



BORSA ITALIANA - STAR segment

PRESS RELEASE

# **FINANCIAL INTERIM REPORT AS AT 30/06/2012**

## **STRONGLY GROWING REVENUES (+28%) AND POSITIVE NET RESULT IN THE FIRST HALF OF 2012**

(in brackets the results as at 30/06/2011)

- Consolidated REVENUES at 163.5 M€ (+28% against 127.7 M€), achieved for 87% abroad;
- EBITDA at 11.2 M€ (+53% against 7.3 M€);
- EBIT at 5.7 M€ (+ 128% against 2.5 M€);
- NET RESULT at 0.3 M€ (against - 3.4 M€);
- NET FINANCIAL POSITION at -134.4 M€ (against -140.8 M€);
- ORDER ACQUISITION further improving to 175.1 M€ (against 166.3 M€).

*Collegno (TO), August 29<sup>th</sup> 2012* - The Board of Directors of Prima Industrie S.p.A, a leader in high technology laser systems, sheet metal working systems and electronic components for industrial applications, met today to approve the Financial Interim Report as at June 30<sup>th</sup>, 2012.

Consolidated revenues as at 30/06/2012 are 163,525 thousand Euros, growing by 28% (equal to 35,846 thousand Euros) against the same period in 2011 (127,679 thousand Euros).

Following is the consolidated turnover geographical breakdown compared to the same period in 2011:

Revenues	June 30, 2012		June 30, 2011	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
Italy	21.407	13,1	18.440	14,4
Europe	65.621	40,1	48.517	38,0
North America	38.231	23,4	27.597	21,6
Asia and rest of the world	38.266	23,4	33.125	26,0
<b>TOTAL</b>	<b>163.525</b>	<b>100,0</b>	<b>127.679</b>	<b>100,0</b>

Sales by geographical area show increasing revenues in every destination market. Particularly remarkable is the growth in Europe, lead by the Central- Eastern countries, which records an increase of 17,104 thousand Euros; also North America, with revenues growing by 10,634 thousand Euros, records a very positive trend, switching from 21.6% to 23.4% of the total sales.

Sales on the Italian market, which during the whole 2011 had declined, achieve a moderate increase for 2,967 thousand Euros.

Following is a the revenues breakdown by segment, before inter-sector items:

Revenues	June 30, 2012		June 30, 2011	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
PRIMA POWER	143.887	88,0	109.100	85,5
PRIMA ELECTRO	29.425	18,0	25.950	20,3
Inter-sector revenues	(9.787)	(6,0)	(7.371)	(5,8)
<b>TOTALE</b>	<b>163.525</b>	<b>100,0</b>	<b>127.679</b>	<b>100,0</b>

Group revenues do not include 20.7 million Euros realized in the first half by the Chinese Shanghai Unity PRIMA, evaluated at fair value being classified among the non current assets held for sale.

**Value of production** as at 30/06/2012 is 177,592 thousand Euros, increasing by 24% against the same period of 2011.

Within the value of production are included increases for internal work for 3,020 thousand Euros (3,075 thousand Euros as at 30/06/2011); such costs mainly refer to investments in development activities.

\* \* \* \* \*

Performance indicators	June 30, 2012		June 30, 2011	
	<i>Euro thousand</i>	<i>% on sales</i>	<i>Euro thousand</i>	<i>% on sales</i>
EBITDA	11.219	6,9	7.302	5,7
EBIT	5.685	3,5	2.459	1,9
EBT	1.986	1,2	(2.421)	(1,9)
<b>NET RESULT</b>	<b>310</b>	<b>0,2</b>	<b>(3.421)</b>	<b>(2,7)</b>

Group **EBITDA** is 11,219 thousand Euros (6.9% on revenues); as against the first half of 2011 it improves substantially both in absolute values (growth of 3,917 thousand Euros) and percentage (from 5.7% on revenues to 6.9%).

