PRESENTATION TO INVESTORS

Innovative Automatic Machine
System Solutions

March 2003

THE IMA GROUP

- 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
INDUSTRIA MACCHINE AUTOMATICHE

IMA: A LEADING GROUP

Some of IMA's major customers

Pharma

MERCK
gsk GlaxoSmithKline
Boehringer Ingelheim
Aventis
Pfizer
Roche
Bristol-Myers Squibb Company
NOVARTIS
AstraZeneca

Tea

Unilever
Lipton
TWININGS
Sara Lee
Tetley
LAURENS SPETHMANN HOLDING
AKTIENGESELLSCHAFT & Co.
Del Monte Quality
BIGELOW

IMA: A WORLD LEADER

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

IMA INDUSTRIA MACCHINE AUTOMATICHE

OUR MARKETS

PHARMACEUTICAL
Defensive and growing industry

- Fast growing demand for medicines, both in OECD and in emerging markets
- For 2002 - 2006 the expected CAGR of retail sales for medicines is 9-11% * (excluding health food)
- Industry concentration in big multinationals, but without dominant players
- The demand for machines is not *price sensitive* and it is oriented towards proven suppliers able to offer *global solutions*

TEA-BAG
A growing "cash cow" niche

- The core tea consuming markets are gradually shifting to tea-bags (Russia, Turkey, India, Far East, etc.)
- Accelerated substitution of installed machines by new machines of higher productivity
- It is the marketing strategy and not the price that drives the competition among the big players in the tea industry
- The machinery demand is driven by the suppliers' ability to manufacture reliable equipment and innovative packages

** Source: IMS Global Pharma*

THE PHARMACEUTICAL INDUSTRY (in 2001)

THE FIRST 10 COMPANIES	(in billion $)
Pfizer/Pharmacia	37,5
GlaxoSmithKline	24,8
Merck & Co.	20,2
AstraZeneca	16,5
Aventis	15,7
Bristol Myers-Squibb	15,3
Johnson & Johnson	14,8
Novartis	11,9
Wyeth	10,9
Eli Lilly	10,8

Source: LEHMAN BROTHERS

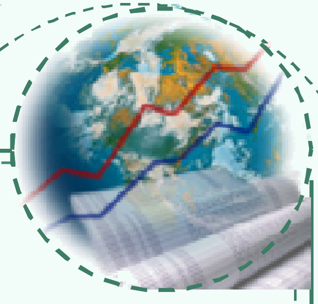
THE FIRST 10 PRODUCTS	(in billion $)
Lipitor (Pfizer/W.L.)	7,0
Losec/Prilosec (AstraZeneca)	6,1
Zocor (Merck & Co.)	5,3
Norvasc (Pfizer)	3,7
Ogastro/Prevacid (Abbott)	3,5
Zyprexa (Eli Lilly)	3,2
Celebrex (Pfizer)	3,1
Erypo (Procrit/Eprex) (J&J)	2,9
Seroxat/Praxil (GSK)	2,8
Vioxx (Merck & Co.)	2,6

Source: IMS HEALTH, Pharma-Prognosis International 2002-2006

- **The first 10 companies have a turnover of 178.4 billion $ equal to the 48.9% of the total market (364.2 billion $)**
- **The cost of sales is below 20% while on patented products it is lower than 15%**

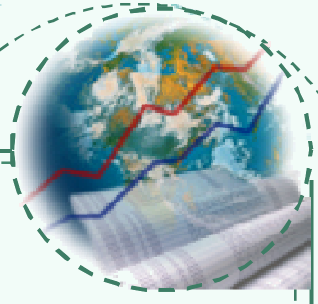
INDUSTRIA MACCHINE AUTOMATICHE

PRINCIPAL CHANGES IN THE 2002 SCENARI0



- **The slowdown in the world economy has also affected the pharmaceutical industry, reducing its growth rate (+8% in 2002 vs. +12% in 2001)**
- **Considerable decline in capital investment by the North American health food industry**
- **Collapse in investment by Latin American countries (Argentina, Brazil, Mexico, etc.)**
- **Approval of new pharmaceuticals by the FDA postponed**
- **Weaker US dollar from 2nd half 2002**
- **The climate of uncertainty caused by the war against Iraq is tending to delay replacement investment decisions.**

IMA's APPROACH TO THIS NEW SCENARIO



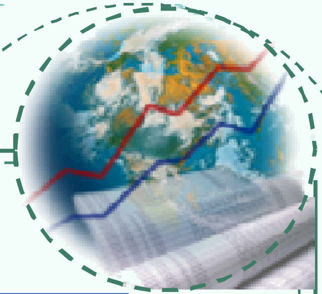
- **Strong growth in sales in North America (+29.5% in US$, +22% in €) gaining market share thanks to the success of the new products and the investments made in the sales organisation**

- **Strong growth in the European Union (+17.7%)**

- **Sales +35% in China**

- **Sharp decline in sales in Central-South America (-44%) and in the Middle East (-29%)**

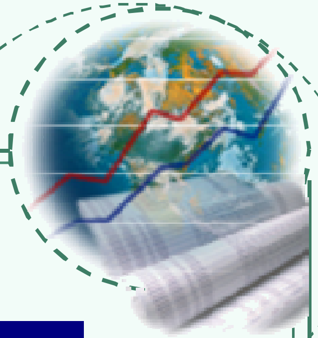
- **The higher cost of sales due to the "learning curve" of new products and a weakening dollar has been offset by a lower proportion of R&D and sales & marketing costs**



THE IMA GROUP ENDED 2002 EVEN STRONGER THAN BEFORE AND ITS PROSPECTS ARE EXCELLENT, THOUGH THE CURRENT UNCERTAINTIES SUGGEST A CERTAIN CAUTION FOR 2003

- Higher market shares in North America and Europe thanks to the success of the new products and the investments made in the sales organisation, guaranteeing growth in the future
- A recovery in investment by the pharmaceutical industry in those countries that have "suffered" the most in the last two years will give an extra boost to sales growth
- Excellent prospects in China and Russia
- An upswing in the world economy will lead to fresh investments by the tea industry in the West
- With completion of the product renewal cycle, R&D expenditure will fall below 5% of sales
- Sales & marketing and administrative expenses will grow significantly less than sales in percentage terms (operating leverage), as the process of reinforcement these structures is now over

CONSOLIDATED PROFIT & LOSS STATEMENT

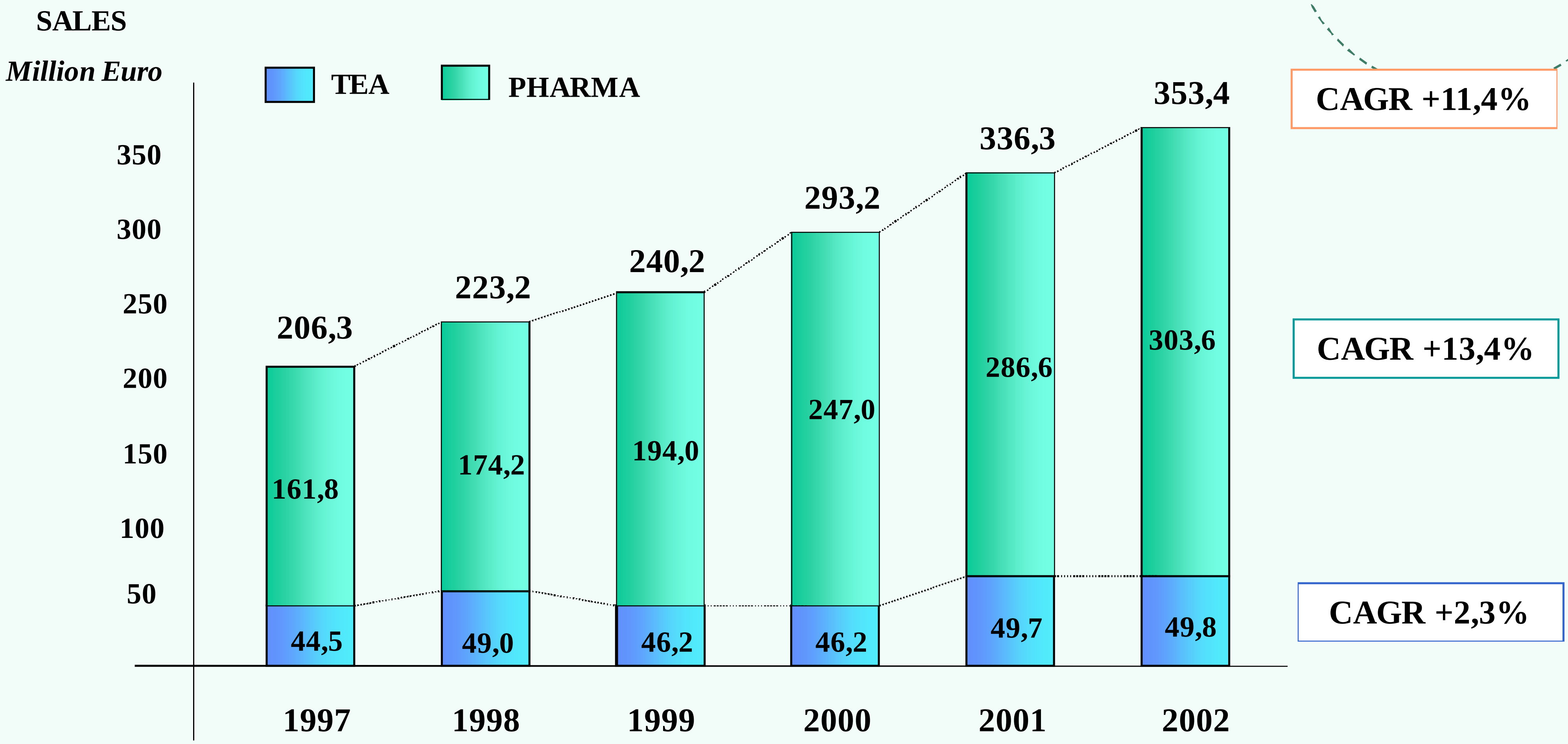


Full Year 2002 vs 2001

IMA	2002	%	2001	%	var. %
Million Euro					
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%*

