

PRESS RELEASE

IMMSI GROUP: RESULTS AT 30 SEPTEMBER 2017

**Consolidated net sales 1,141.0 million euro, up 5.7%
(1,079.4 €/mln at 30 September 2016)**

**Ebitda 173 million euro, up 24%,
the best performance in first nine months since 2007 (139.5 €/mln in year-earlier period)
Ebitda margin 15,2%, the best performance to date for the first nine months
(12.9% at 30 September 2016)**

**Ebit 81 million euro, up 41.4%
(57.3 €/mln at 30 September 2016)
Ebit margin 7.1% (5.3% at 30 September 2016)**

**Profit before tax 46.3 million euro
(18.3 €/mln at 30 September 2016)**

**Net profit including minority interests 22.9 million euro
(5.5 €/mln at 30 September 2016),**

**Strong growth in consolidated net profit to 12.4 million euro
(0.8 €/mln at 30 September 2016)**

**Net financial position -843 million euro
an improvement of 63.9 €/mln from -906.9 €/mln at 31 December 2016 and
an improvement of 51.5 €/mln from -894.5 €/mln at 30 September 2016**

**Industrial Sector (Piaggio Group): improvements in all the main financial indicators and
reduction in debt. Consolidated net sales +2.5%, Ebitda +12.4%,
Ebitda margin 15%, Ebit +14.3%, net profit +34.8%. Confirmation of leadership on European
two-wheeler market, with a share of 15.2%**

**Naval Sector (Intermarine): strong increase in all key indicators thanks to
production progress, reduction of debt and consolidation of order book,
guaranteeing production for the next three years.
International commercial activity continues, with specific focus on Asia and Europe**

Real Estate Sector (Is Molas): first 15 residences to be completed by end of year

Mantua, 13 November 2017 - At a meeting today chaired by Roberto Colaninno, the Board of Directors of **Immsi S.p.A. (IMS)** examined and approved the interim report on operations as at and for the nine months to 30 September 2017.

Immsi Group financial and business performance in the nine months to 30 September 2017

Compared with the first nine months of 2016, Immsi Group performance in the nine months to 30 September 2017 was positive, with a strong improvement in all the key financial indicators and a reduction in debt.

Consolidated net sales totalled **1,141 million euro, up by 5.7%** from 1,079.4 million euro in the year-earlier period.

Immsi Group consolidated Ebitda amounted to **173 million euro, the best figure for the first nine months of the last ten years (since 30 September 2007), with an increase of 24%** from

139.5 million euro in the first nine months of 2016. The **Ebitda margin was 15.2%, the best ever performance in the first nine months** (12.9% at 30 September 2016).

Ebit for the first nine months was **81 million euro, up 41.4%** from 57.3 million euro in the year-earlier period. The **Ebit margin** was **7.1%** (5.3% at 30 September 2016).

Profit before tax in the first nine months to 30 September 2017 was **46.3 million euro** (18.3 million euro at 30 September 2016). Income tax expense amounted to 23.5 million euro (12.8 million euro in the year-earlier period).

Net profit including minority interests totalled **22.9 million euro** (5.5 €/mln at 30 September 2016).

The **Immsi Group posted a consolidated net profit of 12.4 million euro** at 30 September 2017, a **significant improvement** from 0.8 million euro for the first nine months of 2016.

At 30 September 2017, the Immsi Group had **net debt of 843 million euro**, an improvement of 63.9 million euro from 906.9 million euro at the end of 2016, arising largely from self-financing of 122.3 million euro offset in part by gross investments of 56.4 million euro, and an improvement of 51.5 million euro from 30 September 2016 (894.5 million euro).

Immsi Group **human resources** at 30 September 2017 numbered **7,309 employees worldwide**. The figure includes the Group's 3,861 Italian employees, unchanged from the figure at the end of 2016.

The Group's operations present seasonal variations in sales over the course of the year, especially in the industrial sector.

Business performance in the nine months to 30 September 2017

Industrial Sector: Piaggio Group

In the industrial sector, for the nine months to 30 September 2017, the **Piaggio Group** reported **consolidated net sales of 1,057.3 million euro** (up 2.5% from 30 September 2016), an **industrial gross margin of 327.1 million euro (+5.6%)**, **consolidated Ebitda of 159 million euro (+12.4%)**, with an **Ebitda margin** of 15%. Piaggio Group **net profit** for the first nine months of 2017 was **25.8 million euro, up by 34.8%**. Financial debt at 30 September 2017 stood at 434.8 million euro, an improvement of 56.2 million euro from debt of 491 million euro at the end of 2016. In the first nine months of 2017, the Piaggio Group shipped **426,700 vehicles worldwide (+3.7%)**, with **revenue growth of 3.7% in the Emea and Americas areas and of 2.1% in India**.

Looking at the individual businesses, a total of **299,400 two-wheelers were sold worldwide (+12.4%)**, maintaining the Group's leadership in Europe with an **overall market share of 15.2%, rising to 25.4% in scooters alone**.

In **light commercial vehicles**, shipments totalled **127,300 vehicles**. On the Indian three-wheeler market, the subsidiary PVPL confirmed its **leadership in the cargo segment** with a **49.4%** market share.

