

**More power
in the world.**

 **PRIMA
INDUSTRIE**

2010 FACTS AND FIGURES



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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 heads a leading Group in developing, manufacturing and marketing of laser systems for industrial applications, sheet metal processing machinery, electronics and laser sources.

The parent company Prima Industrie S.p.A. is listed on the Italian Stock Exchange since 1999 (MTA - STAR segment).

With over 30 years of experience, the Group has installed over 10,000 machines in more than 60 countries all over the world and is among the main worldwide manufacturers in its own reference market.

Three years after the acquisition of the Finn-Power Group (February 2008), headquartered in Finland, the rationalization of the commercial and manufacturing organization of the Group has been completed and materialized in the breakdown of the business in two divisions:

■ Machinery, which carries the name of Prima Power, including development, manufacturing and marketing of laser machines for cutting, welding and drilling of 3D and 2D components and machines for sheet metal treatment by means of mechanical tools (punching machines, combined punching/shearing systems, combined punching/laser cutting systems, panel benders and automation systems), formerly marketed under the brands Prima Industrie and Finn-Power.

Prima Power has manufacturing sites in Italy, Finland, the US and China and has a direct commercial presence in France, Spain, Germany, the UK, Belgium, Poland, Russia, the US, Canada, China, Japan, the UAE and Brazil.

This division employs today about 1,100 people.

The new Machinery division is functionally organized as a single entity, though it includes several companies worldwide.

■ Components, under the name of Prima Electro, including the development, manufacturing and marketing of power and control electronics, and of high-power laser sources for industrial applications (destined both to the Group machines and to other OEM customers).

The division has manufacturing sites in Italy and the US, as well as a direct commercial presence in the UK, the US and China.

As of today, it employs about 260 people.

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 in the components fields.

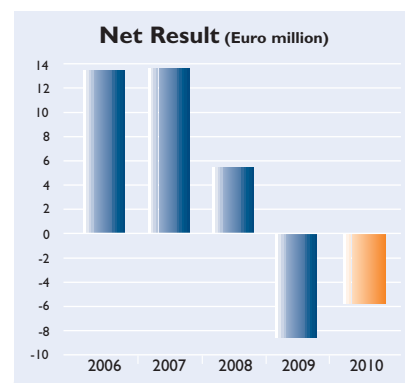
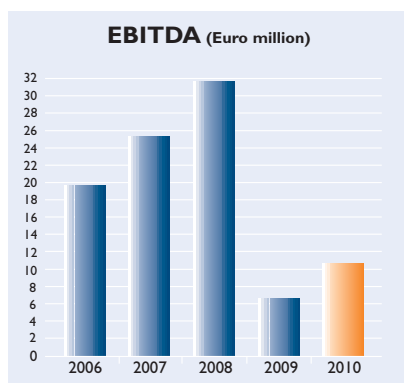


Financial Highlights

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)

	2010	2009	2008	2007	2006
PROFIT AND LOSS STATEMENT					
Net Sales	250,007	231,886	367,276	176,391	147,569
Gross Operating Margin (EBITDA)	10,369	6,243	31,786	25,108	19,797
Operating Result (EBIT)	352	(3,863)	23,233	23,584	18,467
Result Before Taxes (EBT)	(5,123)	(9,644)	11,730	22,901	17,577
Minority Interests	-	-	-	18	14
Group Net Result	(5,965)	(8,696)	5,476	13,729	13,706
BALANCE SHEET					
Fixed Assets (net)	192,020	190,970	202,060	26,178	19,093
Working Capital (net)	25,493	24,099	34,672	24,495	20,190
Shareholders' Equity and Minority Interests	76,245	64,978	75,087	51,441	42,359
Financial Position (net)	141,268	150,091	161,645	(768)	(3,076)
PER SHARE DATA					
Number of outstanding shares	8,640,135	6,400,000	6,400,000	4,600,000	4,600,000
Weighted average outstanding shares	8,351,645	6,400,000	5,354,027	4,597,042	4,594,139
Net Result per share (on weighted average of shares)	(0.71)	(1.36)	1.02	2.99	2.98
Book value per share (on weighted average of shares)	9.13	10.15	14.02	11.19	9.22
OTHER KEY INFORMATION					
Research and Development Expenses	14,296	13,583	20,831	10,085	8,077
Year-end Order Backlog	82,300	65,071	94,708	63,789	55,568
Number of Employees	1,353	1,463	1,663	733	546





Ladies and Gentlemen,

The results we are reporting for the year 2010 show clear signs of recovery after the deep crisis in all our markets during the year 2009.

The world economy restarted its race at the record level of 5%, which is however an average among very different growth rates in various areas of the world. In fact, China, India and Brazil have registered GDP growths of over 5% (in case of China over 10%), USA, Russia and Germany above 3% while most of the European markets are still facing a very low growth in the range of 1% only.

A recent study by Bain & Co. confirmed a strong correlation between GDP and Capital Goods orders in the emerging markets and an even stronger one between GDP growth rate and Capital Goods orders in mature countries.

On average, the world market for capital goods has registered a modest recovery in 2010, together with a significant geographic shift from traditional to emerging countries.

All the above is well reflected in our 2010 results, which is not surprising, considering that our Group has a share of about 10% of the global reference market and that also data collection from our competitors confirms similar trends.

Consolidated revenues for 2010 have been € 250.0 million, up 7.8% from previous year. 55.3% of revenues has been made in Europe (64.4% in 2009) while sales in America, Asia and Rest of the World have shown a remarkable growth from 35.6% in 2009 to 44.7% in 2010.