SALES TREND

(1997-2002)

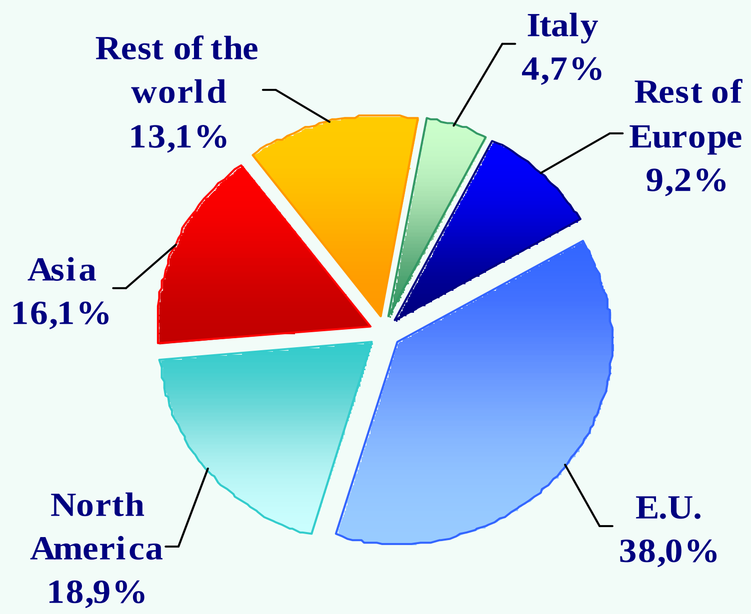


2002 % Change vs. 2001: Tea +0.0 % - Pharma +5.9%

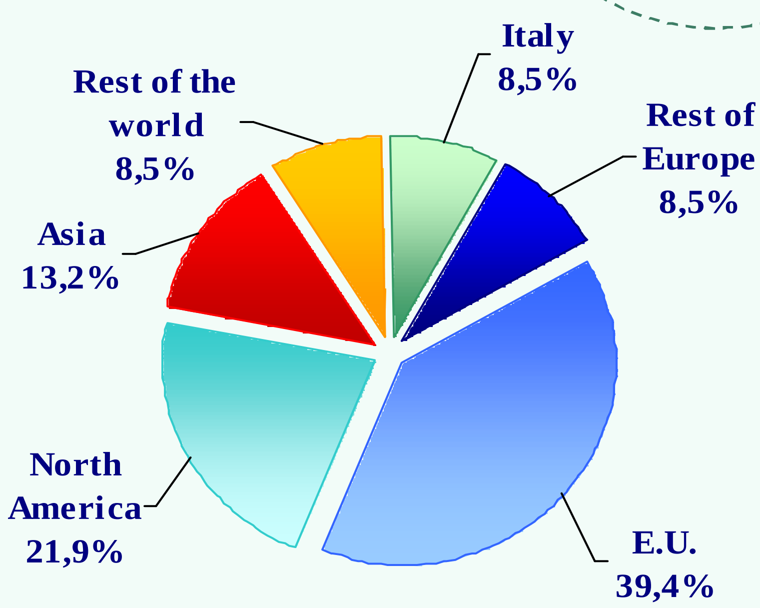
INDUSTRIA MACCHINE AUTOMATICHE

SALES BALANCED DISTRIBUTION

2001



2002



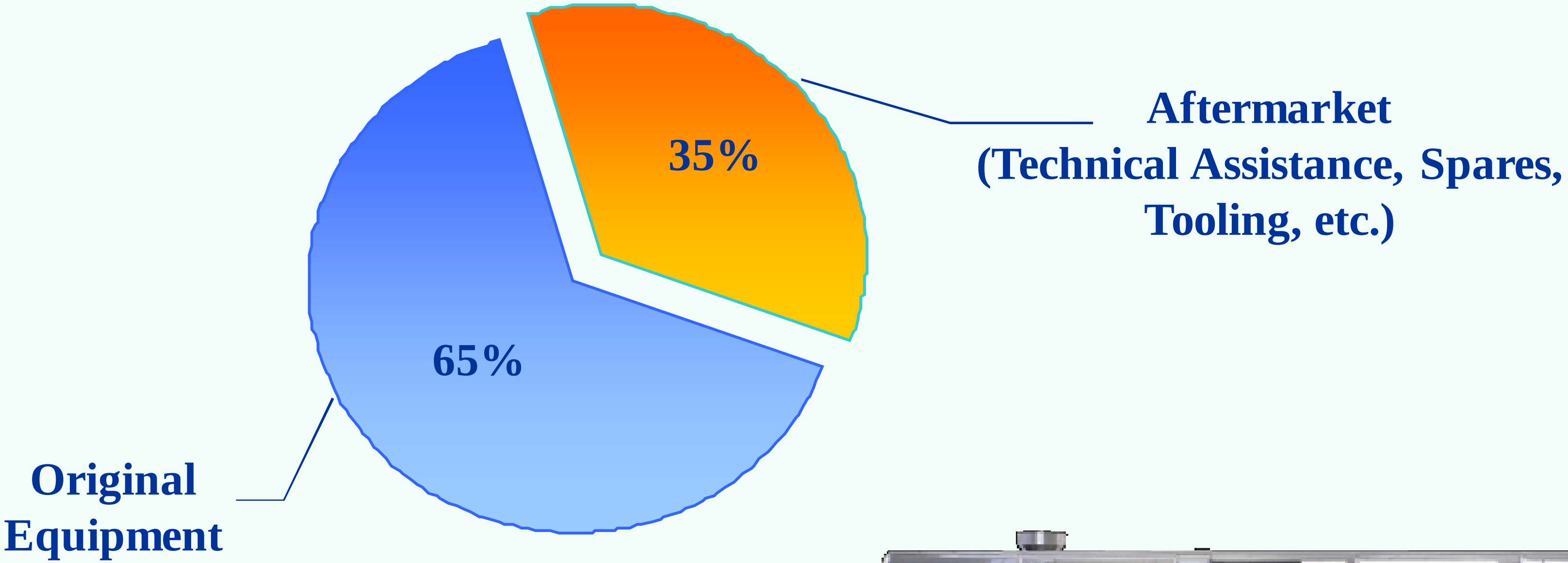
Sales in 2002: € 353.4 million
Exports: 91.5%

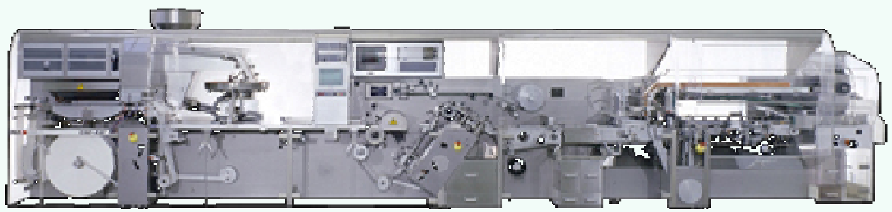
SALES ACCORDING TO THE GEOGRAPHICAL AREA

Million Euro

	2002	2001	var. %
European Union	169,2	143,7	17,7%
Other European Countries	30,0	31,1	-3,5%
North America	77,5	63,5	22,0%
Japan	6,8	6,5	4,3%
China	11,5	8,5	35,8%
India	4,4	5,1	-13,9%
Other Asia and Middle East	23,9	33,7	-29,3%
Central-South America	16,9	30,3	-44,2%
Other Areas	13,1	13,8	-5,1%
TOTAL	**353,4**	**336,4**	5,1%

