



## PRESS RELEASE

### RESULTS FOR THE THIRD QUARTER OF 2007

**Net sales: up 20.1% to 102.3 million euros**  
**EBITDA: up 22.8% to 24.0 million euros (23.4% of sales)**  
**EBIT: up 22.3% to 21.3 million euros (20.8% of sales)**

**Consolidated net profit: up 29.5% to 11.7 million euros**

### RESULTS FOR THE FIRST NINE MONTHS OF 2007

**Net sales: up 16.5% to 328.1 million euros**  
**EBITDA: up 16.1% to 73.5 million euros (22.4% of sales)**  
**EBIT: up 15.5% to 65.6 million euros (20.0% of sales)**

**Consolidated net profit: up 23.3% to 34.8 million euros**

The Board of Directors of the Interpump Group approved the results for the third quarter of 2007 today.

The results may be better understood by recalling that on 31 January 2007 the Group purchased 80% of NLB, one of the world's leading producers of high pressure water jetting systems and pumps, and therefore the results for the first nine months of 2007 include the results of NLB Corporation for eight months while the 2006 figures do not include NLB.

#### CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2007

**Net sales reached 102.3 million euros for the third quarter of 2007, representing an increase of 20.1%** over the corresponding figure of 85.2 million euros in 2006. The increase was 5.4% with an unchanged consolidation scope.

Net sales by business sector are set out in the following table:

	<i>3rd quarter 2007</i>	<i>%</i>	<i>3rd quarter 2006</i>	<i>%</i>	<i>Increase/ Decrease</i>
	<i>€/000</i>		<i>€/000</i>		
Hydraulic Sector	40,338	40	40,581	48	-0.6%
Industrial Sector	53,451	52	38,475	45	+38.9%
Electric Motors Sector	8,530	8	6,135	7	+39.0%
Other Sectors	-	-	8	-	n/a
<b>Total</b>	<b><u>102,319</u></b>	<b><u>100</u></b>	<b><u>85,199</u></b>	<b><u>100</u></b>	<b>+20.1%</b>



**Net sales in the Hydraulic Sector** closed at **40.3 million euros**, a decrease of 0.6%. Sales of the European Group companies rose by 14.2% over the corresponding period of the prior year. Sales of the American subsidiary Muncie fell by 11.6% in dollar terms as the result of the significant contraction of the industrial vehicle market in the United States. The Hydraulic Sector grew overall by 2.3% at unchanged exchange rates.

**Turnover in the Industrial Sector** reached **53.5 million euros**, a rise of **38.9%** (up 6.3% with an unchanged consolidation scope and up 8.2% also at unchanged exchange rates). There was an increase of 79.1% in the sales made by Hammelmann and NLB of high pressure products (up 8.0% with an unchanged consolidation scope). NLB's turnover in the quarter exceeded 10.7%.

Sales of **8.5 million euros** were achieved in the **Electric Motors Sector**, representing an **increase of 39.9%** over the sales of 6.1 million euros reached in the third quarter of 2006.

**EBITDA (gross operating profit)** amounted to **24.0 million euros (23.4% of sales)** compared to 19.5 million euros in the third quarter of 2006 (22.9% of sales), representing an **increase of 22.8%**. With an unchanged consolidation scope EBITDA amounted to 21.8 million euros (24.2% of sales), a rise of 11.6%.

EBITDA by business sector is set out in the following table:

	<i>3rd quarter</i>	<i>% of</i>	<i>3rd quarter</i>	<i>% of</i>	<i>Increase/</i>
	<i>2007</i>	<i>total</i>	<i>2006</i>	<i>total</i>	<i>Decrease</i>
	<i>€/000</i>	<i>sales</i>	<i>€/000</i>	<i>sales</i>	
Hydraulic Sector	8,426	20.9%	8,569	21.1%	-1.7%
Industrial Sector	15,402	28.7%	11,282	29.2%	+36.5%
Electric Motors Sector	120	1.3%	(137)	-2.1%	n/a
Other Sectors	7	n/a	(211)	n/a	n/a
<b>Total</b>	<b><u>23,955</u></b>	<b>23.4%</b>	<b><u>19,503</u></b>	<b>22.9%</b>	<b>+22.8%</b>

**EBIT (operating profit)** totalled **21.3 million euros (20.8% of sales)** compared to the 17.4 million euros of the third quarter of 2006 (20.4% of sales), an **increase of 22.3%**. With an unchanged consolidation scope EBIT amounted to 19.5 million euros (21.8% of sales), a rise of 12.2%.

