



Press release

Bologna, April 26, 2004

## **IMA's AGM approves the 2003 financial statements**

### **Dividend of 0.40 euro per share**

### **Growth prospects for 2004**

The annual general meeting of the stockholders of IMA S.p.A., world leader in the production of automatic packaging machines for the pharmaceutical and tea industries, met today under the chairmanship of **Marco Vacchi** and approved the financial statements as of December 31, 2003.

The meeting resolved to distribute a **dividend** of **0.40 euro** per share (the same value as in 2002), due to be paid from 20 May 2004 (going ex-coupon no. 10 on 17 May).

### **Group performance**

The IMA Group closed 2003 with **consolidated sales** of 351.3 million euro, substantially in line with the previous year (353.4 million), with exports representing more than 91%. Good results were achieved in North America (+6% at the same exchange rate), in the European Union (+5%) and in Eastern Europe including Russia (+25%). However, sales were down in Latin America, the Middle East and China.

**Operating income** amounts to 39.3 million euro (47.1 million in 2002). This decline is mainly attributable to the sudden drop in the US dollar.

**Net income** totals 19 million euro (24.4 million in 2002), after amortization and depreciation of 15.6 million euro (15 million in 2002).

**Net debt** as of December 31, 2003 comes to 68.5 million euro (67.2 million at the end of 2002) after **capital expenditure** of 20.8 million euro (17.8 million in 2002) and **dividends** of 28.6 million euro (12.9 million in 2002).

The **order backlog** at the end of 2003 totals 151.5 million euro, in line with the previous year.

### **Performance of the Parent Company IMA S.p.A.**

The Parent Company IMA S.p.A. closed 2003 with **sales** of 273.7 million euro (268.9 million in 2002 on a consistent basis), **operating income** of 30.5 million (35.9 million in 2002 on a consistent basis) and **net income** of 20.9 million (21.7 million in 2002 on a consistent basis). **Net debt** at the end of 2003 amounts to 53 million euro (51.4 million at the end of 2002 on a consistent basis).

## **Positive prospects for 2004**

IMA's prospects for 2004 in the tea and pharmaceutical sectors are favourable because of the good trend in **orders** in the first months of 2004 and because of the many negotiations that are currently nearing completion. The Group looks for an increase in **consolidated sales** in 2004 of between 5 and 8%, together with a good recovery in **margins**.

The AGM approved the **new plan for the purchase and sale of treasury stock** for up to a maximum of 2,500,000 shares, the equivalent of 6.9% of the capital stock. This power can be exercised by the Board of Directors and will last for 12 months. The plan lays down that the price at which treasury stock can be bought has to be within a range of 10% above or below the average stock exchange price for the previous five days. Disposals of treasury stock should be at a price not lower than average purchase price of shares held. The reason for this new plan are to keep the stock as liquid as possible to safeguard small investors from anomalous fluctuations, to buy equity investments in other companies, paying for them in treasury stock, and perhaps to introduce a stock option plan for top management.

**Price Waterhouse Coopers** were appointed auditors for the statutory and consolidated financial statements and for the limited audit of the half-yearly report for the three-year period 2004/2006.

The AGM appointed the new **Board of Statutory Auditors**, confirming the Auditors from the previous one - Giorgio Comini, President, Amedeo Cazzola and Piero Aicardi - and appointing the Alternate Auditors - Vittorio Coraducci, Chiara Gallina and Antonella Grassigli. The Board of Statutory Auditors will remain in office until approval of the financial statements as of December 31, 2006.

Lastly, the AGM appointed, increasing the number of the members of the Board of Directors, a **new independent Director** in the person of Gino Benedetti which will remain in office until approval of the financial statements as of December 31, 2005.

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 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, UK, Germany, Austria, Spain, Portugal, USA 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 in 2001 joined the **STAR** segment. The following companies in the pharmaceutical and cosmetics sectors are part of the IMA Group: Co.ma.di.s. SpA, Kilian & Co. GmbH, Precision Gears.

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