition, it should be noted that during the first three months of 2011 no events occurred such as to indicate that the activities subject of impairment testing could have suffered a significant loss in value.

Earnings before taxation

Earnings before taxation at 31 March 2011 shows a negative result equal to 1.2 million euros (-0.3% of net revenues of the period). The corresponding consolidated figure for the first three months of the previous year was 0.1 million euros positive with an incidence on net revenues almost equal to zero.

Financial charges, net of income and of earnings on equity investments, in the first three months of 2011 come to 9.2 million euros (2.5% of net revenues). At 31 March 2010 this figure amounted to 7.3 million euros, 2% incidence on the revenues of the period. The increase recorded during the first three months of 2011 compared to the same period of the preceding year is mainly related to the increase in the Group financing cost with interests indexed to the Euribor as well as to a negative impact of the exchange management related – in particular – to the industrial sector.

Moreover, it should be reminded that in the month of January 2010, following the capital increase deliberated by Unicredit (of which Immsi S.p.A. holds in its portfolio approximately 9.3 million shares), the Company sold the related assigned rights on the market (in a ratio of 1 right per share held) collecting gross capital gains of 0.9 million euros.

In particular, financial charges (net of the income) were 6.5 million euros for the Piaggio group, 0.9 million euros for the Rodriguez group, while the remaining part (1.8 million euros) is attributable to the property and holding sector.

Group earnings for the period

Earnings for the period after taxation and non-controlling interests at 31 March 2011 recorded a negative value equal to 2.8 million euros (-0,7% of net revenues of the period). In the first three months of the previous year, this figure was negative for 1.7 million euros (-0.5% of net revenues).

The taxes under accrual basis amount to 2.4 million euros, basically in line with the figure recorded during the first quarter of the previous year (2.5 million euros). Remember that the corporate income taxes, also in consideration of IAS 34, have been determined on the basis of the better estimate of the weighted average rate expected for the entire year in progress.

Earnings/(Loss) per share

In euros

From continuing operations	31 March 2011	31 March 2010
<i>Basic</i>	(0.008)	(0.005)
<i>Diluted</i>	(0.008)	(0.005)
Average number of shares:	340,530,000	340,530,000

Diluted earnings per share correspond to the basic profit in that there are no potential shares having a diluting effect.

At the Interim Management Report closing date there are no gains or losses from assets intended for sale or disposal.

Reclassified statement of financial situation of the Immsi Group

In thousands of euros	31.03.2011	in %	31.12.2010	in %	31.03.2010	in %
Current assets:						
Cash and cash equivalent	175,465	7.4%	190,604	8.2%	143,335	6.3%
Financial assets	14,796	0.6%	23,273	1.0%	8,158	0.4%
Operating assets	773,556	32.8%	692,148	30.0%	746,939	32.6%
Total current assets	963,817	40.8%	906,025	39.2%	898,432	39.2%
Non-current assets:						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	829,075	35.1%	831,386	36.0%	824,807	36.0%
Tangible assets	295,472	12.5%	302,010	13.1%	296,192	12.9%
Other assets	271,468	11.5%	271,479	11.7%	270,692	11.8%
Total non-current assets	1,396,015	59.2%	1,404,875	60.8%	1,391,691	60.8%
TOTAL ASSETS	2,359,832	100.0%	2,310,900	100.0%	2,290,123	100.0%
Current liabilities:						
Financial liabilities	485,045	20.6%	399,357	17.3%	367,890	16.1%
Operating liabilities	660,753	28.0%	648,503	28.1%	639,866	27.9%
Total current liabilities	1,145,798	48.6%	1,047,860	45.3%	1,007,756	44.0%
Non-current liabilities:						
Financial liabilities	438,463	18.6%	476,165	20.6%	489,597	21.4%
Other non-current liabilities	139,440	5.9%	142,955	6.2%	153,708	6.7%
Total non-current liabilities	577,903	24.5%	619,120	26.8%	643,305	28.1%
TOTAL LIABILITIES	1,723,701	73.0%	1,666,980	72.1%	1,651,061	72.1%
TOTAL SHAREHOLDERS' EQUITY	636,131	27.0%	643,920	27.9%	639,062	27.9%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,359,832	100.0%	2,310,900	100.0%	2,290,123	100.0%

