

**BIESSE S.p.A.: THE GENERAL SHAREHOLDERS' MEETING APPROVED:
- THE RESULTS FOR 2002
- THE RENEWAL OF THE BOARD OF DIRECTORS AND THE BOARD OF
STATUTORY AUDITORS
- THE EXTENSION OF THE BUY-BACK PLAN**

Pesaro, 29 April 2003 – The ordinary and extraordinary General Shareholders' Meetings of Biesse S.p.A. were held today and approved: during the extraordinary meeting, a change to the corporate by-laws to introduce the position of honorary chairman; during the ordinary meeting, the annual report for 2002, the renewal of the Board of Directors and the Board of Auditors and an extension of the buy-back plan.

The financial statements of Parent Company Biesse S.p.A. for the year ended 31 December 2002, showed that the results for 2002 were greatly affected by the market slowdown that started in Q4 2001, which also negatively influenced the first half of 2002. The market recovery that started in the second half of the year – especially in emerging East European and Middle Eastern markets – and correction actions taken during the year enabled the company to achieve a partial profitability recovery in the last part of the year.

From January to December 2002, turnover amounted to **€236.9 million, up 18.1%** compared to €200.6 million in 2001. It must be noted that this increase was influenced by the merger of subsidiary Interamac S.p.A. during the period. Gross operating profit was €19.6 million (8.5% of the value of production) compared to €22.4 million in 2001 (10.5% of the value of production). Operating profit was €13.0 million (5.6% of the value of production) compared to €17.2 million in 2001 (8.0% of the value of production).

FY 2002 closed with a net loss of **€1.9 million, with an improvement compared to the loss of €6.3 million** at the end of 2001. The result for 2002 was affected by non-recurring items such as the €2 million provision to the restructuring fund for the charges to be borne for the corporate restructuring process started last year and aimed at increasing efficiency and cutting structural costs.

The Group's consolidated annual report for to the period January-December 2002, shows turnover of **€370.7 million, up 4.8%** compared to €353.8 million in 2001. Gross operating profit was €22.3 million (6.1% of the value of production) compared to €25.4 million in 2001 (6.7% of the value of production). Operating profit was €8.0 million (2.2% of the value of production) compared to €13.9 million in 2001 (3.9% of the value of production).

FY 2002 closed with a Group net loss of €5.7 million, thus improving compared to a loss for 2001 amounting to €6.4 million. The above-mentioned non-recurring items also affected this result.

Consolidated net financial position improved from a qualitative point of view and showed an expense balance of **€86.0% million**, substantially unaltered compared to December 2001.

Finally, the Shareholders' Meeting also approved a **dividend distribution of €0.09** per share, that will become payable on 17 July 2003 (with detachment as of 14 July 2003). Dividends will be paid drawing from the Parent Company's available reserves.



Press Release



The ordinary meeting then **renewed the Board of Directors** by appointing the following directors:

Roberto Selci, Chairman
Anna Gasparucci, Vice Chairman
Innocenzo Cipolletta, Director
Leone Sibani, Director
Giampaolo Garattoni, Director.



Chairman Roberto Selci thanked all the Directors for their valuable collaboration. There were particularly affectionate words for the Chairman of the Board of Directors, Giancarlo Selci. Despite repeated requests, he has decided not to hold any official positions with the company in the future.

Both the Company and the family are especially grateful to him for everything he has contributed in the past, and they sincerely hope that they can continue to turn to him to draw on his enormous experience, capabilities and prestige even in the years to come.

The new Chairman Roberto Selci also expressed his full satisfaction over the choice of the members of the Board of Directors, who through their proven experience and professionalism can contribute to managing the Company and the Group as a whole. This composition also allows the Company to comply with the requirements of independence set forth by the Code of Corporate Governance for companies listed on the stock exchange.



During today's meeting, the **Board of Statutory Auditors** was also **renewed**, confirming the following members:

Giovanni Ciurlo, Chairman
Claudio Sanchioni, Statutory Auditor
Adriano Franzoni, Statutory Auditor
Daniela Gabucci, Alternate Auditor
Cristina Amadori, Alternate Auditor

The ordinary Shareholders' Meeting also decided to **extend the Company's buy-back plan** approved in December 2001 and expiring in June 2003.

The plan involves the repurchase, in one or more stages and for an additional period of 18 months following the date of the resolution, of a number of ordinary treasury shares for up to a maximum of 10% of the present share capital, equivalent to 27,393,042 shares.

To date, 932,458 shares have been purchased, or 3.404% of the share capital.

The Company's buy-back plan was designed to reduce stock volatility and support its volumes, while also underscoring the management's trust in the prospects of the Company.

The extraordinary Shareholders' Meeting of Biesse changed the Corporate By-laws to introduce the position of Honorary Chairman.

In order to tackle the present negative trend of the reference markets, which is due to a slowdown of the international economic situation, between May and the end of July of this year Biesse S.p.A. and Hsd S.p.A. will start up an ordinary unemployment benefits plan that will involve indirect personnel to a more significant extent. This will enable the Group to achieve the cost-cutting objectives and the ensuing recovered profitability.



Press Release



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 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 Altsch (Austria) and its branch offices in Europe, North and South America, Asia and Oceania.

