

# Company results

## Innovative Automatic Machine System Solutions

INVESTOR RELATIONS

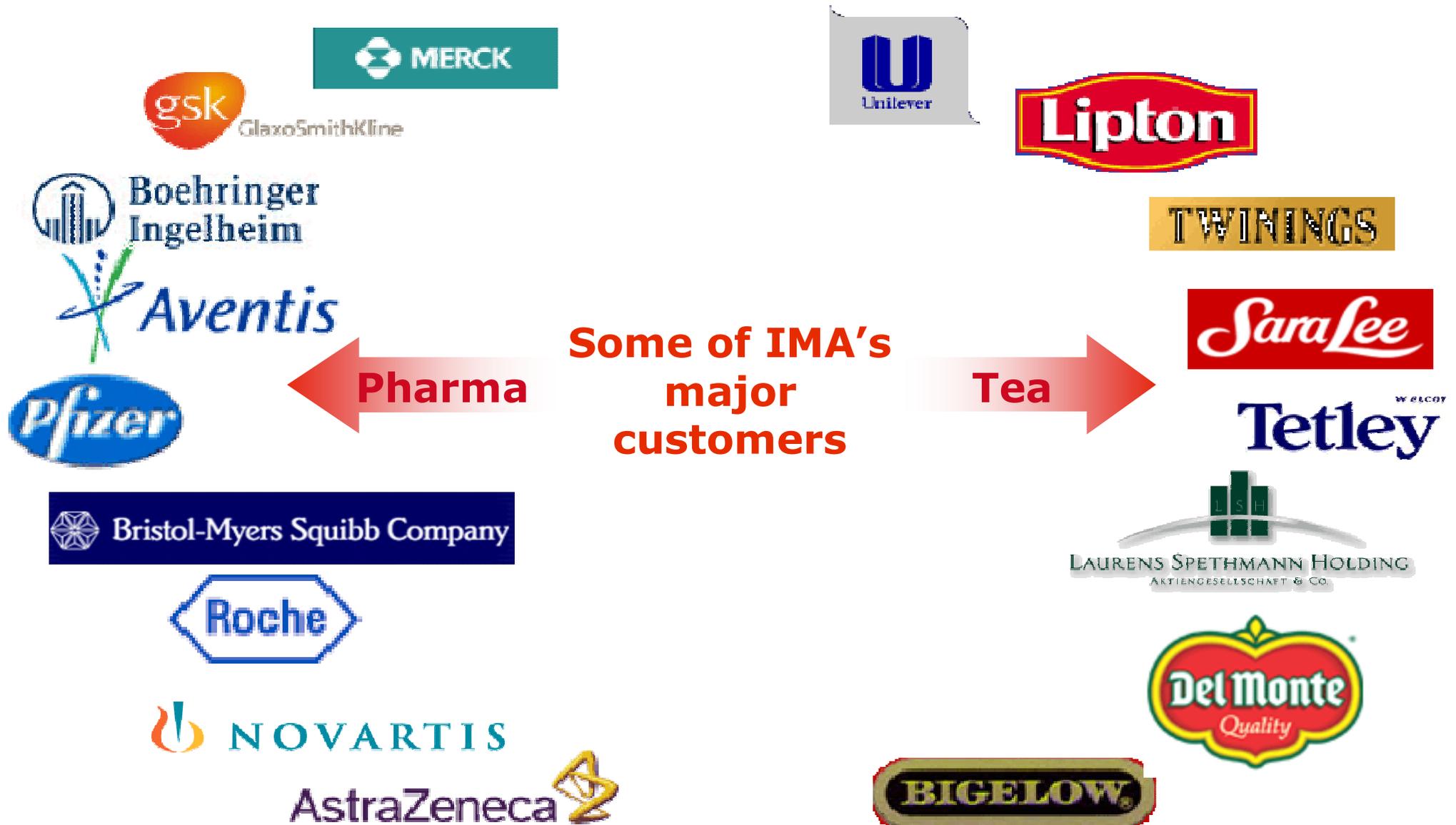


*London, October 8th 2009*

# IMA at a glance

- Founded in 1961, IMA is world leader in the manufacture of automatic machines for the processing and packaging of drugs and tea in filter bags
- Global pharmaceutical supplier with the widest range of state of the art processing and packaging systems
- More than 3,000 employees, 1,400 of them based abroad (YTD)
- In 2008 € 547.2 millions worldwide sales, of which more than 94% outside Italy
- World-wide sales and service network
- More than 1,000 patents worldwide
- Listed on the Milan Stock Exchange since 1995 and starting from 2001 at the STAR segment

