



Nice

The Nice Way

3Q – 9M 2006 Results

November 10, 2006

Today's Speakers

Nice



Lauro Buoro

Founder, Chairman & CEO

Age: 43

In Nice since Foundation



Davide Gentilini

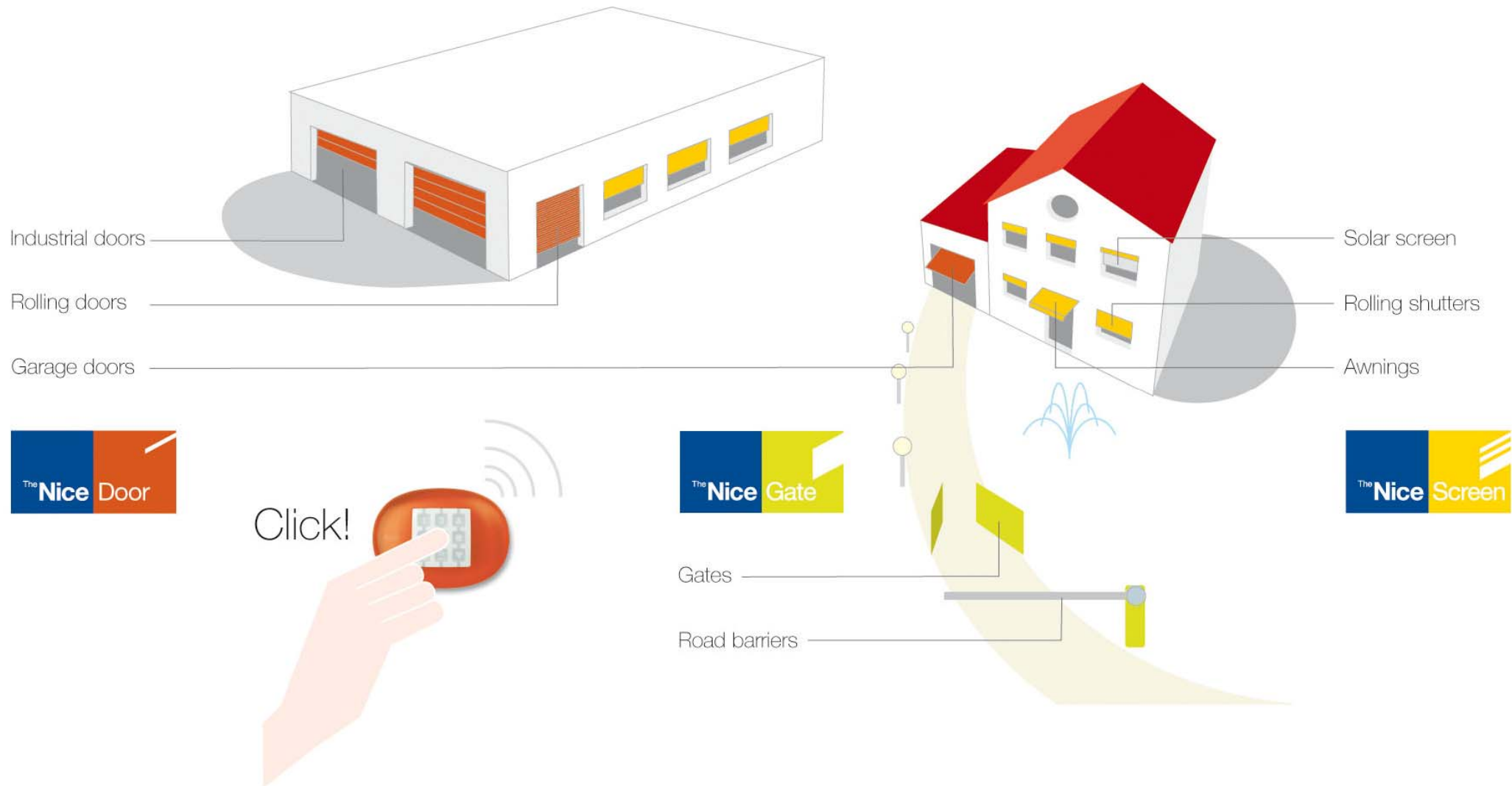
CFO

Age: 42

In Nice since 1998

Nice: Home Automation for Inside and Outside

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9M 2006 Results' Highlights

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- ❑ 29.1% sales growth to €107.5m (€83.2m in 9M 2005)
- ❑ 61.2% gross margin (60.6% in 9M 2005)
- ❑ 33.1% EBITDA margin (32.1% in 9M 2005)
- ❑ 19.1% net income margin (17.6% in 9M 2005)
- ❑ €13.1m free cash flow (-€0.9m in 9M 2005)⁽²⁾

€m ⁽¹⁾	9M 2006		9M 2005		YoY Growth
Net Sales	107.5	100.0%	83.2	100.0%	29.1%
Gross Profit	65.8	61.2%	50.4	60.6%	30.5%
EBITDA	35.6	33.1%	26.7	32.1%	33.2%
EBIT	33.5	31.2%	24.7	29.7%	35.7%
Net Income	20.5	19.1%	14.6	17.6%	40.5%
Free Cash Flow	13.1	12.2%	(0.9) ⁽²⁾	(1.1%)	n.m
EPS	0.18		0.13		40.5%

