PRESS RELEASE

IMMSI GROUP: FIRST QUARTER 2011

- **Net sales € 375 million (€ 362.9 mln in Q1 2010)**
- **EBITDA € 30.5 million (€ 28.9 mln in Q1 2010)**
- **EBITDA margin 8.1% (8% in Q1 2010)**
- **EBIT € 8 million (€ 7.4 mln in Q1 2010)**
- **Consolidated net loss € 2.8 million (- 1.7 mln € in Q1 2010)**

Mantua, 10 May 2011 – At a meeting today in Mantua chaired by Roberto Colaninno, the Immsi S.p.A. Board of Directors examined and approved the Group figures for operations in the first quarter of 2011.

Consolidated net sales for the quarter to 31 March 2011 totalled 375 million euro, up by 3.3% from 362.9 million euro in the first quarter of 2010. This included 93.8% from the industrial sector (Piaggio Group), 6% from the naval sector (Rodriquez Group) and the outstanding portion from the real estate and holding sector (Immsi S.p.A. and Is Molas S.p.A.).

In the **industrial sector** (Piaggio Group) net sales in the first three months of 2011 amounted to 351.7 million euro, up by 3.3% from the year-earlier period. In the first quarter of 2011 the Piaggio Group sold a total of 149,000 vehicles worldwide, with volumes rising 3.7% from 143,700 vehicles sold in the first quarter of 2010.

In the **naval sector** (Rodriquez Group) consolidated net sales for the year to 31 March 2011 amounted to 22.4 million euro, an increase of 5.6%, from 21.2 million euro in the first quarter of 2010.

In the **real estate and holding** sector, net sales in the first quarter were in line with the year-earlier period.

Consolidated **EBITDA** amounted to 30.5 million euro at 31 March 2011, up by 5.4% from 28.9 million euro in the first quarter of 2010. The **EBITDA margin** rose from 8% in the first quarter of 2010 to 8.1% in the first quarter of 2011.

Consolidated **EBIT** was 8 million euro in the first quarter of 2011, up by 0.6 million euro from the first quarter of 2010. Amortisation and depreciation charges for the period totalled 22.5 million euro, including depreciation of property, plant and equipment and investment property for 9.9 million euro and amortisation of intangible assets for 12.5 million euro.

Profit before tax in the first quarter was negative at 1.2 million euro, compared with a positive result of 0.1 million euro for the first quarter for 2010.

After tax and minority interests, the Group posted a **consolidated net loss** of 2.8 million euro for the quarter to 31 March 2011, compared with a net loss of 1.7 million euro in the first quarter of 2010.

Group **net debt** at 31 March 2011 stood at 733.2 million euro, up by 71.6 million euro from 31 December 2010, and by 27.3 million euro from 31 March 2010. The increase arose in particular as a result of performance in the shipbuilding business, which generated a rise in working capital on the sector's important current orders, which will generate turnover in the second half of the year and consequently reduce debt exposure.

Group **consolidated shareholders' equity** at 31 March 2011 amounted to 636.1 million euro, compared with 643.9 million euro at 31 December 2010.

Parent company Immsi S.p.A.

The parent company **Immsi S.p.A.** posted a **net loss** of 0.4 million euro for the first three months of 2011, compared with a net profit of 9.3 million euro in the year-earlier first quarter. The result reflected the decrease in financial income offset only in part by the reduction in operating expenses.
In March 2010, 10 million Piaggio shares were sold to Banca IMI for a capital gain before tax of approximately 9.6 million euro. Also, in January 2010, after the share capital increase at Unicredit (of which Immsi S.p.A. holds approximately 9.3 million shares), Immsi sold on the market the rights it had been assigned (at a rate of 1 right per share held), raising proceeds and a gross capital gain of 0.9 million euro. In accordance with accounting standards, the capital gain on the sale of Piaggio shares did not produce effects on the Immsi Group consolidated net result.

The **net debt** of the parent company Immsi S.p.A. at 31 March 2011 stood at 54.8 million euro, up by approximately 0.9 million euro from 31 December 2010, and down by 9.7 million euro from 31 March 2010.

Outlook

For full-year 2011, the **Piaggio Group** will continue to pursue its growth strategy on the main Asian markets, strengthening its leadership on the Indian three- and four-wheel light commercial vehicle market and boosting market share in scooters in Vietnam. During the year the Piaggio Group will begin a decisive new phase of growth in its industrial and sales operations throughout Asia, targeting revenues of approximately 1 billion euro on the Asian markets within four years.
At central level, Piaggio Group R&D will focus on the renewal of the product range – scooters, motorcycles and commercial vehicles – with special attention to development of fuel-efficient engines with low/zero environmental impact.