# IMA: a Leading Group



# IMA: a Leading Group

## COMPETITIVE ADVANTAGES

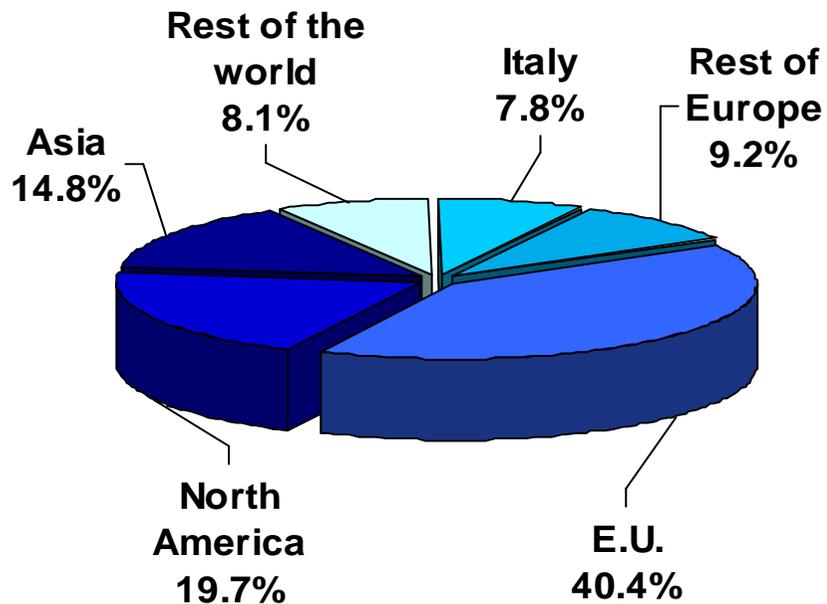
- Cutting-edge R&D laboratories
- Continuous product innovation
- A winning business model
- High customer loyalty
- Excellent positioning thanks to an extensive customer service network and a full product range to offer
- High barriers to market entry

## INVESTMENT PROFILE

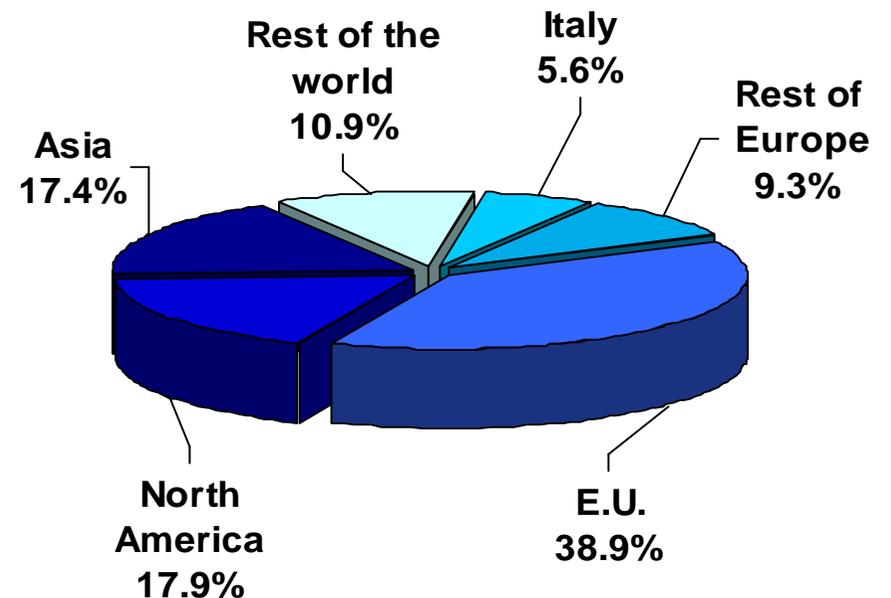
- Leading position in almost all of the segments in which the Group operates
- Low cyclical nature of demand
- High growth potential, both organic and through acquisitions
- Highly professional and strongly motivated management team
- *Superior* products commanding a *premium price*