Following is the Group **EBITDA** as at 30/06/2012 and 30/06/2011 by segment (before inter sector items):

EBITDA	June 30, 2012		June 30, 2011	
	<i>Euro thousand</i>	<i>%</i>	<i>Euro thousand</i>	<i>%</i>
PRIMA POWER	7.580	67,6	4.212	57,7
PRIMA ELECTRO	4.017	35,8	3.099	42,4
Inter sector items and eliminations	(378)	(3,4)	(9)	(0,1)
<b>TOTAL</b>	<b>11.219</b>	<b>100,0</b>	<b>7.302</b>	<b>100,0</b>

Consolidated **EBIT** as at 30/06/2012 is 5,685 thousand Euros and improving by 3,226 thousand Euros against the first half of 2011. This result is affected by tangible assets depreciation for 1,410 thousand Euros intangible assets depreciation for 3,931 thousand Euros and impairment of some non current assets held for sale for 192 thousand Euros; as for the intangible assets depreciation, 1,403 thousand Euros refer to the amortization of the definite useful life assets accounted for in the Finn-Power Group business combination (trademark and customer list) and 1,984 thousand Euros refer to the development costs amortization.

Such positive result is, furthermore, affected by non recurring costs for 725 thousand Euros, of which 432 thousand Euros relating to reorganization.

Consolidated **EBT** as at 30/06/2012 is 1,986 thousand Euros improving by 4,407 thousand Euros against the same period of the previous year (-2,421 thousand Euros); we hereby remind that such amount is affected by net financial charges (including profit and loss on exchange rates) for 4,544 thousand Euros (as at 30/06/2011 it was 4,980 thousand Euros).

Confirming the good performance realized by the Group in the first half, the **NET RESULT** as at 30/06/2012 is positive 310 thousand Euros, remarkably increasing against the same period of the previous year (it was negative 3,421 thousand Euros). Income taxes in the six first months of 2012 highlight a negative net balance for 1,676 thousand Euros (of which IRAP for 735 thousand Euros). The increased tax burden for the Group is mainly due to the increased taxable income of some companies.

\* \* \* \* \*

Also the Group **net financial position** keeps on improving, with a reduction of 6,363 thousand Euros against 30/06/2011 and of 1,978 thousand Euros against 31/12/2011, thanks to the good economic performances and to the activities undertaken to reduce the incidence of working capital.

Following is the detail for the net financial position:

<i>Value expressed in Euro thousand</i>	30/06/2012	31/12/2011	30/06/2011
CASH & CASH EQUIVALENTS	(18.294)	(25.179)	(16.737)
CURRENT FINANCIAL RECEIVABLES	-	(529)	(3)
CURRENT FINANCIAL LIABILITIES	47.829	52.131	52.751
NON CURRENT FINANCIAL LIABILITIES	104.872	109.962	104.759
<b>NET FINANCIAL LIABILITIES</b>	<b>134.407</b>	<b>136.385</b>	<b>140.770</b>

During the six first months of 2012 the order collection has, once more, confirmed the very positive trend of the latest quarters.

The Group **order acquisition** (including after-sale service) as at 30/06/2012 was, in fact, 175.1 million Euros, growing by 5.3% against the first half of 2011.

The geographical distribution of the first half order intake confirms the good performance of the markets in North America, Asia and Eastern Europe.

The consolidated **order backlog** (not including after-sale service) as at 30/06/2012 is 116.5 million Euros, substantially stable against 115.9 million Euros as at 30/06/2011. As at 31/07/2012 the backlog has further increased against 30/06/2012, recording an amount of 124.3 million Euros.

**Research and development** activities carried out by the Group during the first half of 2012 totaled 9,183 thousand Euros (they totaled 8,327 thousand Euros during the first half of 2011), equal to 5.6% of revenues.

The capitalized part amounted to 2,815 thousand Euros (it amounted to 2,940 thousand Euros as at 30/06/2012).

