

**PRESS RELEASE**

**IMMSI: FIRST QUARTER 2009**

- **Net sales € 337.8 mln (€ 398.9 mln in Q1 2008)**
  - **EBITDA € 18 mln (€ 31.5 mln in Q1 2008)**
- **Net loss € 8.9 mln (net profit € 3.5 mln in Q1 2008)**

**In the industrial sector market share improves in Italy and Europe, strong sales growth in America – Signs of a market recovery, significant benefits expected from eco-incentives in Italy**

**In shipbuilding, growth strategy focuses on the military sector where important new orders are likely in the next few months**

*Milan, 14 May 2009* – At a meeting today in Milan chaired by Roberto Colaninno, the Immsi S.p.A. Board of Directors examined and approved the Group figures for the first quarter of 2009.

**Consolidated net sales** for the three months to 31 March 2009 totalled € 337.8 million, of which approximately 91% from the industrial sector (Piaggio Group), approximately 9% from the shipbuilding sector (Rodriguez Group) and the remainder from the real estate sector and the holding (Immsi S.p.A. and Is Molas S.p.A.). Consolidated net sales in the first quarter of 2008 amounted to € 398.9 million.

In the **industrial sector**, 2009 first-quarter net sales were € 306.3 million, down from € 363.9 million in the year-earlier period. In the 2-wheel business, the decrease arose as a result of the particularly difficult market situation in the Group's key areas of operation, with demand falling with respect to the first quarter of 2008 both in Italy (-19.5%) and in Europe (-23.1%). In the commercial vehicles business, after years of continuous growth the Indian market reported a first-quarter slowdown of 2.8% in the sectors addressed by the Group. The net sales downturn also arose from a reduction in the five-year BMW order (-1.2 million € from the year-earlier period) and from the revaluation of the euro against the Indian rupee and the GB pound, with a negative effect on turnover of approximately € 3.8 million compared to the first quarter of 2008.

Nevertheless, significant signs of an improvement in market conditions began to emerge; in the 2-wheel business in Italy, this was linked in part to the impact of state incentives. With regard to the upturn on the two-wheeler markets, Piaggio Group products and brands are displaying competitive strength, reflected in a significant increase in market share in the main areas. Sales volumes made very healthy progress in North America, while the Vietnam factory commenced production of Vespa scooters for distribution on the local market. In the commercial vehicles sector, the Piaggio Group reported a positive "mix effect" on first-quarter turnover, thanks to the success of the low-emission models in the Porter range, which enabled the Group to enhance its performance in Italy, clearly bucking the general industry trend.

In the **shipbuilding sector**, Rodriguez Group consolidated net sales for the first quarter to 31 March 2009 were € 30.6 million, from € 33.9 million in the year-earlier period, a decrease arising largely from production delays at the Sarzana shipyard caused by flooding when the river Magra broke its banks in January.

In the **real estate sector**, net sales at 31 March 2009 were € 0.9 million, substantially in line with revenues in the first three months of 2008.

**Consolidated EBITDA** for the first quarter of 2009 was € 18 million (5.3% of net sales),

compared with € 31.5 million (7.9% of net sales) in the first quarter of 2008.

**Consolidated EBIT** for the first quarter of 2009 was negative at € 3.8 million, compared with positive EBIT of € 8.5 million in the year-earlier period. Amortisation and depreciation amounted to € 21.8 million, consisting of depreciation of property, plant and equipment for € 10.4 million and amortisation of intangible assets for € 11.4 million.

**Earnings before tax** at 31 March 2009 were negative at € 16.7 million, compared with positive earnings of € 3.7 million for the first quarter of 2008.

After tax and minority interests, the Group posted a **consolidated net loss** of € 8.9 million for the quarter to 31 March 2009, compared with a net profit of € 3.5 million in the year-earlier period.

Group **net debt** at 31 March 2009 totalled € 722.4 million, an increase of € 113.5 million from 31 December 2008 and € 244.6 million from 31 March 2008.

Analysis of debt shows that short-term borrowings decreased from € 270.7 million at 31 December 2008 to € 262 million; medium/long-term borrowings increased with respect to 31 December 2008 (€ 338.2 million) by approximately € 122.2 million, and with respect to 31 March 2008 (€ 383.8 million) by approximately € 76.5 million.

The negative change in the Immsi Group financial position compared with 31 December 2008 reflects the impact of the seasonal factors typical of the Group's industrial business, where the main financing requirements are concentrated in the first three months of the year.

Group **consolidated shareholders' equity** at 31 March 2009 was € 575.5 million, from € 585.4 million at 31 December 2008.

The figures in the quarterly report at 31 March 2009 do not undergo an audit.

### **Significant events after 31 March 2009 and full-year outlook**

No significant events took place after March 31 2009.

In the industrial sector, the first quarter of 2009 was severely affected by the economic crisis and the difficulties on the Piaggio Group key markets, even though the first significant signs of an upturn emerged in March. Thanks to its product portfolio for the 2-wheel and commercial vehicles businesses – with an extensive offer of low-emission vehicles with reduced fuel consumption – the Group will be able to take full advantage of the benefits of the eco-incentives introduced by the Italian government in both sectors. In the next three quarters, helped by the launch of new cutting-edge products, the Group will be giving particular attention to the growth of its motorcycle brands in Europe and the consolidation of its leadership position in the scooter sector in Europe and America. It will also begin marketing Vespa scooters produced in Vietnam for distribution on the local market.

