



The Business Description of the Group

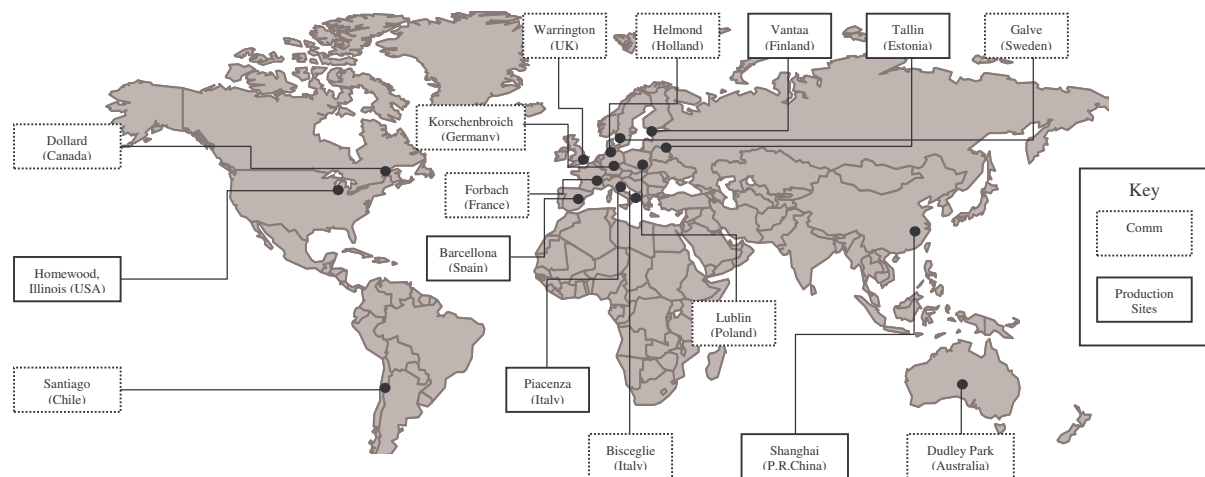
Since the early 1950s the Company has been active in the design, production and distribution of lift truck attachments and industrial material handling equipment, a sub-division of the broader logistics division. The latter, due to the current process of globalization, shows significant growth margins.

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 of the 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.

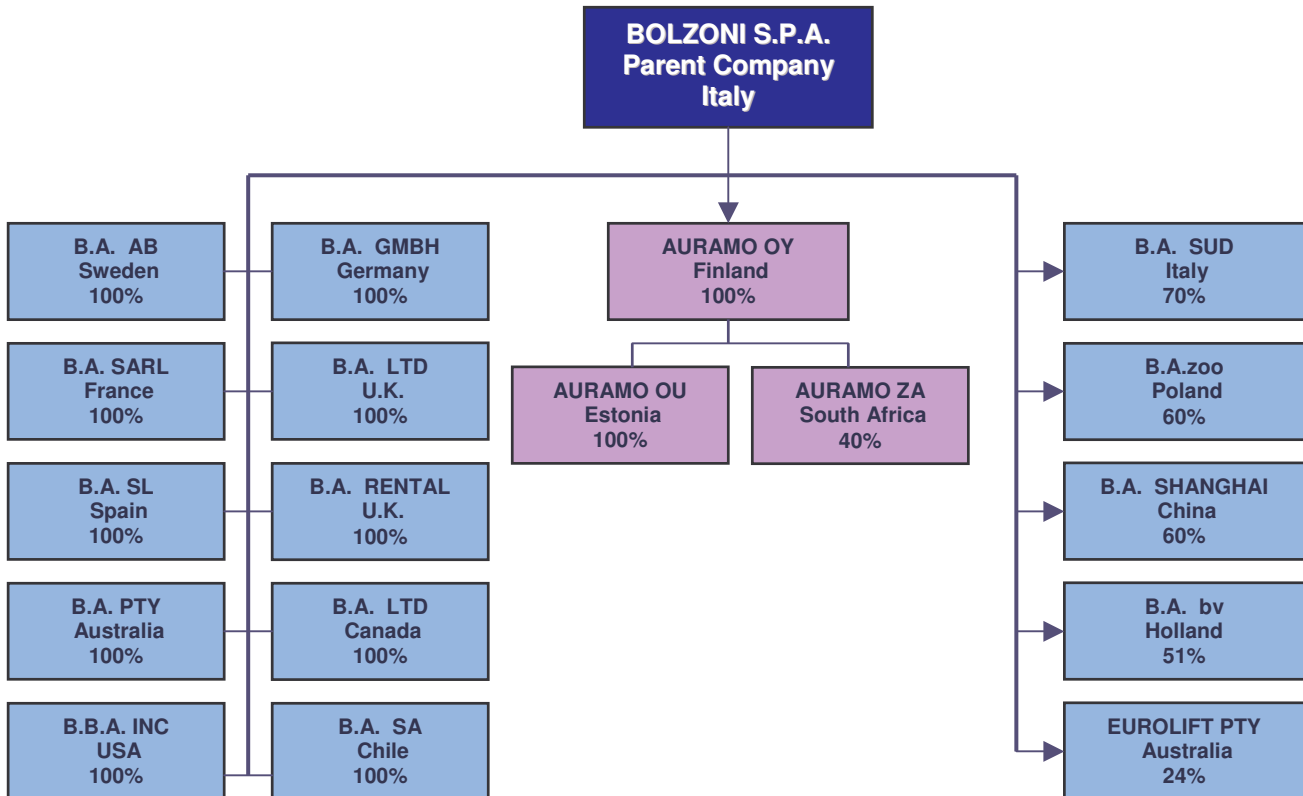
The following diagrams show the various locations of the companies of the Group throughout the world.





