

**PRESS RELEASE**  
**TECHSTAR**  
**PRIMA INDUSTRIE**

**PRIMA INDUSTRIE COMES BACK TO PROFIT IN 2004  
AND PROPOSES A DIVIDEND PAYMENT**

**STRONG IMPROVEMENT FOR  
ALL ECONOMIC AND FINANCIAL DATA**

- **Consolidated sales at 100 million Euro, increasing over 5% on 95 million of 2003**
- **EBITDA at 6.9 million Euro (2.7 million Euro as at 12/31/2003)**
- **EBIT at 5.1 million Euro (0.6 million Euro as at 12/31/2003)**
- **Net result at 1.2 million Euro (-3.0 million Euro as at 12/31/2003)**
- **Net financial position further improving to -15.6 million Euro (-22.3 million Euro as at 12/31/2003 and -19.0 million Euro as at 09/30/2004)**
- **A 0.14 Euro per share dividend yield was proposed**

*Collegno (Torino), February 28, 2005* – 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 proposed annual report as at December 31, 2003 which confirms the preliminary results divulged by the Company on February 15, 2005.

The fiscal year under exam shows the Group come back to profit and so confirms the completion of the turnaround carried out following the 2000 and 2001 U.S. acquisitions and the well-known subsequent events that in the two-year following period influenced the international economic situation and the Group performance in particular.

The strengthening of the economic and financial equilibrium allowed, for the first time since IPO, the proposal of a dividend payment.

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Data of 2004 highlight a **consolidated turnover** which, thanks to the improved situation of all Group companies, reaches 100 million Euro, with an increase of over 5% on 95 million Euro of 2003, notwithstanding the strong U.S. Dollar depreciation which affected the sales share expressed in such currency (almost 30%).

Sales breakdown by product category shows aligned revenues from 3D systems and 2D systems (both almost 34% of consolidated turnover and respectively amounting to 33.3 million Euro and 34.0 million Euro).

3D systems sales concentrate mostly in Italy (thanks to the revenues from the remote welding system made in cooperation with Comau), in Germany and the United States. In percentage revenues from electronics (12%) and customer care activity (18%) are stable as against 2003.

The geographic breakdown shows a certain recovery of the Italian market, which represents in 2004 28% of turnover (it was 24% in 2003). This is balanced by a reduction in the European market (decreased from 44% to 37%), subsequent in particular to the difficult situation of some traditional



markets (France and Germany in particular) only partially offset by the growth of the “New Europe” markets.

Substantially stable are sales on the North-American market (20% on total sales as at 12/31/2004 as against 21% on 12/31/2003), where growth was diluted by the local currency depreciation.

Overseas markets, and in particular China and some other emerging countries, are strongly increasing (from 11% to 15%).

Group **EBITDA** increased to 6.9 million Euro (6.9% on sales), more than doubling 0.6 million Euro of 2003, thanks to the relevant improvement of Prima North America results and, more in general, to the positive performance of all the Group companies.

Consolidated **EBIT** grew to 5.1 million Euro (5.1 on sales), with a strong increase on 0.6 million Euro as at 12/31/2003 (0.6% on sales).

Profitability is also affected by R&D expenses of 6.9 million Euro (6.9% on sales), in line with 2003 expenses, proving the Group constant attention to the technological innovation.

The **EBT** also improved remarkably, reaching in 2004 a profit of 3.8 million Euro from a 2003 loss of 2.1 million Euro.

**Net result**, affected by the high fiscal pressure (not diminished yet by the previous years losses in USA), amounts to 1.2 million Euro (it was a loss of 3.0 million Euro as at 12/31/2003).

Further improvement for the Group **net financial position** reducing to –15.6 million Euro (as against –19.0 million Euro as at 09/30/2004 and –22.3 million Euro as at 12/31/2003), thanks to the positive cash flow allowed by the favourable profitability and to the improved working capital management.

Increasing results also for the parent company **Prima Industrie S.p.A.**, whose sales were 65.9 million Euro (up 5.3% from 62.6 million Euro as at 12/31/2003).

EBITDA and EBIT grew respectively to 3.7 million Euro (2.6 million as at 12/31/2003) and 3.0 million Euro (2.5 million Euro in 2003) thanks to higher contribution margins.

The net result, diluted last year (where it was –2.8 million Euro) by the controlled company losses, comes back to a profit of 0.8 million Euro.

Considered such results, the Board of Directors resolved to propose to next Shareholders’ Meeting dividend distribution of 0.14 Euro per ordinary share of 2.5 Euro face value with ex-dividend date on 05/23/2005 and payment date on 05/26/2005.

Expressing his satisfaction for the Group results, Gianfranco Carbonato, Prima Industrie C.E.O., said: “ We hope that we come back to a positive result, for which we worked constantly in a difficult general situation, and the proposal of a dividend, will be favourably welcomed by our shareholders that we want to thank altogether with our employees, customers, partners and suppliers.”

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