EBITDA for the year increased to € 10.4 million (4.1% of sales) which is evidently still unsatisfactory, but the increase from € 6.2 million of 2009 is more significant if it is considered that previous year EBITDA was influenced by non-recurring positive items equal to € 6.0 million.

EBIT has again a positive sign (€ 0.4 million) against a negative value of € 3.9 million in 2009. Bottom line still shows a loss below € 6.0 million to be compared with a loss of € 8.7 million of the previous year.

The full year loss has been however mostly generated in the first quarter of the year, when sales resulted very low as a consequence of the poor order intake of 2009, while the rest of the year has been already at a break-even level and, in particular, in the last quarter the Group has returned to generate net profits.

The most positive indications of the year are coming from the orders intake which has been € 271.8 million, up 28% from 2009, with a peak of almost 50% increase in the last quarter.

As a consequence, the backlog at 31/12/2010 is of € 82.3 million, up 26% from previous year, and this notwithstanding the high-level of revenues (€ 81.3 million) in the last quarter.

Thanks to the successful capital increase of € 15.2 million completed in February, Net Financial Position at year-end has reduced to € -141.3 million (including € 10.7 million of leasing, factoring and negative fair value of interest rate swaps), as against € -150.1 million of 2009.

Deleveraging, after Finn-Power acquisition, remains a priority for the management, in addition to the possible exercise of existing warrants (which are now "in-the-money") for an outstanding amount of € 19.0 million. As part of the financial activity, the Group is renegotiating with the Banks Pool, which funded the acquisition, the terms of the relevant outstanding loan.

At year end, the employees were 1353, down 110 units from the previous year as a consequence of the Group reorganization measures put in place also in 2010, after the main restructuring performed in 2009. The streamlining process is now over and, as from beginning of 2011, the Group has restarted a moderate recruiting to fill in a few vacant key positions and to match capacity with 2011 production plans.

Among the activities performed in 2010, it is worth mentioning some further rationalization of the Group's international presence:

- Sale of activity in Sweden to the local distributor where all sales and service activities have been concentrated.
- Incorporation and strong growth of a sales and service company in Russia.
- Divestment of a minority stake in the JV of Wuhan and concentration of activities in China in the JV in Shanghai, the WOFE in Beijing, and the distributor in Hong Kong.

As usual, 2010 has seen a remarkable R&D activity with total investment of € 14.3 million (5.7% of revenues) of which € 6.3 million capitalized and € 8.0 million charged amount to P/L statement according to IAS/IFRS accounting principles.

Among the many activities performed, it is worth mentioning:

- The new line of fully electric punching/shearing system SGe;
- The new 3D Rapido Evoluzione2 machine equipped with fiber laser;
- The start of the new OPEN line of CNC controls.

All new products are in line with our philosophy of environmental sustainability and low energy consumption and have been successfully introduced to the market during the most important international exhibitions of the year, such as Euroblech in Hannover (Germany) and Fabtech in Atlanta, Georgia (USA).

Among the remarkable results achieved in the year, it is also worth mentioning the outstanding performance of our JV in China, Shanghai Unity Prima. It has achieved the record level of RMB 474 million in sales with a Net Profit of RMB 47.4 million (10% of sales). Our 35% stake in this Company is consolidated at equity with a consequent impact only at financial income level.

On February 4th, 2011, during our annual sales management meeting,

we celebrated the 3rd anniversary of the acquisition of Finn-Power.

During these 3 years, we have intensively worked for the integration of Prima and Finn-Power groups into a single entity well organized in a matrix of specialized operations and common sales and service companies worldwide.

This work, accomplished in a very difficult time frame because of the crisis, is now completed and two out of the three segments of which we are reporting our results (Laser and Sheet Metal Machinery) are now fully merged.

To better rationalize the Group structure, we have transferred the ownership of Prima North America-Convergent Laser Division to Prima Electronics with effectiveness 31/12/2010.

The new Division emerging from the above is called Prima Electro.

Finally the new Group Divisional Organization introduced new brands and logos as of March 22, 2011.

All Group logos (Prima Industrie, as holding company, Prima Power and Prima Electro) have been restyled and modernized, although clearly recalling the original former graphics and colours.

With a stronger and more integrated organization, we are confident of a successful new phase of development.

The good news is that all analysts predict a strong two-digit market rebound for 2011, which should be the first year of a new positive cycle of our industry with expected CAGR in the range of 10% over the next years.

Of course, financial and political turbulences are not over, as the recent crisis in North Africa with its impact on commodities prices shows. Also debts and deficits are a matter of deep concern in several countries, as is the increase, for the time being limited, of the inflation in Europe.

So the storm is probably over, but the sea remains rough, even if the wind is blowing strong to our tail.

We wish to express our sincere thanks to our shareholders, to all our employees and managers, as well as to our customers, suppliers and all stakeholders and friends of our Group.



Gianfranco Carbonato
Chairman and Chief Executive Officer



Revenue Analysis

Consolidated revenues in 2010 were € 250.0 m, up 7.8% over 2009 (€ 231.9 m).

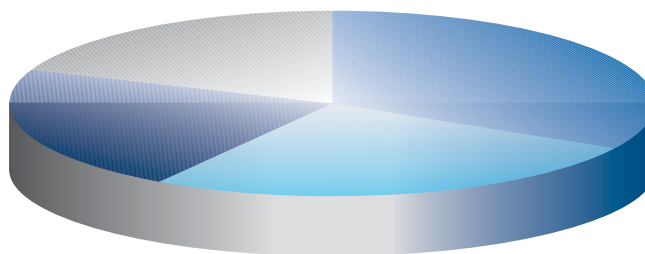
Such growth was registered as from the second quarter of the year.

