



PRESS RELEASE

INTERPUMP GROUP ACQUIRES 80% OF AMERICAN COMPANY NLB, ONE OF THE WORLD'S LEADING MANUFACTURERS OF VERY HIGH PRESSURE PUMPS AND SYSTEMS

**Interpump is concentrating further on highly profitable, hi-tech sectors
by strengthening its global leadership in the field of high pressure pumps and systems**

**NLB: During the first 10 months of 2006, consolidated net sales was up by 19.5%
compared to the same period in 2005, with EBITDA of \$ 7.2 million
(15.4% of turnover) and net liquidity of \$ 6.3 million**

S. Ilario d'Enza, 17 January 2007 – Interpump Group S.p.A. has announced its signature of an **agreement to buy NLB, one of the world's leading manufacturers of very high pressure pumps and systems**. Two companies are to be acquired in this operation: NLB Corporation and NLB Leasing LLC, both based in Detroit (USA). **NLB Corporation**, formed in 1971 by its current manager, produces high pressure systems and pumps up to 3,500 bar. The industrial applications of NLB systems include industrial cleaning, surface preparation, cleaning of automotive components and "made to measure" industrial cleaning systems. **NLB Leasing LLC** leases the machines produced by the NLB Corporation. Under the agreement, the transaction should close during the next few weeks, after all the necessary preparations have been completed.

In 2005, NLB recorded consolidated net sales of \$ 46.6 million, and high profits. The consolidated gross operating profit (EBITDA) was \$ 6.7 million (14.1% of net income); consolidated operating income (EBIT) was \$ 6.0 million (13.5% of net income). **The sharp growth in 2006 is remarkable: during the first 10 months of 2006** (latest available figures), **turnover was \$ 46.3 million, an increase of 19.5% compared to the same period in 2005. EBITDA was \$ 7.2 million, \$ 0.5 million higher than the figure for all of 2005. Net liquidity of the two companies as of 31 October 2006 was \$ 6.3 million**, while consolidated net equity was \$ 36.6 million.

Under the agreement, Interpump Group S.p.A. has the right and obligation to purchase the remaining 20% during the next three years on the basis of an EBITDA multiple for the next financial years.

The acquisition of 80% of NLB is worth \$ 62.4 million, to be paid in cash, on the basis of a net financial position of zero as of the closing date, however the amount will be adjusted according to the real net financial position on the closing date. Part of the payment will be made with the medium term loan of € 100 million granted to Interpump Group in January 2006 by the Banco Popolare di Verona e Novara.

The acquisition of NLB forms part of the Interpump Group's strategy of focusing its portfolio on highly profitable sectors with a high level of technology and considerable barriers to entry. By acquiring NLB, the Interpump Group is further strengthening its global leadership in the field of very high pressure pumps and systems, in which it is already a player with the German Hammelmann, acquired in 2005.

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