# Balanced Sales Distribution

**2007**



**2008**

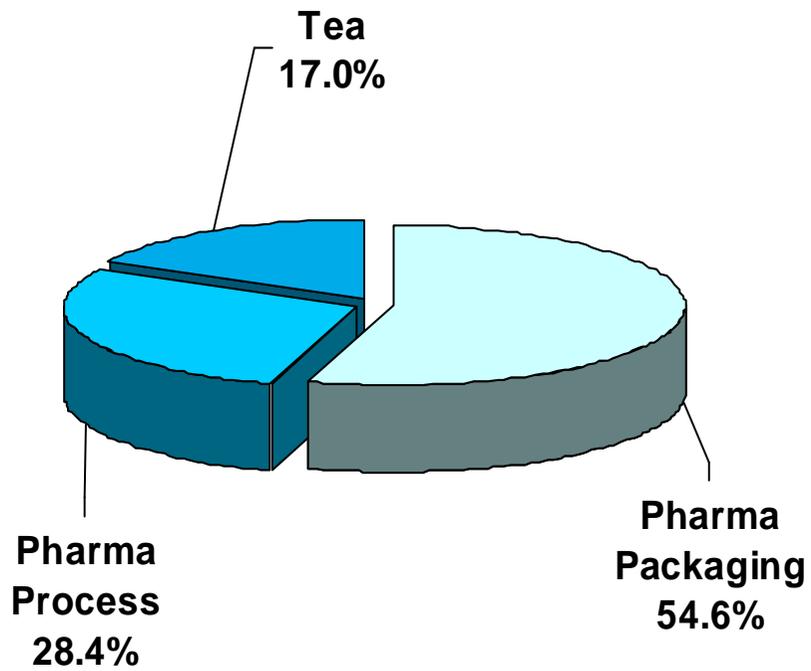


**Sales in 2008: € 547.17 million**  
**Exports: 94.4%**

# Balanced Offer

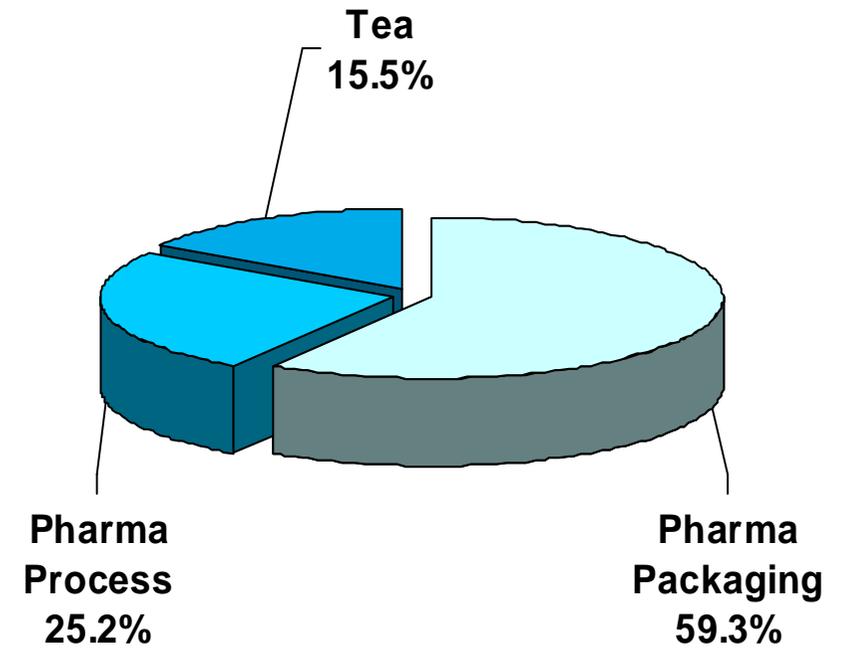
**2007**

total sales: € 454.45 million



**2008**

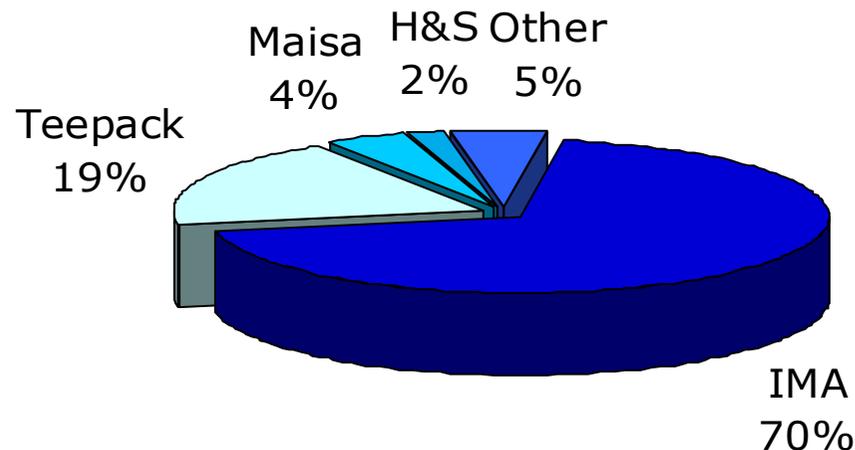
total sales: € 547.17 million



# Machinery industry

## Tea-bag machinery sector

- The world market for tea bag machinery is estimated at Euro 120 million
- Tea bag machinery sector is characterised by an high level of concentration with first two players covering more than 80% of the market
- IMA has a leading position with a market share of more than 70%
- The second player Teepack belongs to a Group (Teekanne) that produces and sells teabags (brand name: Teekanne, Pompadour, etc.)



