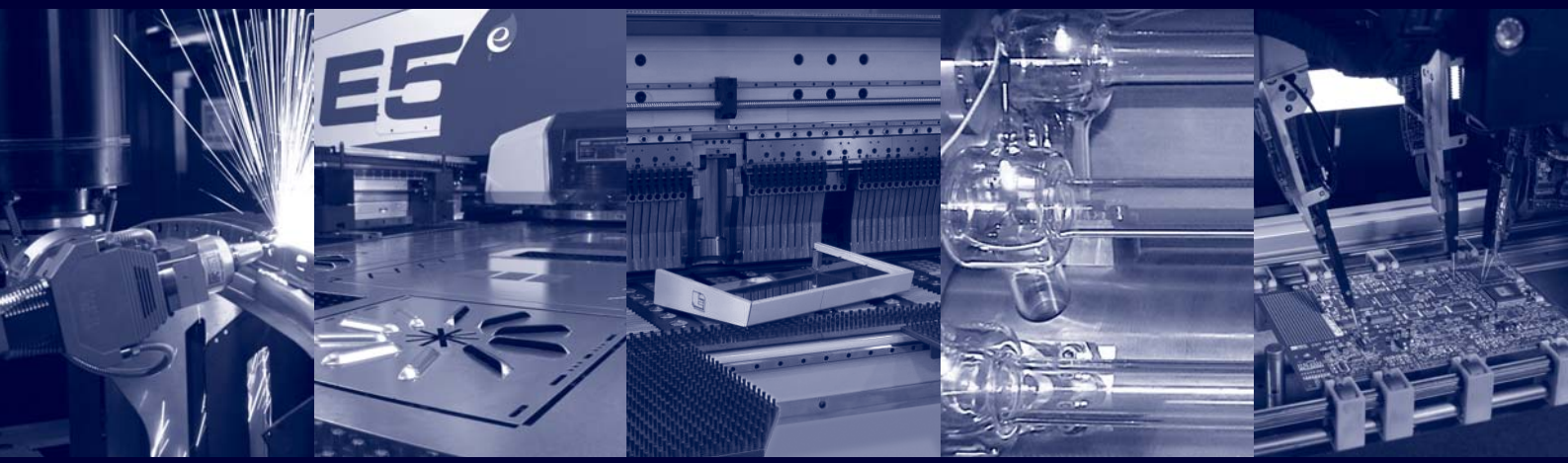
BOUND FOR WIDER HORIZONS. TOGETHER.

2008 FACTS AND FIGURES

PRIMA INDUSTRIE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Company Profile

Established in Torino in 1977, PRIMA INDUSTRIE is a world leader in the field of laser and sheet metal machinery.

PRIMA INDUSTRIE S.p.A. leads a Group including PRIMA ELECTRONICS S.p.A. and FINN-POWER Oy, with over 1600 employees. The Group has manufacturing facilities in Italy, Finland, United States, and China and is active in more than 60 countries through a widespread sales and service network made of branches, joint ventures and distributors.

The Group operates in three sectors:

- High power laser systems and generators for cutting, welding and drilling two-dimensional (2D) and three-dimensional (3D) parts, through PRIMA INDUSTRIE.
- Sheet metal fabrication machines and systems, including punching machines, combined systems (punching/laser and punching/shearing), bending, and automation through FINN-POWER.
- Industrial electronics, including power and control electronics with relevant software, and numerical controls, equipping also the machines manufactured by the Group, through PRIMA ELECTRONICS.

PRIMA INDUSTRIE is a reference in the laser machines sector since long. Its 30 years' experience in 3D laser applications for the automotive and aerospace sectors is without equal on the market. Its leading position in the 2D laser machines sector, though more recent, is now fully consolidated by its well-known record-breaking and highly reliable products and by its vast worldwide installed base.

The acquisition of the Finnish Group FINN-POWER, at the beginning of 2008, has made it possible to add a strong brand and a wide, complementary product range in sheet metal machinery, further reinforcing the Group position on the market and placing it among top players at world level.

FINN-POWER is one of the biggest specialist in flexible sheet metal processing, offering a wide range of solutions. Its unique product line based on servo-electric technology combines higher productivity and accuracy with a more efficient use of energy, setting a new standard of eco-friendliness in the sheet metal fabrication world.

PRIMA ELECTRONICS designs and manufactures highly competitive, industrial-grade “dedicated” electronics with short time-to-market. During 2007 the acquisition of OSAI almost doubled the Company size, thus making PRIMA ELECTRONICS a leading CNC manufacturer in Italy.

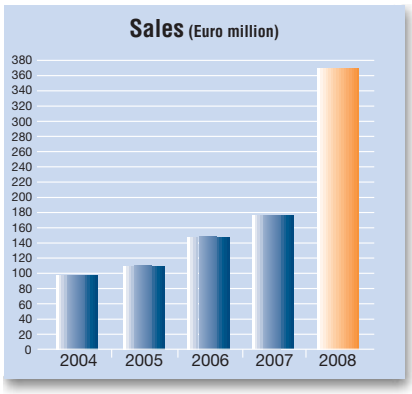
PRIMA INDUSTRIE S.p.A. is listed on the Italian Stock Exchange since October 1999, MTA-STAR segment.

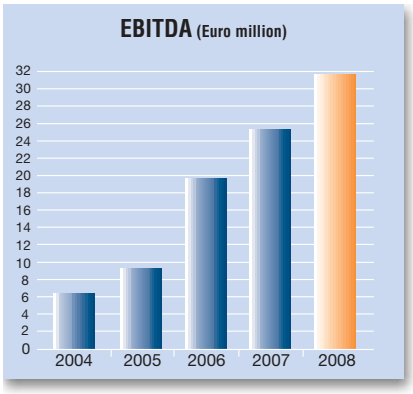
PRIMA Group's mission is to continue to grow, together with its Customers and Stakeholders, as a world class supplier of highly innovative products and solutions and excellent services in the laser and sheet metal machinery as well as industrial electronics fields.

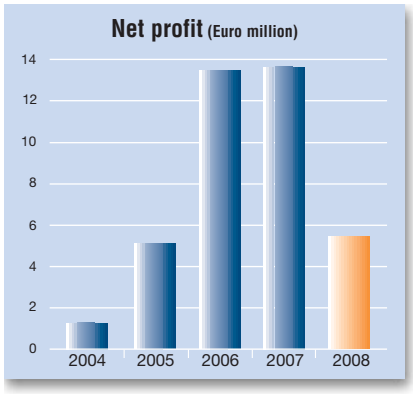
Please note that 2008 consolidation area includes FINN-POWER Group figures for 11 months (Feb. - Dec.)

Year ended December 31st, (Euro thousand, except per share data)	2008	2007	2006	2005	2004
PROFIT AND LOSS STATEMENT					
Net Sales	367,276	176,391	147,569	110,885	97,106
Gross Operating Margin (EBITDA)	31,786	25,108	19,797	9,125	6,205
Operating Profit (EBIT)	23,233	23,584	18,467	7,916	4,991
Profit Before Taxes (EBT)	11,730	22,901	17,577	7,113	3,431
Minority Interests	-	18	14	-	-
Group Net Profit	5,476	13,729	13,706	5,108	1,043
BALANCE SHEET					
Fixed Assets (net)	202,060	26,178	19,093	17,378	9,522
Working Capital (net)	43,693	32,056	25,734	26,131	36,076
Shareholders' Equity and Minority Interests	75,087	51,441	42,359	30,839	25,682
Financial Position (net)	161,645	(768)	(3,076)	7,733	15,418
Employees' severance indemnity	9,021	7,561	5,544	4,937	4,498
PER SHARE DATA					
Number of outstanding shares	6,400,000	4,600,000	4,600,000	4,600,000	4,600,000
Weighted average outstanding shares	5,354,027	4,597,042	4,594,139	4,588,553	4,559,015
Net Profit per share (on weighted average of shares)	1.02	2.99	2.98	1.11	0.23
Book value per share (on weighted average of shares)	14.02	11.19	9.22	6.72	5.63
RATIOS					
Operating Income/Net Sales (ROS)	6.3%	13.4%	12.5%	7.1%	5.1%
Operating Income/Invested Capital (ROI)	9.5%	40.7%	38.6%	20.5%	12.1%
Net Income/Stockholders' Equity (ROE)(1)	8.7%	29.3%	37.5%	18.1%	3.9%
OTHER KEY INFORMATION					
Research and Development Expenses	20,831	10,085	8,077	7,723	6,926
Year-end Order Backlog	94,708	63,789	55,568	40,742	35,766
Number of employees	1,663	733	546	498	465

NOTES: (1) ROE is calculated on average Stockholders' Equity







Ladies and Gentlemen,

the 2008 financial statements contain two significant elements of discontinuity with respect to those of the previous year:

- the inclusion in the area of consolidation of the FINN-POWER Group (from February 2008). Following that addition, the turnover of the Group increased considerably, as did the financial indebtedness contracted to finance the acquisition, while the income was diluted by effect of the higher financial costs and amortizations, as well as due to the performance of FINN-POWER which was not in line with expectations;

- the sudden worsening of the reference market, which occurred starting in the month of October when the financial crisis, which was then prevalently noticed in the real estate and financial markets, spread rapidly to the real economy and in particular to sectors of hard goods and investment. Consequently, the last quarter of the year began to show a significant slowing of demand that involved practically all geographical markets in which the Group operates.