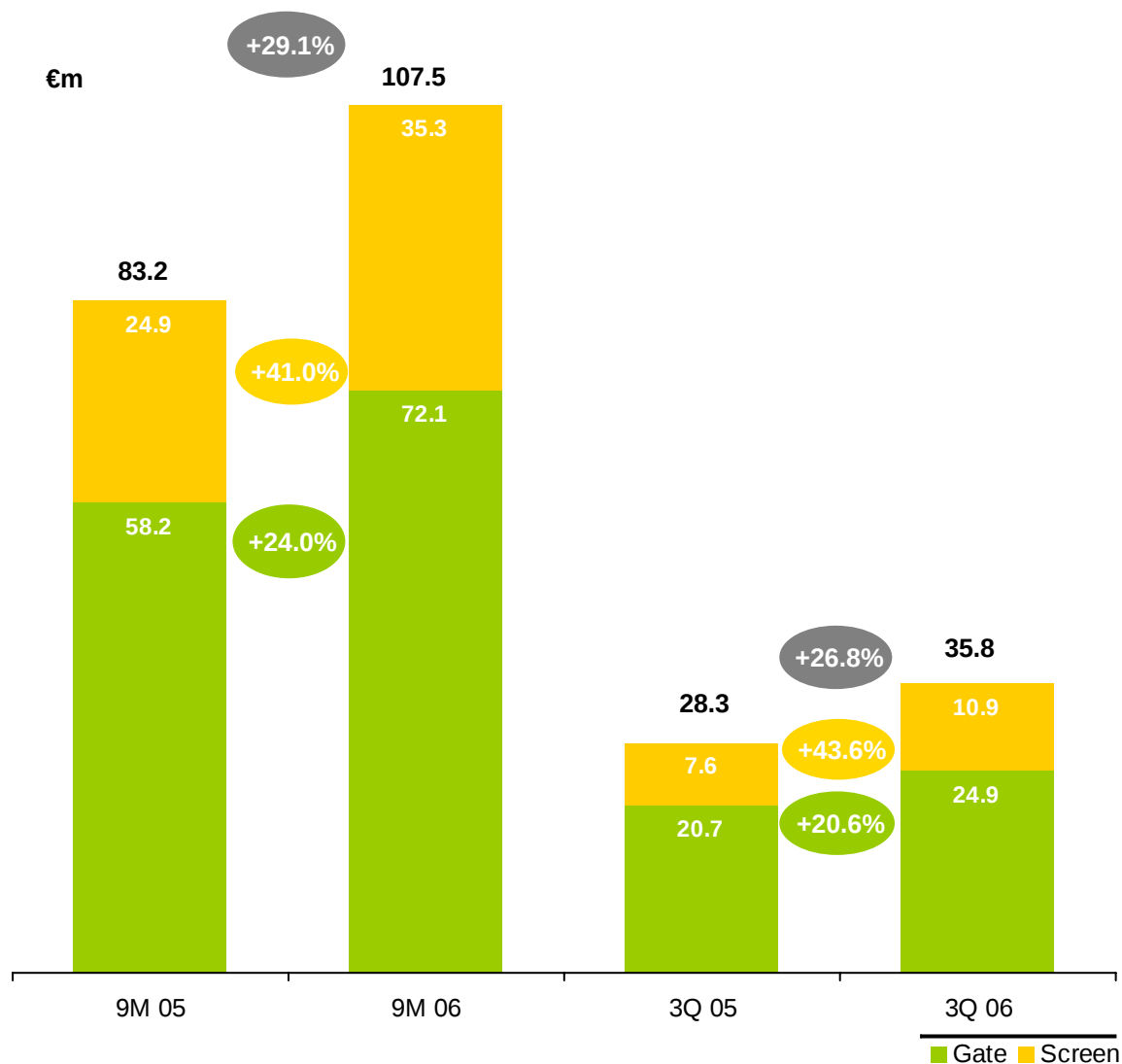
(1) Excluding EPS (€)

(2) Including €7.1m for a non-core real estate acquisition spun off in 2006

Source: Company Financial Statements

Net Sales Breakdown By Product line

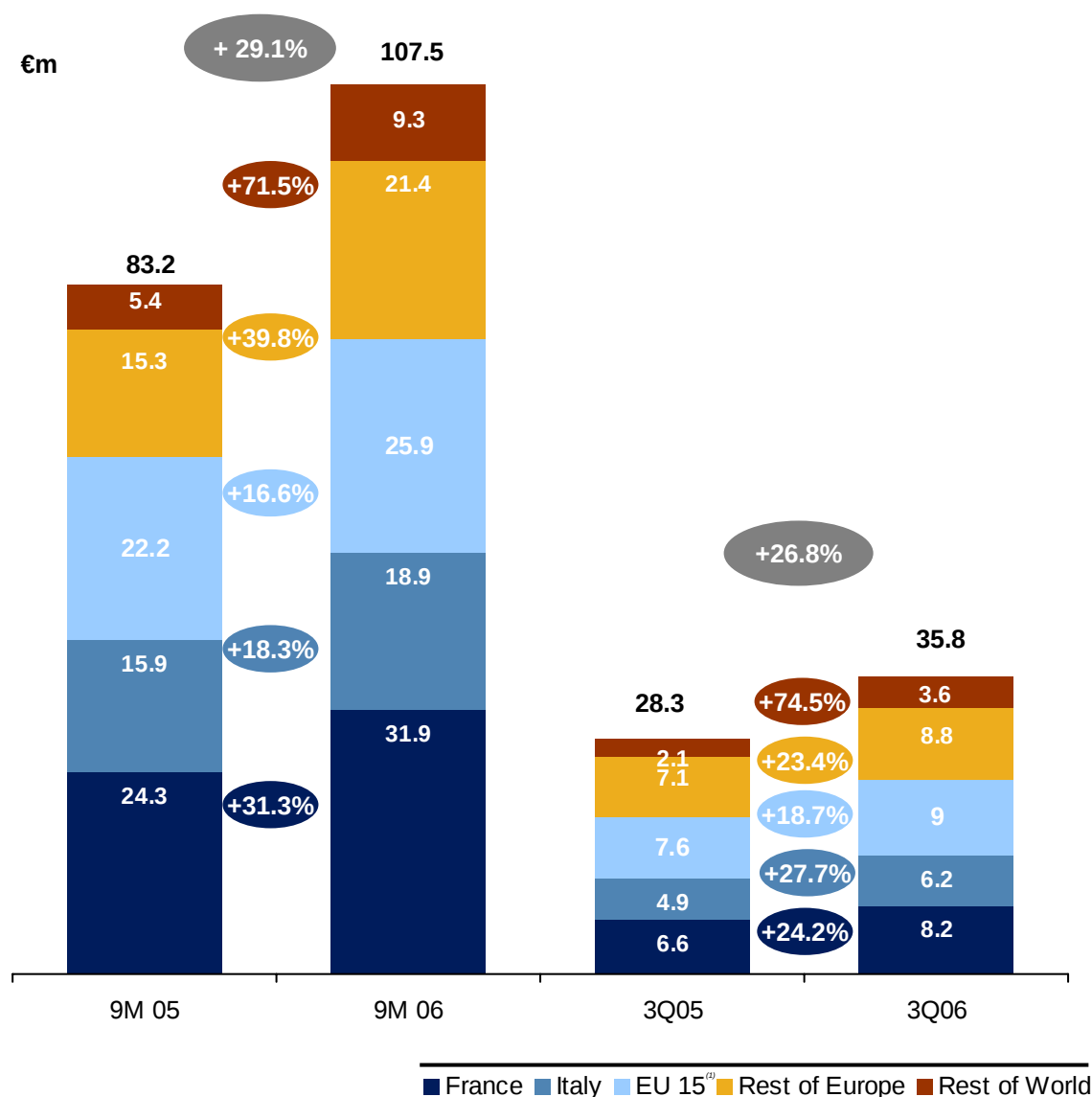
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- Rapid sales growth in both product lines:
 - 9M 06 Gate sales rose by 24.0%
 - 9M 06 Screen sales rose by 41.0%
- Revenues of the screen division continued to be driven by the integration of the group's sales force
- Global demand for Gate and Screen confirmed to be strong, Nice is outperforming the market
- Based on current sales trend, we are continuing our sales growth

