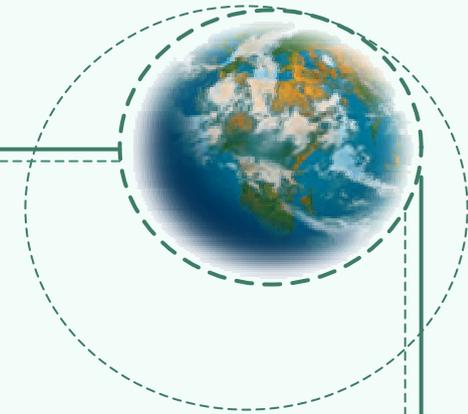


PRESENTATION TO INVESTORS

*Innovative Automatic Machine
System Solutions*



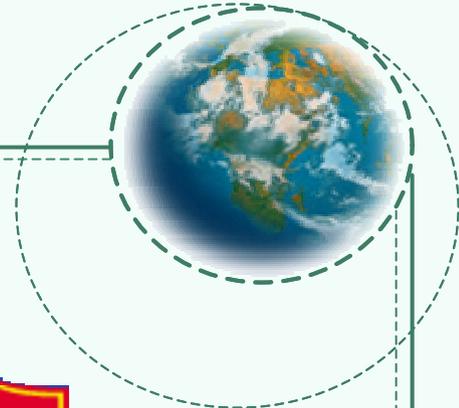
London, 25th September 2003



- **A global supplier of automatic machines for the pharmaceutical and tea industries, with highly customised solutions using state-of-the-art technology.**
- **In the pharmaceutical sector, IMA acts as system integrator of complete production systems, which can also entail acting as a main contractor.**
- **IMA's consolidated turnover in 2002 amounted to 353.4 million Euro from a diversified sales base (91.5% outside Italy) and from a wide and balanced range of products.**
- **An extensive sales and after-sales customer service network with branches in all main Countries.**
- **IMA's future growth will be driven by:**
 - **Focus on the pharmaceutical and tea sectors**
 - **Larger share in the pharmaceutical industry's process plant segment**
 - **Penetration of synergic sectors such as cosmetics**
 - **Expansion in emerging nations with high growth potential**

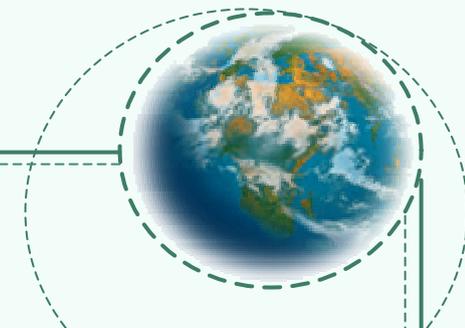


IMA: A LEADING GROUP



Some of IMA's major customers



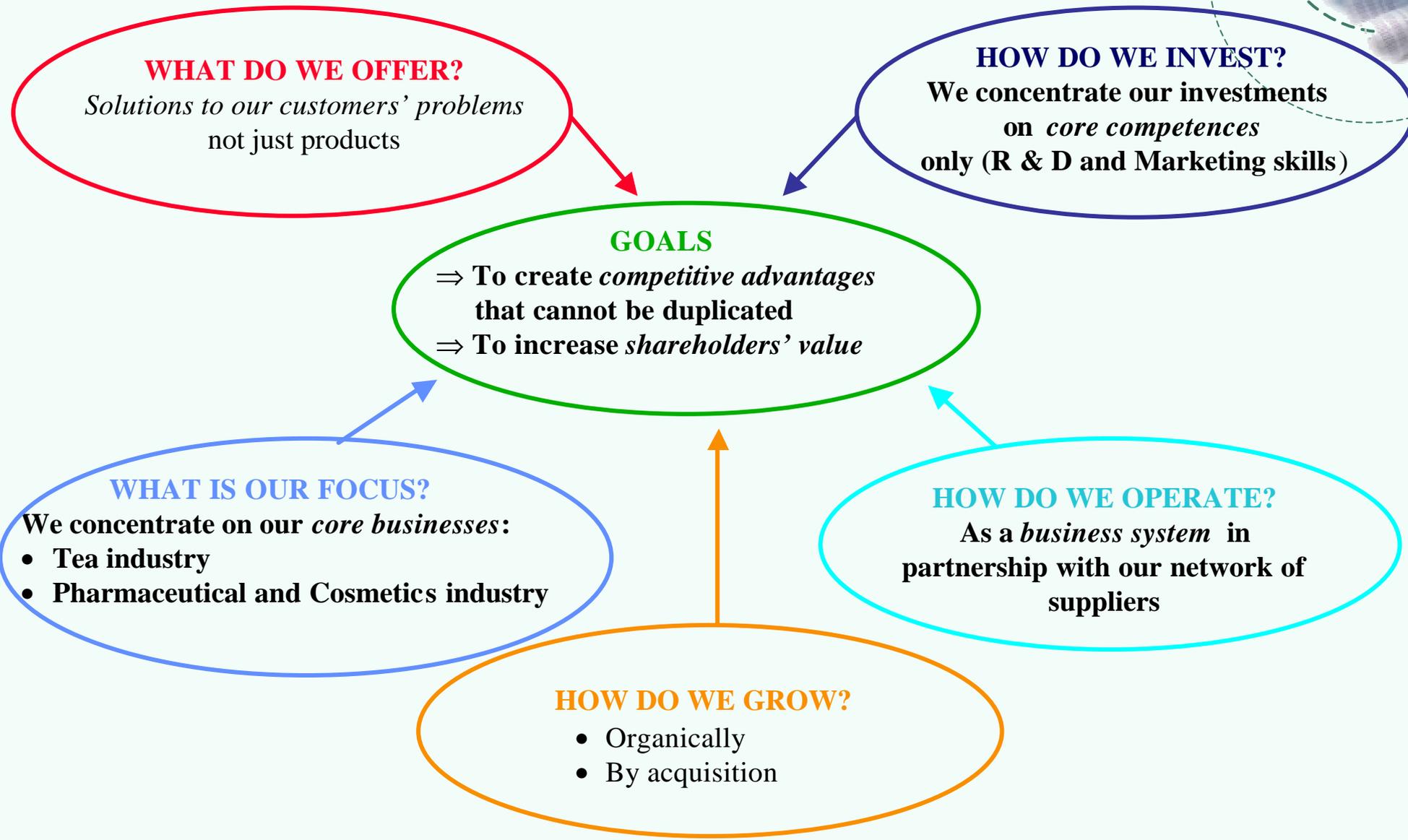
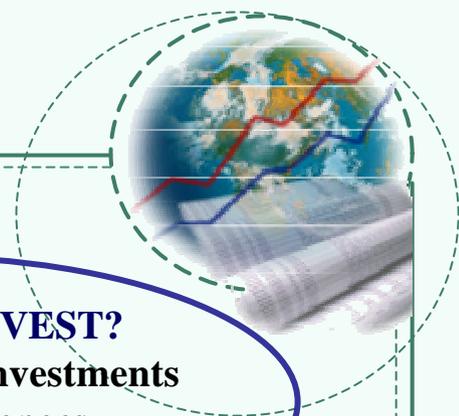


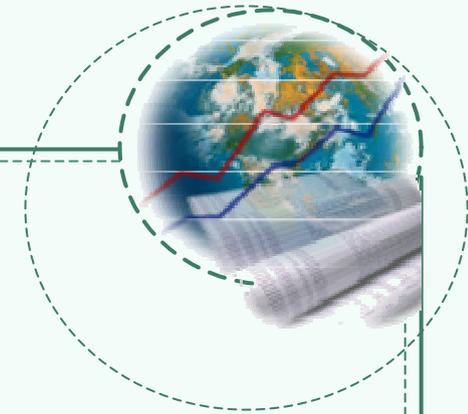
COMPETITIVE ADVANTAGES

- **Leading-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**





WHAT DO WE OFFER?

- IMA doesn't present itself to its customers as a simple *supplier of products*, but rather as a Company that understands their *problems* and provides the best solution at all times:

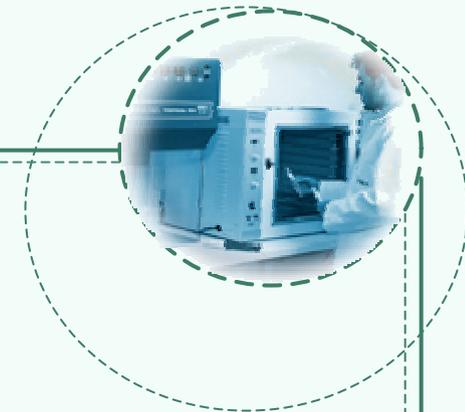
from product supplier to solution provider