The first quarter reflected the weak order acquisition of 2009, while starting from the second quarter, Group revenues recorded an average increase of over 20% against the same period of the previous year.

The geographic breakdown of revenues highlights a shift from Europe to the emerging markets of Asia and the rest of the world. Italy recorded an increase (in absolute values) thanks to the effects of the so-called “Tremonti-ter” tax incentive law. Following the US market recovery the North American revenues grew from 16.5% to 18.8%.

The revenues breakdown by business segment shows that all segments recorded an increase in comparison with 2009.

2010 revenues by geography



Europe: 33%

Italy: 22%

R.O.W.: 26%

North America: 19%

The Group revenues do not include what was achieved by the Chinese JVs (consolidated with the equity method). In particular, the turnover of Shanghai Unity Prima (held for 35%) was € 52.5 m.

Order acquisition (including after sale service) as of 31/12/2010 was € 271.8 m, growing by 28% against 2009.

In the fourth quarter of the year, the order collection (€ 85.6 m) increased by almost 50% over the corresponding period of 2009.

With a monthly average collection of € 28.5 m, this represents the best quarterly result ever since mid 2008, before the worldwide crisis.

The last quarter geographic breakdown of orders shows the relevant weight of China which, not considering Shanghai Unity Prima, represents about 11% of the total collected, and the strong recovery of the North American market (about 26% of the total collected).

As of 31/12/2010, the consolidated backlog was € 82.3 m, increasing by over 26% against € 65.1 m as of 31/12/2009.

This value further increased to € 100.7 m as of 28/2/2011.



FLEXIBLE MANUFACTURING SYSTEM FOR LASER CUTTING, PUNCHING AND SHEARING INSTALLED IN ITALY

Personnel and Organization

At year-end, the Group employed 1,353 people, that is 110 units less than year end 2009. During 2010 the Group continued, in fact, the

headcount reduction plan started in 2009, in order to reduce costs and make the workforce more flexible. The Group streamlining was over

at the end of 2010 and, as a consequence of market recovery, the Group personnel moderately increased since January 2011.



PRIMA INDUSTRIE EMPLOYEES DURING NEW BRAND CELEBRATION IN COLLENO (ITALY)

Breakdown by function at 31/12/2010:

Manufacturing	439
After-Sales & Service	431
R&D	185
G&A	139
Marketing & Sales	140
Quality	19
Total Employees	1353

Breakdown by geography at 31/12/2010:

Italy	647
Europe	493
North America	199
ROW(*)	252
Total Employees	1591

(*) including 238 employees of Shanghai Unity Prima.



FINN-POWER EMPLOYEES DURING NEW BRAND CELEBRATION IN KAUHAVA (FINLAND)

Innovation and Technology

As in past years, 2010 has seen a major R&D effort with total investments amounting to € 14.3 m (5.7% of revenues), confirming the centrality of innovation in the Group's strategy even in times of crisis. In July, Prima Industrie received the Italian Award for Mechatronics, given annually to companies that have introduced innovative products, creating a positive discontinuity in their field.

All new products are in line with the Group philosophy of environmental sustainability and energy savings condensed under the trademark Green Means®.

In the field of 3D laser machines, the primary focus concerned the new generation of Rapido®, mainly applied to the hot pressed metal parts used on modern cars, and the new Laserdyne® 430, a three-axis machine designed for processing precision components for aircraft engines.

As for 2D laser products, a new version of Zaphiro® was completed



CONFINDUSTRIA PRESIDENT EMMA MARCEGAGLIA
AWARDING "PREMIO ITALIANO MECCATRONICA 2010" TO PRIMA INDUSTRIE

and the first Sincrono® machines equipped with fiber laser were released on the market. Finally, a new entry-level model of the Platino®, equipped with the new CX laser, was launched on the market.

In the field of machines for sheet metal working, the most recent innovations are: the new SGe Shear Genius® combining punching and shearing technologies in an all-electric machine with high productivity and flexibility at low



RAPIDO EVOLUZIONE2 EQUIPPED WITH FIBER LASER



OPEN CNC CONTROL BY PRIMA ELECTRO

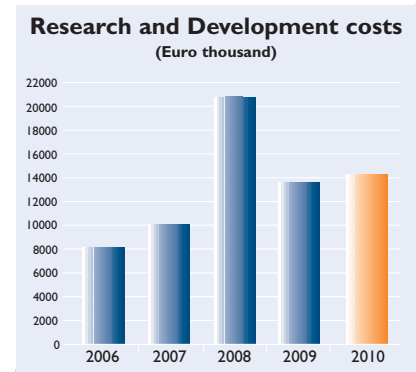
power consumption; the next generation of FBe5 paneling machines with larger working area and the new MasterBend 3D CAM software; the new "entry level" punching machine, called E6x, for larger sheets.

