

PRESS RELEASE

6 September 2011



BIESSE

“Technology giving shape to substance”

**BIESSE GROUP:
AGREEMENT SIGNED FOR THE ACQUISITION OF THE CENTRE GAIN GROUP (HONG
KONG - CHINA) OPERATING IN THE WOODWORKING MACHINERY SECTOR**

This transaction will allow the Pesaro based group to significantly reinforce its presence in the world's largest market and to broaden its own range of equipment

Hong Kong, 6 September 2011

Biesse spa, the multinational company based in Pesaro which operates in the market for wood, glass and stone processing machinery and systems and which is listed in the STAR segment of the Italian Stock Exchange, has today signed a contract to acquire, through its subsidiary Biesse HK Ltd., 100% of the Centre Gain Group of Hong Kong for a consideration HKD 105 million (equal to about EURO 9.6 million).

The acquisition will be paid for in cash in several tranches over the next 36 months starting from the completion of the transaction agreement utilising credit lines in existence and currently being negotiated.

Funding for the transaction will be allocated to the acquisition vehicle Biesse HK Ltd by Biesse S.p.A. by means of a progressive intercompany loan(s) up to a maximum of HKD 90 million (equal to about EURO 8.2 million)

Under the terms of the operation - which will be completed within 30 days of the signing of the contract - one of the 3 founding shareholders of Centre Gain Group – Chris Kwong – will become the holder of 30% of the vehicle utilised for the acquisition (for HKD 4.5 million – equal to about EURO 0.4 million) and will assume the position of C.E.O..

Chris Kwong has been active for 25 years in the wood processing machinery industry in China and has had a working relationship with the Biesse Group since 1999.

The Centre Gain Group, has been active since 2004 in the production and marketing of woodworking machinery through a production facility located in Dongguan city -Guangdong province- (Korex Machinery Ltd.). Korex operates from a plant of 44,000 sqm and has about 360 employees with capacity utilisation running at 60%.

Centre Gain Group generated consolidated revenues for the 2010 financial year of about EURO 12 million.

Through this transaction, and with the synergies expected from collaboration with its existing subsidiary in Shanghai, the Biesse Group intends to reinforce its presence in a region that is extremely important and significant both in terms of existing potential and medium term opportunities.

China currently represents the world's leading market for wood processing machinery and, given that there is no technological overlap, the current industrial output of the acquired company will broaden Biesse's range of equipment.



The Biesse Group operates in the market for machinery and systems for working wood, glass, marble and stone. Founded in Pesaro in 1969 by Giancarlo Selci, Biesse S.p.A. has been listed on the STAR sector of Borsa Italiana since June 2001.

The Company offers modular solutions from the design of turnkey plants for large furniture manufacturers to individual automatic machines and work stations for small and medium enterprises and the design and distribution of individual highly technological components.

As a result of its attention to research and innovation, Biesse can develop modular products and solutions capable of responding to a vast range of requirements from clients.

A multinational company, the Biesse Group distributes its products through a network of subsidiaries and associates located in strategic markets.

The 30 directly controlled subsidiaries guarantee specialized after-sales assistance to clients whilst at the same time carrying out market research in order to develop new products. The Biesse Group has 2,400 employees in its main production sites in Pesaro, Alzate Brianza, Bangalore and its associates/branch offices in Europe, North America, the Middle East, Asia and Australasia. The Group also has no fewer than 300 resellers and agents enabling it to cover more than 100 countries.

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