The consolidated turnover in 2008 was € 367.3m compared with € 176.4m in 2007. Without considering the FINN-POWER Group, the turnover would have been substantially in line with the previous year.

The EBITDA was € 31.8m compared to € 25.1m in 2007. Without considering the acquisition of the FINN-POWER Group, the EBITDA would have been € 24.6m and thus very close to the level reached the previous year.

The income of the Group is affected by the allocation of the purchase price of FINN-POWER which caused a negative effect on the provision for amortization relative to the entire year in the amount of € 2.7m on the EBIT and € 2m on the Net Profit.

In this way the Company complied with the term for making the provision for the acquisition of FINN-POWER implementing the impairment test with a positive outcome. The Net Profit, after this provision, was down to € 5.5m compared with € 13.7m in 2007, by effect of the significant financial costs relative to the loan contract for the acquisition.

The fundamental rationale behind the acquisition of FINN-POWER, that remains valid regardless of the reference market situation, is the following:

- total complementarity of the product range. The Group now enjoys a vast and competitive range of products in line with that of the main competitors worldwide;

- substantial reinforcement of geographical coverage. The Group is active in over 60 countries and its presence has improved significantly in areas such as Northern Europe, North America, Russia and Eastern Europe;

- increased dimension of the turnover and narrowed gap with competitors;

- important synergies of cost and revenues, through the sales and service branches rationalization, the components insourcing (laser and electronics), and marketing savings (fairs, Group image and selling aids);

- considerable fiscal benefits for FINN-POWER in the medium-long term.

In financial terms, the acquisition of FINN-POWER, coordinated by Intesa Sanpaolo and Unicredit, was financed as follows:

- a capital increase of € 25m completed in July 2008;

- an extension of payment (vendor loan) of € 25m at 3 years by EQT, also as a guarantee of the “reps and warranties” of the Company (Share Purchase Agreement);

- a bullet loan at 8 years for about € 65m;

- an amortizing loan at 7 years for about € 50m.

In consideration of the results of FINN-POWER, below expectations, and of the worsening of the reference market from the last quarter of the year, the covenants relative to the loans were renegotiated with a positive outcome, though with an

inevitable and consequent increase of the spreads that are now around 200 bps. With reference to the vendor loan, this is currently being renegotiated with the seller EQT in the light of what emerged during the first year of management of FINN-POWER.

The Electronics Division of the Group (which celebrated the 30th anniversary of the foundation of PRIMA ELECTRONICS in 2008) also performed an important reorganization activity in 2008.
The activities of PRIMA ELECTRONICS and OSAI were rationalized also by adopting a single, highly advanced Data Processing system.
As from 01/01/2009, OSAI was merged by incorporation in PRIMA ELECTRONICS, that thus became the sole production company of the Group's Electronics Division.

Among the companies of the Group it is important to report the excellent result obtained in 2008 by the Parent Company PRIMA INDUSTRIE, that recorded a growth trend in turnover of 8% to € 120.1m, with an EBITDA of € 15.6m (+42%), an EBIT of € 14.5 and a Net Profit of € 8.7m (+15%). The foregoing confirms the excellent level of Management and Organization of the Company as well as the quality and competitiveness of its laser products.

In the framework of deep and complex changes required by the organization and financial structure of the Group, the sudden deterioration of the reference market which started last October was a significant factor.
The Business Plan, developed also with the assistance of a primary consulting company, called for a recessive stage of the international economy starting in 2009. The forecast was for a moderate slowing of the more mature markets balanced, at least in part, by a growth, although at a slower pace than in the past, of the so-called developing markets. The scenario that presented itself in the last quarter of the year was one of violent collapse of order acquisition (source UCIMU: -47%) and of turnover (source Optech Consulting: -20%) at world level.

The information on order acquisition is further penalized by the many cancellations made during November and December for problems of the Customers also due to growing difficulties in obtaining financing from the banking system.
By the combined effect of the above events and due to the unusual performance of the month of December (typically a “busy” month in terms of turnover), the Group started 2009 with an order backlog of slightly over 3 months.

At the beginning of March, 2009, since no improvement signs were shown by the market, a further, more incisive plan of cost reduction starting from the second quarter of the current year was drafted. This plan calls for additional rationalization, in particular in the area of the production plants, involving a cost structure compatible with the current level of orders even if that level should continue for the remainder of the current year.

In the context outlined above, the negative performance of the share on the stock exchange, falling from € 28.7 per share as of 31/12/2007 to € 8.9 per share as of 31/12/2008, comes as no surprise. It should also be noted that the capital increase made in July 2008 (1,800,000 new shares issued) was made at € 14.25 per share.

The Management's proposal not to distribute a dividend to the Shareholders on the profit of 2008 should be viewed in the light of the size of the debt contracted and the foreseeable reduction of the Gross Operating Margin in a year as difficult as 2009. We hope the Shareholders understand and agree with this resolution.

We wish to thank Shareholders, Employees and all those who have cooperated with the Company for their commitment and for all that they will be called upon to do with us in 2009.

As far as we are concerned, we guarantee the maximum commitment and rigour to enable our Group to overcome this difficult time and be ready, with the technological level of its products and its international structure, for a new growth cycle when the global economic conditions will make that possible.

Gianfranco Carbonato
Chairman and Chief Executive Officer

Revenue Analysis

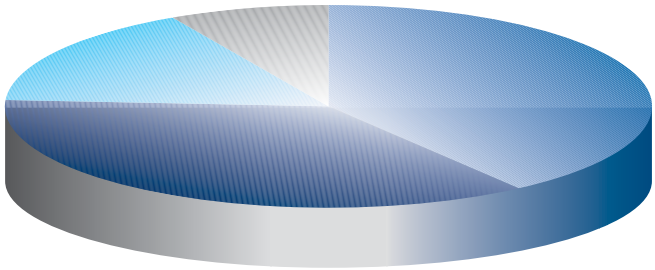
The consolidated revenues in 2008 amounted to € 367.3m.

Unlike 2007 sales, 2008 revenues include within the area of consolidation:

- 11 months' revenues from the FINN-POWER Group (consolidated from February) for € 184.2m;
- revenues for 12 months of the OSAI Group (present for only 6 months in the 2007 financial statements); the revenues of the OSAI Group in the first 6 months of 2008 amounted to € 9.6m.

Thus, for an equal area, the turnover for the year 2008, would have been € 173.5m, substantially in line with 2007. This because the turnover came largely from the Laser sector, which was affected by the economic crisis only from the fourth quarter 2008.

2008 revenues by sector



- Laser business: 40%
- Sheet metal machinery business: 36%
- After sales services: 16%
- Electronic products: 8%

On the other hand, in the Laser sector, 3D systems showed a good performance both in the automotive and aerospace markets (representing, however, less than 10% of the consolidated turnover). Such good performance is also reflected on the order backlog as of 31/12/2008.

In the Sheet Metal Processing Machinery sector, sales were mainly relative to integrated punching and shearing systems (20% of the turnover for the sector), punching machines (19%) and bending machines (16%).

FLEXIBLE MANUFACTURING SYSTEM (FMS) WITH 8 PLATINO FOR AGRICULTURAL MACHINERY PARTS

The Electronics sector recorded sales for € 41.6m in 2008, showing a slow-down only in the last quarter also due to the difficulties of some of the markets for OSAI products (woodworking and glass processing equipment).

Order acquisition decreased during the last quarter of the year; in particular: within the Laser sector the drop was mainly due to a lower demand for 2D systems and laser generators, whilst 3D systems encountered a favourable demand.

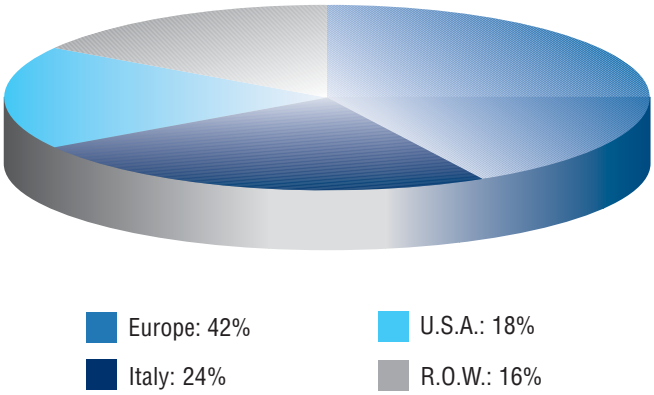
As for FINN-POWER Group, the slow-down in order collection was due both to the commercial network reorganization after the acquisition and to the well-known difficulties of its reference markets.