Analysis of capital employed by the Immsi Group

In thousands of euros	31.03.2011	in %	31.12.2010	in %	31.03.2010	in %
Current operating assets	773,556	51.3%	692,148	47.8%	746,939	49.8%
Current operating liabilities	-660,753	-43.8%	-648,503	-44.8%	-639,866	-42.7%
Net operating working capital	112,803	7.5%	43,645	3.0%	107,073	7.1%
Intangible assets	829,075	54.9%	831,386	57.4%	824,807	55.0%
Tangible assets	295,472	19.6%	302,010	20.8%	296,192	19.8%
Other assets	271,468	18.0%	271,479	18.7%	270,692	18.1%
Invested capital	1,508,818	100.0%	1,448,520	100.0%	1,498,764	100.0%
Non-current non-financial liabilities	139,440	9.2%	142,955	9.9%	153,708	10.3%
Non-controlling interest capital and reserves	217,252	14.4%	221,127	15.3%	216,548	14.4%
Consolidated shareholders' equity of the Group	418,879	27.8%	422,793	29.2%	422,514	28.2%
Total non-financial sources	775,571	51.4%	786,875	54.3%	792,770	52.9%
Net financial debt	733,247	48.6%	661,645	45.7%	705,994	47.1%

Invested capital

Invested capital amounts to 1,508.8 million euros at 31 March 2011, for an increase both on 31 December 2010 (+60.3 million euros) and on 31 March 2010 (+10.1 million euros) equal to 1,448.5 million euros and 1,498.8 million euros respectively. In particular, compared with the beginning of the year, net working capital has risen by 69.2 million euros mainly due to an increase in current operating assets related to the effect of the seasonal nature of the two-wheeler business of Piaggio

group which, as known, absorbs resources in the early part of the year and generates them in the later part.

The decrease in the tangible assets totalled 6.5 million euros compared to 31 December 2010, whereas intangible assets decreased by 2.3 million euros compared to 31 December 2010.

Net Financial Debt of the Immsi Group

In thousands of euros	31.03.2011	31.12.2010	31.03.2010
Short-term liquidity			
Cash and cash equivalent	-175,465	-190,604	-143,335
Financial assets	-14,796	-23,273	-8,158
Total short-term financial assets	-190,261	-213,877	-151,493
Short-term financial payables			
Bonds	0	0	0
Amounts due to bank	461,555	370,899	341,279
Amounts due under finance leases	866	791	796
Amounts due to other lenders	22,624	27,667	25,815
Total short-term financial payables	485,045	399,357	367,890
Total short-term financial debt	294,784	185,480	216,397
Medium/long-term financial assets			
Receivables for loans	0	0	0
Other financial assets	0	0	0
Total medium/long-term financial assets	0	0	0
Medium/long-term financial payables			
Bonds	139,007	139,007	137,665
Amounts due to bank	255,312	292,286	315,764
Amounts due under finance leases	7,427	7,471	8,116
Amounts due to other lenders	36,717	37,401	28,052
Total medium/long-term financial payables	438,463	476,165	489,597
Total medium/long-term financial debt	438,463	476,165	489,597
Net financial debt	733,247	661,645	705,994

The Group's net financial debt at 31 March 2011 amounted to 733.2 million euros, an increase both over 31 December 2010 and over 31 March 2010, for 71.6 million and 27.3 million euros respectively. In addition, with reference to the composition of the debt it is possible to note, compared to 31 December 2010, an increase in the short-term financial debt, passing from a balance equal to 185.5 million euros to a balance equal to 294.8 million euros, mainly due to an increase in short-term financial payables due to banks related to the aforementioned seasonal nature of the two-wheeler business of Piaggio group. The financial debt over the medium and long term (equal to 438.5 million euros at 31 March 2011) is decreasing compared to the balance at 31 December 2010 (equal to 476.2 million euros) and at 31 March 2010 (equal to 489.6 million euros) for 37.7 and 51.1 million euros respectively.

Investments

Gross capital investments during the period to 31 March 2011 totalled 22.1 million euros, divided among tangible assets for 8.6 million euros (of which 8.3 million euros by Piaggio group) and intangible assets for 13.6 million euros (entirely related to the Piaggio group): it should be reminded that during the first quarter of 2010 gross investments made by the Immsi Group totalled 23.6 million euros being made up of investments in tangible assets for 2.6 million euros (of which 2.3 million euros by Piaggio group), intangible assets for 12.6 million euros (almost entirely related to the Piaggio group), and financial assets for 8.4 million euros, related to the purchase by ISM Investimenti S.p.A. of 25% of the shareholdings of the subsidiary Is Molas S.p.A. from the minority shareholders M.R.S. S.r.l. and G.F.C. S.p.A..

