



Press release

Bologna, March 25, 2004

## **The Board of Directors of IMA approves the 2003 consolidated financial statements**

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

### **Growth 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, today approved the consolidated financial statements and reviewed the draft statutory financial statements as of December 31, 2003 for submission to the **Stockholders' Meeting**, due to be held on **April 26, 2004** at first calling.

The Board of Directors will propose to the Stockholders's Meeting 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. 9 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).

### **Prospects for 2004**

In the **tea packaging machine** sector, which represents 16% of Group sales, the high level of the order book at the beginning of the year, together with a continuing favourable trend in sales, allows us to expect results in line with the positive data of 2003. The **pharmaceutical industry**, which provides IMA with 84% of its sales, is showing distinct signs of recovery. It is reasonable to consider IMA's prospects for 2004 as favourable because of the good trend in **orders** (+14% in the first two months of 2004) and because of the many negotiations that are currently nearing completion.

The President of IMA, **Marco Vacchi**, declared *“After a year that featured a decidedly unfavourable geopolitical scenario and considerable exchange rate instability, we believe that the fundamentals already exist in 2004 for IMA to resume the growth trend that distinguished the Group in previous years. Keeping our fingers crossed, we believe that it is realistic to look for an increase in consolidated sales in 2004 of between 5 and 8%, together with a good recovery in margins, helped by the new price lists in dollars. Times may have been hard, but this has not affected the Group's investment policy, whether to enlarge the production base or to invest in product innovation, which has resulted in various novelties that will be presented over the coming months.”*

In compliance with article 3.2 of the Code of Conduct, the Board of Directors considers Italo Giorgio Minguzzi and Romano Volta as independent directors as they have the prerequisites laid down in the Code.

These figures are unaudited, though the accounts are subject to a final review by the Board of Statutory Auditors of IMA S.p.A.

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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