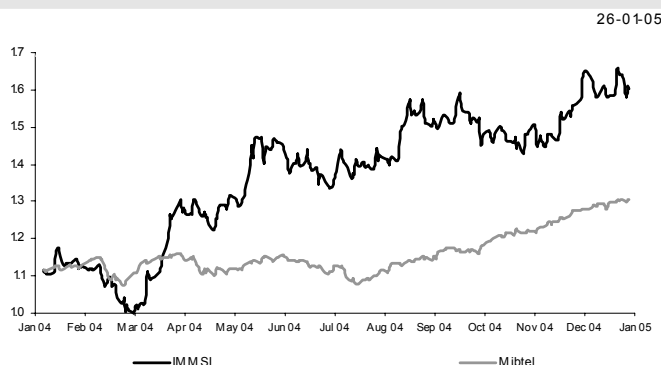


## Immsi

**Accumulate**  
(Initiating coverage)

Financial Services



Price

**EUR 1.61**

Target Price

**EUR 1.85**

Reuters/Bloomberg

IMSI.M/IMS IM

Benchmark rebased to stock price

(EUR)	12/02	12/03	12/04e	12/05e	12/06e
Sales (m)	0	134	1,190	1,701	1,811
EBITDA (m)	0	(46)	162	180	211
EBITA (m)	0	(66)	92	84	107
Net profit (reported) (m)	0	(32)	8	0	9
EPS (adj.)	0.000	0.092	0.093	0.123	0.110
CFPS	0.000	(0.039)	0.396	0.421	0.480
BVPS	0.000	0.463	0.483	0.455	0.457
DPS	0.028	0.028	0.028	0.028	0.028
Net debt/(cash) (m)	0	368	442	575	528
Int. cover(EBITDA/Fin. int)	high	(2.2)	6.1	4.5	5.7
EV/EBITDA	nm	nm	8.2	19.1	16.0
EV/EBITA	nm	nm	14.5	40.9	31.6
P/E (adj.)	nm	7.9	14.4	13.0	14.6
Dividend yield (%)	4.1	3.9	2.1	1.8	1.8
ROCE (%)	nm	-9.7	4.5	-3.5	2.4

Share price on 26/01/2005 (EUR)	1.61
Target price (EUR)	1.85
Market capitalisation (EURm)	459.0
No. of shares (m)	286.0
Free float	45.2%
Daily avg. no. trad. sh. 12 mth	673,400
Daily avg. trad. vol. 12 mth (m)	0.94
Price high 12 mth (EUR)	1.66
Price low 12 mth (EUR)	1.00
Abs. perf. 1 mth	2.9%
Abs. perf. 3 mth	5.3%
Abs. perf. 12 mth	42.4%
Local index	Mibtel
DJ Stoxx or EuroStoxx 50	No
EPS 06-04 CAGR	9.0%

## A portfolio rich of turnaround stories

- Following the acquisition by Mr. Colaninno, Immsi has changed its status from a pure real estate company into a financial holding with interests in the industrial sector (especially Transportation and mobility). In a mere two years, three important Italian companies were acquired: Piaggio, Rodriquez and, more recently, the Aprilia-MotoGuzzi Group.
- Today the Immsi portfolio is packed with interesting turnaround stories; all the acquired companies were in a difficult financial situation and/or showed industrial inefficiencies. The real challenge for Immsi's management is to turn these companies around in the mid term.
- The re-launch of Piaggio is proceeding ahead of expectations, proving the strong skills of Immsi's management. The current year will be crucial for the future of the Group: most effort will be put into the Piaggio-Aprilia integration and into the Rodriquez re-launch. Furthermore, Piaggio will continue its expansion into Far East markets (especially China and India).
- By evaluating the Immsi Group through the Sum-of-the-Parts method, we have determined an Equity Value of around EUR 584m (or EUR 2.05 per share). Our target price of EUR 1.85 takes into account a 10% holding discount which we consider is fair for this holding company.
- We initiate the coverage of the stock with an Accumulate recommendation and a target price of EUR 1.85 per share.**

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## Proved restructuring skills

Immsi is a financial holding company with interests in three different sectors

Immsi is a financial holding company with interests in three different sectors:

- scooters/motorcycles and motorbikes - through the Piaggio and Aprilia Group;
- shipbuilding - through Cantieri Navali Rodriquez;
- real estate assets and development initiatives in tourism (through Apuliae and Is Molas).

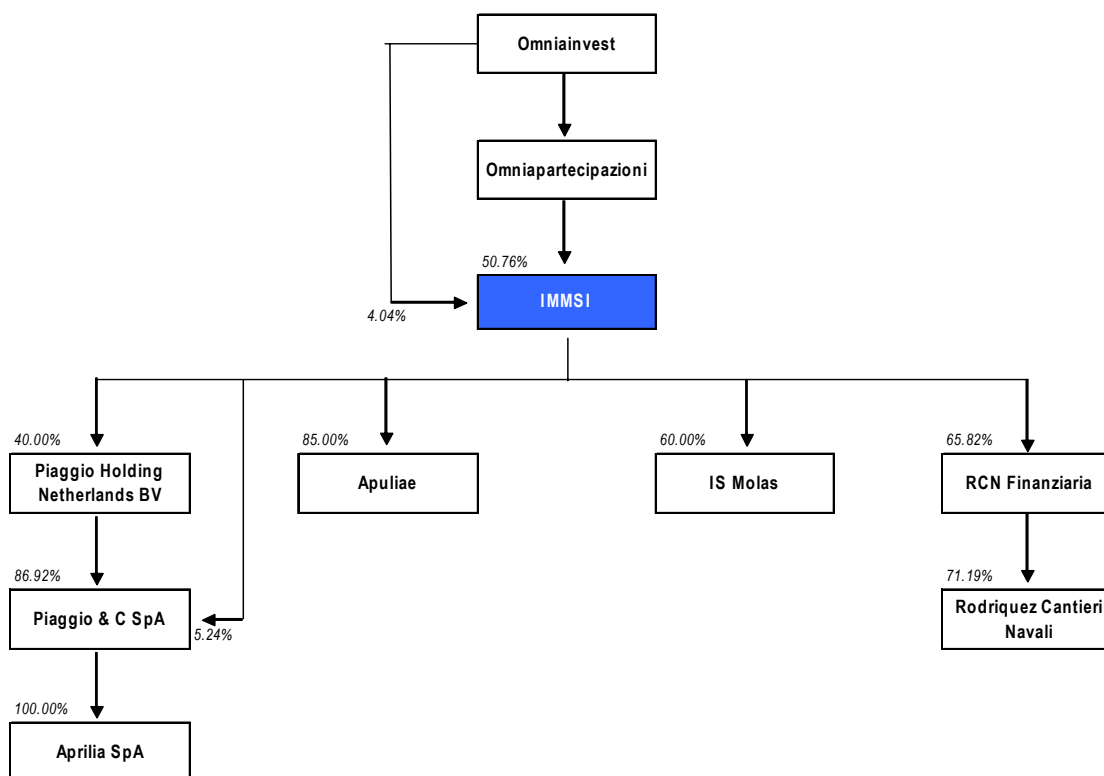
Furthermore Immsi is one of the members of the voting trust controlling Capitalia. Immsi's stake accounts for 0.5% of Capitalia's capital.

Immsi was created from the spin off of Sirti real estate

We should remind everyone that Immsi was created in February 2000 from the spin-off of the property assets of Sirti. In November 2002 Mr. Roberto Colaninno (former Telecom Italia CEO) acquired a 45% stake in Immsi directly from Telecom Italia via Omniapartecipazioni. As a second step, Omniapartecipazioni launched a Public Tender Offer on Immsi's free float, thus achieving around 51% of the capital.

Another 4% of Immsi's capital is held by Omniinvest (the Omniapartecipazioni controlling company).

### Immsi: Group structure



Source: BANCA AKROS

Immsi has recently increased its stakes in Piaggio and RCN

The industrial stakeholdings (Piaggio/Aprilia and RCN) are indirectly controlled by two sub-holding companies: Piaggio Holding Netherlands BV (40% from the previous 31.25% before the Aprilia deal) and RCN Finanziaria (65.82%). However, following the recent Piaggio capital increase (EUR 50m), enacted to finance the acquisition of Aprilia, Immsi also acquired a direct 5.2% stake in Piaggio SpA.