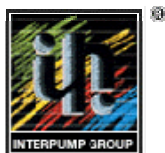
**Consolidated net profit** amounted to **11.7 million euros for the quarter**, an **increase of 29.5%** compared to the 9.0 million euros posted for the third quarter of 2006.

**Basic earnings per share** were **0.158 euros**, representing an **increase of 33.9%** over the figure of 0.118 euros for the third quarter of 2006.

#### CONSOLIDATED RESULTS FOR THE FIRST NINE MONTHS OF 2007

**Net sales for the first nine months of 2007** rose by **16.5%** to **328.1 million euros** against the corresponding figure of 281.7 million euros for the first nine months of 2006. The increase was 4.6% with an unchanged consolidation scope.

Net sales by business sector are set out in the following table:



	30/9/ 2007 (nine months) €/000	%	30/9/2007 (nine months) €/000	%	Increase/ Decrease
Hydraulic Sector	134,262	41	131,954	47	+1.7%
Industrial Sector	159,337	49	120,852	43	+31.8%
Electric Motors Sector	34,501	10	28,818	10	+19.7%
Other Sectors	-	-	53	-	n/a
<b>Total</b>	<b><u>328,100</u></b>	<b><u>100</u></b>	<b><u>281,677</u></b>	<b><u>100</u></b>	<b>+16.5%</b>

**Net sales in the Hydraulic Sector increased by 1.7%** to 134.2 million euros. Sales of the European Group companies rose by 14.5% over the first nine months of 2006, continuing with the notable growth achieved in 2006. Sales of the American subsidiary Muncie fell by 6.9% in dollar terms; this result had been expected as the consequence of the introduction on 1 January 2007 of new environmental regulations which are causing an increase in the cost of industrial vehicles and which may therefore have led industrial vehicle users to bring forward their purchases, and most of all as the result of a drop in sales of these vehicles.

**Turnover in the Industrial Sector rose by 31.8% to 159.3 million euros** (up 4.2% with an unchanged consolidation scope and up 6.2% also at unchanged exchange rates). In this sector there was an increase of 79.7% in the sales of high pressure systems produced by Hammelmann and NLB (up 11.0% with an unchanged consolidation scope). NLB's turnover in dollars for the first nine months exceeded 18.3% (up 9.6% after the translation to euros).

**Sales in the Electric Motors Sector** reached 34.5 million euros (up 19.7% over sales of 28.8 million euros for the first nine months of 2006).

**EBITDA** closed at **73.5 million euros**, representing 22.4% of sales, compared to the figure of 63.3 million euros for the first nine months of 2006 which represented 22.5% of sales, **a rise of 16.1%** (up 7.4% with an unchanged consolidation scope). The effect of 2.1 million euros arising from new legislation on the Italian employees' severance indemnity has been recognised in other revenues. Countering this is a gain of 0.9 million euros on the sale of an investment in other companies recognised in 2006. Excluding these two non-recurring items EBITDA increased by 14.5% (5.6% with an unchanged consolidation scope).

EBITDA by business sector is set out in the following table:

	30/9/ 2007 (nine months) €/000	%	30/9/2007 (nine months) €/000	%	Increase/ Decrease
Hydraulic Sector	29,918	22.3%	29,239	22,2%	+2.3%
Industrial Sector	41,633	26.1%	35,265	29,1%	+18.1%
Electric Motors Sector	1,968	5.5%	43	0,1%	n/a.
Other Sectors	(8)	n/a	(1,218)	n/a	n/a.
<b>Total</b>	<b><u>73,511</u></b>	<b><u>22.4%</u></b>	<b><u>63,329</u></b>	<b><u>22,5%</u></b>	<b>+16.1%</b>

**EBIT** amounted to **65.6 million euros**, or 20.0% of sales, against the corresponding figure of 56.7 million euros for the first nine months of 2006 (20.1% of sales), representing **a rise of 15.5%**. The increase was 7.9% with an unchanged consolidation scope. Excluding the two non-recurring items discussed above EBIT increased by 13.7% (up 6.0% with an unchanged consolidation scope).