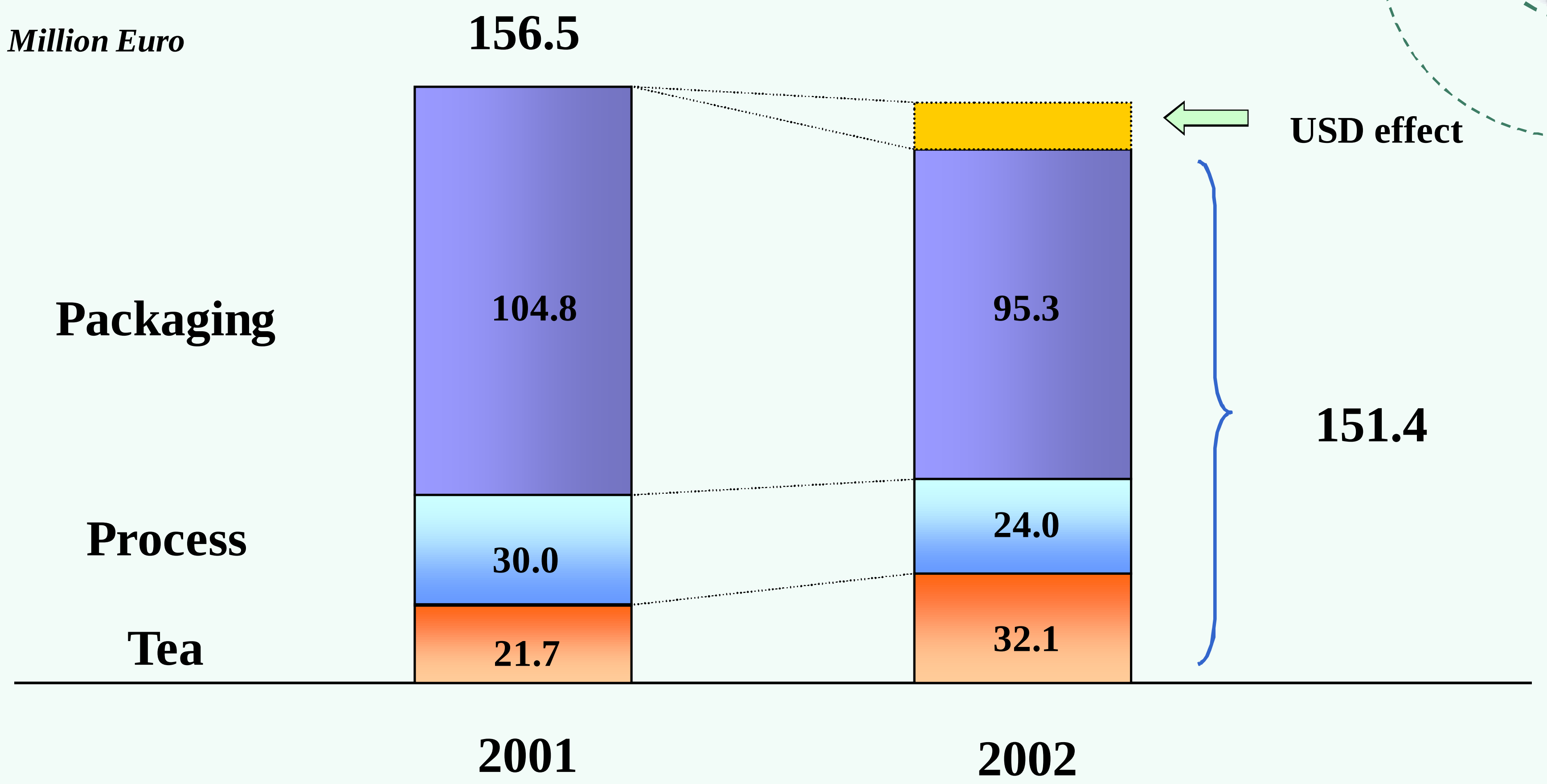
SALES 2002


35%
Aftermarket
(Technical Assistance, Spares,
Tooling, etc.)
65%
Original
Equipment



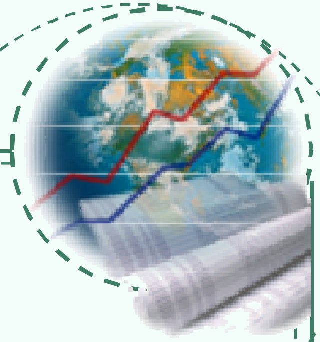
ORDER BOOK AS OF DECEMBER 31, 2002

Comparison 2002 – 2001



Analysing the order book using the same exchange rates as in 2001 would give a very similar figure to the previous year's; and, in any case, given the numerous negotiations currently in progress, we are expecting good growth in 2003 compared with 2002.

THE FOREIGN EXCHANGE BALANCE AND THE IMPACT OF THE US DOLLAR ON PROFITABILITY



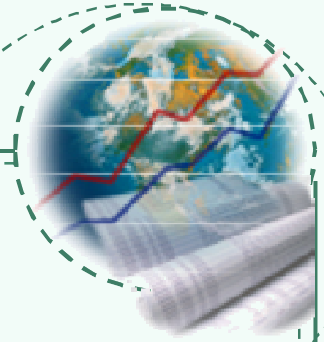
The foreign exchange balance in 2002 and 2001 was as follows:

Million USD

	2002	**2001**
Net sales	80,2	85,1
Cost of sales	(15,6)	(14,2)
Net	**64,6**	**70,9**
Ave.exch. rate	0,9327	0,8877

In 2001 there were sales of 12 million USD in the Middle East (a special contract) and 2 million USD in South America, neither of which were repeated in 2002. But dollar sales on the US market have in fact increased by around 29%.

THE FOREIGN EXCHANGE BALANCE AND THE IMPACT OF THE US DOLLAR ON PROFITABILITY



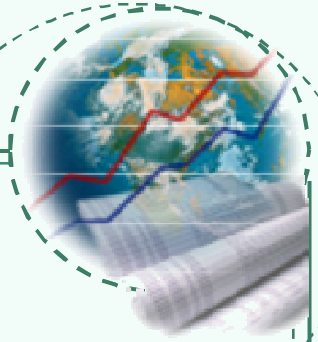
The difference between the average hedging rates in the two years would have had a negative nominal effect of 3.5 million euro at the level of sales and EBIT. But adjustments to USD list prices in July 2002 are thought to have reduced the impact to 2.5 million euro.
So at constant exchange rates, the results for 2002 would have been as follows:

Million euro

2002	
Net sales	355,9
EBIT	49,6
% of sales	13,9%

This confirms the profit forecasts made at a time when the foreign exchange situation was undoubtedly more stable.

RSEARCH AND DEVELOPMENT COSTS



HISTORICAL TREND

Million euro

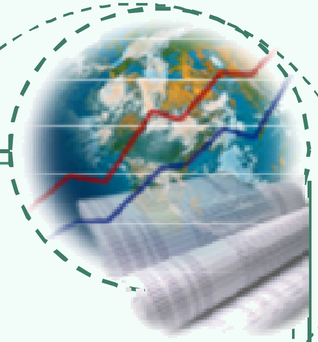
	1999	2000	2001	2002
R&D costs	12,8	17,8	18,8	18,4
% of sales	5,40%	6,10%	5,60%	5,20%

Total R&D costs in 2002 were lower than the previous year, coming in as a percentage of sales below that of 1999, the year in which renewal of the entire product range commenced.

TARGET

The target is to bring R&D costs back below 5% of sales already in 2003, devoting the bulk of R&D resources to maintainance of the renewed product range and not to completely new projects.

SALES & MARKETING AND G&A COSTS



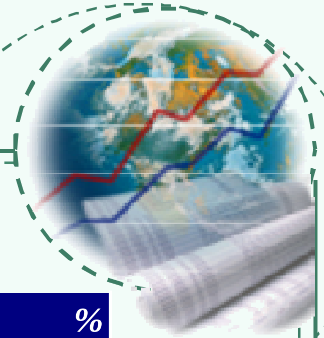
	2002	2001	Δ	Δ %
Sales & marketing and selling costs	(44,4)	(45,7)	1,3	-2,9%
G&A costs	(45,1)	(42,9)	(2,2)	5,2%

2002 showed good operating leverage as sales went up by 5.1%, while overall structure costs went up by 0.9 million euro (+1.0%)

Personnel	**2002**	**2001**	**Δ**	**Δ %**
Number	2.349	2.256	93	4,1%
Total cost	(98,6)	(91,2)	(7,4)	8,1%

The increase in labour cost, 7.4 million euro, relates for 3.8 million to a higher number of employees (+4.1%) and for 3.6 million to higher unit labour costs (+4.0%)

CONSOLIDATED BALANCE SHEET



Full Year 2002 vs 2001

IMA	2002	%	2001	%
Million Euro				
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%***

NET WORKING CAPITAL

Comparison 2002 – 2001

IMA	2002	%	2001	%
Million euro		*of sales*		*of sales*
Trade receivables	95,92	*27,1%*	109,02	*32,4%*
Inventories	114,93	*32,5%*	89,23	*26,5%*
Trade payables	(101,88)	*-28,8%*	(83,97)	*-25,0%*
Other (net)	(24,02)	*-6,8%*	(29,77)	*-8,9%*
Net working capital	**84,96**	***24,0%***	**84,51**	***25,1%***

