

*Technology for shaping  
everyday materials*

*Milan – March 2011*



# Group business structure



wood

glass & stone

mechatronic

*service*

*tooling*

# summary:



sales breakdown & orders trend

main business divisions market shares  
(wood-glass&stone -mechatronic)

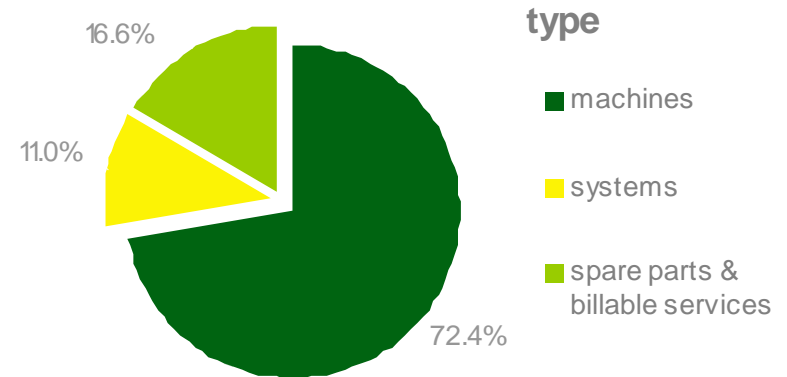
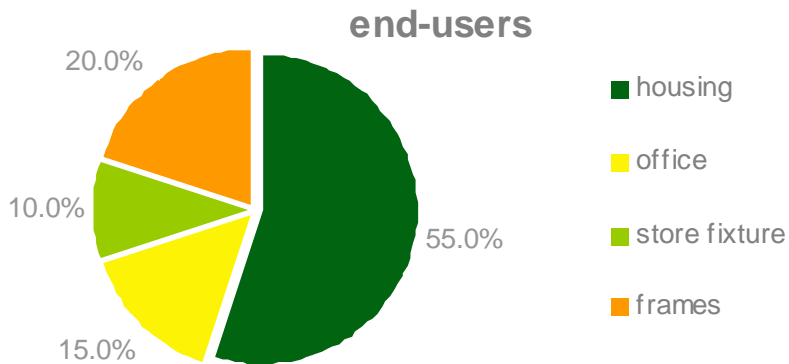
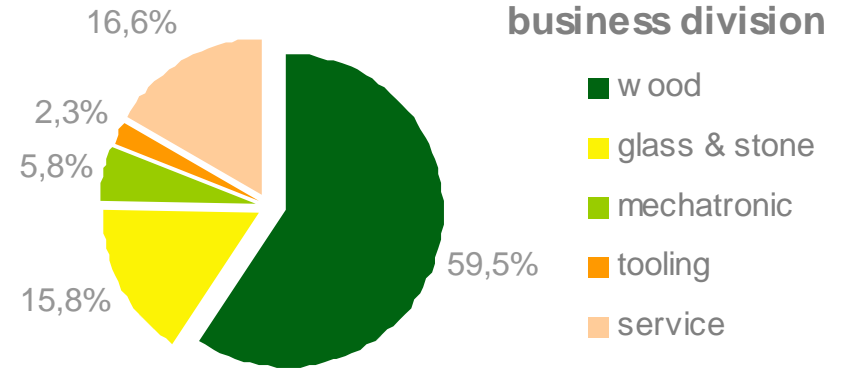
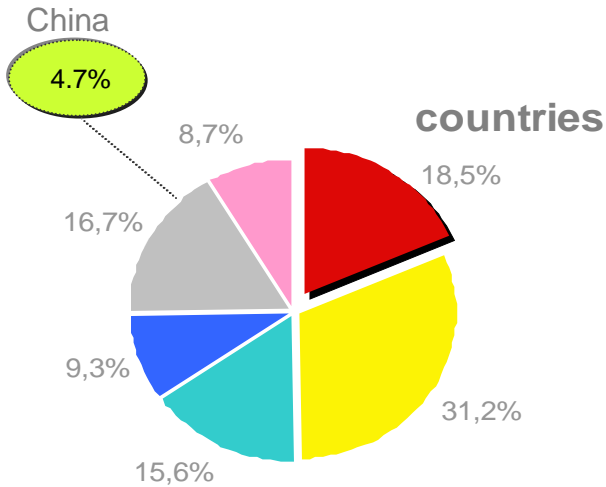
ongoing projects by business area

2010 consolidated results

consolidated financials 2011-2013  
(three years plan)



# Group turnover breakdown December 2010



# Group orders intake & backlog

quarterly trend



orders intakes: FY2010 ags FY2009:

**+35%**

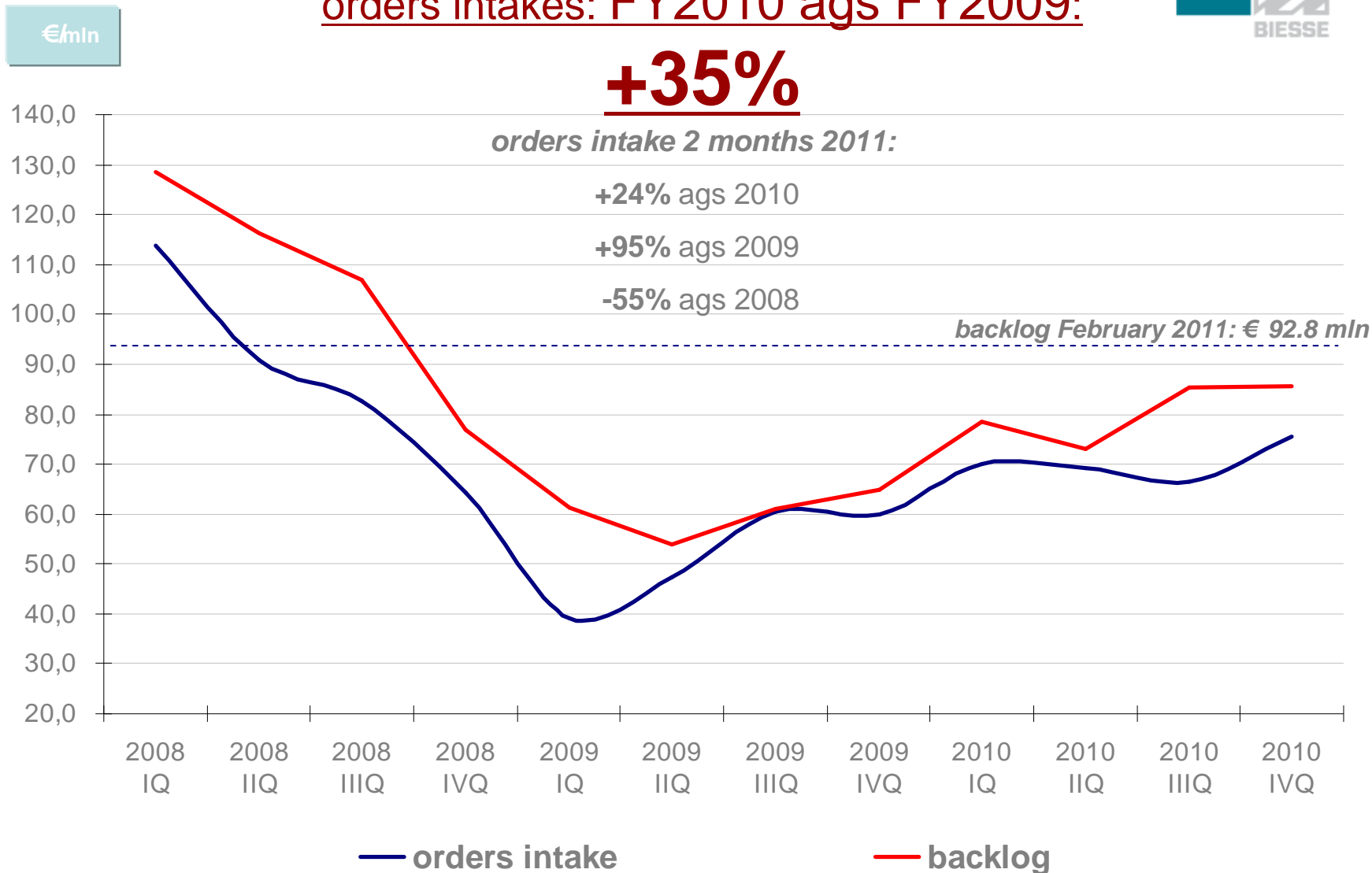
*orders intake 2 months 2011:*

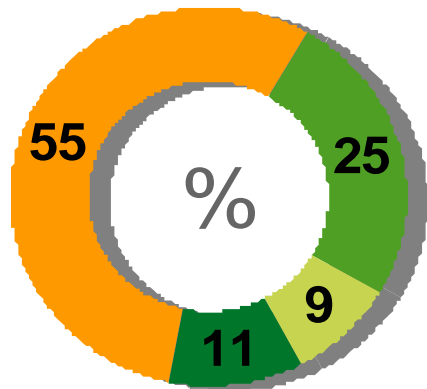
+24% ags 2010

+95% ags 2009

-55% ags 2008

*backlog February 2011: € 92.8 mln*

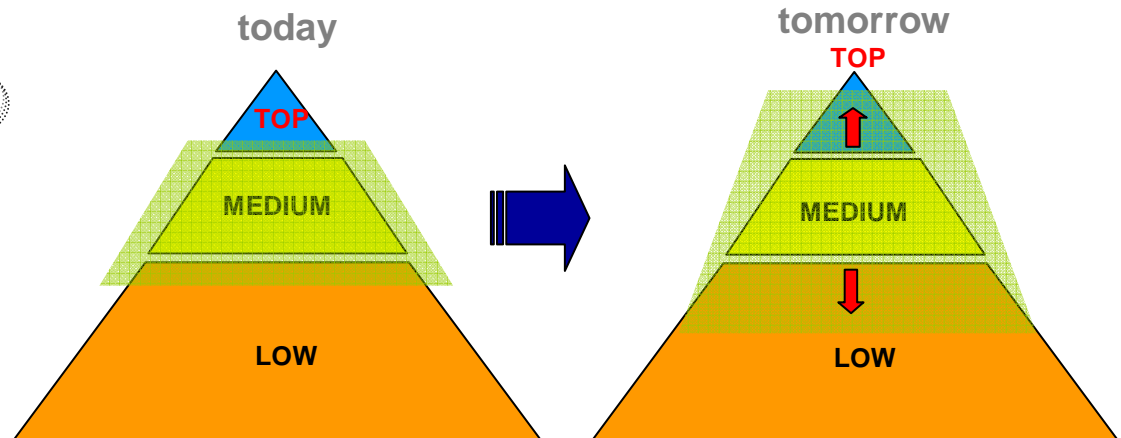




company evaluation of the world 2010 market shares

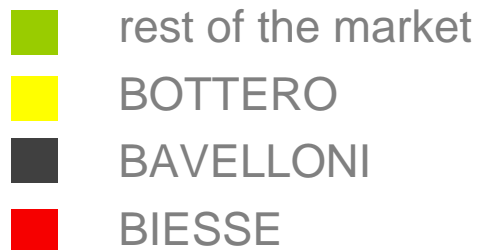
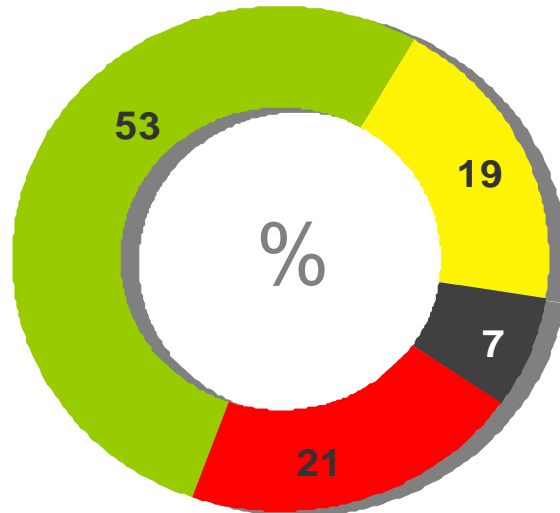
- rest of the Market same product segment
- HOMAG same product segment
- SCM same product segment
- BIESSE

- woodworking machines market consensus **CAGR 6.6%**
- entire secondary phase dimension **€ 3.7 bln**
- secondary phase dimension where Biesse is insisting **€ 1.8 bln**





## Italian Association: GIMAV



- Basically an “italian manufacturing “ market
- Only 2 companies have market shares over 10%
- Biesse S.p.A. (Intermac brand) and Bavelloni (Glaston Group-Finland) are the only listed companies