The tax rate was 40.0% (44.1% for the first nine months of 2006). The 2007 tax rate was favourably affected by adjustments made to Hammelmann's deferred taxation as the result of the final approval of the reduction in tax rates in Germany from 2008. These amounted to 1.2 million euros. Excluding these adjustments the tax rate would have been 42.0% for the first nine months of 2007.

**Consolidated net profit for the period** amounted to **34.8 million euros, an increase of 23.3%** compared to the 28.2 million euros posted for the first nine months of 2006.

**Basic earnings per share were 0.460 euros**, representing an **increase of 26.4%** over the figure of 0.364 euros for the first nine months of 2006.

**Invested capital** increased from 293.4 million euros at 31 December 2006 to 345.6 million euros at 30 September 2007.

Non-annualized **ROCE** amounted to **19.0%** for the first nine months of 2007 against 18.5% for the corresponding period in 2006, an increase of 2.7%.

Non-annualized **ROE** reached **22.0%** for the first nine months of 2007 (18.8% for the first nine months of 2006), an increase of 17.0%.

**Net financial debt** rose from 137.5 million euros at 31 December 2006 to 187.4 million euros at 30 September 2007, essentially as the result of the purchase of NLB.

Milan, 6 November 2007

For the Board of Directors  
The Chairman  
Giovanni Cavallini

The Manager responsible for preparing the company's financial reports, Carlo Banci, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Milan, 6 November 2007

The Manager responsible for preparing  
the company's financial reports  
Carlo Banci

Enquiries:

*Moccagatta Associati*

*Tel. 02.86451695*

*Email [segreteria@moccagatta.it](mailto:segreteria@moccagatta.it)*

## Financial Statements

### Consolidated balance sheets

	30/09/2007	30/06/2007	31/12/2006
	€/000	€/000	€/000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	33,218	32,098	58,386
Trade receivables	87,917	97,868	66,211
Inventories	105,920	105,124	83,323
Tax receivables	4,582	5,669	1,088
Derivative financial instruments	519	183	184
Assets available for sale	7,885	4,630	21,669
Other current assets	3,734	3,540	2,416
<b>Total current assets</b>	<b>243,775</b>	<b>249,112</b>	<b>233,277</b>
<b>Non-current assets</b>			
Property, plant and equipment	58,031	62,529	51,793
Goodwill	157,684	160,476	130,930
Other intangible assets	23,215	23,739	15,717
Other financial assets	3,313	3,403	4,844
Tax receivables	517	488	511
Deferred tax assets	11,588	11,785	11,245
Other non current assets	439	457	641
<b>Total non current assets</b>	<b>254,787</b>	<b>262,877</b>	<b>215,681</b>
<b>Total assets</b>	<b>498,562</b>	<b>511,989</b>	<b>448,958</b>

	30/09/2007	30/06/2007	31/12/2006
	€/000	€/000	€/000
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables	50,825	60,283	40,724
Payables to banks	6,934	6,576	9,739
Interest bearing financial payables (current portion)	61,031	73,017	50,114
Derivative financial instruments	49	131	249
Taxes payable	13,914	10,998	6,476
Liabilities related to assets held for sale	-	-	12,782
Other current liabilities	23,766	26,445	11,013
Provisions for risks and charges	1,682	1,830	1,679
<b>Total current liabilities</b>	<b>158,201</b>	<b>179,280</b>	<b>132,776</b>
<b>Non-current liabilities</b>			
Interest bearing financial payables	152,671	141,893	134,509
Liabilities for employee benefits	8,758	8,999	9,539
Taxes payables	44	44	44
Deferred tax liabilities	13,843	14,826	13,697
Other non-current liabilities	4,735	4,903	190
Provisions for risks and charges	2,163	2,209	2,315
<b>Total non current liabilities</b>	<b>182,214</b>	<b>172,874</b>	<b>160,294</b>
<b>Total liabilities</b>	<b>340,415</b>	<b>352,154</b>	<b>293,070</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital	37,414	37,989	41,559
Legal reserve	8,747	8,747	8,747
Share premium reserve	18,112	17,930	17,587
Reserve for valuation of hedging derivatives at fair value	179	(28)	(105)
Translation reserve	-	-	94
Other reserves	(19,010)	(13,525)	(9,759)
<b>Shareholders' equity for the Group</b>	<b>105,868</b>	<b>102,067</b>	<b>91,619</b>
Minority interests	<b>151,310</b>	<b>153,180</b>	<b>149,742</b>
<b>Total shareholders' equity</b>	<b>6,837</b>	<b>6,655</b>	<b>6,146</b>
<b>Total shareholders' equity and liabilities</b>	<b>158,147</b>	<b>159,835</b>	<b>155,888</b>
<b>LIABILITIES</b>	<b>498,562</b>	<b>511,989</b>	<b>448,958</b>

