Our Group: business sectors

Machinery Division
Laser and sheet metal fabrication machinery: 2D and 3D laser cutting, welding and drilling, punching, combined punching/laser or punching/shearing, bending, automation and FMS.

Electronics & laser technologies
Industrial electronics (power and control electronics, numerical controls).
High power CO\textsubscript{2} and Nd:YAG laser sources for industrial applications.
Business sectors’ organization

Revenues: ~ 312 M€ (gross of inter sector items)

Revenues: ~ 55 M€ (gross of inter sector items)
Sales & service footprint: Europe, Russia, Turkey & Israel

Prima Power Gmbh – Frankfurt (Germany)

Euroblech Exhibition - 2012

- = subsidiary
- = branch office
= distributor
Our people

1,500 + Employees worldwide
Our people

Headcount by function:
- Operations: 37%
- After sales & Service: 30%
- Marketing & Sales: 11%
- Staff: 9%
- R&D: 13%

Headcount by geographic area:
- Europe: 33%
- North America: 15%
- Italy: 47%
- Asia & R.o.W.: 5%

Figures at 31/12/2012
Economic trends

Revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>€/mio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>367</td>
</tr>
<tr>
<td>2009</td>
<td>232</td>
</tr>
<tr>
<td>2010</td>
<td>250</td>
</tr>
<tr>
<td>2011</td>
<td>310</td>
</tr>
<tr>
<td>2012</td>
<td>349</td>
</tr>
<tr>
<td>2013*</td>
<td>364.5</td>
</tr>
</tbody>
</table>

EBITDA

<table>
<thead>
<tr>
<th>Year</th>
<th>€/mio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>31.8</td>
</tr>
<tr>
<td>2009</td>
<td>6.2</td>
</tr>
<tr>
<td>2010</td>
<td>10.4</td>
</tr>
<tr>
<td>2011</td>
<td>22.4</td>
</tr>
<tr>
<td>2012</td>
<td>29.0</td>
</tr>
<tr>
<td>2013*</td>
<td>34.6</td>
</tr>
</tbody>
</table>

* = according to consensus from
Geographic trends

Revenues breakdown

2008

- Italy: 24%
- Europe: 43%
- Asia & R.o.W.: 16%
- North America: 17%
- Extra-Europe: 33%

2012

- Italy: 13%
- Europe: 36%
- Asia & R.o.W.: 28%
- North America: 23%
- Extra-Europe: 51%
Reference markets

Revenues by industry
2012

- After Sales 22%
- Subcontractors & Miscellaneous 18%
- Electrical equipment 8%
- Vending & Distributor equipment 4%
- Automotive 17%
- Aerospace 3%
- Industrial Machinery* 12%
- Building & Housing equipment** 16%

* = including agricultural, construction & industrial machinery
** = including HVAC, elevators, furniture & home appliances

Revenues by product line
2012

- DOTS 37%
- Service 16%
- Convergent 25%
- Osai 22%
Net financial position trend

* = according to consensus from figures do not include the effect of the warrants exercise
MARKET EVOLUTION
AND
FINANCIALS
Machine tool market by geography

**World: GDP & Industrial production**

Source: Oxford Economics

**Investment in machine tool purchasing industries**

Source: Oxford Economics

**Apparent consumption**

Source: Oxford Economics

**World: Machine tool consumption in 2016**

- China: 49%
- Rest of Asia: 10%
- Germany: 6%
- France: 1%
- Italy: 2%
- Mexico: 3%
- Canada: 9%
- US: 9%
- Brazil: 2%
- Rest of Europe: 8%
- Japan: 8%
- India: 3%

Source: Oxford Economics
Market growth forecast

Machine Tool Market Evolution

<table>
<thead>
<tr>
<th>Year</th>
<th>EU</th>
<th>ROW</th>
<th>Taiwan</th>
<th>IT</th>
<th>Korea</th>
<th>D</th>
<th>US</th>
<th>JP</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>69.0</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>12%</td>
</tr>
<tr>
<td>2013</td>
<td>70.6</td>
<td>12%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6%</td>
</tr>
<tr>
<td>2014</td>
<td>77.8</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>2015</td>
<td>86.8</td>
<td>7%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3%</td>
</tr>
<tr>
<td>2016</td>
<td>94.6</td>
<td>6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6%</td>
</tr>
</tbody>
</table>

YoY: 8%  2%  10%  12%  9%

(Source: Oxford Economics)
Prima Power strategy for the Chinese machine tool market