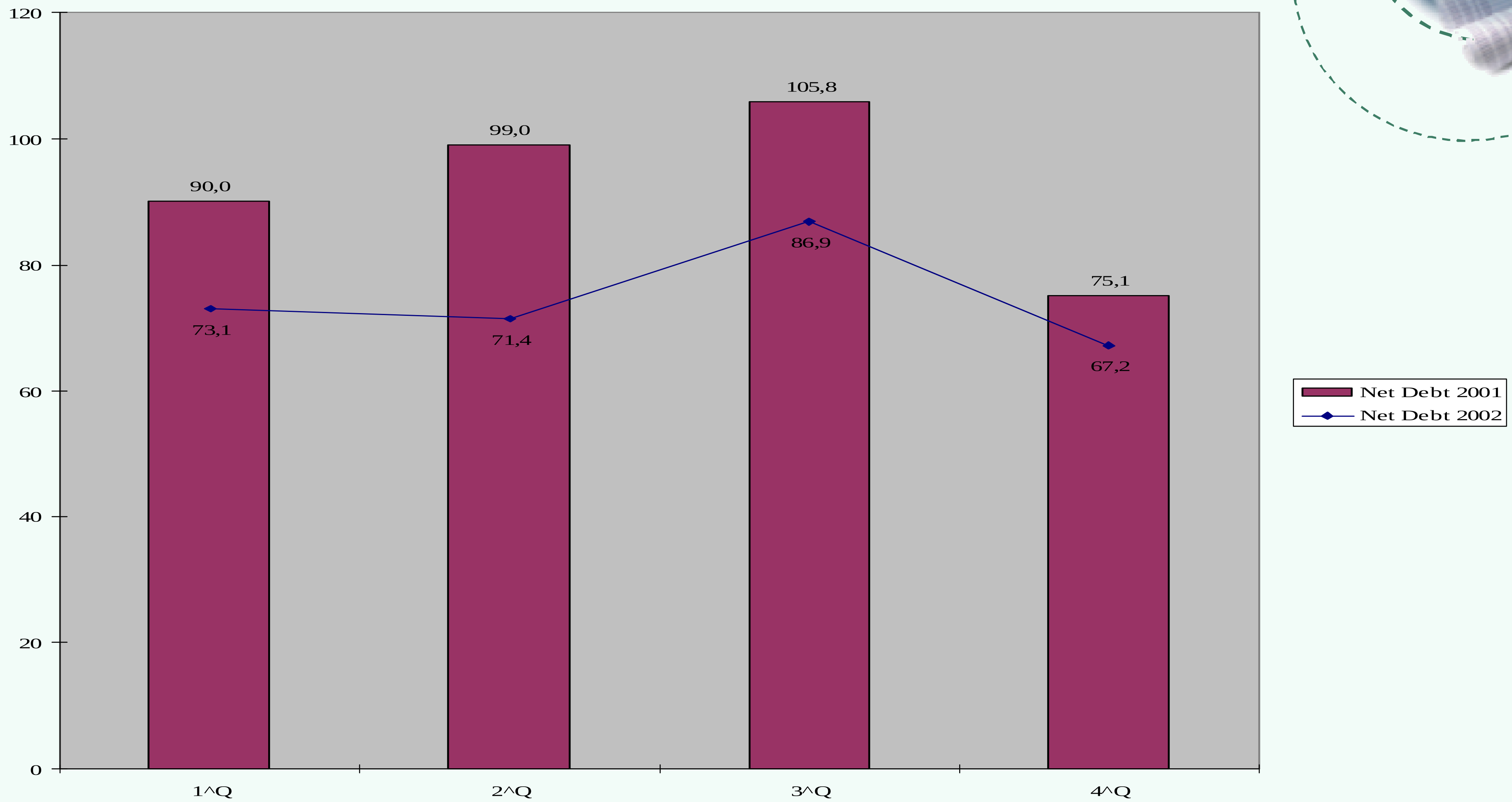
There has been a distinct improvement in the turnover rate of receivables following another effort to make customers more aware of the problem; there has also been a good increase in advances received (included in trade payables)
Inventories have deteriorated mainly for the following two reasons:

- **the success of the new machines which developed very rapidly, creating a parallel business alongside the old ones**

- **lower deliveries compared with those planned**

NET FINANCIAL DEBT

Comparison 2002 – 2001 by Quarter



The average level of debt in 2002 was a good deal lower than in 2001 for the entire year. The figures came closer again at December 31, 2002 because of the rise in inventories

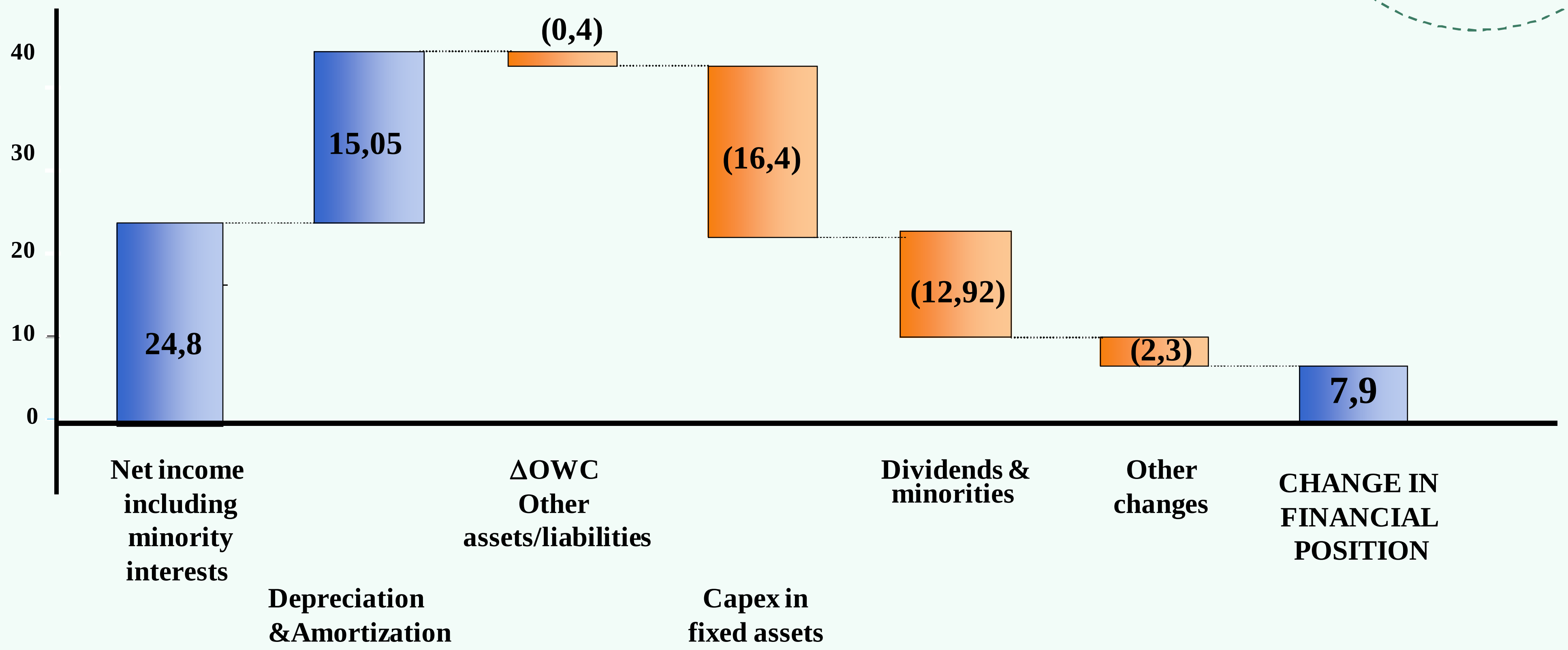
CONSOLIDATED CASH FLOW

Full Year 2002 vs 2001

IMA - CASH FLOW	2002	2001
Million Euro		
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

