



PRESS RELEASE

The Board of Directors approves the quarterly report at 31 March 2008

FIRST QUARTER 2008

- **NET PROFIT €3.5 MLN (€2 mln in Q1 '07)**
- **NET SALES €398.9 MLN (€420.9 mln in Q1 '07)**
- **EBITDA €31.5 MLN (€41.7 mln in Q1 '07)**
- **NET DEBT €477.7 MLN**

Mantua, 13 May 2008 – At a meeting today in Mantua chaired by Roberto Colaninno, the IMMSI S.p.A. Board of Directors examined and approved the quarterly report on Group performance in the first quarter of 2008.

Consolidated net sales in the quarter to 31 March 2008 totalled € 398.9 million; of the total, more than 91%, or € 363.9 million, was attributable to the Piaggio Group, 8%, or € 33.9 million, to the shipbuilding business (Rodriquez Group) and the residual € 1.1 million to the real estate business and the holding (Immsi S.p.A. and Is Molas S.p.A.). In the first quarter of 2007 consolidated net sales were € 420.9 million. The decrease in the first quarter of 2008 from the year-earlier period was essentially due to the Piaggio Group, which benefited, in the year-earlier period, from particularly lively market demand compared with normal seasonal trends and also recognised in the first three months a significant portion (approximately € 11 million) of the 2007 share of a BMW five-year supply order.

Shipbuilding work at the Rodriquez Group gained 31.8% in the first quarter of 2008, with net sales of € 33.9 million against € 25.7 million in the year-earlier period; the improvement reflected significant production progress on current orders. At 31 March 2008 the Rodriquez Cantieri Navali Group order book stood at € 401 million.

Consolidated EBITDA at 31 March 2008 was € 31.5 million (7.9% of net sales), from € 41.7 million (9.9% of net sales) in the year-earlier period.

Consolidated EBIT in the first quarter of 2008 was € 8.5 million (2.1% of net sales) from € 21.8 million (5.2% of net sales) in the year-earlier period. Depreciation and amortisation for the quarter totalled € 23 million, comprising depreciation of property, plant and equipment for € 10.9 million and amortisation of intangible assets for € 12.1 million.

Profit before tax was € 3.7 million against € 11.6 million in the first quarter of 2007.

Consolidated net profit for the first quarter, after tax and minority interests, amounted to € 3.5 million, for YoY growth of 72% from € 2 million in the year-earlier period.

Group **net debt** at 31 March 2008 amounted to € 477.7 million, an increase of € 15.1 million from 31 March 2007. Key factors were the good financial performance of the Piaggio Group, which cut its debt by € 33 million over 12 months (after dividend payouts and share buybacks totalling € 38.7 million), the investment in the tourist/property development project at the Rodriguez worksite in Pietra Ligure (Savona) for approximately € 19.7 million, and payment by Immsi S.p.A. of dividends for € 10.3 million and tax of € 13.5 million.

Group net debt at 31 December 2007 was € 428.1 million: the increase of € 49.6 million in the first three months of 2008 was essentially due to the impact of typical seasonal trends in the Piaggio Group business.

Group **consolidated shareholders' equity** at 31 March 2008 was € 644.8 million, compared with € 666.8 million at 31 December 2007.

Events after the end of the first quarter

At Piaggio, almost all the banks holding Piaggio & C. S.p.A. 2004/2009 warrants exercised their instruments, in accordance with the warrant regulation. Of a total of 10,000 warrants outstanding, 9,959 warrants were exercised.

In compliance with the regulation, the company appointed an independent valuer to determine the cash value of the warrants and financial instruments issued in favour of EMH.

The parent company purchased 250,000 Piaggio & C. S.p.A. shares in April, for a total of € 0.4 million.

Outlook

At the Piaggio Group, management will focus in particular on cash flow control. With regard to sales, the Group confirmed its expectations of growth outside Europe and normalisation of seasonal trends in Europe.

In the shipbuilding sector, in light of the major contracts currently under execution, production volumes can be expected to show further growth compared with 2007; the sector therefore expects to report a break-even, despite the slowdown in sales of medium-size yachts. Important negotiations are underway, especially in the military sector, indicating new growth in the order book from the € 401 million as at 31 March 2008.

Following the receipt in the first quarter of authorisation to proceed from the Sardinian Regional Council and the imminent completion of administrative procedures, building work on the Is Molas Golf Resort tourist-property development project will commence by the end of the year.