In December 2004 Immsi increased its stakeholding from 39.7% to 46.9% in RCN Finanziaria through a capital issue of EUR 20m. Immsi invested EUR 15m.

The Piaggio Group represents Immsi's main investment, accounting for more than 90% of Immsi's total revenues and for about 65% of Immsi's Sum-of-the-Parts (SoP).

#### Immsi Group: breakdown of sales as of December 31, 2004e

(EUR m)	Revenues	%
Piaggio Group	1,090	91.6
Rodriquez Cantieri Navali	87	7.3
Real Estate	13	1.1
<b>Total</b>	<b>1,190</b>	<b>100.0</b>

Source: company estimates

### A portfolio rich of turnaround stories

From a pure real estate company into a financial holding

Since it was acquired by Mr. Colaninno and partners, Immsi has changed its status from a pure real estate company (managing the Sirti property assets) into a financial holding company. The aim is to create a strong Italian group in the transportation and mobility sector.

In the real estate sector, and following the disposals that ended in 2003 (4 buildings) and 2004 (12 buildings) for around EUR 93m, a further three assets should be sold within H1 '05. The Group strategy is to selectively invest in single attractive projects (see IS Molas and Apuliae initiatives) and/or to invest in property portfolios to be valorised as a single asses and then broken down and sold off as separate pieces.

On the industrial side, the strategy could be summarized as follows:

- IMMSI is investing in historical Italian companies in the Transportation and Mobility sector;

#### Immsi Group: industrial controlled companies productions

Piaggio (since 1884) / Aprilia Group (since 1962)	Rodriquez Cantieri Navali Group (since 1887)
Scooters	Fast Ferries
Motorcycles and motorbikes (from 50cc to 1,000cc)	Yachts
Light Vehicles (APE, Porter, Piaggio Vetteuretta)	Luxury pleasure crafts
	Military vessels

Source: BANCA AKROS on company data

- Leveraging on well know international brands (Piaggio/Aprilia-Moto Guzzi, Cantieri Navali Rodriquez);

#### Immsi Group: main brands

Piaggio/Aprilia Group	Rodriquez Cantieri Navali Group
Piaggio	Rodriquez Cantieri Navali
Vespa	Rodriquez Yachts
Derbi	Intermarine
Gilera	Conam
Aprilia	
Moto Guzzi	
Laverda	

Source: BANCA AKROS

The goal is to turn around the acquired companies in the medium term

- with a strong market position in their respective segments;
- **but affected by a dismal financial situation (Piaggio and Aprilia) and/or strong industrial inefficiencies (Rodríguez).** We note that the Piaggio and Aprilia crisis was mainly due to financial problems rather than a lack of models. We would remind everyone that Immsi took a stake in the Piaggio capital in 2003 when the Group was financially indebted to the tune of EUR 577m (vs. an equity of EUR 106m). At the same time, Aprilia had a net debt of around EUR 255m when Piaggio acquired the controlling stake. As far as Rodríguez is concerned, the Group crisis was caused in particular by industrial problems, mainly related to its working capital.

**Management's main goal is to adopt the private equity approach (but with a direct involvement of the Immsi management team), turn around the acquired groups and, consequently, create value from the initial investments in the mid term (2006-2009).** In both cases, Piaggio and Rodríguez, a future listing of the two companies, seems to be the more likely option in the coming few years.

Immsi's management has proved it is strongly committed to implementing this strategy and results look encouraging, especially on the Piaggio side.

In actual fact, in a mere few months, Piaggio's profitability has recovered to an acceptable level and the restructuring phase is proceeding faster than management had expected. According to the preliminary results (already disclosed), in 2004 the Group posted a 10% increase in sales (to around EUR 1.09bn); EBITDA achieved EUR 129m (+38% Y/Y) with a margin of 11.8% and the year ended with a positive net result (vs. a loss of EUR 139.5m in 2003).

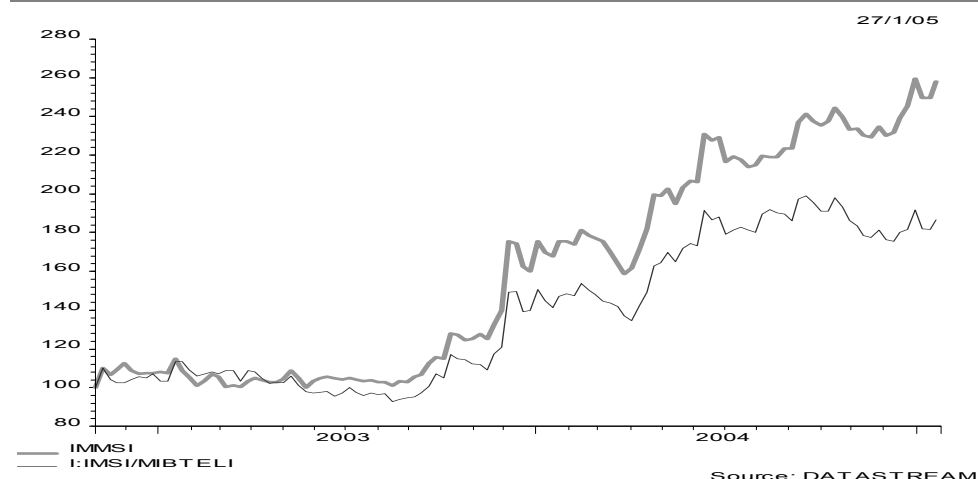
As for the current year, the challenge facing the group is represented by the successful integration of Aprilia Group (acquired at the end of 2004) and by the re-launch of Rodríguez (acquired in May 2004).

#### Immsi: Swot Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>▪ Successful re-launch of Piaggio activities (ahead of initial business plan targets);</li> <li>▪ Management team strongly commitment to turn around the acquired companies;</li> <li>▪ Positive track record in past acquisitions;</li> </ul>	<ul style="list-style-type: none"> <li>▪ The European motorcycle market is mature (growth per year +/-2%) and presents an high level of competition;</li> <li>▪ The Japanese competitors own higher financial resources;</li> <li>▪ High consolidated financial debt (EUR 593m on pro-forma basis)</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>▪ Positive expansion in USA and in main Far East markets (China and India);</li> <li>▪ Successful integration of Aprilia with Piaggio;</li> <li>▪ Successful re-launch of Rodríguez;</li> <li>▪ Interesting opportunities deriving from the valorisation of the Real Estate initiatives (IS Molas and Apuliae)</li> <li>▪ Valorisation of the shareholding in Piaggio and Rodríguez through IPOs in the medium term (2006-2009)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Difficulties to integrate Aprilia into Piaggio Group;</li> <li>▪ Failure of the Rodríguez turn around;</li> <li>▪ Higher competition in the motorcycles business by some Japanese and Chinese producers;</li> <li>▪ Unfavourable evolution of the legislation in the scooter segment</li> </ul>

Source: BANCA AKROS

### Immsi: stock market trend since Colaninno entry (November 2002)



### Piaggio (5.2% of Piaggio & C – 40.1% of Piaggio Holding Netherlands)

#### ■ Company profile and business description

*Based in Pontedera (Pisa, Italy), the Piaggio Group is one of the world's leading manufacturers of motorized two wheelers and leader in the European market in this sector. Piaggio's production includes scooters, motorcycles and mopeds in a range from 50cc to 500cc under the Piaggio, Vespa, Gilera and Derbi brands. The Group also manufactures the Ape and Porter ranges of three and four-wheel light goods transport vehicles. Another significant production and sales sector is that of engines, where Piaggio is at the forefront of innovation and research. The company possesses internationally recognized advanced technical and technological know-how.*

*The Piaggio Group has factories in Italy, Spain, India and the People's Republic of China, and a sales network in 55 countries on every continent.*

Piaggio is continuing to invest in the most important Far East markets, India and China. In India, enlarging the production capacity of the Baramati factory; in China, expanding its presence through the joint venture with Zongshen Group.