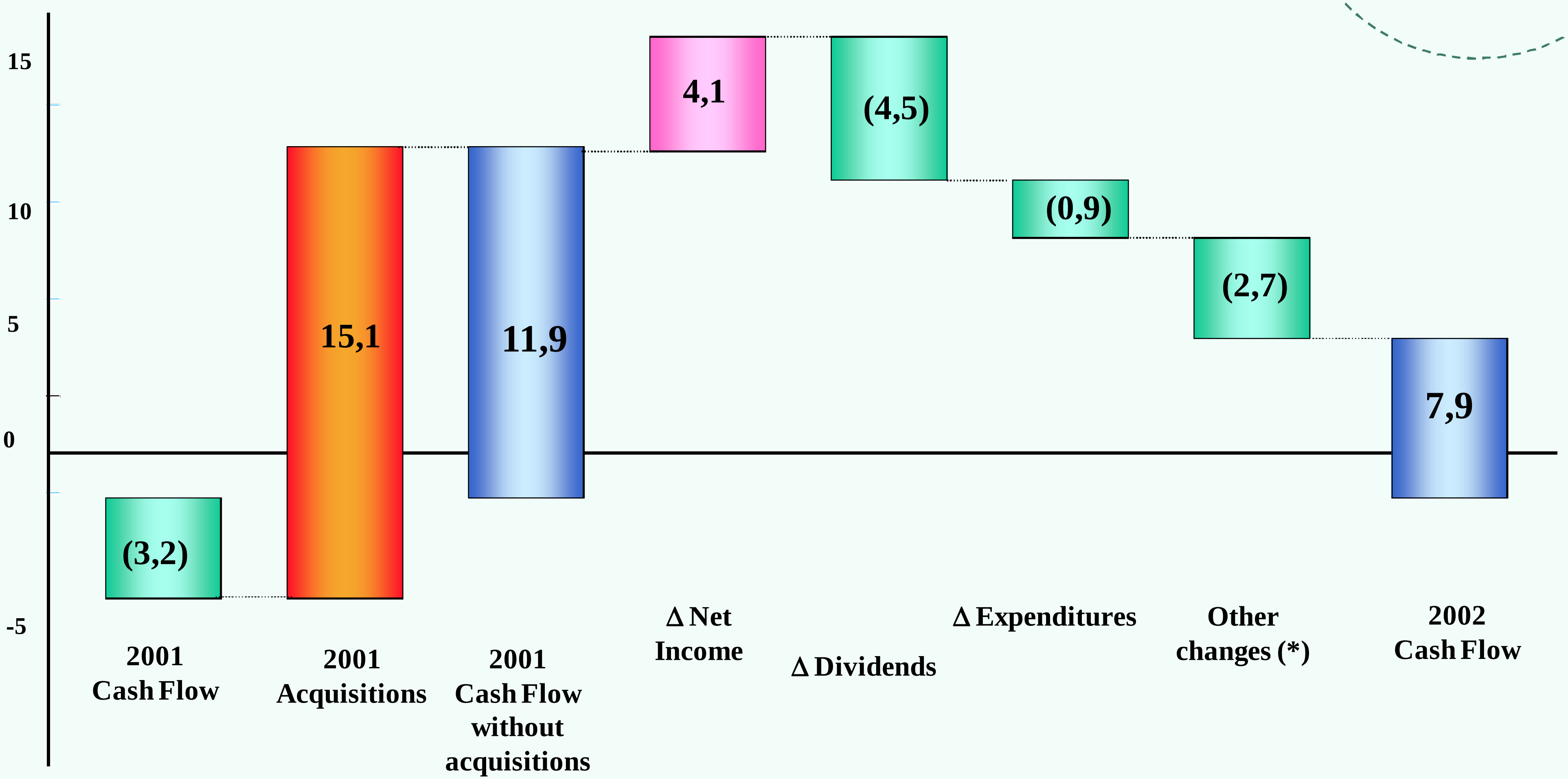
CASH FLOW 2002

Million Euro



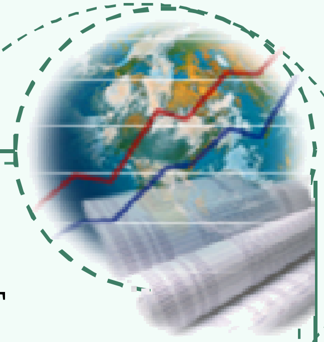
CASH FLOW 2002 vs 2001

Million Euro

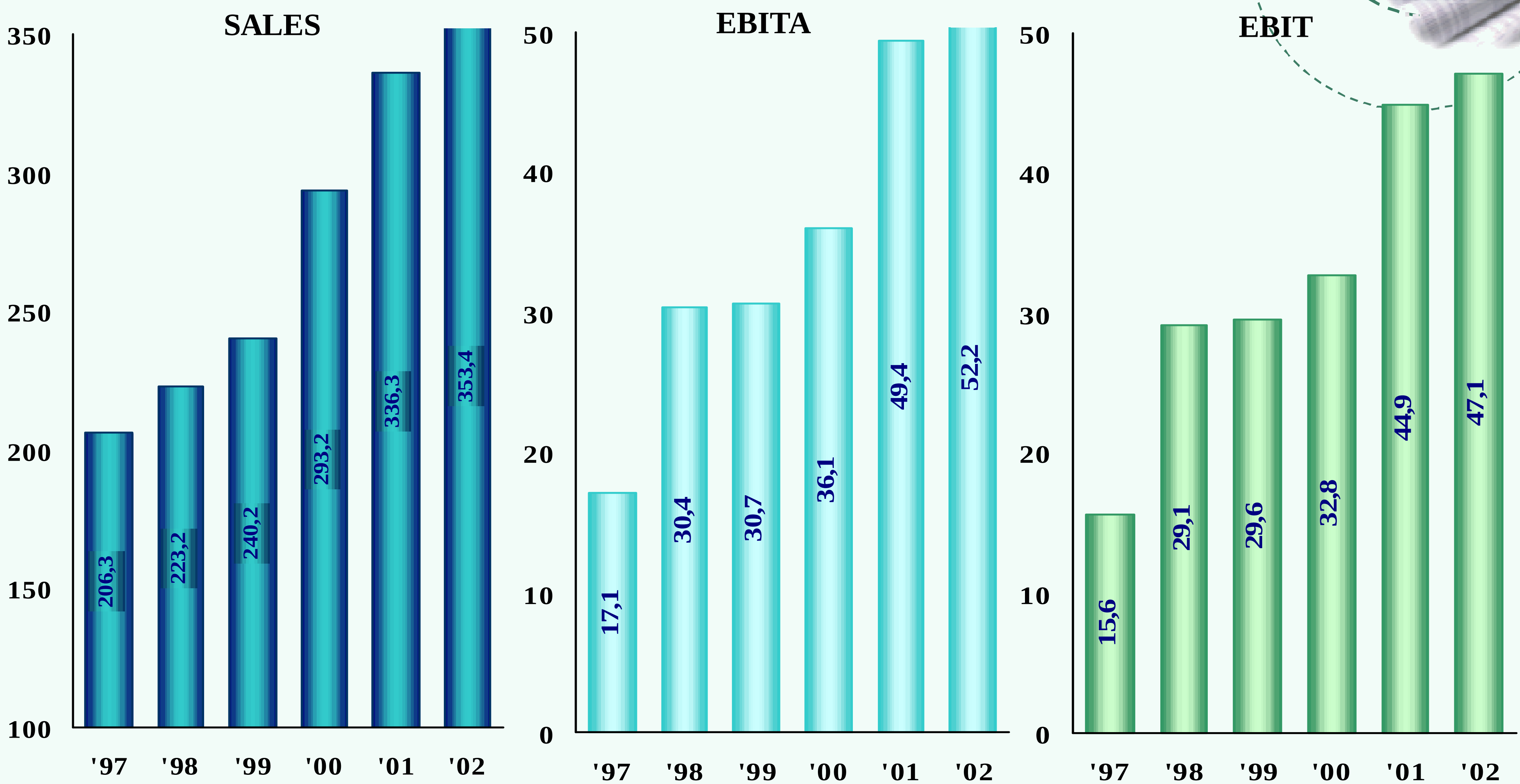


* Of which (2,3) relevant to other changes in net equity (translation effect)

