



Group's activity

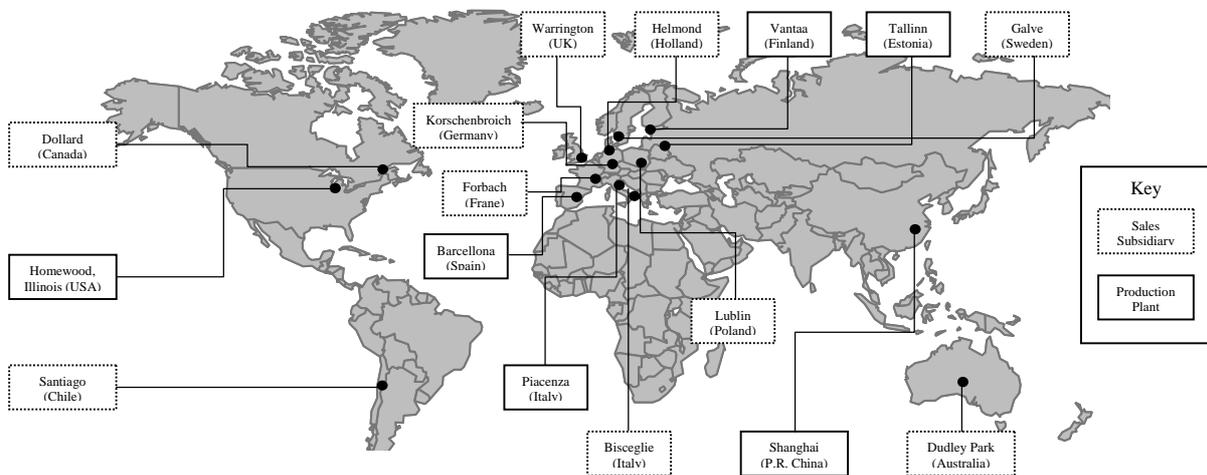
Since the early 1950s the Company has been active in the design, production and distribution of lift truck attachments and industrial material handling equipment, a sub-division of the broader logistics division. The latter, due to the current process of globalisation, shows significant growth margins.

Today Bolzoni is present in over forty countries worldwide. Its products hold the leading position in the European market for lift truck attachments and it is the second largest worldwide manufacturer in this sector.

The Group offers a wide range of products utilized in the industrial material handling and, in particular, lift truck attachments, lifting platforms and hand pallet trucks.

The Company controls, either directly or indirectly, 15 companies, all of which are included in the Group consolidating area, located in several countries throughout the world. Six companies (including the Company) carry out manufacturing activities and have plants in Italy, Finland, United States of America, Estonia, Spain and China whereas the remaining ten companies carry out exclusively commercial and distribution activities, directly aimed at serving the principal global logistics and material handling markets.