At 31/12/2008 the consolidated order backlog was € 94.7m (of which € 52.6m relevant to the FINN-POWER Group and € 2.0m to the OSAI Group); this figure at 31/12/2007 (when FINN-POWER was not present) was € 63.8m.

The turnover was divided geographically as follows: 24% in Italy, 42% in Europe, 18% in North America and 16% in the Rest of the World (also thanks to the Russia and Turkey growing contribution).

This confirms the importance of the European area and the growing weight of Northamerican sales, thanks to the FINN-POWER Group acquisition.

2008 revenues by geography



SERVO-ELECTRIC PUNCHING MACHINE WITH AUTOMATION

Research and Development

The Research and Development carried out by the Group amounted to € 20.8m.

The Laser sector was mainly engaged in:

- the new "Vivida" system for 3D products, Optimo® and Rapido®: a light, compact head that allows to reduce cutting times up to 30%;
- a new CAD/CAM system called Maestro-Libellula®. A first version of the product was presented with success at the EuroBLECH fair in Hannover;
- further development of the CV lasers family to extend its performance in terms of power and efficiency;
- new version of Laserdyne® 795 laser drilling system, including third generation of BeamDirector® and new, higher performance solid state laser, optimized for high-speed drilling of shaped holes.

In the Sheet Metal Fabrication sector, main innovations concerned:

- a completely new product in the FINN-POWER range of bending machines: FastBend (FBe4), a system capable of offering cycles of automatic processing and tool changing;

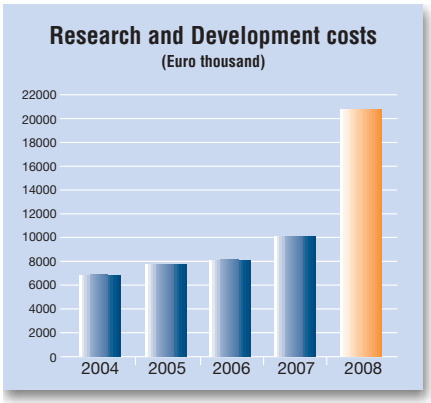
RAPIDO: INTENSIVE PRODUCTION OF HOT STAMPED PARTS

- a new machine integrating shearing and punching, Shear Brilliance®, with higher productivity, achieved using new linear motors (presented at the EuroBLECH 2008 fair in Hannover);
- a new integrated and modular software called Tulus®, ideal for the management of the entire manufacturing process.

As regards the Electronics sector, main activities were:

- a new line of numerical controls called Open, to integrate the application needs on machines produced by PRIMA INDUSTRIE and FINN-POWER as well as by OSAI Customers;
- engineering of high voltage power supplies for CO_2 and solid state lasers.

SHEAR BRILLIANCE: NEW LINEAR MOTORS SHEARING-PUNCHING MACHINE



Personnel and Organization

At year end 2008 the PRIMA INDUSTRIE Group employed 1,663 people.
The large increase recorded is mainly to be attributed to the entrance in the consolidation area of the FINN-POWER Group with its 890 employees.
Without this acquisition, the increase in the Group's personnel would have been 5%.

Around 38% of the Group personnel is employed in Manufacturing Departments and 30% in the After Sales Service.

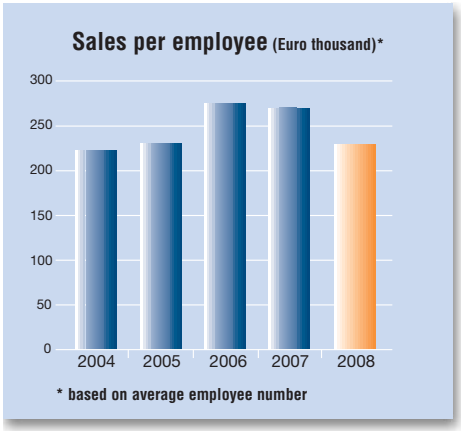
The per capita turnover amounts to € 0.234m. This amount has been calculated considering that FINN-POWER Group contributed to the 2008 turnover for only 11 months.

In the final months of 2008, with the worsening economic situation all companies in the Group took measures to make their use of the workforce more flexible and reduce its incidence on company costs.

These measures continue in 2009, leading to the adoption of "temporary lay-off" (YT) plans by FINN-POWER Oy and similar procedure (Cassa Integrazione Guadagni Ordinaria) involving a significant percentage of the company employees in PRIMA INDUSTRIE S.p.A., PRIMA ELECTRONICS S.p.A., and FINN-POWER Italia S.r.l.

Breakdown by Group Company:

	31/12/2008	31/12/2007
PRIMA INDUSTRIE	346	326
PRIMA North America	137	122
PRIMA ELECTRONICS - OSAI	238	242
FINN-POWER	478	-
FINN-POWER Italia	207	-
FINN-POWER International	100	-
OTHER SUBSIDIARIES	157	43
Total employees	**1663**	**733**



PRIMA ELECTRONICS' 30 YEARS CELEBRATION

LASER SYSTEMS AND GENERATORS

PRIMA INDUSTRIE

THE LASER MACHINES

PRIMA INDUSTRIE S.p.A.
Collegno (Torino) - ITALY

The Parent Company PRIMA INDUSTRIE designs, manufactures, markets and services high-power laser machines for industrial applications.

Year 2008 was definitely positive for the Company: sales reached € 120.1m, recording a growth of 8% on previous year.

The result is particularly significant considering that orders in the last quarter were affected by the world economic crisis, and confirms the high innovative level and competitiveness of its products and the quality of its services.

RAPIDO LASER HEAD

Since its first laser system intruduced in 1979, PRIMA INDUSTRIE has installed 2500 laser machines all over the world.

PRIMA INDUSTRIE counts on a highly skilled and professional staff and its headquarters in Collegno, Torino, is organized around two different product lines:

- 2D laser machines for processing flat metal sheets;
- 3D laser machines for cutting and welding three-dimensional parts.

COLLEGNO PLANT, 3D MACHINES ASSEMBLY AREA

SYNCRONO: THE WORLD FASTEST LASER MACHINE

PRIMA INDUSTRIE is an undisputed leader in 3D laser machines.
These are widely used in the automotive, aerospace & energy, white and yellow goods fields, where the Company boasts an extensive experience of over 30 years.

Its fast, accurate and flexible 3D machines are a reference in the sector. Rapido®, the fully tried-and-tested "workhorse" for every applications, and Optimo®, the higher class machine for processing large 3D components, are highly productive, accurate and reliable laser machines.

In the 2D sector, a much larger market characterized by a higher competitiveness, PRIMA INDUSTRIE is among main world players and offers highly advanced and top performances machines.

Syncrono®, with an innovative architecture based on parallel kinematics, is designed for the ultra-fast processing of thin sheets and is by far the fastest machine in its category.
Platino®, over 1200 units installed, is a highly reliable machine suitable for cutting a wide range of materials and thicknesses (up to 25 mm), with easy and quick changes of production.

The new generation of Domino®, launched in 2008, is the fastest and most versatile 2D/3D machine, allowing 2D/3D, bevel, tubes cutting, and welding with a single, affordable machine.

The Laserdyne® family of multi-axis, laser drilling, welding and cutting systems is manufactured by the LASERDYNE SYSTEMS Division of PRIMA North America.
Through its 28 years, more than 600 units have been installed throughout the world. They are available with CO_2, Nd:YAG, and fiber lasers.

With 40% of the systems installed in the aerospace and power generation industries, Laserdyne systems are recognized for their ability to meet the demanding requirements typical of these fields.

The Laserdyne brand is associated with a long list of industry leading features including BeamDirector®, a focusing head that positions the laser beam accurately and quickly for drilling at shallow, complex angles.
The third-generation BeamDirector, specifically designed for high power CO_2 and fiber lasers, was launched in 2008.

LASERDYNE, DRILLING WITH BEAMDIRECTOR

LASER SYSTEMS AND GENERATORS

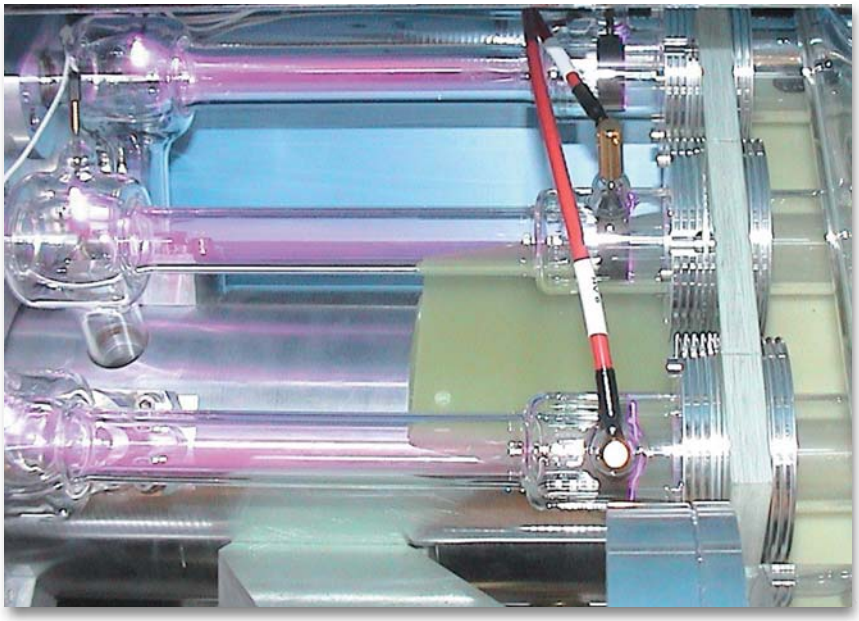
PRIMA NORTH AMERICA

CONVERGENT LASERS
LASERDYNE SYSTEMS

PRIMA North America, Inc.
Chicopee (Springfield), Massachusetts
Champlin (Minneapolis), Minnesota

PRIMA North America designs, manufactures and markets high power laser generators (CONVERGENT LASERS) and laser systems for drilling, cutting, and welding (LASERDYNE SYSTEMS), and is responsible for the sale and service of PRIMA INDUSTRIE 3D laser machines on the North American market.