Company estimates

# Machinery industry

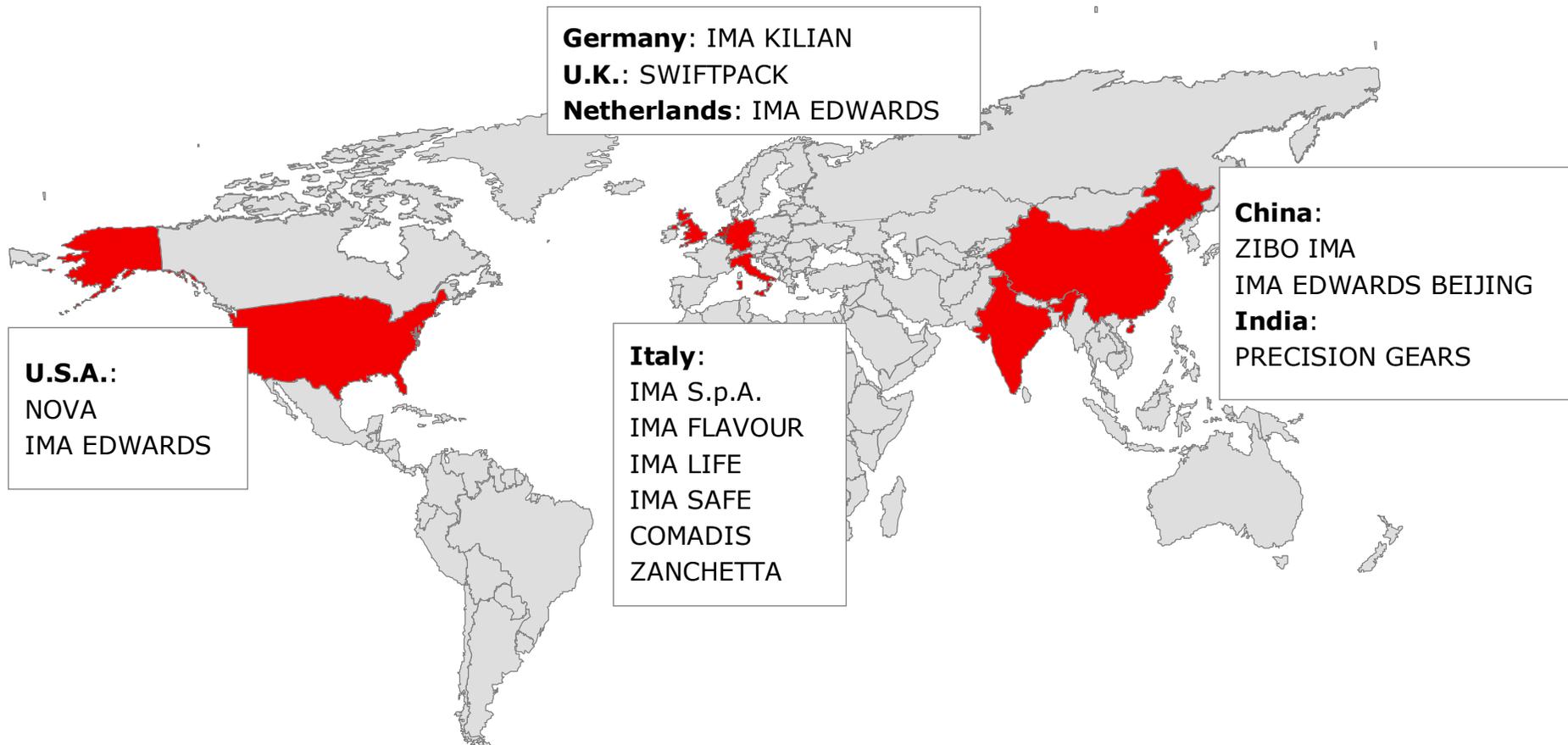
## Pharmaceutical sector

- A sector that's still fragmented and dominated by German and Italian firms
- Most firms are specialised in one product line
- Very much a "crafts-like" industry with a high degree of customisation
- Strong investments for innovation (R&D)
- Ever changing and increasingly severe regulatory agency standards
- Multinational customers call for an international presence

# IMA: a synthesis of industrial experiences from all over the world

## Production Facilities

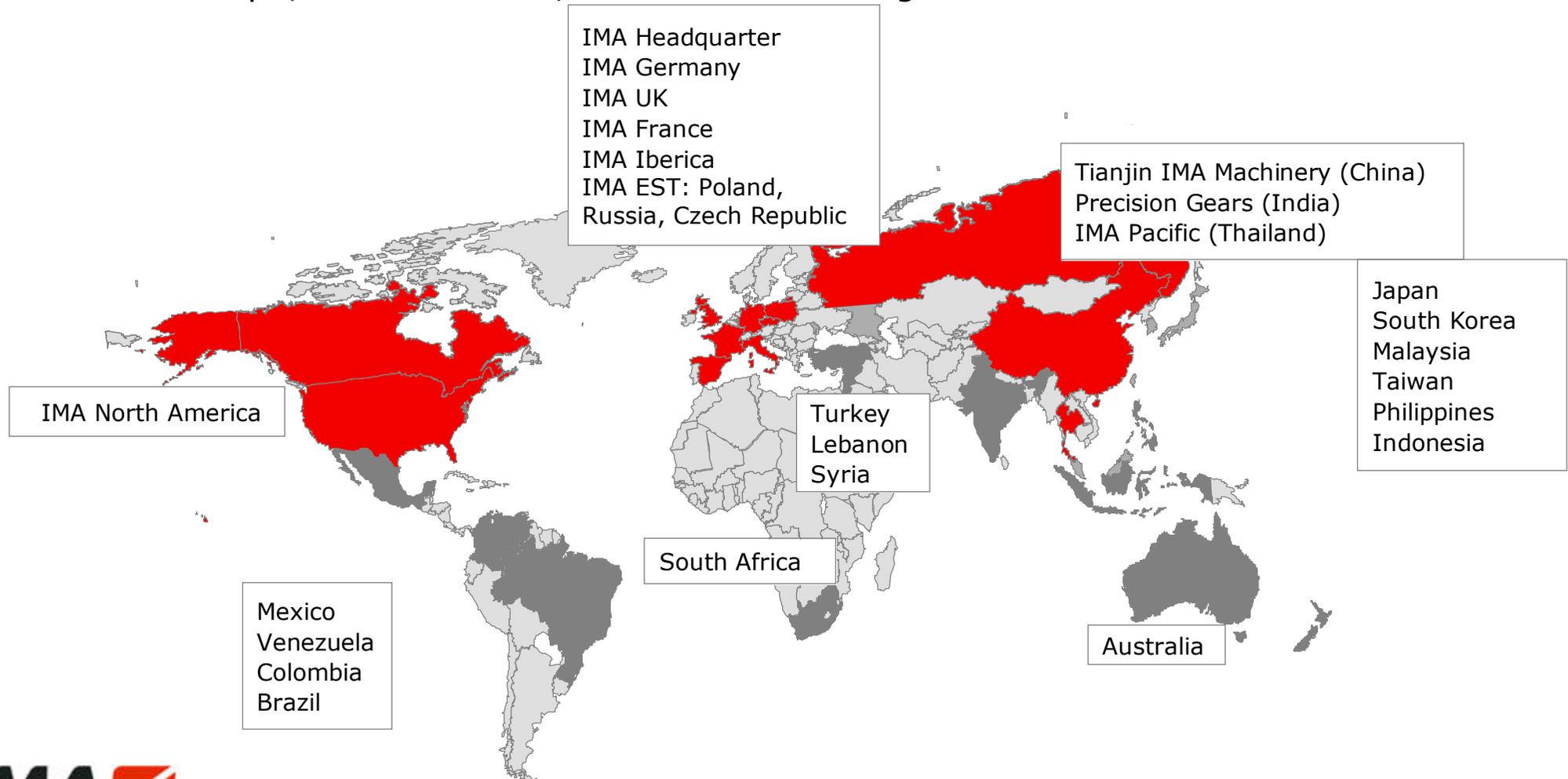
IMA manufactures equipment in 17 production facilities located in Italy, Germany, Netherlands, UK, USA, India, China.