As for the electronics segment, the first levels of a new family of CNC, OPEN10 and OPEN20, have been completed and released to manufacturing. Several innovations were introduced on products dedicated to customers outside of

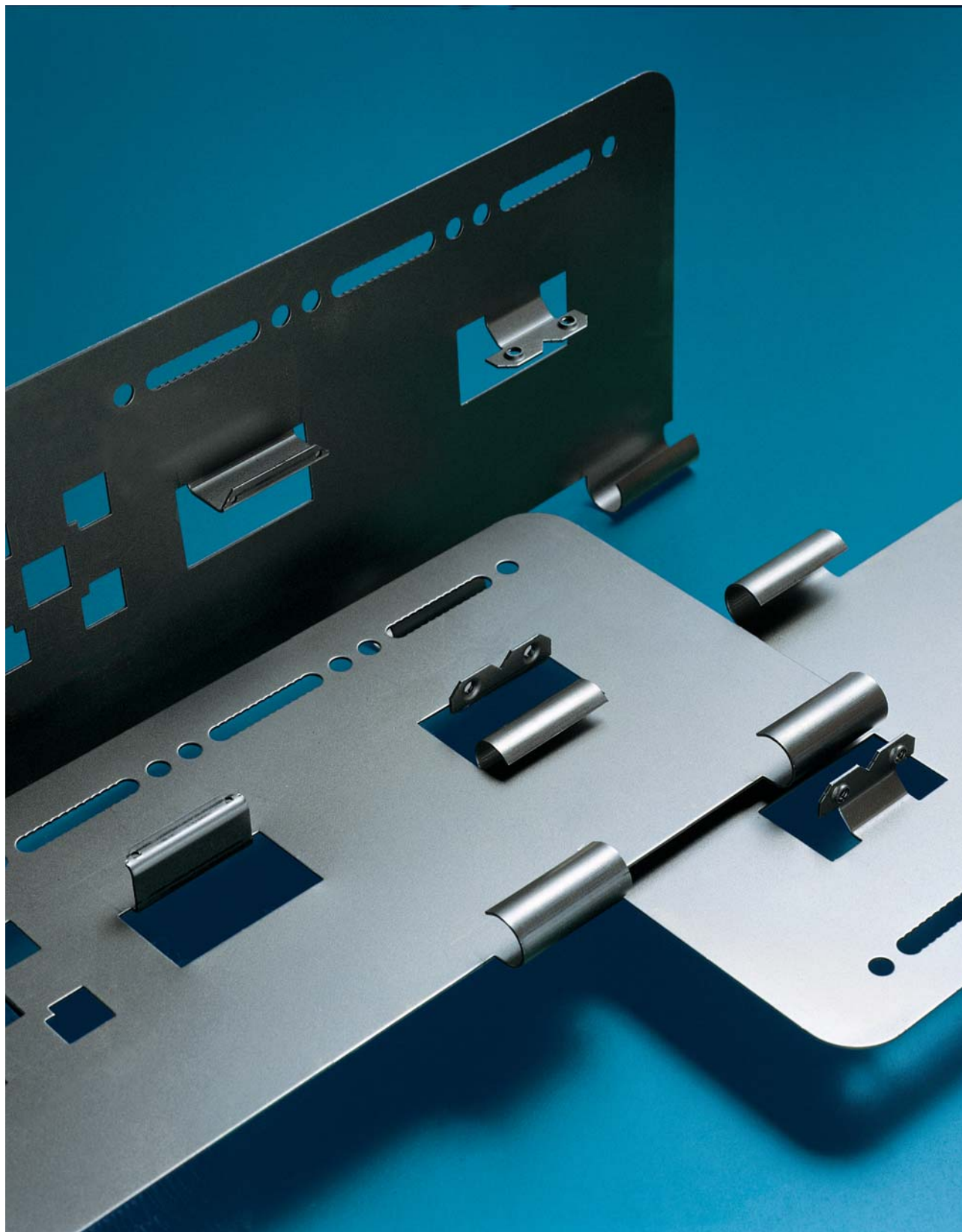
the Group, such as a new control system for Fuel Cells.

The activity on laser sources was concentrated on the completion of the new series of CO₂ lasers of 2.5 and 3 kW power and of the new solid-state CL-R Nd:YAG laser.

To confirm the great importance of the R&D for the Group, in January 2011 a 5-year collaboration agreement with Politecnico di Torino was signed with the aim of developing research projects, training and transfer of knowledge in the field of new generation laser technologies.



SG6, UNIQUE FULLY ELECTRIC PUNCHING/SHEARING SYSTEM





COLLEGNO, TORINO - ITALY



KAUHAVA - FINLAND



Industrial footprint

Sales and Service footprint



COLOGNA V.T.A, VERONA - ITALY



CHAMPLIN, MN - USA



MINHANG, SHANGHAI - CHINA

Note: additional presence with dealers and agents in over 50 countries.

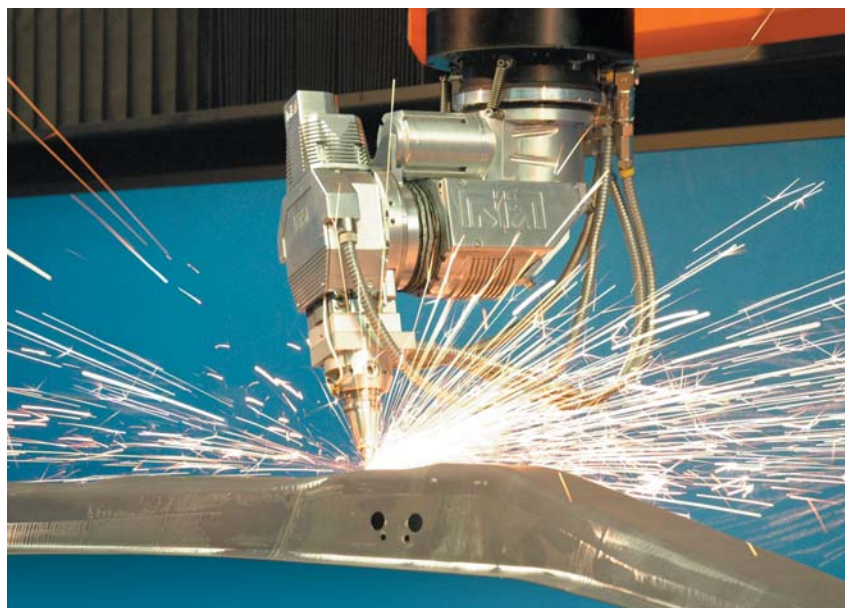
Product and service range

green
means®

Prima Power is the newly born machinery division of Prima Industrie Group. Encompassing the product and service lines of Prima Industrie laser machinery and Finn-Power sheet metal machinery and systems, its product portfolio is the widest in its market segment.