On the **technological front**, the subsidiary **Piaggio Fast Forward continues development of the innovative Gita and Kilo projects** for smart, autonomous vehicles to enhance the productivity of mobility in today's increasingly complex urban environments.

Naval Sector: Intermarine S.p.A.

In the naval sector, **Intermarine S.p.A.** reported strong improvements in all key indicators for the first nine months to 30 September 2017: **net sales of 79.8 million euro**, a significant increase (+36.3 million euro) from 43.5 million euro in the year-earlier period; **Ebitda of 16.5**

million euro, a sharp improvement (1.3 million euro at 30 September 2016); **Ebitda margin of 20.7%**; **Ebit at 14.8 million euro** (0.5 million euro at 30 September 2016) with a **positive Ebit margin of 18.6%**. **Net profit for the period was 7.7 million euro**, a strong increase from the net loss of 1.6 million euro in the first nine months of 2016, with a **return of 9.6% on value of production**. **Net debt** at 30 September 2017 was **53.5 million euro**, an improvement of 13.8 million euro from 67.3 million euro at 31 December 2016.

The Intermarine order book at 30 September 2017 stood at approximately 236 million euro, guaranteeing production operations for at least the next three years. In the meantime, international commercial activity will continue, with a specific focus on Asia and Europe.

Real Estate and Holding sector

For the first nine months of 2017, the real estate and holding sector reported net sales of approximately 3.9 million euro (4.1 million euro in the year-earlier period) and a consolidatable net loss of 6.1 million euro, an improvement from the loss of 8.5 million euro in the year-earlier period.

The subsidiary **Is Molas S.p.A.**, which manages the Is Molas Golf Resort project in the Sardinian province of Cagliari, is completing work on the first lot of residences and initial urbanisation works. The construction of the 4 showhomes has been substantially completed and commercial operations are underway to identify possible national/international purchasers.

Outlook

In the **industrial sector**, in a general economic context likely to see a strengthening of the global economic upturn, where uncertainty will nonetheless remain with regard to the speed of European growth and the risk of a slowdown in some Asian countries in the Far East, Piaggio Group commercial and industrial operations will focus on:

- confirming the leadership position on the European two-wheeler market, taking full advantage of the expected recovery through:
 - further strengthening of its product range;
 - maintenance of current positions on the European commercial vehicle market;
- consolidating its presence in Asia Pacific, in part through the opening of new Motoplex stores, the exploration of new opportunities in countries in the region, with a particular focus on the premium segment of the market;
- increasing sales on the Indian scooter market thanks to the Vespa offer and the success of the new Aprilia SR 150;
- growing the penetration of commercial vehicles in India and related sales in the emerging countries, aiming for further growth in exports to Africa and South America.

From the technological viewpoint, the Piaggio Group will continue research on new solutions to current and future mobility problems, through the work of Piaggio Fast Forward (Boston) and new advances in design at PADc (Piaggio Advanced Design center) in Pasadena.

At a more general level, the Group maintains its commitment – a characteristic of recent years and continuing in 2017 – to generate higher productivity through close attention to cost and investment efficiency, in compliance with its ethical principles.

In the **naval sector (Intermarine S.p.A.)**, intense international commercial activity will continue in 2017, and positive management of the orders acquired in the Mediterranean Basin countries will also continue.

Intermarine management will also pursue every opportunity to contain direct and indirect costs and overheads.

The manager in charge of preparing the company accounts and documents, Andrea Paroli, certifies, pursuant to paragraph 2 of art. 154-*bis* of the Consolidated Law on Financial Intermediation, that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

This press release may contain forward-looking statements relating to future events and Immsi Group business and financial results. By their nature, these statements are subject to inherent risks and uncertainties, since they relate to events and depend on circumstances that may or may not occur or exist in the future. Actual results may differ materially from those expressed in such statements as a result of a variety of factors.

This press release contains a number of indicators that, though not yet contemplated by the IFRS (“Non-GAAP Measures”), are based on financial measures envisaged by the IFRS. These indicators – presented in order to assist assessment of the Group’s business performance – should not be considered as alternatives to those envisaged by the IFRS and are consistent with those in the Immsi Group 2016 Annual Report and quarterly and half-year reports. Furthermore, since determination of such indicators is not specifically regulated by the IFRS, the methods used may not coincide with those adopted by other companies/groups, and consequently the indicators in question may not be comparable. Specifically, the following alternative performance indicators are used:

- EBITDA: earnings before amortisation and impairment losses on property, plant and equipment and intangible assets, as reflected in the income statement;
- Net financial debt: this reflects financial liabilities (current and non-current), less cash and cash equivalents, and other current financial receivables. Determination of net financial debt does not include other financial assets and liabilities arising from measurement at fair value of derivatives designated as hedges and fair value adjustments of the related hedged items. The schedules in the Immsi Group report on operations as at and for the nine months to 30 September 2017 include a table illustrating the composition of net financial debt. In compliance with the CESR “Recommendation for consistent implementation of the European Commission regulation on prospectus” of 10 February 2005, the indicator as formulated reflects the values monitored by Group management.