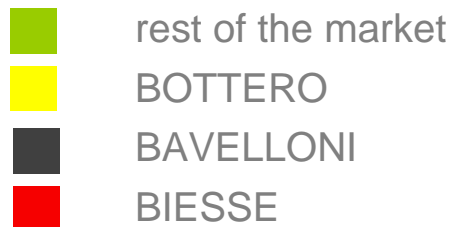
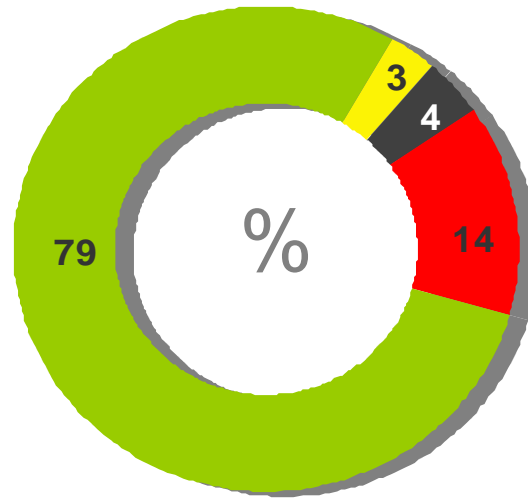
**€ 205,000,000.**

Value of reference markets

(company evaluation)



## Italian Association: Marmomacchine



- Biesse clear worldwide market leader
- Only 1 company (Biesse) has market shares over 10%
- Biesse S.p.A. (Intermac brand) and Bavelloni (Glaston Co.) are the only listed companies

**€ 46,000,000.**

Value of reference markets

(company evaluation)





# wood: new products development



new products and gamma fulfilment



# wood: widening of “*systems*” activities



- market coverage improvement (China, Germany, Poland, Russia, Turkey and Italy)
- strengthness of the *systems* brand perception (key customers references)
- dedicated *systems* service development



# wood: windows and doors frames



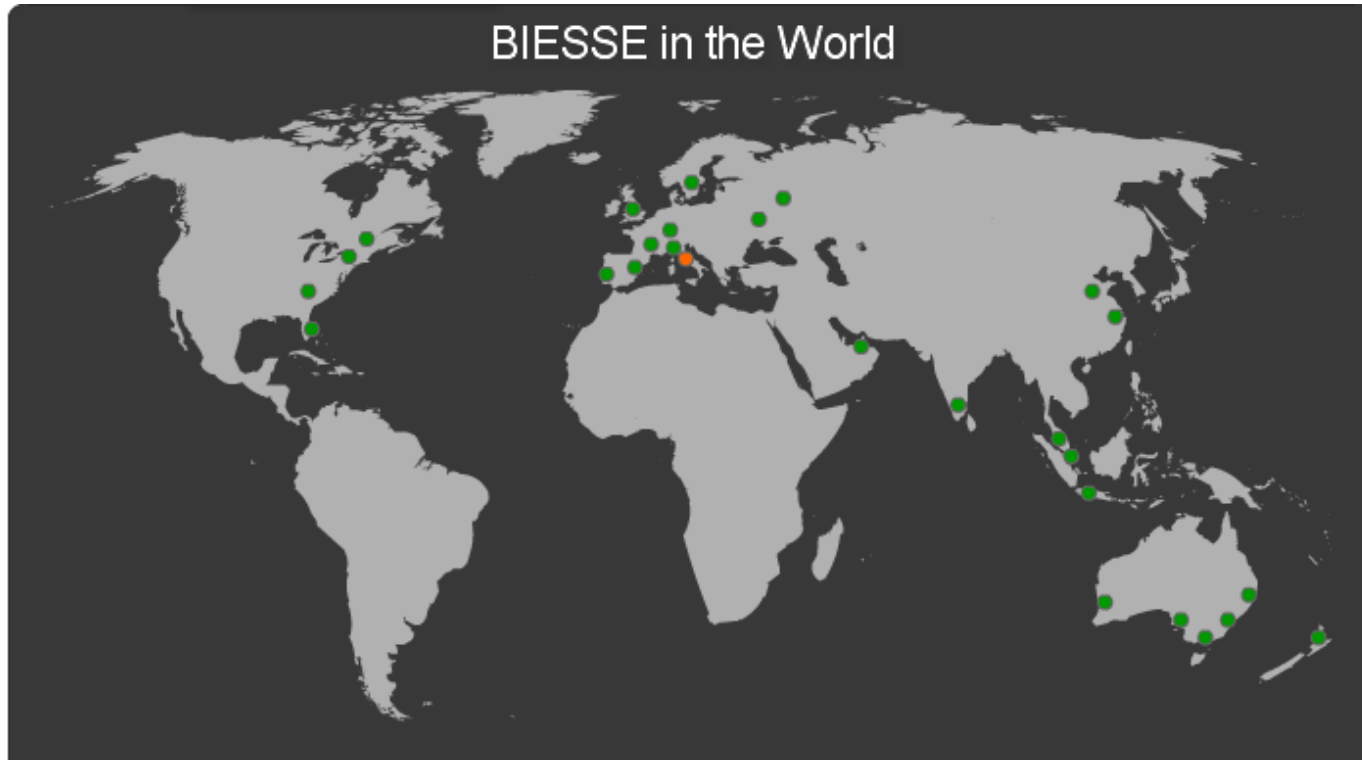
- ❑ new “product specialist” fully focused on the frames sector
- ❑ increase of internal & external resources to support the sales trend



# wood: distribution and sales network improvement



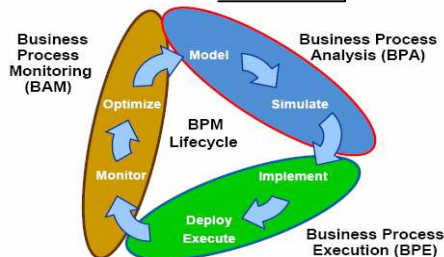
- ❑ establish a strong presence in major and growing markets (China-Poland-Turkey-Middle East)
- ❑ strengthen the commercial organization and competences through skill allocation & training



# wood: *product/production supply chain cost reductions*



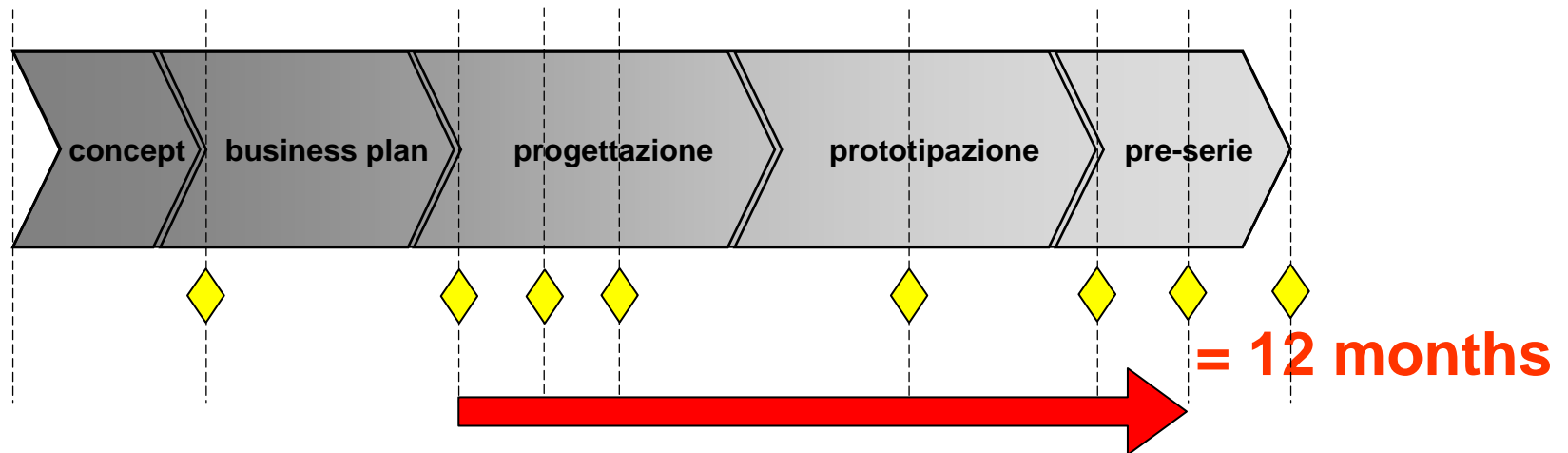
- India:  
transportation, assembly and components purchase costs reduction
- Italy:  
layout & warehouse optimization – product engineering cost reduction



# wood: time to market reduction



- ❑ 12 months *launch time* for new products
- ❑ structural reorganization of the engineering, prototype and pre-serie process



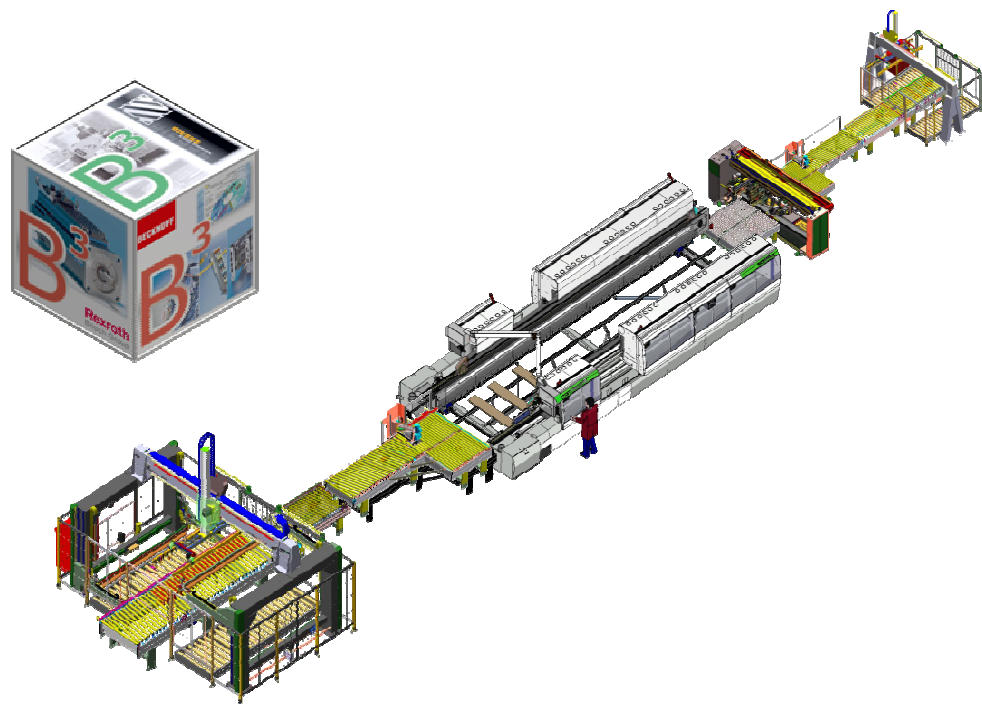
# wood: R & D increase



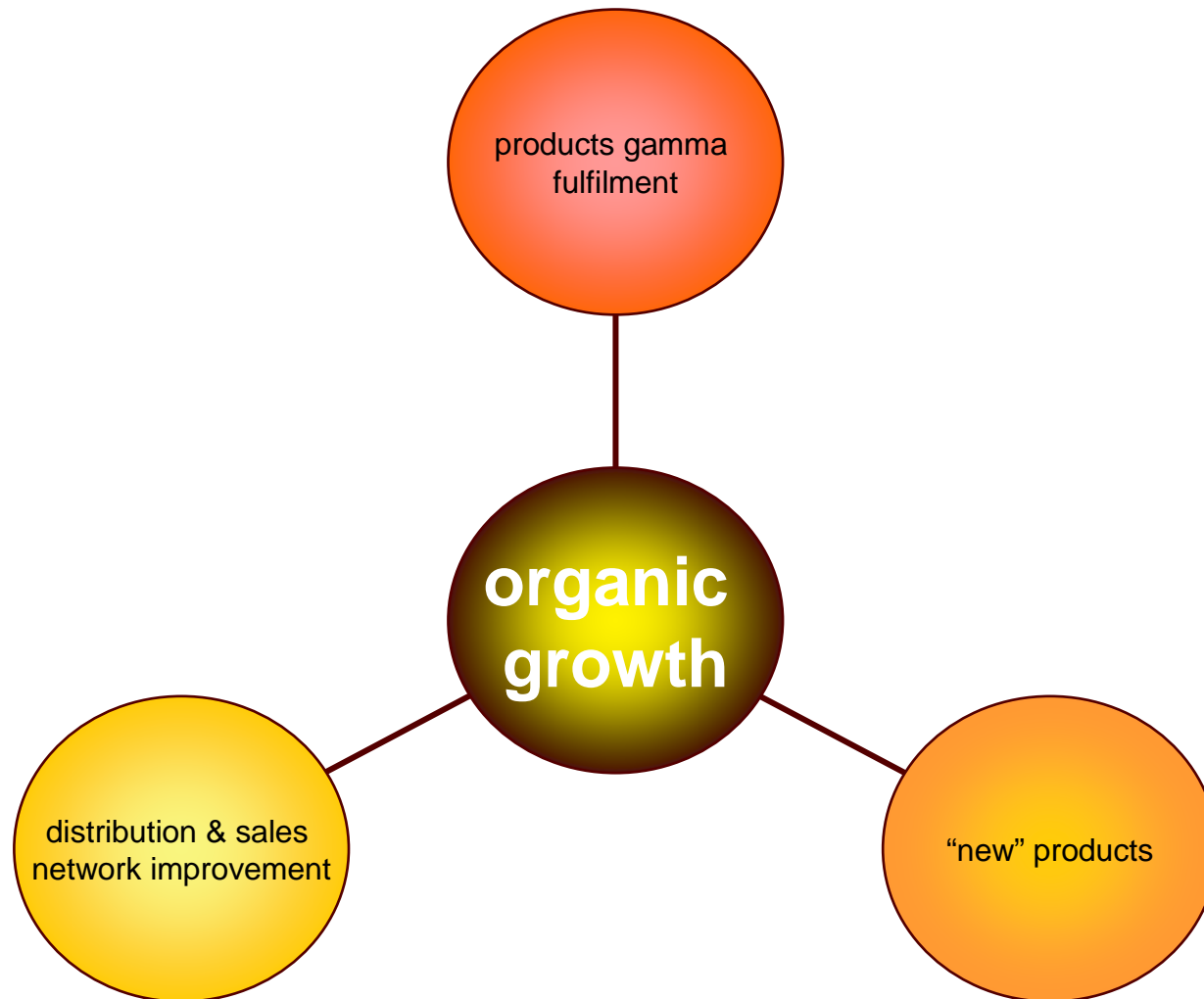
- innovation - technology:  
B-Cubed line  
innovation manager & engineers  
external cooperation (research centres)  
own and purchased patents