Cash flow statement of the Immsi Group

In thousands of euros	31 March 2011	31 March 2010
Operating assets		
Earnings of the period	(2,757)	(1,741)
Non-controlling interest	(893)	(584)
Taxation	2,416	2,456
Depreciation of tangible assets (including property investments)	9,931	10,110
Amortisation of intangible assets	12,532	11,372
Provisions for risks and for severance indemnity and similar obligations	3,105	8,415
Write-downs / (Revaluations)	123	687
Losses / (Gains) on disposal of tangible assets (including property investments)	(13)	6
Interest receivable	(1,291)	(656)
Interest payable	7,542	7,772
Depreciation of grants	(718)	(722)
Change in working capital	(87,441)	(74,181)
Changes of non-current reserves and other changes	27,618	(23,737)
Cash generated from operations	(29,846)	(60,803)
Interest paid	(6,696)	(4,901)
Taxation paid	(11,286)	(2,614)
Cash flow from operations	(47,828)	(68,318)
Investments		
Acquisition of subsidiaries, net of cash and cash equivalents	0	(8,438)
Sale price of subsidiaries, net of cash and cash equivalents	0	22,090
Investments in tangible assets	(8,553)	(2,596)
Sale price, or repayment value, of tangible assets (including property investments)	163	(3)
Investments in intangible assets	(13,559)	(12,555)
Sale price, or repayment value, of intangible assets	5	0
Interests received	1,086	107
Sale price from assets intended for disposal or sale	4	36
Other changes	8,477	(3,696)
Cash flow from investments	(12,377)	(5,055)
Financing		
Purchase of treasury stock	0	(204)
Loans received	65,899	33,411
Outflow for repayment of loans	(21,260)	(24,971)
Finance leases received	227	0
Repayment of finance leases	(196)	(217)
Other changes	0	2,043
Cash flow from financing	44,670	10,062
Increase / (Decrease) in cash and cash equivalents	(15,535)	(63,311)
Opening balance	170,511	184,571
Exchange differences *	0	0
Closing balance	154,976	121,260

*: reclassified compared to the Interim Management Report at 31 March 2010 under the item "Operating assets – Other changes".

This schedule illustrates the changes in cash and cash equivalents, net of short-term bank overdrafts totalling 20.5 million euros at 31 March 2011.

Total shareholders' equity and equity pertaining to the Immsi Group

In thousands of euros

	Consolidated shareholders' equity of the Group	Non- controlling interest capital and reserves	Total consolidated Group and non-controlling interest shareholders' equity
Balances at 1st January 2010	417,597	203,012	620,609
Figurative cost of stock options	379	312	691
Other changes	4,093	10,916	15,009
Total of comprehensive income (losses) for the period	445	2,308	2,753
Balances at 31 March 2010	422,514	216,548	639,062

In thousands of euros

	Consolidated shareholders' equity of the Group	Non- controlling interest capital and reserves	Total consolidated Group and non-controlling interest shareholders' equity
Balances at 1st January 2011	422,793	221,127	643,920
Figurative cost of stock options	193	166	359
Other changes	1	(1)	0
Total of comprehensive income (losses) for the period	(4,108)	(4,040)	(8,148)
Balances at 31 March 2011	418,879	217,252	636,131

Human resources

At 31 March 2011, Immsi Group employed 7,907 staff, of which 72 in the property and holding sector, 7,493 in the industrial sector (Piaggio group) and 342 in naval (Rodriquez group).

The following tables divide resources by category and geographical area:

Human resources by category

numbers	31/03/2011			
	Property and holding sector	Industrial sector	Naval sector	Group total
Senior managers	7	102	10	119
Middle managers and employees	39	2,563	158	2,760
Manual workers	26	4,828	174	5,028
TOTAL	72	7,493	342	7,907

Human resources by geographical area

numbers	31/03/2011			
	Property and holding sector	Industrial sector	Naval sector	Group total
Italy	72	4,038	342	4,452
Rest of Europe	0	480	0	480
Rest of the World	0	2,975	0	2,975
TOTAL	72	7,493	342	7,907

Human resources by category

numbers	31/03/2011	31/12/2010	Change
Senior managers	119	124	-5
Middle managers and employees	2,760	2,764	-4
Manual workers	5,028	5,064	-36
TOTAL	7,907	7,952	-45

Human resources by geographical area

numbers	31/03/2011	31/12/2010	Change
Italy	4,452	4,561	-109
Rest of Europe	480	459	21
Rest of the World	2,975	2,932	43
TOTAL	7,907	7,952	-45

The decrease in the number of employees compared to 31 December 2010 (-45) is mainly attributable to the industrial sector (-36): this result is in line with the seasonal nature of the business. The production and sale activities are therefore concentrated during spring and summer, and the activity of hiring personnel on short-term contracts is also concentrated in said periods.

