



Press release

Bologna, 15 May 2000

IMA Group: first quarter results in line with budget

Management confirms strong growth in 2000

The Board of Directors of IMA S.p.A. has reviewed and approved the Group results for the first quarter to March 31, 2000.

The cyclical nature of deliveries during the year - a typical feature of the packaging industry - means that the results over short periods of time like three months are not particularly significant. Indeed, deliveries this year are particularly concentrated in the second half because of the late recovery in the flow of orders starting in June 1999.

The consolidated results as of March 3, 2000 are in line with this year's budget forecasts. The IMA Group closed the first quarter of 2000 with net sales of ITL 64.7 billion (+13% compared with the ITL 57.2 billion in the first quarter of '99). The difference between the value and cost of production comes to ITL -18.5 billion and the pre-tax result is a loss of ITL 22.3 billion.

The consolidated order book, which at March 31, 2000 had risen to ITL 310.3 billion (+28% on the 242.9 billion in the first quarter of '99), and the growth of demand which shows no signs of slowing down, make it possible to forecast further strong growth for this year, with net sales up +20% and operating income of 14-15% of sales (compared with 13% in '99).

Net financial debt at March 31, 2000 amounted to ITL 105.5 billion . Based on the same consolidated figure, and therefore excluding the advances paid in the first quarter for the contract to buy Kilian & Co. GmbH, net debt should amount to ITL 78.2 billion, slightly better than the figure at the end of '99, namely ITL 80.7 billion.

For Alberto Vacchi, Managing Director of IMA, *"The Group results in first quarter of 2000 are in line with our forecasts and confirm the trends typical to our sector, the fact that deliveries are not distributed regularly throughout the year. This year in particular there will be a very high concentration from June onwards, which means that billings and profits will pick up during the second half. We therefore confirm our very positive forecasts for 2000. In a week's time, the IMA Group will be taking part in Achema, one of the major international trade fairs for the chemical and pharmaceutical industries (Frankfurt, 22-27 May), with a series of new hi-tech machines - concluded Vacchi - the fruit of our substantial investments in research and development over the years."*

The Board of Directors has also reconfirmed Marco Vacchi as President and Alberto Vacchi as Managing Director.