Commenting the results just approved, the Group Chairman and C.E.O., Gianfranco Carbonato said:  
*"Notwithstanding a non favorable general economic situation in the greatest part of the Euro area, we record with satisfaction the strong growth in revenues, with the export share further increased to 87%. This thanks to the contribution of some markets of America, Eastern Europe and Asia on which the Group invested during the last years. Also significant is the improvement of the net financial position. For the second part of the year we expect a further improvement both in economic and financial terms".*

*"The manager responsible for preparing the company's financial reports, Massimo Ratti, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records".*

The document with the Financial Interim Report as at 30/06/2012 shall be filed and made available to whomever making such request at the registered offices of the Company, at Borsa Italiana S.p.A. and on the internet site [www.primaindustrie.com](http://www.primaindustrie.com) within the prescribed time.

**PRIMA INDUSTRIE** heads a leading Group in developing, manufacturing and marketing of laser systems for industrial applications, sheet metal processing machinery, as well as industrial electronics and laser technologies.  
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 can count on over 10,000 machines installed in more than 70 countries worldwide and is among the main worldwide manufacturers in its own reference market.

The Group has about 1500 direct employees (besides about 230 employees in the Chinese JVs) and manufacturing sites in **Italy** (PRIMA INDUSTRIE S.p.A., PRIMA ELECTRO S.p.A., FINN-POWER Italia Srl), **Finland** (FINN-POWER Oy), **USA** (PRIMA ELECTRO North America LLC, PRIMA POWER LASERDYNE LLC.) and **China** (Shanghai Unity Prima Ltd.) as well as a direct commercial and after-sales presence in France, Switzerland, Spain, Germany, the UK, Belgium, Poland, Russia, Turkey, the USA, Canada, China, the UAE, Brazil, Korea and India.

The Prima Industrie Group is structured on 2 Business Units:

**Laser and sheet metal processing machines (Prima Power):** including design, manufacturing and marketing of:

- Laser machines for cutting, welding and drilling of 3D and 2D components.
- 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).

**Industrial electronics and laser technologies (Prima Electro):** including 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 third parties.

For further information:

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# CONSOLIDATED BALANCE SHEET

Values in Euro	30/06/2012	31/12/2011
Property, plant and equipment	24.881.662	24.472.946
Intangible assets	152.401.558	152.629.950
Investments accounted for using the equity method	95.972	8.961.044
Other investments	992.521	1.076.998
Non current financial assets	61.380	-
Deferred tax assets	7.085.149	6.570.203
Other non current assets	32.378	25.518
<b>NON CURRENT ASSETS</b>	<b>185.550.620</b>	<b>193.736.659</b>
Inventories	100.088.734	84.249.605
Trade receivables	66.254.118	88.282.812
Other receivables	8.537.862	6.406.214
Current tax receivables	4.567.421	5.592.470
Financial assets	-	528.637
Cash and cash equivalents	18.293.803	25.179.041
<b>CURRENT ASSETS</b>	<b>197.741.938</b>	<b>210.238.779</b>
<b>ASSETS HELD FOR SALE</b>	<b>9.218.847</b>	<b>1.012.201</b>
<b>TOTAL ASSETS</b>	<b>392.511.405</b>	<b>404.987.639</b>
Capital stock	21.605.852	21.601.740
Legal reserve	4.320.069	4.320.069
Other capital reserves	52.592.492	54.326.182
Currency translation reserve	828.006	1.331.310
Retained earnings	24.662	(3.390.665)
Net result	309.861	1.932.659
<b>Stockholders' equity of the Group</b>	<b>79.680.942</b>	<b>80.121.295</b>
<i>Minority interest</i>	-	-
<b>STOCKHOLDERS' EQUITY</b>	<b>79.680.942</b>	<b>80.121.295</b>
Interest-bearing loans and borrowings	96.975.776	102.350.641
Employee benefit liabilities	6.764.192	6.792.852
Deferred tax liabilities	9.764.233	9.737.709
Provisions	122.227	124.009
Derivatives	7.896.044	7.611.171
<b>NON CURRENT LIABILITIES</b>	<b>121.522.472</b>	<b>126.616.382</b>
Trade payables	78.444.962	79.797.117
Advance payments	28.613.581	32.355.143
Other payables	19.055.201	17.539.790
Interest-bearing loans and borrowings	47.677.701	52.031.067
Current tax payables	7.061.039	6.404.295
Provisions	10.304.659	10.022.786
Derivatives	150.848	99.764
<b>CURRENT LIABILITIES</b>	<b>191.307.991</b>	<b>198.249.962</b>
<b>TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES</b>	<b>392.511.405</b>	<b>404.987.639</b>

