



## PRESS RELEASE

### ITALIAN STOCK EXCHANGE - STAR SEGMENT

#### PRIMA INDUSTRIE

#### AS AT DECEMBER 31, 2006 ACHIEVED THE BEST RESULTS IN THE GROUP HISTORY:

- **SALES**: +33.0% at 147,536 thousand euro (110,885 thousand euro as at 12/31/05), of which 76% export (73% in 2005).
- **GROSS OPERATING MARGIN (EBITDA)**:+116.4% at 19,745 thousand euro (9,125 thousand euro as at 12/31/05).
- **OPERATING RESULT (EBIT)**: +132.6% at 18,414 thousand euro (7,917 thousand euro as at 12/31/05).
- **NET RESULT**: +166% at 13,600 thousand euro (5,108 thousand euro as at 12/31/05).
- **ORDERS' ACQUISITION**: +39% at 164,988 thousand euro (118,821 thousand euro as at 12/31/05).
- **NET FINANCIAL POSITION**: positive for 3,059 thousand euro (-5,277 thousand euro as at 09/30/06 and -7,733 thousand euro as at 12/31/05).

Collegno (Turin), February 13, 2007 – The Board of Directors of Prima Industrie S.p.A., a leading company in the high technology sector of laser systems for industrial applications, examined and approved today the consolidated quarterly report as at 12/31/2006.

Such results, which resume for the fourth quarter 2006 in sales of 47.1 million euro, EBITDA of 7.9 million euro and EBIT of 7.5 million euro (they were respectively 36.9 million euro, 3.2 million euro and 2.9 million euro in the fourth quarter 2005), are extensively the best achieved in the Group history and take advantage of the confirmation of the excellent growth registered in all the markets where Prima Industrie is operating. This not only thanks to the favourable macroeconomic trend of all main industrial economies and emerging markets but also due to the strategies established by the Group in these years, aimed to increasing its direct presence on the main markets and to in-sourcing manufacturing key-factors.

As a confirmation of the above, all participated companies has achieved positive results and, in particular, Prima North America Inc. has registered a record net profit, thanks to the excellent trend of all its divisions and to a particularly favourable tax rate.

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Data as at 12/31/2006 highlighted **consolidated sales** for 147.5 million euro, with an increase of 33% against 110.9 million euro in 2005.

As for market segments, “Laser systems” increased by 33.3%, while “Electronics” increased by 31.2% (net from inter-sector sales).

All Group product lines showed positive growth rates, in particular 2D laser systems which took advantage of the introduction of the new product SYNCRONO.

As for the geographic breakdown, European markets grew by 50%, with a share on total sales increased to 46.4% from 41.1% as at 12/31/2005, thanks in particular to the excellent growth in the Eastern Europe countries (Poland, Czech Republic, Slovakia, Turkey, Russia) and to the improved performance in those countries where the Group enhanced its direct presence (Germany, Sweden, United Kingdom).

Also the Italian market turnover increased by 19% (from 30.1 million euro to 35.8 million euro), that is 24.2% on total sales (27.1% as at 12/31/05), thanks to a strong recovery, mostly during the last quarter of the year.

Excellent also the growth of North American market, increased by 38.9%, with a light increase also in percentage (from 19.1% as at 12/31/2005 to 19.9% as at 12/31/2006).

Asian and Overseas markets appear stable, (showing a decrease in percentage from 12.7% of 2005 to 9.5% of 2006). This is due to the non consolidation of Joint-Ventures and, in particular, of Shanghai Unity Prima, whose sales increased by 40% in respect to 2005.

Group **EBITDA** increased to 19.7 million euro (13.4% of sales), against 9.1 million euro of year 2005, with a growth of over 116% and of over five percentage points in respect to sales.

Profitability is net from **Research & Development** wholly expensed to P&L for 8.1 million euro, i.e. 5.5% of sales (against 7.7 million euro of 2005), showing the usual attention of the Group towards the technological innovation.

Consolidated **EBIT** grew to 18.4 million euro (12.5% of sales), against 7.9 million euro as at 12/31/2005, with an increase of 133% and over five percentage points in respect to sales.