## Consolidated income statements (nine months)

(€000)	<i>2007</i>	<i>2006</i>
<b>Net sales</b>	<b>328,100</b>	<b>281,677</b>
Cost of sales	(205,198)	(176,475)
<b>Gross industrial margin</b>	<b>122,902</b>	<b>105,202</b>
Other net revenues	6,198	5,007
Distribution costs	(27,201)	(20,518)
General and administrative expenses	(35,716)	(32,372)
Other operating costs	(623)	(570)
<b>Ordinary profit before financial charges</b>	<b>65,560</b>	<b>56,749</b>
Financial income	3,411	2,376
Financial charges	(10,890)	(7,988)
Adjustment of investments according to the equity method	15	(560)
<b>Profit for the period before taxes</b>	<b>58,096</b>	<b>50,577</b>
Income taxes	(23,251)	(22,324)
<b>Consolidated profit for the period</b>	<b>34,845</b>	<b>28,253</b>
<b>Due to:</b>		
Parent company shareholders	33,600	27,648
Subsidiaries' minority shareholders	1,245	605
<b>Consolidated profit for the period</b>	<b>34,845</b>	<b>28,253</b>
Basic earnings per share (euro)	0.460	0.364
Diluted earnings per share (euro)	0.455	0.362

## Consolidated income statements for the third quarter

(€000)	<i>2007</i>	<i>2006</i>
<b>Net sales</b>	<b>102,319</b>	<b>85,199</b>
Cost of sales	(62,353)	(52,519)
<b>Gross industrial margin</b>	<b>39,966</b>	<b>32,680</b>
Other net revenues	1,455	1,199
Distribution costs	(8,805)	(6,356)
General and administrative expenses	(11,200)	(9,988)
Other operating costs	(119)	(118)
<b>Ordinary profit before financial charges</b>	<b>21,297</b>	<b>17,417</b>
Financial income	1,551	738
Financial charges	(4,361)	(2,253)
Adjustment of investments according to the equity method	37	(74)
<b>Profit for the period before taxes</b>	<b>18,524</b>	<b>15,828</b>
Income taxes	(6,869)	(6,825)
<b>Consolidated profit for the period</b>	<b>11,655</b>	<b>9,003</b>
<b>Due to:</b>		
Parent company shareholders	11,432	8,870
Subsidiaries' minority shareholders	223	133
<b>Consolidated profit for the period</b>	<b>11,655</b>	<b>9,003</b>
Basic earnings per share (euro)	0.158	0.118
Diluted earnings per share (euro)	0.156	0.118