	<b>ENERGY EFFICIENCY</b> +10% / +30%
	<b>Problemi EMC</b> -80%
	<b>RESISTENZE FRENATURA</b> -50% / -80%
	<b>CONDIZIONATORE</b> -80%





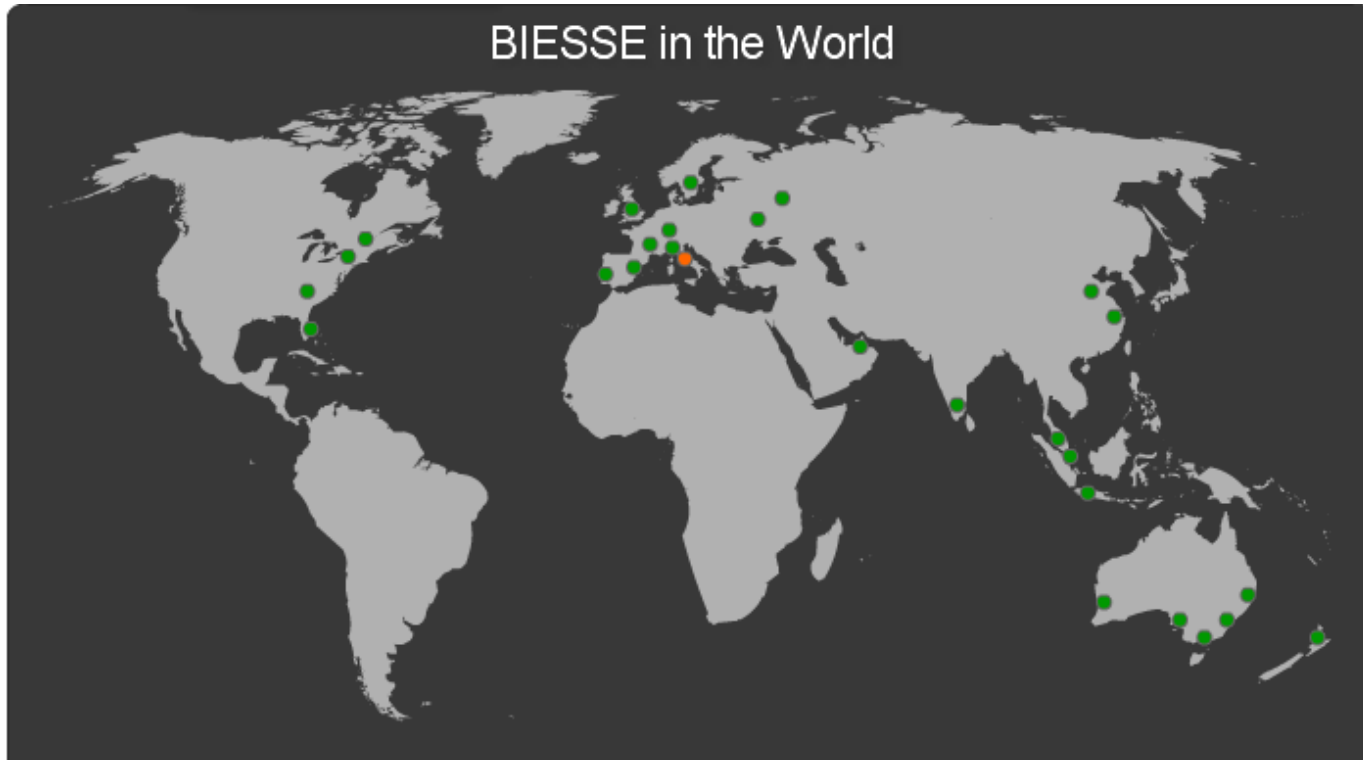


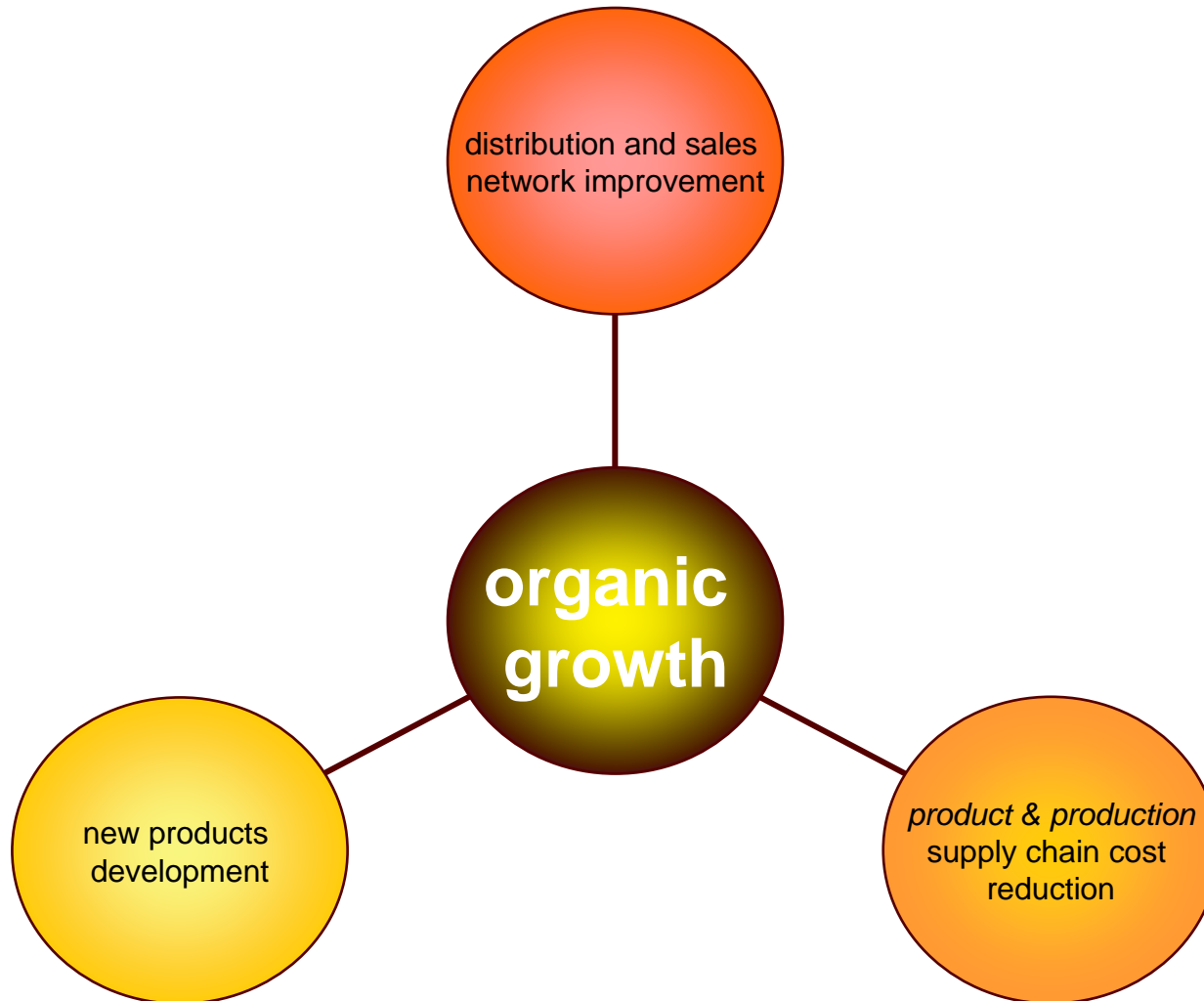
# glass & stone: new products and gamma fulfilment

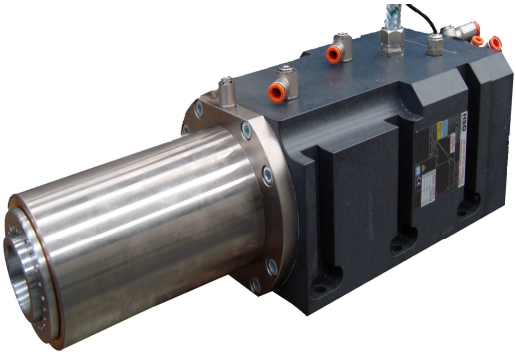




- ❑ establish a strong presence in major and growing markets
- ❑ strengthen the commercial organization and competences through skill allocation & training especially using the Biesse Group Subsidiaries







<b>Product Category</b>
<i>Electrical spindles</i>
<i>Square holes</i>
<i>Glass – Metal working</i>

