

## **Biesse S.p.A strengthens the Wood Division**

**Biesse S.p.A. has today signed the preliminary contract for acquisition of 60% of Bre.Ma., Brenna Machine Srl, a company that designs and manufactures numerical controlled woodworking machinery, boring - milling - routing - inserting to process wood panels for furniture.**

*Pesaro, 22 June 2006* - **Biesse S.p.A., the industrial Group from Pesaro listed in the STAR segment of the Italian Stock Exchange,** has today signed a preliminary contract to take over 60% of the share capital of the company Bre.Ma., Brenna Machine S.r.l. of Alzate Brianza (CO).

This operation falls within the project for development and growth, including external lines, that the company from Pesaro has drawn up within its three-year industrial plan.

Since 1976, Bre.Ma has been designing and manufacturing numerical control boring, milling, routing and inserting machines used to process furniture, and joining Biesse S.p.A. has the aim of creating an absolute leader in this product segment.

**Bre.Ma. ended 2005 with a turnover of € 12.8 million, ebitda margin of 13.5% and ebit margin of 11%, normalised to eliminate extraordinary non-recurrent components. For 2006, revenues is expected to increase by around 18%.**

The Company estimation is referred to an *Enterprise Value* calculated around 8 (eight) times the amount of the EBIT expected for the 2006y. This transaction will be settled by cash, in more payments, however within the first quarter 2007.

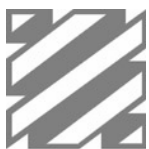
The positive overall results achieved by the Group and the growing financial means available to Biesse S.p.A. have accelerated by a few months the timing for this selective and prudent expansion process, which is aimed at high-quality integration of the range of products offered by the Group - in this case specifically the Wood Division - and providing alternatives with high innovative content, towards which there has been a positive trend in demand from the world market.

The Biesse Group is thus aiming at a sinergical integration of the company Bre.Ma. within its own industrial and distribution organisation, in the hope that this will soon produce considerable benefits for the Brianza company in terms of volumes and profitability.

**Giampietro Brenna**, one of the founders of the company, who will remain as a 20% shareholder on completion of the operation, will be President of the Board of Directors of Bre.Ma..

Roberto Selci and Enrico Colombo will be named as Directors of the same Board. The operation is expected to be completed within the forthcoming autumn.

**"We had the opportunity of adding to our Group a company whose products are characterised by extremely high levels of innovation and technology, which totally complement our range, ... and we just could not let that opportunity slip."** commented the President of Biesse, Roberto Selci, immediately after signature of the agreement, **"We believe that adding a new and extremely valid type of technologically advanced machines to the Wood Division will reap immediate rewards. We are certain that our industrial and distributing experience will be able to encourage important manufacturing and**





## Press Release

**commercial synergies, that will generate an increase both of the Group's consolidated revenue and especially of overall profitability”.**



Together with the operation described above, the Meeting of the Board of Directors, held on the same date, also voted to make good the losses of the subsidiary Isp System S.r.L. and reconstitute, up to Biesse S.p.A., the 100% of the share capital of the Isp System S.r.L. (formerly held for the 25.92%).



\*\*\*\*\*

*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 1.920 people distributed over its six manufacturing sites located in Pesaro, Bergamo, Turin, Alfonsine (RA), Anzola (BO) and Lugo (RA), and its branch offices in Europe, North America, Asia and Oceania.*

### For further information

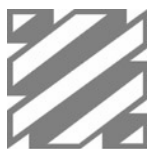
**Alberto Amurri**

Biesse S.p.A.- I.R. Manager

[www.biessegroup.com](http://www.biessegroup.com)

Tel. 0721 439107 - 3351219556

[Alberto.amurri@biesse.it](mailto:Alberto.amurri@biesse.it)



**BIESSE** Tecnologie per dare forma al quotidiano