In the **naval sector** (Rodriquez Group), in light of the production progress on current contracts and opportunities for acquiring new contracts – especially for the Intermarine division – the Group expects to maintain production volumes at the 2010 level and improve on last year's operating results. At the Intermarine division, the main goal for the year is to complete delivery of 2 minesweepers to the Finnish Navy: the important cash inflows this will bring will permit repayment of the lines of credit arranged to fund the program, and settlement of amounts due to suppliers on the projects in question.
In the Fast Ferry division, Rodriquez Group operations will focus on the completion and delivery of the two vessels being built for the Sultanate of Oman, thereby releasing the guarantees given to the customer, which will remain active only for the post-delivery phase. In the Yacht division, the market is expected to remain substantially stable in 2011: the Group is continuing its program of measures to cut overheads and simultaneously boost commercial operations.

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Share buyback program

At the meeting, in connection with the authorisation for the purchase and disposal of own shares given by today's Immsi shareholders' meeting, the Board of Directors approved a share buyback program under the "market practices" allowed by Consob pursuant to art. 180, par 1, head c), of the consolidated finance act with resolution no. 16839 of 19 March 2009 and EC Regulation no. 2273/2003 of 22 December 2003.
Specifically, the purpose of the buyback program is to build a "securities store" to be used to execute future possible investments involving own-share exchanges, swaps, contributions, sales or other operations on shares, including pledges for financing operations arranged by the company.
Share buybacks under the program will be compliant with the procedures and limits laid down in the shareholder resolution mentioned above, specifically:

- the buyback may be for up to a maximum of 10,000,000 Immsi ordinary shares with a par value of 0.52 euro each, and, therefore, within the legal limits (20% of the share capital pursuant to art. 2357, par 3, Italian Civil Code) including own shares held as of today by the company (2,670,000 ordinary share, representing 0.778% of the share capital);
- the own-share buyback shall be within the limits of the distributable earnings and available reserves reflected in the most recent approved financial statements (including interim financial statements) at

the time of the transaction;

- own-share buybacks shall be conducted in compliance with the operating conditions established by Consob pursuant to art. 180, par 1, head c), of the consolidated finance act with resolution no. 16839 of 19 March 2009 and by EC Regulation no. 2273/2003 of 22 December 2003 where applicable, and specifically with a consideration that shall not exceed the higher of the price of the most recent independent transaction and the price of the highest current independent offer in the trading locations where the purchase takes place, without prejudice to the condition that the per-share consideration shall not be more than 20% below and 10% above the arithmetic average of the official Immsi share price in the ten trading days before each purchase transaction;
- the buybacks shall be executed in compliance with art. 144-*bis*, par 1, head b) of Consob Regulation 11971/1999 (and subsequent amendments) and with any applicable provisions, so as to ensure equality of treatment of the shareholders as laid down in art. 132 of the consolidated finance act, and therefore on regulated markets, in accordance with the operating procedures established in the market organisation and management regulations, which do not allow purchase offers to be directly matched with predetermined sale offers;
- the buyback program may be executed in one or more transactions, no later than 10 November 2012.

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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 the Consolidated Finance Act, that the accounting disclosures in this press release correspond to the documentation, the ledgers and the accounting records.

The document may contain forward-looking statements concerning future events and the results of Immsi Group business and financial operations. These statements are by their nature 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.

The figures in the quarterly report for the year to 31 March 2010 are not subject to an auditing requirement.
As recommended by CESR/05-178b, the content of the alternative performance measures used in this press release in order to assist understanding of the Group's business and financial performance, which are not envisaged by the international accounting standards, is as follows:

- EBITDA: earnings before depreciation and amortisation;
- net debt: financial liabilities (current and non-current), less cash and cash equivalents, and other financial receivables.

The Quarterly Report to 31 March 2010 is available for the public at the Immsi S.p.A. head office in Mantua and at Borsa Italiana S.p.A., and may also be viewed on the website www.immsi.it as from 13 May 2011.

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Immsi Group reclassified income statement