Net Sales Breakdown By Region

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- Outstanding growth in all regions
- Italian sales have been driven by the expansion in the electrical wholesale division and by strong growth in the Screen segment
- Spain, Germany and UK largely outperformed European sales growth
- Russian sales impacted by a delay in receiving an order from September to October. Poland and the rest of eastern Europe continued to be strong
- America market strong growth as a result of significant Screen line growth

(1) Excluding Italy and France

Net Sales Breakdown

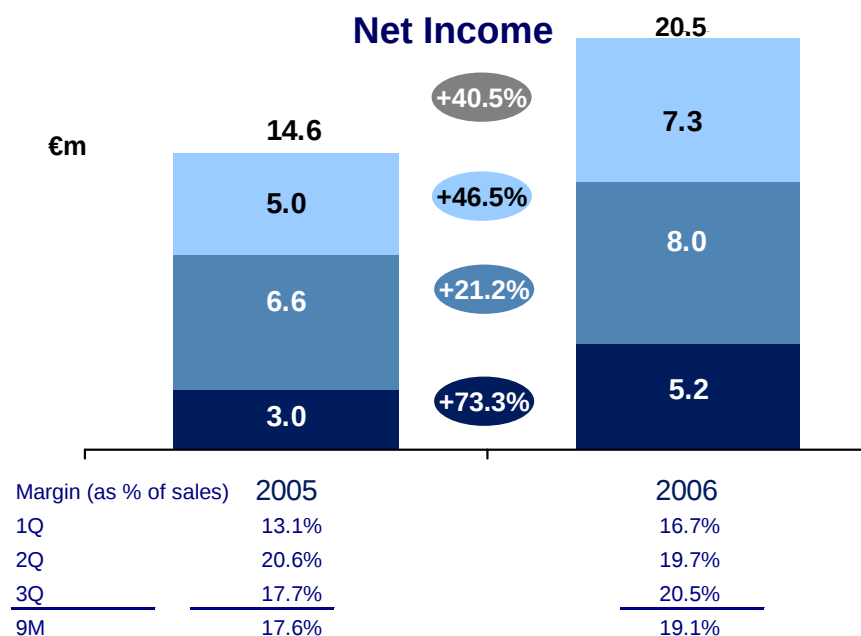
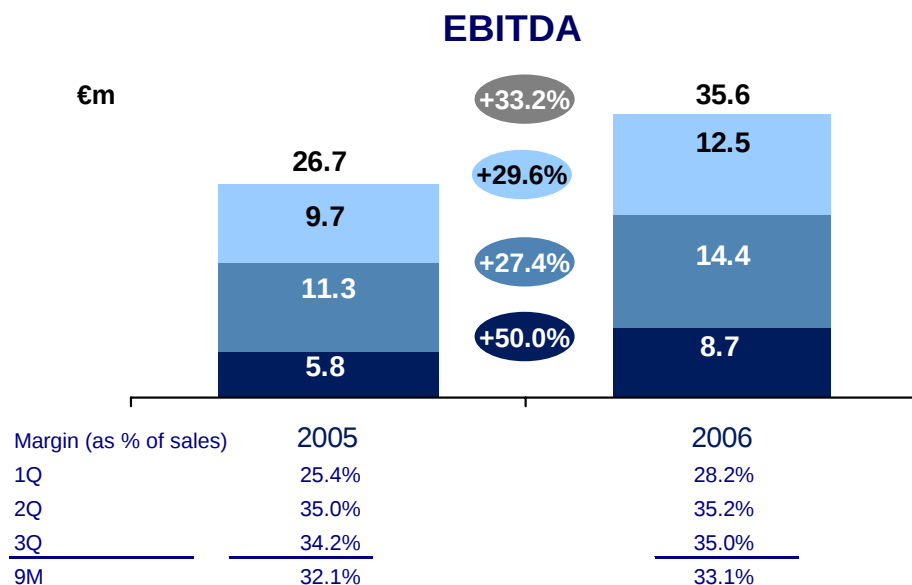
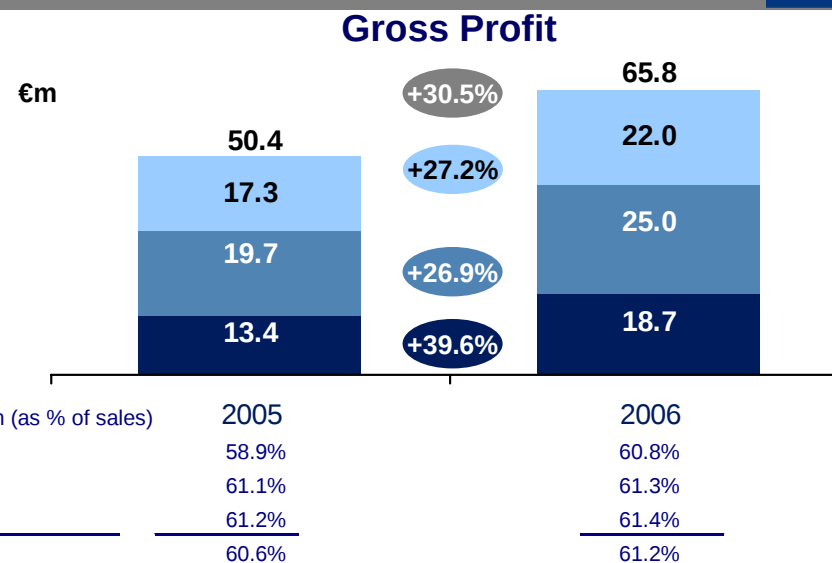
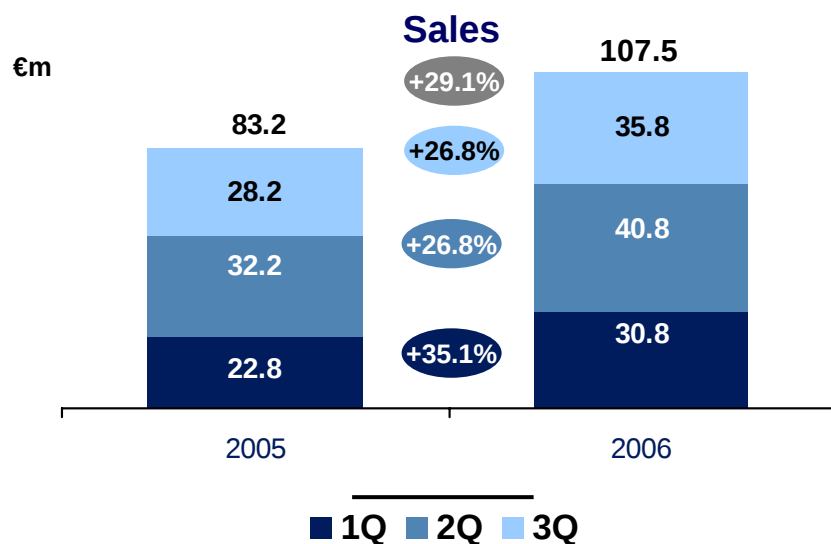
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	€m	9M 2006	%	9M 2005	%	Growth	3Q 2006	%	3Q 2005	%	Growth	2005	%