EBIT GROWS FASTER THAN SALES



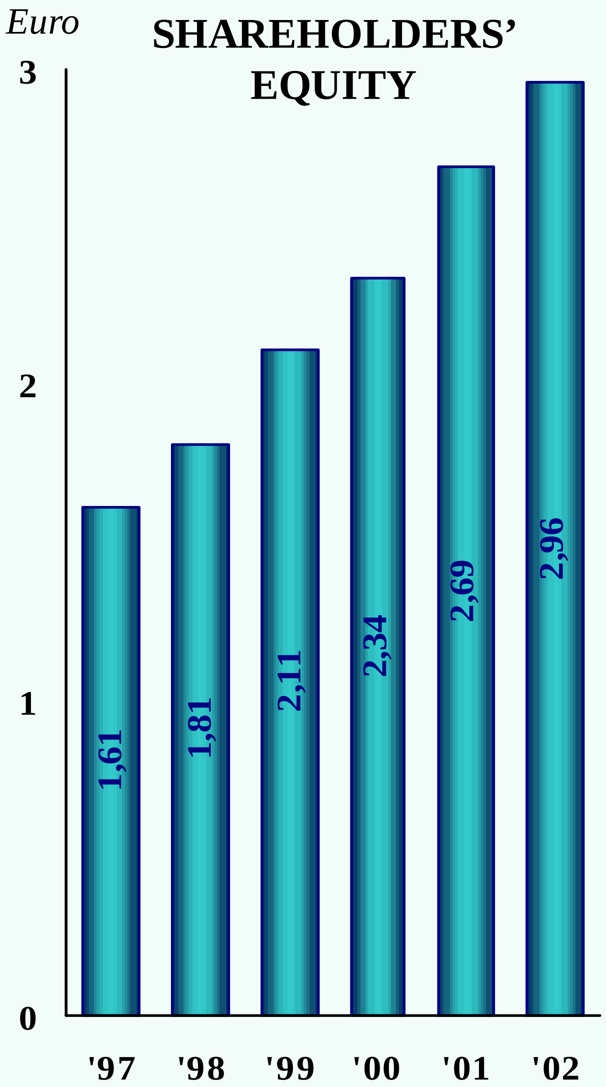
Million Euro

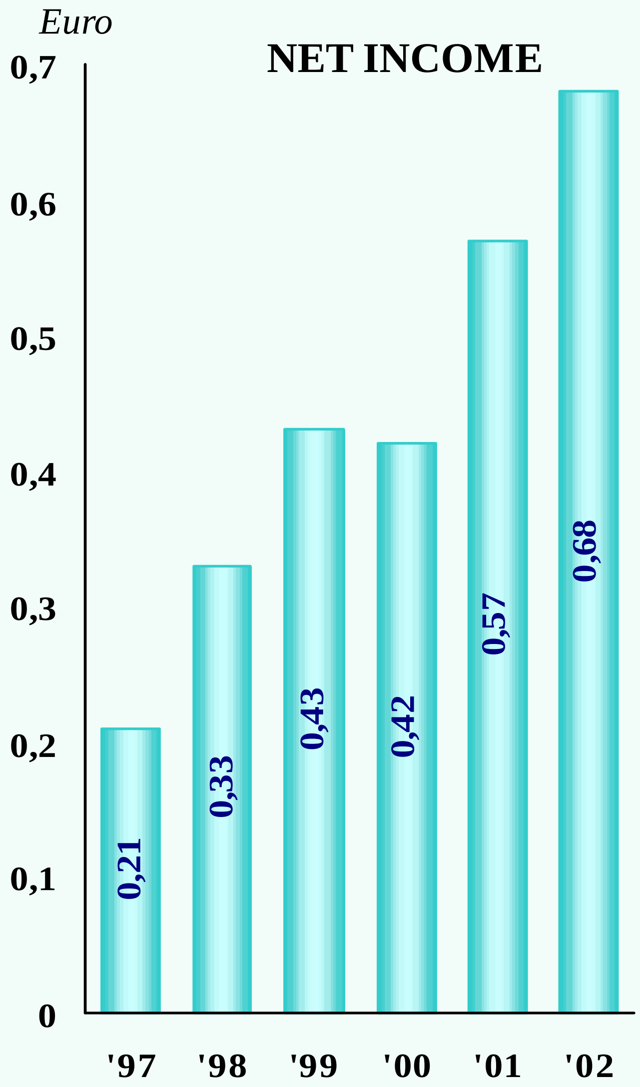


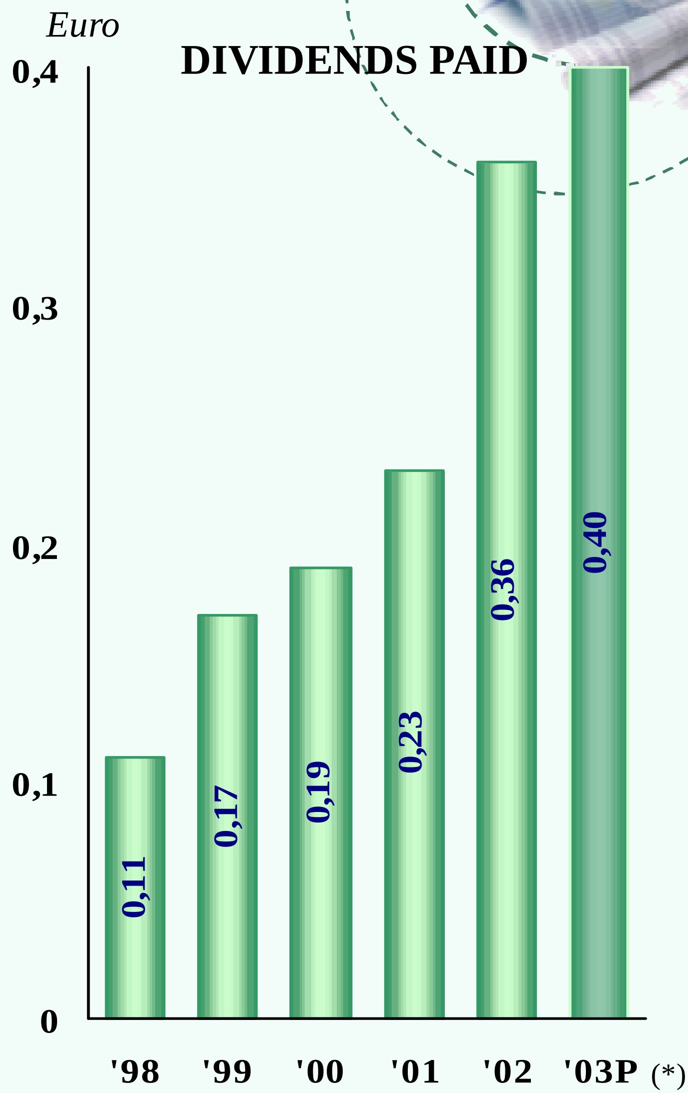
11.4%	25.0%	24.7%

5 year CAGR

DATA PER SHARE







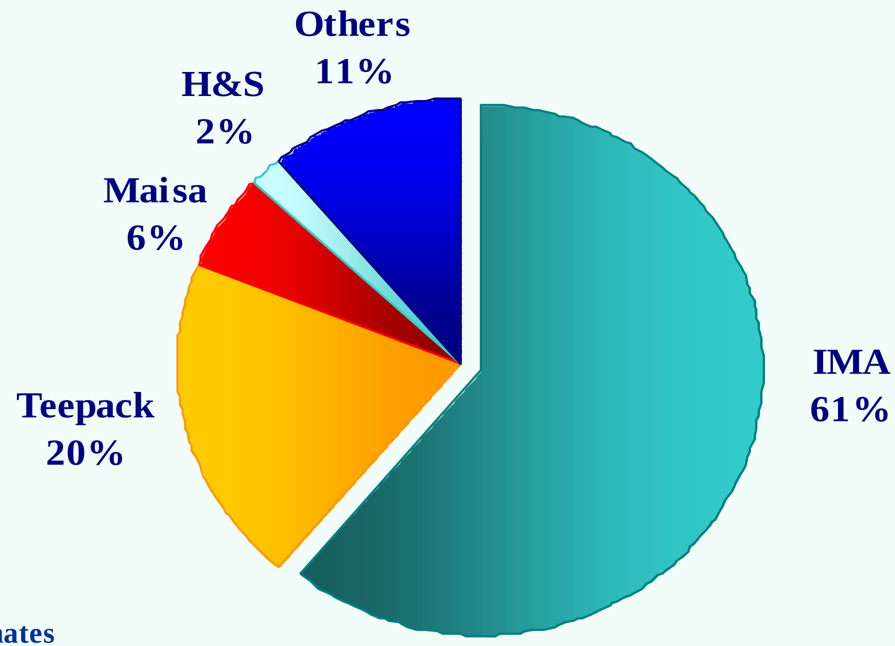
13.0%	26.5%%	29,5%

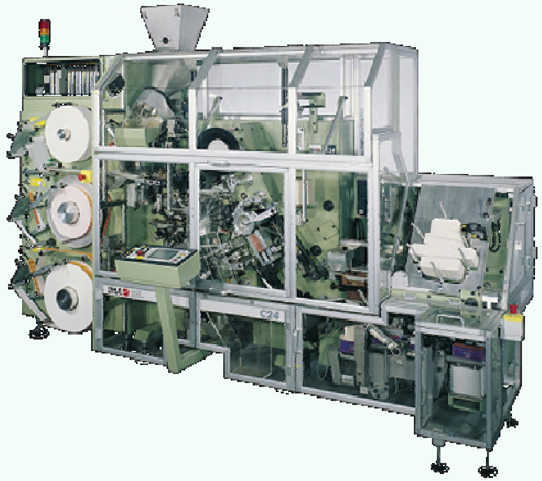
5 year CAGR

(*) Proposed

MARKET LEADER IN TEA-BAG MACHINES...