According to the preliminary results the Group closed FY '04 with:

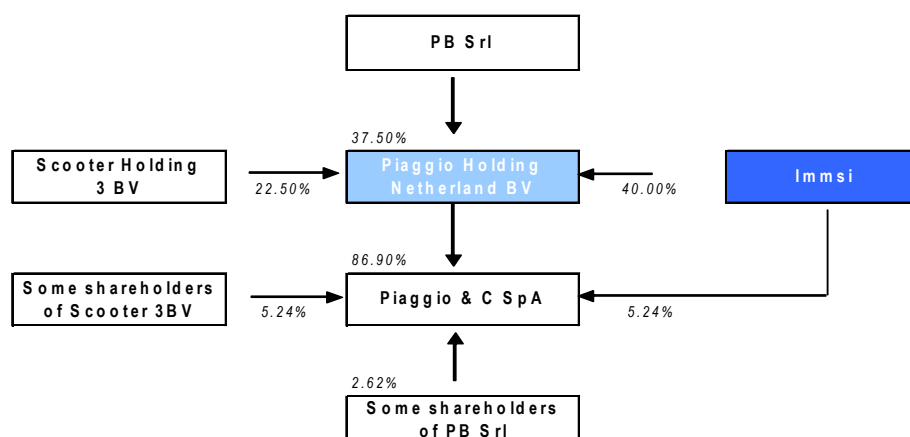
- a consolidated turnover of EUR 1.090m (+10.4% compared to the 2003 turnover of EUR 987.2m);
- an EBITDA of EUR 129m (+37.7%);
- a positive net result (we estimate it is in the range of EUR 2m-4m);
- net debt increased from EUR 282m to EUR 305m, including EUR 40m of commercial credits, to allow the production restart of Aprilia. Without this extraordinary contribution, which was needed to avoid any further deterioration of the Aprilia crisis, Piaggio's financial indebtedness would have fallen to around EUR 265m.

At the end of December 2004 Piaggio announced it had finalised the acquisition of Aprilia Group, creating the fourth largest motorcycle group worldwide. The new company presents a turnover of around EUR 1.5bn, a production capacity of over 600,000 vehicles a year and a presence in 50 countries. The Piaggio/Aprilia Group has one of the most complete and diversified product ranges on the market, from 50 cc scooters to 1000 cc motorbikes, with a 24% market share in Europe and 35% in Italy, 8 industrial plants worldwide, six research and development centres, and around 6,000 employees.

Piaggio is continuing to invest in India and China

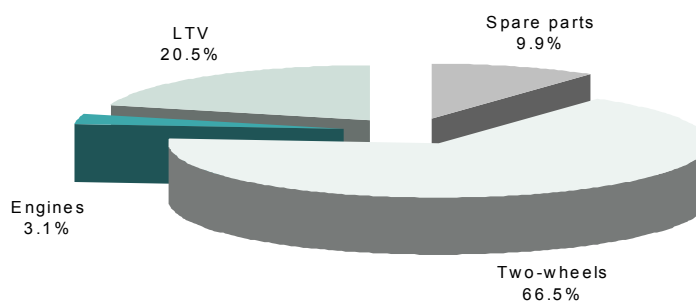
In 2004 Piaggio acquired Aprilia, creating the fourth largest motorcycle Group worldwide

## Piaggio Group: shareholder structure



Source: company data

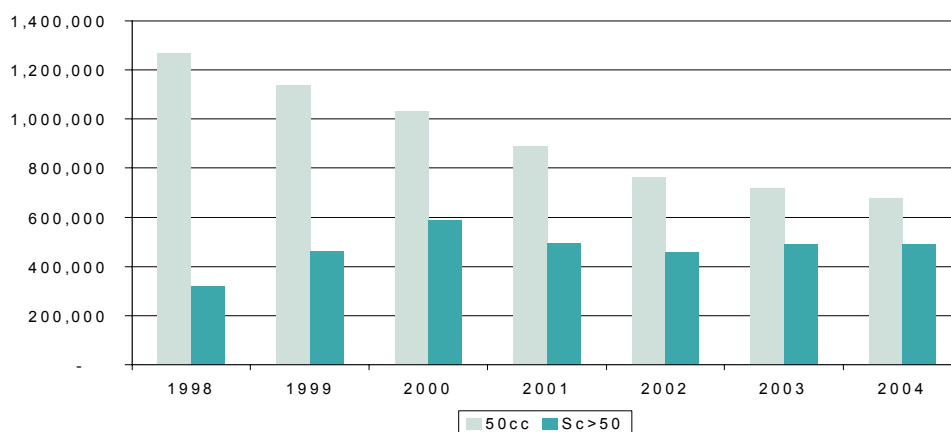
## Piaggio (stand alone): sales breakdown (FY 2004e)



Source: BANCA AKROS estimates

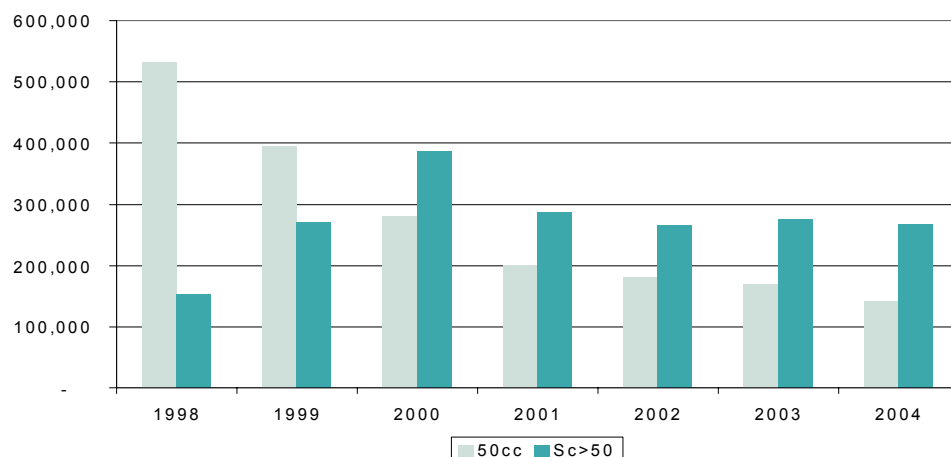
- **Business unit “two wheelers”** Piaggio operates through the following brands: Piaggio, Gilera, Vespa and Derbi. The reference market is that of scooters and motorcycles in Europe with a mkt. share of around 29.5% (34.6% in Italy). In the USA the mkt. share is around 15%.

## Two wheelers: European market registrations (1998-2004)



Source: company data

## Two wheelers: Italian market registrations (1998-2004)



Source: company data

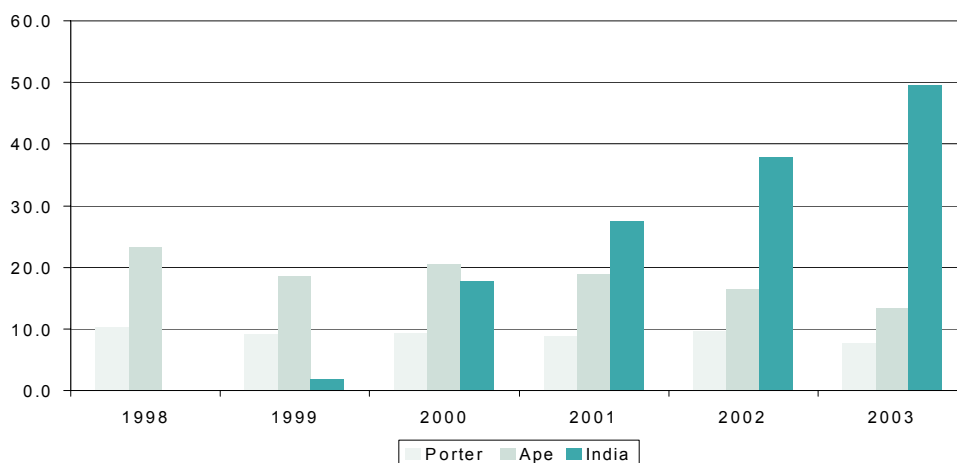
- Business units “three and four wheelers” – light transportation vehicles**  
 In this division we have highlighted the positive contribution from the Indian controlled company Piaggio Vehicles PVPL (23% mkt. share in its domestic market). This subsidiary closed 2004 with around EUR 108m in sales, showing a remarkable progression compared to the 2003 figures (+44% or EUR 75m). Profitability looks at acceptable level, with an EBITDA margin is of around 14%.