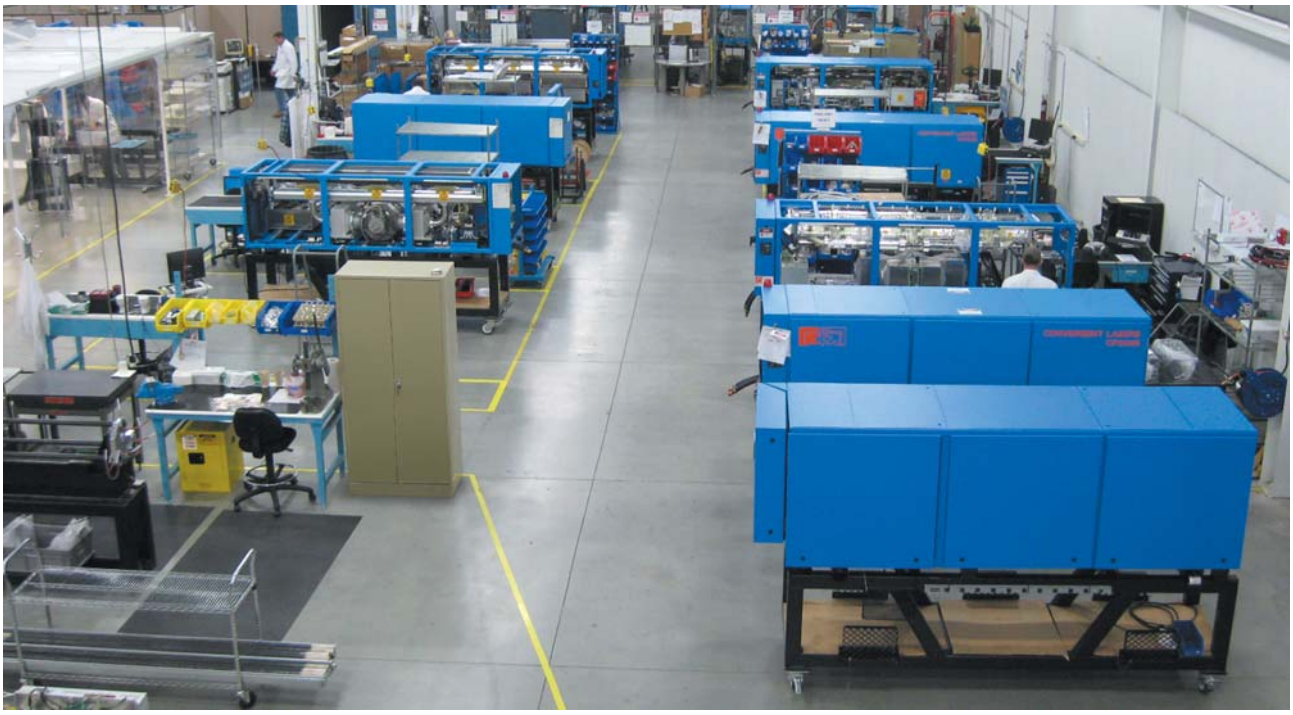
▮ CONVERGENT LASERS are CO_2 and Nd:YAG generators used within PRIMA INDUSTRIE Group companies and joint ventures.



CV5000 LASER GENERATOR

With roots in industrial laser design and manufacturing that can be traced to 1964, shortly after the invention of the laser in 1960, this brand has the longest history and deepest experience in the manufacture and service of high power industrial lasers.

CONVERGENT LASERS has a highly skilled workforce. Nearly 70% of employees involved in laser design, assembly, test, quality assurance, and service have technical degrees.



LASER GENERATORS ASSEMBLY AREA

PRIMA NORTH AMERICA SHOW ROOM

For 2D and 3D cutting and welding applications, CONVERGENT LASERS produces the CP-Series (3 to 4 kW) and CV5000 (5 kW) fast axial flow, DC-excited CO_2 lasers.
Since the introduction of the CP-Series products in 2003, the Company has manufactured more than 900 CP and CV series lasers.
They are recognized for their high electrical efficiency compared to other lasers within same power range and for beam quality that contributes to high precision, high quality cutting of a wide range of materials.

While CV5000 is based on field proven technologies for the resonator, power supply, gas circulation, and controller subsystems, it introduces several unique advancements.
These features, which include variable laser gas usage and a magnetic levitation bearing turbine, give these lasers the lowest cost of ownership among industrial lasers in this power range.
All components combine to provide an innovative and yet rugged industrial laser with a high electrical efficiency, low gas consumption, and exceptional compactness.

CONVERGENT LASERS also manufactures the CL50k, a high peak power (50 kW) Nd:YAG laser integrated with Laserdyne products and used primarily for drilling in the aerospace and power generation industries.

The integrated optics of the CL50k that provide for operation over a wide range of average power and for user programmed or CNC-controlled laser beam size are the basis for several of the advanced features of LASERDYNE SYSTEMS. The capability of the CL50k has been instrumental in improved process control in turbine engine drilling applications which has, in turn, lead to more consistent cooling holes for more effective cooling of the hot section turbine components and, therefore, higher efficiency, reduced fuel consumption, and lower emissions.

LASERDYNE SYSTEMS is the home for design, development, manufacture, sales, and service of the Laserdyne® family of laser cutting, drilling, and welding systems (see page 11).

During 2008, PRIMA North America also strengthened its commitment to product quality by investing in implementing the first phase of an ISO 9001:2008 compliant Quality Management System and in strengthening the manufacturing engineering functions within the Company.

CHICOPEE (SPRINGFIELD-MA) PLANT

SHEET METAL FABRICATION SYSTEMS

FINN-POWER

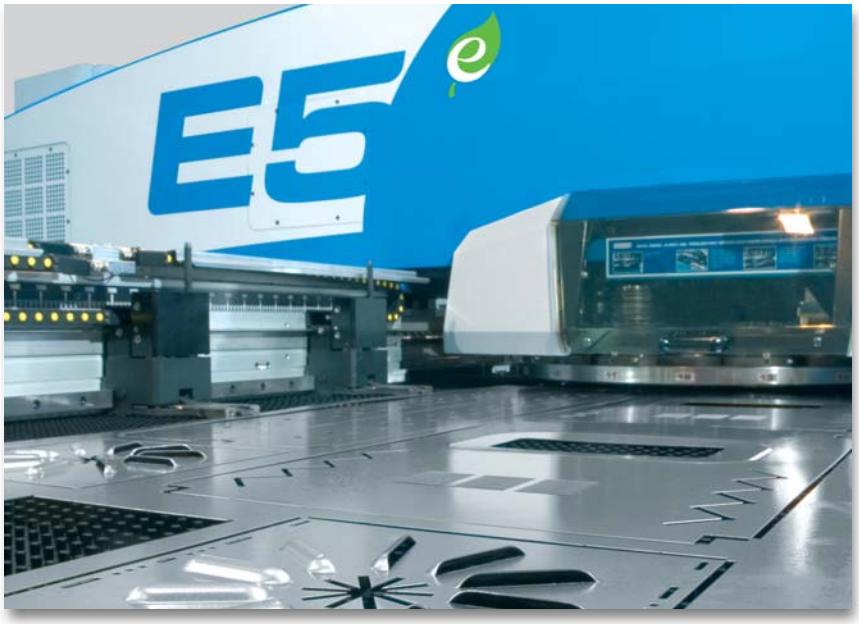
Flexibly yours®

FINN-POWER Oy
Kauhava - FINLAND

FINN-POWER, with its subsidiaries and worldwide sales network, provides solutions for selected work stages and techniques in sheet metal working, for integrating them with an automated material flow, and for related services, which create true partnership with end users.

At year end 2008, the FINN-POWER Group employed 890 people. The turnover of the Group for the consolidated period February-December was € 184.2m.

Main manufacturing facilities and corporate headquarters are located in Kauhava, Finland, where punching, laser and combined machines and systems are produced.



SERVO-ELECTRIC PUNCHING MACHINE

FINN-POWER's bending technology is designed and manufactured by FINN-POWER Italia in Cologna Veneta, Verona.

