

*Torino, August 29, 2000* – The Board of Directors of Prima Industrie, a leader Company in the sector of high technology for laser machines and systems, listed at the NUOVO MERCATO of the Italian stock exchange, knowledgeable with pleasure the excellent results achieved for the first six months of the current financial year ended June 30, 2000.

The **conspicuous revenues increase (+50%) was generated by all Companies of the Group** (Prima Industrie + 38%, Prima Electronics + 40%) and **also by the consolidation of Convergent Prima, the company recently acquired in U.S.A, though limited to the months of May and June.** However, even excluding the Convergent Prima contribution, the internal growth would have exceeded the 40%.

**The rise involved all sectors of activity** (2D laser machines, 3D laser machines, laser generators, electronic products and services) **but it has been particularly significant in the sector of the 3D laser machines where the Company is a world leader and has further strengthened its position with the new generation of the OPTIMO (the world largest and performing laser machine) and with the new DOMINO.**

In **geographical terms** revenues are due to the home market 40%, the rest of Europe 40%, United States and Asia 20%. **Interesting the growth on the extra-European countries where business almost doubled thanks to Convergent Prima and to the positive results achieved on some Asian markets.**

The **Gross Operating Margin of Profit** rose to 11.4% (9.3% as at June 1999) and this though the expected dilution due to the first two months of Convergent Prima activity and to have wholly charged to the Profit and Loss Account R&D expenses amounting to approx. 3.5 billion lire (4.7% of the turnover).

The **operating result** (EBIT) reached 9.1% of the turnover (6.9 billion lire) which, without the dilution due to Convergent Prima, would have been equal to 10.5% as against 6.8% of 1999 same period.

The **profit before taxes** benefits from an extraordinary contribution of 1.7 billion lire for research and development carried-out and paid in previous years. The relevant agreement concerning the EUREKA project has been recently signed.

**From the financial point of view** are registered an increase in working capital (but in percentage lower than the turnover growth) and the **investment made for the acquisition of Convergent Prima.**

All this compares with a **banking indebtedness increased for about 9.4 billion lire** having, as foreseen, destined the listing proceeds to the financing of the Company remarkable internal growth and to the strategical investment in U.S.A.

Furthermore, the Company has finalized, through a leasing operation of approx. 3.2 billion lire, the **purchasing of new production facilities** adjacent to the actual Company plant **in order to provide floor space compatible with the increasing production volumes.**

The controlled Company **Prima Electronics S.p.A.**, during the last few days, has formalized the already announced acquisition of the Swiss Company **ELESTA AG**, taking over 100% of its capital, so securing the continuity of its supplies to the Atlas Copco Group.

Commenting the outstanding performance of the first semester of the year, the C.E.O. of Prima Industrie, **Gianfranco Carbonato**, said that *"the strong internal growth, confirmed in perspective by the satisfactory trend of the market in general and by the order acquisition in particular, the strategic investment in Convergent Prima (essential to internationalize the know-how of the laser generators and to grow on the American market) together with other initiatives already entered into (the acquisition of Elesta in Switzerland, the factory expansion, the joint venture in China) all show the Company vitality and the management determination to create value to the benefit of all its Shareholders"*.

For additional information: Ad Hoc Communication Advisors  
Giorgio Zambelletti, Marco Fraquelli  
Tel. ++39-02-7606741