

BIESSE S.p.A.: **RESULTS FOR THE 1ST HALF 2006 APPROVED**

The Biesse S.p.A. Board of Directors has approved the Report for the 1st Half 2006, which features:

- Growth of consolidated revenue
- Strong increases in operating and net profits
- Positive cash flow
- Considerable improvement in Net Financial Position

Summary:

1st Half 2006:

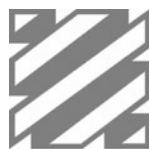
- Net Revenue: € 176.7 million
- Added Value: € 71.6 million (40.5% of net revenue)
- EBITDA: € 27.5 million (15.5% of net revenue)
- EBIT: € 19.8 million (11.2% of net revenue)
- Pre-tax profit: € 19.5 million (11.1% of net revenue)
- Net profit: € 12.9 million (7.3% of net revenue)

Pesaro, 22nd September 2006 – Today the Board of Directors of Biesse SpA, a company with headquarters in Pesaro listed in the Star segment of the Italian Stock Exchange, approved the results for the **1st half of 2006**.

During the period **January – June 2006** the following were recorded:

- Net revenue € 176.7 million (+18.1% compared to the same period of 2005)
- Added Value € 71.6 million (+22.4% compared to the same period of 2005, when the ratio to net revenue was 39.1%), with a 40.5% ratio to net revenue
- EBITDA € 27.5 million (+72.8% compared to the same period of 2005, when the ratio to net revenue was 10.6%), with a 15.5% ratio to net revenue
- EBIT € 19.8 million (+119.9% compared to the same period of 2005, when the ratio to net revenue was 6%), with an 11.2% ratio to net revenue
- Pre tax profit € 19.5 million (+167.1% compared to the same period of 2005, when the ratio to net revenue was 4.9%), with a 11.1% ratio to net revenue
- Net profit € 12.9 million (+118.4% compared to the same period of 2005, when the ratio to net revenue was 3.0%), with a 7.3% ratio to net revenue

The Net Financial Position at June 30, 2006 - inclusive of disbursement of € 4.93 million in dividends - was negative by € 1.8 million. Indebtedness with respect to 31 December 2005 improves by € 22.1 million, whereas compared to the figure as at 30 June 2005, the positive delta rises to € 43.4 million.



Press release



During the first six months of 2006, the economic context in which the Biesse Group operates has been characterised by a healthy world economy that, albeit with geographical variations, continued to consolidate the recovery seen during the whole of 2005. Even the more mature economies, in particular those of the European Union, have once again seen noticeable increases in Gross Domestic Product, with investments in capital equipment in particular rising to double digits compared to the same period of last year.

Based on figures released by Acimall, - the woodworking machinery sector association (the Biesse Group Wood Division represents over 70% of the consolidated turnover) – the second quarter of 2006 confirmed that the Italian woodworking machines and tools industry is still going through a positive phase, even though growth is less than during the previous quarter.

Investigation of the economic situation - carried out by the Acimall research department on a sample representing all types and sizes of manufacturing concern in this sector - reveals that from April to June orders grew by 5.2 percent with respect to the same quarter of 2005, a result due to the demand from the national market (plus 23.5 percent) and to the substantial stability of exports, which increased by 1 percent. During the first six months of this year - according to the statements issued by the companies interviewed - prices increased by 2.1 percent. Guaranteed production for the first 6 months of 2006 therefore stabilises at around 3-4 months.

The same analysis, carried out from an auditing point of view, based on the opinions expressed by the companies in the sample group, shows that forecasts for the forthcoming period, although generally prudent, continue to show signs of optimism. Foreign orders remain stable according to 68 percent of the sample, increasing for 25 percent and decreasing for 7 percent (positive total +18). For the internal market indications for the forthcoming months show a situation similar to the present one in 71 percent of cases, with 18 percent of those interviewed forecasting further growth and the remaining 11 percent a decrease (positive total +7%).

"I am extremely satisfied with the results achieved during the first half of 2006" is the comment made following the Meeting of the BoD by Roberto Selci, President of Biesse S.p.A. "as it provides unequivocal proof of considerable improvements in all the Company's fundamental points. We are continuing our reinforcement strategy, aiming to increase market shares also through carefully targeted acquisitions of technical greatness (Bre.Ma S.r.L. – Wood Division). For the "Wood" business area in particular, I would like to underline the brilliant results achieved during the recent IWF International WoodWorking Machinery Fair in Atlanta, where the orders taken were 16% higher than those from the past edition. What has been achieved during these months therefore, undoubtedly the result of a reawakening of world-wide demand for wood-glass-marble working systems, has brought about an acceleration in the growth of Biesse, allowing us to raise our estimated figures for 2006, when the consolidated revenue should exceed 385 million Euro, a record level for the Biesse Group."

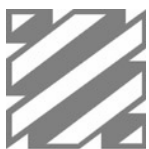
Estimates for 2006:

CONSOLIDATED REVENUE: € 383 - 385 million

EBITDA margin: 15.8-16.3%

EBIT margin: 12.5-13.0%

Net Financial Position: zero



Press release



The Biesse Group operates in the market of machinery and systems involved in processing wood, glass and marble.

The Company offers modular solutions that range from the design of turnkey systems for large furniture manufacturers to individual automatic machines and workstations for small- and medium-sized companies, to the design and sale of individual high-tech components.

Thanks to its orientation towards innovation and research, Biesse is able to develop products and modular solutions that can meet the varied needs of a broad customer base.

As a multinational, the Biesse Group markets its products through a network of subsidiaries and 18 branch offices located in strategic markets.

The branch offices ensure specialised after-sales service to the customers, while also carrying out market research aimed at developing new products. The Biesse Group has a staff of approximately 1,970 people distributed over its seven manufacturing sites located in Pesaro, Alzate Brianza, Bergamo, Turin, Alfonsine (RA), Anzola (BO), Lugo (RA) and its branch offices in Europe, North America, Asia and Oceania.

For further information

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