Product	Gate	72.1	67.1%	58.2	69.9%	24.0%	24.9	69.6%	20.7	73.2%	20.6%	84.1	69.2%
	Screen	35.3	32.9%	25.1	30.1%	41.0%	10.9	30.4%	7.6	26.8%	43.6%	37.4	30.8%
	Net Sales	107.5	100.0%	83.2	100.0%	29.1%	35.8	100.0%	28.3	100.0%	26.8%	121.6	100.0%
Region	France	31.9	29.7%	24.3	29.2%	31.3%	8.2	22.9%	6.6	23.4%	24.2%	34.4	28.3%
	Italy	18.9	17.5%	15.9	19.1%	18.3%	6.2	17.3%	4.9	17.1%	27.7%	22.5	18.5%
	EU 15 ⁽¹⁾	25.9	24.1%	22.2	26.7%	16.6%	9.0	25.2%	7.6	26.9%	18.7%	32.4	26.6%
	Rest of Europe	21.4	19.9%	15.3	18.4%	39.8%	8.8	24.6%	7.1	25.3%	23.4%	22.2	18.3%
	Rest of World	9.2	8.7%	5.4	6.5%	71.5%	3.6	10.0%	2.1	7.3%	74.5%	10.1	8.3%
	Net Sales	107.5	100.0%	83.2	100.0%	29.1%	35.8	100.0%	28.3	100.0%	26.8%	121.6	100.0%

(1) Excluding Italy and France

Superior Growth in Sales and Profitability

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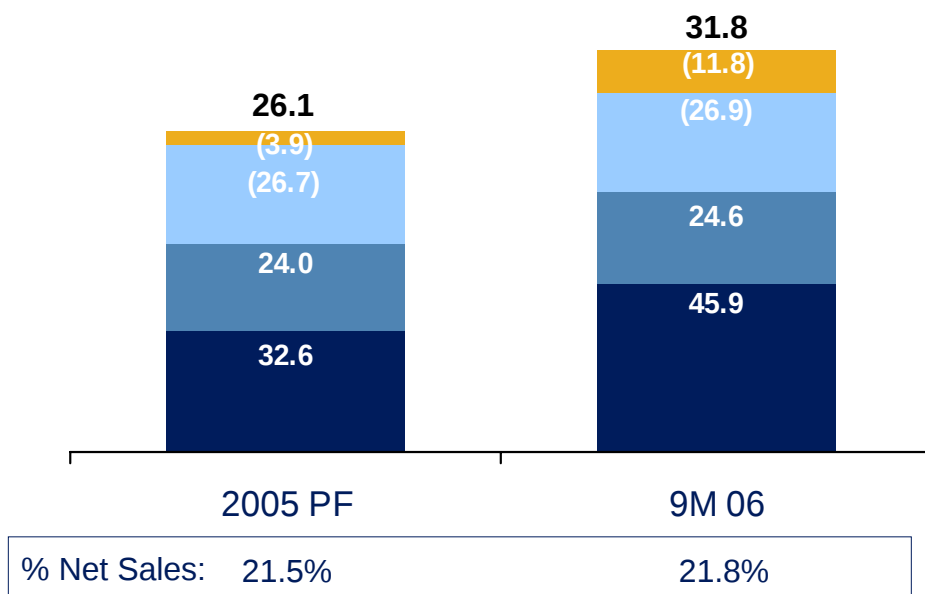
Profit & Loss