## INDIA

In India Piaggio is doubling its production capacity

In India, the Group operates through its Indian subsidiary Piaggio Vehicles PVPL. The division owns the Baramati factory (Pune district), which was opened at the end of July 1999. This factory produces Ape vehicles for the domestic market. Given the excellent results achieved so far, Piaggio's management has decided to double the factory's production capacity (from 65,000-70,000 units in 2003 to around 130,000/140,000 units). The Indian market ranks second in the World in terms of volumes with more than 5 million vehicles p.a.

## Piaggio Group: three and four wheelers production volumes (1998-2003)



Source: company data



In China a strategic agreement was signed with Zongshen Group

## ■ CHINA

In April 2004 Piaggio signed a strategic agreement with the motorcycle maker Zongshen Group (total revenues of about EUR 830m; 1.7ml vehicles and 3ml engines to be manufactured) to produce more than 300,000 vehicles p.a. The project will be developed through the joint-venture company Piaggio Foshan Motorcycle (PFM) in which Piaggio and Zongshen have an equal stake (45% each). The remaining 10% stake is held by the local municipality of Foshan (Guandong Province).

PFM will sell its output, including engines and motorcycles produced under Piaggio patents and technology, through the Zongshen dealer in China. The production will start in H1 2005. At full steam (2008-2009) PFM forecasts it will produce around 300,000 vehicles p.a. and reach a turnover of around EUR 180-200m.

The cooperation between Piaggio and Zongshen is also open to further development, in China and the rest of the world, in the three and four-wheel sector. We should remind you that China is the world's biggest market in terms of volume (with over 10.5ml two-wheeler vehicles sold p.a. and over 2ml light commercial vehicles p.a.) and has the highest growth rate in the world (for two wheeler vehicles).

## ■ USA

On the US market Piaggio in 2004 sold around 9,700 vehicles (+83%) with total revenues of around EUR 25m.

## Aprilia-Moto Guzzi Group (100% through Piaggio & C)

### ■ Company profile and business description

*Aprilia is Europe's second largest producer of motorcycles and scooters and the only non-Japanese manufacturer with a complete range of two-wheeled vehicles.*

*Aprilia's sales network boasts 250 official dealers and 800 authorised sales outlets in Italy. Aprilia also owns 8 foreign subsidiaries, in France, Spain, Germany, Holland, Greece, Britain, the USA and Japan. Aprilia machines are sold in another 29 countries worldwide via a network of exclusive importers who supply 1,800 dealers.*

*Aprilia is not just the market leader. In a very short time the company has become a leading name on the world's racing circuits too, establishing itself as one of the most prestigious and successful marques around. Since 1985, when Aprilia first entered the world speed championships, the company has won 24 world titles.*

The dramatic crisis of 2004 affected dramatically Aprilia results

The deep crisis which affected the Group in 2004 caused a fall in Aprilia's sales by more than 40% (to around EUR 300m). Consequently the company mkt. share in Europe dropped to 6.7% from 11.6% in the scooter segment and to 3.1% from 4.7% in the motorbike segment.

### Aprilia Group: 2002-2003 and H1 '04 main figures

	2002	2003	H1 04
Sales	524.2	533.1	177.1
EBITDA	46.8	14.6	-39.7
EBITDA Margin	8.9%	2.7%	-22.4%
EBIT	12.7	-15.3	-54.4
EBIT Margin	2.4%	-2.9%	-30.7%
Net results	-7.8	-43.1	-60.5
Equity	76.5	34.2	-17.0
Net Debt	199.9	221.2	242.9

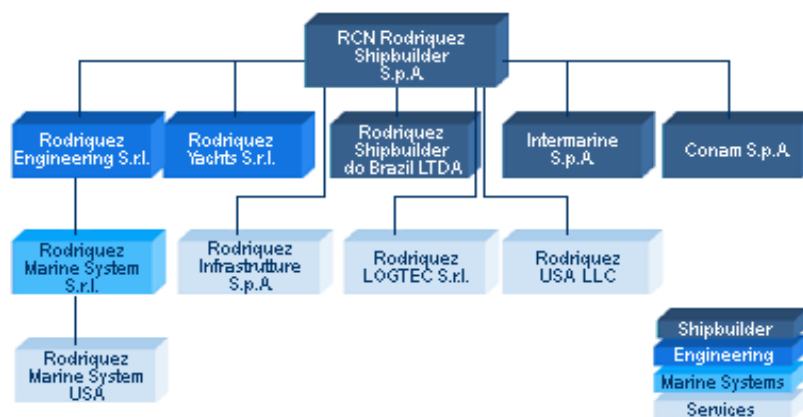
Source: Immsi data

## Rodriguez Cantieri Navali (65.82% of RCN Finanziaria)

### ■ Company profile and business description

After more than 100 years Rodriguez Cantieri Navali S.p.A. has become one of the leading international shipyards and the diverse product range is based on advanced technological solutions. Rodriguez designs and builds boats from 14 to 150 meters long, in fibreglass, carbon fibre, aluminium and steel, for the commercial, military, pleasure and yacht sectors. Rodriguez Cantieri Navali S.p.A. controls: Intermarine, Conam, Rodriguez Engineering, Rodriguez Yachts, Rodriguez Marine System, Rodriguez Logtec, Rodriguez Infrastrutture, Rodriguez Cantieri Navali do Brasil. As of today, Rodriguez has more than 600 employees and there are more than 50 ships under construction with a total order book of around 300 million euros.

### Rodriguez Group

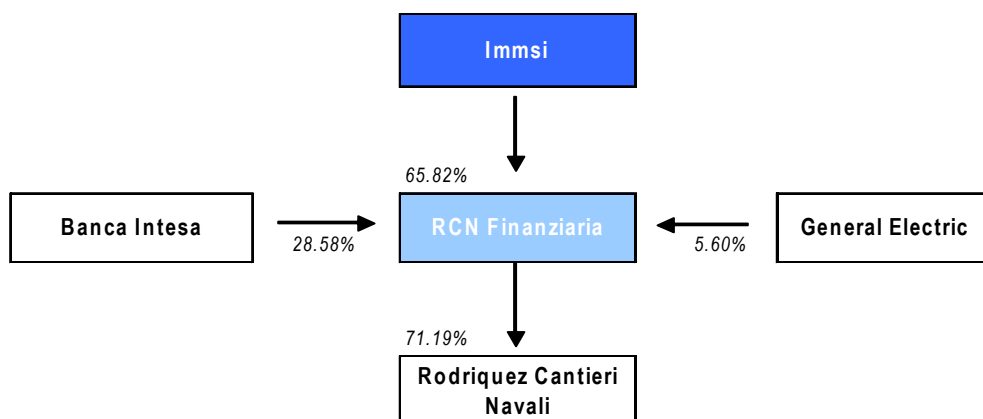


Source: company data

Rodriguez Cantieri Navali has 4 yards in Italy. The production facilities are in Messina (Sicily) and in Pietra Ligure (close to the French border) for the aluminium and steel vessels. For composite production, the yards are located in Sarzana (Italy's North West coast) and in Naples. The Sarzana yard, also referred to as Intermarine and which has recently become a Rodriguez company, is world renowned for its expertise in advanced composite construction methods.

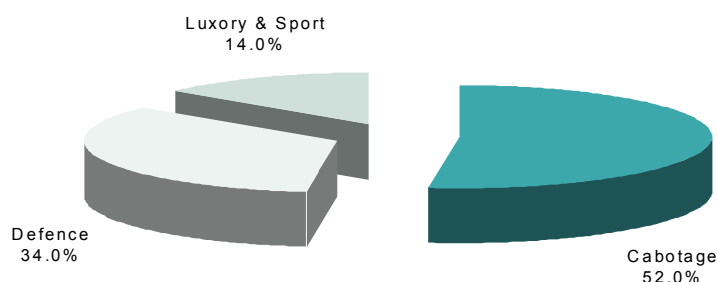
Genoa is home to Rodriguez Engineering, the in-house Research and Development Centre, whose skills in marine engineering and propulsion technology are internationally recognized.

