

**BIESSE GROUP:**

THE SHAREHOLDERS' MEETING APPOINTS GIOVANNI BARRA NEW CHIEF EXECUTIVE OFFICER

AUTHORISES BUY-BACK PROGRAMME

THE BOARD OF DIRECTORS APPROVES THE INTERIM CONSOLIDATED REPORT TO  
30 SEPTEMBER:

- *3rd quarter with a net sales contraction*
- *negative EBITDA & EBIT but reversed the 2009 trend*
- *net debt reduced to € 52.4 million*

**CONSOLIDATED INCOME STATEMENT - RESULTS FOR 3rd QUARTER 2009**

<i>Euro million</i>	<b>30.09.09</b>	<b>30.09.08</b>	<b>change %</b>
NET REVENUES	52.8	106.8	-50.5
EBITDA	-3.3	13.5	
EBIT	-7.5	10.2	
PRE-TAX RESULT	-8.8	9.5	
NET RESULT	-7.2	6.0	

**CONSOLIDATED INCOME STATEMENT - RESULTS FOR FIRST NINE MONTHS OF 2009**

<i>Euro million</i>	<b>30.09.09</b>	<b>30.09.08</b>	<b>change %</b>
NET REVENUES	179.4	344.7	-48.0
EBITDA	-11.8	48.5	
EBIT	-25.2	37.5	
PRE-TAX RESULT	-27.8	36.0	
NET RESULT	-22.0	23.8	

*Pesaro, 12 November 2009* – Today's first sitting of the **Ordinary Shareholders' Meeting of Biesse S.p.A.** – the company quoted on the Star segment of the Italian Stock Market and which operates in the market for wood, glass and stone working machines and systems– having examined the Director's Report regarding the agenda for the meeting, **has approved the appointment of Giovanni Barra as a new member of the Board of Directors of Biesse in the role of Chief Executive Officer**, having given prior approval to an increase in the number of Directors from 7 to 8. The new Chief Executive Officer, whose CV is available in the Investor Relations section of the company website [www.biessegroup.com](http://www.biessegroup.com), has no independence requirements and has been granted full executive powers for the governance and strategic direction of Biesse Group.

Mr. Giovanni Barra will remain in office until the mandate for the entire Board of Directors of Biesse S.p.A. expires with the approval of the Financial Statements for the period to 31 December 2011.

Subsequently, the Ordinary Shareholders' Meeting **approved the proposed Buy-Back programme** regarding the purchase of own ordinary shares, each of nominal value 1 Euro, for a total number of 2,253,045 shares. These shares, added to those already held by Biesse S.p.A., which at today's date total no. 486,359 equal to 1.775% of the Share Capital, will amount to 10% of the share capital of Biesse S.p.A. The period of the authorisation requested is for 18 months from today's date (May 2011).

The principal reasons that motivated the Ordinary Shareholders' Meeting to approve the proposal presented by the Board of Directors on 9<sup>th</sup> October may be summarised as giving the company the opportunity to:

- Intervene on the market, in compliance with the regulations in force, in order to improve the liquidity of its shares, without prejudicing the equal treatment of shareholders, especially during periods of excessive volatility;
- Intervene in the event of significant divergences between market prices and the fair value of the shares.



This authorisation to buy the company's own shares is not, at present, aimed at carrying out operations to reduce the share capital through cancellation of the own shares purchased.

Purchase transactions will be carried out in the market in compliance with paragraph b) of article 144 *bis* of the Consob Regulation regarding the governance of issuers, adopted by resolution no. 11971/99 and subsequent amendments, in accordance with the provisions of article 132 of Decree Law no. 58 of 24 February 1998 and according to the procedures laid down in article 2.6.7 of the Regulation of Markets organised and managed by Borsa Italiana S.p.A. and, therefore, with respect for the equal treatment of shareholders. Transactions to dispose of own shares may occur at any time, in whole or in part, in one or more tranches and even before the purchase facility as authorised above had been exhausted: in any way considered to be in the best interests of the Company including, for example, sale in the stock market and/or outside the stock market and/or on the block market, through an institutional placing, as consideration for shareholdings or businesses as well as to conclude agreements with strategic partners; and however, under any other form of divestment permitted by the regulations in force relating thereto. Disposal transactions will be accounted for in accordance with the applicable laws and accounting principles.