The “diamond” structure

3D LASERS FOR AUTOMOTIVE & AEROSPACE

Sheer Metal Fabrication

Leepport

BEIJING
SHANGHAI

PRIMA POWER CHINA

LEEPORT LTD.
HONG KONG

SGe
BGe
Systems

The “good enough” market

MID/LOW RANGE
2D LASERS

SHANGHAI UNITY PRIMA (SUP)
(15% OWNED)
SHANGHAI

SCLF-X1530F
SCLF-X1530D

Platino®
(CO2 & Fiber)

SCLF-X1530F
E5X
E6X

From Italy & USA

From Italy & Finland

TOP RANGE

IMPORTS

MID RANGE

BOTTOM-END

LOW END

SUP

PUC
Prima Power strategy for the Chinese machine tool market

Suzhou, Wujiang Economic & Technological Development Zone

HIGH-TECH ENTERPRISE (WOFE) MAIN DATA

<table>
<thead>
<tr>
<th>Registered capital</th>
<th>50.000.000 RMB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investors</td>
<td>PRIMA INDUSTRIE (Italy) 51%</td>
</tr>
<tr>
<td></td>
<td>International investor 30%</td>
</tr>
<tr>
<td></td>
<td>Leeport (Holdings) Ltd. (HK) 19%</td>
</tr>
<tr>
<td>Products involved</td>
<td>Platino (2D Laser machine)</td>
</tr>
<tr>
<td></td>
<td>E5X, E6X (punch press)</td>
</tr>
<tr>
<td>Expected number of Employees</td>
<td>150 People</td>
</tr>
</tbody>
</table>
Financial statements as at Mar. 31, 2013

**BALANCE SHEET**

<table>
<thead>
<tr>
<th>(figures in Euro thousand)</th>
<th>31/03/2013</th>
<th>31/12/2012 (*)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible assets</td>
<td>24,242</td>
<td>24,345</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>151,167</td>
<td>151,395</td>
</tr>
<tr>
<td>Other non current assets</td>
<td>7,797</td>
<td>7,281</td>
</tr>
<tr>
<td>Non current assets held for sale</td>
<td>4,239</td>
<td>4,130</td>
</tr>
<tr>
<td><strong>NON CURRENT ASSETS</strong></td>
<td><strong>187,445</strong></td>
<td><strong>187,151</strong></td>
</tr>
<tr>
<td>Inventory</td>
<td>89,185</td>
<td>81,084</td>
</tr>
<tr>
<td>Trade receivables (net of down payments)</td>
<td>45,092</td>
<td>53,710</td>
</tr>
<tr>
<td>Trade payables</td>
<td>(68,765)</td>
<td>(72,404)</td>
</tr>
<tr>
<td>Other current assets</td>
<td>14,335</td>
<td>11,357</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>(44,496)</td>
<td>(43,436)</td>
</tr>
<tr>
<td>Employee’s severance indemnity</td>
<td>(7,598)</td>
<td>(7,629)</td>
</tr>
<tr>
<td><strong>NET WORKING CAPITAL</strong></td>
<td><strong>27,753</strong></td>
<td><strong>22,682</strong></td>
</tr>
<tr>
<td><strong>NET DEBT</strong></td>
<td><strong>131,038</strong></td>
<td><strong>126,279</strong></td>
</tr>
<tr>
<td><strong>NET EQUITY</strong></td>
<td><strong>84,160</strong></td>
<td><strong>83,554</strong></td>
</tr>
</tbody>
</table>

(*) = Following the retroactive application as from 01/01/2013 of emended IAS 19, comparative figures for the year 2012 in financial statements, whereas necessary, have been restated in accordance with IAS 1.
### Financial statements as at Mar. 31, 2013

#### PROFIT & LOSS

<table>
<thead>
<tr>
<th>(figures in Euro thousand)</th>
<th>31/03/2013</th>
<th>31/03/2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES</strong></td>
<td>72,881</td>
<td>69,868</td>
</tr>
<tr>
<td><strong>VALUE OF PRODUCTION</strong></td>
<td>80,768</td>
<td>84,087</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>4,642</td>
<td>4,113</td>
</tr>
<tr>
<td>% on sales</td>
<td>6.4%</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>1,682</td>
<td>1,561</td>
</tr>
<tr>
<td>% on sales</td>
<td>2.3%</td>
<td>2.2%</td>
</tr>
<tr>
<td><strong>EBT</strong></td>
<td>(692)</td>
<td>(0,893)</td>
</tr>
<tr>
<td>% on sales</td>
<td>(0.9)%</td>
<td>(1.3)%</td>
</tr>
<tr>
<td><strong>NET INCOME</strong></td>
<td>(803)</td>
<td>(1,752)</td>
</tr>
<tr>
<td>% on sales</td>
<td>(1.1)%</td>
<td>(2.5)%</td>
</tr>
</tbody>
</table>
### Net debt & covenants