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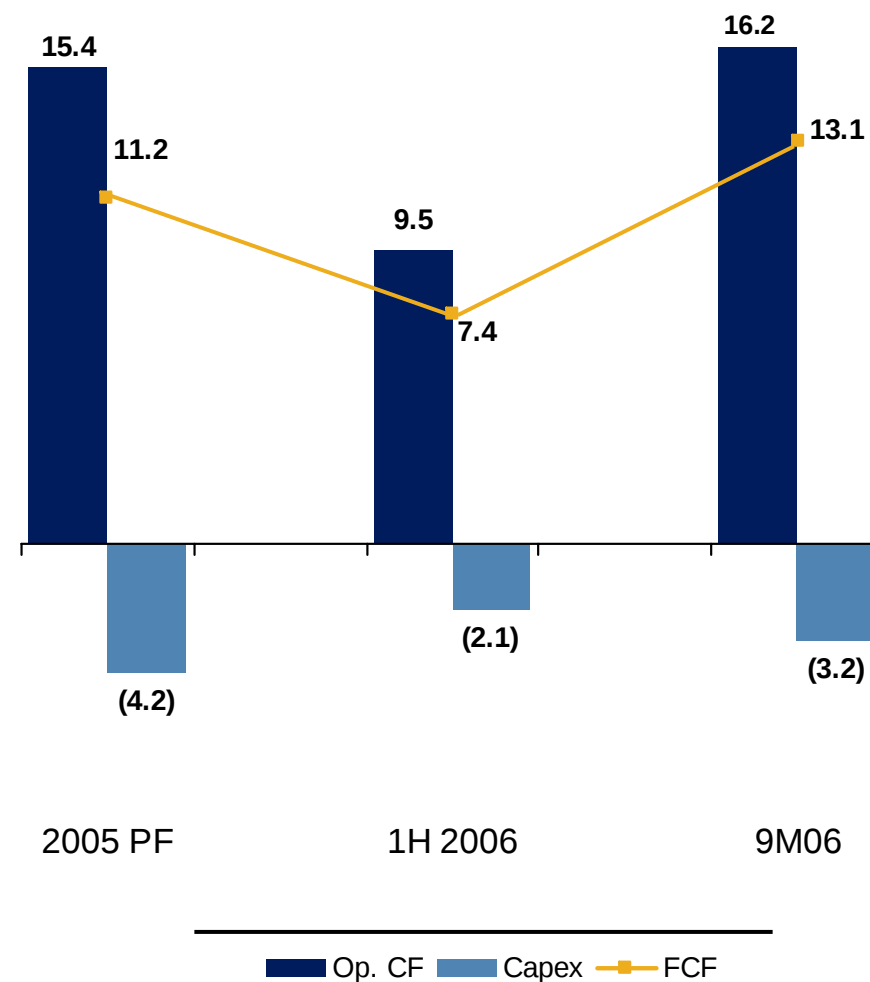
€m	9M 2006 %		9M 2005 %		3Q 2006 %		3Q 2005 %		2005 PF %	
Net Sales	107.5	100.0%	83.2	100.0%	35.8	100.0%	28.3	100.0%	121.6	100.0%
COGS	(41.7)	(38.8%)	(32.8)	(39.4%)	(13.8)	(38.6%)	(11.0)	(38.8%)	(48.0)	(39.5%)
Gross Profit	65.8	61.2%	50.4	60.6%	22.0	61.4%	17.3	61.2%	73.6	60.5%
Industrial costs	(1.7)	(1.6%)	(1.0)	(1.2%)	(0.5)	(1.4%)	(0.3)	(1.1%)	(1.8)	(1.5%)
Commercial costs	(4.8)	(4.4%)	(3.8)	(4.5%)	(1.4)	(4.0%)	(1.2)	(4.1%)	(5.7)	(4.7%)
Marketing costs	(4.1)	(3.8%)	(3.6)	(4.3%)	(1.0)	(2.8%)	(1.0)	(3.6%)	(4.7)	(3.9%)
General & adm. costs	(8.1)	(7.5%)	(6.5)	(7.8%)	(2.5)	(6.9%)	(2.4)	(8.4%)	(9.7)	(8.0%)
Personnel costs	(12.6)	(11.7%)	(9.4)	(11.3%)	(4.3)	(12.1%)	(3.1)	(10.8%)	(14.6)	(12.0%)
Other Rev. / (costs)	1.1	1.0%	0.6	0.8%	0.3	0.8%	0.3	1.0%	0.9	0.7%
EBITDA	35.6	33.1%	26.7	32.1%	12.5	35.0%	9.7	34.2%	38.0	31.3%
D&A	(2.1)	(1.9%)	(2.0)	(2.4%)	(0.7)	(2.0%)	(0.8)	(2.7%)	(2.5)	(2.1%)
EBIT	33.5	31.2%	24.7	29.7%	11.8	33.0%	8.9	31.5%	35.5	29.2%
Interest income / (exp)	(0.1)	(0.1%)	(0.1)	(0.1%)	0.1	0.4%	(0.1)	(0.5%)	(0.8)	(0.7%)
Profit before Tax	33.4	31.1%	24.6	29.5%	12.0	33.4%	8.8	31.1%	34.7	28.5%
Taxes	(12.9)	(12.0%)	(10.0)	(12.0%)	(4.6)	(12.9%)	(3.8)	(13.3%)	(14.0)	(11.5%)
Net Income	20.5	19.1%	14.6	17.6%	7.3	20.5%	5.0	17.7%	20.7	17.0%

Strong Control on Working Capital

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■ Accounts Receivables ■ Inventory
■ Accounts Payables ■ Other Current Assets/Liabilities