## Shareholder structure



Source: BANCA AKROS on company data

## Sales breakdown (FY 2003)



Source: company data

Immsi invested around EUR 33m to acquire a 47% in RCN

Immsi entered into RCN Finanziaria last May by acquiring the majority stake (59.7%). The initial investment amounted to EUR 18m. Last December RCN Finanziaria finalized a capital increase of EUR 20m. Immsi contributed around EUR 15m, thereby increasing its stake in the Group to 46.9% (from 39.7%).

The other shareholders in RCN Finanziaria, the financial vehicles controlling Rodriguez Cantieri Navali with a 71.2% stake, are General Electric (5.6%) and Banca Intesa private equity (28.6%).

Immsi has signed a five-year Syndicate Pact with the other RCN Finanziaria shareholders. This agreement foresees the listing of the operating company by the end of 2009.

Rodriguez turnaround is expected to show first signs in 2005

Rodriguez should end 2004 with total revenues of around EUR 123m (+5.6%) and an EBITDA of EUR 10.5m (margin at 8.5%). The company's expectations for 2005 are to achieve a turnover of around EUR 190m-200m (+55%-63%) and to post a good recovery in profitability (with an EBITDA margin at around 11.5%-12.0%). The company should gradually benefit from the actions implemented by the new shareholders in terms of reorganization and rationalization.

## Real Estate

Immsi was created from the spin off of Sirti

We would like to remind you that Immsi was created in February 2000, as a pure real estate company, from the spin off of Sirti. Its portfolio was originally represented by 20 buildings (of which 89% were rented) generating about EUR 15m p.a. of revenues. These assets (mainly offices) had a book value of EUR 115m and were evaluated at about EUR 220m in the appraisal of Richard Ellis.

The disposal plan has generated around EUR 150m, to finance the Group diversification

After Mr. Colaninno's acquisition (November 2002), it was decided to implement a plan of disposals, in order to generate financial resources to diversify the Group portfolio. In 2003, four buildings were sold while another 12 were disposed of in 2004. Three other buildings will be sold within H1 '05. At the end of the disposal program Immsi will have sold 19 buildings, thereby generating some EUR 150m (with a capital gain of around EUR 30m/35m). The remaining building (that will not be sold) has an estimated value of around EUR 70m.

### Immsi: disposal plan of the Sirti Real Estate portfolio (EUR m)

	2003	2004e	2005e	Total
Assets sold	4	12	3	19
Cash in	8.5	85	55	148.5
Capital Gain	0.8	16.5	16	33.3

Source: BANCA AKROS estimates and company data

In light of the successful implementation of the sell off process we cannot rule out the possibility that Immsi might be interested in acquiring a new portfolio, similar to that of Sirti, in order to repeat its valorization exercise.

Furthermore Immsi is developing single initiatives in the tourism sector

However, in addition to the implementation of this disposal program, Immsi has selectively invested in single interesting projects. These actions, developed through specific financial vehicles (IS Molas and Apuliae), are in the tourism and hotel sector.

#### ■ Apuliae (85%)

This is a project to develop a tourist area (Hotel + SPA + Seaside Resort) in Santa Maria di Leuca (Puglia region). The investment forecast in 2005 are in the region of EUR 8m.

#### ■ Is Molas (60%)

IS Molas has acquired Hotel and Golf courts in Pula (Sardinia region) for EUR 30m. The acquisition has been financed with 50% equity – 50% debt formula. Immsi's initial investment in the company was EUR 9m. In 2005 the capex will be around 9m. The aim is to restructure and revitalize the tourist complex and to build around 200 villas.

## Piaggio: strongest results allow Aprilia acquisition

In October 2003 Immsi entered into Piaggio capital with a 31.25% stake

Immsi's stake in Piaggio Holding Netherlands BV (31.25%) was acquired in October 2003 with an investment of EUR 103.5m.

The remaining capital in this sub-holding company was represented by:

- Scooter Holding 3 BV (31.25%), regrouping the previous Piaggio shareholders;
- PB Srl (37.5%), regrouping the creditor banks of Piaggio Group.

In December 2004, Immsi increased its stake in Piaggio Group to 40%

In December 2004, following the financing of the Aprilia acquisition, Immsi increased its stake in Piaggio Holding Netherlands from 31.25% to 40.1%, paying EUR 45m to Scooter Holding 3 BV. At the same time Immsi and Scooter Holding 3 BV negotiated some put & call options on another 8.75% of Piaggio Holding

Immsi has recently finalised a capital increase of EUR 79m

Piaggio restructuring is proceeding faster than expected thanks to different factors and...

...a further improvement is expected this year

Netherlands. These options, which have a value of EUR 75m for the call and EUR 45m for the put, should be exercised sometime between June-December 2006.

Furthermore, Immsi has acquired a direct stake in Piaggio & C (5.24%), paying EUR 20m.

In order to partially finance the acquisition of Aprilia, Immsi has recently finalised a capital increase of EUR 79m. The capital injection provided for the issue of 66ml new shares at a price of EUR 1.2 per share (3 new shares each 10 held). More in detail, the proceeds were used as follows:

- **EUR 45m** were spent for the acquisition of 28,334 C shares in Piaggio Holding BV from Scooter Holding. With this transaction Immsi increased its participation in Piaggio Holding BV from 31.25% to 40.1%;
- **EUR 20m** for the acquisition of a 5.23% direct stake in Piaggio & C;
- **EUR 15m** invested in Rodriguez's EUR 20m new capital issue, leading the whole shareholding to around 47% (from a previous 39.7%);
- **EUR 9m** were spent to acquire 60% in IS Molas. You should remember that IS Molas invested EUR 30m (50% equity and 50% debt) to take over a tourist area in Pula.

The restructuring of Piaggio is proceeding faster than expected. The year 2004 ended not only with results above the initial business plan targets (see table below), but also with an increase in mkt. share in the main reference markets.

#### Piaggio FY '04: results and business plan targets comparison

	Results	Targets
Sales (EUR m)	1.090	1.040
EBITDA Margin	11.8%	11%
Net Result (EUR m)	Net Profit	Break even in 2005

Source: BANCA AKROS on company data

Net debt increased from EUR 282m to EUR 305m including EUR 40m of commercial credits to allow the production restart of Aprilia. Without this extraordinary contribution, which was needed to avoid further worsening of the Aprilia crisis, Piaggio's financial indebtedness would have fallen to EUR 265m.

In our opinion, these results were obtained thanks to a mix of a number of factors:

- **Internal**, related to the ability of the new management to turn the business around effectively and rapidly, generating industrial efficiencies and improving the product mix.

Since the Piaggio acquisition (October 2003), the new management has accelerated the industrial re-launch through the implementation of a strategy based on:

- a reduction in the industrial break even,
  - an improvement in the product mix,
  - a rationalisation of the supply chain,
  - a strengthening of the dealer network;
- **External**, taking advantage of the strong growth in the Indian and US markets and, partially, from the Aprilia crisis. In India, Immsi division posted an increase in sales of around +45%, with an enhancing mkt. share by 5bp from 18% to 23%. In USA, the Group reported a sales growth of 83%.

A further improvement in the industrial results is also expected in the current year, with an increase in sales (which we estimate at around +6%) and in the EBITDA margin, which we estimate at around 12.1% in the Piaggio stand alone case.

**Piaggio Group (stand alone): 2002-2005 estimates**

EUR m	2002	2003	2004e	2005e
Sales	945.8	987.2	1,090.0	1,155.0
EBITDA	77.6	93.6	129.0	140.0
EBITDA Margin	8.2%	9.5%	11.8%	12.1%
EBIT	6.3	-7.7	41.5	48.5
EBIT Margin	0.7%	-0.8%	3.8%	4.2%
Net Result	-129.2	-139.5	2.5	6.5
<b>Net Debt</b>	<b>577.1</b>	<b>282.0</b>	<b>305.0</b>	<b>295.4</b>

Source: BANCA AKROS estimates and company data

2005 will be the year of  
the integration  
Piaggio-Aprilia

These encouraging results convinced Piaggio shareholders to acquire Aprilia Group. This implies that the current year will be the critical year for the integration between the two Groups.