<table>
<thead>
<tr>
<th></th>
<th>2011 Covenants</th>
<th>2011 Actual</th>
<th>2012 Covenants</th>
<th>2012 Actual</th>
<th>2013 Covenants</th>
<th>2013 Expected*</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>≥ 2</td>
<td>2,39</td>
<td>≥ 2,5</td>
<td>3,54</td>
<td>≥ 3</td>
<td>4,45</td>
</tr>
<tr>
<td>NET FINANCIAL CHARGES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET FINANCIAL POSITION</td>
<td>≤ 7,9</td>
<td>6,08</td>
<td>≤ 5,5</td>
<td>4,25</td>
<td>≤ 4,1</td>
<td>3,40</td>
</tr>
<tr>
<td>EBITDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET FINANCIAL POSITION</td>
<td>≤ 2</td>
<td>1,7</td>
<td>≤ 1,8</td>
<td>1,5</td>
<td>≤ 1,6</td>
<td>1,28</td>
</tr>
</tbody>
</table>

* = according to consensus from figures do not include the effect of the warrants exercise

### NET FINANCIAL POSITION ANALYSIS

<table>
<thead>
<tr>
<th>Values in €/000</th>
<th>31-Mar-13</th>
<th>31-Dec-12</th>
<th>31-Mar-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finpolar Debt</td>
<td>(121'941)</td>
<td>(127'597)</td>
<td>(133'508)</td>
</tr>
<tr>
<td>Derivatives</td>
<td>(6'574)</td>
<td>(7'262)</td>
<td>(7'069)</td>
</tr>
<tr>
<td>Leasing &amp; Factoring</td>
<td>(2'800)</td>
<td>(2'745)</td>
<td>(2'594)</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>(18'688)</td>
<td>(17'874)</td>
<td>(15'975)</td>
</tr>
<tr>
<td>Cash &amp; Financial Assets</td>
<td>18'965</td>
<td>29'199</td>
<td>17'158</td>
</tr>
<tr>
<td>Net Indebtness</td>
<td>(131'038)</td>
<td>(126'279)</td>
<td>(141'988)</td>
</tr>
</tbody>
</table>
**Stock price trend & shareholders**

- **THE RASHANIMA TRUST (through Erste International SA)**: 28.02%
- **MARKET**: 25.65%
- **PEIRETTI family (per il tramite di dP-cube)**: 3.48%
- **CARBONATO family**: 3.71%
- **CREDIT AGRICOLE SUISSE**: 4.25%
- **CAMBRIA SA (through Cambria kop Cooperaatif U.A.)**: 4.90%
- **LAZARD FRERES GESTIONS**: 6.78%
- **LEE Joseph (held directly or through World Leader Ltd.)**: 7.00%
- **YUNFENG GAO (through Sharp focus International Ltd)**: 12.89%

*Graph showing trend and shareholdings.*

8.50 WARRANTS STRIKE PRICE

**Plot timeline:**
- **May 2012**
- **August 2012**
- **November 2012**
- **February 2013**
- **May 2013**
PRODUCTS & CUSTOMERS
Prima Power: product range

The Punch
The Laser
The Bend
The Combi
The System
The Software
Prima Power - selected customers
Prima Electro designs, manufactures and markets for its customers industrial-grade dedicated electronics and laser sources at competitive prices and fast time-to-market.
Prima Electro - selected customers

Industrial
- Atlas Copco
- IREM
- Campetella
- MYDATA
- NEGRI BOSSI

Transport
- ALSTOM
- CNH Industrial
- ANSALDOBREDA
- ATM
- OCLAP
- PSA Peugeot Citroën

Motion control
- ABB
- AIR LIQUIIDE
- MOTOR POWER GROUP
- LVD
- Nikon
- COMAU
- Prima Power
- Phase Motion
- Agilent Technologies

Energy
- LOMBARDINI
- Eni
- Saipem
- electro

Consumer
- bticino
- easydam
- Comelit Group S.p.A.
- Technogym
- Technogym

Glass / Stone
- Botteral
- FORVET
- Vimar
- Denver
- Marchetti
- Comandulli

Wood / Plastic
- Biesse
- CMS
- Uniteam
- Belotti
- PADE
- Cr Onsrud

Defence & Aerospace
- SAAB