Group structure

As at 31.03.2006, there are no variations to the consolidating area with respect to the situation as at 31.12.2005 and as at 31.03.2005.



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.

**Notes to the Consolidated Financial statement for the first quarter of 2006**

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

Fundamental elements

Below are the main figures of the Consolidated Financial Statement for the first quarter of 2006, compared with the same period in 2005.

	31.03.2005	31.03.2006	Variation
- Revenue	22,048	25,324	+ 14.9%
- Ebitda	1,995	3,155	+ 58.1%
- Ebit	1,224	2,474	+ 102.1%
- Inventory	17,669	18,470	+ 4.5%
- Net financial position	(21,130)	(18,424)	- 12.87%

Revenue

During the first quarter of 2006 consolidated revenues amounted to 25,324 Euro, an increase of 14.9% compared to the same period of the previous year.

The result is 2% higher than budgeted.

Trend of the benchmark market

According to statistics issued by FEM (Fédération Européenne de la Manutention), the fork lift truck market which we use as our benchmark, recorded during the first quarter of 2006 a 14.3% increase in Italy and a 7.2% increase in Europe; in the USA the market remained basically stable while the overall growth worldwide was 7% (inclusive of Europe and USA).

Consequently the positive trend recorded during the last months of last year is confirmed.

Market share

The 14.9% increase in turnover in a world market growing at a rate of 7% confirms the good performance of the first quarter.

Even without the price increases applied subsequent to higher costs for raw material, the growth rate confirms a further increase in our market share.

Cost of raw material

As announced in the Management Report for the Financial year 2005, the increased cost in raw material was transferred to the market during 2005 (in particular during the first and second quarters).

During the subsequent period, there have been fluctuations in the cost of raw material but these have not been of a significant nature and this phase has continued during the first quarter of 2006.

The first quarter of 2006 does not therefore suffer the negative effects caused by the cost for raw material.

Dollar exchange rate

The Dollar, whose exchange rate against the Euro on 31.12.2005 was 1.18, fell to 1.21 on 31.03, with an average exchange rate of 1.20.

The variation was not particularly significant and the impact on the financial statement's results is marginal.

EBITDA

As indicated in the Management Report to the 2005 Financial Statement the unexpected increase in the cost of raw material and the time necessary to transfer the increases to the market have had an impact on the margin levels during the various quarters of 2005, and with negative effects on the first quarter of 2006.

This results in an exceptionally positive difference in the first quarter of 2006.

It is therefore more advisable to compare the Ebitda of the first quarter of 2006 with the overall Ebitda for 2005 which corresponds to 11.2%.



As clearly expected therefore, the Ebitda for the first quarter of 2006, corresponding to 12.5%, has reached levels higher than the average result for 2005.

