

Collegno (Turin), February 27, 2002 - Strong increase in turnover with a drop in profitability due to the performance of the U.S. controlled Companies after the events of last September 11th: these are the main characteristics of the year 2001 for Prima Industrie, a Company operating in the high-tech area of laser systems for industrial applications, whose Board of Directors was held today to approve the proposed accounts for Prima Industrie S.p.A. and the Group consolidated financial statements for the year ended December 31st, 2001.

At consolidated level turnover amounts to 111,985 thousands of euro, up 24.4% from 89,971 thousands of euro in year 2000 with a net profit of 197 thousands of euro as against 4,865 thousands of euro in 2000.

The EBITDA is 4,313 thousands of euro (3.9% on sales), while it was 10,699 thousands of euro in 2000 (11.9% on sales). The operating profit decreases from 8,554 thousands of euro in 2000 (9.5% on sales) to 2,113 thousands of euro (1.9% on sales)

The Group parent Company records at 12/31/01 sales of 67,472 thousands of euro (+6.4% on 2000), an EBITDA of 6,356 thousands of euro (it was 7,769 thousands of euro in 2000) and an operating profit of 5,526 thousands of euro (6,715 thousands of euro in 2000). The net profit is 1,134 thousands of euro (it was 4,155 thousands of euro as at 12/31/00, including 1,177 thousands of euro for extraordinary items).

As the markets already know, these results in terms of profitability have been significantly affected by the U.S. controlled Companies which did not performed positively during the year 2001, mostly as a consequence of the tragic facts of September 11th.

The C.E.O., Mr. Carbonato, provided the Board of Directors with an update on the steps already taken in order to carry out an effective restructuring of the U.S. Companies: *"We close an year strongly affected by the U.S. crisis, which also hit the two recently acquired American Companies while they were still in a reorganization and integration phase. We have started off a strong and prompt process of restructuring, also with a cut in the personnel, in order to rebalance the situation from the second quarter of the current year. The strong investments in R&D, wholly charged to P/L for over 6 millions of euro, the start-off of the production of our laser generator in Convergent Prima and the part of foreign sales now close to 80% testify the strategic effectiveness of the activities undertaken in order to ensure strong medium term perspectives to the Group. We have also recorded during the last weeks several signs of recovery of the U.S. market (also in aerospace sector) which confirm our better perspectives in particular for the second part of the current year."*

Consistently with the past Group policy and also with regard to the current economic situation, the Board of Directors has decided not to propose to the Shareholders' Meeting any dividend payment.

The Board of Directors also drew - as requested by the article IA.2.13 of the Instructions to the Nuovo Mercato Rules - a Report about the Prima Industrie Corporate Governance (adopted with a resolution of the Shareholders' Meeting of 05/11/01) in terms of effective and satisfying application during the year 2001.

Such Report will be available for the Company Shareholders with the other documents prepared for the Shareholders' Meeting.

The Shareholders' Meeting will be held at Company's registered office on April 30, 2002 at 3 p.m. first call and, if necessary, on a second call on May 14th, 2002 at 11.00 a.m. (Turin, Hotel Royal).

The Board of Directors has also proposed to give a new mandate to the PricewaterhouseCoopers auditing firm for the years 2002-2004 for the audit of both Group Companies and Parent Company accounts.

For additional information: Ad Hoc Communication Advisors
Giorgio Zambelletti, Marco Fraquelli

Tel. ++39-02-7606741