More than 30 years of experience and more than 10,000 installed systems are now gathered under this new brand.

Prima Power has manufacturing facilities in Italy, Finland, the USA and China, from which it delivers machines and systems all over the world. Its sales and service network is active in over 60 countries, with direct presence or through a network of specialized dealers.



VIVIDA HEAD FOR HIGH SPEED 3D LASER CUTTING OF AUTOMOTIVE COMPONENTS

Over the years, both the Prima and Finn-Power product ranges have been developed towards greater flexibility and operating economy through versatility, high automation level and low energy and maintenance costs.

The ecological aspects have been increasingly included among design criteria.

Its wide product and service portfolio is designed with ecology & social responsibility in



ZAPHIRO, HIGH PERFORMANCE 2D LASER MACHINE WITH AUTOMATION



LASERDYNE BEAM DIRECTOR DRILLING A 3D AEROSPACE COMPONENT

mind, and this approach has been named Green Means®.

Green Means is continued development of technology which both raises productivity and sustainability, meeting expectations

of modern customers, employees and operating environment.

Prima Power product portfolio is divided into six main lines - ThePUNCH, TheLASER, TheBEND, TheCOMBI, TheSYSTEM,

TheSOFTWARE, and it is supported by a comprehensive series of before and after sales services.

ThePUNCH product line includes the traditional hydraulic punching machines now renewed with BLUE TECH technology, featuring intelligent management of power components minimizing electric consumption and heat generation, the fully electric E-series and the price effective Ex-series.

Both C and E series are available in 3 different sizes depending on the maximum workable metal sheet: 2.5x1.25 meters, 3x1.5 meters and 4x1.5 meters.

The Ex series is available in 2.5x1.25 meters and 3x1.5 meters sizes.

TheLASER can be further divided into 3D and 2D machinery.

Tridimensional machines are mainly dedicated to automotive and aerospace applications.



LASER BRILLIANCE, LASER/PUNCHING COMBI SYSTEM WITH AUTOMATION

Product and service range

They include Optimo®, the biggest 3D laser machine available on the market with its 4.5x2.5x1 meter working volume, now also available with Vivida technology; Rapido®, the fastest 3D laser cutting and welding system, mainly employed in hot stamped parts cutting application; Laserdyne® 795, for highly precise drilling of big aeroengine parts such as combustors; Laserdyne® 430, for highly precise drilling and welding of aerospace components such as turbine blades.

Two-dimensional machines are used in a wide variety of industrial applications ranging from white goods and apparels to heavy steel metalwork, and they come in different models to better suit the customer needs.

Platino is a high performance, user-friendly and compact cutting machine and it is now available also in a powerful, price effective Platino 1530x version.

Zaphiro covers the higher range of the market and features the unique



E6x ELECTRIC PUNCHING MACHINE

Perfect Cut technology, capable of ensuring maximum productivity and quality, also in unmanned operation. It also grants high efficiency with maximum machine and material utilization.

Syncrono ultra fast machine is tailored to mass production of

dedicated components mainly from low thickness sheets.

Finally, Domino is a fast and flexible machine that can be employed in a wide variety of applications, including 2D and 3D cutting, bevel cutting, tubes, and welding.



EBE ELECTRIC BENDING SYSTEM



LASER CUTTING OF WHITE GOOD COMPONENTS

Further to the flexible and powerful CO₂ laser sources, most of the 2D and 3D products can now be equipped with fiber lasers, while Nd:YAG lasers are still irreplaceable in certain aerospace drilling applications.

Under the name TheBEND is collected a wide range of press brakes and panel bending machines. Starting from the H-Brake series, featuring high precision with simple manual operation, to the servo-electric FastBend FBe series, automatic yet flexible, granting efficiency also in small batches of production, up to the Express Bender EBe series, fully automatic and highly productive with possible integration in complex manufacturing lines.

In February 2011 the Group signed a framework agreement on long-term partnership with the Portuguese company Adira, worldwide manufacturer of press brakes and sheet metal working machines.

This gives Prima Power, its subsidiaries, dealers and agents a non-exclusive right to sell the complete range of Adira press brakes, thus completing the already impressive portfolio in this segment.

TheCOMBI product line includes punching and shearing or punching and laser cutting machines.

Shear Genius is based on the integration of right angle shearing into high-quality, high performance punching, as mastered by Prima Power in stand-alone turret punch presses.

Shear Brilliance® can perform loading, punching, forming, tapping, marking shearing and stacking in a single unit.

LP series combines punching and laser cutting capacity in an integrated machine tool so that component manufacturing can be planned for optimum quality and speed of production. All combi machines can be equipped with powerful automation such as loading/unloading, stacking, sorting and storage. As of the last quarter of 2010, the LP series is available with fiber lasers.

All machines from Prima Power product portfolio can be easily combined with a wide spectrum of automation solutions, named TheSYSTEM, to build up flexible manufacturing systems that can work unmanned through different batches of production. Prima Power was a pioneer in the integration of automation with sheet metal machinery.