This is possible thanks to

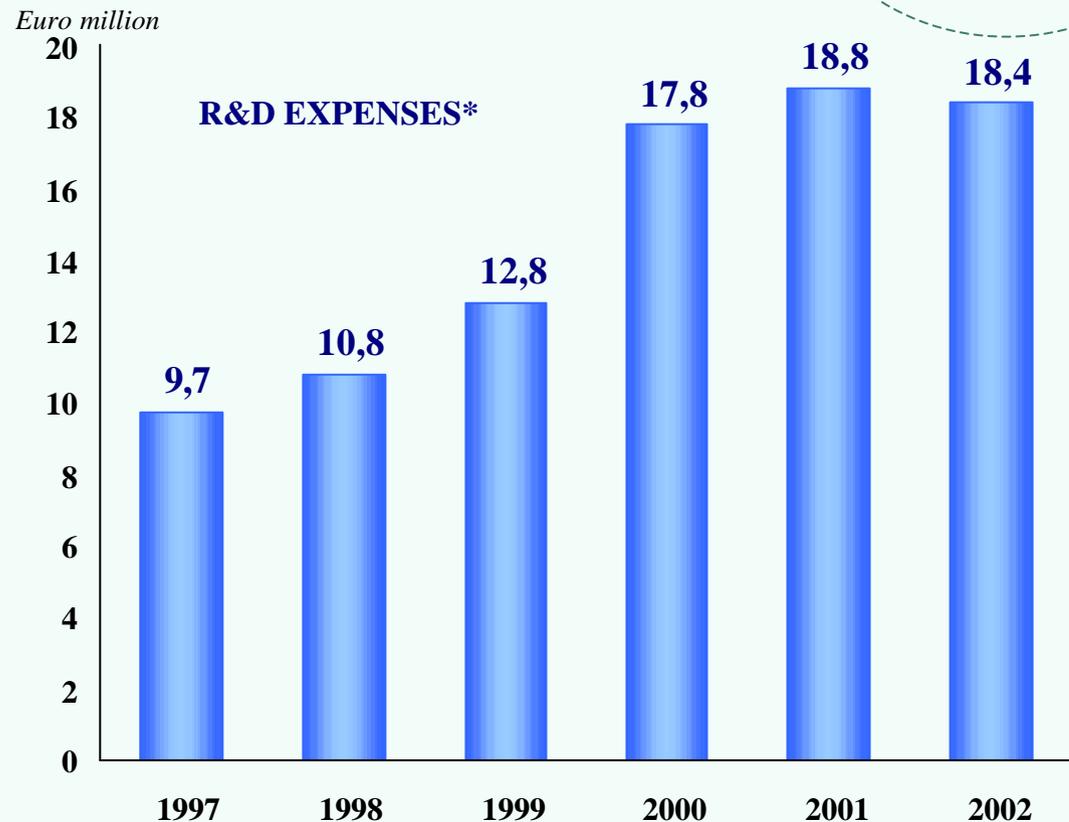
- *a nucleus of product marketing specialists*, with strong emphasis on problem solving, in continuous contact with the customer to study every aspect of his production problems so as to identify the specific solutions that best satisfy his requirements;
- *an R. & D.* and product engineering organization employing more than *380 designers and engineers* specializing in various technologies (mechanics, electronics, oil pressure, software, air pressure, material science, etc...). Experts who translate the demands of product marketing into product and line designs that exploit the most advanced technological solutions available;
- *an extensive after-sales organization*, composed of highly specialized engineers, constantly in contact with the customer to guarantee maximum efficiency of the systems supplied.

IMA's INVESTMENTS IN CORE COMPETENCES

Innovation and state-of-the-art technology



- IMA strong commitment to R&D ensures future growth and strengthens our competitive advantage
- More than 380 engineers and project developers work in IMA's R&D labs
- More than 570 registered patents.
- More than 30 new products launched in the last two years.
- 2002: €18.4 million (-2.2% on 2001) .



% of sales:	1997	1998	1999	2000	2001	2002
	4,9	4,9	5,4	6,1	5,6	5,2

CAGR 1997-2002 +13.7%

* Fully charged in the first year

IMA's INVESTMENTS IN CORE COMPETENCES

Extensive customer service network

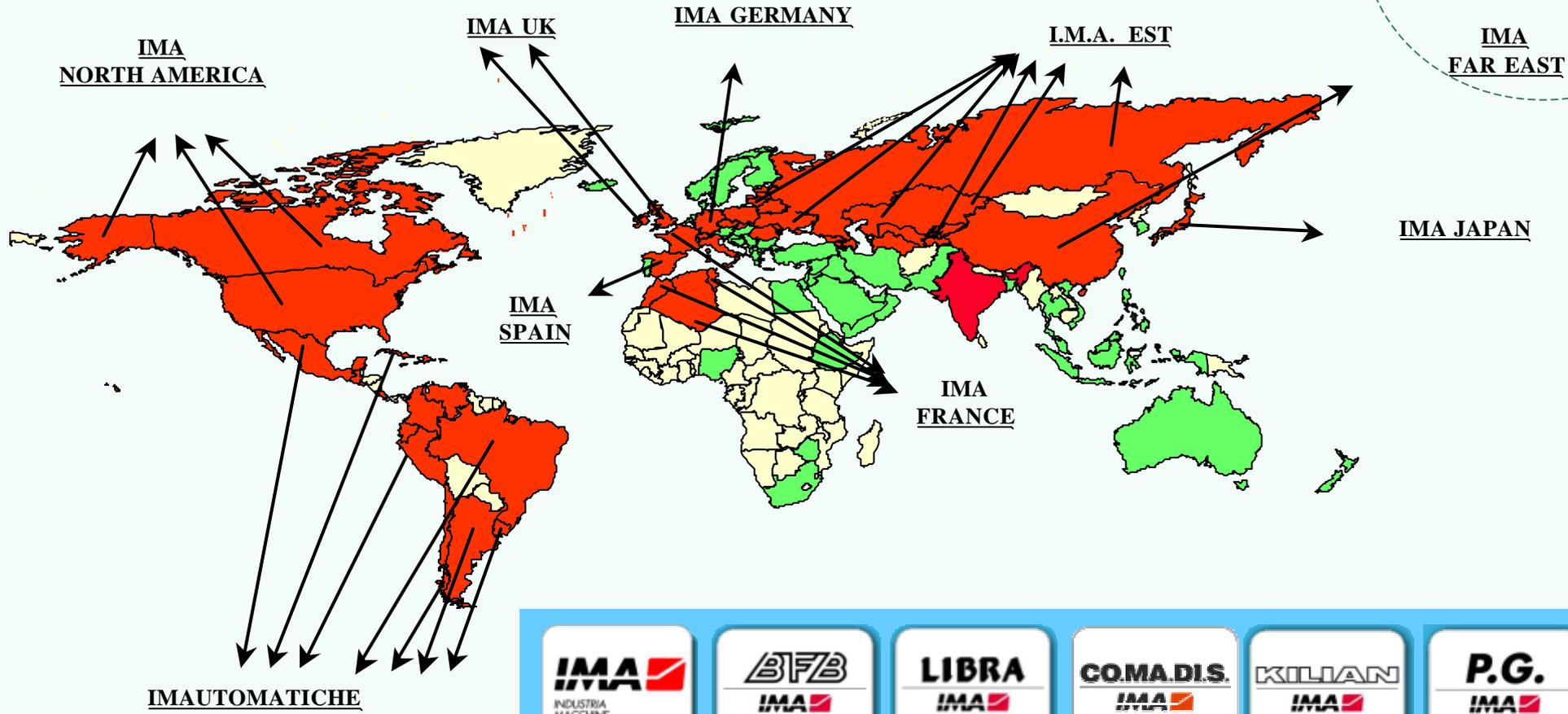
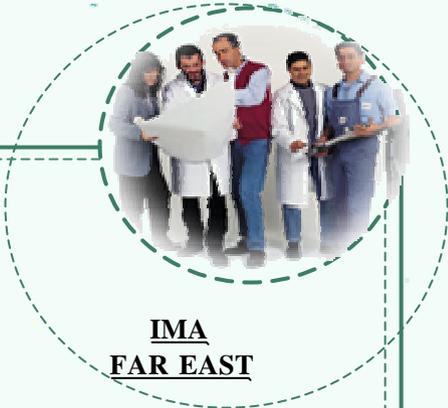


- **Direct presence in 16 countries.**
- **A strong presence in emerging markets with high potential (India and China).**
- **Effective pre-sales and after-sales organization, made possible by economies of scale.**
- **IMA uses joint ventures and alliances with local companies in specific markets to bridge cultural differences (Japan, India, China).**

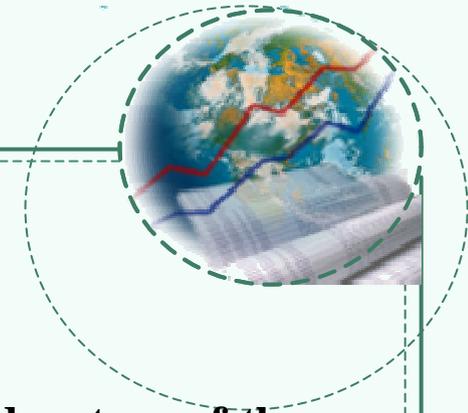


IMA CORE COMPETENCES:

Extensive customer service network



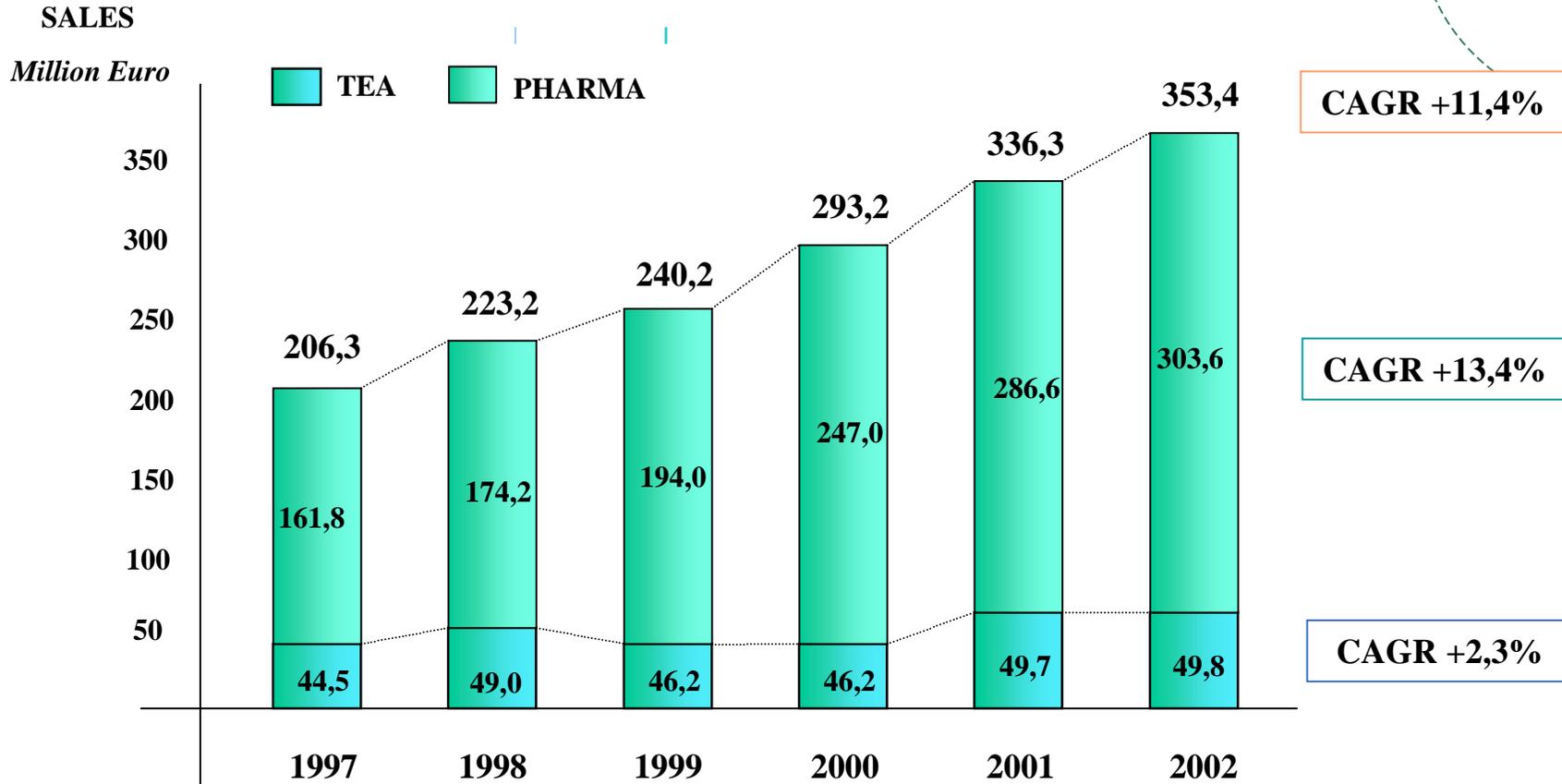
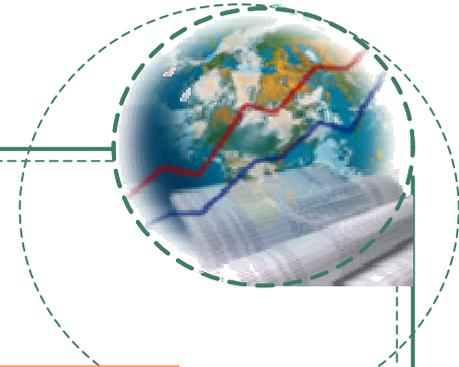
- IMA Sole Agencies (Export Pharma agencies & Export Solid Dose Dpts)
- IMA Subsidiaries



- **Consolidate our leadership position in the field of *tea-bag machines*, taking advantage of the huge opportunities deriving from a steady switch to tea-bags in the Far East (China, Japan and India).**
- **Grow strongly in the *pharmaceutical sector*: expanding our range of products particularly in processing machinery; becoming global supplier of equipment, turn key plants and services.**
- **Boost our presence in the *cosmetics sector*.**
- **Take advantage of the ongoing sector *consolidation*, also through acquisitions.**
- **Strong commitment to *emerging* and high-potential markets.**

SALES TREND

(1997-2002)



Ebit IMA 2002: 13,3%

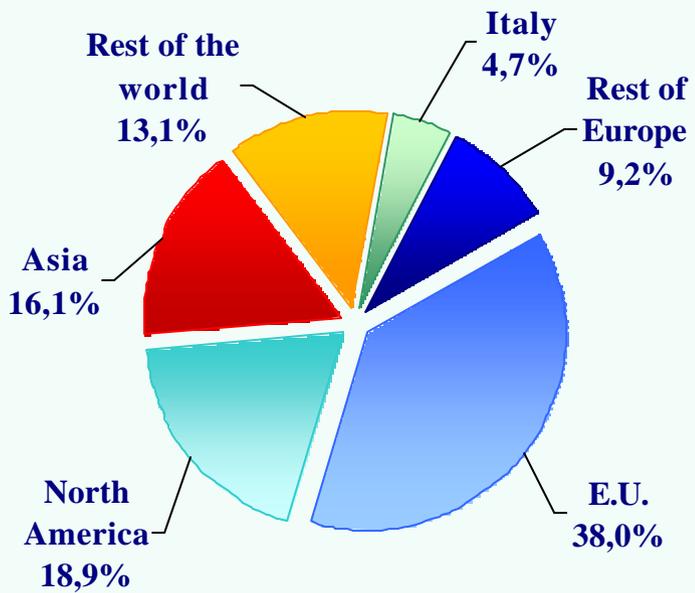
Ebit Tea: 25,4%

Ebit Pharma: 11,3%

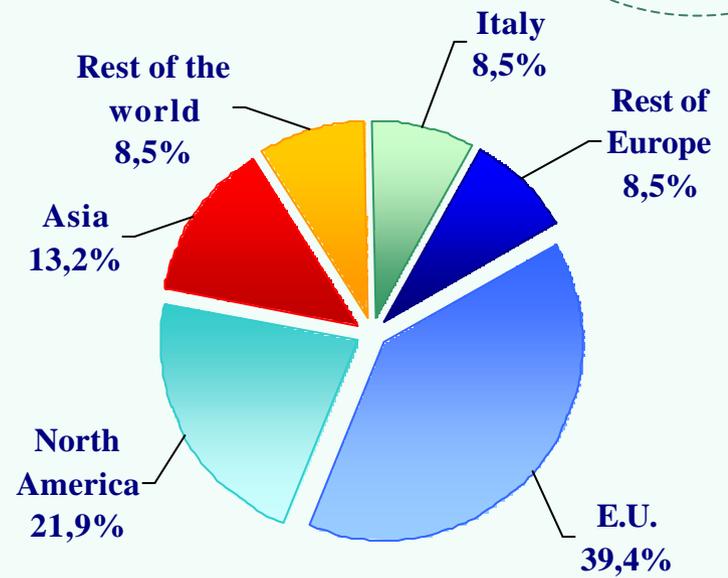
SALES BALANCED DISTRIBUTION



2001



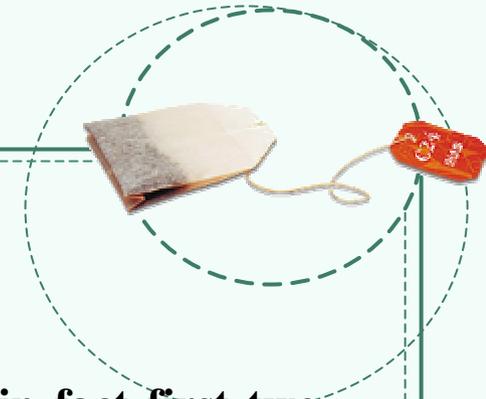
2002



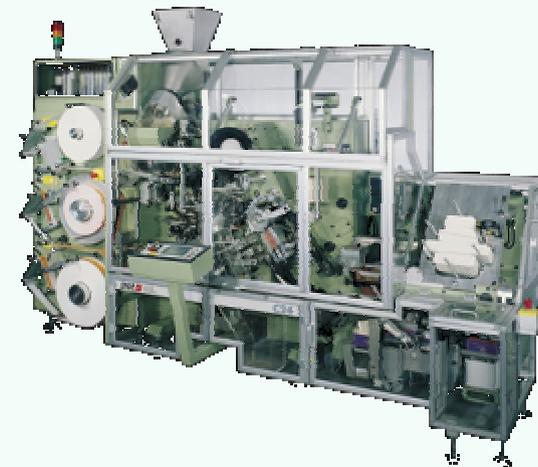
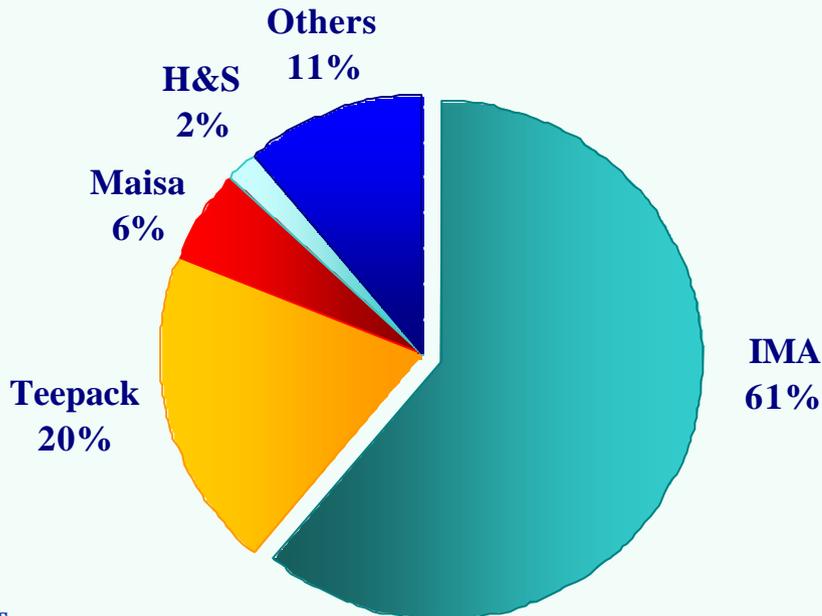
Sales in 2002: €353.4 million
Exports: 91.5%

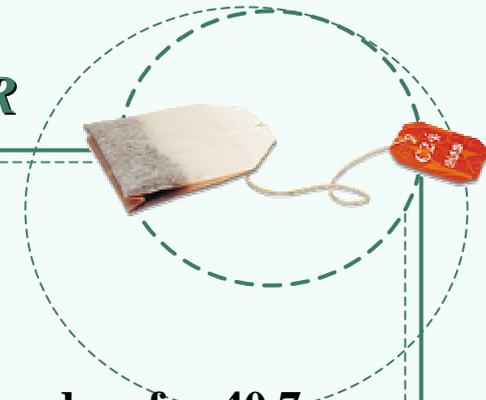


MARKET LEADER IN TEA-BAG MACHINES...