The **Board of Directors of Biesse**, which met at the conclusion of the Ordinary Shareholders' Meeting, **has approved the Consolidated Report for the period to 30 September 2009** the results of which are as follows:

- Net revenues of € 52.8 million (-50.5% compared with the same period of 2008);
- Value Added of € 15.1 million (-61.9% compared with the same period of 2008) representing a margin on sales of 28.7%;
- Ebitda was a negative € 3.3 million (positive € 13.5 million in the same period of 2008) representing a margin on sales of -6.4%;
- Ebit was a negative € 7.5 million (positive € 10.2 million in the same period of 2008) representing a margin on sales of -14.3%;
- Pre-tax result was a negative € 8.8 million (positive € 9.5 million in the same period of 2008) representing a margin on sales of -16.6%;
- Net result was a negative € 7.2 million (positive € 6.0 million in the same period of 2008) representing a margin on sales of -13.6%

The Consolidated results of Biesse Group for the first nine months of 2009 are as follows:

- Net revenues of € 179.4 million (-48.0% compared with the same period of 2008);
- Value Added of € 56.3 million (-57.8% compared with the same period of 2008) representing a margin on sales of 31.4%;
- Ebitda was a negative € 11.8 million (positive € 48.5 million in the same period of 2008) representing a margin on sales of -6.6%;
- Ebit was a negative € 25.2 million (positive € 37.5 million in the same period of 2008) representing a margin on sales of -14.1%;
- Pre-tax result was a negative € 27.8 milioni di Euro (positive € 36.0 million in the same period of 2008) representing a margin on sales of -15.5%;
- Net result was a negative € 22.0 million (positive € 23.8 million in the same period of 2008) representing a margin on sales of -12.3%

### Net Financial Position

At 30 September 2009, the Group's Net Financial Position showed Net Debt of € 52.4 million (gearing of 0.40) which represents a € 4.1 million improvement over the value reported at 30 June 2009. Compared to the Net Debt at the start of the year it reflects total cash absorption of €25.7 million which, in addition to the





economic results, was also the result of the initial negative trend of the components of Net Working Capital. This inertia was reversed in the 3rd quarter during which Net Working Capital fell by almost € 13.7 million compared to the position at June 2009.

### Balance sheet

Group shareholders' funds at 30 September 2009 amounted to € 131.3 million.

### Breakdown of revenues by business segment

The geographical breakdown of revenues at end September reveals a net shift in the percentage of revenues from Eastern Europe (equal to 10.9% vs 18.9%) to Western Europe (equal to 60% vs 52.3%). Within this movement there was an increase in the share relating to the domestic market (equal to 25.3%), although the effect of the Tremonti-*ter* Law has not yet had a relevant impact. The share of North American sales was down (equal to 9.6% vs 12%) while there were slight increases in Asia, Australia and New Zealand.

With regard to the Business Divisions, the share relating to the Wood Division, while remaining the clear leader, experienced a decline (69.1% vs 74.1% at September 2008) with a substantial increase in the share relating to the Glass/Stone division (23.1% vs 17.8%).

### Sector analysis

According to data published by Acimall - the national trade association for the woodworking machinery sector - in its press release of 3 November, the usual survey, conducted on the basis of a statistical sample representing the entire sector, shows a decline (of order intake) of 47.5% compared with the same period of the previous year; in particular, foreign orders fell by 50.5%, while the reported decline in the Italian market was equal to 35.0%.

The order intake data for the third quarter of 2009, as reported by the Research Department and Business Intelligence unit of UCIMU, the trade association for Italian producers of machine tools, robot and automated equipment, revealed a decline of 51.6%, compared with the same period of 2008; the total result was impacted by the poor result recorded by producers for the domestic market and demand weakness in foreign markets, which confirms the extent to which the crisis is affecting general demand for capital goods; in fact, order intake in the domestic market was down by 54% compared with the third quarter of 2008; similarly, in the period July-September 2009, the index of orders received from foreign markets was down by 49.9%. Orders received in the first nine months of the year more than halved, with a fall of 55.3% compared with the same period of 2008. However, from this analysis of the change in the indices - according to Ucima - there are indications of a reduction in the intensity of the decline in order intake, since the decline in the index has improved from the previous fall of -63.1% reported for the second quarter of 2009; the impression that the low point of the negative economic cycle is behind us, is also confirmed by the good result reported by EMO MILANO 2009, the world trade exhibition for the sector which was held at the start of October in Milan.

In the third quarter of 2009 Biesse experienced a revival of orders that will produce the expected first signs of improvement in results in the fourth quarter of 2009, during which period we also expect a return to a positive gross operating margin.

In particular the economic analysis of order intake for the first nine months of the current financial year reveals a figure for the third quarter that is respectively 28.3% and 55% higher than in the 2nd and 1st quarters of 2009. Compared with the same period of the previous year (which is not yet distorted by the collapse in October 2008) the order intake for July-September 2009 was down 27% compared with the third quarter of 2008 (at the end of the first half of 2009, the decline compared with the figure for June 2008 reached the level of -57,8%); which represents an extremely comforting signal that a reversal of the trend is under way.