In preparing the interim report on operations as at and for the nine months to 30 September 2017, the Immsi Group applied the accounting policies used in preparing the consolidated financial statements as at and for the year ended 31 December 2016 with the exception of early adoption as from 1 January 2017 of IFRS 9 “Financial Instruments”.

Immsi S.p.A. said that the interim report on operations as at and for the nine months to 30 September 2017 will be available to the public at the company head office, in the “eMarket STORAGE” authorised storage mechanism at www.emarketstorage.com and on the issuer's website www.immsi.it (section “Investors/Financial Reports/2017”).

The Immsi Group reclassified consolidated income statement and reclassified consolidated statement of financial position are set out below. In compliance with Consob Communication no. 9081707 of 16 September 2009, it should be noted that these reclassified statements have not been audited by the independent auditors.

For further information:

Immsi Group Press Office
Director Diego Rancati
Via Broletto, 13 - 20121 Milan - Italy
Tel. +39 02.319612 19/16
E-mail: diego.rancati@immsi.it;

Immsi Group Investor Relations
Andrea Paroli
P.zza Vilfredo Pareto, 3
46100 Mantua (IT)
Tel. +39.0376.2541
E-mail: andrea.paroli@immsi.it

Image Building
Tel. +39 02 89011300
E-mail: immsi@imagebuilding.it

Immsi Group reclassified consolidated income statement

In thousands of euro	30.09.2017		30.09.2016		Change	
Net sales	1,140,988	100%	1,079,361	100%	61,627	5.7%
Cost of materials	643,786	56.4%	610,301	56.5%	33,485	5.5%
Cost of services and use of third-party assets	202,654	17.8%	206,402	19.1%	-3,748	-1.8%
Employee expense	178,927	15.7%	176,316	16.3%	2,611	1.5%
Other operating income	78,671	6.9%	74,789	6.9%	3,882	5.2%
Other operating expense	21,331	1.9%	21,605	2.0%	-274	-1.3%
EBITDA	172,961	15.2%	139,526	12.9%	33,435	24.0%
Depreciation and impairment tangible assets	34,943	3.1%	34,641	3.2%	302	0.9%
Goodwill amortisation	0	-	0	-	0	-
Amortisation and impairment intangible assets with finite life	57,049	5.0%	47,608	4.4%	9,441	19.8%
EBIT	80,969	7.1%	57,277	5.3%	23,692	41.4%
Results of associates	778	0.1%	480	0.0%	298	-
Finance income	18,417	1.6%	11,511	1.1%	6,906	60.0%
Finance costs	53,820	4.7%	50,986	4.7%	2,834	5.6%
PROFIT BEFORE TAX	46,344	4.1%	18,282	1.7%	28,062	153.5%
Income tax	23,456	2.1%	12,771	1.2%	10,685	83.7%
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS	22,888	2.0%	5,511	0.5%	17,377	315.3%
Profit (loss) for the period from discontinued operations	0	-	0	-	0	-
PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS	22,888	2.0%	5,511	0.5%	17,377	315.3%
Minority interests	10,499	0.9%	4,742	0.4%	5,757	121.4%
GROUP PROFIT FOR THE PERIOD	12,389	1.1%	769	0.1%	11,620	1511.1%

Immsi Group reclassified consolidated statement of financial position

In thousands of euro	30.09.2017		31.12.2016		30.09.2016	
		in %		in %		in %
Current assets:						
Cash and cash equivalents	190,460	8.8%	197,919	9.1%	154,419	7.1%
Financial assets	0	0.0%	0	0.0%	0	0.0%
Operating assets	546,969	25.3%	472,518	21.8%	546,422	25.1%
Total current assets	737,429	34.2%	670,437	31.0%	700,841	32.2%
Non-current assets:						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	826,366	38.3%	847,059	39.1%	842,917	38.7%
Property, plant, equipment	309,529	14.3%	336,467	15.5%	333,353	15.3%
Other assets	285,046	13.2%	311,524	14.4%	302,185	13.9%
Total non-current assets	1,420,941	65.8%	1,495,050	69.0%	1,478,455	67.8%
TOTAL ASSETS	2,158,370	100.0%	2,165,487	100.0%	2,179,296	100.0%
Current liabilities:						
Financial liabilities	486,404	22.5%	575,022	26.6%	527,707	24.2%
Operating liabilities	646,213	29.9%	554,257	25.6%	615,996	28.3%
Total current liabilities	1,132,617	52.5%	1,129,279	52.1%	1,143,703	52.5%
Non-current liabilities:						
Financial liabilities	547,083	25.3%	529,749	24.5%	521,178	23.9%
Other non-current liabilities	99,838	4.6%	113,901	5.3%	115,805	5.3%
Total non-current liabilities	646,921	30.0%	643,650	29.7%	636,983	29.2%
TOTAL LIABILITIES	1,779,538	82.4%	1,772,929	81.9%	1,780,686	81.7%
TOTAL SHAREHOLDERS' EQUITY	378,832	17.6%	392,558	18.1%	398,610	18.3%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,158,370	100.0%	2,165,487	100.0%	2,179,296	100.0%