

## PRESS RELEASE

*“NUOVO MERCATO-TECHSTAR SEGMENT” OF THE ITALIAN STOCK EXCHANGE*

### PRIMA INDUSTRIE

#### **SIGNIFICANT IMPROVEMENT OF THE ACCOUNTS AS AT MARCH 31<sup>ST</sup>, 2004**

- **Consolidated sales at 21.8 million euro, slightly grown in respect of same period of previous year, though the dollar depreciation;**
- **Result before taxes: positive again (21 thousand euro as against a loss of 796 thousand euro at March 31, 2003)**
- **Further improvement (more than 3.5 million euro) for the Company net financial position**
- **A clear increase (+45%) for the period in orders acquisition**

*Collegno (Torino) May 14, 2004* – The Board of Directors of Prima Industrie S.p.A., a leader company in the high-technology sector of laser systems for industrial applications, met today and approved the Company consolidated accounts as at March 31<sup>st</sup>, 2004.

Consolidated sales (21,784 thousand euro) are higher than previous year same period (+1.2%), though the negative influence of the dollar depreciation. In fact, at equal exchange rate euro/dollar, it would have registered an increase of 4.7%, being the sales portion expressed in dollars at March 31<sup>st</sup>, 2004, equal to 26% of the consolidated turnover.

As for class of product: laser 3D systems registered an increase of 4.4% to which corresponds a small reduction (-3.8%) of the 2D machines invoicing.

As for geographical allocation, the Group sales for more than 75% were realized abroad and this is in line with the entire year 2003.

Among growing markets, it must be noted the excellent performance of China (more than 9% of the Company consolidated sales). During the quarter, China was the Group third market after Italy and United States, having for the first time overcome very important traditional countries such as Germany and Spain (both up to 7% of consolidated sales).

As for profitability, the quarter result before taxation is positive again, though EBIDTA and EBIT small decrease due to contingent situation. In fact, the Group EBITDA and EBIT are respectively at 668 million euro (31/3/03 = 925 thousand euro) and 263 thousand euro (31/3/03 = 387 thousand euro).

Therefore, the result of the period before taxation amounts to 21 thousand euro in respect to the loss of 796 thousand euro at March 31<sup>st</sup>, 2003, which was on the other hand affected by significant extraordinary items.

Also the net financial position registered for the quarter a positive trend. The overall net debts further reduced to 18,719 thousand euro (at December 31<sup>st</sup>, 2003 was 22,323 thousand euro and 12,969 thousand euro at March 31<sup>st</sup>, 2003).

This was made possible because of a further improvement on working capital management but also because of the cash generated during the period.

Particularly interesting is the increase registered by the consolidated order acquisition (+45%) for a total value of 25,041 thousand euro (31/03/03 = 17,231 thousand euro).

Consolidated orders backlog is 22,710 thousand euro with an increase in respect of March 31<sup>st</sup>, 2003 (21,693 thousand) but also in respect of December 31<sup>st</sup>, 2003 (19,050 thousand euro).

Such positive trend was confirmed in April of the current year with an orders backlog further increased to 26,425 thousand euro at April 30, 2004.

Such positive trend is also due to new products and applications in consequence of the investment that the Company continue to make on Research and Development, with a view to keep its own leadership on the area of high dynamic technology in which the company operates. As at March 31<sup>st</sup>, 2004 were borne Research & Development costs for 1,669 thousand euro as against 1,600 thousand euro for the same period last year.

In commenting the above, Gianfranco Carbonato, Prima Industrie C.E.O., declared: *“in a general situation that continues to be difficult, with the European market still in a phase of stagnation, we are particularly satisfied of this quarter results.*

*The good holding of the sales, the returning back to profitability, the further improvement of the financial situation and, in particular the good news from customers orders acquisition are all positive signs.*

*We hope therefore that the improving of our results will lead investors to an appropriate level of attention to the Company. On our side, we feel committed, also in present macro-economic situation, to pursue with vigour the target of creating value for our Shareholders”.*

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