The strong growth of the operating profitability reflects in particular on the **profit before taxes**, more than doubled to 17.5 million euro against 7.1 million euro as at 12/31/2005.

The **net profit for the year**, which benefits from a particularly reduced tax rate, thanks to previous fiscal losses in the U.S. and to the accounting to balance sheet of all fiscal assets corresponding to those not yet used, is at 13.6 million euro (5.1 million euro at 12/31/2005).

Group **Net financial position** became positive to +3.1 million euro (as against -7.7 million euro at 12/31/2005 and -15.4 million euro at 12/31/2004), thanks to a cash flow generated by the operating management.

Also the parent company **Prima Industrie S.p.A.** recorded growing sales at 93.6 million euro (+27.7% in respect to 73.3 million euro as at 12/31/2005).

EBITDA and EBIT are respectively at 7.4 million euro (6.3 million euro as at 12/31/2005) and at 6.8 million euro (5.6 million euro as at 12/31/2005), while net profit is 3.0 million euro against 3.9 million euro as at 12/31/2005. It must be reminded that 2005 results benefited from a partial revaluation of Prima North America participation and from a reduced fiscal charge related to previous losses.

Showing his satisfaction for the Group results, Gianfranco Carbonato, Chairman and C.E.O. of Prima Industrie S.p.A., declared: *“As already anticipated, in particular when approving the half-year results, as at 12/31/2006 have been achieved the best results in the Group history. These have overcome all forecasts, both internal and external, with record growth in sales (+33%) and profitability (net profit at 13.6 million euro).*

*The favourable market trend, confirmed also during the current month of January, and the excellent order backlog of over 55 million euro as at 12/31/06 (62 million euro as at Jan. 31, 2007) allow an optimistic starting of the new year 2007.*

*Particularly important the improvement of the Net Financial Position, positive for the first time, which strengthen the Group growth strategy by external means”*

The economic and financial results and historical comparison data included in this press release have been calculated according to the IAS/IFRS accounting principles.  
The attached financial statements have not been audited.

**PRIMA INDUSTRIE**, established in 1977 and listed at the Italian Stock Exchange since 1999, currently present on the STAR segment, develops, manufactures and markets high-power laser systems for cutting, welding and drilling of three-dimensional (3D) and bi-dimensional (2D) parts.  
PRIMA INDUSTRIE leads a Group with nearly 500 employees, with manufacturing facilities in Italy (PRIMA INDUSTRIE S.p.A. and PRIMA ELECTRONICS S.p.A.); USA (PRIMA North America Inc.) and China (Shanghai Unity Prima Ltd. and Shenyang Prima Laser Machine Company Ltd.), and with a wide sales network in over 40 countries.  
At present the Group has 2000 systems installed worldwide with more than 1000 customers in the automotive, aerospace and in a wide range of other industries.

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**PRIMA INDUSTRIE S.p.A.**

**CONSOLIDATED FINANCIAL STATEMENTS  
AT DECEMBER 31, 2006  
ACCOUNTING STATEMENTS**

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**THE PRIMA INDUSTRIE GROUP,  
CONSOLIDATED BALANCE SHEET AT DECEMBER 31, 2006 AND DECEMBER 31, 2005**

