

## PRESS RELEASE

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

### PRIMA INDUSTRIE

#### SALES AND PROFITABILITY GROWTH IN THE FIRST HALF OF 2004

- **Consolidated Sales at 47.6 million Euro, with a growth of 9% compared with June 30, 2003.**
- **Important improvement of Group profitability:**
  - **EBITDA at 2.3 million Euro (0.9 million Euro as at June 30, 2003)**
  - **EBIT at 1.3 million Euro (-0.3 million Euro as at June 30, 2003)**
  - **EBT at 0.7 million Euro (-1.9 million Euro as at June 30, 2003)**
- **Net Financial Position at -18.8 million Euro (-22.3 million Euro as at December 31, 2003 and -24.5 million Euro as at June 30, 2003)**

*Collegno (Torino), August 27, 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, approved today the Company Consolidated accounts as at June 30, 2004.

The consolidated sales of the first half of 2004 (equal to 47,563 thousand Euro) grow by approx. 9% as against previous year, same period (which was 43,790 thousand Euro), notwithstanding the dollar depreciation, a currency which covers almost 30% of the Group sales.

The sales geographical breakdown, realized for almost 74% abroad, underlines the growing importance of the extra-European markets which, today, represent more than 1/3 of the Group overall sales.

In terms of product mix, during the period under consideration it is noticed the recovery of the 3D machines (+8.4% as against June 30, 2003), also due to the good increase of the sales of 3D welding systems.

During the period, particularly satisfactory was the Group order acquisition amounting to 50,590 thousand Euro (+20% on previous year, same period) from which it appears the good trend of the 2D laser systems with an amount of 18,097 thousand Euro (as against 9,687 thousand Euro as at June 30, 2003). Orders' backlog is 22,062 thousand Euro, which is in line with June 30, 2003 (22,143 thousand Euro) but improving in respect to December 31, 2003 (19,050 thousand Euro).

A noticeable progress was realized by the consolidated profitability. EBITDA was 2,311 thousand Euro (as against 891 thousand Euro as at June 30, 2003); EBIT and EBT (earnings before taxes) are back to positive (same as March 31, 2004) and were respectively 1,311 thousand Euro (June 30, 2003 = -264 thousand Euro) and 734 thousand Euro (June 30, 2003 = -1,861 thousand Euro).

Such important improvements were due to a better profitability of the Group parent company but also of Prima North America which, having realized a considerable increase of its turnover (+20% on its dollars' sales as at June 30, 2003), during the second quarter of the year returned to a positive profitability. This result was due to a large extent to the excellent performance of the Laserdyne Division and the improved results of Prima Laser Tools Division. As for the Convergent Lasers Division, its trend is in line with its budget, whose target is to reach the operating break-even point in the fourth quarter of the current year.

Also the Net Financial Position is improving (-18,814 thousand Euro as against -24,530 thousand Euro as at June 30, 2003 and -22,323 thousand Euro as at December 31, 2003), in consequence of the cash-flow generated by the operating activity as well as a better efficiency obtained in managing the working capital.

The parent company Prima Industrie S.p.A. for the six-month period realized a turnover equal to 31,114 thousand Euro (+11% as against last year same period) thanks to the satisfactory sales in the 2D area and the expected increase of the 3D welding machines. Profitability appears to be improving with EBITDA and EBIT respectively equal to 1,292 thousand Euro and 850 thousand Euro (as against 432 thousand Euro and 105 thousand Euro as at June 30, 2003).

Commenting the above results for the first half of 2004, Gianfranco Carbonato, C.E.O. of Prima Industrie S.p.A. said: *“The growth of the turnover and the improvement of profitability and net financial position represent results strongly pursued and in line with the established targets. In such contest, we must register with pleasure the early signs of a renewed attention by the market towards our stock. During next few months, we shall be engaged in the implementation of the agreement recently signed with Salvagnini, from which we expect important product and market synergies.”*

*For additional information: Ad Hoc Communication Advisors  
Giorgio Zambelletti, Marco Fraquelli, Sara Balzarotti Tel. ++39 02 7606741  
Copy of this press release is also published on the web-sites  
[www.primaindustrie.com](http://www.primaindustrie.com) and [www.adhoccommunication.it](http://www.adhoccommunication.it)*