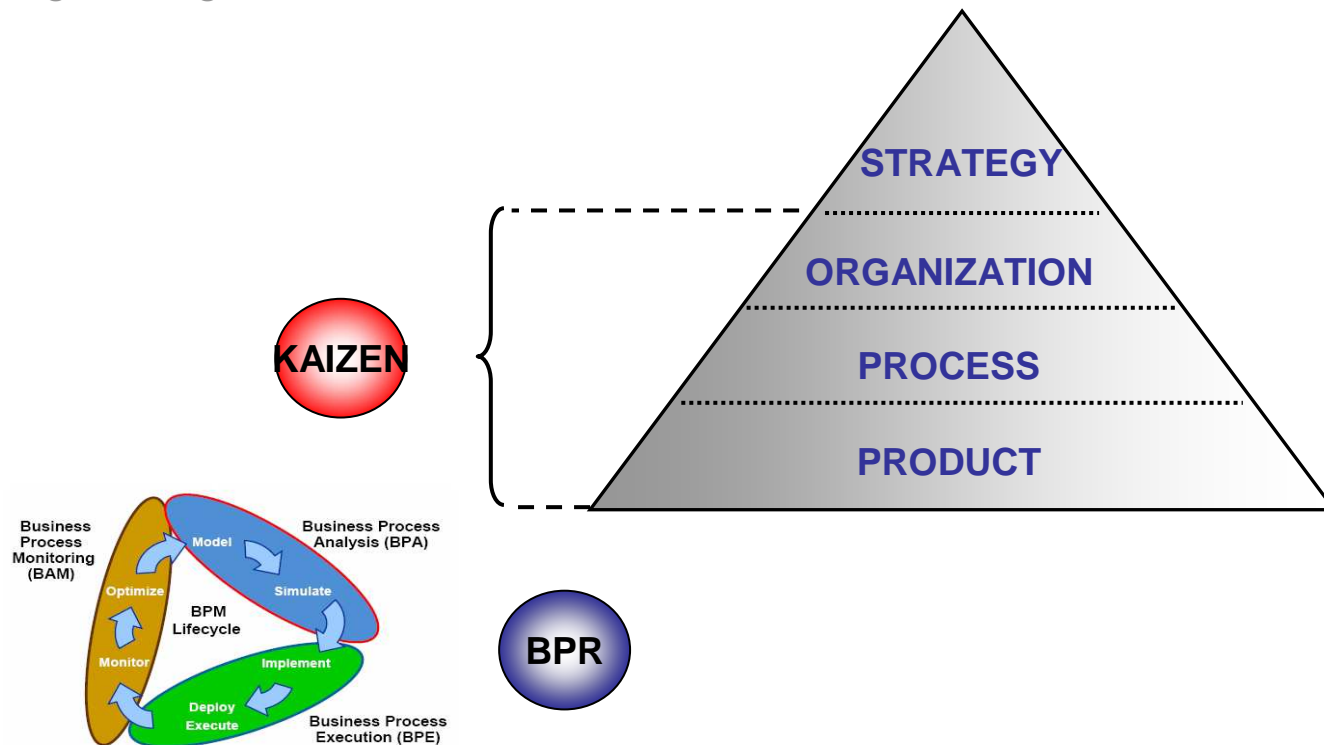


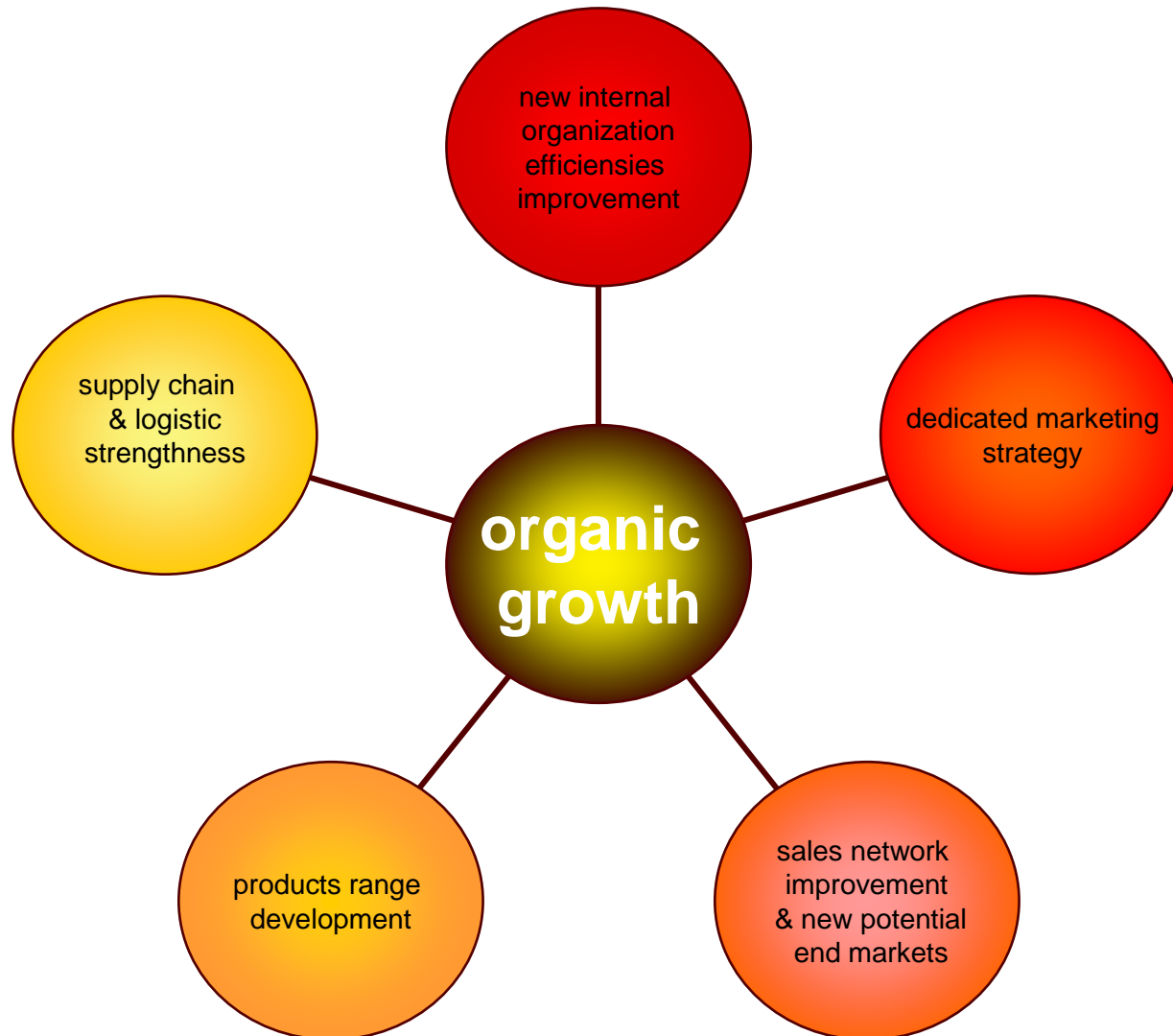
- ❑ establish a strong presence in major and mature markets
- ❑ strengthen the commercial organization and competences through skill allocation & training especially





- ❑ purchase costs reduction
- ❑ Kaizen effects – processes optimization
- ❑ engineering costs reduction









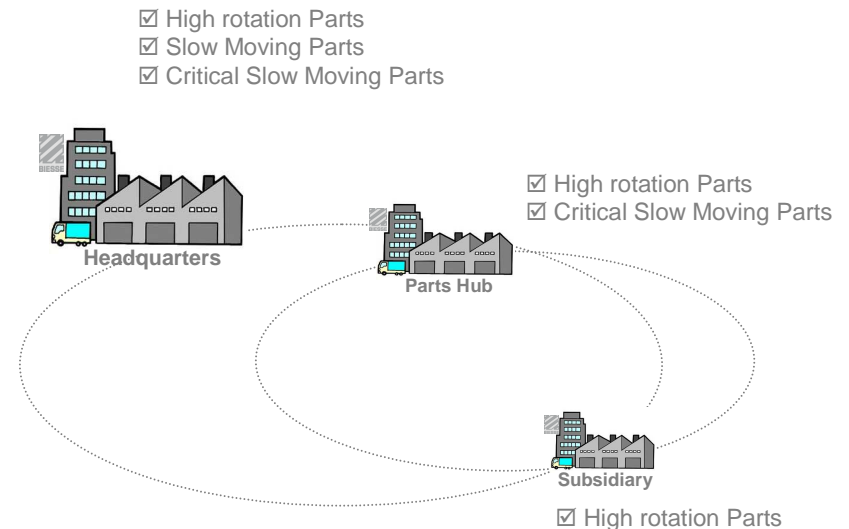
- efficiencies improvement with a special focus on spare parts and post-sales services
- logistic and inventories management structural optimization

## 1. Integrated Logistics

- New **Subsidiary Parts Planning** strategy
- 100%** parts fully-managed from headquarters
- Integrated and reinforced **Parts Technical Support**
- BiessEparts “direct to the Customer”**

## 2. Service Level improvement

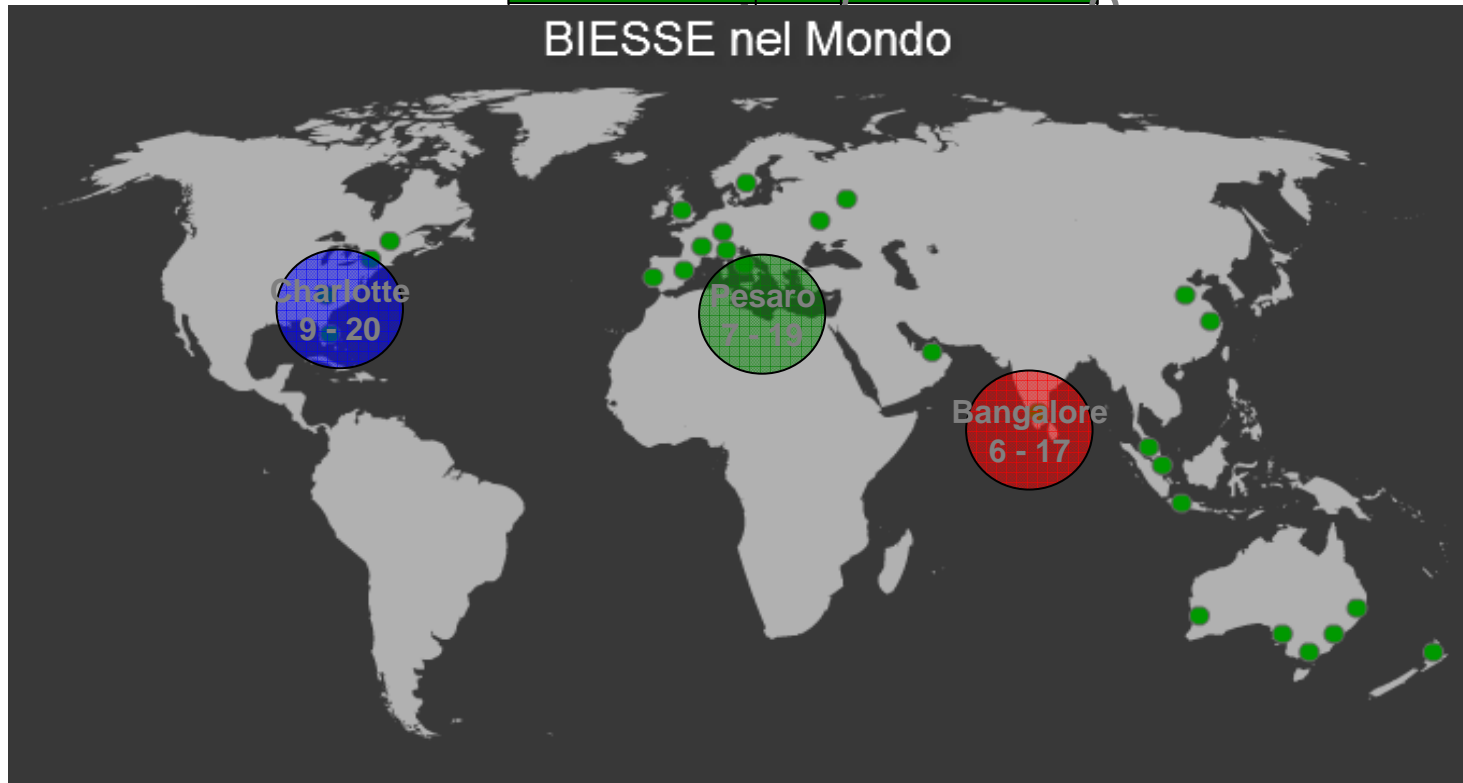
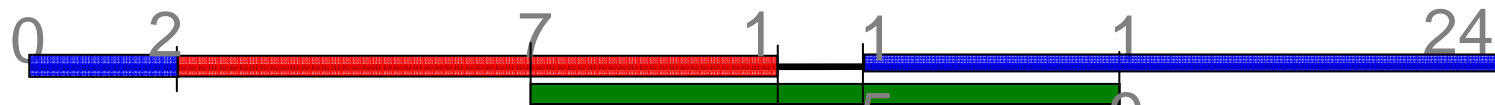
- Headquarters Warehouse**
  - **Late Pick-up 06 – 22** (+ 5% Global Service Level & + 10% Global “same day” shipment)
  - **“internal mechanical area”** (dedicated to parts needs, 1-2% increase in machine down service level)
- WorldWide Service Level measuring system**
- Global & Local Service Level** measurement (Area by Area)



# service: 24h time & knowledge management



- ❑ 24 hours world-wide key customer support
- ❑ shared web portal with knowledge informations concerning problems solutions



# service: dedicated marketing strategy



- ❑ market analysis & shares
- ❑ create a service dedicated image improving the Biesse customers perception

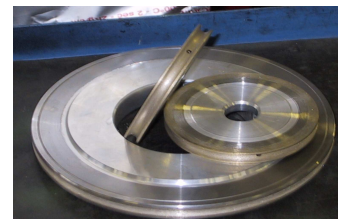




- ❑ new and more focused sales network composed by dealers and agents
- ❑ development of photovoltaic & solar potential end market
- ❑ increase of automotive glass sales expectations
- ❑ development of the Latin America (trade) – Asia&Middle East (Subsidiaries)



- ❑ high speed wheels for cnc product range (glass)
- ❑ new double edger and straight machines (glass)
- ❑ new dedicated product range for automotive glass
- ❑ high speed routers for engineered stone (stone)
- ❑ new rubber polishing wheels (stone)
- ❑ new dedicated product range for polisher (stone)
- ❑ new dedicated product range for bridge saw (stone)