VALUES IN EURO	NOTE	31/12/06	31/12/05
Tangible fixed assets		6.426.312	5.778.520
Intangible fixed assets		2.511.075	2.738.927
Equity investments valued using the equity method		1.787.906	1.809.079
Equity investments valued using the cost method		801.885	51.832
Other financial assets		265.190	272.117
Tax assets - prepaid taxes		7.821.311	6.946.898
Other receivables		38.791	52.391
<b>TOTAL NON CURRENT ASSETS</b>		<b>19.652.470</b>	<b>17.649.764</b>
Inventories	<b>1</b>	33.870.201	36.319.402
Trade receivables	<b>2</b>	38.927.566	39.869.959
Other receivables	<b>3</b>	2.800.048	3.048.672
Other tax assets		2.303.339	1.357.085
Tax assets - prepaid taxes		-	4.595
Derivative financial instruments		-	-
Cash and cash equivalents		20.689.324	11.495.383
<b>TOTAL CURRENT ASSETS</b>		<b>98.590.478</b>	<b>92.095.096</b>
Non current assets held for sale		-	-
<b>TOTAL ASSETS</b>		<b>118.242.948</b>	<b>109.744.860</b>
Share Capital		11.500.000	11.500.000
Treasury stock		(109.034)	(92.872)
Treasury stock owned by subsidiaries		-	-
Other reserves		19.149.034	16.656.427
Conversion reserve		(604.499)	329.937
Profits (Losses) carried forward		(1.307.575)	(2.661.910)
Profit (loss) for the year		13.585.760	5.107.631
Total Group stockholders' equity		42.213.686	30.839.213
Minority interests		60.266	-
<b>TOTAL NET EQUITY</b>		<b>42.273.952</b>	<b>30.839.213</b>
Loans		12.657.033	5.570.596
Employee benefits		5.544.236	4.936.694
Deferred tax liabilities		2.626.856	2.502.156
Provision for risks and charges	<b>5</b>	33.500	29.110
Derivative financial instruments		6.071	15.970
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>20.867.696</b>	<b>13.054.526</b>
Trade payables	<b>4</b>	26.078.881	23.089.151
Advances	<b>4</b>	7.387.989	18.371.290
Other payables	<b>4</b>	5.894.933	4.668.838
Amounts due to banks and i.r.o loans		5.231.281	13.918.168
Tax liabilities - current taxes		5.797.715	2.027.955
Provision for risks and charges	<b>5</b>	4.709.897	3.775.719
Derivative financial instruments		604	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>55.101.300</b>	<b>65.851.121</b>
Liabilities due to non current assets held for sale		-	-
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>		<b>118.242.948</b>	<b>109.744.860</b>

**THE PRIMA INDUSTRIE GROUP,  
CONSOLIDATED INCOME STATEMENT AT DECEMBER 31 2006 & DECEMBER 2005**

VALUES IN EURO	31/12/06	31/12/05	IV trimestre 06	IV trimestre 05
Net revenues from sales and services	147.536.036	110.884.661	47.056.824	36.947.680
Other operating income	1.605.501	3.000.218	526.285	1.189.207
Changes in inventories of semifinished and finished products	(3.480.276)	1.903.152	(3.022.427)	(2.350.211)
Increases in fixed assets for internal work	138.510	62.886	39.660	22.705
Use of raw materials, consumables, supplies and goods	(64.203.110)	(55.422.679)	(18.747.907)	(16.715.210)
Personnel cost	(30.678.469)	(26.040.097)	(9.610.555)	(7.722.556)
Amortization & Depreciation	(1.331.182)	(1.208.232)	(364.995)	(312.057)
Impairment & Writedowns	-	-	-	-
Other operating costs	(31.173.508)	(25.263.299)	(8.350.240)	(8.145.389)
<b>OPERATING INCOME</b>	<b>18.413.502</b>	<b>7.916.610</b>	<b>7.526.645</b>	<b>2.914.169</b>
Financial income	663.702	475.513	235.082	114.098
Financial expenses	(1.574.415)	(1.638.575)	(363.911)	(81.874)
Net income from transactions in foreign exchange	(435)	22.758	(72.425)	10.045
Net income from associated companies & joint ventures	10.384	336.716	(108.069)	394.957
Net income from financial assets held for sale	-	-	-	-
<b>INCOME BEFORE TAX</b>	<b>17.512.738</b>	<b>7.113.022</b>	<b>7.217.322</b>	<b>3.351.395</b>
Current and deferred taxes	(3.913.034)	(2.005.391)	(1.131.642)	(547.505)
<b>NET PROFIT</b>	<b>13.599.704</b>	<b>5.107.631</b>	<b>6.085.680</b>	<b>2.803.890</b>
Income from assets held for disposal	-	-	-	-
<b>NET PROFIT</b>	<b>13.599.704</b>	<b>5.107.631</b>	<b>6.085.680</b>	<b>2.803.890</b>
- Group Stockholders' net profit	13.585.760	5.107.631	6.079.286	2.803.890
- Minorities net profit	13.944	-	6.394	-
<b>EARNING PER SHARE (euro)</b>	<b>2,96</b>	<b>1,11</b>	<b>1,32</b>	<b>0,61</b>

