



BORSA ITALIANA - STAR segment

PRESS RELEASE

**PRIMA INDUSTRIE ANNOUNCES THE START-UP OF CONSTRUCTION  
OF A NEW MANUFACTURING PLANT IN CHINA  
THROUGH THE INCORPORATION OF PRIMA POWER SUZHOU CO. LTD.**

*Collegno (TO), August 28<sup>th</sup> 2013* - The Board of Directors of Prima Industrie S.p.A. approved the incorporation of Prima Power Suzhou Co. Ltd., a Chinese company (WOFE, wholly owned foreign enterprise), of which Prima Industrie S.p.A. shall hold 51%; the remaining 49% shall be held by two partners from Hong Kong: Jinghai Group Ltd (30%) and Leeport Machine Tool Co. Ltd. (19%).

The company, whose initial business term is ten years, shall have a registered capital of 8 million USD (corresponding to about 50 million RMB).

The Chinese market, on which Prima Industrie realized 11% of its consolidated revenues at June 30, 2013, is destined to represent in a few years approximately 50% of the world machine tool market.

Prima Industrie is already directly present in China through its wholly controlled company Prima Power China (with offices in Beijing and Shanghai) that trades and provides after sales assistance on high range 3D laser machines; in addition Prima has an agreement with Leeport, a company listed on the Hong Kong stock market with offices all over Mainland China and neighboring countries, for the distribution and after sales assistance of the 2D laser machines and the other sheet metal processing systems.

In addition, the division Prima Electro has a direct presence in China with the company Prima Electro China (located in Guangzhou), which deals with the sale and service of electronic components and laser sources.

Within the Chinese machine tool market the highest growing segment is the mid market featured by medium range, locally manufactured machines adequate to the Chinese market requirements.

The establishment of the new company, controlled by Prima through a majority stake, will allow the Group to directly enter such market segment, leveraging the distributorship capabilities of Leeport Group. In fact the products manufactured by Prima Power Suzhou will be distributed in China by Leeport Group.

The company will be able to count on a new plant with an initial 8,000 sqm surface, located in Suzhou, an industrialized area some 100 km from Shanghai; the plant will be completed in one year time and the production start-up is expected before the end of 2014.

The company, which will employ over 100 people, is expected to generate revenues for over 300 million RMB within 2017 with an EBITDA of over 15% and will be fully consolidated within the Group financial statements.

**PRIMA INDUSTRIE** heads a leading Group in developing, manufacturing and marketing of laser systems for industrial applications, sheet metal processing machinery, as well as industrial electronics and laser technologies.  
The parent company Prima Industrie S.p.A. is listed on the Italian Stock Exchange since 1999 (MTA - STAR segment).  
With 35 years of experience the Group can count on over 10,000 machines installed in more than 70 countries worldwide and is among the main worldwide manufacturers in its own reference market.

The Group has about 1,500 employees and manufacturing sites in **Italy** (PRIMA INDUSTRIE S.p.A, PRIMA ELECTRO S.p.A, FINN-POWER Italia Srl), **Finland** (FINN-POWER Oy) and **USA** (PRIMA ELECTRO North America Llc, PRIMA POWER LASERDYNE Llc.). Remarkable is as well its direct commercial and after-sales presence in BRIC, NAFTA, European Union and other emerging Asian countries, serving more than 70 countries worldwide.

The Prima Industrie Group is structured on 2 Business Units:

**Laser and sheet metal processing machines (Prima Power):** including design, manufacturing and marketing of:

- Laser machines for cutting, welding and drilling of 3D and 2D components.
- Machines for sheet metal treatment by means of mechanical tools (punching machines, combined punching/shearing systems, combined punching/laser cutting systems, panel benders and automation systems).

**Industrial electronics and laser technologies (Prima Electro):** including development, manufacturing and marketing of power and control electronics, and of high-power laser sources for industrial applications, destined both to the Group machines and to third parties.

For further information:

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