# IMA in the world: a global network for high technology selling

## After Sales Assistance

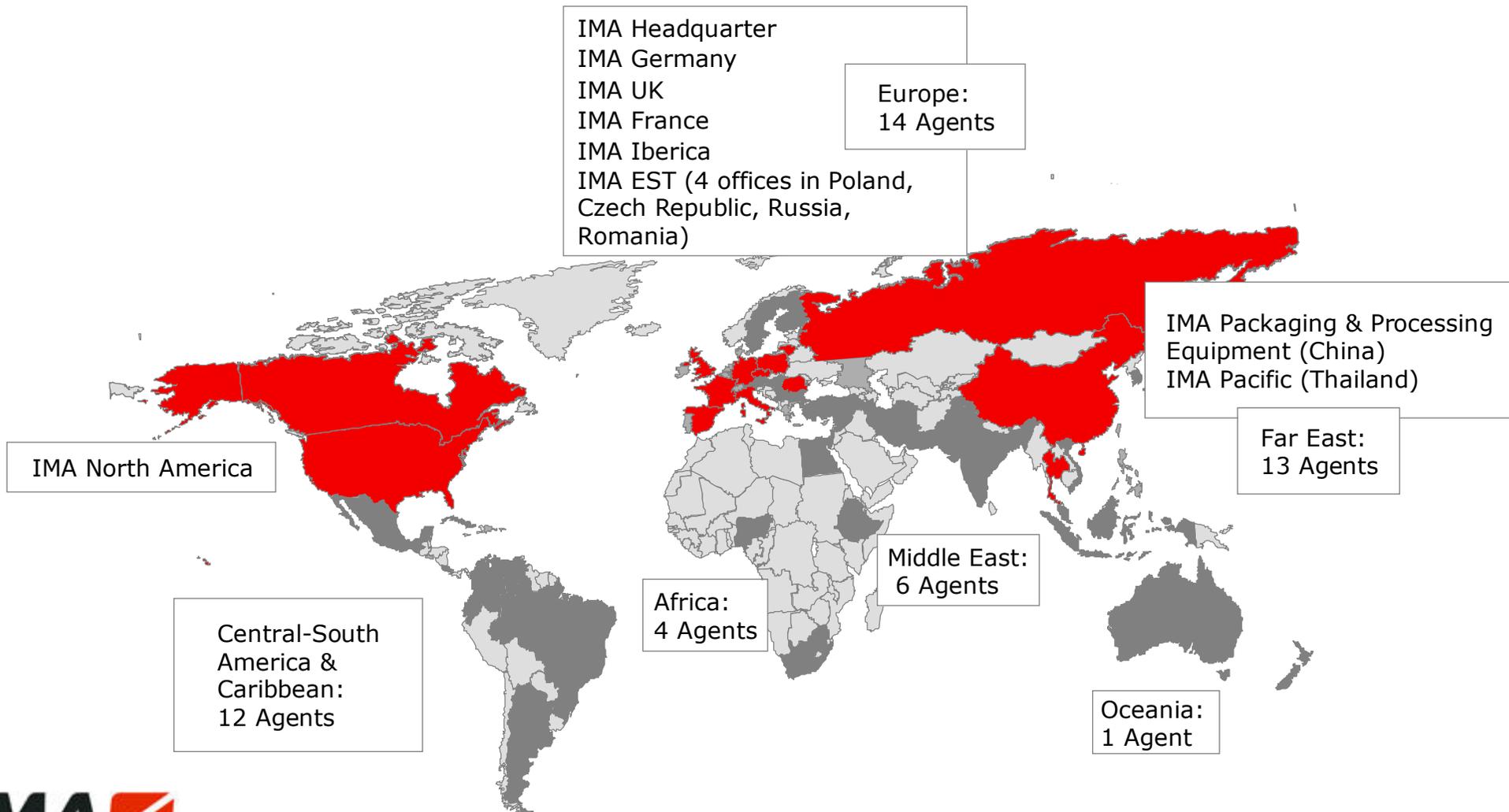
IMA provides world-wide technical assistance through its headquarters in Italy, branch offices in Europe, North America, Asia and 15 local agents.