Healthy Balance Sheet

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€m	9M 2006	1H 2006	2005 PF
Intangible assets	7.8	7.7	7.3
Tangible assets	10.1	9.8	9.6
Other fixed assets	13.4	12.5	10.0
Fixed Assets	31.3	30.0	26.9
Trade receivables	45.9	47.3	32.6
Inventory	24.6	24.0	24.0
Trade payables	(26.9)	(29.1)	(26.7)
Other curr. assets / (Liab.)	(11.8)	(12.3)	(3.9)
Net Working Capital	31.8	30.0	26.1
<i>% on sales</i>	<i>21.8%</i>	<i>21.7%</i>	<i>21.5%</i>
Severance and other funds	(3.8)	(2.7)	(2.9)
Net Invested Capital	59.3	57.4	50.0
Shareholders' equity	100.9	93.5	50.1
Minorities	0.4	0.4	0.5
Total Shareholders' Equity	101.3	93.9	50.6
Cash & cash equivalents	(45.0)	(39.3)	(3.4)
Total debt	2.9	2.8	2.8
Net Financial Position	(42.1)	(36.5)	(0.6)
Net Capital Employed	59.3	57.4	50.0
<i>Pre-Tax ROCE</i>	<i>74.8%</i>	<i>72.2%</i>	<i>70.9%</i>

Improving Cash Flow Generation

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€m	9M 2006	1H 2006	2005 PF
Net Income	20.5	13.2	20.7
Depreciation and amortization	2.1	1.4	2.5
Other non-cash items	0.5	2.4	4.9
Change in net working capital	(6.0)	(7.5)	(12.7)
Operating Cash Flow	16.2	9.5	15.4
Capital expenditure	(3.2)	(2.1)	(4.2)
(Increase) / decrease in inv. in other assets	0.0	0.0	0.0
Cash Flow from Investing Activities	(3.2)	(2.1)	(4.2)
Free Cash Flow	13.1	7.4	11.2
Change in short term debt	(0.1)	0.0	0.5
Change in long term debt and other fin. act.	0.1	(0.3)	(1.1)
Cash Flow from Financing Activities	0.0	(0.3)	(0.6)
Exchange Rate Adjustments	0.0	(0.1)	0.0
Cash Flow of the Period	13.1	7.2	10.6
Cash & cash equiv. at the beg. of the year	32.1	32.1	32.0
Cash Flow absorbed by spin-off activities	(0.4)	(0.4)	(10.6)
Net Cash from the spin-off of real estate act.	(28.7)	(28.7)	(28.7)
Cash from IPO proceeds	29.1	29.1	
Cash & cash equiv. at the end of the year	45.0	39.3	3.4

Improved Products

- Continuous investment in R&D (2.1% of LTM sales)
- New technological compatible solutions (e.g. Zig Bee)
- Launch of new innovative systems (e.g. Nice Opera)

Further International Expansion

- Increase penetration in existing markets
- Expansion in new markets
- Opening of new subsidiaries

Brand Support

- Continuous marketing effort (3.5% of LTM Sales)
- Leverage on “Nice” brand recognition in key markets
- Communication focused on innovation, style and design

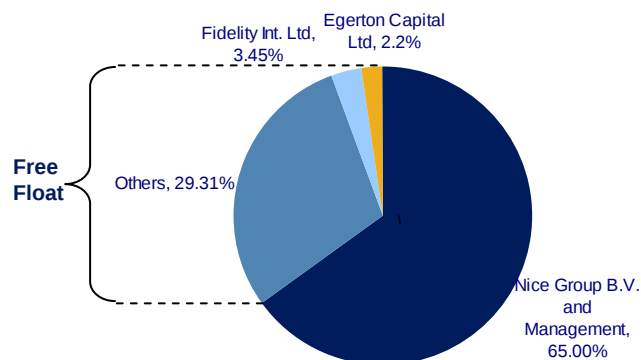
Cost Control

- Standardisation and procurement of basic components in the Far East
- Develop relationships with third-party manufacturers in low cost countries
- Completion of Gate / Screen sales force integration by 2008

Company Profile

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Shareholding⁽¹⁾



Share Informations

N. of shares outstanding: 116.000.000

Ipo Price: € 5,70

Price as of 29/09/06: € 6.38

Capitalization: € 740.080.000

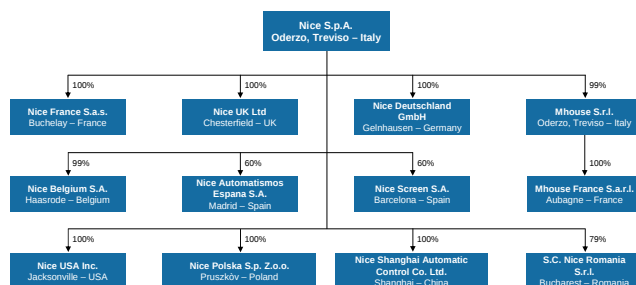
Italian Stock Exchange-segmento STAR

Specialist: Mediobanca S.p.A.