**THE PRIMA INDUSTRIE GROUP,  
CHANGE IN STOCKHOLDERS' EQUITY AT DECEMBER 31, 2005 & DECEMBER 31, 2006**

**From January 1<sup>st</sup>, 2005 to December 31<sup>st</sup>, 2005**

VALUES IN EURO	01/01/2005	Variation of Consolidation Area	Purchase/Sale of treasury stock	Gains on disposal of treasury stock	Losses on disposal of treasury stock	Allocation of Result Previous Financial Year	Distribution Dividends	Profit of the period	Conversion Reserve	31/12/2005
Share Capital	11.500.000									11.500.000
Treasury stock	(170.606)		77.734							(92.872)
Treasury stock owned by Subsidiaries	-									0
Share premium reserve	15.664.893									15.664.893
Legal reserve	729.550					41.360				770.910
Other reserve	0		77.735			142.889				220.624
Conversion reserve	(173.718)								503.655	329.937
Profit / (loss) carried forward	(2.911.767)		(77.735)	123.176	(11.597)	216.013				(2.661.910)
Income for the period	1.043.212					(400.262)	(642.950)	5.107.631		5.107.631
<b>Net Equity</b>	<b>25.681.564</b>		<b>77.734</b>	<b>123.176</b>	<b>(11.597)</b>	<b>-</b>	<b>(642.950)</b>	<b>5.107.631</b>	<b>503.655</b>	<b>30.839.213</b>

**From January 1<sup>st</sup>, 2006 to December 31<sup>st</sup>, 2006**

VALUES IN EURO	01/01/2005	Variation of Consolidation Area	Purchase/Sale of treasury stock	Gains on disposal of treasury stock	Losses on disposal of treasury stock	Allocation of Result Previous Financial Year	Distribution Dividends	Profit of the period	Conversion Reserve	31/12/2005
Share Capital	11.500.000									11.500.000
Treasury stock	(92.872)		(16.162)							(109.034)
Treasury stock owned by Subsidiaries	15.664.893									15.664.893
Legal reserve	770.910					1.529.090				2.300.000
Other reserve	220.624					963.517				1.184.141
Conversion reserve	329.937								(934.436)	(604.499)
Profit / (loss) carried forward	(2.661.910)	(28.370)		71.273	(16.339)	1.327.771				(1.307.575)
Income for the period	5.107.631					(3.820.378)	(1.287.253)	13.585.760		13.585.760
<b>Net Equity</b>	<b>30.839.213</b>	<b>(28.370)</b>	<b>(16.162)</b>	<b>71.273</b>	<b>(16.339)</b>	<b>-</b>	<b>(1.287.253)</b>	<b>13.585.760</b>	<b>(934.436)</b>	<b>42.213.686</b>
Minorities' interest										60.266
<b>Total Net Equity</b>										<b>42.273.952</b>

