



Press release

Bologna, November 13, 2003

Growth in IMA's revenues for the first nine months

Results are in line with forecast for the entire year

Good prospects for 2004

The Board of Directors of IMA S.p.A., world leader in the production of automatic packaging machines for the pharmaceutical and tea industries, met today to review and approve the Group's results at September 30, 2003.

As explained on various occasions, sales in this sector are not spread evenly throughout the year; in fact, **more than 40% of total deliveries for the year are concentrated in the last quarter**, which means that interim figures are not particularly meaningful as an indication of how the whole financial year is likely to go.

The IMA Group closed the first nine months of 2003 with **consolidated net revenues** of Euro 217.8 million, up 7.6% on the corresponding period of the previous year (Euro 202.4 million). **Net operating income**, Euro 7.8 million (10.7 million at the end of September 2002), has been affected by lower margins on sales in US dollars following that currency's sudden devaluation. The **pre-tax result** amounted to Euro 7.8 million (10.5 million at September 30, 2002).

The **consolidated order book** totalled Euro 185.7 million at September 30, 2003, versus 207.3 million at the end of September 2002.

The quantity of work in progress, typical of this period of the year and needed to cope with deliveries planned for the last quarter, significantly affects the level of **net debt** at September 30, Euro 91.4 million (86.9 million at September 30, 2002). The increase with respect to June 30, 2003 (Euro 85.8 million) is solely due to the lease contract stipulated by Libra P.T. for the use of a new factory (Euro 8.5 million).

In commenting the results for the first nine months of 2003 **Alberto Vacchi, Managing Director of IMA**, declared: *“Group performance in the period July-September is in line with the trend for the first six months, with revenues rising thanks to a more balanced distribution of deliveries, and with a decline in the operating result because of lower margins on sales in dollars. At the same time, we have had confirmation of the forecast recovery in orders from the pharmaceutical industry, as mentioned in the half-year report. Certainly 2003 will be remembered as a difficult year for everyone, including our Group, because of the numerous exceptional events that have taken place this year. However, the fact that we are looking for revenues substantially in line with last year and with positive results at both an operating and net level, confirms the defensive nature of our business. The excellent trend in the tea sector, - concluded Vacchi - the signs of an upswing in demand from the pharmaceutical industry which suggest a strong order book for the year end, and an improvement in margins on dollar sales following price adjustments, allow us to look forward to 2004 with optimism”.*

The IMA Group closed the **third quarter of 2003** with **consolidated revenues** of 72.4 million euro (66.2 million euro in third quarter 2002) and **net operating income** of 6.6 million euro (5.2 million euro in third quarter 2002).

Attachments: Consolidated balance sheet and statement of income.

Established in **1961**, IMA is today the world leader in the manufacture of automatic machines for the packaging of pharmaceutical products and of tea in filter bags. The Group has about 2,400 employees, 800 of whom overseas, and can count on five production plants in Italy, one in Germany and two in India. IMA has an extensive sales network comprising eight branches which provide sales and service in France, United Kingdom, Germany, Austria, Spain, Portugal, the United States and China, representative offices in Central and East European countries and over 50 agencies covering a total of more than 70 countries. IMA is also participating in two joint-ventures in China for production and service. IMA SpA has been listed on the Milan Stock Exchange since 1995 and has entered the **STAR** segment in 2001. The following companies are part of the IMA Group: Co.ma.di.s. SpA, Kilian & Co. GmbH, Libra Pharmaceutical Technologies Srl, Precision Gears Ltd.

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CONSOLIDATED BALANCE SHEET

AS OF 30 SEPTEMBER 2003 AND COMPARISON WITH JUNE 30, 2003 AND DECEMBER 31, 2002 (IN THOUSANDS OF EURO)

	09.30.2003	06.30.2003	12.31.2002
Trade receivables	60,444	73,785	95,920
Inventories	139,267	134,305	114,932
Trade payables	(84,587)	(94,832)	(101,876)
Other payables, net	(15,209)	(20,795)	(24,021)
Operating capital	99,915	92,463	84,955
Intangible fixed assets	43,847	45,370	48,848
Tangible fixed assets, net	57,697	50,873	50,318
Equity investments	7,244	6,808	6,546
Fixed assets	108,788	103,051	105,712
Employee termination	(15,290)	(14,912)	(14,247)
Net capital invested	193,413	180,602	176,420

FINANCED BY:

Net borrowing	91,416	85,772	67,249
Minority interests	2,258	2,285	2,314
Stockholders' equity pertaining to the Group	99,739	92,545	106,857
Total sources of finance	193,413	180,602	176,420

CONSOLIDATED STATEMENT OF INCOME

FOR THE THIRD QUARTER OF 2003 AND FOR THE PERIOD 01/01 - 09/30/2003 (IN THOUSANDS OF EURO)

STATEMENT OF INCOME	3rd quarter 2003	3rd quarter 2002	from 01/01/2003 to 09/30/2003	from 01/01/2002 to 09/30/2002
A. VALUE OF PRODUCTION				
Revenues from the sale of goods and services	72,373	66,217	214,259	202,364
Change in work in progress, semifinished goods	4,054	13,658	22,891	49,813
Change in contract work-in-progress	1,625	-	3,450	-
Increase in fixed assets for internal work	37	10	208	86
Other revenues and income	561	172	1,449	943
TOTAL VALUE OF PRODUCTION (A)	78,650	80,057	242,257	253,206
B. PRODUCTION COSTS				
Raw materials, ancillary materials and consumables	25,904	30,349	87,420	102,717
Service costs	15,617	15,924	50,300	50,889
Expenses relating to the use of third party assets	1,448	1,234	4,035	3,664
Personnel	24,028	23,182	77,348	72,795
Depreciations and write-downs				
- amortization of intangible fixed assets	2,204	1,988	6,464	5,933
- depreciation of tangible fixed assets	1,651	1,471	4,970	4,844
- write-down of receivables	51	231	309	405
Total depreciations and write-downs	3,906	3,690	11,743	11,182
Change in raw materials, ancillary materials, consumables and goods for resale	563	(265)	921	(1,281)
Provision for risks and other	180	68	857	164
Other operating expenses	410	658	1,800	2,364
TOTAL PRODUCTION COSTS (B)	72,056	74,840	234,424	242,494
DIFFERENCE BETWEEN THE VALUE OF PRODUCTION AND PRODUCTION COSTS (A-B)	6,594	5,217	7,833	10,712
C. FINANCIAL INCOME AND EXPENSES				
Financial income				
- exchange difference	927	1,258	4,323	4,216
- other financial income	1,173	593	4,691	4,725
Total financial income	2,100	1,851	9,014	8,941
Expenses				
- exchange difference	1,306	1,089	5,066	3,779
- other expenses	1,588	1,730	4,924	5,226
Total expenses	2,894	2,819	9,990	9,005
TOTAL FINANCIAL INCOME AND EXPENSES ©	(794)	(968)	(976)	(64)
D. ADJUSTMENTS TO THE VALUE OF FINANCIAL ASSETS	256	-	13	95
E. EXTRAORDINARY INCOME AND EXPENSES				
Income	1,533	254	1,533	254
Expenses	97	27	367	361
TOTAL EXTRAORDINARY ITEMS (E)	1,436	227	1,166	(107)
RESULT BEFORE TAXES	(183)	(81)	(280)	(161)
RESULT BEFORE TAXES	7,309	4,395	7,756	10,475