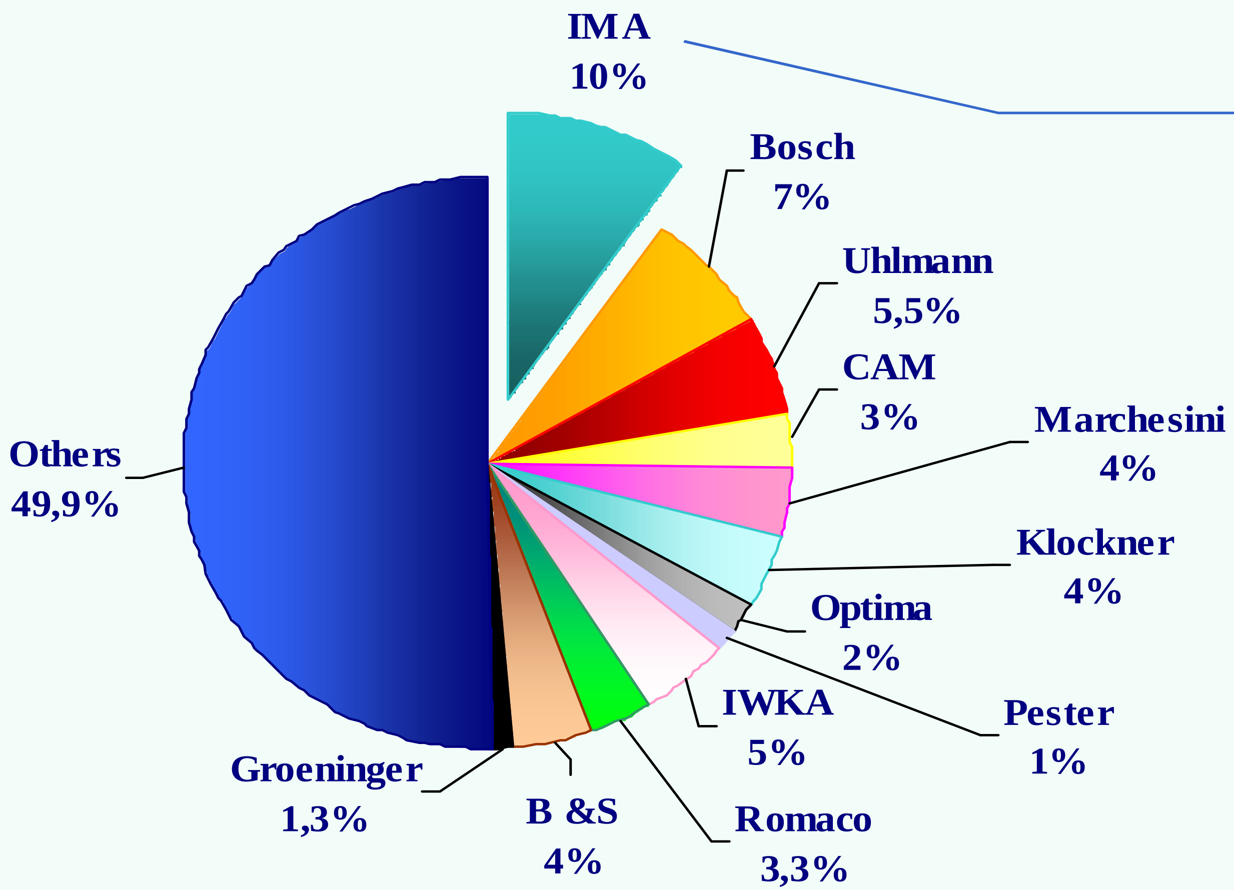
- The world market for tea bag machinery is estimated at Euro 80 million.
- Tea bag machinery sector is characterised by an high level of concentration, in fact first two players cover more than 80% of the market.
- IMA has a leading position with a market share of 61%.
- The second player Teepack belongs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





(*) Company estimates

...AS WELL AS 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

...GROWING IN PHARMA PROCESSING EQUIPMENT

- **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 equal to 33%), tablets (27%) and for coating machines (17%)**

- **We now intend to expand through acquisition into another important segment: powder processing equipment**

CONSUMPTION OF MEDICINE

GROWTH IS DOUBLE DIGIT, EVEN IF IT SLOWED DOWN IN 2002:

- **In 2002, pharmaceutical sales growth saw a slowdown for the first time ever due to the grave economic crisis**

- **The latest figures published by IMS Health show an increase of 8% (12% in 2001) with the North American market out in front (+12%), followed by Europe (+8%) and a decline in the case of Latin America (-10%)……**

DRUGS CONSUMPTION

… nevertheless IMS Health foresees a CAGR for the 5-year period 2002-2006, around 9-11%.

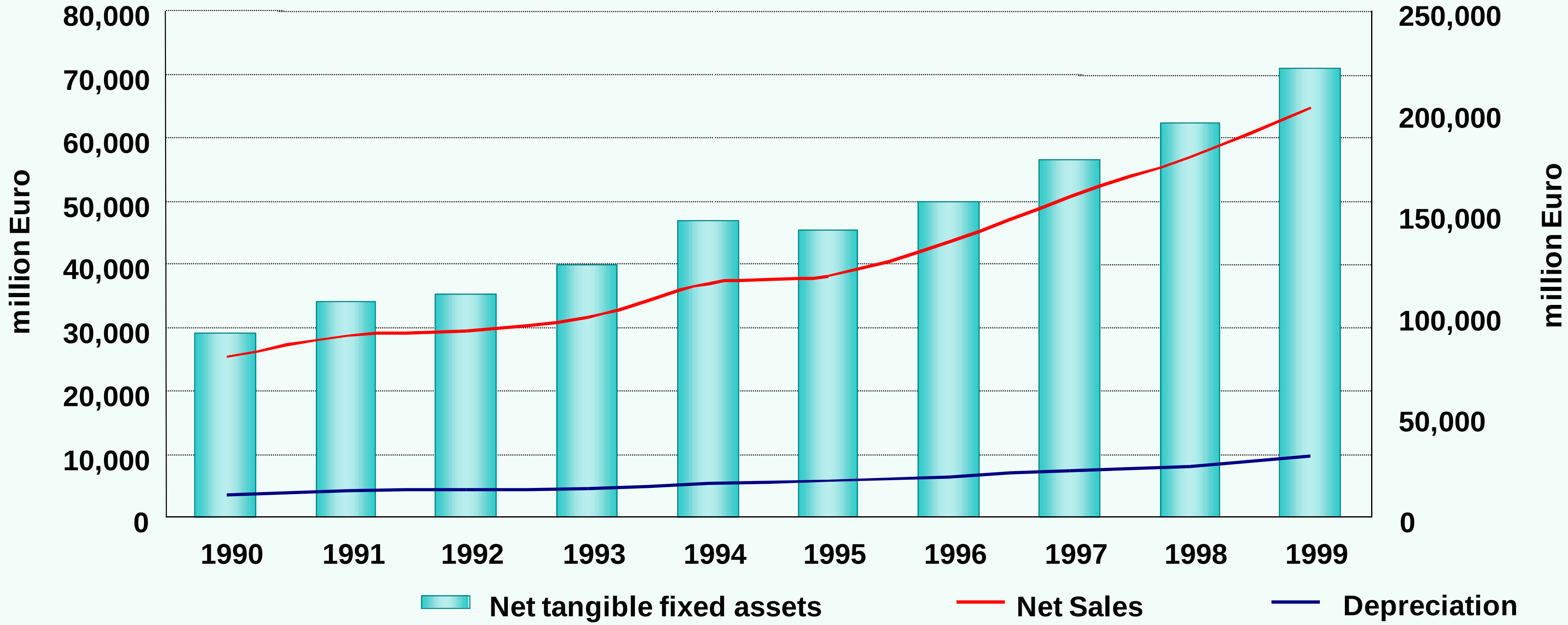
Markets	Annual sales (billion $)			Market share in 2006
	2001	2006E	CAGR	
USA	173,7	331,5	13,8%	65,1%
JAPAN	47,6	56,1	3,0%	11,0%
GERMANY	17,8	25,6	7,5%	5,0%
FRANCE	17,5	25,1	7,0%	4,9%
ITALY	11,9	19,2	10,0%	3,8%
UK	11,8	17,6	8,3%	3,5%
CANADA	8,1	13,5	10,7%	2,6%
SPAIN	7,4	12,5	11,0%	2,5%
AUSTRALIA	3,4	5,1	9,3%	1,0%
BELGIUM	2,5	3,3	3,3%	0.6%
Total	**301,7**	**509,5**	**11,0%**	**100.0%**

Source: IMS HEALTH, Pharma-Prognosis International 2002-2006

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.

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

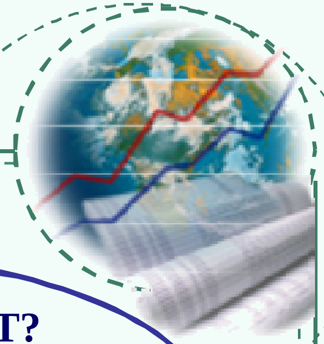
DRUG SALES = EQUIPMENT INVESTMENTS

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".

IMA INDUSTRIA MACCHINE AUTOMATICHE

IMA's BUSINESS CONCEPT



WHAT DO WE OFFER?

Solutions to our customers' problems
not just products

HOW DO WE INVEST?

We concentrate our investments on *core competences* only (R & D and Marketing skills)

GOALS

⇒ To create *competitive advantages* that cannot be duplicated

⇒ To increase *shareholders' value*

WHAT IS OUR FOCUS?