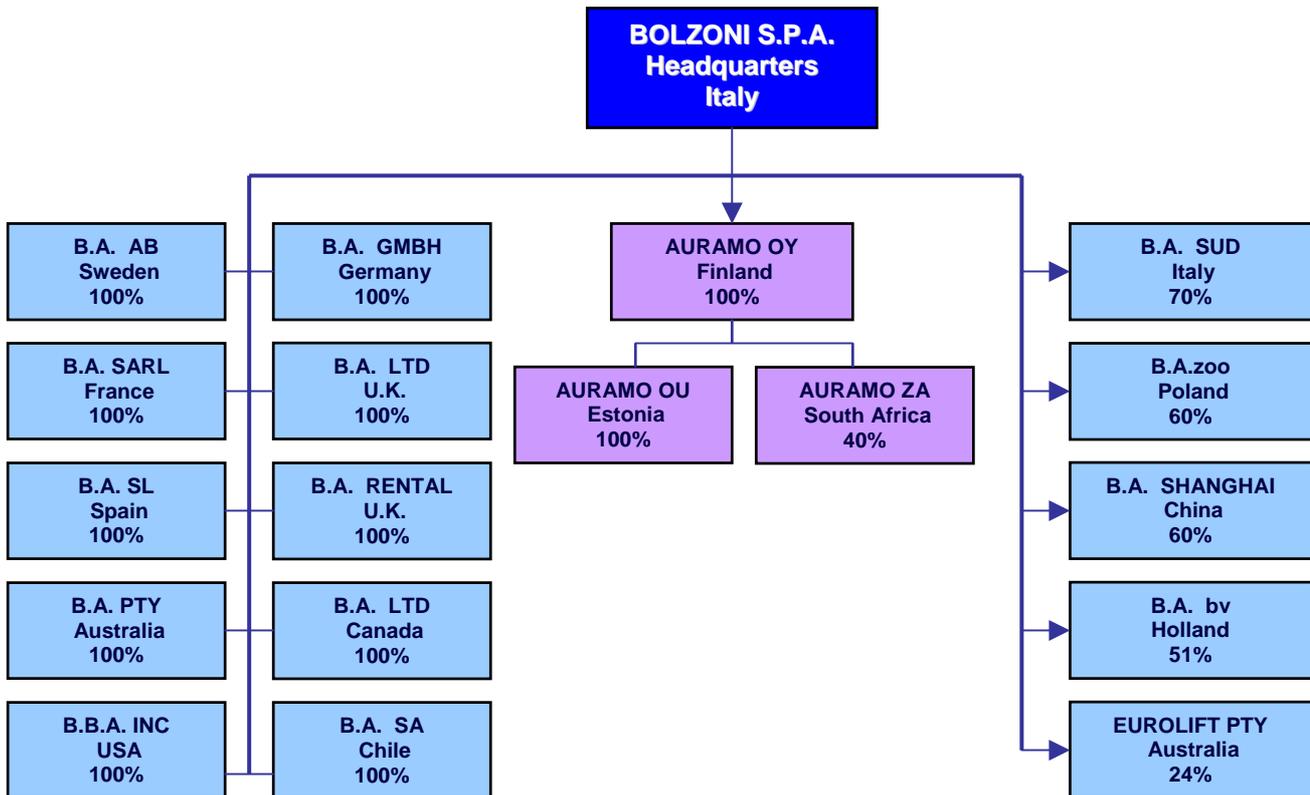
The following diagram show the locations of the various companies of the Group throughout the world.





Group structure

As at 30.09.2006, there are no variations to the consolidating area with respect to the situation as at 31.12.2005 and as at 30.06.2005.



Either through its subsidiaries or its associated companies the Group is present in several countries representing all together 80% of the specific world market.

Five of the companies also carry out manufacturing activities (Italy, Spain, Finland, USA, China), in addition to marketing activities.

Only one company (Auramo OU Estonia) has an exclusively manufacturing activity and works as sub-supplier to the Finnish company Auramo OY.



Report on the consolidated financial situation of the 3rd quarter 2006

For easier reading, unless otherwise specified, figures are indicated in thousand of euro.

Main results

Below are the main results for the consolidated financial situation of the 3rd quarter 2006, compared to the same period in 2005.

	Q3 2005	Q3 2006	Variation
Revenue	22,353	23,941	+ 7.1%
Ebitda	2,384	3,172	+ 33.0%
Ebit	2,375	2,510	+ 49.3%
Profit before tax	1,822	2,278	+ 25.0%

	30.09.2005	30.09.2006	Variation
Revenue	69,669	74,796	+ 7.4%
Ebitda	7,582	9,795	+ 29.2%
Ebit	5,148	7,296	+ 41.7%
Profit before tax	5,069	6,356	+ 25.4%

Revenue

The third quarter of 2006 shows an increase of 7.1%, with consolidated revenue amounting to 23,941,000 euro compared to 22,353,000 euro for the same period of the previous year.

As at September 30th revenue increased by 7.4%

During the third quarter orders were booked for 24,898,000 euro whereas they amount to 79,711,000 euro as at September 30 2006.

Trends in the benchmark market

According to statistics issued by the association of forklift truck manufacturers, the market we use as our benchmark recorded the following variations during the third quarter of 2006, compared to the same period of 2005:

- European Union + 21.1%
- North America - 3.5%
- World (Europe and Usa included) + 16.2%.

On the whole, as at September 30 the forklift market recorded the following variations:

- European Union + 11.4%
- North America + 6.8%
- World (Europe and Usa included) + 15.0%.

So an extremely positive growth trend has been noted in European Union, particularly the German market showing growth trends higher than the European average.

For the first time since 2001 the North American market has registered a drop in the number of forklift trucks sold, with Canada continuing to grow but with the USA dropping by more than 5%.

The world market continues its growth at a trend far higher than expected.

The paper industry, closely linked to some of our products, has been going through a difficult period since the start of the year however there have been signs of recovery during the last few months.



Market share

During the third quarter turnover increased by 7.1%.

This is a solid growth which, added to the further increase in backlog of orders, leads us to confirm our expectations for the end of the year and therefore also confirm the maintenance of our market shares.