Directors' comments on the results of operations

In the first three months of 2011 the Immsi Group shows an increase in net revenues and operating results on the corresponding period of the preceding year.

The results of the various sectors making up the Group differ according to their business trends and the impact of seasonality.

Property and holding sector

In thousands of euros	31.03.2011	in %	31.03.2010	in %	Change	in %
Net revenues	914		1,106		-192	-17.4%
Operating earnings before depreciation and amortisation (EBITDA)	-1,163	-127.2%	-1,673	-151.3%	510	30.5%
Operating earnings (EBIT)	-1,326	-145.1%	-1,854	-167.6%	528	28.5%
Earnings before taxation	-3,108	-340.0%	-2,319	-209.7%	-789	-34.0%
Earnings for the period including non-controlling interest	-2,820	-308.5%	-2,116	-191.3%	-704	-33.3%
Group earnings for the period (consolidable)	-1,966	-215.1%	-1,457	-131.7%	-509	-34.9%
Net financial position	-176,544		-149,655		-26,889	-18.0%
Personnel (number)	72		89		-17	-19.1%

The "property and holding sector" consolidates the balance sheet and income results of Immsi S.p.A., Immsi Audit S.c.a.r.l., ISM Investimenti S.p.A., Is Molas S.p.A., Apuliae S.p.A., Pietra S.r.l. and RCN Finanziaria S.p.A..

The **Parent company Immsi S.p.A.** shows a negative net result in its separate financial statements during the first three months of the year 2011 equal to around 0.4 million euros, compared to a positive net result equal to around 9.3 million euros during the first quarter of 2010, mainly due to the lower positive financial items of income, only partially compensated for by a decrease in operation costs (equal to around 0.6 million euros). In fact, it should be reminded that in the month of March 2010, 10 million Piaggio shares were sold to Banca IMI for a gain, gross of the relative fiscal effect, equal to approximately 9.6 million euros. Furthermore, in the month of January 2010, following the increase in capital deliberated by Unicredit (of which Immsi S.p.A. holds approximately 9.3 million shares in its portfolio), the Company sold the related assigned rights on the market (with a ratio of 1 right per share held) for a revenue and gross gains of 0.9 million euros. It should be reminded that the capital gain deriving from the sale of Piaggio shares did not affect the consolidated net result of the Immsi Group, in compliance with the provisions of the reference accounting standards.

The net financial debt at 31 March 2011 is 54.8 million euros, approximately 0.9 million euros increase compared to the figure at 31 December 2010, only further to the cash absorption related to the Company operations.

With reference to the subsidiary **Is Molas S.p.A.**, it should be remembered that the work on establishing the procedure of *Valutazione di Impatto Ambientale - V.I.A.* (Environmental Impact

Evaluation) regarding the "Completion of the Is Molas Land Parcelling and Golf Course" project, was successfully brought to an end by Autonomous Region of Sardinia Regional Government Resolution no.5/22 of 3 February 2011. Said resolution will be published on B.U.R.A.S. (*Bollettino Ufficiale della Regione Autonoma Sardegna* – Official Gazette of the Region of Sardinia) in a few days. At the same time, the company has drawn up all the documentation required to issue the Building Licences regarding a first lot of 15 villas and a first stage of urbanization works: this documentation was handed over to the Municipality of Pula on 19 April 2011.

With reference to the controversy related to the property "Le Ginestre", there is no further updating compared to the Report of the Directors and Financial Statements of Immsi Group at 31 December 2010: the company is waiting for the hearing on 5 July 2011, for the summing-up.

Turning to the results for the year, net revenues equal to 0.2 million euros were recorded by Is Molas S.p.A. during the quarter, down on the same period of the previous year (0.4 million euros): these revenues mainly refer to the management of the golf activities, since the closing of the hotel structure lasted up to the end of March. During the first quarter of 2011, the company showed a consolidable net loss for the Group of approximately 0.7 million euros (0.6 million euros in the first quarter of 2010).