BROAD RANGE OF CUSTOMER SERVICES

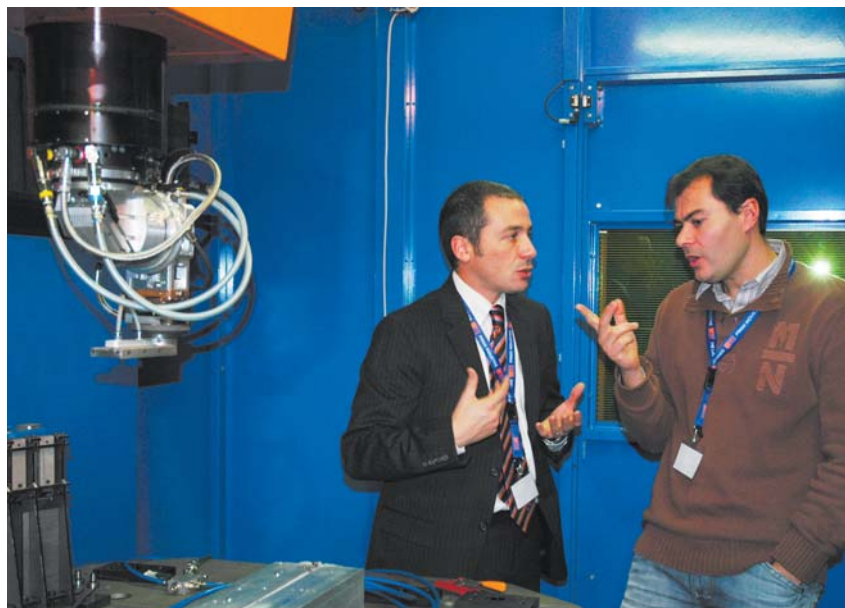
Product and service range

The world's first modular sheet metal FMS was installed by Finn-Power in Ohio in 1990, soon followed by several other applications. In 1994, the next generation, Night Train FMS® was introduced.

Today the product line ranges from Server and COMBO systems, dedicated to loading/unloading and storage operations, to PSBB adding sorting and buffering capabilities, and finally to the renowned Night Train dedicated to large, factory-wide manufacturing applications.

Prima Power impressive product portfolio is perfectly supported by before and after sale services.

Guided by the concept of long-term partnership with its customers and considering that the real delivered product is the available production capacity and not just a piece of machinery, Prima Power offers a wide range of customer services.



PRIMA AERODAYS IN COLLEGNO, ITALY

The application support is mainly given through the activities of Tech Centers where skilled engineers work together with the customer to select the best solution for his manufacturing needs.

There are currently four Tech Centers, in Turin - Italy, in Kauhava - Finland, in Cologna Veneta - Italy and in Chicago - USA. Tech Centers can also test the selected technology on real



TECH-CENTER IN KAUHAVA, FINLAND



CANADIAN CUSTOMERS SHOWING SOME PARTS

parts to better allow customers to evaluate their investment.

The products are supported worldwide through an after sales network with local presence in more than 60 countries.

First level spare parts are normally available locally while less common parts are shipped with expedited services from the Group Logistic Centers in Turin, Brussels, Kauhava and Chicago.

Dedicated long term contracts are proposed to customers in accordance with their needs and they range from simple preventive maintenance and intervention timing guarantee to more sophisticated extended care contracts. The key to successful operations remains anyhow the training. Prima Power has a wide portfolio of training solutions either at customers' sites or at its Tech Centers.

Customer employees are trained and examined by skilled instructors and when they receive the final training Certificate they are ready to ensure smooth operations of the supplied equipment.



FABTECH EXHIBITION IN ATLANTA, USA

Marketing events

At Euroblech 21st edition in Hannover, from 26th to 30th October, the Group presented many innovative products and services all linked to the Green Means concept, showing how laser and sheet metal processing technology is becoming more productive, efficient, eco-friendly, and easier.

At the Euroblech Rapido was shown for the first time with a fiber laser, while Zaphiro featured the single lens and the automatic nozzle change for unattended production. The new fully electric punching/shearing system SGe was presented in an automated version and for bending applications the FBe and the H brake were exhibited.

Underlining the advantages of the Group's sustainable approach, each machine was accompanied by a plate with figures testifying to its smaller ecological footprint.

An important part of the stand was dedicated to customer oriented solutions for Service and Software.



FINNTEC EXHIBITION IN HELSINKI, FINLAND

Skilled engineers helped the customers find the correct answer to their needs.

The exhibition had an important success in terms of number of visitors as well as collected orders,

clearly anticipating the global sales success of the 4th quarter.

At Fabtech in Atlanta, from November 2 to 4, Prima Power booth featured the same Green Means theme as Euroblech.



EUROBLECH EXHIBITION IN HANNOVER, GERMANY



US PRESIDENT BARACK OBAMA VISITING ONE OF OUR CUSTOMERS IN WISCONSIN

Each day of the show, hundreds of interested visitors entered the booth to see the latest in laser cutting, bending, and punching technology, including: FastBend, the new servo-electric bending concept, capable of bending five different parts in just five

minutes, Zaphiro, the new high-range 2D laser, E5x, the cost efficient, servo-electric punching center.