**THE PRIMA INDUSTRIE GROUP,  
CONSOLIDATED CASH FLOW AT DECEMBER 31, 2006 & DECEMBER 31, 2005**

VALORI IN MIGLIAIA DI EURO	31/12/2006	31/12/2005
Profit (Loss) before tax	17.512.738	7.113.022
Adjustments	1.404.195	2.753.959
Amortization for the financial year	1.331.182	1.208.232
Provisions raised to Employees' severance fund	993.675	742.139
Loss (Profit) on exchange rates for currency transactions	435	(22.758)
Loss (Income) from equity investments	(10.384)	(336.716)
Financial expenses	663.702	1.638.575
Financial (income)	(1.574.415)	(475.513)
	<u>18.916.933</u>	<u>9.866.981</u>
(Increase) /Decrease in trade and other receivables	183.890	785.423
(Increase) /Decrease in inventories	2.825.901	(3.174.596)
Increase / (Decrease) in trade payables	(8.445.008)	4.224.541
Increase / (Decrease) in other payables	(109.224)	1.170.024
Cash flow from typical activity	<u>13.372.492</u>	<u>12.872.373</u>
Interest payment	(663.702)	(1.570.730)
Tax payment	1.725.654	(1.465.060)
<b>Cash flow derived from operating activity</b>	<b><u>14.434.444</u></b>	<b><u>9.836.583</u></b>
Cash flow derived from investment activity		
Purchase of MLTA	(38.622)	-
Purchase of PRIMA GmbH	-	(969.515)
Purchase of tangible fixed assets	(1.899.046)	(902.608)
Purchase of intangible fixed assets	58.727	(362.842)
Sale /(Purchase) of financial assets (at cost)	(743.126)	(51.600)
Sale /(Purchase) investments in associates	31.557	(502.795)
Receipts from sales of fixed assets	167.063	68.239
Interest encashed	1.574.415	475.513
<b>Net Cash flow derived from investment activity</b>	<b><u>(849.032)</u></b>	<b><u>(2.245.608)</u></b>
Cash flow derived from investment activity		
Variation in the conversion reserve	(934.436)	503.655
(Purchase)/sale of treasury stock	38.772	189.313
Variation of other reserves	17.952	
Changes in balance- derivative instruments (FV)	(4.700)	254.984
Stipulation of loans and financing	13.674.366	7.842.106
Repayments of loans and financing	(15.120.949)	(9.657.420)
(Repayments)/ Raising of financial leases	(262.861)	(776.027)
(Repayments)/ Raising of Sabatini transactions	(512.362)	(257.535)
Dividends paid	(1.287.253)	(642.950)
<b>Net Cash flow derived from financing activity</b>	<b><u>(4.391.471)</u></b>	<b><u>(2.543.874)</u></b>
<b>Increase (decrease) in the cash and cash equivalents</b>	<b>9.193.941</b>	<b>5.047.101</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>11.495.383</b>	<b>6.448.282</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>20.689.324</b>	<b>11.495.383</b>





**PRIMA INDUSTRIE S.p.A.**

**FINANCIAL STATEMENTS AT DECEMBER 31, 2006**

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**FINANCIAL STATEMENTS AT DECEMBER 31, 2006**  
**BALANCE SHEET AT DECEMBER 31, 2006 AND DECEMBER 31, 2005**

VALUES IN EURO	31/12/06	31/12/05
Tangible fixed assets	3.152.994	3.038.861
Intangible fixed assets	161.036	98.697
Equity investments in subsidiaries	12.840.913	12.840.913
Equity investments valued using the equity method	1.009.794	1.249.778
Equity investments valued using the cost method	51.832	51.832
Loans to related parties	626.000	2.898.962
Other financial assets	265.190	258.484
Tax assets - prepaid taxes	2.784.449	3.859.224
Other receivables	8.800	9.446
<b>TOTAL NON CURRENT ASSETS</b>	<b>20.901.008</b>	<b>24.306.197</b>
Inventories	19.957.839	18.081.051
Trade receivables	33.633.713	33.397.642
Other receivables	2.337.180	2.652.279
Other tax assets	2.252.360	1.264.262
Derivative financial instruments		4.595
Cash and cash equivalents	14.456.777	7.138.093
<b>TOTAL CURRENT ASSETS</b>	<b>72.637.869</b>	<b>62.537.922</b>
	-	-
<b>TOTAL NET EQUITY</b>	<b>93.538.877</b>	<b>86.844.119</b>
Share Capital	11.500.000	11.500.000
Treasury stock	(109.034)	(92.872)
Other reserves	19.149.034	16.656.427
Profits (Losses) carried forward	(1.601.378)	(1.781.405)
Profit (loss) for the year	3.019.801	3.904.952
Total Group Stockholders' equity	31.958.423	30.187.102
<b>TOTAL NET EQUITY</b>	<b>31.958.423</b>	<b>30.187.102</b>
Loans	11.680.253	4.535.931
Employee benefits	3.935.385	3.616.835
Provision for risks and charges	33.500	28.000
Deferred tax liabilities	1.661.121	2.014.840
Derivative financial instruments	6.071	15.970
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>17.316.330</b>	<b>10.211.576</b>
Trade payables	23.789.656	20.521.385
Advances	5.299.076	8.726.329
Other payables	3.435.738	2.510.061
Amounts due to banks and i.r.o loans	4.982.898	11.386.273
Tax liabilities - current taxes	4.398.152	1.405.393
Provision for risks and charges	2.358.000	1.896.000
Derivative financial instruments	604	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>44.264.124</b>	<b>46.445.441</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>93.538.877</b>	<b>86.844.119</b>