*"The order portfolio for the 3rd quarter, the recent trend of cash flow and the ongoing action plan make us reasonably confident that we have passed through the worst period for " – stated Giovanni Barra, new Chief Executive Officer of Biesse, following the board meeting. " It is difficult to identify the precise moment of the turnaround, if it exists, which separates a profound and widespread economic and financial crisis from an initial and uncertain recovery phase, especially in the sectors in which we operate, but some of Biesse's figures reflect the first benefits of the important work that we are doing to redesign the Group in accordance with new and performance-enhancing organisational principles. Today, the changes to and the flexibility of the structure are indispensable elements for overcoming in the best way possible periods of difficulty, the duration of which cannot be easily predicted. The pressure that we are applying and will continue to apply on all the principal capital, financial and economic components of Biesse, through the inter-departmental efforts of all of our teams, is the direct consequence of the strategic choices aimed at maximising the resources available to us ".*

Roberto Selci, Chairman of Biesse added: *" The trend of order intake in the last three months has been substantially positive and constant, even in those geographical areas that have recently experienced significant weakness. With all due caution and the evident difficulties present in markets, I believe there are encouraging signs for the future of Biesse. Although focussed on the internal organisational adjustments which we are making, we must aim at extending and developing our business utilising those drivers that have characterised the growth of Biesse in its recent past: continuous investment in R&D, growing interaction with our clients, expansion of our commercial presence and distribution at a global level."*

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In accordance with paragraph 2, clause 154-bis del T.U.F. (Testo Unico Finanziario-Consolidated Financial Law), the manager responsible for the preparation of the company accounting records of Gruppo Biesse, Stefano Porcellini, declares that the company accounting information contained in the present communication corresponds to the results contained in the group's records, books and accounts

#### **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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## Ritaglio Stampa

Agenzia: **MEDIA KEY**

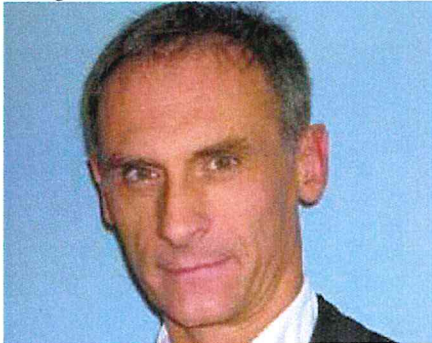
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Soggetto: **BIESSE**

16 ottobre 2009

### Giovanni Barra nominato nuovo Amministratore Delegato del Gruppo Biesse

Categoria: Aziende, Mercati e Carriere



Il Consiglio di Amministrazione di Biesse S.p.A. - Gruppo pesarese quotato dal 2001 al segmento STAR di Borsa Italiana e attivo nel mercato delle macchine e dei sistemi per la lavorazione del legno, vetro e pietra - tenutosi lo scorso 9 ottobre, ha deliberato, previo aumento del numero dei componenti del Consiglio di Amministrazione da 7 a 8 membri, di proporre all'Assemblea degli Azionisti Biesse l'ingresso nel Consiglio del Dr. Giovanni Barra con specifiche funzioni di Amministratore Delegato. Giovanni Barra è entrato a far parte della squadra dirigenziale del Gruppo lo scorso 5 Ottobre e che sarà nominato Amministratore Delegato dall'Assemblea degli Azionisti il 12 Novembre 2009.

Giovanni Barra, 49 anni, torinese, approda in Biesse dopo aver maturato significative esperienze internazionali in importanti aziende multinazionali, in particolare nel Gruppo Fiat, tra cui Fiat Holding, FL Lubrificanti, Fidis Servizi Finanziari, Iveco, New Holland in Inghilterra e negli ultimi dieci anni CNH (Case New Holland) in Brasile e negli USA. Laureato in Economia e Commercio presso l'Università di Torino, Giovanni Barra è sposato con Fabia.

"L'arrivo di Giovanni Barra rappresenta una fase importante per la nostra azienda", ha dichiarato Roberto Selci, Presidente di Biesse S.p.A.. "Ho voluto il suo ingresso perché la sua esperienza pluriennale in multinazionali organizzate per processi permetterà di trasferire in Biesse competenze, esperienza e innovazione, guidandoci verso il completamento di un modello organizzativo che Biesse sta adottando nel corso degli ultimi due anni. L'obiettivo finale è quello di trasformare Biesse in una vera Lean Company. La scelta di un manager esterno si inquadra nella volontà di rafforzare la squadra dirigenziale e nel contempo di avviare un processo di progressiva separazione dei ruoli, in particolare da quello dell'azionista di riferimento".

"Accetto con entusiasmo questo importante incarico che mi consente di entrare a far parte di una realtà dinamica leader nel suo mercato ma con ancora molte potenzialità di crescita", ha commentato Giovanni Barra. "Diventeremo ancora più competitivi e vincenti anche attraverso una gestione più ordinata dei processi aziendali".

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