With reference to the **Pietra Ligure project** (Pietra S.r.l.), it should be reminded that in February 2011, Pietra Ligure Town Council called a local authorities' planning conference for 11 March 2011 to examine the application for the grant of state-owned coastal land required to implement the project; said conference has been followed by the continuation of the work performed by the offices concerned and by the consultants appointed with a view to completing the licensing procedure. With reference to the subsidiary **Apuliae S.p.A.** there is no further updating compared to the Report of the Directors and Financial Statements of Immsi Group at 31 December 2010, which reference is made to herein.

Overall, the **property and holding sector**, which also includes the activities of RCN Finanziaria S.p.A., ISM Investimenti S.p.A. and Immsi Audit S.c.a.r.l. produced in the first three months of 2011 a consolidable negative net result equal to 2 million euros (negative result equal to 1.5 million at 31 March 2010) and a negative net financial position equal to 176.5 million euros (compared to 174.4 million at 31 December 2010 and 149.7 million euros at 31 March 2010). The increase in the consolidable loss is basically associated with the reduced result of the Parent Company Immsi S.p.A. (net of the annulments on intragroup proceeds), for whose explanation reference is made to the previous paragraph concerning the comment about the operations of the Parent Company Immsi S.p.A..

The increase in the net financial position related to the property and holding sector compared to 31 December 2010 (+2.1 million euros) basically derives from the cash absorption related to the operating management of the companies belonging to this sector, with particular reference to the subsidiary Is Molas S.p.A. (+1 million euros) and to the Parent Company Immsi S.p.A. (+0.9 million euros).

The variation in the net financial position at 31 March 2011 compared to the corresponding figure at 31 March 2010 (increase of 26.9 million euros), is on the other hand mainly referable to the capital issue of 30 million euros undersigned and paid up by RCN Finanziaria S.p.A. to the subsidiary Rodriquez Cantieri Navali S.p.A., only partially compensated for by the receipt of 12.2 million euros realized by the Parent Company Immsi S.p.A. regarding the sale of 5 million Piaggio shares to Banca IMI, made in November 2010.

Industrial sector

In thousands of euros	31.03.2011	in %	31.03.2010	in %	Change	in %
Net revenues	351,679		340,564		11,115	3.3%
Operating earnings before depreciation and amortisation (EBITDA)	33,724	9.6%	31,794	9.3%	1,930	6.1%
Operating earnings (EBIT)	12,153	3.5%	11,331	3.3%	822	7.3%
Earnings before taxation	5,605	1.6%	5,417	1.6%	188	3.5%
Earnings for the period including non-controlling interest	2,970	0.8%	2,855	0.8%	115	4.0%
Group earnings for the period (consolidable)	1,610	0.5%	1,652	0.5%	-42	-2.5%
Net financial position	-406,415		-422,598		16,183	3.8%
Personnel (number)	7,493		7,499		-6	-0.1%

During the first quarter of 2011, the net revenues of the **Piaggio group** (industrial sector) totalled 351.7 million euros, 3.3% increase compared to the same period of 2010. After analysing their trends in the sub-sectors of reference, the increase is to be attributed to the success achieved on the Indian commercial vehicles market that has more than compensated for the downturn in the two-wheeler European market.

With regard to the Two-Wheeler division, during the first quarter of 2011 the Piaggio group has altogether sold around 83.7 thousand vehicles (-4.5% compared to the same period of 2010), with a net turnover equal to 215.2 million euros (-2.3%) including spare parts and accessories. As for the distribution of the sales by geographical area we should underline the recovery of America after some years of downturn. The group's sales volumes increased on the Asia Pacific area too (+15.1%), where the marketing of Liberty, manufactured in Vietnam, got started in 2011. On the contrary, a drop was recorded in the sales within the EMEA area, and particularly in Italy, main reference area of the group, where demand in terms of volumes dropped both in the scooter segment (-26.1%) and in the motorbike segment (-6.3%).