**FINANCIAL STATEMENTS AT DECEMBER 31, 2006**  
**INCOME STATEMENT AT DECEMBER 31, 2006 & DECEMBER 31, 2005**

VALUES IN EURO	31/12/06	31/12/05	IV quarter 2006	IV quarter 2005
Net revenues from sales and services	93.642.491	73.336.941	28.799.038	24.180.495
Other operating income	1.529.371	2.720.284	443.233	1.119.802
Changes in inventories of semifinished and finished products	(57.291)	442.382	(1.095.310)	(2.963.990)
Increases in fixed assets for internal work	97.298	27.776	22.448	6.595
Use of raw materials, consumables, supplies and goods	(50.219.106)	(39.451.173)	(14.473.115)	(10.593.290)
Personnel cost	(15.825.064)	(14.047.067)	(4.606.540)	(4.128.155)
Amortization & Depreciation	(654.815)	(628.539)	(184.070)	(160.109)
Impairment and writedowns		2.037.436	-	2.106.729
Other operating costs	(21.737.364)	(18.788.133)	(5.257.250)	(6.074.290)
<b>OPERATING INCOME</b>	<b>6.775.520</b>	<b>5.649.907</b>	<b>3.648.434</b>	<b>3.493.787</b>
Financial income	1.298.099	1.192.703	858.857	741.592
Financial expenses	(1.409.280)	(1.264.384)	(358.684)	12.402
Net income from transactions in foreign exchange	90.039	(4.922)	(52.912)	(120.412)
Net income from associated companies & joint ventures	(239.984)	(124.677)	(239.984)	(66.436)
Net income from transactions in foreign exchange				
<b>INCOME BEFORE TAX</b>	<b>6.514.394</b>	<b>5.448.627</b>	<b>3.855.711</b>	<b>4.060.933</b>
Current and deferred taxes	(3.494.593)	(1.543.675)	(1.534.942)	(657.619)
<b>NET PROFIT</b>	<b>3.019.801</b>	<b>3.904.952</b>	<b>2.320.769</b>	<b>3.403.314</b>

**FINANCIAL STATEMENTS AT DECEMBER 31, 2006**  
**CHANGE IN STOCKHOLDERS' EQUITY AT DECEMBER 31, 2005 & DECEMBER 31, 2006**

**From January 1<sup>st</sup>, 2005 to December 31<sup>st</sup>, 2005**

VALUES IN EURO	01/01/2005	Purchase/ Sale of treasury stock	Gains on disposal of treasury stock	Losses on disposal of treasury stock	Allocation of Result Previous Financial Year	Distribution Dividends	Profit of the period	31/12/2005
Share Capital	11.500.000							11.500.000
Treasury stock	(170.606)	77.734						(92.872)
Treasury stock owned by Subsidiaries	-							0
Share premium reserve	15.664.893							15.664.893
Legal reserve	729.550				41.360			770.910
Other reserve	0	77.734			142.890			220.624
Conversion reserve								0
Profit / (loss) carried forward	(1.919.776)	(77.734)	123.176	(11.606)	104.535			(1.781.405)
Income for the period	931.735				(288.785)	(642.950)	3.904.952	3.904.952
<b>Net Equity</b>	<b>26.735.796</b>	<b>77.734</b>	<b>123.176</b>	<b>(11.606)</b>	<b>-</b>	<b>(642.950)</b>	<b>3.904.952</b>	<b>30.187.102</b>