- The world market for tea bag machinery is estimated at Euro 80 million.
- Tea bag machinery sector is characterised by an high level of concentration, in fact first two players cover more than 80% of the market.
- IMA has a leading position with a market share of 61%.
- The second player Teepack belongs to a Group (Teekanne) which produces and sells teabags (brand name: Teekane, Pompadour, etc.).





In the first six months of 2003, the Tea sector of the IMA Group acquired new orders for 40,7 mln. Euro, compared with 26,9 from the first six month of 2002 (+52%), and that is due to:

- **Eastern European countries continuing to invest strongly in the Tea industry;**
- **The decision taken by several European multinationals to replace their installed machines with IMA new models;**
- **Exclusive development and supply agreements for innovative solutions with multinational groups.**

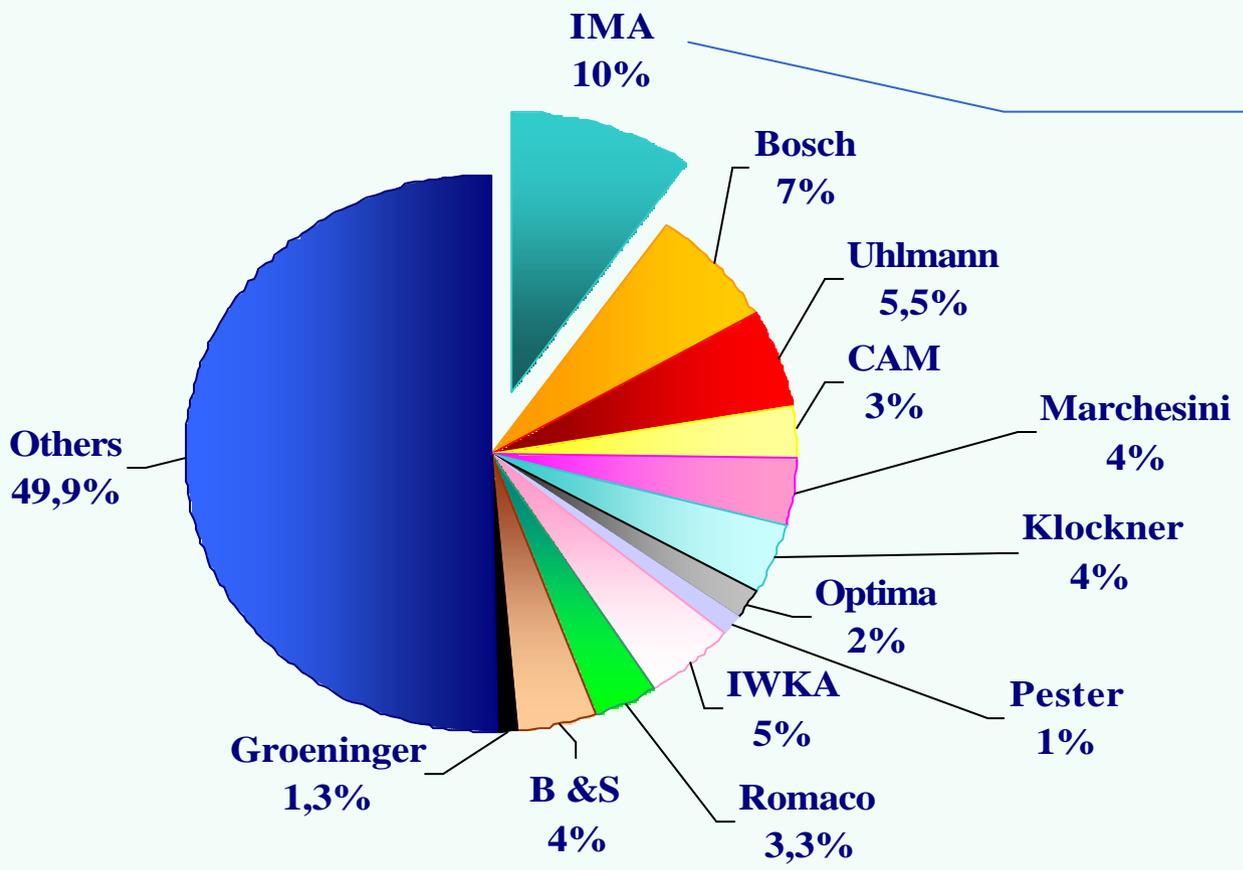
The nature of these relations, which are long term, allows us to forecast not only that 2003 and 2004 will show high growth rate, but also that the prospects for the years to come will definitely be positive.



LEADER IN PHARMA PACKAGING...

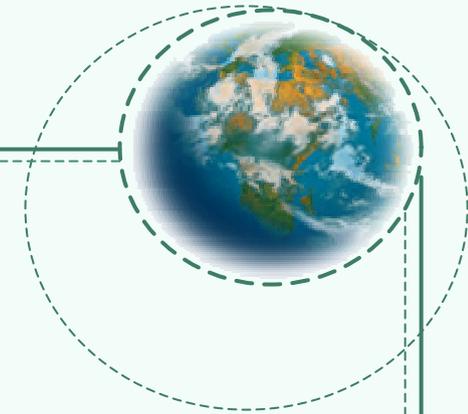


In the individual sectors that it serves, IMA has the following market shares (*):



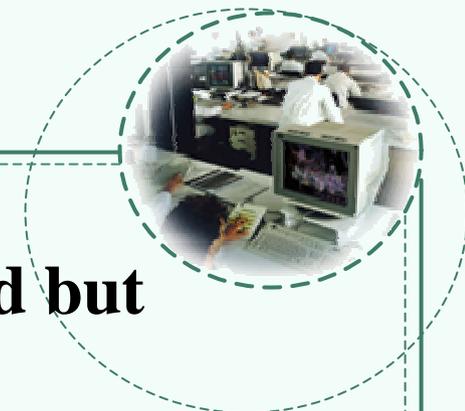
MARKET	MKT SHARE
Blister	28%
Sterile filling	20%
Non-sterile filling	14%
Cartoning	10%
End of line	20%

* Company estimate



- **World sales of processing equipment for the pharmaceutical industry is estimated to be over €2,000 million**
- **In the last two years, IMA's sales in this segment have risen from €35 to 95.3 million**
- **IMA has already achieved world leadership in machines for the production of capsules (market share 33%), tablets (27%) and for coating machines (17%)**
- **We now intend to expand through acquisition into another important segment: powder processing equipment**





The era of robust growth moderates to 8%, solid but under pressure as key economies stagnate

WORLD AUDITED MARKET	2002		% GROWTH Constant \$	
	US\$ Bil	% Share	2002	Cagr 97-01
Latin America	16,5	4,1	-10,4	+0,6
Asia/Africa/Australia	31,8	7,9	+10,6	+9,9
Japan	46,9	11,7	+1	+3,5
Europe (All)	102,4	25,5	+8,1	+7,6
North America	203,6	50,8	+11,7	+14,2
Worldwide	401,2	100,0	+8,2	+9,5
10 Key Markets	336,5	83,8	+9	+10,5



Ten Key markets represent 84% of the world

USA
+11,5%
\$ 195,6

Canada
+14,5%
\$ 8,0

Japan
+1%
\$ 46,9

China Hospital
+ 8,4%
\$ 4,9

Mexico
+ 9,5%
\$ 6,1

+9,0%
10 Key Markets
\$ 336,5

+7,4%
Major Europe
\$ 75,0

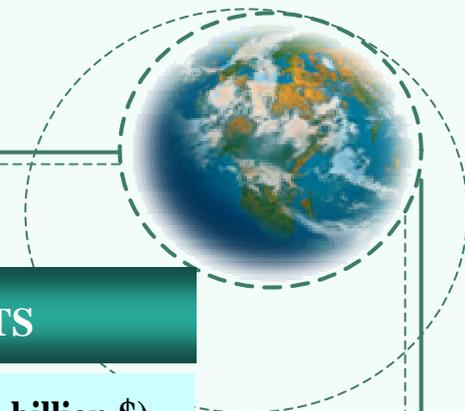
Germany
+ 8,0%
\$ 20,3

France
+ 4,0%
\$ 19,2

UK
+ 11,4%
\$ 13,7

Italy
+ 5,2%
\$ 13,2

Spain
+ 11,0%
\$ 8,7



THE FIRST 10 COMPANIES

	(in billion \$)
Pfizer/Pharmacia	41,7
GlaxoSmithKline	27,9
Merck & Co.	20,0
Johnson & Johnson	18,6
Astra Zeneca	18,1
Novartis	16,6
Aventis	14,3
Bristol-Myers-Squibb	14,3
Roche	12,5
Wyeth	11,7