CONSOLIDATED BALANCE SHEET as of March 31st 2006

ASSETS AND LIABILITIES <i>(in thousands of Euro)</i>	31/03/2006	31/12/2005
ASSETS		
Non current assets		
Property, plant and equipment	16,307	15,817
Goodwill	8,336	8,336
Intangible assets	2,203	2,127
Investments accounted for under the equity method	465	448
Receivables and other non-current financial assets	300	205
Financial assets held to maturity	1,383	1,368
Deferred tax assets	1,843	1,827
Total non current assets	30,837	30,128
Current assets		
Inventory	18,470	18,178
Trade accounts receivable	24,050	22,023
Tax receivables	359	244
Other current assets	727	650
Cash and cash equivalent	3,861	3,364
Total current assets	47,467	44,459
TOTAL ASSETS	78,304	74,587

**CONSOLIDATED BALANCE SHEET as of March 31st 2006**

ASSETS AND LIABILITIES <i>(in thousands of Euro)</i>	31/03/2006	31/12/2005
GROUP SHAREHOLDERS' EQUITY		
Share capital	5,319	5,319
Reserves	16,098	13,984
Net income for the period	1,335	4,350
TOTAL GROUP SHAREHOLDERS' EQUITY	22,752	23,653
MINORITY INTERESTS		
Reserves attributed to minority interests	308	137
Net income for the period	12	9
TOTAL SHAREHOLDERS' EQUITY	23,072	23,799
LIABILITIES		
Non current liabilities		
Long term debt	8,596	10,078
Termination indemnity	3,298	3,261
Deferred tax liabilities	1,440	1,467
Provisions-non current portion	117	117
Total non current liabilities	13,451	14,23
Current liabilities		
Trade accounts payable	17,613	16,747
Liabilities due to banks and current portion of long term debt	15,072	13,144
Other current liabilities	6,127	4,113
Tax payables	2,674	1,605
Provisions-current portion	295	256
Total current liabilities	41,781	35,865
TOTAL LIABILITIES	55,232	50,788
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	78,304	74,587

**CONSOLIDATED STATEMENT OF INCOME as of March 31st 2006**

STATEMENT OF INCOME <i>(in thousand of Euro)</i>	31/03/2006	31/03/2005
Net sales	25,324	22,048
Other income	193	176
Total revenues	25,517	22,224
Cost of raw material and purchased goods	(10,231)	(8,487)
Cost of services	(6,251)	(5,460)
Labour costs	(5,766)	(5,649)
Other operating expenses	(131)	(633)
Share of profit of associates accounted for under equity method	17	0
EBITDA	3,155	1,995
Depreciation and amortisation	(642)	(738)
Accruals and impairment losses	(39)	(33)
EBIT	2,474	1,224
Financial income and (expenses), net	6	(246)
Gain / (loss) from foreign currency translation	(284)	5
Income before income taxes	27,196	983
Income taxes	(849)	(482)
Net income	1,347	501
Attributed to:		
Group	1,335	496
Minority interests	(12)	(5)
Earning per share:		
- basis earning per share attributed to the Group	0.063	0.024
- diluted earning per share attributed to the Group	0.063	0.024



CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
For the quarters ended March 31 2005 and March 31 2006

	Share capital	Additional paid in capital	Legal Reserve	Retain. earn.	For.curr. translation adjustm.	Net income	Group Sharehold. Equity	Minority interests	Net inc. attrib.to Min.Int.	Total Sharehold. Equity
Balance as of Jan 1st 2005	5,319	5,278	463	7,549	- 1,107	2,652	20,154	- 39	- 8	20,107
Allocation of net income				2,652		- 2,652	0			0
Others						- 81	- 81	18		- 63
Net income						496	496		5	501
Balance as of Mar 31 2005	5,319	5,278	463	10,201	- 1,188	496	20,569	- 21	- 3	20,545
Balance as of Dec 31 2005	5,319	5,278	549	9,061	-904	4,350	23,653	137	9	23,799
Allocation of net income				4,350		- 4,350	0	9	- 9	0
Dividends paid				- 2,021			- 2,021			- 2,021
Others						- 215	- 215	166	- 4	- 53
Net income						1,335	1,335		12	1,347
Balance as of Mar 31 2006	5,319	5,278	549	11,390	- 1,119	1,335	22,752	312	8	23,072

The variation of 166 thousand Euro in minority interests, recorded during the first quarter of 2006, refers to the increase in share capital made by Bolzoni Auramo Shanghai.