## Consolidated cash flow statements as at September 30<sup>th</sup> (nine months)

(€000)	<u>2007</u>	<u>2006</u>
<b>Cash flow from operating activities</b>		
Profit before taxes	58,096	50,577
Adjustments for non-cash items:		
Losses (capital gains) from the sale of fixed assets	(66)	(3)
Gains from disposals of investments	-	(947)
Depreciation and amortisation	7,626	6,192
Costs ascribed to the income statement relative to stock options that do not involve monetary outflows for the Group	525	682
Losses (profits) from investments	(15)	560
Net change of risk funds and allocations to liabilities for benefits for employees	(2,923)	990
Net financial charges	7,479	5,612
Other	(25)	-
	<u>70,697</u>	<u>63,663</u>
(Increase) decrease in trade receivables and other current assets	(10,250)	(7,536)
(Increase) decrease in inventories	(9,200)	(3,445)
Increase (decrease) in trade payables and other current liabilities	1,721	(3,027)
Interest paid	(7,409)	(4,866)
Currency exchange gains	(421)	(208)
Taxes paid	(13,868)	(13,224)
<b>Net liquidity generated by operating activities</b>	<b><u>31,270</u></b>	<b><u>31,357</u></b>
<b>Cash flow from investing activities</b>		
Expenditure for the NLB acquisition net of cash received	(49,117)	-
Adjustment to Cleaning sector sale price	-	(1,171)
Payment of charges connected to the Hammelmann acquisition	-	(1,000)
Purchase of minority interests of subsidiaries	-	(17,921)
Increase of share capital in non consolidated subsidiaries	(178)	(592)
Proceeds from the sale of equity interests	480	500
Payment for purchase of treasury stock	(10,666)	(20,825)
Proceeds from the sale of treasury stock to the holders of stock options	326	15
Investment in property, plant and equipment	(8,397)	(6,408)
Proceeds from the sale of tangible fixed assets	1,427	210
Increase in intangible assets	(1,591)	(1,443)
Financial income collected	923	544
Other	(709)	306
<b>Net liquidity utilised in investing activities</b>	<b><u>(67,502)</u></b>	<b><u>(47,785)</u></b>
<b>Cash flow of financing activities</b>		
Proceeds from (repayments of) loans	28,410	14,048
Loan granted to non consolidated subsidiaries	-	(901)
Disbursal (repayment) of shareholders' loan	(124)	-
Payment of financial leasing instalments (principal)	(159)	(160)
Dividends paid	(13,575)	(11,929)
<b>Net cash from (used in) financing activities</b>	<b><u>14,552</u></b>	<b><u>1,058</u></b>

(€000)	<u>2007</u>	<u>2006</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b><u>(21,680)</u></b>	<b><u>(15,370)</u></b>
Exchange differences on conversion of the liquidity of companies in areas outside the EU	77	181
Cash and cash equivalents of companies consolidated for the first time	728	-
To rectify: available cash and cash equivalents at the start of the period of assets held for sale	-	879
To rectify: increase (decrease) of available cash and equivalent means of assets held for sale	-	(2,148)
Cash and cash equivalents at the beginning of the period	<u>47,159</u>	<u>44,487</u>
Cash and cash equivalents at the end of the period	<u>26,284</u>	<u>28,029</u>

Cash and cash equivalents can be broken down as follows:

	30/09/2007	01/01/2007	30/09/2006	01/01/2006
	€000	€000	€000	€000
Cash and cash equivalents from balance sheet	33,218	58,386	37,721	56,078
Payables to banks (for overdrafts and advances subject to collection)	(6,934)	(9,739)	(9,692)	(11,591)
Bank debts net of assets classified as available for sale	<u>-</u>	<u>(1,488)</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents from cash flow statement	<u>26,284</u>	<u>47,159</u>	<u>28,029</u>	<u>44,487</u>

## Changes in shareholders' equity

	Share capital	Legal reserve	Share premium reserve	Reserve for the fair value of hedging derivatives	Reserve for valuation of investments at fair value	Translation reserve	Other reserves	Shareholders' equity for the Group	Minority interests	Total
<i>Balances as at 1 January 2006</i>	41,559	8,747	16,739	(558)	-	(4,664)	87,801	149,624	7,055	156,679
Distribution of dividends	-	-	-	-	-	-	(11,510)	(11,510)	(495)	(12,005)
Exchange differences on the translation of financial statements for companies in areas outside the EU	-	-	-	-	-	(2,097)	-	(2,097)	(86)	(2,183)
Exchange differences on the conversion of goodwill of non-EU companies	-	-	-	-	-	(1,139)	-	(1,139)	-	(1,139)
Proceed of minority interests	-	-	-	-	-	-	-	-	3	3
Recording in the income statement of the fair value Of the stock options assigned and exercisable	-	-	682	-	-	-	-	682	-	682
Recording in the income statement of the fair value Of derivative hedging instruments	-	-	-	18	-	-	-	18	-	18
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/1/2006 and at 30/9/2006	-	-	-	394	-	-	-	394	-	394
Recording under shareholders' equity of the change in the fair value of investments in other companies	-	-	-	-	918	-	-	918	-	918
Recording in the income statement of the reserve for fair value Of the investments for the sale of Metalprint	-	-	-	-	(918)	-	-	(918)	-	(918)
Purchase of treasury stock	-	-	-	-	-	-	(20,825)	(20,825)	-	(20,825)
Sales of treasury stock for the exercise of stock options	-	-	-	-	-	-	15	15	-	15
Net profit for the period	-	-	-	-	-	-	27,648	27,648	605	28,253
<i>Balances as at 30 September 2006</i>	41,559	8,747	17,421	(146)	-	(7,900)	83,129	142,810	7,082	149,892
Exchange differences on the translation of financial statements For companies in areas outside the EU	-	-	-	-	-	(1,207)	-	(1,207)	(19)	(1,226)
Exchange differences on the conversion of goodwill of non-EU companies	-	-	-	-	-	(652)	-	(652)	-	(652)
Distribution of dividend	-	-	-	-	-	-	-	-	(924)	(924)
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/10/2006 and at 31/12/2006	-	-	-	41	-	-	-	41	-	41
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	166	-	-	-	-	166	-	166
Purchase of treasury stock	-	-	-	-	-	-	(4,842)	(4,842)	-	(4,842)
Recording under shareholders' equity of the fair value of investments	-	-	-	-	94	-	-	94	-	94
Net profit of the fourth quarter 2006	-	-	-	-	-	-	13,332	13,332	7	13,339
<i>Balances as at 31 December 2006</i>	41,559	8,747	17,587	(105)	94	(9,759)	91,619	149,742	6,146	155,888