Aprilia was affected (like Piaggio in the past) by a deep financial crisis. This lack of financial resources forced the company to stop production for some weeks in 2004, compromising the economical results: sales were down by more than 40%. This caused a dramatic drop in industrial profitability. According to our estimates both the EBITDA and EBIT margins were negative. Financial charges (between EUR 15m and EUR 20m) and the high restructuring costs (we estimate in the region of EUR 50m) caused a negative result of around EUR 150m.

According to our estimates the integration between Piaggio and Aprilia should lead to total revenues for about EUR 1,5bn in 2005 (of which EUR 1,15bn by Piaggio and 376m by Aprilia).

**Piaggio Group (Piaggio+Aprilia): 2004-2007 estimates**

EUR m	2004e pro- forma	2005e	2006e	2007e
Sales	1,361	1,502.5	1,586.1	1,640.2
EBITDA	74.0	155.6	184.0	207.2
EBITDA Margin	5.4%	10.4%	11.6%	12.6%
EBIT	-45.7	35.7	63.0	85.1
EBIT Margin	-3.4%	2.4%	4.0%	5.2%
Net Result	-156.4	-32.9	6.3	28.4
<b>Net Debt</b>	<b>453.4</b>	<b>474.6</b>	<b>446.8</b>	<b>396.1</b>

Source: BANCA AKROS estimates and company data

During the first 2years  
the new group will  
suffer dilution in  
margins

During the first two years the new group will suffer a dilution in margins, due to Aprilia's weaker profitability. However, we are confident that the management will be able to improve the Group's profitability rapidly by exploiting industrial synergies (we estimate in the range of EUR 15m-20m) and by increasing Aprilia sales. We must remind you that 2004 was an unusual year for Aprilia, whose results were conditioned by the stop in production at the most critical part of the year (spring) and the uncertainties surrounding the future of the company.

■ **Aprilia acquisition: conditions**

*In December 2004 Piaggio & C. announced the signing of the final contract with Aprilia S.p.A. and its shareholders (Ivano Beggio and his family, Holdipar s.r.l., European Moto Holding s.a.r.l., and Scarabeo s.s.), on the basis of which Piaggio & C. S.p.A. acquired 100% of the Aprilia Group.*

*The terms of the operation the agreement may be summarised as follows:*

1. *the underwriting by Piaggio & C. of the whole Aprilia share capital increase for EUR 50m, as previously voted on by the Company's Shareholders' meeting by means of a total make good of the losses, standing at approximately EUR 108m at 31 October 2004 and the writing off of the share capital;*

2. *the acquisition by Piaggio of loans claimed by banks from Aprilia for approximately EUR 98m in nominal terms, by a payment of approximately EUR 34m, and the issue, by Piaggio, in favour of those banks, of Piaggio financial instruments, with a maximum value of approximately EUR 64m;*
3. *the restructuring, with a guarantee from Piaggio, of the self-liquidating bank credit lines held by the Aprilia Group for EUR 78m, of which approximately EUR 70m have been extended to a seven-year duration at market rates and the remainder handled with a short-term credit line;*
4. *the allocation to former Aprilia shareholders of Piaggio financial instruments and a possible earn out for a maximum overall amount of EUR 20m, with a guaranteed minimum of EUR 4m.*

*The outstanding Aprilia bonded loan of EUR 100m will be fully repaid at its expiry in May 2005, with the revenue from a five-year bonded loan issued or guaranteed by Piaggio. IMMSI has undertaken to guarantee the placement of this bonded loan.*

### ■ Why do we like the deal?

The deal will allow Piaggio to:

1. consolidate and strengthen its presence in the scooter and motorcycle field;
2. improve the product mix, thereby rationalising the whole product line;
3. diversify its activities, by entering into the motorbike segment.

Despite the difficulties implied in the merger, we must underline some positive factors that should reduce or mitigate the risks of the integration failing and lead to a value creation in the mid-long term:

- both companies have a strong mkt. presence, a famous international brand and important skills in the motorcycle/motorbikes business;
- Piaggio and Aprilia know each other very well, having competed for years in some business segments; they also have the same national and corporate culture;
- interesting synergies could be achieved. The main cost benefits should come from:
  1. Joint purchasing (around EUR 750m at Group level);
  2. Engines;
  3. Economies of scale and scope;
  4. Manufacturing rationalization and common platforms;
  5. Joint distribution and logistics;
  6. Common IT and corporate services;
  7. Exchange of technological know how and transfer of competencies;
  8. Joint R&D.

We quantify the cost savings achievable in a reasonable period of time (18-24 months) at EUR 15-20m, especially in the field of engines (remember that Aprilia bought almost 50% of the engines it needed from Piaggio) and joint purchasing.

Although Piaggio's management considers Moto Guzzi as a strategic asset for the Group we cannot rule out that it could decide to dispose of the controlled company behind an interesting offer from third parties.

Some positive factors  
should reduce the  
risks of a failure of the  
integration

We can not exclude a  
future Guzzi disposal



2005 will be another year of hard work for Piaggio management with...

...many internal and external challenges

## ■ A demanding 2005 to continue the recovery story

Piaggio's management is facing another year of hard work, with many internal and external challenges. We can summarize the most important internal events as follows:

1. first year of the integration with Aprilia;
2. start of the activities by the Chinese joint venture (Piaggio Foshan Motorcycle, PFM) in H1 '05;
3. double production capacity in the Baramati factory in India and launch of the Quargo on the Indian market (4 wheelers).

As far as the market is concerned, the outlook looks mixed; in Europe the motorcycle market is expected to stay weak (-1.5% vs. -3% in 2004) and strongly competitive while, in India, the prospective looks more favourable (+10%/+15% vs. +30% in 2004).

In the coming years a further recovery in industrial profitability will fall owing to the management's skill to:

- successfully defend the mkt. share in the domestic market (Italy and Europe);
- enlarge the covered markets (presence in the American Continent is still limited as it is in many countries of the Far East and Eastern Europe);
- further reduce the break even point, develop common platforms, share components, rationalise plant capacities; expand purchases and production in the most favourable areas (especially China and India).

On analyzing the main competitors we continue to believe that, at least in the short term, the real threat is still represented by the Japanese producers (Honda, Yamaha, Suzuki) as they have stronger financial resources to be invested.

## Immsi preliminary results

Since 2003 (acquisition of Piaggio), Immsi has started to release its consolidated accounts.

According to preliminary results, already disclosed by the Board, Immsi closed the year with revenues of around EUR 1.190m (vs. EUR 133.6m), with an EBITDA of EUR 162m (vs. EUR -46.3m) and with a positive net result (vs. EUR -103.1m).

On a pro-forma basis (considering the full contribution of Piaggio and Cantieri Navali Rodriguez) the Group would have posted sales of EUR 1.225m, with a 10% increase vs. the earlier year.

### Immsi Group: 2003-2005 estimates

EUR m	2003	2004e	2005e
Sales	133.6	1,190.1	1,701.3
EBITDA	-46.1	162.0	180.2
EBITDA Margin	-34.5%	13.6%	10.6%
EBIT	-69.7	69.9	60.0
EBIT Margin	-52.2%	5.9%	3.5%
Net Result	-32.1	8.2	0.2

Source: BANCA AKROS estimates and company data



## Evaluation

We have evaluated Immsi through the Sum-of-the-Parts (SoP) approach.