**CONSOLIDATED CASH FLOW STATEMENT**

		31.03.2006	31.03.2005
		<i>(in thousands of Euro)</i>	
<i>Cash flow from operating activities:</i>	<i>Notes</i>		
Net income		1,335	496
<i>Adjustments to reconcile net income to net cash provided by (used in) operating activities:</i>			
Depreciation and amortisation		642	738
Net change in termination indemnity		37	31
Net change in provisions		39	0
Net change in deferred income taxes		- 43	- 6
Net change in investments accounted for under equity method		- 17	0
<i>Changes in operating assets and liabilities:</i>			
Inventory		- 323	- 868
Trade accounts receivable		- 2,242	- 736
Other current assets		- 77	- 104
Trade accounts payable		1,259	1,380
Other current liabilities		- 7	530
Tax payables		1,069	486
Tax receivables		- 115	- 152
NET CASH PROVIDED BY OPERATING ACTIVITIES	a)	1,557	1,795
<i>Cash flow from investing activities:</i>			
Net investments in tangible assets (1)		- 1,426	- 3,468
Net investments in intangible assets (1)		- 136	- 213
NET CASH USED IN INVESTING ACTIVITIES	b)	- 1,562	- 3,681
<i>Cash flow from financing activities:</i>			
Net reimbursements of long term debts		- 823	- 1.101
Net change in other non current financial assets and liabilities		- 110	125
Dividends paid			0
Other changes in shareholders' equity and minority interests		166	0
NET CASH USED IN FINANCING ACTIVITIES	c)	-767	- 976
DECREASE IN CASH AND CASH EQUIVALENT	a)+b)+c)	- 772	- 2,862
NET CASH AND CASH EQUIVALENT AT THE START OF PERIOD		1,002	1,192
NET CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD		230	- 1,670
NET CHANGE		- 772	- 2,862
ADDITIONAL INFORMATION:			
Interests paid		103	106
Income taxes paid		0	0

(1) These amounts are indicated net of disinvestment for the period as not significant.



NOTES TO THE CONSOLIDATED QUARTERLY REPORT

1. Basis of presentation

This consolidated financial statement as of March 31st 2006 has been drawn up in accordance with appendix 3D of the “Regolamento Emittenti” (Italian regulation for issuers) integrated by the information required by IAS 34 – Interim financial reporting.

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 of March 31st 2006. The consolidated balance sheet at December 31st 2005 is derived from the consolidated financial report of the Bolzoni Group at December 31st 2005.

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

The net income for the first quarter ended March 31st 2006 does not anticipate the result of the Group for the year ending December 31st 2006.

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

2. Segment information

The Company has identified its segment of business as the primary segment. On the other hand the Company operates in a single segment consisting in design, production and development of lift truck attachments, lift tables and hand pallet trucks. Consequently, secondary information is reported geographically and is provided below.

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 supply figures on income and information on some activities related to the Group’s geographical areas for the quarters which ended March 31st 2006 and 2005.

It should be noted that the revenues are not subject to any seasonality.

March 31 2006	<i>Europe</i>	<i>North America</i>	<i>Others</i>	<i>Total</i>
Segment revenues	19,547	4,621	1,156	25,324

March 31st 2005	<i>Europe</i>	<i>North America</i>	<i>Others</i>	<i>Total</i>
Segment revenues	17,573	3,542	933	22,048



3. Trade accounts receivable (current)

	31.03.06	31.12.05
Trade receivables	19,907	18,919
Bills subject to collection	3,919	2,804
Valuation for doubtful accounts	(87)	(86)
Total receivables from third parties	23,739	21,637
Eurolift	153	147
Auramo Sud Africa	158	239
Total intercompany receivables	311	386
Total trade receivables	24,050	22,023

4. Property, plant and equipment

	01.01.06	Purchases	Deprec.	Deval.	Disposal	Other changes	31.03.06
Lands	721	-	-	-	-	-	721
Buildings	6,907	21	-	-	-	(2)	6,926
Plants and machinery	22,207	897	-	-	(6)	(10)	23,088
Tools	3,571	10	-	-	-	-	3,581
Other assets	6,230	143	-	-	(72)	(2)	6,299
Construction in progress	-	-	-	-	-	-	-
Total value	39,636	1,071	-	-	(78)	(14)	40,615
Lands	-	-	-	-	-	-	-
Buildings	(1,190)	-	(28)	-	-	4	(1,214)
Plants and machinery	(15,166)	-	(344)	-	2	26	(15,482)
Tools	(3,020)	-	(16)	-	-	4	(3,032)
Other assets	(4,443)	-	(193)	-	38	18	(4,580)
Construction in progress	-	-	-	-	-	-	-
Accumulated depreciation	(23,819)	-	(581)	-	40	52	(24,308)
Lands	721	-	-	-	-	-	721
Buildings	5,717	21	(28)	-	-	2	5,712
Plants and machinery	7,041	897	(344)	-	(4)	16	7,606
Tools	551	10	(16)	-	-	4	549
Other assets	1,787	143	(193)	-	(34)	16	1,719
Construction in progress	-	-	-	-	-	-	-
Net book value	15,817	1,071	(581)	-	(38)	38	16,307



