

Collegno (Turin), October 11, 2001 - The Board of Directors of Prima Industrie S.p.A., a company leader in the sector of high technology of laser systems on industrial applications, listed at the Nuovo Mercato of the Italian Stock Exchange, has today resolved on:

- The proposal to increase the Company capital by issuing 240.000 new shares of euro 2,5 each par value in accordance with article 2441, para. IV of Civil Code, to be offered to minority Prima Electronics shareholders (holding 40% of Prima Electronics capital) in exchange of an equal number of Prima Electronics shares.
Prima Electronics is a company at present controlled by Prima Industrie S.p.A. (60%), whose main activity is designing, manufacturing and selling software and hardware destined to industrial machinery (CNC, regulators, drives, etc.). Because of the high strategic importance of these products in connection with present and future activity of Prima Industrie Group and because of its excellent revenues profitability, largely based on long term suppliers agreements, mostly in pe, the Company presents significant growth perspectives and this is why Prima Industrie Directors think to be desirable to finalise the matter as soon as possible.
Furthermore, at consolidate level, the operation would imply the transfer of the full Prima Electronics economic result (instead of 60% only of it) and this means a noticeable increase of the Group profit per share in spite of the dilution effect on the capital (5,78%), generated by the mentioned increased number of the capital shares issued. Please note that these are subject to a lock-up bond (of one year on 90% of the new shares and of one more year on the 50%).
- The request to the Shareholders to grant authorisation to the Board to buy Company own shares up to a maximum of 200.000 of euro 2,5 each par value within a range of price varying from a minimum of euro 2,5 and a maximum corresponding to the average listed prices of the preceding 10 days increased by 20%.
The said purchasing operation may be made also in more and different portions as long as within the 18 months elapsing from the date of the Shareholders resolution. Needless to say that the Board, in carrying out each of such transactions, can only use profits and/or reserves available. The above request to the Shareholders, if granted, will represent a strong signal of trust of the Company Management to the market as regards the future of the Company capability to face committing and difficult times of the world economy like the present period.
However, the Company would like to emphasise that the shares buy-back plan is inspired by the fact that the Company Directors believe that the present Company listed values do not reflect the Company real perspectives.

In consequence of the above, a Shareholders Meeting is called in Ordinary and Extraordinary sessions by December 3rd, 2001 (first call), December 4th, 2001 (second call) and December 5th, 2001 (third call, limited to the Extraordinary session).

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