	<i>Share capital</i>	<i>Legal reserve</i>	<i>Share premium reserve</i>	<i>Reserve for the fair value of hedging derivatives</i>	<i>Reserve for valuation of investments at fair value</i>	<i>Translation reserve</i>	<i>Other reserves</i>	<i>Shareholders' equity for the Group</i>	<i>Minority interests</i>	<i>Total</i>
<i>Balances as at 31 December 2006</i>	41,559	8,747	17,587	(105)	94	(9,759)	91,619	14,742	6,146	155,888
Reclassification of nominal value of treasury stock at 1/1/2007	(3,429)	-	-	-	-	-	3,429	-	-	-
Exchange differences on the translation of financial statements for companies in areas outside the EU	-	-	-	-	-	(5,419)	-	(5,419)	(19)	(5,438)
Exchange differences on the conversion of goodwill of non-EU companies	-	-	-	-	-	(3,768)	-	(3,768)	-	(3,768)
Distribution of dividend	-	-	-	-	-	-	(13,207)	(13,207)	(535)	(13,742)
Purchase of treasury stock	(741)	-	-	-	-	-	(9,925)	(10,666)	-	(10,666)
Sales of treasury stock for the exercise of stock options net of relative tax income	25	-	-	-	-	-	292	317	-	317
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	525	-	-	-	-	525	-	525
Reclassification of the reserve for valuation of investments at fair value subsequent to their consolidation	-	-	-	-	(94)	(64)	158	-	-	-
Current tax recorded directly to shareholders' equity	-	-	-	-	-	-	(98)	(98)	-	(98)
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/1/2007 and at 30/9/2007	-	-	-	332	-	-	-	332	-	332
Recording in the income statement of the fair value of derivative hedging instruments	-	-	-	(48)	-	-	-	(48)	-	(48)
Net profit of the first nine months 2007	-	-	-	-	-	-	33,600	33,600	1,245	34,845
<i>Balances as at 30 September 2007</i>	<i>37,414</i>	<i>8,747</i>	<i>18,112</i>	<i>179</i>	<i>-</i>	<i>(19,010)</i>	<i>105,868</i>	<i>151,310</i>	<i>6,837</i>	<i>158,147</i>

## Balance sheets for the parent company Interpump Group S.p.A.

	30/09/2007	31/12/2006
	€/000	€/000
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	14,325	37,405
Trade receivables	11,598	11,946
Inventories	14,902	14,286
Tax receivables	984	293
Derivative financial instruments	331	139
Fixed assets held for sale	5,676	7,951
Other current assets	653	890
<b>Total current assets</b>	<b>48,469</b>	<b>72,910</b>
<b>Non-current assets</b>		
Property, plant and equipment	11,735	13,224
Goodwill	32,506	32,506
Other intangible assets	3,459	2,704
Investments in subsidiaries	150,213	83,498
Other financial assets	26,050	26,050
Tax receivables	46	17
Deferred tax assets	3,295	3,856
Other non current assets	23	501
<b>Total non current assets</b>	<b>227,327</b>	<b>162,356</b>
<b>Total assets</b>	<b>275,796</b>	<b>235,266</b>

