

IMA's Board of Directors approves the results for the first half of 2019

Revenue and order book are growing

2019 is expected to be a year of growth

Acquired 60% of Perfect Pack S.r.l.

**IMA Group completes the range of machines
for single-dose packs in the pharmaceutical market**

Consolidated results for first half 2019

Millions of euros	30.06.19	30.06.18 restated	Δ% 19/18
Revenue	694.1	670.7	3.5
Gross operating profit (EBITDA) before non-recurring charges	92.3	100.5	(8.2)
Gross operating profit (EBITDA)	90.1	98.6	(8.6)
Operating profit (EBIT)	55.8	80.4	(30.6)
Profit before tax	46.5	89.7	(48.2)
Net profit for the period	32.4	53.1	(39.0)
<i>Group order book</i>	985.5	929.8	6.0
<i>Net financial position</i>	(423.5)	(230.5)	83.7

The income statement figures for the first half of 2018 have been restated following the sale of majority interests in Erca, Hassia, Hamba-Gasti and IMA Dairy & Food USA, held by IMA Dairy & Food Holding GmbH, which took place on 20 December 2018.

The figures for the first half of 2019 and forecasts for the whole year take into account the impact of the new accounting standard IFRS 16, which came into force on 1 January 2019. The net financial position includes higher indebtedness of 150.5 million euros due to this effect.

The financial and operating results at 30 June 2019 include the contribution of the newly acquired companies Spreafico and Tecmar, which were consolidated from April 2019, and of TMC and Ciemme, which were not consolidated at 30 June 2018.

IMA Group forecasts for the whole of 2019

Revenue: more than 1.6 billion euros

Gross operating profit (EBITDA): more than 290 million euros and **net profit rising**

Acquired 60% of Perfect Pack S.r.l.

Publication of the half-year financial report for 2019

Publication of IMA's presentation updated with the results at 30 June 2019

Consolidated results for the first half of 2019

The Board of Directors of IMA S.p.A., world leader in the production of automatic packaging machines, met today under the chairmanship of **Alberto Vacchi** and approved the Group results at 30 June 2019.

The **IMA Group** has closed the first half of 2019 with **consolidated revenue** of 694.1 million euros, showing growth of 3.5% compared with 670.7 million euros at 30 June 2018.

Gross operating profit (EBITDA) before non-recurring charges amounts to 92.3 million euros (100.5 million at 30 June 2018), **gross operating profit (EBITDA)** comes in at 90.1 million euros (98.6 million at 30 June 2018) and **operating profit (EBIT)** at 55.8 million euros (80.4 million at 30 June 2018). **Profit before tax** amounts to 46.5 million euros (89.7 million at 30 June 2018) and **net profit for the period** totals 32.4 million euros (53.1 million at 30 June 2018).

The **Group order book** reached 985.5 million euros, +6% compared with 929.8 million euros at 30 June 2018, thanks to the closing of numerous negotiations in the various business areas of the Group.

In the first six months of 2019 **orders acquired** amounted to 726.9 million euros, a decrease of 7.5% compared with the same period last year, because of the contraction in the Tobacco business not entirely offset by the growth in the Pharmaceutical and Tea, Food&Other businesses.

The IMA Group has closed the first half of 2019 with growing results in the Pharmaceutical and Tea, Food&Other businesses, thanks to the positive trend in sales of automatic machines and complete lines to the reference sectors, but with a decrease in the Tobacco sector due to a lower order book at the beginning of the year. Results in the first half of 2019 include the contribution of the newly acquired companies **Spreafico** and **Tecmar**, consolidated from April 2019, and **TMC** and **Ciemme**, not yet consolidated at 30 June 2018.

In the first half of 2019, **these companies** generated total revenue of 43.1 million euros and EBITDA before non-recurring charges of 4.3 million euros. At 30 June 2019, they had net financial debt of about 16.2 million euros and an order book of 45.5 million euros.

The IMA Group's **net debt** at 30 June 2019 amounts to 423.5 million euros (230.5 million at 30 June 2018), net of the outlay for acquisitions of about 41.4 million euros. This figure increases by 150.5 million euros due to the introduction of IFRS 16, the new accounting standard in force since 1 January 2019.

IMA Group forecasts for the whole of 2019

The first-half results and the size of the order book at 30 June 2019, together with the order trend in July, allow us to confirm our forecasts of a further year of growth for IMA despite the contraction of the Tobacco business that will be more than compensated by the Pharmaceutical and Tea, Food&Other businesses.

For 2019, if current conditions are confirmed in the coming months, the IMA Group estimates **revenue** exceeding 1.6 billion euros and a **gross operating profit (EBITDA)** of more than 290 million euros including the effects of IFRS 16, the new accounting standard in force since 1 January 2019, with a **significant increase in net profit** compared with 2018.