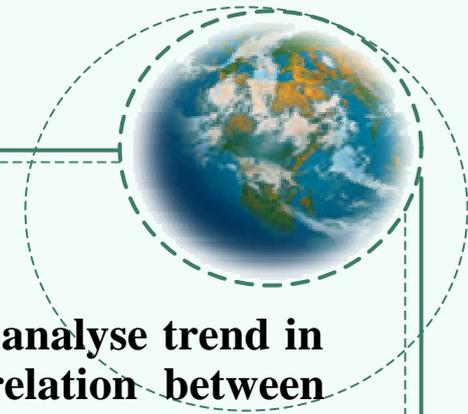
THE FIRST 10 PRODUCTS

	(in billion \$)
Lipitor (Pfizer/W.L.)	8,0
Zocor (Merck & Co.)	5,6
 Losec/Prilosec (Astra Zeneca)	4,6
Procrit (Johnson&Johnson)	4,3
Norvasc (Pfizer)	3,8
Zyprexa (Eli Lilly)	3,7
Seroxat/Paxil (GSK)	3,2
Orgasto/Prevacid (Abbott)	3,1
Celebrex (Pfizer/Pharmacia)	3,1
Zoflot (Pfizer)	2,7

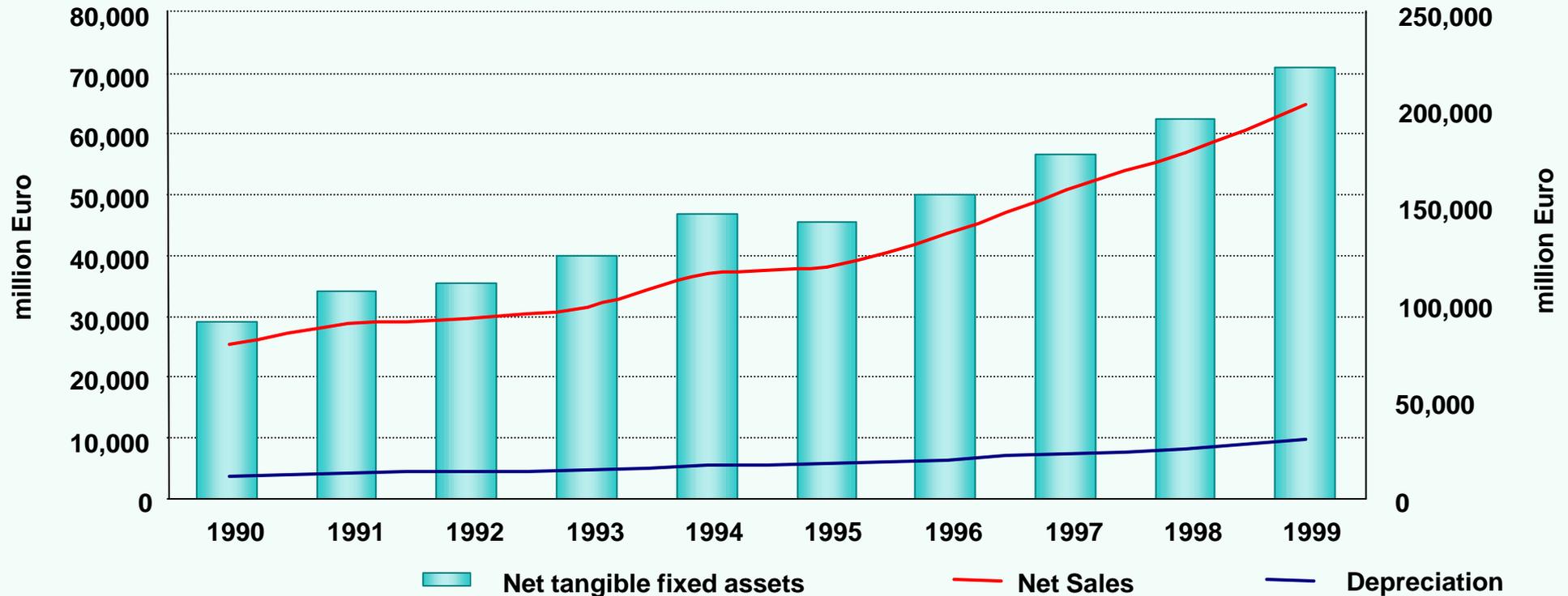
Source: IMS HEALTH, Global Pharmaceuticals Review, 2003

- **The first 10 companies have a turnover of 195.7 billion \$ equal to the 48.8% of the total market (401,3 billion \$)**
- **The cost of sales is below 20% while on patented products it is even lower than 15%**

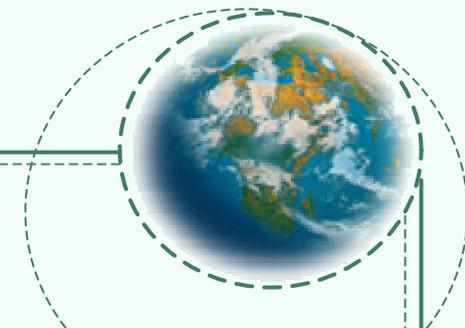
DRUG SALES = EQUIPMENT INVESTMENTS



In order to understand evolution of pharma machinery industry, it's necessary to analyse trend in drugs sales, in fact in pharmaceutical market there is a strong positive correlation between investments in fixed equipment and drug consumptions.

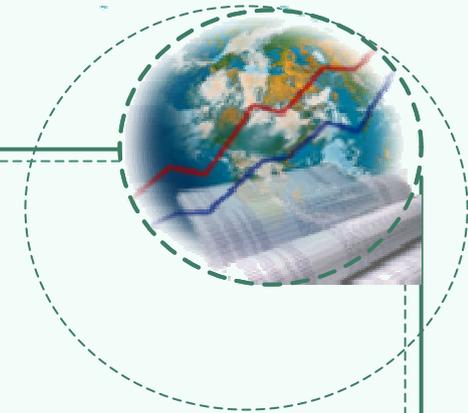


The sample covers more than 65% of the total sales of the world pharmaceutical industry



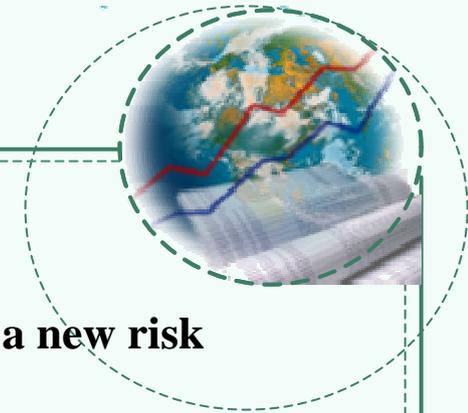
GROWTH RANGE (CAGR 1990/1999)	Europe	USA	TOTAL
NET SALES	7.8%	12.9%	11.0%
NET TANGIBLE FIXED ASSETS	8.9%	11.6%	10.4%
DEPRECIATION	11.7%	13.4%	11.7%

The above data show a strong link in sales, fixed asset expenditures and depreciation. Therefore, the sales trend in the pharmaceutical market is a reasonable “proxy” for the trend in expenditure on “plant & equipment”.

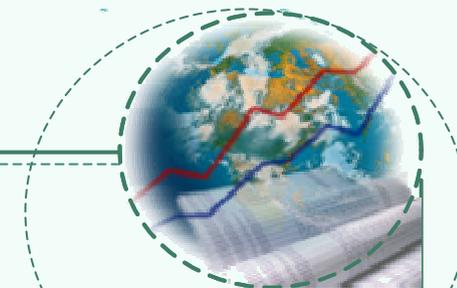


- **In 2002, the pharmaceutical industry invested approximately USD 54 bln. in Research and Development**
- **Sales and Marketing expenses in the same year made up more than 15% of sales**
- **Capital expenditures in productions and packaging machinery accounted for approximately 1% of sales, but are critical element that may jeopardise investments in R&D and Sales & Marketing**

MANUFACTURING FOCUS



- **Increased Regulatory focus on pharma manufacturing practices has become a new risk factor for drug manufacturers.**
- **In recent years the FDA has stepped up intensity of manufacturing inspections and enforcement actions;**
- **GMPs are regulations mandated by the FDA that describe the methods, equipment, facilities, and controls for producing drugs. Companies that do not adhere to GMPs are subject to legal action under the auspices of the Federal Food, Drug and Cosmetic Act.**
- **Schering-Plough was the highest-profile case in 2001; the consent decree fines could exceed \$500 million, and Clarinex approval was delayed a year;**
- **Lilly's manufacturing difficulties have slowed new drug approvals;**
- **Pharmacia has received nine manufacturing warning letters in recent years;**
- **Merck has received several warning letters, and has been subject to a few recalls and vaccine supply shortages**



Despite the fact that the pharmaceutical industry does not reflect economic cycles and despite its increased “manufacturing focus”, 2003 is turning out to be an unsatisfactory year for our sector.

INDEED

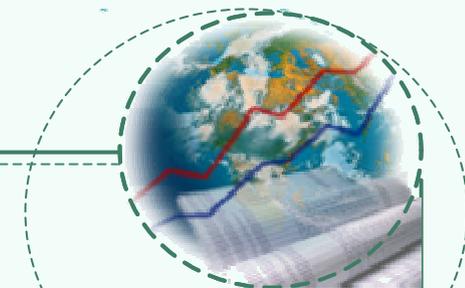
Extraordinary recent world events have had repercussions even on the pharmaceutical industry

NOW HOWEVER

We have reason to believe that most of these events are “behind us” and that we will see considerable development linked to IMA’s stronger position.