5. Long term debt (incl.current portion) and liabilities due to banks

	<i>Effective interest rate %</i>	<i>Maturity</i>	<i>31.03.06</i>	<i>31.12.05</i>
Short term				
Bank overdraft		Upon request	141	99
Advance to collectable bills subject to final payment		30-90 days	3,490	2,263
Subsidiaries' loans			3,528	3,391
<i>Current portion of long-term debts:</i>				
Euro 7.000.000 bank loan	Euribor +0.90	2006	2,333	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	666	333
Euro 2.000.000 bank loan	Euribor +0.40	2006	385	380
Euro 1.000.000 bank loan	Euribor +0.40	2006	188	0
Euro 2.800.000 bank loan	2.93	2006	2,800	2,800
Financial loan - Law 394/81	1.72	2006	303	303
Other minor financial liabilities		2006	131	135
			15,072	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	3,875	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	1,426	1,620
Euro 1.000.000 bank loan	Euribor +0.40	2011	812	0
Financial loan - Law 394/81	1.72	2009	911	911
Other minor financial liabilities			239	284
			8,596	10,078

Bank overdrafts and advances subject to final payment

Bank overdrafts and advances subject to final payment refer mainly to Bolzoni S.p.A.

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 June 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 million having maturity within the current period. The second loan is secured by a pledge on the interest capitalization policy described in note 9.
- ❖ 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 which is guaranteed by the mentioned pledge.

**6. Trade accounts payable**

	31.03.06	31.12.05
Advance from customers	25	38
To domestic suppliers	12,685	10,963
To foreign suppliers	4,903	5,746
	17,613	16,747

7. Other current liabilities

	31.03.06	31.12.05
Payables to employees for salaries	859	980
Payables to employees for holidays and related benefits	1,101	1,054
Other accrued expenses	172	220
VAT payable	524	460
Dividends payable to shareholders	2,021	0
Other short term payables	726	621
Payables to social security institutions	724	778
	6,127	4,113

8. Tax payables

	31.03.06	31.12.05
Liabilities for employees income	537	579
Liabilities for income tax	1,699	995
Others	438	31
	2,674	1,605

9. Shareholders' equity

The Group shareholders' equity at March 31 2006 amounted to Euro 22,752 thousand, net of dividends payable of Euro 2,021 thousands , as approved by the Shareholders' meeting on March 23rd 2006.

Stock split of share capital

On January 23 2006, the shareholders' meeting approved the stock split of the share capital, made up of 5,319,349 shares with a nominal value of Euro 1, into 21,277,396 shares with a nominal value of Euro 0.25.

10. Revenues

Please refer to Note 2 of the segment information for a detailed analysis of the Group revenues.

11. Costs of raw materials and purchased goods

	31.03.06	31.03.05
Raw materials	2,228	1,851
Semi-finished products	4,788	3,805
Other purchases for production	861	939
Miscellaneous	737	641
Finished products	1,617	1,251
	10,231	8,487

The increase in the costs of raw materials and purchased goods is basically due to higher sales.



12. Financial income/expenses and foreign currency translation differences

The improvement in financial income/expenses is due to the fair value of the derivative instruments. The change in foreign currency translation differences is mainly due to the different exchange rate applied to receivables at March 31st 2006 expressed in foreign currency.

13. Earnings per share

Basic earnings per share are calculated by dividing the net income of the year attributable to ordinary shareholders of the parent company by the weighted average number of the ordinary shares in circulation during the year,

Diluted earnings per share coincide with basic earnings per share because there are no ordinary shares or options in circulation that could have a dilutive effect.