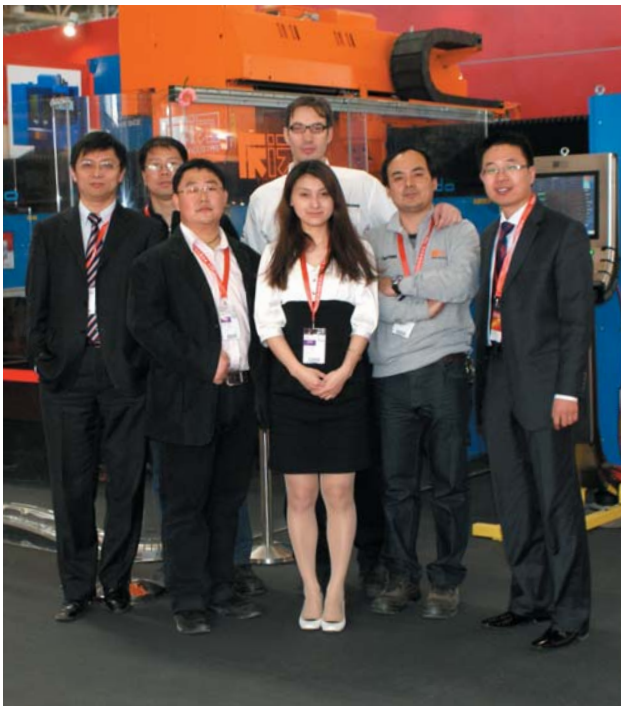
An important event for the US market was also the visit of President Barack Obama to our customer,

Orion Energy Systems, a manufacturer of high-efficiency lighting and renewable solar technology, in June 2010. The visit also confirms the high level of innovation of our customers.

The Prima Aerodays workshop was held in November at Prima Power in Collegno. The aim of the workshop was to bring together researchers, developers and users of laser technology for aerospace applications to share opinions and experiences.

This was accomplished through speeches and discussions by major experts coming from several countries all over the world, together with practical demonstrations of Prima Power laser machines.

The event was also dedicated to the celebration of the 50th anniversary of the laser. This was an important milestone also for the Prima Group, whose roots can be traced back to those memorable years through the activity of Convergent Lasers.



CIMT EXHIBITION IN BEIJING, CHINA



LAMIERA EXHIBITION IN BOLOGNA, ITALY





MONCALIERI, TORINO - ITALY



BARONE C.S.E, TORINO - ITALY



● Industrial footprint

● Sales and Service footprint



CHICOPEE, MA - USA

Note: additional presence with dealers and agents in other countries.

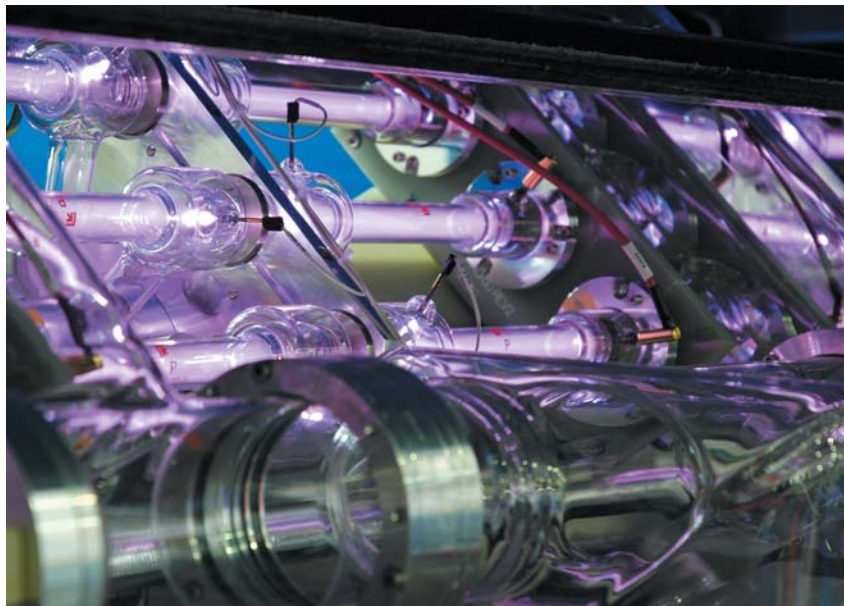
Product and service range

Prima Electro is a leading specialist in electronics, numerical controls and laser sources. It was born in 1978 as a satellite of Prima Industrie, but soon Prima Electro increased its own design capacity and became increasingly independent in the strategic selection of its clients. Gradually, it developed its own identity and consolidated it by conquering new markets and making some important external acquisitions.

Prima Electro in July 2007, acquired 100% ownership of OSAI, a long-standing CNC brand. Now, the recent acquisition of Convergent Lasers is also making Prima Electro one of the key players in the industrial laser market.

Prima Electro has manufacturing facilities in Italy (Moncalieri and Barone Canavese) and in the US (Chicopee, MA).

Prima Electro is a company that grows together with its customers.



CONVERGENT LASERS CV5000 BY PRIMA ELECTRO

It shares the risks, successes and business strategies. It has extensive technological know-how and shares it with clients' technical entities.

It manages all the development and manufacturing stages of a project

and takes on the associated responsibilities. It is endowed with integrity, strength of will and passion and knows how to invest these in long-lasting relationships, in upgrading its products and in long-term support.