PHARMA INDUSTRY SCENARIO:

THE ECONOMIC CRISIS



- The long-lasting economic crisis in the OECD area has caused a slump in growth in the pharmaceutical industry starting from the 2nd quarter 2002:

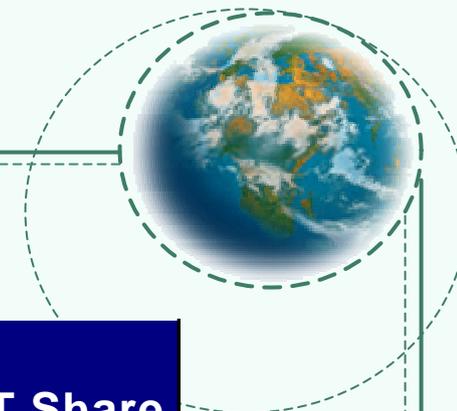
Pharma sales: % growth year-over-year (constant dollar)

	North America	Europe	Japan	Total World
2000 over 1999	14%	8%	3%	10%
2001	17%	10%	4%	12%
2002	12%	8%	1%	8%
2003 (6months)	11%	5%	1%	7%

- In the last three months (starting from May 2003) drug sales have been recovering;
- The most up-to-date forecasts confirm a CAGR of 9-11% for the five-year period 2003-2007

PHARMA INDUSTRY SCENARIO:

DRUGS CONSUMPTION



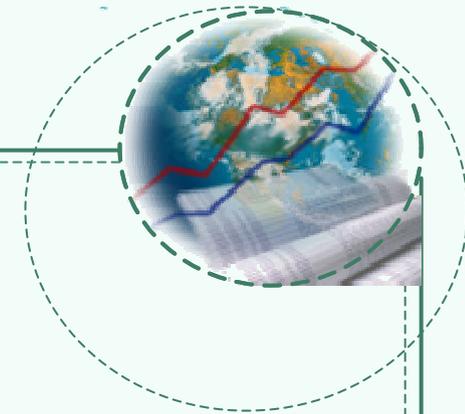
USD bln.	Annual Sales		CAGR	MKT Share in 2007
	2002	2007		
USA	195,6	346,3	12,1%	65,5%
Canada	8,1	14,9	13,0%	2,8%
Italy	13,2	19,5	7,6%	3,7%
France	19,0	24,5	5,2%	4,6%
Germany	20,3	28,5	6,7%	5,4%
UK	13,7	21,5	9,5%	4,1%
Belgium	2,8	3,7	5,6%	0,7%
Spain	8,7	13,6	9,3%	2,6%
Japan	46,9	50,1	1,3%	9,5%
Australia	3,7	5,8	9,3%	1,1%
TOTAL 12 Countries	332,0	528,4	9,8%	100,0%

Source: IMS HEALTH, Pharma-Prognosis International 2003-2007

Note: Sales cover direct and indirect pharmaceutical channel purchases from pharmaceutical wholesalers and manufacturers in 10 key international markets. Figures include prescription and certain over-the-counter data, and represent manufacturer prices.

PHARMA INDUSTRY SCENARIO:

LATIN AMERICA AND SARS

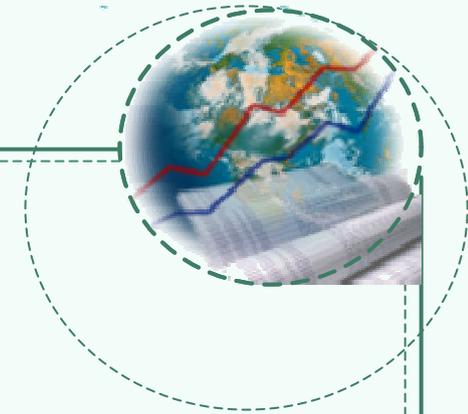


- **Drug sales in Latin America have continued to be low. In these countries, pharmaceutical sales dropped by 10% in 2002 compared with 2001 and there was a further drop of 13% in the first six months of 2003**

- **In the first half of the year, the SARS epidemic blocked negotiations in China and also had a negative influence on other South-East Asian countries.**

PHARMA INDUSTRY SCENARIO:

THE WAR IN IRAQ



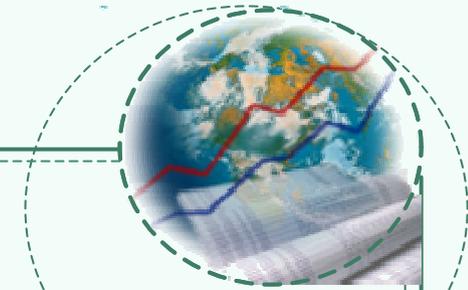
The war in IRAQ, preceded by much preparation and uncertainty:

- **Blocked the Middle Eastern markets, which in previous years had become an important sales area for our Group.**
- **Many UK and USA companies postponed their purchasing decisions during the conflict;**

Orders from Middle East are now recovering considerably

PHARMA INDUSTRY SCENARIO:

THE WEAKENED USD



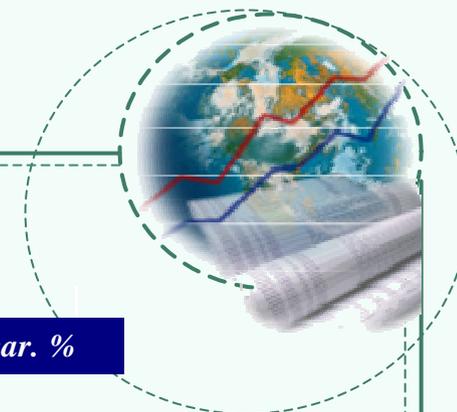
- **In the last twelve months, the US dollar has dropped drastically against the Euro, losing approximately 7% in the second half of 2002 and a further 15% between December 2002 and June 2003;**
- **IMA has adjusted the price lists in dollars according to the changing exchange rate;**
- **Hedging against exchange risks is done at IMA on new orders, not new offers, which normally account for 6/8 months's sales.**

THEREORE

- **Sales and margins in dollars over the first six months of 2003 were affected by the drop in the second half of 2002, just as those of the July-December period 2003 will reflect the effects of the further drop that occurred in the first six months**
- **It can now be said that the effects of the weakened dollar on new offers are “behind us”, unless it drops even more.**

CONSOLIDATED PROFIT & LOSS STATEMENT

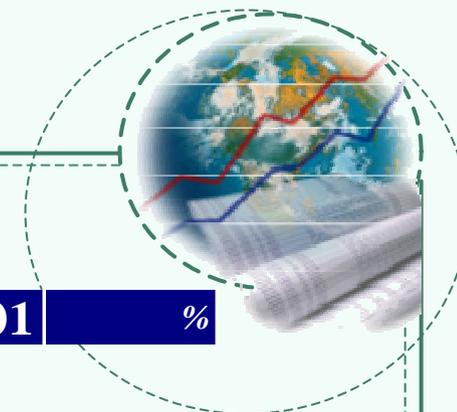
Full Year 2002 vs 2001



IMA	2002	%	2001	%	var. %
<i>Million Euro</i>					
Net sales	353,41	100,0%	336,30	100,0%	5,1%
Cost of sales	(193,35)	-54,7%	(179,50)	-53,4%	7,7%
Research & Development expenses	(18,38)	-5,2%	(18,81)	-5,6%	-2,3%
General & administrative expenses	(45,12)	-12,8%	(42,90)	-12,8%	5,2%
Selling expenses	(44,37)	-12,6%	(45,71)	-13,6%	-2,9%
EBITA	52,20	14,8%	49,38	14,7%	5,7%
Amortization of goodwill	(5,08)	-1,4%	(4,51)	-1,3%	12,6%
EBIT	47,12	13,3%	44,87	13,3%	5,0%
Net financial charges	(4,25)	-1,2%	(6,48)	-1,9%	-34,4%
Other	0,95	0,3%	0,20	0,1%	375,0%
Income taxes	(18,98)	-5,4%	(17,85)	-5,3%	6,4%
Minority interests	(0,40)	-0,1%	(0,30)	-0,1%	33,3%
NET INCOME	24,43	6,9%	20,44	6,1%	19,5%
EBITDA	62,16	17,6%	59,32	17,6%	4,8%

CONSOLIDATED BALANCE SHEET

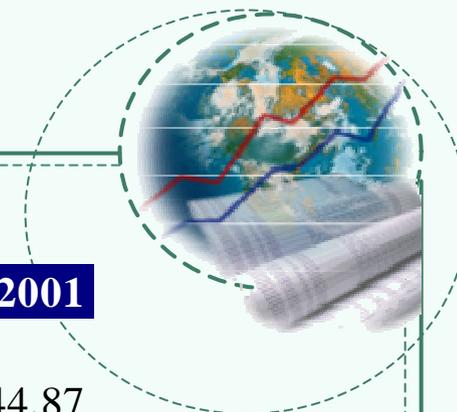
Full Year 2002 vs 2001



IMA	2002	%	2001	%
<i>Million Euro</i>				
Trade receivables	95,92		109,02	
Inventories	114,93		89,23	
Trade payables	(101,88)		(83,97)	
Other, net	(24,02)		(29,77)	
Net working capital	84,96	48,2%	84,51	48,4%
Intangible fixed assets	48,85		53,47	
Tangible fixed assets, net	50,32		44,37	
Investments	6,55		6,45	
Total fixed assets	105,71	59,9%	104,30	59,7%
Severance indemnities & other	(14,25)		(14,15)	
Net employed capital	176,42	100,0%	174,66	100,0%
Net debt	67,25	38,1%	75,14	43,0%
Minority interests	2,31		2,54	
Group share of net equity	106,86	60,6%	96,97	55,5%
All sources	176,42	100,0%	174,66	100,0%