The first FINN-POWER turret punch press was introduced in 1983, and now the Group focuses exclusively on sheet metal working technology.

The FINN-POWER range covers chosen work stages in the sheet metal working process.

SHEAR GENIUS: INTEGRATED PUNCHING-SHEARING CELL

PUNCHING MACHINES ASSEMBLY AREA

It consists of NC, flexible machines and manufacturing systems used in processing standard size or pre-cut flat metal sheets into ready-bent components.

FINN-POWER has always been recognized as an innovator. Annually, about 5% of turnover is invested in R&D activities.

FINN-POWER was the true pioneer in hydraulic punching. In 1998 its first servo-electric turret punch press was introduced, and subsequently this modern technology has occupied a focal position in the company's R&D activities. The current offering is the widest in the world, marketed under the slogan "Energy in Efficient Use", and includes the most advanced electrical solutions in punching technology.

FINN-POWER's products are positioned in the mid- to high-end range in terms of automation level, versatility and system size. The range covers four major work stages & techniques in sheet metal working.

- Punching with auxiliary functions: several series of hydraulic and servo-electric turret punch presses, most of which can be automated using modular solutions.
- Shearing: the integrated Shear Genius® punching - shearing cell is a world-renowned manufacturing solution. The Shear Brilliance®, featuring linear drives, offers even higher productivity.
- Laser cutting: FINN-POWER offers high-performance capacity both in laser cutting machines and in integrated punch - laser cells of the LPe type.
- Bending: a complete range developed and manufactured by FINN-POWER Italia.

FINN-POWER's customer oriented approach is clearly visible in the ascending levels of automation offered: from the automated loading/unloading/stacking phases to the most sophisticated Flexible Manufacturing Systems (FMS), which typically automates the whole process of fabricating blank sheets into ready-bent components.

A supplier of modular FMS's since 1990, today's FINN-POWER offers three complementary FMS solutions (Combo FMS®, PSBB and the world-famous Night Train FMS®).

In addition to constituting an integral part of the overall FINN-POWER performance, services are a growing business with increasing potential as the installed machine base widens.

KAUHAVA (FINLAND) PLANT

SHEET METAL FABRICATION SYSTEMS

FINN-POWER

Flexibly yours®

FINN-POWER Italia S.r.l.
Cologna Veneta (Verona) - ITALY

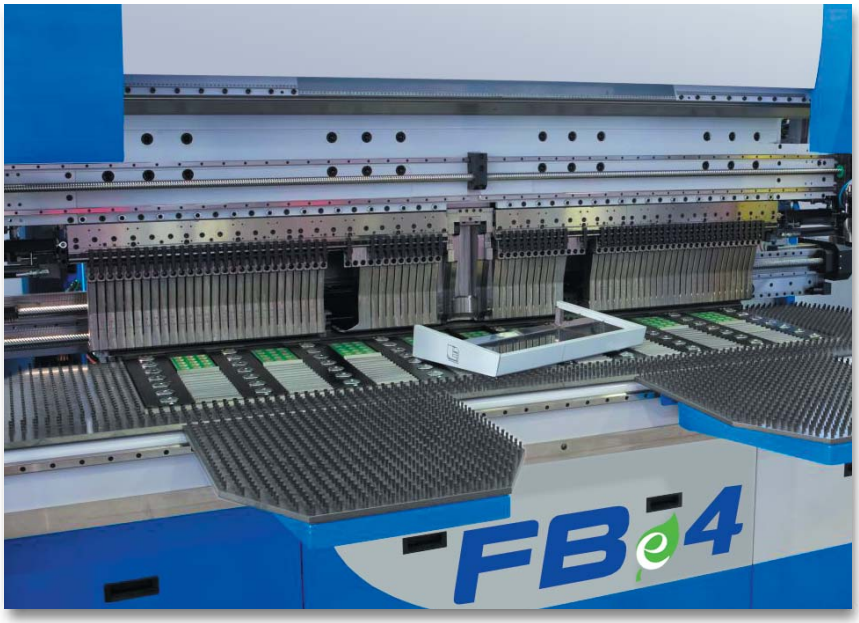
FINN-POWER offers a wide and complete bending product range, covering all possible Customer's needs.

FINN-POWER Italia develops and manufactures highly-advanced machines and automatic cells for bending.
The Company is worldwide renowned for its commitment to innovation and as a leader in the production of servo-electric panel-bending machines.

This new generation of eco-friendly bending machines, introduced to the market in 2004, overcomes the limits of the hydraulic technology, featuring higher accuracy, increased productivity, lower consumption and maintenance.

FINN-POWER Italia is located in Cologna Veneta, Verona and its Tech-Centre is based in Fiesse, Brescia.

From its establishment in 1996 it has produced about 300 units, which have been installed throughout the world, often integrated with stores or complete production lines.



NEW FAST-BEND MACHINE

SERVO-ELECTRIC INTEGRATED BENDING CELL

SERVO-ELECTRIC PRESS-BRAKE

For panel-bending FINN-POWER has introduced an important innovation: the new FastBend, presented at the EuroBLECH 2008 in Hannover.
This machine combines the quality and the functional features of the automatic panel-bending machines with the ease-of-use and affordability of a press-brake machine, and it opens a new era in high-quality bending.

FastBend has been designed for modern bending needs: small batches, just-in-time, flexible production.
It is based on a new automation concept, which focuses on set-up rather than material handling and features the Automatic Tool Change and the barcode reader, allowing a rapid and automatic machine set-up.
FastBend's main characteristics are speed, quality, flexibility and ease of operation.

FINN-POWER's Express Bender is a bending cell ideal for the automatic processing of long series of large, thin components.
With the Express Bender the machine operation cycle is fully automatic and includes the loading, rotation, bending, and unloading stages.

FINN-POWER top range is represented by Express Bender embedded in a PSBB line (Punching, Shearing, Buffering, Bending). Starting with a commercial format of metal sheet, this machine can punch, cut, buffer and dynamically bend.

The wide press-brake range offered by FINN-POWER is manufactured by the technology partner SAFAN B.V. and includes both hydraulic and servo-electric solutions.

The E-series press-brakes feature a unique mechatronic drive granting high accuracy and increased productivity with decreased energy consumption.

The latest, second-generation FINN-POWER E-Brakes have been further improved with a modular construction concept ensuring a high flexibility in machine configuration.

COLOGNA VENETA (VERONA) PLANT

ELECTRONICS

PRIMA ELECTRONICS

DOTS

osai

TECHMARK

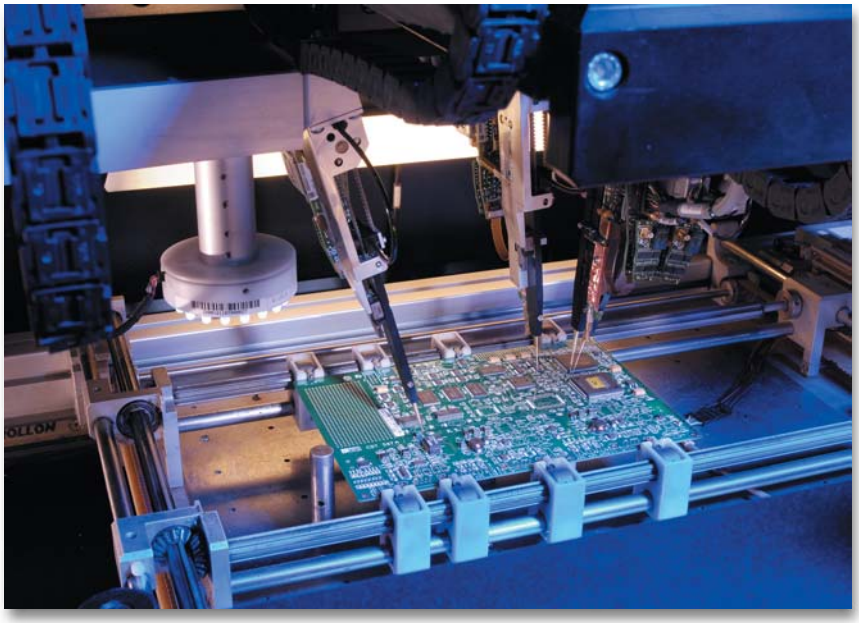
PRIMA ELECTRONICS S.p.A.
Moncalieri (Torino) - ITALY

Established in 1978,
PRIMA ELECTRONICS designs, manufactures and sells high quality industrial “dedicated” electronics.

Born with the aim to produce electronic components and systems for PRIMA INDUSTRIE and external Customers, PRIMA ELECTRONICS nowadays realizes 85% of its turnover outside the Group.

PRIMA ELECTRONICS' innovative capability and proactive approach is based on its 30 years' experience alongside its Customers, establishing a real, long-term partnership.

The Company has been constantly growing during the years thanks to well established Customers and to the continuous widening of its reference markets.
In recent years, the growth has been accomplished also through acquisitions.