In commenting on the Group's performance at 30 June 2019, **Alberto Vacchi, IMA's Chairman and CEO**, declared: *“The first-half results show an increase in revenue and a slight reduction in margins due to the contraction of the Tobacco business, not entirely offset by the improvement in the Pharmaceutical and Tea, Food&Other businesses. Good order acquisition, together with numerous negotiations close to completion in all business areas, still allows us to look with confidence at the Group's performance in the coming months. The recent acquisition of ATOP represents the most important operation in the history of IMA and the best opportunity to position ourselves as a leader in the field of industrial automation applied to E-traction, significantly expanding IMA's diversification. In the last few days, ATOP has signed an important agreement with one of the main Asian car makers for the supply of a line for the production of stators using "hairpin" technology, confirming its leadership position in this market. In addition to strengthening our positions in the main development areas of the world - the Chairman concluded - we will continue to invest in research and innovation, which is the basis of the Group's strong competitive positioning, with the consolidation of the IMA Digital programme and the launch of IMA NOP (No Plastic) for packaging that uses new environmentally friendly materials. The size of the consolidated order book at 30 June, together with the positive trend in orders at the end of July, allow us to forecast further growth in 2019 compared with the previous year, with good prospects for 2020 as well”.*

Acquired 60% of Perfect Pack S.r.l.

Today, **IMA** has acquired 60% of **Perfect Pack S.r.l.**, based in Rimini and held by Mr. Roberto Talacci, an important player in the design, production and marketing of **automatic sachet machines and complete lines for single-dose packs** for different markets: pharmaceutical, cosmetic, nutraceutical and chemical.

IMA's financial intervention amounted to **12.5 million euros** for the equity value. The company closed 2018 with a turnover of more than 9.7 million euros and an EBITDA of approximately 2.9 million euros, with 23 employees.

Mr. Talacci has been granted a put option to sell the other 40% of Perfect Pack S.r.l., which can be exercised in April 2024 and April 2029.

Publication of the half-year financial report for 2019

Notice is hereby given that the **half-year financial report for 2019** is available to the general public at the Company's head office in Via Emilia 428/442, Ozzano dell'Emilia (Bologna). It can also be consulted on the Company's website **www.ima.it** in the Investor Relations section (Financial Reports), and on the authorised storage system IINFO (**www.1info.it**).

Publication of IMA's presentation updated with the results at 30 June 2019

IMA's presentation updated with the **results at 30 June 2019** has also been published on the website **www.ima.it** in the Investor Relations section (Presentations) and on the authorised storage system IINFO (**www.1info.it**).

The manager responsible for the preparation of the Company's accounting documents, Sergio Marzo, declares in accordance with article 154 bis paragraph 2 of the Consolidated Finance Act that the accounting information contained in this press release agrees with the books of account, the accounting entries and supporting documentation.

Disclaimer

This press release contains forward-looking declarations, especially in the section "IMA Group forecasts for the whole of 2019". These declarations are based on current expectations and projections of the Group regarding future events which, by their very nature, are subject to an intrinsic element of uncertainty. They are declarations that relate to events and depend on circumstances that may or may not happen or come about in the future and, as such, should not be relied on excessively. The effective results could differ from those contained in these declarations due to a wide range of factors, including the volatility and deterioration of markets, variations in raw material prices, changes in macroeconomic conditions, growth rates and other business conditions, amendments to legislation and the institutional context (both in Italy and abroad) and various other factors, most of which are totally outwith the Group's control.

Founded in 1961, IMA is a world leader in the design and manufacture of automatic machines for the processing and packaging of pharmaceuticals, cosmetics, food, tea and coffee. The Group has approximately 6,000 employees, of which approximately 2,400 abroad, and has 45 production plants in Italy, Germany, Switzerland, the United Kingdom, the United States, India, Malaysia, China and Argentina. IMA has an extensive sales network consisting of 29 branches with sales and service in Italy, France, Switzerland, the United Kingdom, Germany, Austria, Spain, Poland, Israel, Russia, the United States, India, China, Malaysia, Thailand and Brazil, representative offices in Central and Eastern European countries and more than 50 agencies covering a total of approximately 80 countries. **IMA S.p.A. has been listed on the Italian Stock Exchange since 1995 and in the STAR segment since 2001.** The following industrial companies are part of the Group: Atop S.p.A., Benhil GmbH, Ciemme S.r.l., Co.ma.di.s. S.p.A., Corazza S.p.A., Delta Systems & Automation Inc., Eurosicma S.p.A., Eurotekna S.r.l., Gima S.p.A., Gima TT S.p.A., G.S. Coating Technologies S.r.l., Hassia Packaging Pvt. Ltd., Ilapak International SA, Ilapak Italia S.p.A. Ilapak (Beijing) Packaging Machinery Co. Ltd. IMA Automation Malaysia Sdn. Bhd., IMA Automation USA Inc., IMA Life North America Inc., IMA Life (Beijing) Pharmaceutical Systems Co. Ltd., IMA Life (Shanghai) Pharmaceutical Machinery Co. Ltd., IMA MAI S.A., IMA Medtech Switzerland S.A., IMA North America Inc., IMA-PG India Pvt. IMA Swiftpack Ltd., Mapster S.r.l., Perfect Pack S.r.l., Petroncini Impianti S.p.A., PharmaSiena Service S.r.l., Revisioni Industriali S.r.l., Spreafico Automation S.r.l., Tecmar S.A., Teknoweb Converting S.r.l., Telerobot S.p.A., Tissue Machinery Company S.p.A., Valley Tissue Packaging Inc.

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