# 2010 consolidated results:



consolidated sales

P & L details

EBITDA bridge

cashflow & net debt

net operating working capital

# Group P&L details: December 2010



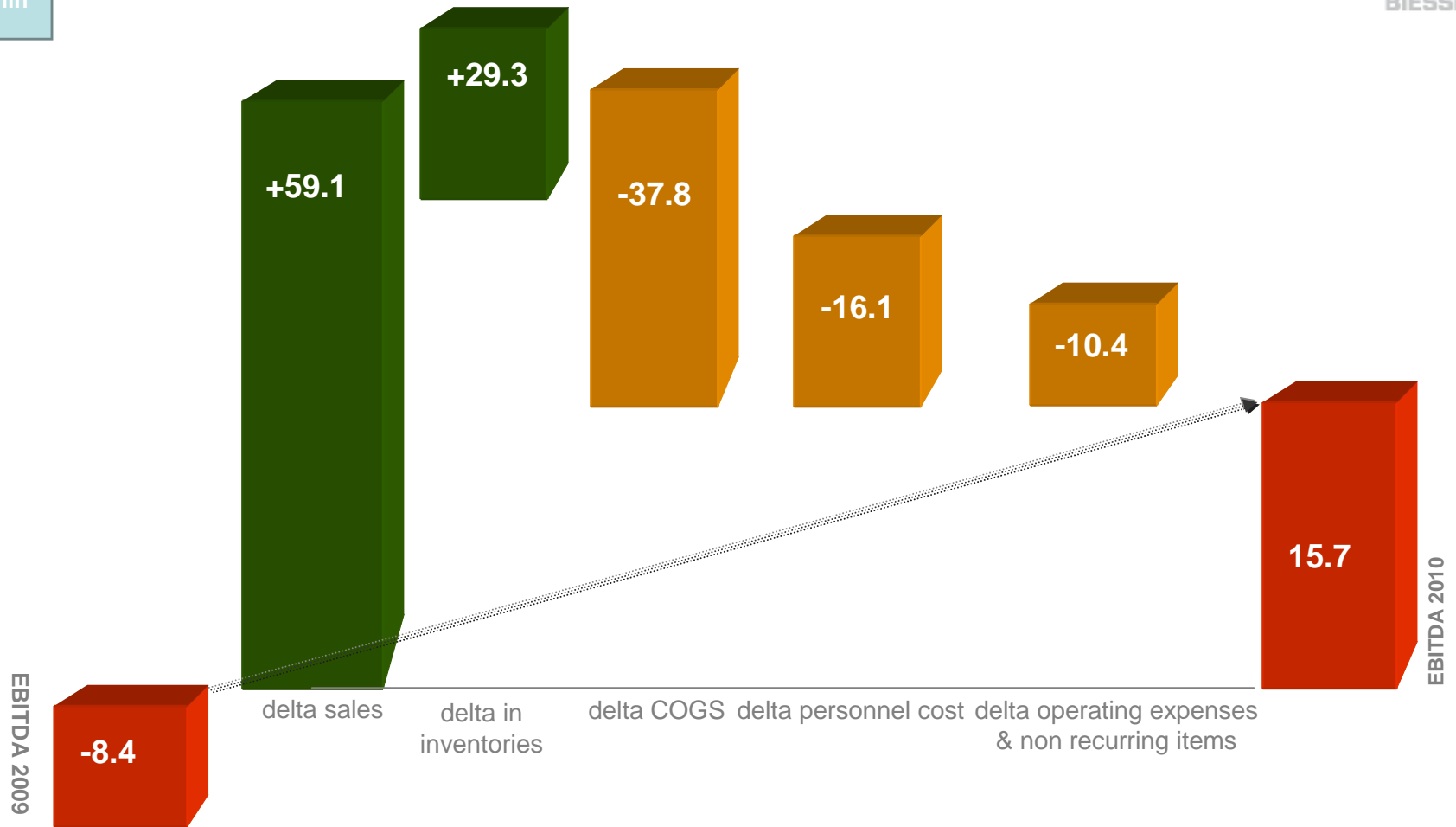
€/ln

	FY 2009	1h 2010	FY 2010	2010 vs 2009
Net Sales	268.0	155.9	327.5 +22.2%	+59.5 €
Value Added % of net sales	84.4 31.5%	59.4 38.1%	123.4 37.7%	+39 €
Labour cost % of net sales	91.6 34.2%	54.5 34.9%	107.7 32.9%	+16.1 €
EBITDA % of net sales	-8.4 ---%	4.9 3.2%	15.7 4.8%	+24.1 €
EBIT % of net sales	-32.9 ---%	-1.7 ---%	0.1 ---%	+33.0 €
Net result % of net sales	-27.2 ---%	-3.7 ---%	-5.7 ---%	+21.5 €

# Group EBITDA bridge: 2009 - 2010



€/min





# Group Cashflow – Net Financial Position



€/mn

2009

2010

△  
2010 vs 2009

Gross Cashflow	4.1	25.9	+21.8 €
Net Capex % of net sales (tangible & intangible)	10.1 3.9%	12.1 3.8%	+2.0 €
Free Cashflow % of net sales	-6.0 -2.2%	13.8 4.2%	+19.8 €
N.F.P. % of net sales	-32.7 -12.2%	-18.9 -5.7%	
gearing	0.26	0.15	

# Group Net Operating Working Capital



€mIn

	2009	2010
<b>Inventories</b> % on net sales	<b>63.2</b> 23.5%	<b>81.3</b> 24.8%
DSI	162 gg	172 gg
<b>Trade receivables</b> % on net sales	<b>77.3</b> 28.9%	<b>90.4</b> 27.6%
DSO	88 gg	82 gg
<b>Trade payables</b> % on net sales	<b>60.9</b> 22.7%	<b>110.7</b> 33.8%
DPO	113 gg	128 gg
<b>N.O.W.C.</b> % on net sales	<b>79.6</b> 29.7%	<b>61.0</b> 18.6%