CONSOLIDATED CASH FLOW

Full Year 2002 vs 2001



IMA - CASH FLOW	2002	2001
<i>Million Euro</i>		
EBIT	47,12	44,87
Depreciation and amortization	9,97	9,94
Amortization of goodwill	5,08	4,51
Capital expenditure	(16,36)	(15,49)
Change in working capital	(0,45)	(1,49)
Change in other assets/liabilities	0,10	2,17
Operating cash flow	45,45	44,51
Net financial charges	(4,25)	(6,48)
Extraordinary items	0,86	0,21
Income taxes	(18,98)	(17,85)
Cash flow from operations	23,07	20,40
Acquisitions	0,00	(15,07)
Cash flow from extraordinary operations	0,00	(15,07)
Dividends	(12,92)	(8,36)
Other changes in net equity	(2,26)	(0,11)
Change in net financial position	7,89	(3,15)
Opening net financial position	75,14	72,00
Closing net financial position	67,25	75,14

CONSOLIDATED PROFIT & LOSS STATEMENT

Half Year 2003 vs Half Year 2002



IMA	1st H 2003	%	1st H 2002	%	change %
<i>Million Euro</i>					
Net sales	143,72	100,0%	136,25	100,0%	5,5%
Cost of sales	(85,90)	-59,8%	(74,90)	-55,0%	14,7%
Research & development expenses	(9,58)	-6,7%	(9,48)	-7,0%	1,1%
General & administrative expenses	(21,21)	-14,8%	(22,90)	-16,8%	-7,4%
Selling expenses	(23,24)	-16,2%	(21,10)	-15,5%	10,2%
EBITA	3,79	2,6%	7,88	5,8%	-51,9%
Amortization of goodwill	(2,55)	-1,8%	(2,39)	-1,8%	6,8%
EBIT	1,24	0,9%	5,49	4,0%	-77,4%
Net financial charges	(0,42)	-1,9%	1,00	0,7%	<i>n.s.</i>
Other	(0,27)	-0,2%	(0,33)	-0,2%	<i>n.s.</i>
Minority interests	(0,10)	-0,1%	(0,08)	-0,1%	<i>n.s.</i>
EBT	0,45	0,3%	6,08	4,5%	<i>n.s.</i>
EBITDA	8,82	6,1%	12,81	9,4%	-31,1%

EBIT COMPARISON



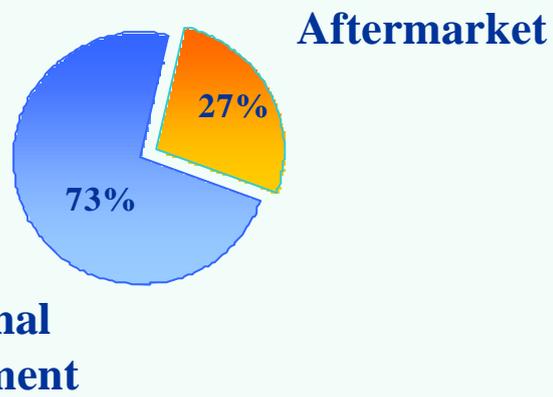
Δ EBIT June 2003 vs. June 2002 (4,3) mln. Euro

Mainly due to:

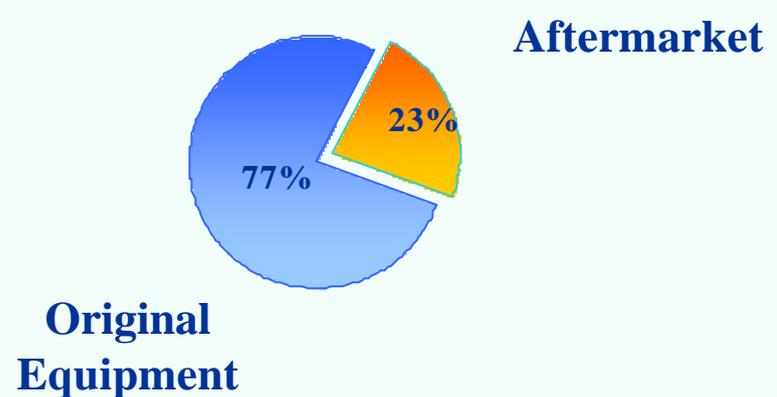
- Weaker USD (3,0) mio €
- **Different sales mix** (1,0) mio €
- Other (0,3) mio €



SALES 1H 2002

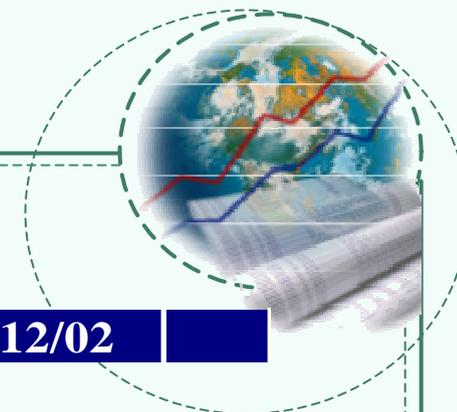


SALES 1H 2003



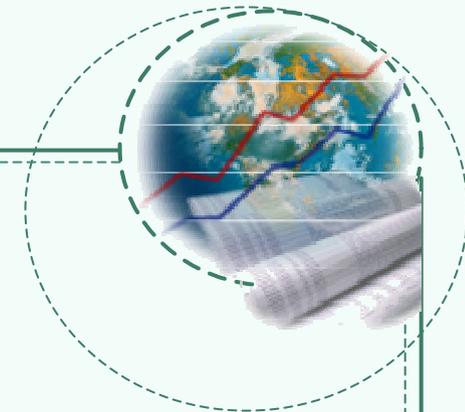
CONSOLIDATED BALANCE SHEET

Half Year 2003 vs 2002



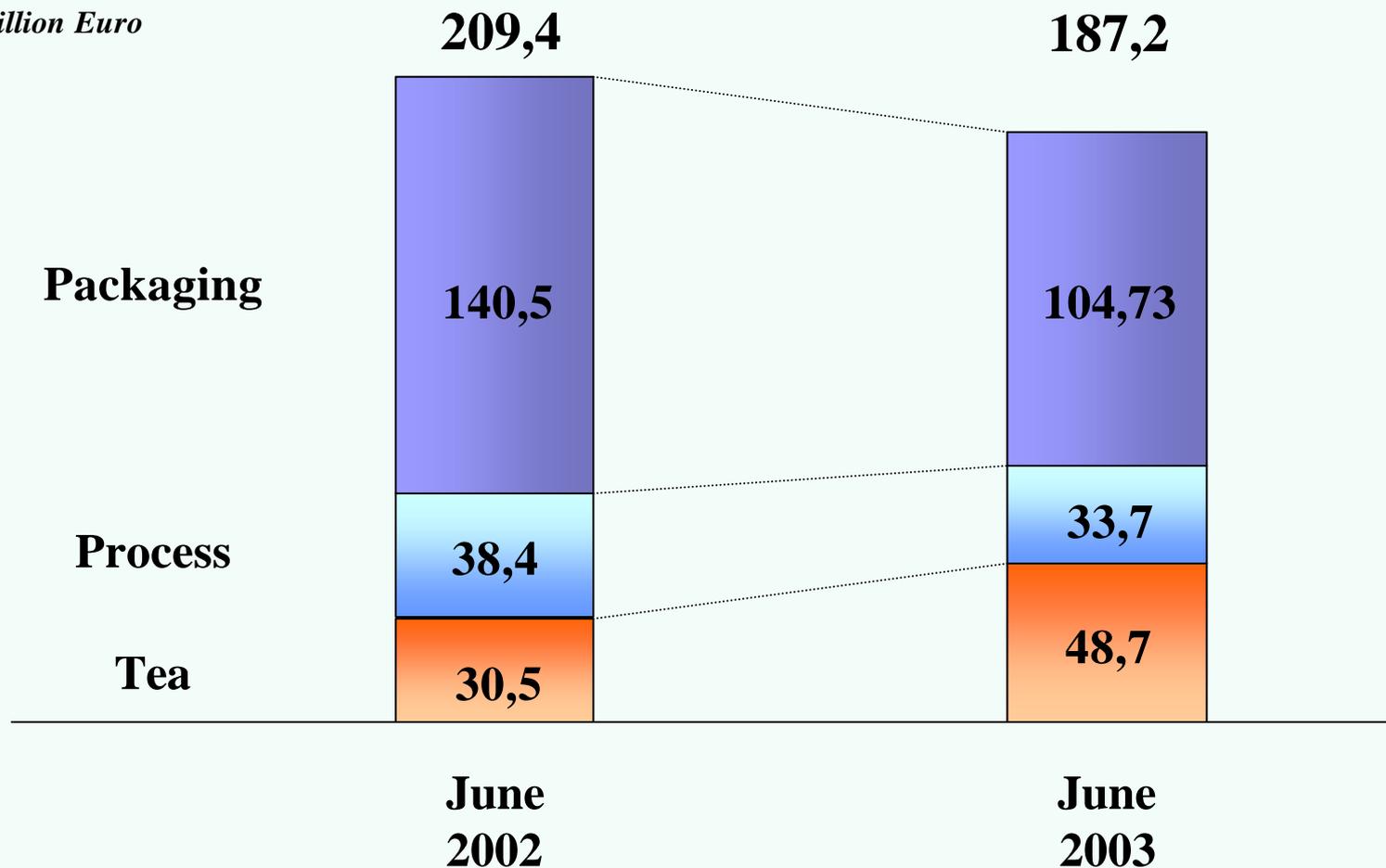
IMA	30/06/03		30/06/02		31/12/02	
<i>Million Euro</i>						
Trade receivables	73,79		78,32		95,92	
Inventories	134,30		125,13		114,93	
Trade payables	(94,83)		(102,95)		(101,88)	
Other, net	(20,79)		(25,61)		(24,02)	
Net working capital	92,46	51,2%	74,89	46,1%	84,96	48,2%
Intangible fixed assets	50,87		51,71		48,85	
Tangible fixed assets, net	45,37		43,87		50,32	
Investments	6,94		6,55		6,55	
Total fixed assets	103,18	57,1%	102,12	62,9%	105,71	59,9%
Severance indemnities & others	(15,05)		(14,61)		(14,25)	
Net employed capital	180,60	100%	162,40	100%	176,42	100%
Net debt	85,77	47,5%	71,38	44,0%	67,25	38,1%
Minority interests	2,29		2,07		2,31	
Group share of net equity	92,55	51,2%	88,95	54,8%	106,86	60,6%
All sources	180,60		162,40		176,42	

BACKLOG COMPARISON



A weaker year-over-year backlog, but.....