Stock Chart⁽²⁾



Group structure



Board of Directors

Lauro Buoro - President and CEO

Oscar Marchetto - Director

Lorenzo Galberti - Director

Davide Gentilini - Director

Frédéric Krantz - Director

Giorgio Zanutto- Director

Roberto Gherlenda- Director

Antonio Bortuzzo – Independent Director

Roberto Siagri – Independent Director

Andrea Tomat – Independent Director

Investor Relations



(1) As of June 2006

(2) From 09/10/2006 to 09/11/2006; Source: Borsa Italiana



Appendices

Summary Profit & Loss

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(€ million)	2003	%	2004	%	2005	%	2005 PF	%
Net Sales	79.4	100.0%	101.1	100.0%	121.6	100.0%	121.6	100.0%
<i>Y-o-Y Growth</i>			27.3%		20.2%			
Cost of basic components	(29.6)	(37.3%)	(35.3)	(34.9%)	(47.0)	(38.7%)		
Cost of third-party manufacturing	(7.9)	(9.9%)	(8.6)	(8.5%)	(9.7)	(8.0%)		
Change in inventory	2.3	2.8%	4.0	3.9%	8.7	7.1%		
COGS	(35.2)	(44.3%)	(40.0)	(39.6%)	(48.0)	(39.5%)		
Gross Margin	44.2	55.7%	61.1	60.4%	73.6	60.5%	73.6	60.5%
Industrial costs	(0.9)	(1.2%)	(1.4)	(1.4%)	(1.8)	(1.5%)		
Commercial costs	(2.4)	(3.0%)	(4.2)	(4.1%)	(5.7)	(4.6%)		
Marketing costs	(2.2)	(2.8%)	(3.5)	(3.5%)	(4.7)	(3.9%)		
Personnel costs	(8.6)	(10.8%)	(11.1)	(11.0%)	(14.6)	(12.0%)		
General & administrative costs	(5.1)	(6.4%)	(6.3)	(6.2%)	(8.7)	(7.1%)		
Other revenues / (costs)	0.5	0.7%	0.4	0.4%	0.9	0.7%		
EBITDA	25.5	32.1%	35.1	34.7%	39.0	32.1%	38.0	31.3%
Depreciation & Amortization	(2.8)	(3.6%)	(2.3)	(2.3%)	(2.8)	(2.3%)		
EBIT	22.7	28.6%	32.8	32.4%	36.2	29.8%	35.5	29.2%
Interest income / (expense)	(0.7)	(0.9%)	(0.2)	(0.2%)	(0.1)	(0.1%)		
Profit before Tax	22.0	27.7%	32.5	32.2%	36.1	29.7%	34.7	28.6%
Taxes	(6.8)	(8.5%)	(12.9)	(12.7%)	(14.5)	(11.9%)		
Net Income	15.2	19.1%	19.7	19.4%	21.6	17.8%	20.7	17.1%
Minorities	(0.1)	(0.1%)	0.0	0.0%	0.1	0.0%		
Group Net Income	15.1	19.0%	19.7	19.4%	21.7	17.8%	20.8	17.1%

Note: Italian GAAP for 2003, IFRS for 2004 and 2005

Net Sales Breakdown

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(€ million)									
Growth Components		2003		2004		2005		CAGR '03-'05	
Product	Gate	60.808	76,6%	73.939	73,1%	84.146	69,2%	17,6%	
	Screen	18.618	23,4%	27.198	26,9%	37.432	30,8%	41,8%	
	Net Sales	79.426	100,0%	101.137	100,0%	121.578	100,0%	23,7%	
Region	France	18.076	22,8%	25.895	25,6%	34.382	28,3%	37,9%	
	Italy	18.524	23,3%	20.031	19,8%	22.474	18,5%	10,1%	
	EU 15*	21.408	27,0%	26.945	26,6%	32.357	26,6%	22,9%	
	Rest of Europe	14.286	18,0%	19.697	19,5%	22.181	18,2%	24,9%	
	Asia and Oceania	2.144	2,7%	2.372	2,3%	2.926	2,4%	16,8%	
	Africa	1.477	1,9%	2.059	2,0%	2.659	2,2%	34,2%	
	Middle East	2.518	3,2%	2.541	2,5%	2.554	2,1%	0,7%	
	America	993	1,3%	1.597	1,6%	2.045	1,7%	43,5%	
	Net Sales	79.426	100,0%	101.137	100,0%	121.578	100,0%	23,7%	

* Excludes Italy and France

Note: Italian GAAP for 2003, IFRS for 2004 and 2005

Net Sales Breakdown

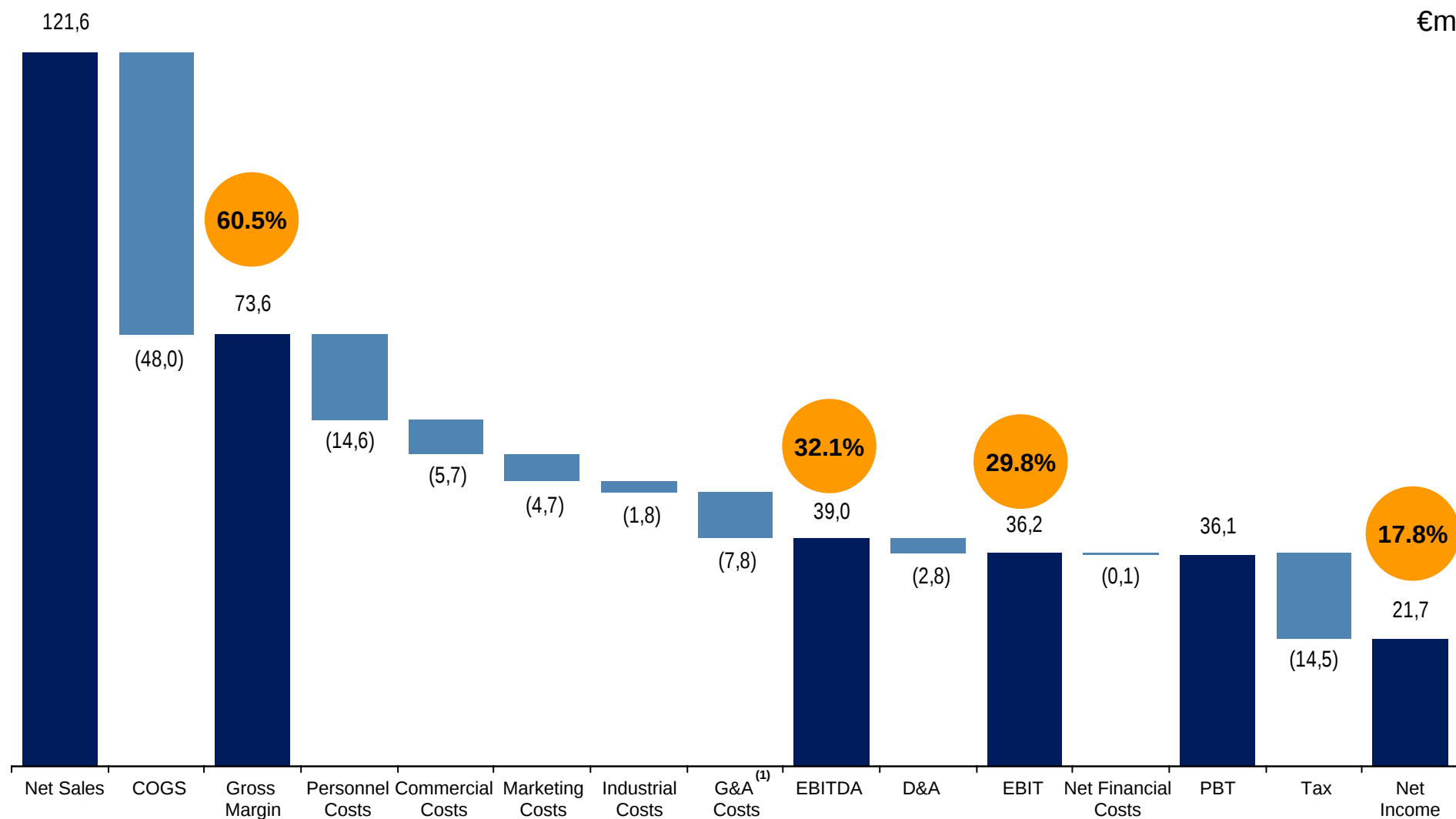
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	Net Sales	79,426	100.0%	101,137	100.0%	121,578	100.0%	23.7%

