



## **PRESS RELEASE**

### ***NUOVO MERCATO OF THE ITALIAN STOCK EXCHANGE***

#### **PRIMA INDUSTRIE S.p.A.**

- ***TODAY THE BOARD OF DIRECTORS APPROVED THE COMPANY REPORT AS AT SEPTEMBER 30, 2002***
- ***SATISFACTORY RESULTS FOR THE GROUP LEADER PRIMA INDUSTRIE S.p.A. (SALES 44.7 M€, EBIT 1 M€) AND FOR PRIMA ELECTRONICS S.p.A. (SALES 11.6 M€, EBIT 1.9 M€)***
- ***AT CONSOLIDATED LEVEL, TREND TURNABOUT IN THE THIRD QUARTER WITH A POSITIVE EBITDA FOR THE PERIOD AS A CONSEQUENCE OF THE RESTRUCTURING PROCESS IN U.S.A.***
- ***CONSOLIDATED SALES M€68.9 AS AT SEPTEMBER 30, 2002 AND ORDER ACQUISITION M€76.***

*Collegno (Torino), November 13, 2002* – The Board of Directors of Prima Industrie, a leader company in the high-technology sector of laser systems for industrial applications, listed at the *Nuovo Mercato* of the Italian Stock Exchange, was held today to approve the Company 3<sup>rd</sup> quarter report as at September 30, 2002.

During the first nine months of 2002, the Group realized sales for euro 68.9 million (euro 78.6 million as at September 30, 2001). The reduction is mainly due to the U.S. companies. In respect of same period of previous year, it is also shown a noticeable increase of the 2D laser systems with reference markets more differentiated if compared with those typical of 3D, still uncertain (automotive and aerospace).

At consolidate level, important was the improvement of the third quarter, which registered a positive EBITDA (euro 0.3 million) as a first tangible effect of the U.S. companies restructuring process.

During the first nine months of the year, the consolidate figures are: EBITDA euro –0.6 million (euro 3.9 million at September 30, 2001), EBIT euro –2.7 million (euro 2.1 million at September 30, 2001).

The result before taxes of the period (euro -4.8 million against euro +1.6 million at September 30, 2001; euro –4.1 million at June 30, 2002), takes into account, same as at June 30, 2002, the writing-off of the Company participation into Rambaudi Industriale S.p.A. acquired early 1999 (an historical trade-mark in the field of Italian machine tools) for a value of about euro 0.9 million, because of the company application for an official Receivers' Administration procedure started in July.



Satisfactory results for the Group leader, Prima Industrie S.p.A. (with a turnover of euro 44.7 million, euro 1.7 million EBITDA and euro 1 million EBIT) and the controlled company Prima Electronics S.p.A. (with a turnover of euro 11.6 million, euro 2.2 million EBITDA and euro 1.9 million EBIT) notwithstanding the persisting uncertainty of the macro-economic scenery.

The restructuring of the two U.S. companies (Laserdyne Prima and Convergent Prima), whose profitability improved during the third quarter of the year is now in a phase of accomplishment. After a payroll reduction exceeding 35%, the companies are now preparing a merging into a single unit organized on divisional basis for the Group production lines (i.e.: Prima Industrie laser systems, Laserdyne systems and Convergent laser generators). This reorganization process will terminate during next few months when Laserdyne will be relocated in a smaller new plant in Minnesota (where it is presently located) and Prima Industrie products and Convergent lasers will be conveyed in new premises rented near Springfield (Massachussets).

Positive Group orders' acquisition, amounting to euro 76 million as at September 30, 2002.

At the end of the period under consideration, the Group shows net financial liabilities for euro 39 million, of which 65% on medium-term basis. The worsening in respect of June 30, 2002 is mainly due to the growth of the working capital. There is in fact an increase in work-in-progress because of the seasonal growth of sales during the last quarter of the year together with the stretching of the average time of credit collection following the deterioration of the general economic situation.

Commenting the first nine months of the year, Gianfranco Carbonato, Prima Industrie C.E.O., says: *“In a difficult economic period, the Company held its leadership in the 3D market and increased its share in the 2D one. The restructuring process in the U.S. is currently in a final phase and granted us a consolidated trend turnabout as from the third of quarter. Following the good order acquisition of the last months and the improvement in the U.S. we expect a further progress of the company accounts in the last quarter of the current year”*

Prima Industrie S.p.A. wishes to remind that the Company management shall meet with the financial community to the purpose of commenting the above information on occasion of the 3<sup>rd</sup> Road Show of the *Nuovo Mercato* of the Italian Stock Exchange to be held next November 20, 2002.

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[www.primaindustrie.com](http://www.primaindustrie.com) and [www.adhoccommunication.it](http://www.adhoccommunication.it)*