The manager in charge of preparing the company accounts and documents, Andrea Paroli, certifies, pursuant to paragraph 2, art. 154 bis of Legislative Decree no. 58/1998 (Consolidated Law on Financial Intermediation), that the accounting disclosures in this statement correspond to the accounting documents, ledgers and entries.

For further information:

IMMSI Press Office

Via Vivaio, 6 - 20122 Milan

Massimiliano Levi

Tel. +39 02 76212621

Fax +39 02 76212629

massimiliano.levi@immsi.it

www.immsi.it

IMMSI Group reclassified income statement at 31 March 2008

In thousands of euro	Q1 2008		Q1 2007		Change	in %
Net sales	398,939	100%	420,898	100%	-21,959	-5.2%
Cost of materials	230,607	57.8%	244,164	58.0%	-13,557	-5.6%
Cost of services and use of third-party assets	89,544	22.4%	86,918	20.7%	2,626	3.0%
Employee expenses	72,723	18.2%	68,716	16.3%	4,007	5.8%
Other operating income	32,343	8.1%	27,443	6.5%	4,900	17.9%
Other operating expense	6,918	1.7%	6,812	1.6%	106	1.6%
EBITDA	31,490	7.9%	41,731	9.9%	-10,241	-24.5%
Depreciation of property, plant and equipment	10,894	2.7%	11,089	2.6%	-195	-1.8%
Goodwill amortisation	0	-	0	-	0	-
Amortisation intangible assets with finite life	12,145	3.0%	8,844	2.1%	3,301	37.3%
EBIT	8,451	2.1%	21,798	5.2%	-13,347	-61.2%
Share of result of associates	4	0.0%	9	0.0%	-5	-55.6%
Finance income	14,353	3.6%	3,252	0.8%	11,101	341.4%
Finance expense	19,127	4.8%	13,475	3.2%	5,652	41.9%
PROFIT BEFORE TAX	3,681	0.9%	11,584	2.8%	-7,903	-68.2%
Income tax expense	497	0.1%	6,885	1.6%	-6,388	-92.8%
NET RESULT FROM CONTINUING OPERATIONS	3,184	0.8%	4,699	1.1%	-1,515	-32.2%
Net profit (loss) from discontinued operations	0	-	0	-	0	-
NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS	3,184	0.8%	4,699	1.1%	-1,515	-32.2%
Net profit attributable to minority interests	-304	-0.1%	2,668	0.6%	-2,972	-111.4%
GROUP NET PROFIT	3,488	0.9%	2,031	0.5%	1,457	71.7%

IMMSI Group balance sheet at 31 March 2008

In thousands of euro	31.03.2008	<i>in %</i>	31.12.2007	<i>in %</i>	31.03.2007	<i>in %</i>
Current assets:						
Cash and cash equivalents	89,916	4.4%	134,673	6.8%	92,417	4.5%
Financial assets	22,388	1.1%	19,222	1.0%	3,367	0.2%
Working assets	714,029	34.9%	615,556	31.0%	684,997	33.3%
Total current assets	826,333	40.4%	769,451	38.7%	780,781	38.0%
Non-current assets:						
Financial assets	0	0.0%	566	0.0%	1,015	0.0%
Intangible assets	817,841	40.0%	813,091	40.9%	806,219	39.2%
Property, plant and equipment	300,833	14.7%	308,426	15.5%	312,611	15.2%
Other assets	100,588	4.9%	96,017	4.8%	155,128	7.5%
Total non-current assets	1,219,262	59.6%	1,218,100	61.3%	1,274,973	62.0%
TOTAL ASSETS	2,045,595	100.0%	1,987,551	100.0%	2,055,754	100.0%
Current liabilities:						
Financial liabilities	206,254	10.1%	198,316	10.0%	139,751	6.8%
Working liabilities	645,046	31.5%	569,846	28.7%	651,238	31.7%
Total current liabilities	851,300	41.6%	768,162	38.6%	790,989	38.5%
Non-current liabilities:						
Financial liabilities	383,794	18.8%	384,316	19.3%	419,677	20.4%
Other non-current liabilities	165,662	8.1%	168,306	8.5%	188,345	9.2%
Total non-current liabilities	549,456	26.9%	552,622	27.8%	608,022	29.6%
TOTAL LIABILITIES	1,400,756	68.5%	1,320,784	66.5%	1,399,011	68.1%
TOTAL SHAREHOLDERS' EQUITY	644,839	31.5%	666,767	33.5%	656,743	31.9%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,045,595	100.0%	1,987,551	100.0%	2,055,754	100.0%