We concentrate on our *core businesses*:

- **Tea industry**
- **Pharmaceutical and Cosmetics industry**

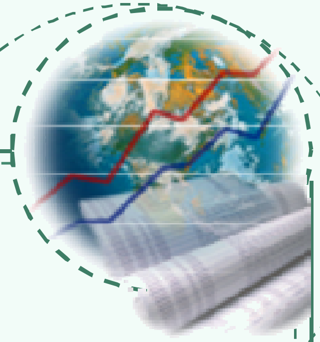
HOW DO WE OPERATE?

As a *business system* in partnership with our network of suppliers

HOW DO WE GROW?

- Organically
- By acquisition

IMA's BUSINESS CONCEPT



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;

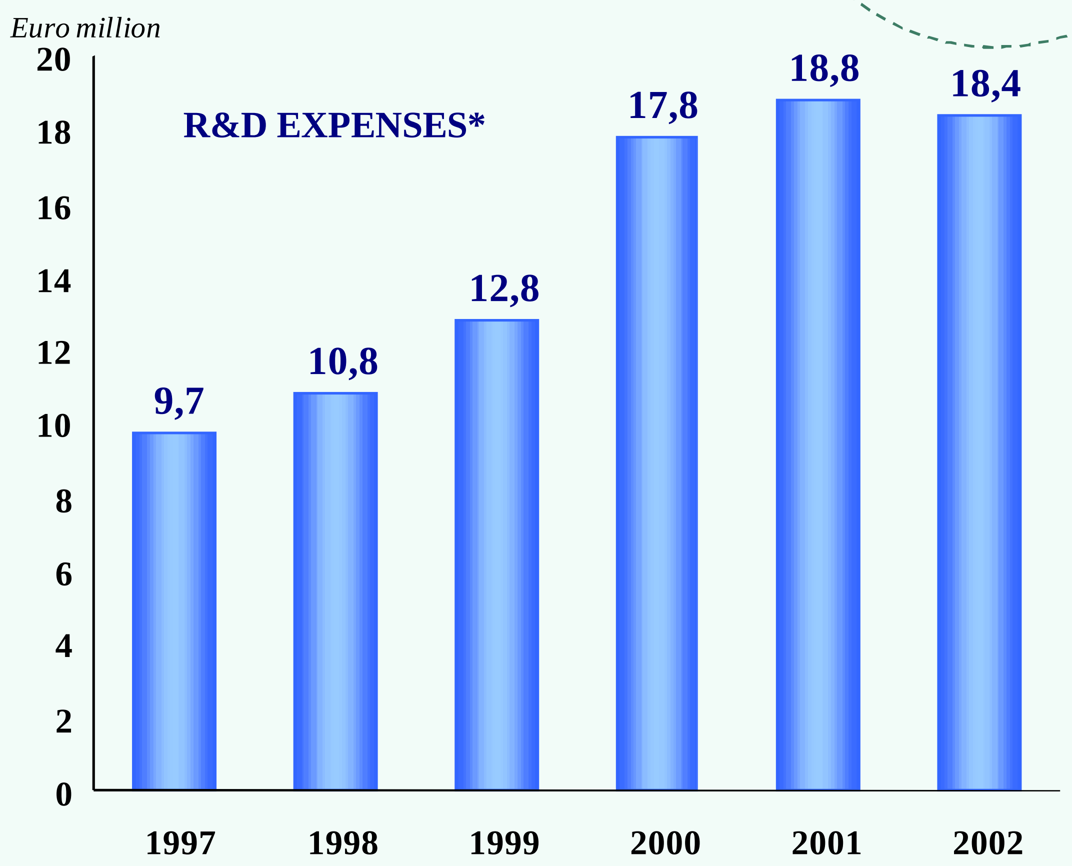
- ***an R. & D.*** and product engineering organization employing more than ***380 designers and engineers*** specializing in various technologies (mechanics, electronics, oil pressure, software, air pressure, material science, etc...). Experts who translate the demands of product marketing into product 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 389 engineers and project developers work in IMA's R&D labs
- More than 571 registered patents.
- More than 30 new products launched in the last two years.
- 2002: € 18.4 million (-2.2% on 2001) .



% of sales: 4,9 4,9 5,4 6,1 5,6
5,2

CAGR 1997-2002 +13.7%

* Fully charged in the first year

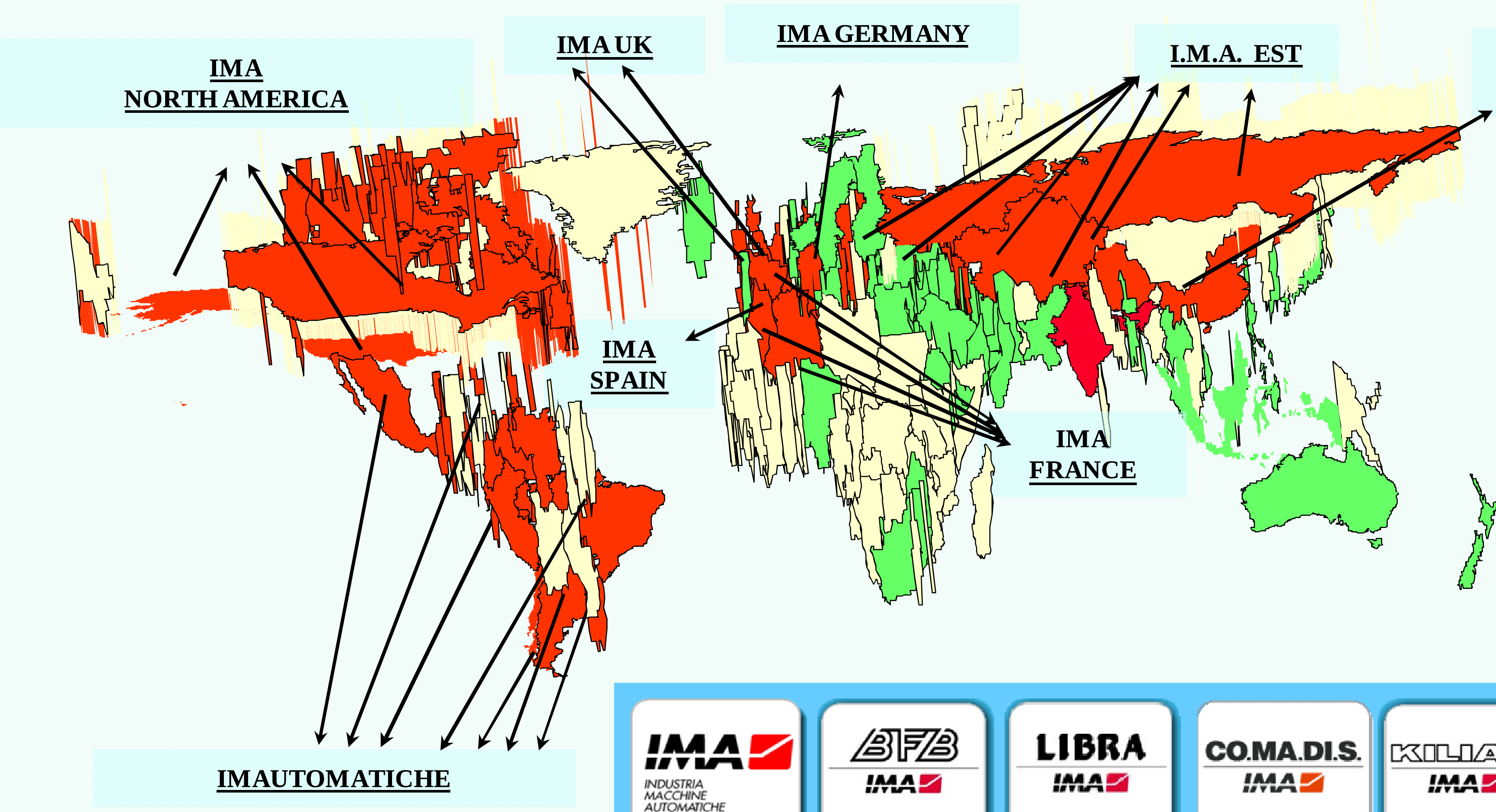
IMA's INVESTMENTS IN CORE COMPETENCES

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:

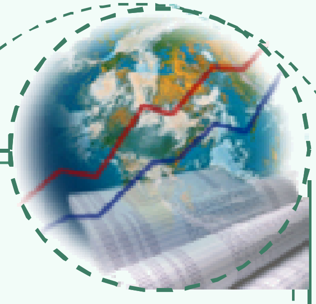
Extensive customer service network



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

IMA Subsidiaries

GROWTH STRATEGY



- **To 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).**

- **To 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.**

- **To boost our presence in the *cosmetics sector.***

- **To take advantage of the ongoing sector *consolidation*, also through acquisitions.**

- **Strong commitment to *emerging* and high-potential markets.**

ALWAYS
A STEP AHEAD