# IMA in the world

## Sales Representatives

Presence in over 70 countries with headquarters in Italy, 9 branch offices in Europe, USA, Latin America and Asia, and 50 local agents.



# Main pharmaceutical market competitors

	Blister	Capsule Filling	Tableting	Coating	Granul. Powder P.	Filling	Cartoning	End of Line	Tube Filling	Counters	Freeze Dryers
IMA	Leader	Leader	Leader	Leader	Player	Leader	Player	Player	Player	Leader	Leader
Uhlmann	Leader						Leader	Follower		Follower	
Bosch		Leader				Leader	Player				
MediSeal/Korber Medipack	Player						Follower				
Romaco	Follower	Player				Player	Follower		Follower	Follower	
CAM	Follower					Player	Leader	Follower			
Marchesini	Leader					Follower	Leader	Player	Player	Player	
MG2		Follower						Follower			
Fette			Leader								
Oystar	Follower		Player	Follower	Player		Player		Leader		
Gea			Follower		Leader						Leader
Korsch			Follower	Player							
Glatt				Leader	Leader						
Bohle				Leader	Player						
Sirius/Coesia Group							Follower		Leader		
Bausch & S						Leader					
Groeninger						Follower					
Mar						Player					
Pester								Leader			
Cremer										Leader	
Aylward										Player	
Klee											Leader
Telstar											Follower
Tofflon											Follower
Usifroid											Follower
Hof											Player
Christ											Player
Inova						Leader					

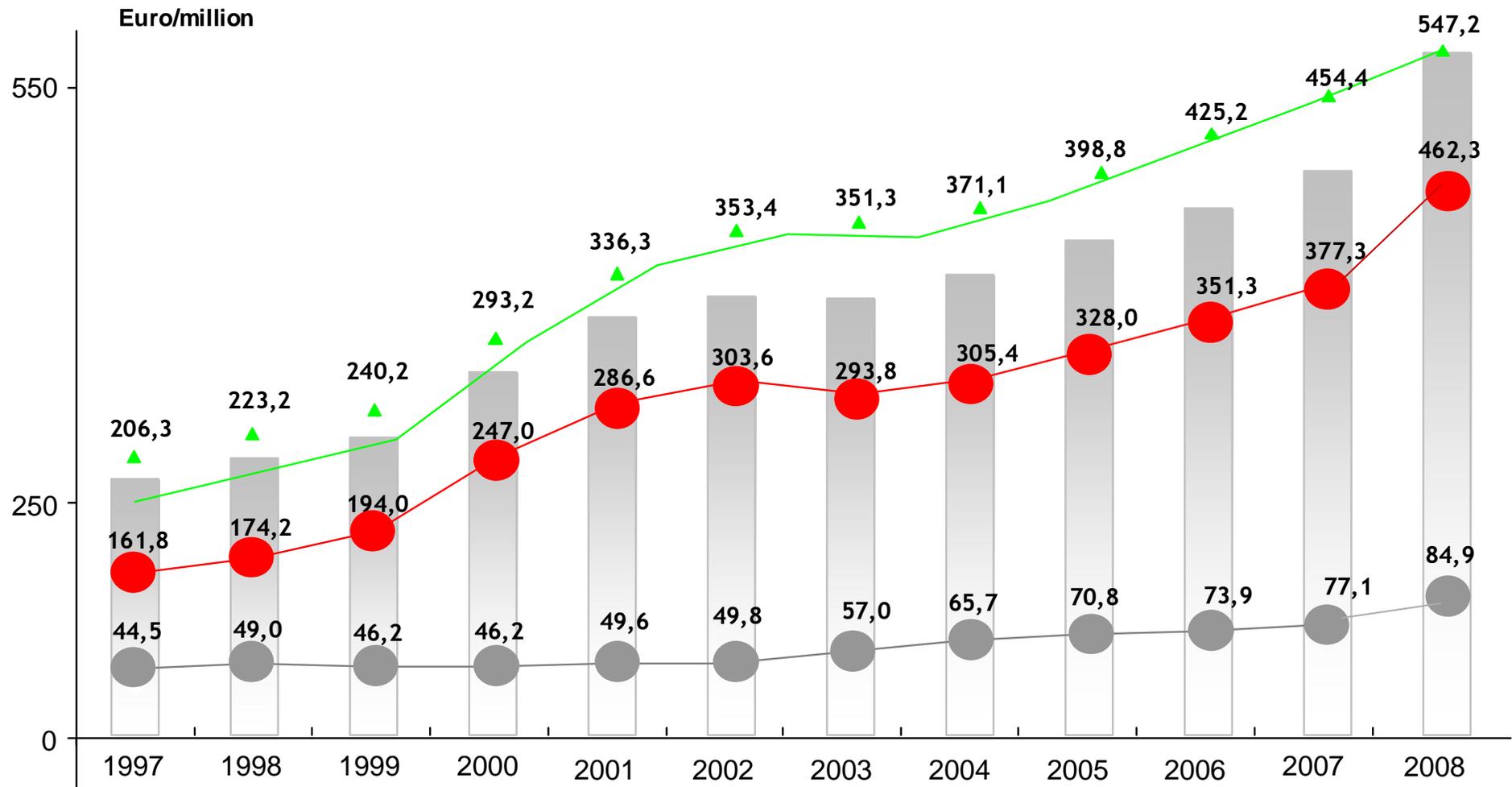
■ Leader     
 ■ Follower     
 ■ Player