Below are indications regarding income and information on the shares used for calculating basic and diluted earnings per share:

Basic and diluted earning/(loss) per share	31.03.06	31.03.05
Net income attributable to the shareholders' of the company	1,347	501
Weighted average number of ordinary shares for the purpose of the EPS calculation (nr./000)	21,277	21,277
Basic earnings per ordinary share	0.063	0.024

On March 31 2006, the Bolzoni Group approved a stock option plan subject to the listing of Bolzoni shares on the Italian screen-based trading market, the conditions of which are fully described in the consolidated financial statement as of December 31 2005.

The Bolzoni Group has not issued convertible bonds.

14. Information on related parties

The following table indicates the total amount of transactions which have been entered into with related parties for the financial years presented.

Related parties		Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Associated companies:					
Eurolift Pty	31.03.06	154	-	153	-
	31.12.05	580	-	147	-
Auramo South Africa	31.03.06	163	-	158	-
	31.12.05	516	-	239	-
Directors – other related parties: Gruppo Intesa	31.03.06	-	71	-	7,441
	31.12.05	-	356	-	7,113
Directors – other related parties:	31.03.06	-	130	-	-
	31.12.05	-	522	-	-

Transactions with associated companies are only represented by sales of products.

Payables to Shareholders – Gruppo Intesa	Bolzoni SpA	Consolidated
Medium Term	3,875	3,875
Short Term	3,566	3,566
TOTAL	7,441	7,441

The short term portion includes the amount of Euro 573 thousand related to dividends, as approved by the shareholders' meeting on March 23 2006.

**Associated companies**

At December 31 2005 and March 31 2006 the Group has a 24.5% interest in Eurolift Pty and a 40% interest in Auramo South Africa.

Terms and conditions of transactions between related parties

Transactions between related parties are performed at standard market prices and conditions. Outstanding balances at year-end are unsecured, interest free and are settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the quarter ended March 31st 2006 the Group has recorded no provision for doubtful debts relating to amounts owed by related parties, in line with the previous year.

Transactions with other related parties**Directiors – other related parties**

The wholly owned subsidiary Auramo OY rents the property in Vantaa (Finland) where its offices and factory are located, under a rental agreement drawn up with Kiinteisko OY Auran Pihti, a company controlled by Mr Karl-Peter Otto Staack, member of the Bolzoni S.p.A. Board of Directors. The annual rent paid by Auramo OY amounts to approximately Euro 522 thousand .

As of December 2005 and March 31 2006 Banca Intesa holds 28.36% of the share capital of Bolzoni S.p.A.; a manager of Banca Intesa (Davide Turco) is a member of the parent's Board of Directors. Bolzoni S.p.A. maintains financial business relations with the Intesa Group and as a consequence, at March 31st 2006 the total value of debts towards the Intesa Group amounted to approximately Euro 7.4 million (Euro 7.1 million at December 31 2005). As of March 31st 2006 the Intesa Group is granting a surety amounting to Euro 1.2 million (unvaried with respect to December 31 2005) to a third party for the interest's of the Group. Intesa Mediocredito S.p.A., a company belonging to the Intesa Group, holds a mortgage right of the value of Euro 10.85 million on the property situated in Podenzano as guarantee for a loan.

15. Events occurred after March 31st 2006**Payment of dividends**

In accordance with the shareholders' meeting of March 23rd 2006, on April 18th 2006 Bolzoni S.p.A. paid its shareholders an amount of dividends of Euro 2 million (corresponding to 0.095 € per share).

Authorisation to trading of Bolzoni's ordinary shares on the Italian Stock Exchange

On May 15th 2006 Borsa Italiana authorised the trading of the Bolzoni shares on the Italian screen-based trading market; on May 18th 2006 Consob approved the Italian Prospectus for publishing ("nulla osta").

Based on the above the expected timetable for Bolzoni's listing operation is as follows:

Activity	Date
Issuance of the dealers' detail	Within 21 May 2006
Communication of the maximum price	Within 21 May 2006
Beginning of the public offering	22 May 2006
Closing of the public offering	1 June 2006
Communication of the offering price	Within 5 May 2006
Communication of the results of the offering	Within 6 May 2006
Payment of the shares	8 June 2006
Expected first day of negotiation of the shares	8 June 2006

Exchange rate of US Dollar against Euro

After March 31 2006 the US Dollar experienced a decrease in value that brought the exchange rate to over 1.29 against Euro.

Our company has subscribed forward contracts and call options to cover the foreign exchange rate risk on approximately 60% of the expected turnover in dollars for the current year. Such transactions established the average exchange rate at approximately 1.2.