CNC PRODUCTS SHOW ROOM IN BARONE CANAVESE, ITALY



CONVERGENT LASERS CL30K BY PRIMA ELECTRO

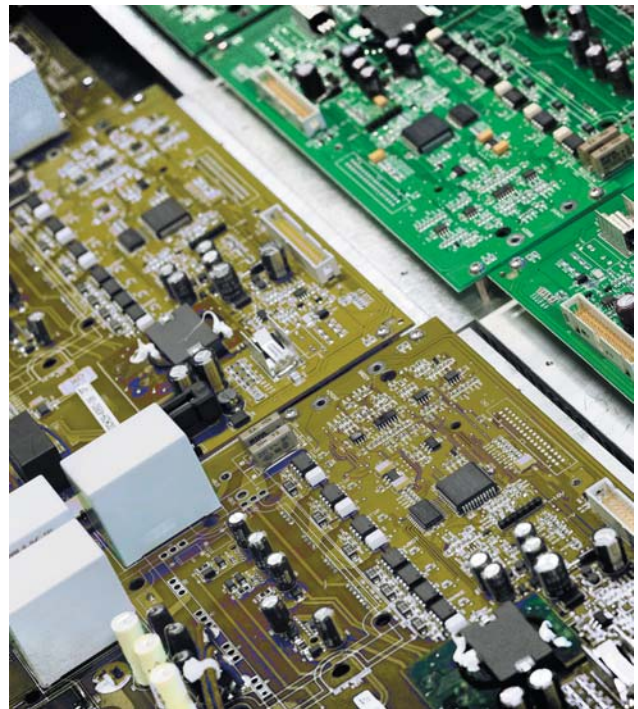
With DOTS, Prima Electro is pioneering a new way of doing electronics. DOTS is proposing technologically advanced solutions, designed and tailored to clients' specifications and applications, but with the same level of

industrialization as any standard commercial product. It is a business model suitable for several industrial sectors, that combines the ability to offer dedicated solutions with a fast time-to-market and competitive costs.

With the acquisition of OSAI, Prima Electro has become the reference international leader for applications in glass, wood and stone. OSAI has passed down to Prima Electro the prestige, technologies and markets of a brand that made the history of CNC. A history dating as far back as 1957, from metal processing within Officine Meccaniche Olivetti to then expand into a variety of diversified market segments where OSAI has become a key player for applications requiring dedicated CNC solutions with special functions.

Today, this experience is integrated in the business model of Prima Electro, geared towards an industrial-grade product offered at competitive costs and with a fast time-to-market.

With the acquisition of Convergent Lasers, Prima Electro has extended its foothold in the sector of laser sources and has inherited the historical background of innovations that have left an indelible mark on the evolutionary steps of laser technology and its manufacturing applications.



ELECTRONIC BOARDS IN SMD ASSEMBLY

Consolidated Financial Statements

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

CONSOLIDATED INCOME STATEMENT

Year ended December 31 st , (Euro thousand, except per share data)	2010	2009	2008	2007	2006
PRODUCTION VALUE					
Revenues from Sales and Services (Net Sales)	250,007	231,886	367,276	176,391	147,569
Changes in work-in-progress, semi-finished and finished goods	(3,464)	(23,455)	(2,507)	3,857	(3,480)
Increases in fixed assets for internal work	6,905	7,141	7,520	239	139
Other operating income	4,550	6,621	4,119	2,560	1,645
TOTAL PRODUCTION VALUE	257,998	222,193	376,408	183,047	145,873
PRODUCTION COSTS					
Purchases of raw material, consumables and supplies (net)	(118,023)	(96,045)	(176,244)	(79,462)	(64,818)
Other operating costs	(53,399)	(41,955)	(79,173)	(41,280)	(31,181)
TOTAL PRODUCTION COSTS	(171,422)	(138,000)	(255,417)	(120,742)	(95,999)
ADDED VALUE	86,576	84,193	120,991	62,305	49,874
Personnel cost	(76,207)	(77,950)	(89,205)	(37,197)	(30,077)
EBITDA	10,369	6,243	31,786	25,108	19,797
Amortization & Depreciation	(10,017)	(10,106)	(8,553)	(1,524)	(1,330)
OPERATING RESULT (EBIT)	352	(3,863)	23,233	23,584	18,467
Financial income and expenses	(7,275)	(6,164)	(12,321)	(1,156)	(900)
Adjustment to financial assets	1,800	383	818	473	10
RESULT BEFORE INCOME TAXES (EBT)	(5,123)	(9,644)	11,730	22,901	17,577
Income taxes	(842)	948	(6,254)	(9,154)	(3,857)
NET RESULT FOR THE YEAR	(5,965)	(8,696)	5,476	13,747	13,720
Minority interests	-	-	-	18	14
NET RESULT FOR THE YEAR-GROUP	(5,965)	(8,696)	5,476	13,729	13,706
EARNINGS PER SHARE	(0.71)	(1.36)	1.02	2.99	2.98

CONSOLIDATED BALANCE SHEET

Year ended December 31 st , (Euro thousand)	2010	2009	2008	2007	2006
FIXED ASSETS (NET)	192,020	190,970	202,060	26,178	19,093
Intangible assets	153,754	153,850	153,176	6,713	2,511
Tangible assets	25,013	26,446	35,504	10,166	6,427
Other fixed assets	13,253	10,674	13,380	9,299	10,155
NET WORKING CAPITAL	25,493	24,099	34,672	24,495	20,190
Inventories	70,151	71,808	106,187	41,967	33,870
Trade receivables (net of advances from Customers)	45,500	39,159	40,048	41,159	31,573
Other current assets	11,669	10,384	11,012	5,141	4,446
Trade payables	(59,068)	(51,429)	(65,870)	(33,728)	(26,055)
Other liabilities	(35,739)	(38,319)	(47,684)	(22,484)	(18,100)
Employees' severance indemnity	(7,020)	(7,504)	(9,021)	(7,561)	(5,544)
FINANCIAL POSITION (NET)	141,268	150,091	161,645	(768)	(3,076)
Cash and banks	(14,838)	(15,084)	(14,467)	(21,551)	(20,971)
Bank borrowings	151,536	160,477	165,510	18,298	15,300
Borrowing from other financial institutions	4,570	4,698	10,602	2,485	2,595
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	76,245	64,978	75,087	51,441	42,359
Minority interests	-	-	-	237	60
Shareholders' equity-group	76,245	64,978	75,087	51,204	42,299