(1) Excluding Italy and France

Lean Cost Structure

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Note: 2005 IFRS figures

(1) Includes €0.9m of other income

Healthy Balance Sheet

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(€ million)	2003	2004	2005	2005PF ⁽¹⁾	
Intangible assets	7.6	7.1	7.9	7.3	
Tangible assets	17.1	20.3	33.9	9.6	
Other fixed assets	12.4	16.7	13.5	10.0	
Fixed Assets	37.1	44.1	55.2	26.9	Lean and efficient asset base
Trade receivables	21.5	26.3	32.6	32.6	
Inventory	11.0	15.1	24.1	24.0	
Trade Payables	(16.6)	(18.1)	(26.9)	(26.7)	
Other Current Assets / (Liabilities)	(3.6)	(6.9)	(2.3)	(3.9)	
Net Working Capital	12.3	16.5	27.5	26.1	
Severance and other funds	(7.2)	(5.9)	(4.2)	(2.9)	
Net Invested Capital	42.2	54.6	78.5	50.0	
Shareholders' equity	48.6	75.3	97.0	50.1	Strong net income growth translates into consistent increase in shareholders' equity
Minorities	0.4	0.4	0.5	0.5	
Total Shareholders' Equity	49.1	75.7	97.5	50.6	
Cash & cash equivalents	(16.7)	(32.0)	(32.0)	(3.4)	
Total debt	9.7	10.9	13.1	2.7	
Net Financial Position	(6.9)	(21.1)	(19.0)	(0.6)	Positive cash generation allows no/limited indebtedness
Net Capital Employed	42.2	54.6	78.5	50.0	
Pre-Tax ROCE	56.6%	67.7%	54.4%	71.0%	

Note: Italian GAAP for 2003, IFRS for 2004 and 2005

(1) Pro forma for the spin off of the real estate activities

Cash Flow Generation

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(€ million)	2003	2004	2005	2005PF ⁽¹⁾
Net income	15.1	19.7	21.7	20.8
Depreciation and amortization	2.8	2.3	2.8	2.5
Other non-cash items	2.6	4.4	5.1	5.0
Change in other assets / liabilities	(7.4)	(6.0)	(12.9)	(12.9)
Operating Cash Flow	13.1	20.4	16.6	15.4
Capital expenditure for intangible assets	(0.4)	(0.3)	(1.6)	(1.0)
Capital expenditure for tangible assets	(3.7)	(3.2)	(12.7)	(3.2)
(Increase) / decrease in inv. in other assets	(1.5)	(0.9)	(0.4)	(0.0)
Cash Flow from Investing Activities	(5.6)	(4.4)	(14.7)*	(4.2)
Free Cash Flow	7.5	16.0	1.9	11.2
Change in short term debt	1.0	0.9	0.5	0.5
Change in long term debt and other fin. act.	0.4	(1.6)	(2.4)	(1.1)
Cash Flow from Financing Activities	1.4	(0.7)	(1.9)	(0.6)
Cash & cash equiv. at the beg. of the year	7.8	16.8	32.0	
Cash Flow of the Period	8.9	15.2	0.0	10.6
Cash & cash equiv. at the end of the year	16.7	32.0	32.0	

* Includes €10.5m for acquisition of real estate assets and other investments spun off in February 2006

Note: Italian GAAP for 2003, IFRS for 2004 and 2005

(1) Pro forma for the spin off of the real estate activities

Spin-Off of Real Estate Activities

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Major Impacts on Financial Items⁽¹⁾

(€m)	2005	Spin off	2005PF
Net Sales	121.6	-	121.6
Gross Profit	73.6	-	73.6
EBITDA	39.0	(1.0)	38.0
EBIT	36.2	(0.7)	35.5
Profit Before Taxes	36.1	(1.4)	34.7
Net Income	21.7	(0.9)	20.8
Net Working Capital	27.5	(1.4)	26.1
Fixed Assets	55.2	(28.3)	26.9
Other Liabilities	(4.2)	1.3	(2.9)
Net Debt/ (Cash)	(19.0)	18.4	(0.6)
(Cash)	(32.1)	28.7	(3.4)
Debt / Leasing	13.1	(10.3)	2.8
Shareholders' Equity	97.5	(46.9)	50.6

Note: IFRS for 2005 and 2005PF

(1) Income statement figures are represented as the spin off occurred on January 1st, 2005

- Effective February 1, 2006 Nice has spun-off
 - Its real estate activities and correlated assets and liabilities
 - Selected financial activities
 - Other assets and liabilities
- These assets and activities have since been transferred to related-party Nice Immobiliare S.r.l.
- Nice S.p.A. has since signed lease agreements with related-party Nice Immobiliare S.r.l.

International Market Penetration: the Nice Model

Nice



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