**From January 1<sup>st</sup>, 2006 to December 31<sup>st</sup>, 2006**

VALORI IN EURO	01/01/2006	Purchase/ Sale of treasury stock	Gains on disposal of treasury stock	Losses on disposal of treasury stock	Allocation of Result Previous Financial Year	Distribution Dividends	Profit of the period	31/12/2006
Share Capital	11.500.000							11.500.000
Treasury stock	(92.872)	(16.162)						(109.034)
Treasury stock owned by Subsidiaries	15.664.893							15.664.893
Legal reserve	770.910				1.529.090			2.300.000
Other reserve	220.624				963.517			1.184.141
Conversion reserve	-							-
Profit / (loss) carried forward	(1.781.405)		71.273	(16.338)	125.092			(1.601.378)
Income for the period	3.904.952				(2.617.699)	(1.287.253)	3.019.801	3.019.801
<b>Net Equity</b>	<b>30.187.102</b>	<b>(16.162)</b>	<b>71.273</b>	<b>(16.338)</b>	<b>-</b>	<b>(1.287.253)</b>	<b>3.019.801</b>	<b>31.958.423</b>

**FINANCIAL STATEMENTS AT DECEMBER 31, 2006**  
**CASH-FLOW STATEMENT AT DECEMBER 31, 2006 AND DECEMBER 31, 2005**

VALUES IN EURO THOUSAND	31/12/2006	31/12/2005
Profit (Loss) before tax	6.514.394	5.448.627
Adjustments	1.413.479	(826.244)
Amortization for the financial year	654.815	628.539
Provisions raised to Employees' severance fund	497.538	381.373
Loss (Profit) on exchange rates for currency transactions	(90.039)	4.922
Loss (Income) from equity investments	239.984	(1.912.759)
Financial expenses	1.409.280	1.264.384
Financial (income)	(1.298.099)	(1.192.703)
	7.927.873	4.622.383
(Increase) /Decrease in trade and other receivables	166.351	1.229.863
(Increase) /Decrease in inventories	(1.876.788)	(853.549)
Increase / (Decrease) in trade payables	(158.982)	781.191
Increase / (Decrease) in other payables	2.084.290	444.662
Cash flow from typical activity	8.142.744	6.224.550
Interest payment	(1.319.241)	(1.269.306)
Tax payment	(1.725.654)	(603.765)
<b>Cash flow derived from operating activity</b>	<b>5.097.849</b>	<b>4.351.479</b>
Cash flow derived from investing activity		
Purchase of tangible fixed assets	(672.310)	(364.436)
Purchase of intangible fixed assets	(178.499)	(93.110)
Sale /(Purchase) of financial assets (at cost)	(6.706)	(9.006)
Sale /(Purchase) investments in associates	-	(2.518.150)
Receipts from sales of fixed assets	19.522	2.743
Interest encashed	1.298.099	1.192.703
<b>Cash flow derived from investing activity</b>	<b>460.106</b>	<b>(1.789.256)</b>
Cash flow derived from financing activity		
Variation in the conversion reserve	-	-
(Purchase)/sale of treasury stock	38.773	189.304
Changes in balance- derivative instruments (FV)	(4.700)	284.331
Stipulation of loans and financing	13.674.366	7.922.197
Repayments of loans and financing	(12.158.186)	(6.651.335)
(Repayments)/ Raising of financial leases	(262.871)	(257.535)
(Repayments)/ Raising of Sabatini transactions	(512.362)	(776.027)
(Repayments)/ Raising of infragroup financing	2.272.962	1.366.722
Dividends paid	(1.287.253)	(642.950)
<b>Net Cash flow derived from financing activity</b>	<b>1.760.729</b>	<b>1.434.707</b>
<b>Increase (decrease) in the cash and cash equivalents</b>	<b>1.760.729</b>	<b>1.434.707</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>7.138.093</b>	<b>3.141.163</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>14.456.777</b>	<b>7.138.093</b>