

Torino, July 5, 2000 – Today Prima Industrie Board of Directors has decided the execution of the Company capital increase reserved to institutional investors on the basis of the resolution adopted by the general extraordinary Shareholders meeting held May 14th, 1999. The operation is finalized to the 30% acquisition of Convergent Energy U.S.A. through the issue of new equities, whose closing is expected by September 30th, 2000.

Today's Board of Directors was preceded by an Extraordinary Shareholders Meeting which was called for the purpose of resolving on a Company capital increase, with the exclusion of pre-emption rights for the existing Shareholders, in favor of TransTec Lasers, the Vendor of Convergent Energy.

Said capital increase was therefore intended to be finalized to the conferment of the 30% of Convergent Energy to Prima Industrie S.p.A. However, the meeting did not reach the necessary "quorum" to give validity to the meeting, being the holdings very much spread as typical of a public Company. Nonetheless, to the audience was explained in details the proposed operation. In particular was announced the entry of Pluritec S.p.A. into Convergent Prima capital being this an event of strategical importance. Pluritec is in fact a world leader Company in manufacturing equipments for the machining of printed circuits and performs a yearly turnover of about 150 billion lire.

Pluritec S.p.A. 20% participation into Convergent Prima is an investment of 1.3 million dollars.

The strategic alliance with Pluritec will favor Convergent Prima to industrially develop and commercialize the technology it owns for laser applications in the electronic industry which is expected to considerably grow in the next few years.

The partnership between Prima Industrie (an important buyer of laser generators) and Pluritec will offer to Convergent Prima (who already enjoys a remarkable position into the airspace and automotive industry) an important opportunity to further strengthen its own competitiveness.

Furthermore, the direct presence in an R&D center for laser technology, in view of the growing demand of laser applications, particularly in the sector of the VIA DRILLER (according to the opinion of Donato Palermo, the Company General Manager) puts Pluritec in a privileged position vis-à-vis the most qualified competition.

The Managing Director of Prima Industrie, Gianfranco Carbonato, commenting the Company rapid evolution, likes to stress as to how the acquisition of Convergent Energy together with Pluritec partnership and the recent acquisition, announced through Prima Electronics, of ELESTA AG (a Swiss Company specialized in electronic systems particularly active in the European countries of German language) *"are big opportunities for the Group in terms of growth and for the direct acquisition of high technology which are the key factors for competing on a global market"*.

"To the indirect expansion, says Mr Carbonato, it must be added the high rate of internal growth of the Group as evidenced by the excellent results achieved in 1999 further improved during the first semester of the current year. In fact, as at June 30th, 2000, Prima Industrie has registered a very good trend of sales and orders acquisition with a consolidate order backlog exceeding 70 billion lire which is 70% more than 1999 first six months".

"In conclusion, says the Prima Industrie C.E.O., the above proves as to how the Group has in itself the will and the capability to generate a constant creation of value for its Shareholders by means of high rates of growth together with high technological contents both perfectly coherent with Nuovo Mercato requested standards".

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