



Press release

Bologna, 17 April 2000

## **Outlook for the IMA Group, strong growth in 2000**

### **After a brilliant '99 and the recent acquisition of Germany's Kilian, IMA is ready for more shopping**

At a meeting with the financial press, management of the IMA Group - the world's top maker of packaging machines for the pharmaceutical and tea industries - discussed the 1999 financial statements and the outlook for the future.

The IMA Group closed the year with consolidated sales of ITL 453.2 billion (+5% on '98). Exports accounted for 91.5% of the total, with excellent results in the United States (+34%) and Europe (+10%, with +76% in the U.K.). Sales were also up in Central and South America (+38%) and in Russia (+9%).

Group earnings rose sharply, with the consolidated net profit at ITL 30.2 billion (+31% on '98) and the consolidated operating profit at ITL 61.1 billion (+8.5%).

The order book was worth ITL 228.5 billion at year end (+6.5%). During the first quarter of 2000, new orders more than doubled with respect to the same period in '99.

The group's net debt was ITL 80.7 billion at the end of '99, compared with 65.5 billion a year earlier, due to the high concentration of deliveries during the last two months of the year.

When the financial statements are approved by the AGM on 27 April, the company will offer a dividend of ITL 380 per share (+15% on '98), to be paid as from 25 May.

*"This was a good year for the group", said IMA's Managing Director Alberto Vacchi in his comments on 1999 results. We boosted our world leadership in tea packaging machines and increased sales of pharmaceutical machines by 10%, while building on our strong vocation for exports. For 2000, we expect revenues and net income to rise substantially, especially since market conditions will be much better than in 1999. The group is ready to move ahead with both internal development and growth by acquisition - Vacchi continued. By the end of 2001 we will have finished upgrading our entire range of products, a job we began in '99, with an 18% increase in R&D expenditure with respect to '98. We have also launched a project for the management of after-sales service over the Internet, which should soon be up and running. After our recent purchase of the German company Kilian, which had sales of ITL 58 billion in 1999, another acquisition in the pharmaceutical industry is coming up soon. This will give us an even greater share of the market."*