The Commercial Vehicles division closed the first quarter of 2011 with 65.3 thousand units sold, 16.3% increase compared to the same period in 2010, whereas in the same period sales passed from 120.4 million euros in the first three months of 2010 to 136.5 million euros in the same period of 2011 (+13.4%). The sales generated in India reaches 110 million euros, while in Europe is equal to 26.1 million euros. In the first quarter of 2011 the Indian market kept on recording a steady growth rate. Overall the three-wheeler sector recorded a 20.3% increase during the period, whereas the four-wheeler, whose competence refers to the India associated company of the Piaggio group, recorded a 17.8% increase. Regarding the three-wheeler sector, the sales of Piaggio Vehicles Private Limited passed from 49.4 thousand units in the three-month period of 2010 to 59.3 thousand units in the three-month period of 2011, recording a 20% increase. With reference to the four-wheeler sector, Piaggio Vehicles launched a new vehicle at the end of 2010 (Apé Mini), whereas the development of the new 1.000cc diesel motor is about to be finished and in 2011 is going to complete the top range version of Apé Truk, which will be manufactured in the Baramati plant. In the four-wheeler sector, the sales of Piaggio Vehicles passed from 2.9 thousand units in the first three months of 2010 to 2.4 thousand units in the first three months of 2011. Within EMEA area, Piaggio totals 3.4 thousand units sold, a drop compared to the same period in 2010 (-

12.2%). The figure was highly influenced by the final effects of the eco-incentives on the Italian market of last year.

As a consequence of the dynamics described above, the net revenues of the Piaggio group in the first three months of 2011 total 351.7 million euros, a 3.3% increase compared to the same period in 2010.

The operating result before depreciation and amortisation (EBITDA) in the first quarter of 2011 was equal to 33.7 million euros (+1.9 million euros compared to the same period of 2010). In terms of incidence on net revenues, EBITDA at 31 March 2011 is 9.6% (9.3% in the corresponding period of 2010).

The operating income (EBIT) in the first three months of the year 2011 is equal to 12.2 million euros, 0.8 million euros increase compared to 11.3 million euros of the same period in 2010. Operating profitability (measured as operating income divided by net revenues) also increased: 3.5% against the 3.3% for the same period in 2010.

In the first three months of 2011, the Piaggio group recorded earnings before tax equal to 5.6 million euros (+0.2 million euros compared to the same period in 2010). This increase is basically related to the aforementioned increase of the operating income, only partially compensated for by the net financial charges mainly related to the increase in the financing costs with interests indexed to the Euribor, as well as to a negative impact of exchange management.

Taxation for the period, in application of the IAS standards, reflects a cost of 2.6 million euros (basically in line with the result recorded during the first quarter of last year) and was determined on the basis of the average tax rate expected for the entire financial year.

Earnings for the period including non-controlling interest at 31 March 2011 totalled 3 million euros (2.9 million euros in the same period of year 2010), of which 1.6 million euros represent the consolidable portion for Immsi Group.

The net financial debt at 31 March 2011 was 406.4 million euros compared to 349.9 million euros at 31 December 2009 and compared to 422.6 million euros at 31 March 2010. The 56.5 million euros increase compared to 31 December 2010 is mainly related to the seasonality of the Two-Wheeler business that, as known, absorbs financial resources in the early part of the year and generates them in the later part. In particular, the operational cash flow of the group (or net income plus amortisation) was 24.5 million euros: positive impact of this flow was absorbed by the increase in working capital – from 8.8 million euros at 31 December 2010 to 66.5 million at 31 March 2011 – and by investments for 21.9 million euros.

Moreover, it should be pointed out that the increase in the net financial debt of Piaggio group in the first three months of 2010 was equal to 70.6 million euros.

Naval sector

In thousands of euros	31.03.2011	in %	31.03.2010	in %	Change	in %
Net revenues	22,400		21,222		1,178	5.6%
Operating earnings before depreciation and amortisation (EBITDA)	-2,090	-9.3%	-1,206	-5.7%	-884	-73.3%
Operating earnings (EBIT)	-2,819	-12.6%	-2,044	-9.6%	-775	-37.9%
Earnings before taxation	-3,731	-16.7%	-2,967	-14.0%	-764	-25.7%
Earnings for the period including non-controlling interest	-3,800	-17.0%	-3,064	-14.4%	-736	-24.0%
Group earnings for the period (consolidable)	-2,401	-10.7%	-1,936	-9.1%	-465	-24.0%
Net financial position	-150,288		-133,741		-16,547	-12.4%
Personnel (number)	342		370		-28	-7.6%

With reference to the economic data of the **Rodriquez Cantieri Navali group** (naval sector), net revenues amount at 22.4 million euros in March 2011, a 5.6% growth compared to 21.2 million euros at 31 March 2010.