INVESTOR RELATIONS



# The Growth

● TEA ● PHARMA ■ TOTAL



# Consolidated income statement

## 31.12.2008 vs. 31.12.2007

IMA	2008	%	2007	%	change %
<i>Euro million</i>					
<b>Revenues</b>	<b>547.17</b>	<b>100.0%</b>	<b>454.45</b>	<b>100.0%</b>	<b>20.4%</b>
Cost of sales	(332.66)	-60.8%	(265.86)	-58.5%	25.1%
<b>Industrial gross profit</b>	<b>214.51</b>	<b>39.2%</b>	<b>188.59</b>	<b>41.5%</b>	<b>13.7%</b>
R&D costs	(23.33)	-4.3%	(22.18)	-4.9%	5.2%
Selling costs	(60.83)	-11.1%	(53.44)	-11.8%	13.8%
General and administrative costs	(61.54)	-11.2%	(47.82)	-10.5%	28.7%
<b>EBITA</b>	<b>68.81</b>	<b>12.6%</b>	<b>65.15</b>	<b>14.3%</b>	<b>5.6%</b>
Non-recurring items	3.12	0.6%	4.49	1.0%	-30.5%
<b>EBIT</b>	<b>71.93</b>	<b>13.1%</b>	<b>69.64</b>	<b>15.3%</b>	<b>3.3%</b>
Net financial income (expense)	(11.56)	-2.1%	(7.75)	-1.7%	49.2%
Income taxes	(19.03)	-3.5%	(24.04)	-5.3%	-20.8%
Net profit from discontinued operations/ disposal group	0.78	0.1%	1.84	0.4%	-57.6%
Profit (loss) pertaining to minority interests	(0.31)	-0.1%	(0.23)	-0.1%	34.8%
<b>GROUP PROFIT</b>	<b>41.81</b>	<b>7.6%</b>	<b>39.46</b>	<b>8.7%</b>	<b>6.0%</b>
<b>EBITDA</b>	<b>87.71</b>	<b>16.0%</b>	<b>79.85</b>	<b>17.6%</b>	<b>9.8%</b>

# Consolidated balance sheet

**31.12.2008 vs. 31.12.2007**

IMA	2008	%	2007	%
<i>Million Euro</i>				
Trade receivables	110.00		102.30	
Inventories	160.23		135.76	
Trade payables	(155.66)		(135.37)	
Other, net	(35.94)		(31.98)	
<b>Working capital</b>	<b>78.63</b>	<b>30.5%</b>	<b>70.71</b>	<b>35.9%</b>
Property, plant and equipment	70.96		67.89	
Intangible assets	117.39		66.31	
Investments	13.21		13.66	
<b>Non-current assets</b>	<b>201.56</b>	<b>78.2%</b>	<b>147.86</b>	<b>75.1%</b>
Provision for severance indemnities and other provisions	(22.46)		(21.60)	
<b>Net capital employed</b>	<b>257.73</b>	<b>100.0%</b>	<b>196.97</b>	<b>100.0%</b>
Net debt	134.80	<b>52.3%</b>	86.61	<b>44.0%</b>
Minority interests	2.90		1.06	
Group equity	120.03	<b>46.6%</b>	109.30	<b>55.5%</b>
<b>Total sources of financing</b>	<b>257.73</b>	<b>100.0%</b>	<b>196.97</b>	<b>100.0%</b>

# Consolidated Cash Flow

## 31.12.2008 vs. 31.12.2007

<b>IMA - CASH FLOW</b>	<b>2008</b>	<b>2007</b>
<i>Million Euro</i>		
EBIT	71.93	69.64
Depreciation and amortization	15.78	10.20
Amortization of goodwill	0.00	0.00
Capital expenditure	(16.91)	(10.53)
Change in working capital	(11.88)	14.96
Change in other assets/liabilities	4.53	(9.71)
<b>Operating cash flow</b>	<b>63.46</b>	<b>74.56</b>
Net financial charges	(11.27)	(7.74)
Income taxes	(19.03)	(24.16)
<b>Cash flow from operations</b>	<b>33.16</b>	<b>42.66</b>
Acquisitions	(51.80)	2.26
<b>Cash flow from extraordinary operations</b>	<b>(51.80)</b>	<b>2.26</b>
Dividends	(28.72)	(22.14)
Other changes in net equity	(0.89)	(2.29)
Treasury Shares	0.06	(2.90)
<b>Change in net financial position</b>	<b>(48.19)</b>	<b>17.59</b>
Opening net financial position	86.61	104.20
Closing net financial position	134.80	86.61