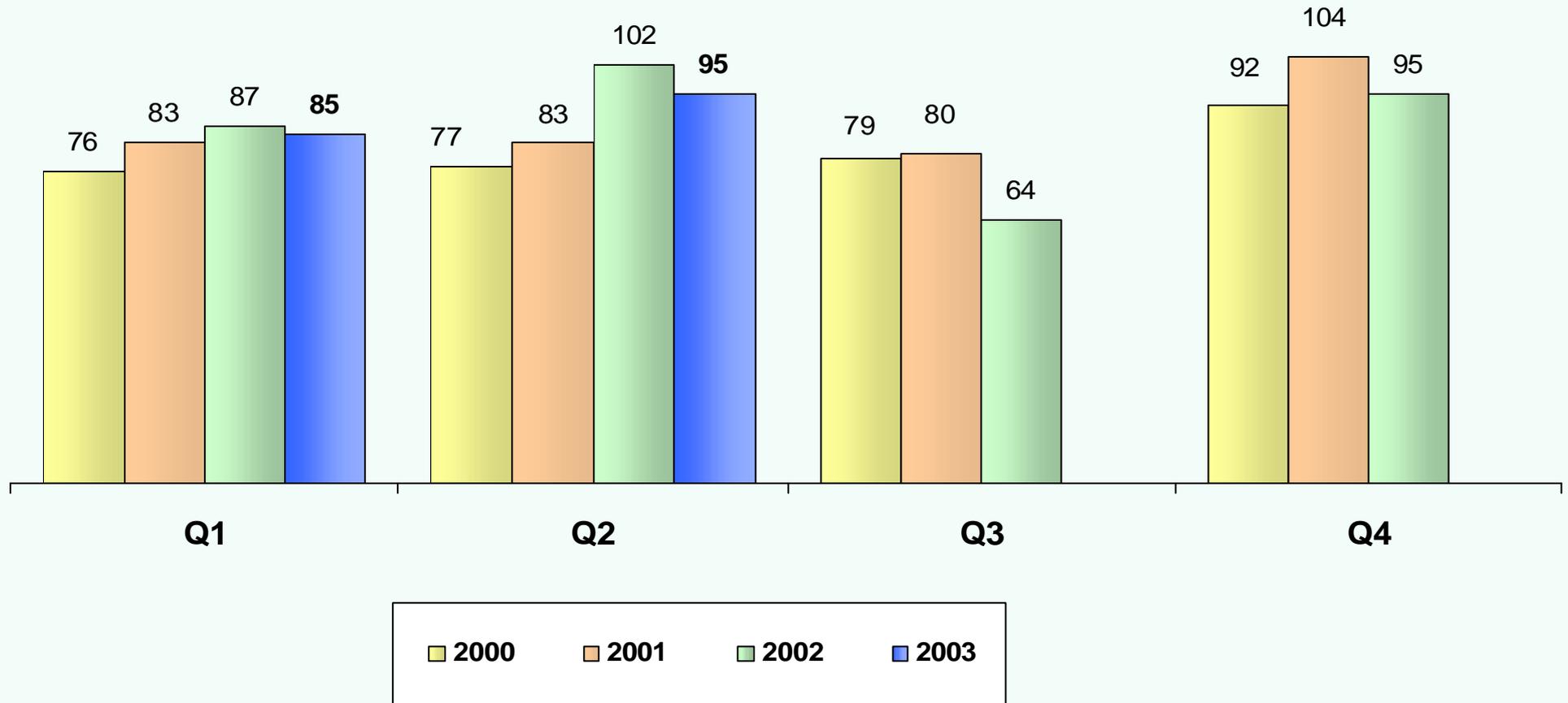
Million Euro



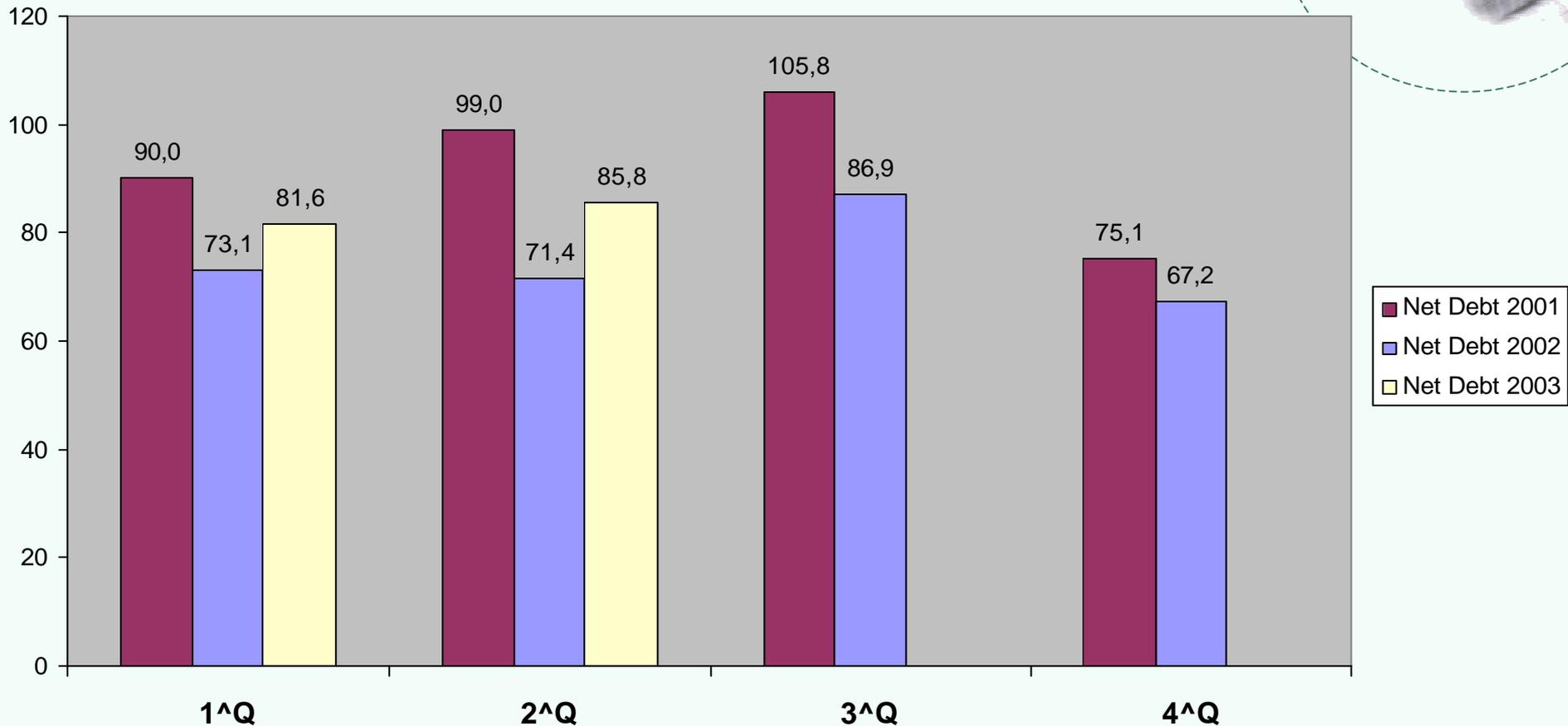
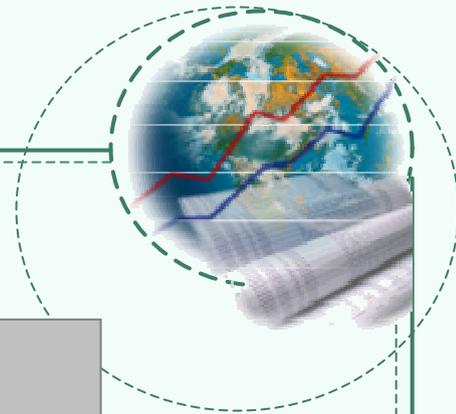


ORDER INFLOW

.....a good order intake in the first and second quarter considering the US \$ weakness



NET FINANCIAL DEBT TREND



Net financial debt at the end of June 2003 is mainly affected by high inventory at the beginning of year (which have been partially absorbed during the period) as well as payments of capital expenditures made in the latter months of 2002. At the end of August Net financial debt has been reduced to a lower level than in August 2002.



ALWAYS
A STEP AHEAD

INDUSTRIA
MACCHINE
AUTOMATICHE