# three years plan 2011-2013:



consolidated sales

P & L details



EBITDA & EBIT evolution

cashflow & net debt

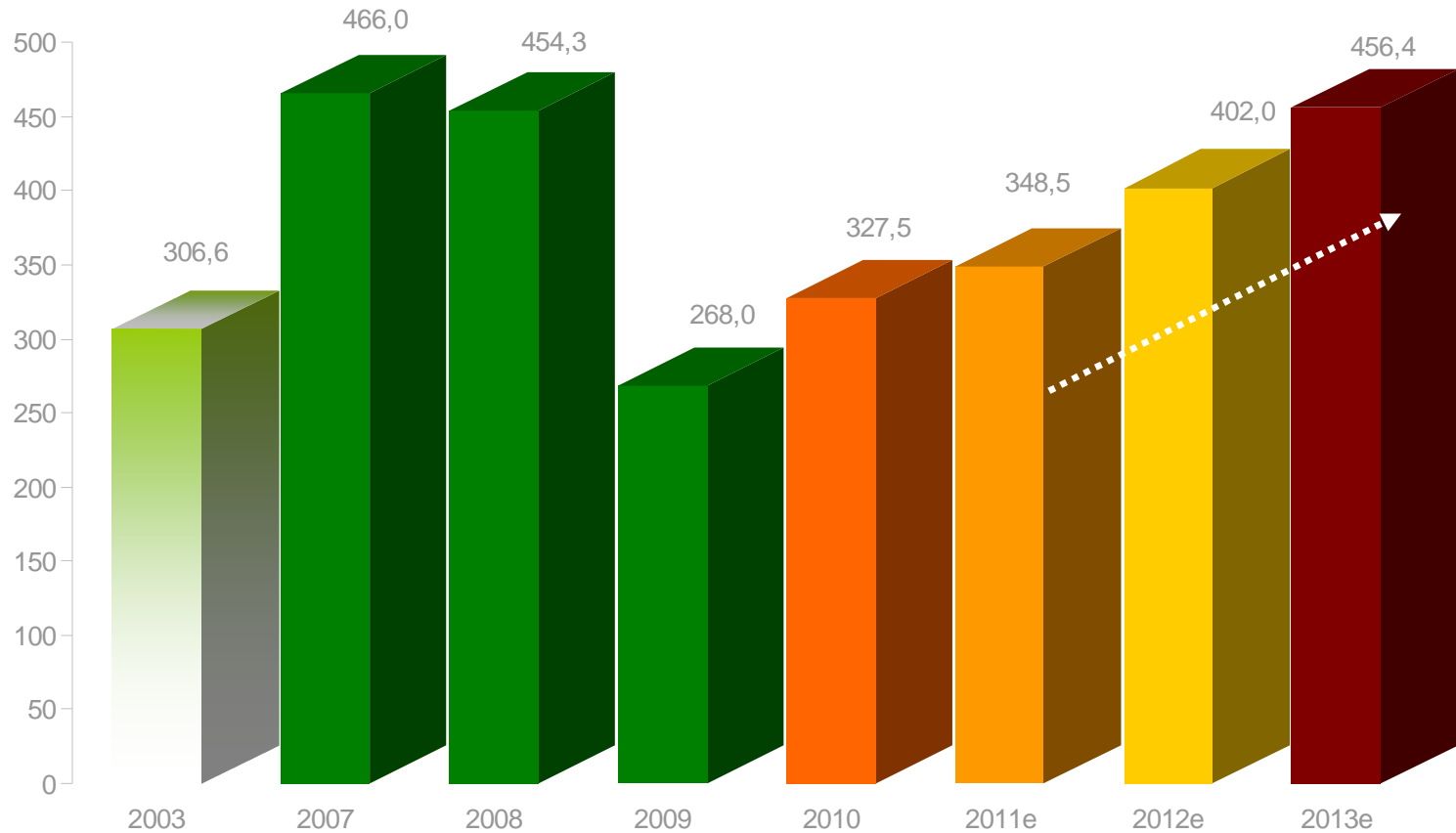
ratios - equity informations

# Group consolidated revenues



€/mln

*three years plan*



**net sales**

**CAGR 2010-2013: 11.7%**

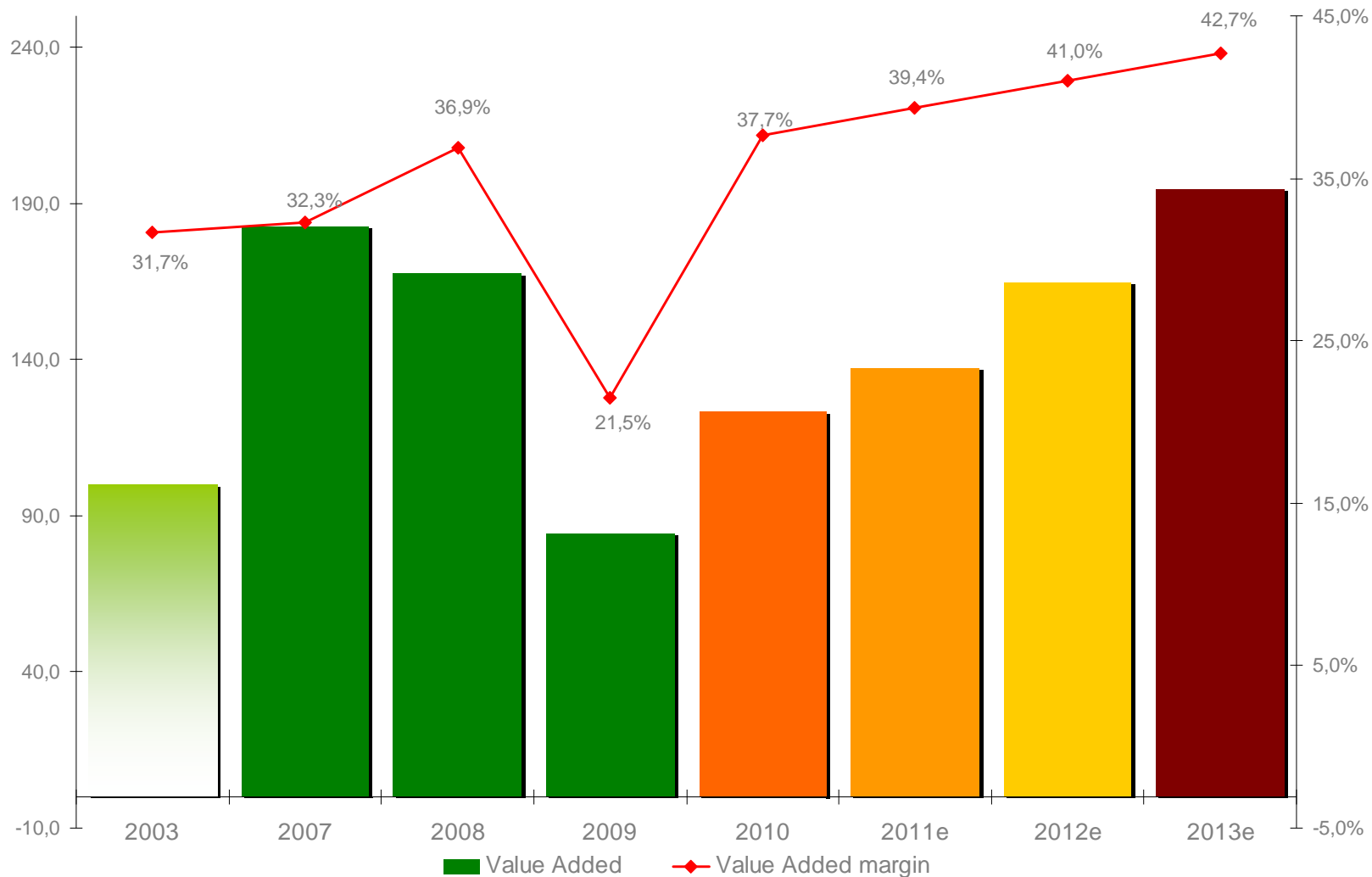
# Group P&L details



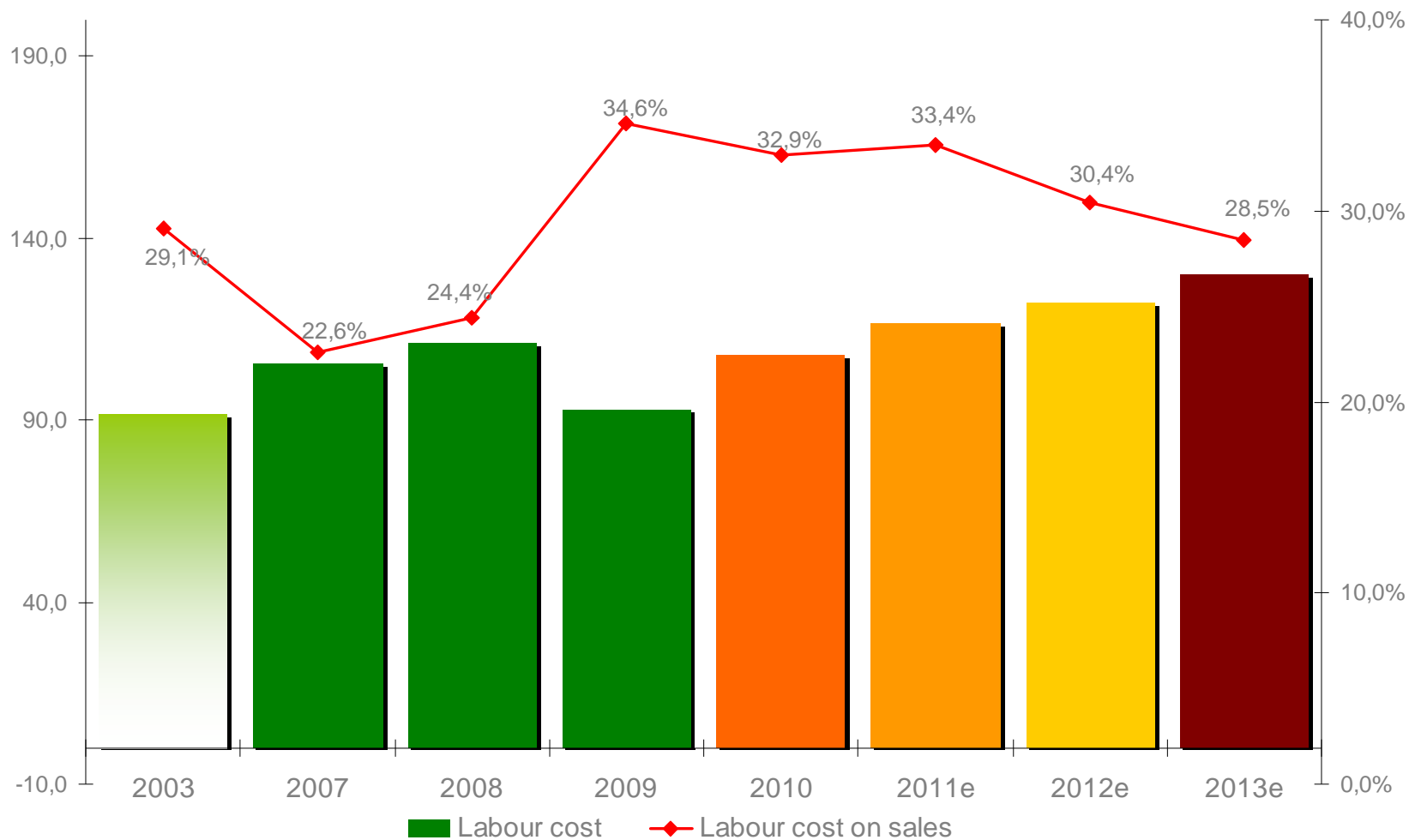
three years plan

€mIn	FY 2009	1h 2010	FY 2010	FY 2011e	FY 2012e	FY 2013e	2010 vs 2013
Net Sales	268.0	155.9	327.5 +22.2%	348.5 +10.4%	402.0 +15.4%	456.4 +13.5%	+128.9 €
Value Added % of net sales	84.4 31.5%	59.4 38.1%	123.4 37.7%	137.2 39.4%	164.8 41.0%	194.8 42.7%	+71.4 €
Labour cost % of net sales	91.6 34.2%	54.5 34.9%	107.7 32.9%	116.5 33.4%	122.2 30.4%	130.0 28.5%	+22.3 €
EBITDA % of net sales	-8.4 ---	4.9 3.2%	15.7 4.8%	20.7 5.9%	42.6 10.6%	64.8 14.2%	+49.1 €
EBIT % of net sales	-32.9 ---	-1.7 ---	0.1 ---	5.0 1.4%	24.3 6.0%	45.9 10.1%	+45.8 €
Net result % of net sales	-27.2 ---	-3.7 ---	-5.7 ---	2.3 0.7%	16.9 4.2%	32.0 7.0%	+37.7 €