	<i>30/09/2007</i>	<i>31/12/2006</i>
	<i>€/000</i>	<i>€/000</i>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade payables	11,344	12,059
Payables to banks	1,363	1,126
Interest bearing financial payables (current portion)	35,000	35,000
Derivative financial instruments	33	234
Taxes payable	96	1,258
Other current liabilities	11,442	3,948
Provisions for risks and charges	161	310
<b>Total current liabilities</b>	<b>59,439</b>	<b>53,935</b>
<b>Non-current liabilities</b>		
Interest bearing financial payables	109,617	79,788
Liabilities for employee benefits	3,842	4,730
Deferred tax liabilities	2,354	2,287
Other non current liabilities	3,411	-
Provisions for risks and charges	301	301
<b>Total non current liabilities</b>	<b>119,525</b>	<b>87,106</b>
<b>Total liabilities</b>	<b>178,964</b>	<b>141,041</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share Capital	37,414	41,559
Legal reserve	8,747	8,747
Share premium reserve	17,758	17,318
Reserve for valuation of hedging derivatives at fair value	164	(110)
Other reserves	32,749	26,711
<b>Total shareholders' equity</b>	<b>96,832</b>	<b>94,225</b>
<b>Total shareholders' equity and liabilities</b>	<b>275,796</b>	<b>235,266</b>

**First nine months income statements  
for the parent company Interpump Group S.p.A.**

(€000)	<u>2007</u>	<u>2006</u>
<b>Net sales</b>	<b>56,069</b>	<b>53,965</b>
Cost of sales	(36,060)	(33,425)
<b>Gross industrial margin</b>	<b>20,009</b>	<b>20,540</b>
Other net revenues	2,667	2,432
Distribution costs	(2,138)	(2,105)
General and administrative expenses	(7,627)	(8,075)
Write-down of investments	-	(884)
Other operating costs	(3)	-
Dividends	21,000	12,772
<b>Ordinary profit before financial charges</b>	<b>33,908</b>	<b>24,680</b>
Financial income	2,791	2,224
Financial charges	(6,590)	(4,711)
<b>Profit for the period before taxes</b>	<b>30,109</b>	<b>22,193</b>
Income taxes	(4,562)	(5,008)
<b>Profit for the period</b>	<b>25,547</b>	<b>17,185</b>
Basic earnings per share	0.350	0.226
Diluted earnings per share	0.346	0.225

## First nine months cash flow statements for the parent company Interpump Group S.p.A.

(€000)	<u>2007</u>	<u>2006</u>
<b>Cash flow from operating activities</b>		
Profit before taxes	30,109	22,193
Adjustments for non-monetary items:		
Gains from disposals of fixed assets	(46)	-
Gains from disposals of investments	-	(947)
Depreciation and amortisation	1,429	1,469
Expenses recognised in the income statement relating to stock options which do not result in cash outflows for the Group	440	581
Write-down of investments	-	884
Net change in provisions and accruals for employee benefits	(1,037)	269
Dividend deliberated	(21,000)	(12,772)
Net financial charges	3,799	2,487
	<u>13,694</u>	<u>14,164</u>
(Increase) decrease in trade receivables and other current assets	17	(439)
(Increase) decrease in inventories	(616)	(851)
Increase (decrease) in trade payables and other current liabilities	(561)	330
Income taxes paid	(5,148)	(4,709)
Interest paid	(5,728)	(3,852)
Realised exchange differences	(19)	(30)
<b>Net cash from operating activities</b>	<u><b>1,639</b></u>	<u><b>4,613</b></u>
<b>Cash flows from investing activities</b>		
Expenditure for NLB acquisition	(50,424)	-
Adjustment of sale price for IP Cleaning S.p.A.	-	(1,171)
Acquisition of investments	-	(96)
Proceeds from the sale of investments	480	503
Purchase of treasury stock	(10,666)	(20,825)
Proceeds from the sale of treasury stock to the holders of stock options	326	15
Investments in property, plant and equipment	(1,986)	(1,971)
Proceeds from the sale of tangible fixed assets	52	41
Increase in intangible fixed assets	(1,145)	(938)
Financial income received	1,100	863
Other items	(34)	(2)
Dividends received	21,000	4,272
<b>Net liquidity generated (used in) investing activities</b>	<u><b>(41,297)</b></u>	<u><b>(19,309)</b></u>
<b>Cash flows from financing activities</b>		
Dividends paid	(13,207)	(11,510)
Variation in intercompany loans	-	(1,608)
Proceeds from (repayments of) loans	29,548	4,593
<b>Net liquidity generated (used in) financing activities</b>	<u><b>16,341</b></u>	<u><b>(8,525)</b></u>
<b>Net (increase) decrease of cash and cash equivalents</b>	<u><b>(23,317)</b></u>	<u><b>(23,221)</b></u>
Cash and cash equivalents at the beginning of the period	<u><b>36,279</b></u>	<u><b>34,412</b></u>
Cash and cash equivalents at the end of the period	<u><b>12,962</b></u>	<u><b>11,191</b></u>