PC BOARD TESTING

SURFACE MOUNT DEVICE (SMD) AUTOMATED ASSEMBLY LINE

PRIMACH-20L CNC

In 2007 PRIMA ELECTRONICS acquired OSAI, an Italian leader of CNC with an experience of 50 years in the field of wood, glass and stone working machines. This acquisition allowed the Company to almost double its size.

In 2008 the Electronics sector had a turnover of over € 41m and employed about 240 people. Around 25% of its staff and 7% of its sales are dedicated to R&D activities.
The Company can rely on state-of-the-art hardware manufacturing technologies and a highly advanced software developing centre.
These assets grant top quality, industrial grade products, allowing PRIMA ELECTRONICS to successfully compete at global level.

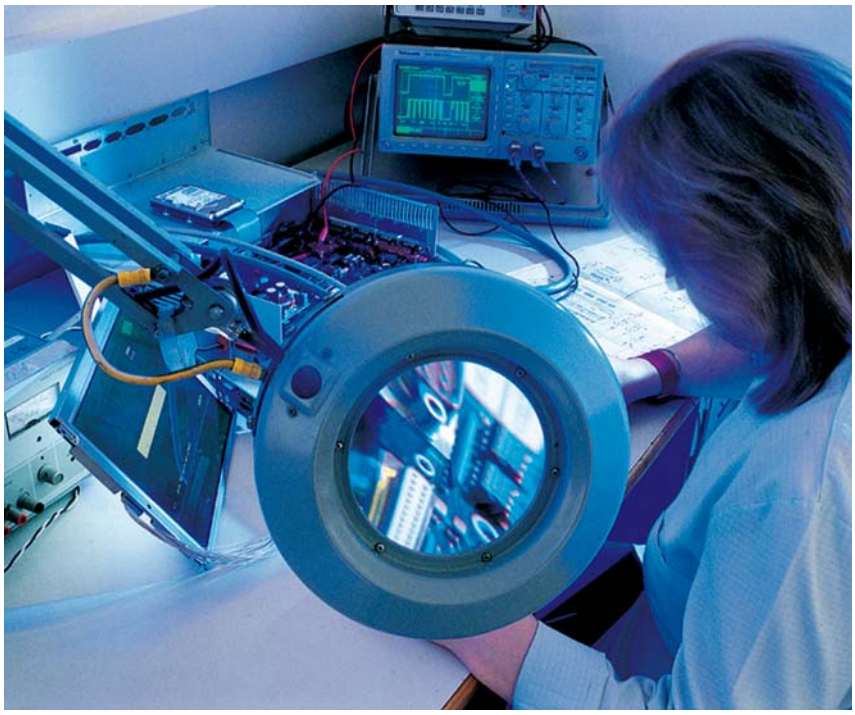
Today PRIMA ELECTRONICS is present on the market with three different brands: DOTS, OSAI, TECHmark.

- DOTS (Dedicated Off-The-Shelf)™ electronics, a market segment across COTS (Commercial Off-The-Shelf) and "custom". Leader in this sector, PRIMA ELECTRONICS offers dedicated solutions for specific applications, fully complying with market standards, with high level of industrialization, competitive unit cost and time-to-market.
DOTS electronic products are used in industrial compressors, fuel cells, high speed trains, pipes welding systems.

- OSAI, the motion control leader in the field of wood, glass, stone and special metal working machines has a long tradition in numerical controls.
It was established in 1957 as an Olivetti Division, a pioneer in this sector.

- TECHmark, a line of "dedicated" electronic products realized using commercial components.
For lower volume needs, TECHmark allows to combine the advantages of standard products with the benefits of a tailored solution, including PRIMA ELECTRONICS competence and technical support for the whole product life cycle.
Reference markets for this brand are: industrial automation, energy, mobility, building and home automation.

Thanks to its brands and its capability to be a strategic partner for its Customers, the security and stability also deriving from its belonging to the PRIMA INDUSTRIE Group and its global presence, today PRIMA ELECTRONICS plays an international leading role in the industrial electronics.



QUALITY INSPECTION AT OSAI

Sales and Services

Headquarters Group Companies, Joint Ventures, Subsidiaries and Branch Offices Dealers and Agents

A global presence is fundamental for a Group as PRIMA INDUSTRIE, willing to stay close to its wide Customer base and strongly committed to its satisfaction.

PRIMA INDUSTRIE Group is present in more than 60 countries throughout the world, with a well-organized sales and service network made of branches, offices, long-established dealers and agents, and joint ventures.

Around the clock and around the globe, a highly skilled and efficient team of professionals is at Customer's service, able to speak his language and ready to satisfy his needs.

ITALY and SOUTH–EAST EUROPE

Italy is the country where the Group has its headquarters, located in Torino. Historically, the Italian market represents 20% to 25% of the Group sales, also thanks to the strong presence of FINN-POWER.

Sales activity is managed directly from Collegno (Torino), where a demo facility is available for 2D and 3D laser systems and Fiesse (Brescia) where the most comprehensive TTC (Technology Centre) of FINN-POWER is located, equipped with a Night Train FMS® and with Punching, Bending and Laser cutting machines.

Fiesse is based in a strategic area, easily reachable from Lombardia, Veneto and Emilia where over 2/3 of the Italian companies in the sheet metal fabrication industry are located.

From Italy are covered also the markets of Slovenia, Croatia, Serbia, Bosnia, Albania and Greece.
Sales activity is organized with area managers in charge of the main areas, supported by an extensive network of agents and by product managers specialized in each Group product line.

TECH CENTER IN FIESSE (BRESCIA)

After sales organization is also widespread with main facilities in Collegno and Cologna Veneta, and people “on the road” in all main regions to serve an impressive installed base of both PRIMA INDUSTRIE and FINN-POWER systems.
During year 2008 the Group has attended exhibitions in Bologna (LAMIERA), Pordenone (SAMUMETAL) and Bari (BIMU MEDITERRANEA).

SPAIN and PORTUGAL

Spain is a major market for the Group. During 2008 the new joint Company PRIMA FINN-POWER IBERICA S.L. has been incorporated, combining the activities of FINN-POWER subsidiary and the branch office of PRIMA INDUSTRIE.

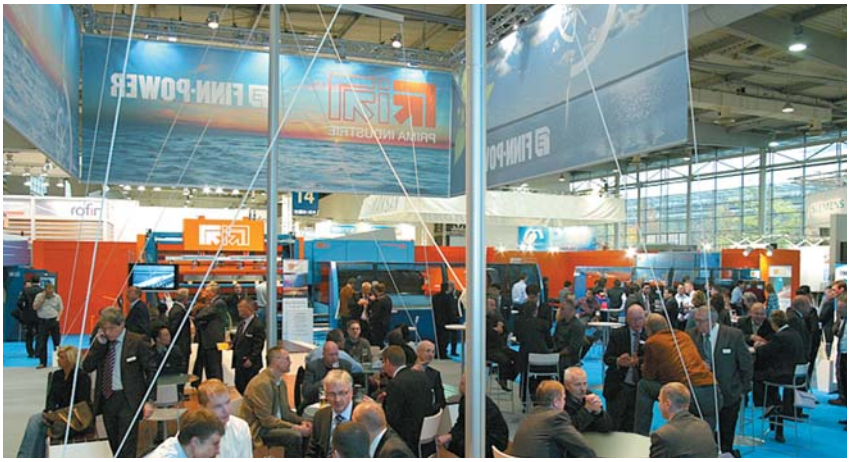
The new Company has moved at the beginning of 2009 to a new facility in Barcelona, where a demo area is being built with a 2D laser system, a punching machine and a press-brake.
PRIMA FINN-POWER IBERICA, with almost 50 employees, is fully autonomous in all sales and after-sales activities, including time studies, application engineering, installations, training and retrofitting.
Both sale and after-sale personnel are well distributed to cover effectively the most important areas of Spain (Madrid, Bilbao, Valencia, etc.) and Portugal.
BIEMH in Bilbao has been the most important marketing event in 2008 in this area.

FRANCE

PRIMA FINN-POWER FRANCE Sarl has been incorporated by merging FINN-POWER and PRIMA INDUSTRIE offices in Paris.
The new Company employs around 30 people and will move, before summer 2009, into a common facility in the south-eastern belt of Paris, almost half-way between previous PRIMA INDUSTRIE and FINN-POWER facilities.

The new location will allow the installation of demo machines in due course.
Sale and service employees and agents are spread-out in various locations of the country in order to be close to the wide customer base in Paris, Lyon and Toulouse, including many top class companies in aerospace, automotive, white and yellow goods sectors.

BIEMH EXHIBITION, BILBAO



EUROBLECH EXHIBITION, HANNOVER

GERMANY, AUSTRIA and SWITZERLAND

The Group operates in Germany through PRIMA INDUSTRIE GmbH, based in Dietzenbach (Frankfurt), and FINN-POWER GmbH in Munich. For both brands Germany is, after Italy, the second largest market in Europe.

Particularly significant is the population of PRIMA INDUSTRIE 3D laser systems, which is well over 100 units mainly in the automotive sector and relevant tier-1 suppliers.