Dollar Exchange Rate

The Dollar, with an exchange rate against the euro of 1.18 on 31.12.2005, fell to 1.27 on 30.09.2006 with an average exchange rate of 1.24 during the semester.

The third quarter presents a positive result of 119,000 euro due to exchange rate fluctuations and therefore partly reduces the costs sustained at the end of the previous semester.

EBITDA

The trend of Ebitda during the period under examination has been as follows:

	Q3.2006
% Ebitda on turnover - 2005	10.67%
% Ebitda on turnover - 2006	13.25%

The result is perfectly in line with the budgeted figures for 2006.

Result before tax

Result before tax amounts to 2,278,000 euro, 25% higher than the same period in 2005.

The increase at the end of the third quarter is 25.4% compared to the same period last year.



CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER 2006

STATEMENT OF INCOME <i>(in thousands of euro)</i>	Q3 2006	Q3 2005	Variation 2006 vs 2005
Net sales	23,941	22,353	7.1%
Other income	150	190	(21.1%)
Total revenues	24,091	22,543	6.9%
Cost of raw material and purchased goods	(9,124)	(9,918)	(8.0%)
Cost of services	(6,240)	(5,074)	23.0%
Labour costs	(5,573)	(5,059)	10.2%
Other operating expenses	(40)	(109)	(63.0%)
Share of profit of associates accounted for under equity method	58	0	100%
EBITDA	3,172	2,384	33.1%
Depreciation and amortisation	(820)	(810)	1.4%
Accruals and impairment losses	(40)	(26)	53.8%
EBIT	2,312	1,549	49.3%
Financial income and expenses, net	(153)	(162)	(5.6%)
Gain or loss from foreign currency translation	119	435	(72.6%)
Income before income taxes	2,278	1,822	25.0%

CONSOLIDATED INCOME STATEMENT AS AT SEPTEMBER 30

STATEMENT OF INCOME <i>(in thousands of euro)</i>	30.09.2006	30.09.2005	Variation 2006 vs 2005
Net sales	74,796	69,669	7.4%
Other income	501	584	(14.2%)
Total revenues	75,297	70,253	7.2%
Cost of raw material and purchased goods	(28,507)	(28,943)	(1.5%)
Cost of services	(19,055)	(17,223)	10.6%
Labour costs	(17,724)	(16,236)	9.2%
Other operating expenses	(304)	(270)	(13.0%)
Share of profit of associates accounted for under equity method	88	0	100%
EBITDA	9,795	7,582	29.2%
Depreciation and amortisation	(2,375)	(2,336)	1.7%
Accruals and impairment losses	(124)	(99)	25.3%
EBIT	7,296	5,148	41.7%
Financial income and expenses, net	(428)	(501)	(14.6%)
Gain or loss from foreign currency translation	(512)	422	N.D.
Income before income taxes	6,356	5,069	25.4%



EXPLANATORY NOTES TO THE CONSOLIDATED QUARTERLY REPORT

1. Basis of presentation

This consolidated report for the quarter ended September 30th 2006 has been drawn up in accordance with appendix 3D of the "Regolamento Emittenti" (Italian Regulation for Issuers).

The same principal accounting standards adopted for the preparation of the consolidated financial statement for the Bolzoni Group at December 31 2005 have also been applied to the consolidated quarterly report as at September 30 2006 without any modification.

The Quarterly Report as at September 30 2006 should be read in conjunction with the consolidated financial statement for the Bolzoni Group at December 31 2005.

The net income for the quarter which ended September 30 2006 is not representative of the Group's result for the year ending December 31st 2006.

The amounts reported in the following notes are expressed in thousand of Euro, except otherwise specified.

2. Segment information

Information is given below regarding the secondary segment, that is to say, by geographical areas due to the fact that the primary segment of business is considered as a single segment and the result of the segment coincides with that of the income statement.

The geographical areas are identified as: "Europe", "North America" and "Others". Sales to external customers disclosed in geographical segments are based on the geographical location of the customers.

The following tables provide figures on income related to the Group's geographical areas for the quarters which ended September 30 2006 and 2005.

It should also be noted that the trend of income does not follow any particular seasonal pattern.

Q3 2006	Europe	North America	Others	Total
Revenues:				
Segment revenues	18,050	3,509	2,382	23,941

Q3 2005	Europe	North America	Others	Total
Revenues:				
Segment revenues	16,574	4,428	1,351	22,353

The above figures confirm the positive trend of the European market which increased by 8.9%.

