



Biesse: Q1 results approved
The value of production remained stable
Profitability indicators improved: GOP back in the black, with significant recovery of operating income



Pesaro, 15 May 2003 – The Board of Directors of Biesse – a company with headquarters in Pesaro listed on the Star segment of the Italian Stock Exchange - has approved the results for Q1 2003.

In the first three months of the year, **the value of production amounted to €81.9 million**, substantially in line with the value posted for Q1 2002 (€81.5 million). **Value added reached €24.3 million, up 13.4% compared to Q1 2002** (€21.4 million) and with a **ratio to the value of production of 29.7%** (26.3% in the same period of the previous year).



Gross operating profit is in the black again with **€0.5 million (negative by €2.4 million at 31 March 2002)** and a ratio to the value of production of 0.6%, thus improving compared to the negative ratio of 3% recorded in Q1 2002. **The operating result, finally, shows an expense balance of €2.9 million, although it significantly improved compared to the same period of 2002 (negative for €5.4 million).**

Net indebtedness amounted to **€109.7 million** (€86.0 million at 31 December 2002 and €106.7 million at 31 March 2002). The evolution of the financial situation led to an increase in short-term debt and confirmed the historic trend of the Group net financial position that traditionally reaches maximum yearly levels in the first months of the year and then recovers significantly in the second half of the year, also due to the concentration of a large portion of its turnover and profitability in that period.

Claudio Granuzzo, General Manager of the Biesse Group, comments: *"We continue to pay attention to international events and macroeconomic trends and, although with the caution that limited short-term expectations oblige us to maintain, we can say that we are optimistic. We feel encouraged by the signs of improvement that are starting to emerge following the initiatives we have implemented in order to optimise the cost of our products, streamline our overheads and strive to build on recovering the Group's profitability on an organisational level."* He continues, *"The management's trust is also expressed with regard to the first phase of the project implemented this past February to re-engineer the processes for managing corporate flows. The goal here is to reduce the need for working capital and the Time to Market for introducing new products."*

The Biesse Group operates in the market of machinery and systems involved in processing wood, glass and stone. 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, over the years Biesse has perfected a highly efficient manufacturing process capable of developing products and modular solutions that can meet the varied needs of a broad customer base.

As a multinational with production plants in Italy and Austria, the Biesse Group markets its products through a network of subsidiaries and 22 branch offices located in strategic

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markets. The branch offices ensure specialized after-sales service to the customers, while also developing and carrying out feasibility studies and market research aimed at developing new products. The Biesse Group has a staff of 2,200 people distributed over its seven manufacturing sites located in Pesaro, Bergamo, Turin, Alfonsine and Lugo (Italy), Schwarzach and Altach (Austria) and its branch offices in Europe, North and South America, Asia and Oceania.

