



PRESS RELEASE

22nd February 2010



BIESSE GROUP

approved the 2010-2012 three-year Business Plan:

- **increase in consolidated net revenues (CAGR +13.4%)**
- **positive trend in EBITDA (€45-50 mln between 2009-2012 EBITDA)**
- **growing net cash flow**
- **continuous improvement in the Net Financial Position**

Pesaro, 22 February 2010 - As previously announced, the **Board of Directors of Biesse** - company active in machines and systems for working wood, glass and stone - met today in Pesaro to approve the 2010-2012 Three-year Business Plan.

Following an analysis of the business sector of the company and the macroeconomic trends of the main areas worldwide, the Board of Directors outlined the aims and strategies of Gruppo Biesse forecasting compound average growth rate in revenues of 13.4% and, specifically for 2012, an EBITDA €45-50 mn higher than that of year-end 2009 (an EBITDA margin of 10.0%-10.5% at the end of 2012).

"The order intake increased significantly in the second semester of 2009 and, in particular, in the fourth quarter," commented Mr Giovanni Barra, CEO of Biesse, following the board meeting. "We have fulfilled the undertaking to shareholders to reverse the trend in the income statement, which was strongly negative in first-half 2009, and have ended the second semester with an EBITDA at breakeven. With attention focused on production, the supply chain, and working capital, the cash absorption of the first semester has also been reversed giving positive cash flow in the second semester of 2009, in particular in the fourth quarter; cash flow generation in this period was €20 million, compared to a negative €30 million in the first semester 2009."

"A focus on production costs, commercial distribution, investments in the renewal and extension of product ranges, and improvements in client technical services, are the main elements of the three-year business plan, together with a focus on the leadership development of management, a key element, together with the products, for realising the full potential of the company long-term."

We forecast a slight pick-up in 2010, which we intend to capitalise on by significantly developing our product range and honing the new organisational systems, thereby gaining greater efficiency".

The attention given to all financial and balance sheet components will continue to have a positive effect on the trend in net debt in 2010-2012. At the end of the period, the Net Financial Position of the Group, net of all planned investments, is expected to be close to zero.

Total free cash flow from ordinary activities is forecast to exceed €30 million over the three-year period of the plan.



*"Biesse is now operating under new organisational principles, resulting in improved performance through implementation of a continually evolving flexible structure," added **Roberto Selci, Chairman of Biesse**, "We believe we can successfully confront the continuing ups and downs in the global economy and, in particular, in our business sector. Given the difficulties of the sector in which we operate and the persisting macroeconomic instability, establishing a three-year business plan necessitates incorporating many uncertainties; if I had to define 2010, I would call it a year of transition in preparation of two years which we expect to be more prolific and certainly more positive than the recent past."*

The Biesse Group

Biesse 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 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 20 associates located in strategic markets.

The associates guarantee specialized post-sales assistance to clients whilst at the same time carrying out market research in order to develop new products. The Biesse Group has over 2,200 employees in its main production sites in Pesaro, Novafeltria, Alzate Brianza, Bergamo, Bangalore and the 30 associates / branch offices in Europe, North America, the Far East 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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