After a positive result in the first semester North America shows a change in trend, only partly justified by the negative trend of the benchmark market which, as already pointed out, has dropped for the first time since 2001.

The other markets however register an excellent growth.



3. Interest bearing loans and borrowings

	<i>Actual Interest Rate %</i>	<i>Maturity</i>	30.09.06	31.12.05
Short term				
Bank overdrafts		On request	370	99
Advance on collectable bills subject to final payment		30-90 days	1,410	2,263
Loans to subsidiaries			3,615	3,391
Euro 7,000,000 bank loan	Euribor +0.90	2006	1,167	2,333
Euro 7,750,000 bank loan	Euribor +0.70	2006	1,107	1,107
Euro 2,000,000 bank loan	Euribor +0.40	2006	667	333
Euro 2,000,000 bank loan	Euribor +0.40	2006	390	380
Euro 1,000,000 bank loan	Euribor +0.40	2006	191	0
Euro 2,800,000 bank loan	2.93	2006	0	2,800
Government loan 394/81	1.72	2006	303	303
Other minor loans		2006	8	135
			9,228	13,144
Medium/long term				
Euro 7,000,000 bank loan	Euribor +0.90	2007	0	1,167
Euro 7,750,000 bank loan	Euribor +0.70	2010	3,322	4,429
Euro 2,000,000 bank loan	Euribor +0.40	2009	1,333	1,667
Euro 2,000,000 bank loan	Euribor +0.40	2010	1,230	1,620
Euro 1,000,000 bank loan	Euribor +0.40	2011	715	0
Government loan 394/81	1.72	2009	759	911
Other minor loans			266	284
			7,625	10,078

Bank overdrafts and advances subject to final payment

Bank overdrafts and advances subject to final payment refer mainly to the Parent company.

Euro 7.000.000 bank loan

The loan is unsecured and repayable in half-year instalments with constant capital.

Euro 7.750.000 bank loan

The loan, secured by the property in Podenzano, is repayable in half-year instalments with constant capital.

Euro 2.000.000 bank loans

The two loans are unsecured and are repayable in half-year instalments with constant capital.

Euro 1.000.000 bank loan

The loan is unsecured and is repayable in half-year instalments with constant capital.

Euro 2.800.000 bank loan

The loan is unsecured and is repayable in a single instalment due on 30 September 2006.

Government loan according to Law 394/81

This loan, secured by a bank guarantee specifically obtained for the purpose, is repayable in half-year instalments with constant capital.

Foreign subsidiaries' loans

These include:

- ❖ two loans obtained by the subsidiary Auramo OY amounting to Euro 1.2 million and Euro 1.3 with maturity within the current period. The second loan is secured by a pledge on the interest capitalisation policy guaranteeing a minimum 4.5% yield and is booked in the financial assets held until maturity.
- ❖ Loan of US \$ 0.5 million obtained by the subsidiary Brudi Bolzoni Auramo Inc.
- ❖ Loan of Euro 0.5 million obtained by the subsidiary Bolzoni Auramo GmbH



All loans are secured by comfort letters given by parent, except for the Auramo OY loan of Euro 1.3 million.

The negative balance of the net financial position has been reduced from 21,223 thousand euro as at 30.09.2005 (18.490 thousand at 31.12.2005) to 5,923 thousand euro at the end of September 2006. This improvement is the result of both the cash flow produced during the period, amounting to approximately 3,615 thousand Euro, and the proceeds of the listing operation amounting to 11.400 thousand euro (already net of the commission given to the investment dealers and the consultancy fees paid as at 30.09.2006).

During the second semester dividends were also paid out for the amount of 2 million Euro, as well as advance payments to suppliers involved in the fork project (amounting to approx. 1.829 thousand Euro).

4. Listing in the Star segment of Borsa Italiana

On June 8th 2006 the shares of Bolzoni S.p.A. were listed for the first time in the Star segment of Borsa Italiana,

The listing price was 3.2 Euro per share.

The market reacted very positively to our offering by subscribing 2.9 times the shares on sale for the institutional investors and 3.5 times those on sale for retail.

The costs related to the IPO have been deducted from net equity.

The Income Statement as at September 30 includes costs amounting to 260,000 Euro covering the fair value based evaluation of the managers' stock option according to the IFRS/IAS accounting principles.

5. Events which occurred after September 30 2006

On October 5th 2006 our Group bought up 100% of the Meyer GmbH Company situated in Salzgitter Germany, the fourth manufacturer in the world of forklift truck attachments.

No other significant events occurred following the above date.