In thousands of euro	*Q1 2011*		*Q1 2010*		*Change*	
Net sales	**374,993**	**100%**	**362,892**	**100%**	**12,101**	**3.3%**
Cost of materials	221,783	59.1%	210,739	58.1%	11,044	5.2%
Cost of services and use of third-party assets	76,467	20.4%	74,389	20.5%	2,078	2.8%
Employee expenses	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 expense	3,869	1.0%	9,371	2.6%	-5,502	-58.7%
EBITDA	**30,471**	**8.1%**	**28,915**	**8.0%**	**1,556**	**5.4%**
Depreciation PPE + investment property	9,931	2.6%	10,110	2.8%	-179	-1.8%
Goodwill depreciation	0	-	0	-	0	-
Amortisation intangible assets with finite life	12,532	3.3%	11,372	3.1%	1,160	10.2%
EBIT	**8,008**	**2.1%**	**7,433**	**2.0%**	**575**	**7.7%**
Share of result of associates	0	-	0	-	0	-
Finance income	4,262	1.1%	5,154	1.4%	-892	-17.3%
Finance costs	13,504	3.6%	12,456	3.4%	1,048	8.4%
PROFIT BEFORE TAX	**-1,234**	**-0.3%**	**131**	**0.0%**	**-1,365**	**n.s.**
Income tax expense	2,416	0.6%	2,456	0.7%	-40	-1.6%
NET PROFIT FROM CONTINUING OPERATIONS	**-3,650**	**-1.0%**	**-2,325**	**-0.6%**	**-1,325**	**-57.0%**
Profit (loss) from assets held for sale or discontinued operations	0	-	0	-	0	-
NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS	**-3,650**	**-1.0%**	**-2,325**	**-0.6%**	**-1,325**	**-57.0%**
Net profit for the period attributable to minorities	-893	-0.2%	-584	-0.2%	-309	-52.9%
GROUP NET PROFIT FOR THE PERIOD	**-2,757**	**-0.7%**	**-1,741**	**-0.5%**	**-1,016**	**-58.4%**

Immsi Group statement of comprehensive income

In thousands of euro	*31 March 2011*	*31 March 2010*
NET PROFIT FOR THE PERIOD INCLUDING MINORITY INTERESTS	**(3,650)**	**(2,325)**
Effective component of gains (losses) on cash flow hedges	(889)	1,174
Translation gains (losses)	(5,406)	5,306
Gains (losses) on fair value measurement of available-for-sale assets and investment property	1,797	(1,402)
TOTAL OTHER GAINS (LOSSES) FOR THE PERIOD	**(4,498)**	**5,078**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**(8,148)**	**2,753**
Comprehensive income for the period attributable to minorities	(4,040)	2,308
COMPREHENSIVE PERIOD FOR THE PERIOD ATTRIBUTABLE TO THE GROUP	**(4,108)**	**445**

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Immsi Group reclassified balance sheet

In thousands of euro	*31.03.2011*	*in %*	*31.12.2010*	*in %*	*31.03.2010*	*in %*
Current assets:						
Cash and cash equivalents	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%
Property, plant and equipment and investment property	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%**

Immsi Group cash flow statement

In thousands of euro	*31 March 2011*	*31 March 2010*
Operating activities		
Net profit for the period	(2,757)	(1,741)
Minority interests	(893)	(584)
Tax	2,416	2,456
Depreciation property, plant and equipment and investment property	9,931	10,110
Amortisation intangible assets	12,532	11,372
Provision for risks, employee severance entitlements and similar	3,105	8,415
Impairment losses / (reversals)	123	687
Capital losses / (gains) on sale of PPE and investment property	(13)	6
Interest income	(1,291)	(656)
Interest expense	7,542	7,772
Amortisation government grants	(718)	(722)
Change in working capital	(87,441)	(74,181)
Change in non-current provisions and other changes	27,618	(23,737)
Cash generated by operating activities	**(29,846)**	**(60,803)**
Interest expense paid	(6,696)	(4,901)
Tax paid	(11,286)	(2,614)
Cash flow from operating activities	**(47,828)**	**(68,318)**
Investing activities		
Acquisition of subsidiaries, net of cash and cash equivalents	0	(8,438)
Realizable value of subsidiaries, net of cash and cash equivalents	0	22,090
Investments in property, plant and equipment and investment property	(8,553)	(2,596)
Realizable value or reimbursement value of property, plant and equipment and investment property	163	(3)
Investments in intangible assets	(13,559)	(12,555)
Realizable value or reimbursement value of intangible assets	5	0
Interest collected	1,086	107
Realizable value of assets held for sale or discontinued operations	4	36
Other changes	8,477	(3,696)
Cash flow from investing activities	**(12,377)**	**(5,055)**

In thousands of euro	*31 March 2011*	*31 March 2010*
Financing activities		
Share buyback	0	(204)
Loans received	65,899	33,411
Outlay for loan repayments	(21,260)	(24,971)
Finance leases received	227	0
Finance lease repayments	(196)	(217)
Other changes	0	2,043
Cash flow from financing activities	**44,670**	**10,062**
Increase / (Decrease) in cash and cash equivalents	**(15,535)**	**(63,311)**
Opening balance	170,511	184,571
Changes *	0	0
Closing balance	**154,976**	**121,260**

*: reclassified with respect to the Quarterly Report at 31 March 2010 under the heading “Operating activities– Other changes”.