## CONSOLIDATED INCOME STATEMENT

Values in Euro	30/06/2012	30/06/2011
Net revenues	163.524.879	127.679.419
Other income	1.897.115	861.851
Change in inventories of finished goods and WIP	9.149.450	12.119.004
Increases in fixed assets for internal work	3.020.226	3.075.304
Use of raw materials, consumables, supplies and goods	(80.785.597)	(66.266.208)
Personnel cost	(45.827.889)	(39.890.265)
Depreciation	(5.341.217)	(4.842.676)
Impairment	(192.199)	-
Other operating expenses	(39.759.414)	(30.277.168)
<b>OPERATING PROFIT</b>	<b>5.685.354</b>	<b>2.459.261</b>
Financial income	53.094	88.010
Financial expenses	(4.437.305)	(4.340.072)
Net exchange differences	(159.537)	(728.148)
Net result of investments accounted for using the equity method	844.403	99.483
<b>RESULT BEFORE TAXES</b>	<b>1.986.009</b>	<b>(2.421.466)</b>
Taxes	(1.676.148)	(999.110)
<b>NET RESULT</b>	<b>309.861</b>	<b>(3.420.576)</b>
- <i>Attributable to Group shareholders</i>	<i>309.861</i>	<i>(3.420.576)</i>
- <i>Attributable to minority shareholders</i>	-	-
<b>RESULT PER SHARE - BASIC (in euro)</b>	<b>0,04</b>	<b>(0,40)</b>
<b>RESULT PER SHARE - DILUTED (in euro)</b>	<b>0,03</b>	<b>(0,40)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

VALUES IN EURO	30/06/2012	30/06/2011
Net result	309.861	(3.420.576)
Adjustments (sub-total)	6.606.566	8.932.921
Depreciation and impairment	5.533.416	4.842.676
Net change in deferred tax assets and liabilities	(488.422)	(691.547)
Net result of investments accounted for using the equity method	(844.403)	(99.483)
Change in employee benefits	(28.660)	(14.776)
Change in inventories	(15.839.129)	(18.730.193)
Change in trade receivables	22.028.694	1.055.062
Change in trade payables	(5.093.717)	21.271.093
Net change in other receivables/payables and other assets/liabilities	1.338.787	1.300.089
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (A)</b>	<b>6.916.427</b>	<b>5.512.345</b>
<i>Cash flow from investments</i>		
Acquisition of tangible fixed assets (*)	(1.767.844)	(2.495.442)
Acquisition of intangible fixed assets	(724.113)	(139.094)
Capitalization of development costs	(2.814.855)	(2.939.986)
Net disposal of fixed assets and investment properties (*)	21.772	236.905
Change in other investments	84.477	(32.889)
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(5.200.563)</b>	<b>(5.370.506)</b>
<i>Cash flow from financing activities</i>		
Change in other non current financial liabilities and other minor items	552.657	(695.584)
Increases in loans and borrowings (including bank overdrafts)	666.953	12.438.834
Repayment of loans and borrowings (including bank overdrafts)	(10.594.850)	(9.641.090)
Increases/(repayments) in financial lease liabilities	40.768	250.739
Capital increase	13.981	2.984
Other changes	719.389	(598.681)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES (C)</b>	<b>(8.601.102)</b>	<b>1.757.202</b>
<b>Net change in cash and equivalents (D=A+B+C)</b>	<b>(6.885.238)</b>	<b>1.899.041</b>
<b>Cash and equivalents beginning of period (E)</b>	<b>25.179.041</b>	<b>14.837.872</b>
<b>Cash and equivalents end of period (F=D+E)</b>	<b>18.293.803</b>	<b>16.736.913</b>

(\*) included assets held for sale