During 2009 the two Companies will be merged into a single entity, with about 50 employees and headquarters in Dietzenbach, where a demo facility is already operational.

Munich will remain as a secondary office to guarantee, together with sale and service engineers and agents “on the road” all over the country, the best coverage of the German market. Also Switzerland and Austria are followed up from Germany.

Among various exhibitions in Germany, it is worth to mention EuroBLECH in Hannover, where in October PRIMA INDUSTRIE and FINN-POWER have exhibited, for the first time together, their large and competitive product range.

BENELUX

In Belgium, the existing FINN-POWER subsidiary has widened its scope to follow also PRIMA INDUSTRIE product line.

The Company has changed its name to PRIMA FINN-POWER NV and operates, through dealers, also in The Netherlands and Luxembourg.

It is worth to mention that in the same facilities, close to Gent, a spare parts centre is operative, serving all European markets with 24-hours deliveries.

During 2008 the main exhibition attended in the area has been TECHNI-SHOW in Utrecht.

EASTERN EUROPE, RUSSIA and TURKEY

These markets have been among the fastest growing areas for the Group in the last few years.

PRIMA INDUSTRIE and FINN-POWER operate through dealers in these countries, supported by area managers either resident (Russia) or travelling from Italy or Finland.

After-sale is guaranteed by the presence of a subsidiary in Poland (PRIMA FINN-POWER POLSKA Sp. z o.o. in Krakow) and by resident service engineers in Czech Republic, Slovakia and Hungary.

Additional service resources are available from some of the dealers, in particular in Russia and Turkey.

During 2008 an extensive set of exhibitions were attended in Moscow, Russia (METALLOOBRABOTKA), Poznan, Poland (MACH-TOOL), Brno, Czech Republik (IMT/MSV), Nitra, Slovakia (ENGINEERING TRADE FAIR).

A demo room is operational with our dealer in Russia.

SHOW ROOM IN DIETZENBACH (FRANKFURT)

TECH CENTRE IN KAUHAVA (FINLAND)

UNITED KINGDOM and IRELAND

The existing PRIMA INDUSTRIE Company in Coventry has extended its scope to FINN-POWER products and changed its name to PRIMA FINN-POWER UK Ltd.

The Company also acts as a spare parts centre in Europe for LASERDYNE and CONVERGENT products (both manufactured in U.S.A.) which are quite extensively used, in particular by the British aerospace industry.

Sales and service employees are located not only in the Midlands but also in the North and in the South.

In March 2008, MACH in Birmingham has been the most important marketing event of the year.

SCANDINAVIA

In Sweden, Denmark and Norway, the Group operates through common dealers, supported by PRIMA FINN-POWER SWEDEN AB in Göteborg, particularly for PRIMA INDUSTRIE laser systems sales and service.

Dealers also perform after-sale activities for FINN-POWER and participate to local exhibitions as Verktygsmaskiner in Göteborg in 2008.

MACH EXHIBITION, BIRMINGHAM

FINLAND and BALTIC

As homeland of FINN-POWER Oy, Finland is one of the major markets of the Group.

Sales and service activities are performed by direct people and take advantage by the TTC (Technology Centre) in Kauhava, located close to the main FINN-POWER plant, specialized in punching, combination machines, automation systems and FMS's.

Also Baltic countries (Latvia, Estonia, Lithuania) are covered from Finland with the assistance of local agents.

The main exhibition in 2008 has been FINNTECH in Helsinki, where a wide range of FINN-POWER products have been presented together with a PRIMA INDUSTRIE 2D laser machine.

NORTH AMERICA

Sales and service activities of PRIMA INDUSTRIE 2D laser products are in the process of being merged with FINN-POWER operations, whose headquarters are located in Arlington Heights (Chicago, Illinois).

The name of the new organization, which employs 100 people, is PRIMA FINN-POWER NORTH AMERICA, Inc.

The Company is totally autonomous in all demo, sales, installation, training and after-sale activities for both PRIMA INDUSTRIE and FINN-POWER products for sheet metal processing applications.

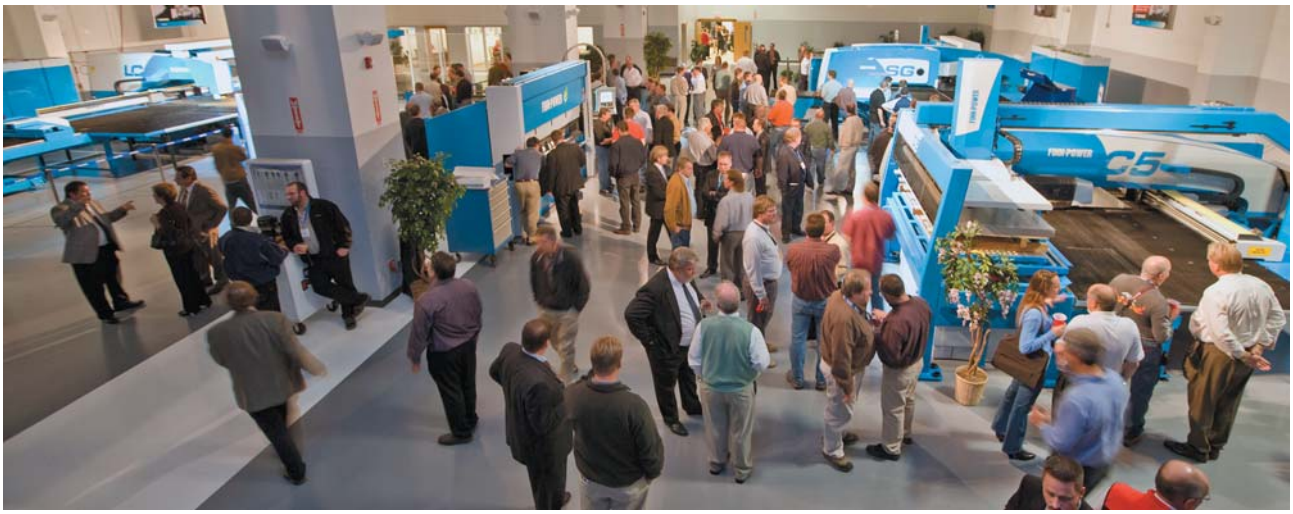
The Company has a subsidiary (PRIMA FINN-POWER CANADA Ltd.) in Toronto, Canada, sale and service facilities in Massachusetts and offices in Georgia and California.

Through a wide network of direct salesmen and agents, the whole market of North America, including Mexico, is fully covered, also thanks to the demo facility in Chicago, well equipped with a wide range of FINN-POWER and PRIMA INDUSTRIE products.

FABTECH EXHIBITION, LAS VEGAS

PRIMA North America, which is also employing over 100 people, has been focused on LASERDYNE products (manufactured in Champlin, Minnesota) and PRIMA INDUSTRIE 3D laser systems (both oriented to aerospace and automotive markets) as well as to CONVERGENT LASERS, which are manufactured in Chicopee, Massachusetts for the whole Group and for external customers.

During 2008 the main exhibitions have been FABTECH in Las Vegas and CMTS in Toronto.



SHOW ROOM IN ARLINGTON HEIGHTS (CHICAGO)

LARGE LASER SYSTEM INSTALLATION IN BRAZIL

CHINA, HONG KONG and TAIWAN

For sheet metal fabrication machinery (FINN-POWER and PRIMA INDUSTRIE 2D Laser systems) a common dealer is active in Mainland China.

It is headquartered in Hong Kong but with main sale and service offices in Shenzhen, Shanghai and Beijing, where also demo rooms equipped with PRIMA INDUSTRIE and FINN-POWER products are operational.

Taiwan is also covered through dealers.

PRIMA INDUSTRIE (Beijing) Co. Ltd. is active in 3D sales and service activities for PRIMA INDUSTRIE and LASERDYNE products and supports the dealer for sheet metal machinery.

Joint ventures are also operative with local partners in Shanghai (SHANGHAI UNITY PRIMA Ltd.) for 2D Laser systems locally manufactured and in Wuhan (OVL CONVERGENT Ltd.) for CO_2 lasers.

The joint ventures are fully independent in their sale and service activities and are not consolidated in Group accounts, being minority participations, although significant.

SHANGHAI UNITY PRIMA ASSEMBLY AREA

REST OF THE WORLD

In South America, the Group operates with dealers. Quite significant is the presence in Brazil.

In Middle East, there is a dealer in Israel and a branch office in U.A.E. Occasional sales are made in Syria, Egypt and Iran.

In India a local dealer is supported by a resident sale engineer.

In the Far East, dealers are also in place in some countries, such as Korea, Malaysia, Singapore while other areas are still uncovered.

Japan presence is limited to 3D products promoted by a local joint venture.

Dealers coverage is also good in Australia and New Zealand.

In Africa occasional sales are made in South Africa and Mediterranean countries.

Most dealers are also trained for after-sale service and occasionally supported from abroad.

In 2008 AUSTECH in Sidney, Australia and MECANICA in São Paulo, Brazil have been the most significant commercial events in these markets.