1. Piaggio/Aprilia Group, Immsi's main asset (around 90% of 2004 Immsi total revenues and 71% of total assets) is evaluated through a DCF model. We have not applied the multiples method because no other direct competitor is listed. Ducati and Harley-Davidson operate exclusively in the motorbike business, which represents only 10-15% of the future Group turnaround;
2. Cantieri Navali Rodriguez (around 7% of Immsi's total revenues in 2004 and 7% of total asset) with the market multiples method;
3. Capitalia stake at the market price (4% of Immsi's total assets);
4. the remaining Real Estate assets (4 buildings) in the previous Sirti portfolio (or 15% of Immsi's total assets) through the appraisal value determined by the Real Estate valuator Richard Ellis. We have prudently applied a limited discount (10%) to this value to take a lower disposal price into consideration. Remember that three buildings will be sold in H1 '05;
5. IS Molas initiative at 2004 book value, adjusted by the expected 2005 investments. Although the development project looks extremely interesting we decided to continue with our cautious approach and wait for more appropriate visibility on the business prospective;
6. We prudently did not attribute any value to Apuliae, given the early stage of its development phase.

We come to a Net Asset Value (NAV) of EUR 584m, or EUR 2.05 per share. By applying a 10% holding discount we come to a target price of EUR 1.85 per share.

### ■ Piaggio/Aprilia Group evaluation

Our DCF model basic assumptions are as follows:

- 2004-2009 sales CAGR of 4%, EBITDA CAGR of 21%, with an EBITDA margin moving from 5.4% in 2004 (pro-forma base, including Aprilia) to the forecast 13.6% in 2009;
- Risk free rate 5%;
- WACC of 7.25%;
- Perpetuity growth rate of 2%;
- Capex at 5.5%-6.0% of sales.

The DCF models lead to an Enterprise Value of around EUR 1.3bn and an Equity Value of EUR 867m.

In the Piaggio stand alone hypothesis we came to an Enterprise Value of EUR 992m and to an Equity Value of EUR 726m.

### Piaggio/Aprilia Group: Free Cash Flow Model 2005e-2009e (EUR m)

	2005e	2006e	2007e	2008e	2009e
EBITA	63.0	90.3	112.4	128.1	138.0
Taxes	-22.1	-31.6	-39.3	-44.8	-48.3
Tax rate	35.0%	35.0%	35.0%	35.0%	35.0%
<b>NOPLAT</b>	<b>40.9</b>	<b>58.7</b>	<b>73.1</b>	<b>83.2</b>	<b>89.7</b>
Depreciation & other provisions	92.6	93.7	94.8	95.9	97.0
<b>Operating Cash Flow</b>	<b>133.6</b>	<b>152.4</b>	<b>167.9</b>	<b>179.1</b>	<b>186.7</b>
Capex	-92.0	-93.7	-94.8	-95.9	-97.0
Change in NWC	-33.2	-14.6	-9.8	-8.6	-6.7
<b>Free operating cash flow (FOCF)</b>	<b>8.3</b>	<b>44.1</b>	<b>63.3</b>	<b>74.7</b>	<b>83.0</b>

Source: BANCA AKROS estimates

### Piaggio/Aprilia: DCF analysis

<b>Perpetual growth rate</b>	<b>2.00%</b>
WACC	7.25%
Terminal value (EUR m)	1,410.6
Discounting rate of terminal value	0.71
Discounted terminal value (EUR m)	999.8
Cumulated DFOCF (EUR m)	213.5
Financial Assets as of 31/12/2004e (EUR m)	108.5
<b>Enterprise Value (EUR m)</b>	<b>1,321.8</b>
Net debt as of 31/12/04e (EUR m)	(453.4)
Minorities market value (EUR m)	(1.4)
<b>Equity value (EUR m)</b>	<b>867.0</b>

Source: BANCA AKROS estimates

We would also like to remind you that according to the equity table, behind the Piaggio shareholders pact, Immsi's stake in Piaggio should increase from the current 40.1% to around 48%.

### ■ Rodriguez Cantieri Navali evaluation

Given the current ongoing restructuring phase, we believe that a 2005 multiple is more appropriate to evaluate the company. Remember that Immsi only entered the company in May 2004 and the management's efforts should become more visible in current year.

#### Rodriguez Cantieri Navali: comparison with shipbuilders

Company	EV/EBITDA '04e	EV/EBITDA '05e	EBITDA margin '04e	EBITDA margin '05
BENETEAU (FRA)	5.1	6.2	18.1%	18.9%
RODRIQUEZ (FRA)	11.7	7.1	14.1%	15.5%
<b>Average</b>	<b>8.4</b>	<b>6.6</b>		
15% discount		5.7		

Source: BANCA AKROS, ESN and other sources

On applying a 15% discount to the average 2005 EV/EBITDA multiple, to take into account the lower RCN profitability (EBITDA margin at 11.8% in 2005 according to our estimates), we obtain an Enterprise Value of EUR 130m and an Equity of EUR 61m.

EBITDA 2005e	23
Multiple	5.7
EV	130
PFN as of 2004e	(69)
Equity	61

Source: BANCA AKROS estimates

## Conclusions

Following the acquisition by Mr. Colaninno, Immsi has changed its status from a pure real estate company into a financial holding company with interests in the industrial sector (especially Transportation and mobility). In a mere two years the group has acquired three important Italian concerns: Piaggio, Rodriquez and, more recently, Aprilia-MotoGuzzi Group.

Today Immsi's portfolio is packed with interesting turnaround stories; all the acquired companies were in a dismal financial situation and/or showed industrial inefficiencies. The real challenge of Immsi's management is to achieve a successfully turn around in the mid term.

The re-launch of Piaggio is proceeding ahead of expectations proving the strong turnaround skills of Immsi's management.

The current year will be crucial for the future of the Group: Most effort will be put into the Aprilia integration and into the Rodriquez re-launch. Furthermore Piaggio will continue its expansion into the Far East markets (China and India). Although we cannot rule out new acquisitions in the mid/long term, we do believe that at least in the short term, the Group will focus on this highly demanding restructuring and rationalization phase.

By evaluating the Group through the Sum-of-the-Parts method, we determine an Equity value of around EUR 584m, or EUR 2.05 per share. When we applying a 10% holding discount, which we consider fair for a holding company like Immsi, we come to a target price of EUR 1.85 per share.

**We start the coverage of the stock with an Accumulate recommendation and a target price of EUR 1.85 per share.**

**IMMSI (Sum-of-the-Parts)**

27-1-05

HOLDINGS	Sector	N° shares (000)	% on categ.	Valuation method	Price/Multiple 26-1-05	Mkt. Value EUR m	% on tot. assets	Holding leverage
CAPITALIA	Banking	11,139	0.50%	Market	3.45	38.4	4.2%	0.07
Consolidation adjustments						-	0.0%	
<b>TOTAL LISTED PARTECIPATIONS</b>						<b>38.4</b>	<b>4.2%</b>	<b>-</b>
PIAGGIO/APRILIA	Moto		48.74%	DCF	-	644.2	70.9%	
RODRIGUEZ CANTIERI NAVALI	Shipbuilding		46.90%	EV/EBITDA '05e	5.7	61.0	6.7%	
IS MOLAS	Real Estate		60.00%	Appraisal value		32.0	3.5%	
Other shareholdings						-	0.0%	-
<b>TOTAL NOT LISTED PARTECIPATIONS</b>						<b>737.1</b>	<b>81.1%</b>	<b>-</b>
Other Real Estate assets				Appraisal Value		133.0	14.6%	
<b>TOTAL ASSETS</b>						<b>908.5</b>	<b>100.0%</b>	<b>908.5</b>
Net Financial Position as of 31/12/04e (pro-forma)								-
								(323.7)
								-
<b>NET ASSET VALUE (NAV)</b>								<b>584.9</b>
Mkt. discount / premium on NAV								-21.7%

SHARE CAPITAL	N° shares (000)	Expiration date	Mkt. discount ord./sav.	Price 26-1-05	NAV per share	Current Mkt. discount	Mkt. Cap. EUR m
Convertible bonds (Ord.)	-						-
Warrants (Ord.)	-						-
Warrants (Sav.)	-						-
Ordinary shares outstanding	286,000			1.60	2.04	-21.7%	457.9
Saving shares outstanding	-		-100.0%		-	-21.7%	-
<b>Total shares outstanding (fully diluted)</b>	<b>286,000</b>				<b>2.04</b>		<b>457.9</b>