The progress in production, including the research & development activities, and the completion of the constructions and deliveries are referred to:

- Fast Ferries and Yacht divisions with 0.8 million euros (3.8 million in March 2010), mainly for repairing activities and for the activities related to the projects and the construction of the prototypes of two Hydrofoils with immersed wing and one Aliswath; and
- the Intermarine division with 21.6 million euros (17.4 million in March 2010), in particular for the progress in the construction of minesweepers for the Finnish Navy, for the *Guardia di Finanza* (i.e., Tax Revenue Corps) vessels (28-metre Bigliani patrol boats, 13.2-metre and 22-metre patrol boats), as well as for the activities related to the job order for the modernisation of the Italian Navy's Gaeta class minesweepers.

The production has moreover been characterized, particularly in the Fast Ferries and Yacht sectors, by altogether insufficient marginality to absorb the direct costs of production and those of the fixed structures. The marginality, especially for the Oman job order of the Fast Ferries division, benefits nevertheless from the use of the fund set aside in previous years to hedge finishing costs on the basis of the updated order estimates of the boats still under construction.

In light of the above, it is underlined that the portion of consolidable net earnings for the Immsi Group is equal to 2.4 million euros negative compared to 1.9 million euros negative at 31 March 2010.

At 31 March 2011, the overall order book stood at some 259.6 million euros and mainly includes the contract with the Italian Navy for a total value of 176.5 million euros related to the activity of modernizing eight Gaeta class minesweepers, as well as job orders for the *Guardia di Finanza* and the Finnish Navy, for 51.6 and 26.1 million euros respectively.

From a financial standpoint, the net financial debt of the Group, equal to 150.3 million euros at 31 March 2011, has increased compared to the balance at 31 December 2010, equal to 137.3 million

euros. This approximately 13 million-euro increase is almost entirely due to the absorption of resources in connection with the cash flow generated by the group's management mainly related to the use of credit lines to pay trade payables of current job orders, and in particular of the job order with the Finnish Navy, whose receipts will be realized upon delivery of the units, expected during 2011.

Events following 31 March 2011 and predictable evolution of management

With reference to the Piaggio group, it should be noted that on 6 April 2011 a new industrial area, situated in the province of Vinh Phuc, near Hanoi, was inaugurated, where the group's Vietnamese site will be expanded (from the current 26,000 sqm to approximately 50,000 sqm).

There have been no significant events since 31 March 2011 with reference to the Parent company Immsi S.p.A., to other companies belonging to the Property and Holding sector and to the Naval sector (Rodriquez group).

Regarding the predictable evolution of the management, during the year 2011, the Piaggio group will continue its strategy for industrial and business development on the main Asian markets, strengthening its leadership on the Indian three- and four-wheeler light commercial vehicles market and obtaining further market shares of the scooter market in Vietnam. The Piaggio group will begin a new and decisive stage of development for operations in Asia, involving a major expansion of industrial and business operations throughout the area, with the aim of achieving a turnover on Asian markets in the next four years equal to 1 billion euro.

The group will realize the first research & development centre for the Two-Wheeler sector in Vietnam, Asia, as well as a plant to manufacture engines for scooter, with an annual production capacity of 250,000 units. At a central level, Piaggio group's research and development will be aimed at renewing product ranges – scooters, motorcycles and commercial vehicles – with particular focus on the development of engines with a low consumption and low or zero environmental impact.

With reference to the naval sector (Rodriquez group), in the light of the advancements in the productions that will be made during 2011 on the contracts in being and on account of the opportunity to sign new contracts – in particular for the Intermarine division – it is considered that the production volumes of 2010 could be maintained also during the year 2011 and the operating earnings could be improved compared to last year. With regard to the Intermarine division, the primary objective for 2011 will be to complete within the year the delivery of 2 minesweepers for the Finnish Navy: further to these events, significant cash flows for receipts will allow the reimbursement of credit lines started to finance the programme and the redemption of trade payables referred to the job orders. With reference to the *Fast Ferry* division, the activities of the group will be focused on completing and delivering the two units under construction for the Sultanate of Oman, thus allowing the release of the guarantees issued to the customer that will be valid for the only *post-delivery* portion. With reference to the *Yacht* division, it is stressed how the expectations for 2011 are for a substantially standstill market awaiting for evolutions of the current economic-financial crisis: according to this view, the group has continued its own programme focused on reducing the operating expenses and strengthening the trade activities.