Please note that 2008 consolidation area includes FINN-POWER Group figures for 11 months (Feb. - Dec.)

CONSOLIDATED INCOME STATEMENT

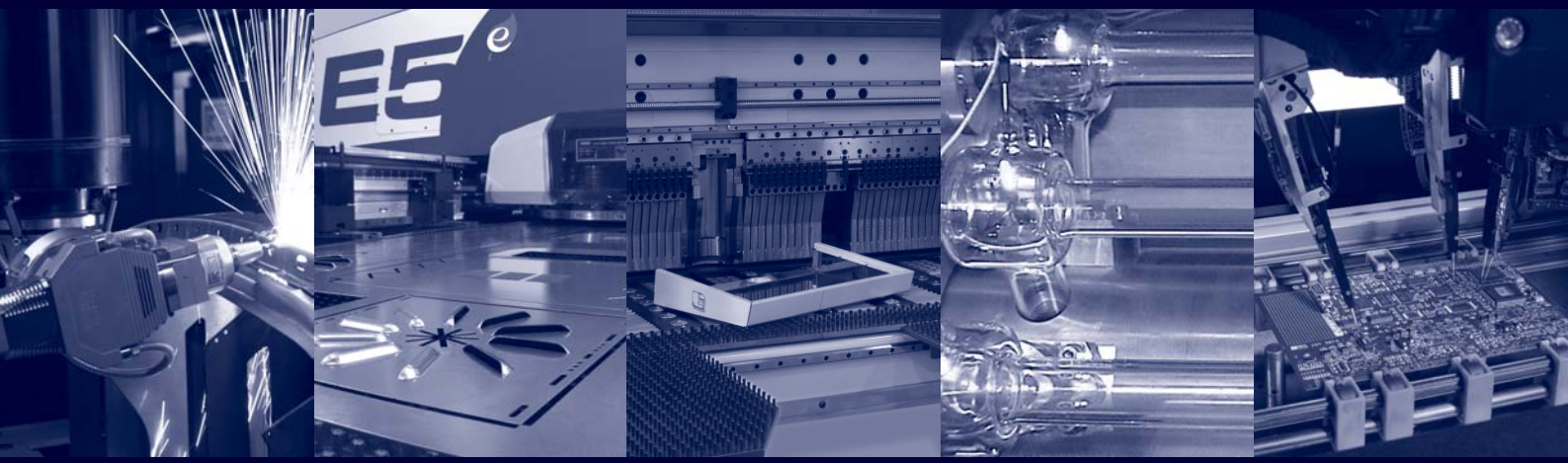
Year ended December 31st, (Euro thousand, except per share data)	2008	2007	2006	2005	2004
PRODUCTION VALUE					
Revenues from sales and services (Net Sales)	367,276	176,391	147,569	110,885	97,106
Changes in work-in-progress, semi-finished and finished goods	(2,507)	3,857	(3,480)	1,903	3,031
Increases in fixed assets for internal work	7,520	239	139	63	157
Other operating income	4,119	2,560	1,645	3,000	2,479
TOTAL PRODUCTION VALUE	**376,408**	**183,047**	**145,873**	**115,851**	**102,773**
PRODUCTION COSTS					
Purchases of raw material, consumables and supplies (net)	(176,244)	(79,462)	(64,818)	(55,423)	(51,064)
Other operating costs	(79,173)	(41,280)	(31,181)	(25,263)	(21,685)
TOTAL PRODUCTION COSTS	**(255,417)**	**(120,742)**	**(95,999)**	**(80,686)**	**(72,749)**
ADDED VALUE	**120,991**	**62,305**	**49,874**	**35,165**	**30,024**
Personnel cost	(89,205)	(37,197)	(30,077)	(26,040)	(23,819)
EBITDA	**31,786**	**25,108**	**19,797**	**9,125**	**6,205**
Amortization & Depreciation	(8,553)	(1,524)	(1,330)	(1,209)	(1,214)
OPERATING PROFIT (EBIT)	**23,233**	**23,584**	**18,467**	**7,916**	**4,991**
Financial income and expenses	(12,321)	(1,156)	(900)	(1,140)	(1,396)
Adjustment to financial assets	818	473	10	337	(164)
PROFIT BEFORE INCOME TAXES (EBT)	**11,730**	**22,901**	**17,577**	**7,113**	**3,431**
Income taxes	(6,254)	(9,154)	(3,857)	(2,005)	(2,388)
NET PROFIT FOR THE YEAR	**5,476**	**13,747**	**13,720**	**5,108**	**1,043**
Minority interests	-	18	14	-	-
NET PROFIT FOR THE YEAR-GROUP	**5,476**	**13,729**	**13,706**	**5,108**	**1,043**
EARNINGS PER SHARE	**1.02**	**2.99**	**2.98**	**1.11**	**0.23**

CONSOLIDATED BALANCE SHEET

Year ended December 31st, (Euro thousand)	2008	2007	2006	2005	2004
FIXED ASSETS (NET)	**202,060**	**26,178**	**19,093**	**17,378**	**9,522**
Intangible assets	153,176	6,713	2,511	2,739	2,487
Tangible assets	35,504	10,166	6,427	5,779	5,984
Other fixed assets	13,380	9,299	10,155	8,860	1,051
EMPLOYEES' SEVERANCE INDEMNITY	**9,021**	**7,561**	**5,544**	**4,937**	**4,498**
NET WORKING CAPITAL	**43,693**	**32,056**	**25,734**	**26,131**	**36,076**
Inventories	106,187	41,967	33,870	36,319	31,581
Trade receivables (net of advances from Customers)	40,048	41,159	31,573	21,499	23,294
Other current assets	11,012	5,141	4,446	4,406	12,210
Trade payables	(65,870)	(33,728)	(26,055)	(23,089)	(19,417)
Other liabilities	(47,684)	(22,484)	(18,100)	(13,004)	(11,592)
FINANCIAL POSITION (NET)	**161,645**	**(768)**	**(3,076)**	**7,733**	**15,418**
Cash and banks	(14,467)	(21,551)	(20,971)	(11,768)	(6,698)
Bank borrowings	165,510	18,298	15,300	15,913	17,085
Borrowing from other financial institutions	10,602	2,485	2,595	3,588	5,031
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	**75,087**	**51,441**	**42,359**	**30,839**	**25,682**
Minority interests	-	237	60	-	-
Shareholders' equity-group	75,087	51,204	42,299	30,839	25,682

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31st, (Values in Euro)	2008	2007
Result before taxes	**11,730,348**	**22,901,010**
Adjustments (sub-total)	**20,783,110**	**2,255,063**
Depreciation and Amortization	8,553,039	1,524,142
Accrual in the provisions for employee benefits	408,849	47,603
Net exchange differences	89,961	358,755
Net result of investments accounted for using the equity method	(817,951)	(472,586)
Cost for share-based payments	318,364	-
Financial expenses	13,036,179	1,518,119
Financial income	(805,331)	(720,970)
	32,513,458	**25,156,073**
(Increase)/Decrease in trade receivables and other receivables	23,394,546	(5,934,994)
(Increase)/Decrease in inventories	(1,633,707)	(4,483,238)
(Increase)/Decrease in trade payables	(18,848,485)	5,368,163
(Increase)/Decrease in other payables and liabilities	(8,828,949)	(1,307,352)
Cash from operations	**26,596,863**	**18,798,652**
Income taxes paid	(7,674,532)	(3,646,040)
Net cash provided by operating activities	**18,922,331**	**15,152,612**
Cash flow from investments		
Acquisition FINN-POWER Group (net of cash acquired)	(85,217,377)	-
Acquisition OSAI Group (net of cash acquired)	-	(8,409,145)
Acquisition of OSAI UK minorities	(256,525)	-
Acquisition of tangible fixed assets	(6,639,393)	(1,716,027)
Acquisition of intangible fixed assets	(7,428,187)	(292,819)
Disposal/(Purchase) investments accounted for using the equity method	(823,625)	25,575
Financial income	805,331	720,970
Net disposal of tangible and intangible fixed assets	310,962	49,224
Net cash used in investing activities	**(99,248,814)**	**(9,622,222)**
Cash flow from financing activities		
Change in other net equity items	(39,777)	(1,975,174)
Capital increase	24,676,777	-
Net purchase of treasury stocks	92,560	58,638
Net change in other financial assets/liabilities	1,254,533	(233,075)
Increases in loans and borrowings	176,358,106	7,795,000
Repayment of loans and borrowings	(112,770,918)	(5,237,269)
Net change in financial lease liabilities	(302,532)	(583,679)
Financial expenses	(13,036,179)	(1,518,119)
Dividends paid	(2,990,000)	(2,988,050)
Net Cash provided by financing activities	**73,242,570**	**(4,681,728)**
Net change in cash and equivalents	**(7,083,913)**	**848,662**
Cash and equivalents beginning of period	**21,551,369**	**20,702,707**
Cash and equivalents end of period	**14,467,456**	**21,551,369**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www.primaindustrie.com

FINN-POWER

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PRIMA ELECTRONICS

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