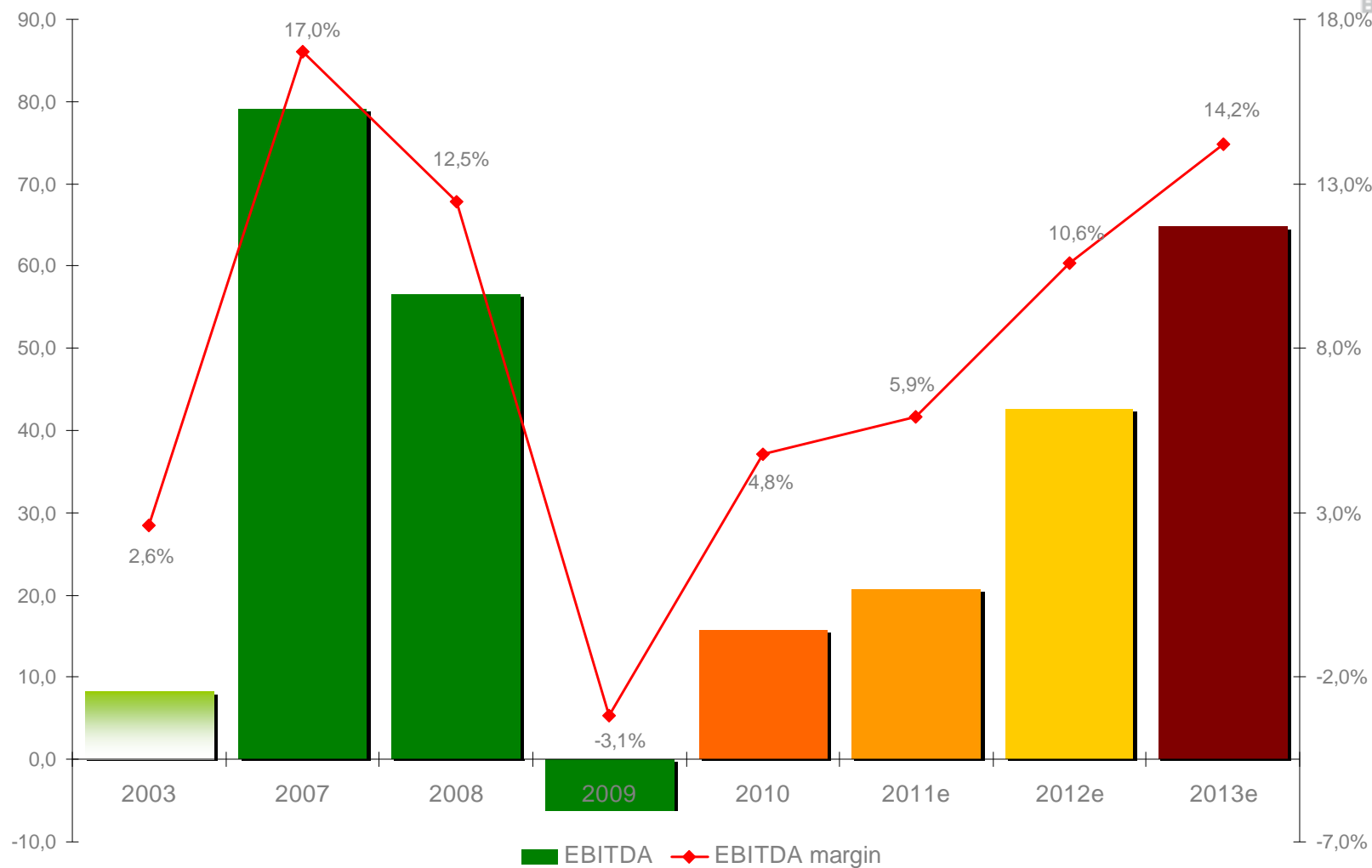
# Group Value Added evolution



# Group Labour cost evolution

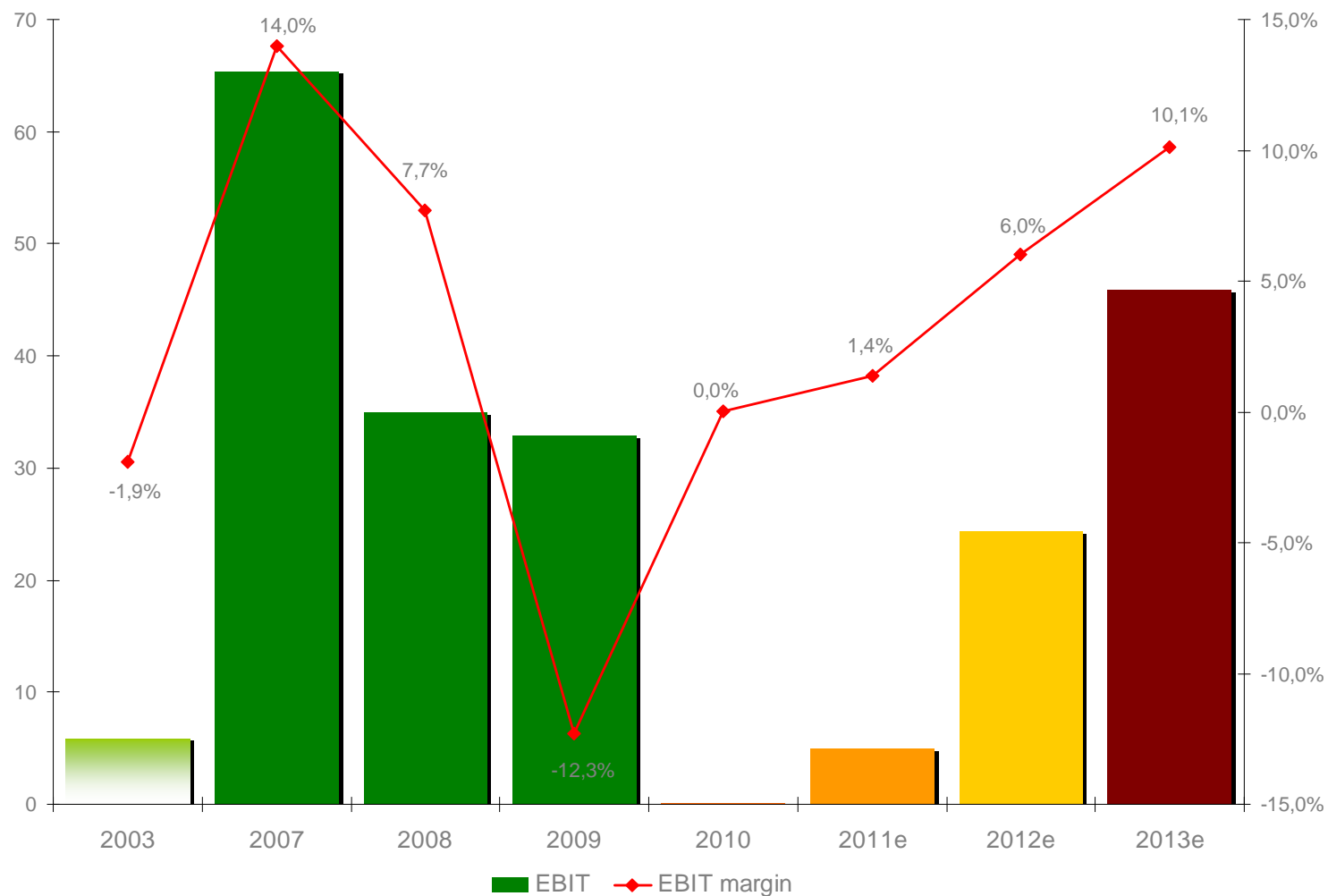


# Group EBITDA evolution





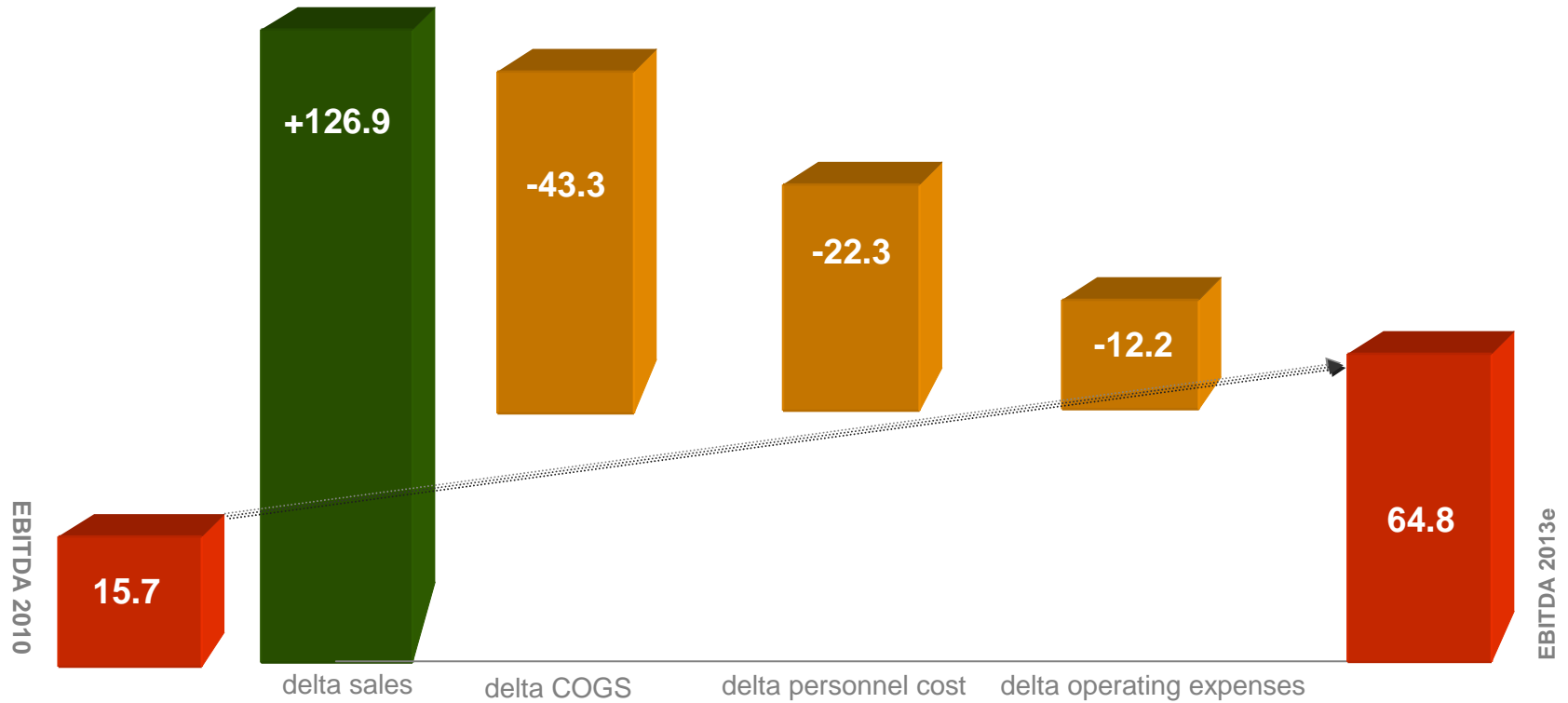
# Group EBIT evolution



# Group EBITDA bridge: 2010 - 2013e



€/min



# Group Cashflow – Net Financial Position



€/mn

three years plan

	2010	2011e	2012e	2013e	
Gross Cashflow	25.9	18.1	25.4	41.5	+85.0 €
Net Capex % of net sales (tangible & intangible)	12.1 3.8%	13.1 3.8%	18.7 4.6%	12.3 2.7%	-44.1 €
Free Cashflow % of net sales	13.8 4.2%	5.0 1.4%	6.7 1.7%	31.2 6.8%	+42.9 €
N.F.P. % of net sales	-18.9 -5.7%	-13.9 -4.0%	-7.2 -1.8%	24.0 +5.2%	

2011-2012-2013

# Group Net Operating Working Capital

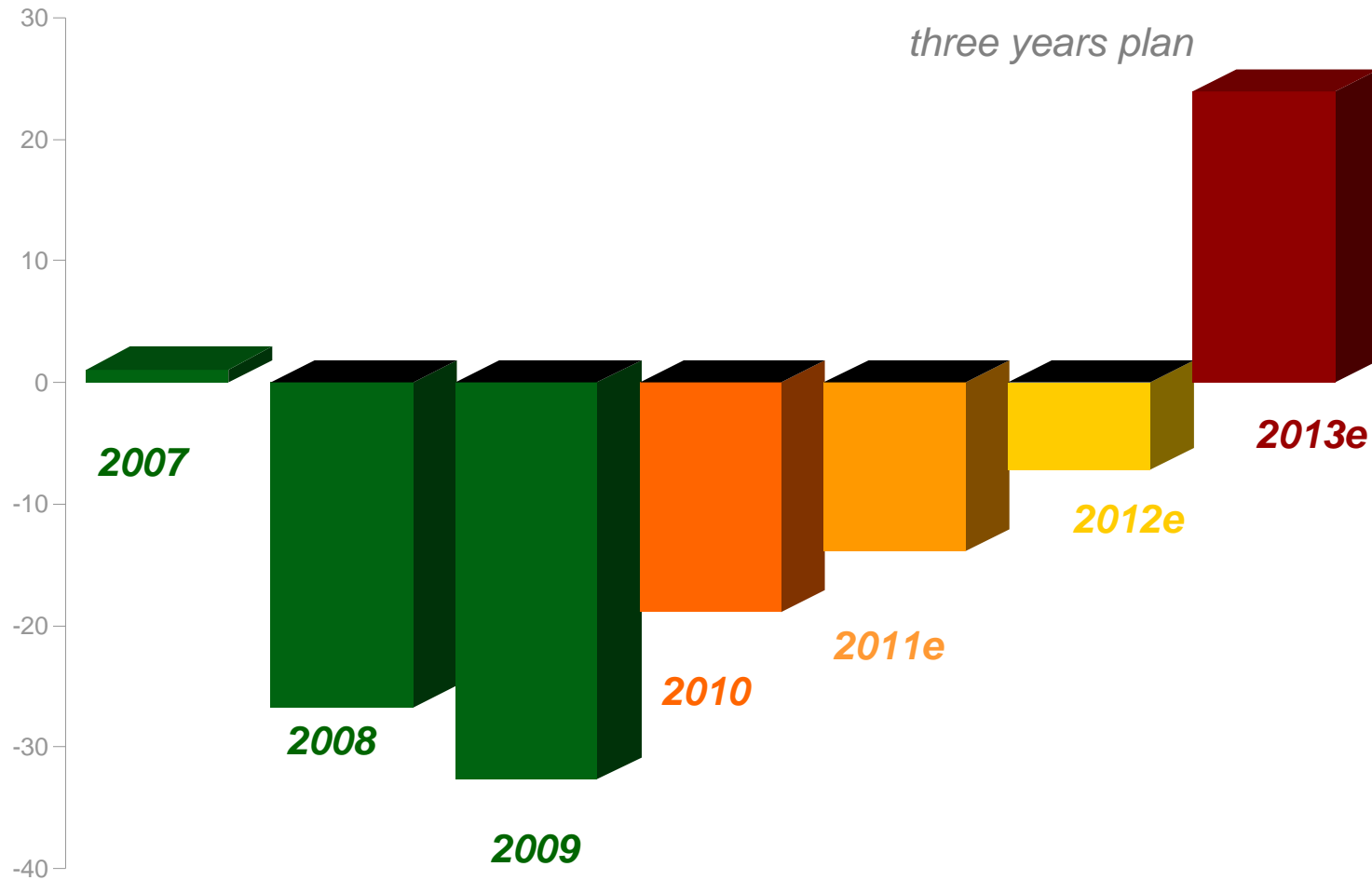


€mIn

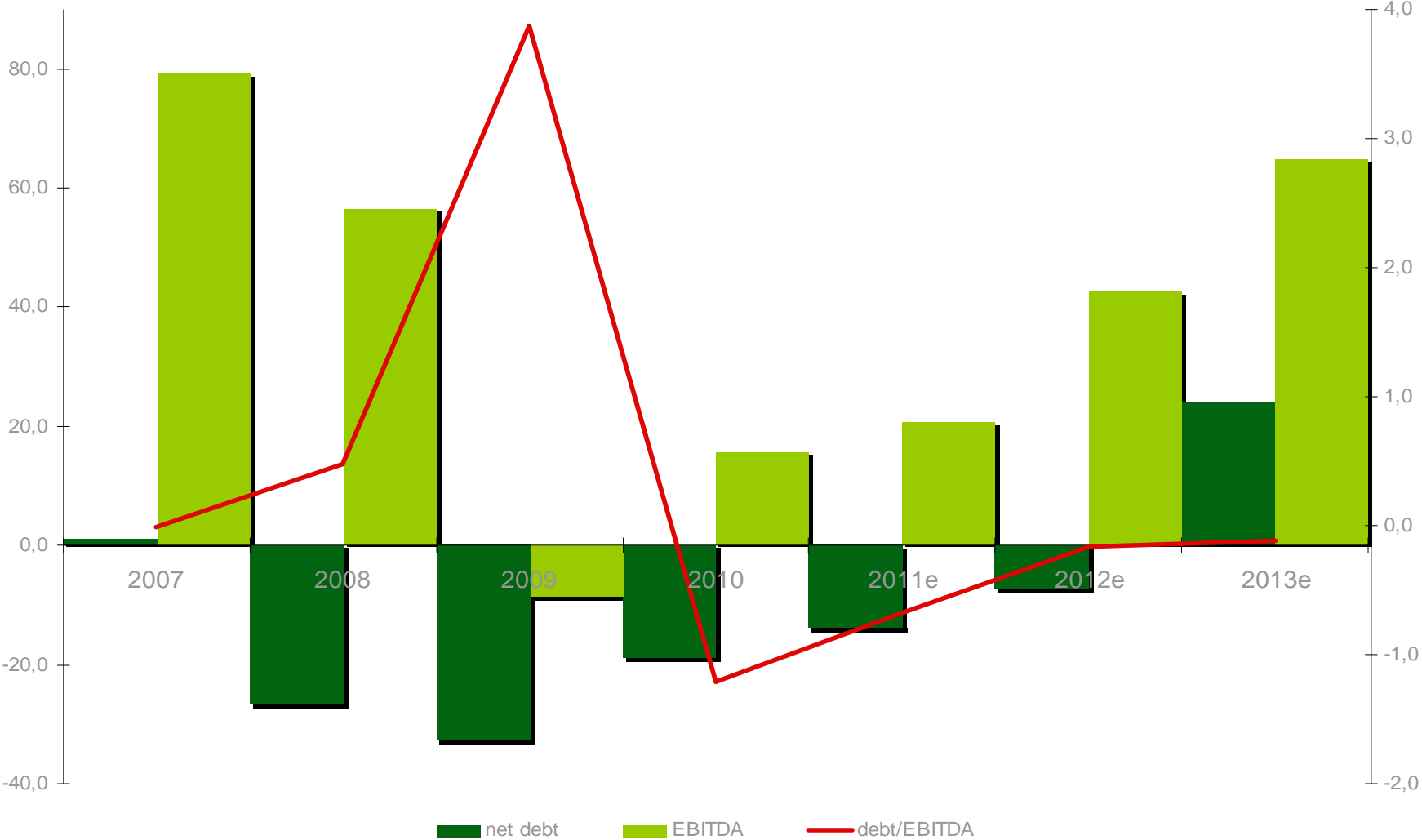
three years plan

	2010	2011e	2012e	2013e
<i>Inventories</i> % on net sales	81.3 24.8%	72.3 20.8%	82.6 20.5%	91.8 20.1%
<i>Trade receivables</i> % on net sales	90.4 27.6%	78.4 22.5%	89.6 22.3%	101.3 22.2%
<i>Trade payables</i> % on net sales	110.7 33.8%	91.9 26.4%	106.1 32.8%	120.3 32.8%
<i>N.O.W.C.</i> % on net sales	61.0 18.6%	58.8 16.9%	66.1 16.5%	72.8 16.0%