# 1st Half 2009

## Sales

Million Euro	1st Half 2009	1st Half 2008	Change	%
Tea, Coffee and Herbal Tea Packaging Sector	58,8	41,1	17,7	43,1%
Pharmaceutical Packaging Sector	133,2	158,3	(25,1)	(15,9)%
Pharmaceutical Processing Sector	45,4	51,9	(6,5)	(12,5)%
<b>Total Sales</b>	<b>237,4</b>	<b>251,3</b>	<b>(13,9)</b>	<b>(5,5)%</b>

# 1st Half 2009

## Order trends

Million Euro	1st Half 2009	1st Half 2008	Var.	%
Tea, Coffee and Herbal Tea Packaging Sector	38,0	54,4	(16,4)	(30,1)%
Pharmaceutical Packaging Sector	127,1	171,5	(44,4)	(25,9)%
Pharmaceutical Processing Sector	46,2	58,8	(12,6)	(21,4)%
<b>Total Order trends</b>	<b>211,3</b>	<b>284,7</b>	<b>(73,4)</b>	<b>(25,8)%</b>

# 1st Half 2009

## EBIT

Million Euro	1st Half 2009	1st Half 2008	Change	%
Tea, Coffee and Herbal Tea Packaging Sector	24,4	17,4	7,0	40,2%
Pharmaceutical Packaging Sector	8,6	12,7	(4,1)	(32,3)%
Pharmaceutical Processing Sector	(3,4)	(1,5)	(1,9)	126,7%
<b>Total Ebit</b>	<b>29,6</b>	<b>28,6</b>	<b>1,00</b>	<b>3,5%</b>

# Consolidated income statement

**30.06.2009 vs. 30.06.2008**

IMA	1st Half 2009	%	1st Half 2008	%	change %
<i>Euro million</i>					
<b>Revenues</b>	<b>237,40</b>	<b>100,0%</b>	<b>251,30</b>	<b>100,0%</b>	<b>-5,5%</b>
Cost of sales	(134,10)	-56,5%	(151,50)	-60,3%	-11,5%
<b>Industrial gross profit</b>	<b>103,30</b>	<b>43,5%</b>	<b>99,80</b>	<b>39,7%</b>	<b>3,5%</b>
R&D costs	(14,70)	-6,2%	(12,10)	-4,8%	21,5%
Selling costs	(30,80)	-13,0%	(30,50)	-12,1%	1,0%
General and administrative costs	(28,20)	-11,9%	(28,60)	-11,4%	-1,4%
<b>EBIT</b>	<b>29,60</b>	<b>12,5%</b>	<b>28,60</b>	<b>11,4%</b>	<b>3,5%</b>
Net financial income (expense)	(6,90)	-2,9%	(2,20)	-0,9%	213,6%
Income taxes	(8,50)	-3,6%	(10,20)	-4,1%	-16,7%
Profit (loss) pertaining to minority interests	(0,30)	-0,1%	0,00	0,0%	
<b>GROUP PROFIT</b>	<b>13,90</b>	<b>5,9%</b>	<b>16,20</b>	<b>6,4%</b>	<b>-14,2%</b>
<b>EBITDA</b>	<b>36,80</b>	<b>15,5%</b>	<b>35,50</b>	<b>14,1%</b>	<b>3,7%</b>

# Consolidated balance sheet

**30.06.2009 vs. 30.06.2008**

IMA	30/06/2009	%	30/06/2008	%	31/12/2008	%
<i>Million Euro</i>						
Trade receivables	102,40		132,20		110,00	
Inventories	173,80		164,10		160,23	
Trade payables	(124,40)		(170,60)		(155,66)	
Other, net	(38,20)		(41,00)		(35,94)	
<b>Working capital</b>	<b>113,60</b>	<b>41,1%</b>	<b>84,70</b>	<b>32,8%</b>	<b>78,63</b>	<b>30,5%</b>
Property, plant and equipment	54,00		68,50		70,96	
Intangible assets	116,60		117,10		117,39	
Investments	16,50		13,30		13,21	
<b>Non-current assets</b>	<b>187,10</b>	<b>67,6%</b>	<b>198,90</b>	<b>77,1%</b>	<b>201,56</b>	<b>78,2%</b>
Provision for severance indemnities and other provisions	(24,00)		(25,60)		(22,46)	
<b>Net capital employed</b>	<b>276,70</b>	<b>100,0%</b>	<b>258,00</b>	<b>100,0%</b>	<b>257,73</b>	<b>100,0%</b>
Net debt	168,70	<b>61,0%</b>	164,30	<b>63,7%</b>	134,80	<b>52,3%</b>
Minority interests	2,80		2,50		2,90	
Group equity	105,20	<b>38,0%</b>	91,20	<b>35,3%</b>	120,03	<b>46,6%</b>
<b>Total sources of financing</b>	<b>276,70</b>	<b>100,0%</b>	<b>258,00</b>	<b>100,0%</b>	<b>257,73</b>	<b>100,0%</b>

# Outlook for 2009

- 2nd half 2009 target for IMA is to recover the order backlog compared to the position as at 30/06. There are several interesting negotiations that are currently underway.
- Assuming a market scenario such as the present one, IMA can assume that 2009 will see a slight decrease of sales and a improvement in gross operating profit (EBITDA) to around 89 million Euros.

# Disclaimers

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For further details on IMA Group reference should be made to publicly available information, including the Annual Report and the Semi-Annual and Quarterly Reports.

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