In the shipbuilding business, given the international crisis, the Rodriguez Group is targeting significant growth in the military sector, where it expects to close several important new orders in the next few months. The business plan for the military sector envisages significant investments in production capacity at the Sarzana shipyard; in the yacht and fast ferries sectors, both currently experiencing a severe general crisis, the Group does not see significant possibilities for growth in 2009 and will take action to minimise costs and use of financial resources, in preparation for a market recovery.

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.

For more information:

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## Immsi Group reclassified income statement

In thousands of euro	Q1 2009		Q1 2008		Change
<b>Net sales</b>	<b>337,847</b>	<b>100%</b>	<b>398,939</b>	<b>100%</b>	<b>-61,092</b>
Cost of materials	197,300	58.4%	230,607	57.8%	-33,307
Cost of services and use of third-party assets	77,051	22.8%	89,544	22.4%	-12,493
Employee expenses	66,161	19.6%	72,723	18.2%	-6,562
Other operating income	30,051	8.9%	32,343	8.1%	-2,292
Other operating costs	9,345	2.8%	6,918	1.7%	2,427
<b>EBITDA</b>	<b>18,041</b>	<b>5.3%</b>	<b>31,490</b>	<b>7.9%</b>	<b>-13,449</b>
Depreciation of property, plant and equipment	10,382	3.1%	10,894	2.7%	-512
Goodwill amortisation	0	-	0	-	0
Amortisation intangible assets with finite life	11,433	3.4%	12,145	3.0%	-712
<b>EBIT</b>	<b>-3,774</b>	<b>-1.1%</b>	<b>8,451</b>	<b>2.1%</b>	<b>-12,225</b>
Share of result of associates	-6	0.0%	4	0.0%	-10
Finance income	1,183	0.4%	14,353	3.6%	-13,170
Finance expense	14,101	4.2%	19,127	4.8%	-5,026
<b>EARNINGS BEFORE TAX</b>	<b>-16,698</b>	<b>-4.9%</b>	<b>3,681</b>	<b>0.9%</b>	<b>-20,379</b>
Income tax	-3,787	-1.1%	497	0.1%	-4,284
<b>NET PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>-12,911</b>	<b>-3.8%</b>	<b>3,184</b>	<b>0.8%</b>	<b>-16,095</b>
Profit (loss) from discontinued operations	0	-	0	-	0
<b>NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS</b>	<b>-12,911</b>	<b>-3.8%</b>	<b>3,184</b>	<b>0.8%</b>	<b>-16,095</b>
Minority interests	-4,038	-1.2%	-304	-0.1%	-3,734
<b>NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE GROUP</b>	<b>-8,873</b>	<b>-2.6%</b>	<b>3,488</b>	<b>0.9%</b>	<b>-12,361</b>

## Immsi Group balance sheet

In thousands of euro	31.03.2009	in %	31.12.2008	in %	31.03.2008	in %
<b>Current assets:</b>						
Cash and cash equivalents	78,698	3.5%	55,353	2.6%	89,916	4.4%
Financial assets	19,396	0.9%	6,707	0.3%	22,388	1.1%
Operating assets	727,023	32.8%	639,213	30.3%	714,029	34.9%
<b>Total current assets</b>	<b>825,117</b>	<b>37.2%</b>	<b>701,273</b>	<b>33.3%</b>	<b>826,333</b>	<b>40.4%</b>
<b>Non-current assets:</b>						
Financial assets	0	0.0%	0	0.0%	0	0.0%
Intangible assets	826,423	37.2%	827,472	39.3%	817,841	40.0%
Property, plant and equipment	297,293	13.4%	299,500	14.2%	300,833	14.7%
Other assets	269,857	12.2%	278,372	13.2%	100,588	4.9%
<b>Total non-current assets</b>	<b>1,393,573</b>	<b>62.8%</b>	<b>1,405,344</b>	<b>66.7%</b>	<b>1,219,262</b>	<b>59.6%</b>
<b>TOTAL ASSETS</b>	<b>2,218,690</b>	<b>100.0%</b>	<b>2,106,617</b>	<b>100.0%</b>	<b>2,045,595</b>	<b>100.0%</b>
<b>Current liabilities:</b>						
Financial liabilities	360,133	16.2%	332,752	15.8%	206,254	10.1%
Operating liabilities	662,050	29.8%	690,134	32.8%	645,046	31.5%
<b>Total current liabilities</b>	<b>1,022,183</b>	<b>46.1%</b>	<b>1,022,886</b>	<b>48.6%</b>	<b>851,300</b>	<b>41.6%</b>
<b>Non-current liabilities:</b>						
Financial liabilities	460,343	20.7%	338,187	16.1%	383,794	18.8%
Other non-current liabilities	160,798	7.2%	160,161	7.6%	165,662	8.1%
<b>Total non-current liabilities</b>	<b>621,141</b>	<b>28.0%</b>	<b>498,348</b>	<b>23.7%</b>	<b>549,456</b>	<b>26.9%</b>
<b>TOTAL LIABILITIES</b>	<b>1,643,324</b>	<b>74.1%</b>	<b>1,521,234</b>	<b>72.2%</b>	<b>1,400,756</b>	<b>68.5%</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>575,366</b>	<b>25.9%</b>	<b>585,383</b>	<b>27.8%</b>	<b>644,839</b>	<b>31.5%</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,218,690</b>	<b>100.0%</b>	<b>2,106,617</b>	<b>100.0%</b>	<b>2,045,595</b>	<b>100.0%</b>