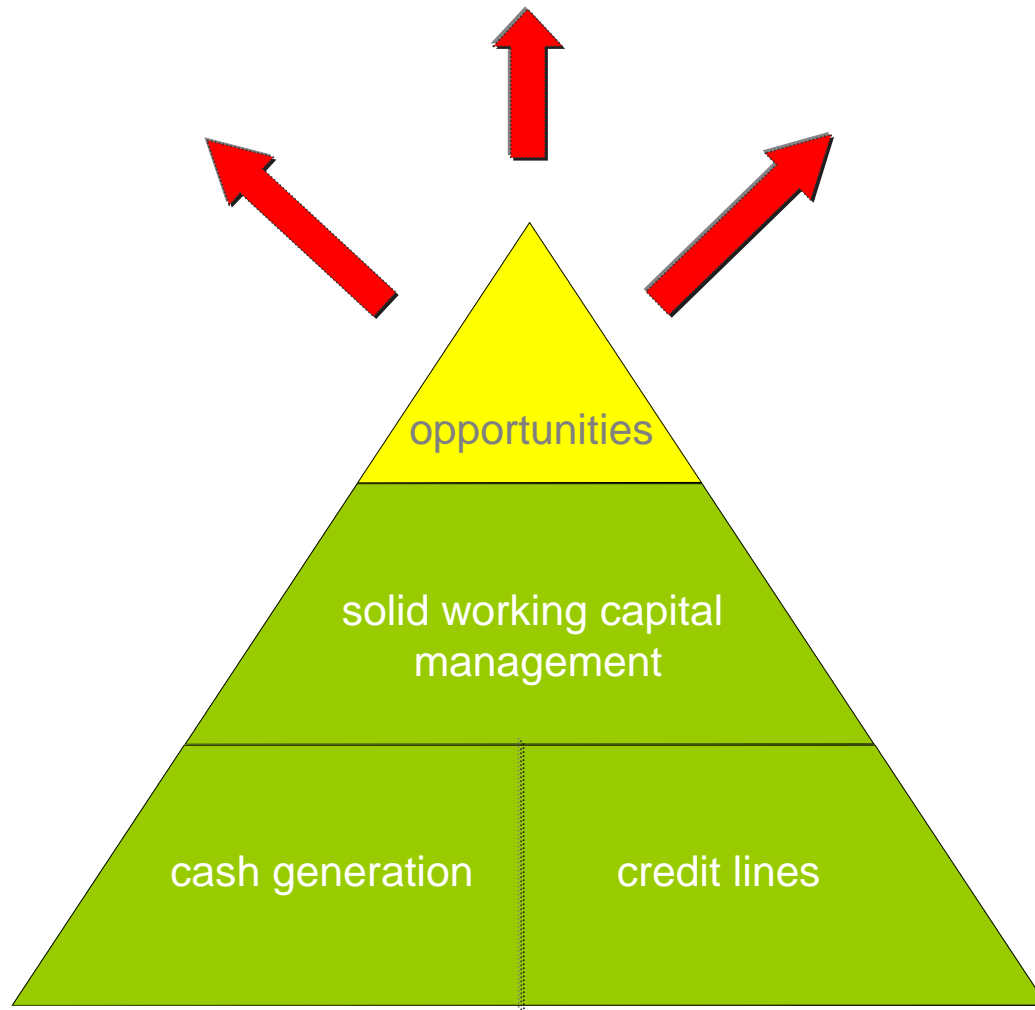
# Group net financial position evolution: 2007-2013e



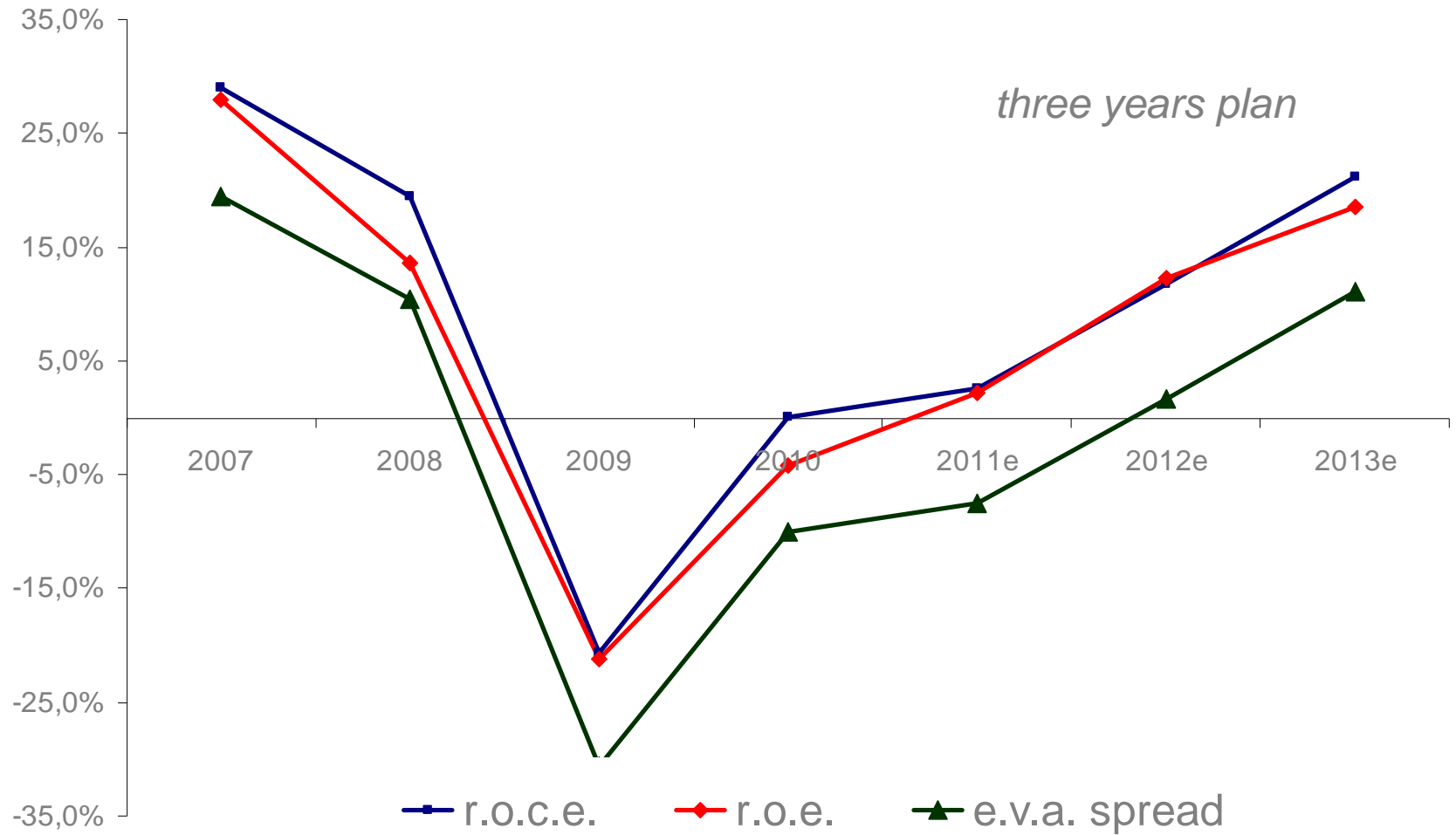
# Group net debt against EBITDA: 2007-2013e



# Group financial situation: headroom for investments



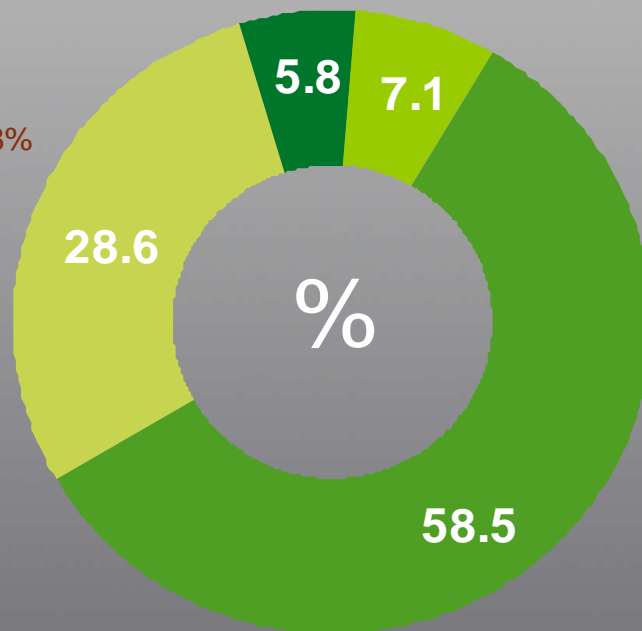
# Group ratios: 2007-2013e





## shareholders breakdown > 2%

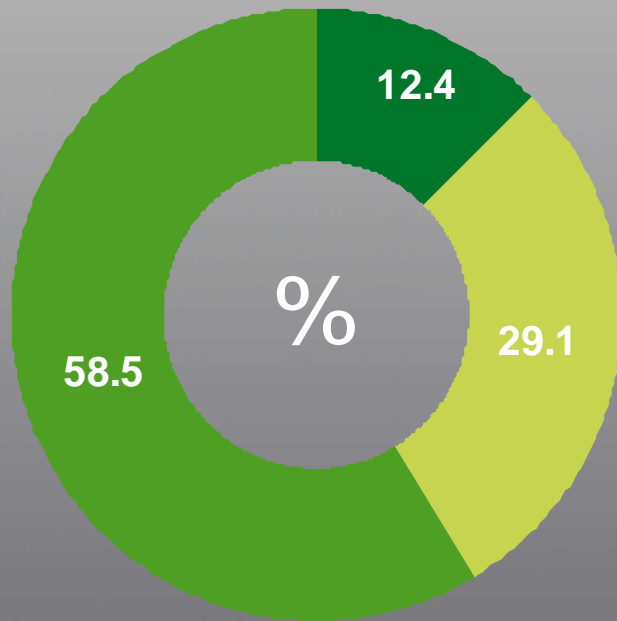
treasury shares: 1.78%



- Bi.Fin s.r.l (Selci family)
- free float\*
- FCP Echiquier Agenor
- Pictet - CIE Banquiers

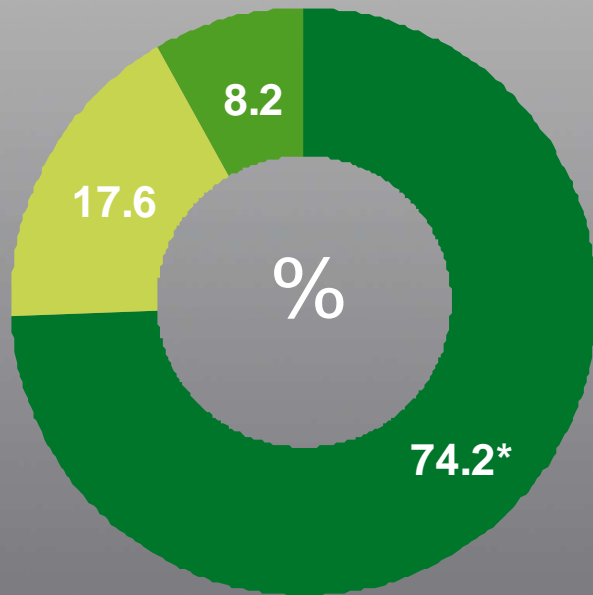
\* Including treasury shares -

## shareholders breakdown "by type"



- retail
- institutionals
- Selci family

## shareholders breakdown “by country”



■ Italy

■ UE

■ rest of the world

•France

•U.K.

•Luxembourg-the Netherlands

•Switzerland

•U.S.A.

•Norway

\* Including Bi.Fin shares -



## disclaimer

- ➔ This presentation has been prepared by Biesse S.p.A. for information purposes only and for use in presentations of the Group's results and strategies.
- ➔ For further details on the Biesse S.p.A., reference should be made to publicly available information, including the Quarterly Reports, the Annual Reports and the Three Years Business Plan.
- ➔ Statements contained in this presentation, particularly the ones regarding any Biesse S.p.A. possible or assumed future performance, (business plan) are or may be forward looking statements and in this respect they involve some risks and uncertainties.
- ➔ Any reference to past performance of the Biesse S.p.A. shall not be taken as an indication of future performance.
- ➔ This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.
- ➔ By attending the presentation you agree to be bound by the foregoing terms.



Alberto Amurri

Group Financial Manager

&

Head of Investor Relations Dept.

Via della Meccanica 16

61122 Pesaro

ITALY

<http://www.biesse.com/Corporate/en/InvestorRelations.cms>

Tel: +39 0721 439107 / Mob: +39 335 1219556

e-mail: [alberto.amurri@biesse.com](mailto:alberto.amurri@biesse.com)