Cash and cash equivalents can be broken down as follows:

	30/09/2007	31/12/2006	30/09/2006	01/01//2006
		€000	€000	€000
Cash and cash equivalents from the balance sheet	14,325	37,405	12,173	34,938
Payables to banks (for advances subject to collection)	<u>(1,363)</u>	<u>(1,126)</u>	<u>(982)</u>	<u>(526)</u>
Cash and cash equivalents as from the cash flow statement	<u>12,962</u>	<u>36,279</u>	<u>11,191</u>	<u>34,412</u>

## Changes in shareholders' equity for the parent company Interpump Group S.p.A.

	Share capital	Legal reserve	Share premium reserve	Reserve for valuation of hedging derivatives at fair value	Reserve for valuation of investments at fair value	Other reserves	Total shareholders' equity
<i>Balances as at 1 January 2006</i>	41,559	8,747	16,596	(558)	-	44,133	110,477
Acquisition of treasury stock	-	-	-	-	-	(20,825)	(20,825)
Sale of treasury stock to stock options beneficiaries	-	-	-	-	-	15	15
Dividends paid	-	-	-	-	-	(11,510)	(11,510)
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/1/2006 and at 30/9/2006	-	-	-	392	-	-	392
Recording in the income statement of the fair value of derivative hedging instruments	-	-	-	18	-	-	18
Recording under shareholders' equity of the change in the fair value of investments in other companies	-	-	-	-	918	-	918
Recording in the income statement of the fair value of a divested equity investment	-	-	-	-	(918)	-	(918)
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	581	-	-	-	581
Net profit for the period	-	-	-	-	-	17,185	17,185
<i>Balances as at 30 September 2006</i>	41,559	8,747	17,177	(148)	-	28,998	96,333
Acquisition of treasury stock	-	-	-	-	-	(4,842)	(4,842)
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/10/2006 and at 31/12/2006	-	-	-	38	-	-	38
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	141	-	-	-	141
Net profit for the fourth quarter of 2006	-	-	-	-	-	2,555	2,555
<i>Balances as at 31 December 2006</i>	41,559	8,747	17,318	(110)	-	26,711	94,225
Reclassification of nominal value of treasury stock at 1/1/2007	(3,429)	-	-	-	-	3,429	-
Distribution of dividend	-	-	-	-	-	(13,207)	(13,207)
Acquisition of treasury stock	(741)	-	-	-	-	(9,925)	(10,666)
Recording in the income statement of the fair value of the stock options assigned and exercisable	-	-	440	-	-	-	440
Current tax recorded directly to shareholders' equity	-	-	-	-	-	(98)	(98)
Sale of treasury stock to stock options beneficiaries	25	-	-	-	-	292	317
Recording under shareholders' equity of the fair value of derivative hedging instruments taken out during the period and change in the fair value for those existing at 1/1/2007 and at 30/9/2007	-	-	-	317	-	-	317
Recording in the income statement of the fair value of derivative hedging instruments	-	-	-	(43)	-	-	(43)
Net profit for first nine months of 2007	-	-	-	-	-	25,547	25,547
<i>Balances as at 30 September 2007</i>	<u>37,414</u>	<u>8,747</u>	<u>17,758</u>	<u>164</u>	=	<u>32,749</u>	<u>96,832</u>