## Immsi: Summary tables

PROFIT & LOSS (EUR m)	2003	2004 e	2005 e	2006 e	CAGR 06/03
<b>Sales</b>	<b>133.6</b>	<b>1,190.0</b>	<b>1,700.8</b>	<b>1,811.1</b>	<b>91.9%</b>
<b>EBITDA</b>	<b>-46.1</b>	<b>162.0</b>	<b>180.2</b>	<b>211.5</b>	<b>n.m.</b>
Depreciation & Provisions	-20.2	-70.5	-96.2	-104.7	
<b>EBITA</b>	<b>-66.3</b>	<b>91.5</b>	<b>84.0</b>	<b>106.8</b>	<b>n.m.</b>
GW Amortisation	-3.4	-21.6	-24.0	-24.0	
<b>EBIT</b>	<b>-69.7</b>	<b>69.9</b>	<b>60.0</b>	<b>82.8</b>	<b>n.m.</b>
Net Financial Interest	-20.6	-26.7	-39.8	-37.2	
Other Financials	0.0	0.0	0.0	0.0	
Extraordinary Items	0.0	0.0	0.0	0.0	
<b>Earning Before Tax</b>	<b>-90.4</b>	<b>43.2</b>	<b>20.2</b>	<b>45.6</b>	<b>n.m.</b>
Tax	-3.0	-24.0	-32.0	-32.0	
<b>Tax rate</b>	<b>n.m.</b>	<b>57%</b>	<b>159%</b>	<b>70%</b>	
Associates	-9.8	-1.0	0.0	0.0	
Minorities	71.0	-10.0	12.0	-5.0	
<b>Net Profit (reported)</b>	<b>-32.1</b>	<b>8.2</b>	<b>0.2</b>	<b>8.6</b>	<b>n.m.</b>
Net Profit (adj.)	20.2	23.5	35.2	31.5	<b>11.8%</b>
<b>CASH FLOW (EUR m)</b>					
Net Profit (reported) + Minorities	-103.1	18.2	-11.8	13.6	
Non cash items	23.6	92.1	120.2	128.7	
<b>Cash Flow</b>	<b>-79.5</b>	<b>110.3</b>	<b>108.4</b>	<b>142.3</b>	<b>n.m.</b>
Change in Net Working Capital	0.0	-151.7	-555.9	-37.8	
Capex	-29.3	-50.0	-55.0	-24.5	
<b>Operating Free Cash Flow (OpFCF)</b>	<b>-108.8</b>	<b>-91.4</b>	<b>-502.6</b>	<b>80.0</b>	<b>n.m.</b>
Net Financial Investment	-121.3	-18.7	-225.0	0.0	
Dividends	-6.2	-6.2	-8.1	-8.1	
Others (incl.Capital Increase)	-130.4	42.3	602.4	-24.1	
<b>Free Cash Flow</b>	<b>-366.8</b>	<b>-74.0</b>	<b>-133.2</b>	<b>47.7</b>	<b>n.m.</b>
NOPLAT	-35.1	48.5	44.5	56.6	
<b>BALANCE SHEET (EUR m)</b>					
Net Tangible Assets	286.1	294.1	281.1	228.2	
Net Intangible Assets	464.3	471.7	447.7	423.7	
Net Financial Assets & Others	37.3	56.0	281.0	281.0	
<b>Total Fixed Assets</b>	<b>787.7</b>	<b>821.8</b>	<b>1,009.8</b>	<b>932.9</b>	<b>4.3%</b>
Net Working Capital	-47.7	104.1	660.0	697.7	
Total Net Assets	740.1	925.9	1,669.8	1,630.6	
<b>Shareholders Equity</b>	<b>101.9</b>	<b>138.2</b>	<b>130.2</b>	<b>130.7</b>	<b>6.4%</b>
Minorities equity	150.5	178.0	738.1	738.4	
<b>Net Debt</b>	<b>368.1</b>	<b>442.1</b>	<b>575.3</b>	<b>527.6</b>	<b>9.4%</b>
Provisions (pension&others related to cost)	54.6	69.8	86.3	85.1	
<b>OTHER ITEMS (EUR m)</b>					
Cumulated Goodwill Amortisation	0.0	0.0	0.0	-24.0	
Gross Capital Employed / Invested (CE)	702.7	869.8	1,388.8	1,373.6	
<b>Market Cap (adj.)</b>	<b>159.2</b>	<b>380.4</b>	<b>457.9</b>	<b>457.9</b>	
EV (adj.)	779.8	1,326.2	3,434.0	3,376.7	
<b>MARGINS AND RATIOS</b>					
Sales growth	nm	790.5%	42.9%	6.5%	
EBITDA growth	nm	-451.3%	11.2%	17.4%	
EBIT growth	nm	-200.3%	-14.3%	38.1%	
EBITDA margin	-34.5%	13.6%	10.6%	11.7%	
EBITA margin	-49.6%	7.7%	4.9%	5.9%	
EBIT margin	-52.2%	5.9%	3.5%	4.6%	
<b>ROCE</b>	<b>-5.0%</b>	<b>5.6%</b>	<b>3.2%</b>	<b>4.1%</b>	
<b>WACC</b>	<b>7.0%</b>	<b>8.1%</b>	<b>9.7%</b>	<b>9.8%</b>	
Debt / Equity	1.5	1.4	0.7	0.6	
Interest Cover	n.a.	6.1	4.5	5.7	
Payout Ratio	n.a.	99%	4768%	95%	
OpFCF/CE	-0.15	-0.11	-0.36	0.06	
<b>KEY MARKET RATIOS</b>					
EV/Sales	5.8	1.1	2.0	1.9	
<b>EV/EBITDA</b>	<b>-16.9</b>	<b>8.2</b>	<b>19.1</b>	<b>16.0</b>	
EV/EBITA	-11.8	14.5	40.9	31.6	
EV/EBIT	-11.2	19.0	57.3	40.8	
EV/CE	1.1	1.5	2.5	2.5	
<b>ROCE/WACC</b>	<b>-0.7</b>	<b>0.7</b>	<b>0.3</b>	<b>0.4</b>	
P/E (adj)	7.9	14.3	13.0	14.5	
P/CF	-18.7	3.4	3.8	3.3	
P/BV	1.6	2.8	3.5	3.5	
Dividend Yield (Gross)	3.9%	2.1%	1.8%	1.8%	
<b>PER SHARE DATA (EUR)</b>					
EPS	-0.146	0.033	0.001	0.030	<b>n.m.</b>
<b>EPS (adj.)</b>	<b>0.092</b>	<b>0.093</b>	<b>0.123</b>	<b>0.110</b>	<b>4.6%</b>
CFPS	-0.039	0.396	0.421	0.480	<b>n.m.</b>
BVPS	0.463	0.483	0.455	0.457	<b>-0.3%</b>
<b>DPS</b>	<b>0.028</b>	<b>0.028</b>	<b>0.028</b>	<b>0.028</b>	<b>0.0%</b>

Source: Company, Banca Akros estimates

## Recommendation system

From the 18<sup>th</sup> October 2004, the Members of ESN use a **New Recommendation System**.

### Absolute Recommendation System

The new ESN Recommendation System is **Absolute**. It means that each stock is rated on the basis of a total return, measured by the upside potential (including dividends) over a 6 months time horizon.

### Spectrum of recommendations

The ESN spectrum of recommendations (or ratings) for each stock comprises 5 categories: **Buy, Accumulate (or Add), Hold, Reduce and Sell (in short: B, A, H, R, S).**

### Meaning of each recommendation

#### Meaning of each rating or recommendation:

<b>Buy:</b>	the stock is expected to generate a total return of <b>over 15%</b> during the next 6 months time horizon.
<b>Accumulate:</b>	the stock is expected to generate a total return of <b>5% to 15%</b> during the next 6 months time horizon.
<b>Hold:</b>	the stock is expected to generate a total return of <b>0% to 5%</b> during the next 6 months time horizon
<b>Reduce:</b>	the stock is expected to generate a total return of <b>0 to -15%</b> during the next 6 months time horizon
<b>Sell:</b>	the stock is expected to generate a total return <b>below -15%</b> during the next 6 months time horizon

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