



Press release

Bologna, 11 January 2000

## **IMA Group acquires 100% of German company Kilian & Co. GmbH, leader in tablet press machines**

IMA has just acquired the entire stock of Kilian & Co. GmbH, producer of tablet press machines for the pharmaceutical industry. These state-of-the-art machines for medicinal tablets are also used in the confectionery and chemical sectors.

Founded in Berlin in 1875, Kilian has 230 employees, estimated sales of ITL 58 billion for the financial year 1999, significant market shares in Germany and the United States, and a long and prestigious tradition in the design and construction of tablet press machines.

Thanks to this acquisition, IMA Group has achieved two things: to become the absolute leader in the construction of tablet press machines with a product range that is the widest and most innovative on the market, and to have a production facility in Germany, a strategic center for the production of packaging machines. For the financial year 2000, total sales of IMA Group should jump to around ITL 550 billion.

Marco Vacchi, IMA's President, explains the reasons behind the acquisition as follows: *"To be the leader in the tablet press machine sector, which has enormous growth potential, we needed an active partner with great know-how. We found it in Kilian. IMA's revolutionary Comprima machines will thus be accompanied by Kilian's wide range of tablet press machines, satisfying the demands of additional market segments. We have already prepared a business plan that concentrates on integrating the two companies' know-how to develop and launch new tablet press machines. The acquisition of Kilian confirms IMA Group's commitment to expansion. The consolidation and reorganisation of in-house business divisions effected during the last three years has resulted in strong recovery of profitability in all segments - Vacchi continued. Cash flow deriving from excellent results in 1997, '98 and '99 has enabled us to resume our expansion plans. This is only the first step toward a policy of acquisitions and alliances that will further reinforce the Group's position as world leader in all of its sectors and generate value for the shareholders."*

Medinvest S.p.A. and the German bank WESTLB Panmure acted as consultants for the entire operation.