Therefore, the group in the light of the results registered during the first quarter and awaiting for market recovery and commercial developments – decisive to absorb adequately indirect and general costs – will continue pursuing the possibility to reduce any structure costs in view of minimizing the losses and building up a cost structure consistent with the production status progress.

Segment reporting

The application of the IFRS 8 - Operating Segments - is mandatory as of 1 January 2009. This principle requires operating segments to be identified on the basis of an internal reporting system which top company management utilises to allocate resources and to assess performance.

The information for operating sectors presented below substantially reflects the internal reporting utilised by management for taking strategic decisions. In this respect, as regards the different business areas – where possible – information is provided relating to the property and holding sector, industrial and naval sectors.

Primary sector: business areas

Income statement

	<i>Property and holding sector</i>	<i>Industrial sector</i>	<i>Naval sector</i>	<i>Immsi Group</i>
In thousands of euros				
Net revenues to third parties	914	351,679	22,400	374,993
Net intercompany revenues				0
NET REVENUES	914	351,679	22,400	374,993
OPERATING EARNINGS	-1,326	12,153	-2,819	8,008
Gain / loss on equity investments	0	0	0	0
Financial income				4,262
Financial charges				13,504
EARNINGS BEFORE TAXATION				-1,234
Taxation				2,416
EARNINGS AFTER TAXATION FROM CONTINUING ASSETS				-3,650
Gain (loss) from assets intended for disposal or sale				0
EARNINGS FOR THE PERIOD INCLUDING NON-CONTROLLING INTEREST				-3,650
Non-controlling interest earnings for the period				-893
GROUP EARNINGS FOR THE PERIOD				-2,757

Balance sheet

	<i>Property and holding sector</i>	<i>Industrial sector</i>	<i>Naval sector</i>	<i>Immsi Group</i>
In thousands of euros				
Segment assets	407,856	1,583,388	368,382	2,359,626
Equity investments in associated companies	0	184	22	206
TOTAL ASSETS	407,856	1,583,572	368,404	2,359,832
TOTAL LIABILITIES	223,218	1,144,214	356,269	1,723,701

Other information

In thousands of euros	<i>Property and holding sector</i>	<i>Industrial sector</i>	<i>Naval sector</i>	<i>Immsi Group</i>
Investments in tangible and intangible assets	30	21,873	191	22,094
Depreciation, amortisation and write-downs	163	21,694	729	22,586
Cash flow from operations	-2,152	-32,873	-12,803	-47,828
Cash flow from investments	41	-12,241	-177	-12,377
Cash flow from financing	-367	33,445	11,592	44,670

Secondary sector: geographical areas

Income statement

In thousands of euros	<i>Italy</i>	<i>Rest of Europe</i>	<i>India</i>	<i>United States</i>	<i>Rest of the World</i>	<i>Immsi Group</i>
Net revenues to third parties	203,644	23,028	110,046	6,106	32,169	374,993
Net intercompany revenues						0
NET REVENUES	203,644	23,028	110,046	6,106	32,169	374,993

Balance sheet

In thousands of euros	<i>Italy</i>	<i>Rest of Europe</i>	<i>India</i>	<i>United States</i>	<i>Rest of the World</i>	<i>Immsi Group</i>
Segment assets	2,065,926	47,469	165,952	29,630	50,649	2,359,626
Equity investments in associated companies	158	3			45	206
TOTAL ASSETS	2,066,084	47,472	165,952	29,630	50,694	2,359,832

In thousands of euros	<i>Italy</i>	<i>Rest of Europe</i>	<i>India</i>	<i>United States</i>	<i>Rest of the World</i>	<i>Immsi Group</i>
Total receivables *	186,336	64,669	10,703	4,425	8,637	274,770
Total payables **	453,668	71,860	72,670	1,274	11,350	610,822

* Contract work in progress and Amounts due from the Tax authorities are not included.

** Payables for Current taxation and Financial liabilities are not included.

Other information

In thousands of euros	<i>Italy</i>	<i>Rest of Europe</i>	<i>India</i>	<i>United States</i>	<i>Rest of the World</i>	<i>Immsi Group</i>
Investments in tangible and intangible assets	12,821	800	5,900	800	1,773	22,094
Depreciation, amortisation and write-downs	18,459	433	2,581	43	1,070	22,586