

**IMA's Board of Directors approves
the draft 2018 financial statements**

**Revenue of 1.5 billion
Net profit growing strongly**

Dividend of 2.0 euros per share proposed

Consolidated results at 31 December 2018

The consolidated results at 31 December 2018 are in line with the preliminary figures announced on 15 February 2019.

Millions of euros	31.12.18	31.12.17	Δ% 18/17
Revenue	1,500.4	1,320.2	13.6
Gross operating profit (EBITDA) before non-recurring charges	260.0	224.1	16.0
Gross operating profit (EBITDA)	253.6	218.8	15.9
Operating profit (EBIT)	210.1	185.8	13.1
Profit for the year	124.6	99.4	25.3
Group profit	104.0	85.6	21.5
Group order book	941.5	806.8	16.7
<i>Net financial position</i>	(184.6)	(50.1)	n.s.

The consolidated results at 31 December 2018 do not include the contribution of Erca, Hassia, Hamba-Gasti and IMA Dairy & Food USA, held by IMA Dairy & Food Holding GmbH, the majority of which was sold on 20 December 2018. The consolidated results at 31 December 2017 have been restated.

The financial and operating results at 31 December 2018 include the contribution of the newly acquired companies Petroncini, TMC and Ciemme, consolidated respectively from April, May and July 2018.

Topics discussed:

- Proposed dividend

At the Shareholders' Meeting called for 30 April 2019 the Board will propose a dividend of 2.0 euros per share (1.70 euros in 2018)

- IMA Group forecasts for the whole of 2019

Revenue: around 1.58 billion euros

Gross operating profit (EBITDA): around 260 million euros and **net profit up**

- Proposal to buy and sell treasury shares

- Appointment of the Board of Statutory Auditors and its Chairman for the period 2019-2021

- 2018 Social Responsibility Report - Consolidated non-financial report

- Other resolutions

- Publication of IMA's presentation updated with the figures at 31 December 2018

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 consolidated financial statements at 31 December 2018. In addition, the Board examined the draft statutory financial statements as of 31 December 2018, which will be submitted to the **Ordinary Shareholders' Meeting**, scheduled for **30 April 2019** at first and only calling.

The Board of Directors will propose to the Shareholders' Meeting the distribution of a **dividend of 2.0 euros per share**, an increase compared with last year dividend (1.70 euros per share), due for payment from **22 May 2019 (ex-coupon no. 26 on 20 May 2019)**. Proof of title, pursuant to art. 83-*terdecies* of the Consolidated Finance Act, to receive payment of the dividend will be based on the intermediary's records referred to in art. 83-*quater*, paragraph 3 of the Consolidated Finance Act, at the end of **21 May 2019** which will be the record date.

IMA Group results at 31 December 2018

The **IMA Group** has closed 2018 with **net revenue** of 1,500.4 million euros, an increase of 13.6% compared with 1,320.2 million at 31 December 2017. **Exports** accounted for about 90%, with growth in all the world, especially in European Countries, North America, and in other non European countries.

Gross operating profit (EBITDA) before non-recurring charges shows a significant increase to 260 million euros (+16% compared with 224.1 million at 31 December 2017), **gross operating profit (EBITDA)** rises to 253.6 million euros (+15.9% compared with 218.8 million at 31 December 2017) and **operating profit (EBIT)** comes to 210.1 million euros (+13.1% compared with 185.8 million at 31 December 2017). There has been significant growth in **profit for the year**, which rose to 124.6 million euros (+25.3% compared with 99.4 million in 2017) as well as in the **Group profit** which reached 104.0 million euros (+21.5% compared with 85.6 million in 2017).

The **consolidated order book** rose to 941.5 million euros (+16.7% compared with 806.8 million at 31 December 2017).

The IMA Group closed 2018 with better results than the previous year, thanks to the positive trend in sales of automatic machines and complete lines to the sectors of reference and the contribution of the newly acquired companies **Petroncini**, **TMC** and **Ciemme**, consolidated respectively from April, May and July 2018.

In the period April-December 2018, **Petroncini**, **TMC** and **Ciemme** generated total revenue of 64.7 million euros and EBITDA before non-recurring charges of 7.8 million euros. At 31 December 2018, they had net financial debt of 9.6 million euros and an order book of 41.9 million euros.

Net financial indebtedness of the IMA Group at 31 December 2018, was 184.6 million euro (50.1 million euros at 31 December 2017) and takes into account the total outlay of 97.7 million euros for the acquisitions of TMC, Petroncini and Ciemme. This figure includes the positive effect of 26.8 million euros from the sale of the majority interest in IMA Dairy & Food Holding GmbH and 8.5 million euros for the purchase of treasury shares by IMA and GIMA TT, in accordance with the authorisations approved by their respective Shareholders' Meetings.

Results of IMA S.p.A., the Parent Company, at 31 December 2018

The **Parent Company IMA S.p.A.** closed 2018 with higher **net revenue** of 715.7 million euros (620.1 million at 31 December 2017). **Operating profit (EBIT)** rose to 89 million euros (71.1 million in 2017), whereas **net profit** came to 62 million euros (187.8 million in 2017). **Net financial indebtedness** at the end of 2018 was 179.4 million euros (53.9 million euros in 2017) and reflects the acquisitions of TMC and Ciemme and the payment of the dividend of 66.7 million euros.

IMA Group forecasts for the whole of 2019

The high level of the order book at 31 December 2018 and the positive trend in new orders during the first two months of the current year enable us to confirm our forecasts of further growth on last year. For 2019, if current conditions are confirmed in the coming months, the IMA Group estimates **revenue** of approximately 1.58 billion euros and a **gross operating profit (EBITDA)** of about 260 million euros, with a **considerable increase in net profit**.

Note that the forecasts do not take into account the effects of IFRS 16, which came into force on 1 January 2019. Disclosures on application of this standard will be provided in the Annual Financial Report.

In commenting on the Group's performance at 31 December 2018, **Alberto Vacchi, IMA's Chairman and CEO**, declared: *"The year closed with brilliant results in the various business lines, confirming the Group's leadership in the pharmaceutical field and its ability to expand in sectors with good development prospects, such as coffee, tissue and health & personal care. We are very satisfied with the results achieved in 2018: in fact we have reached 1.5 billion of revenue and increased profits, while paying maximum attention to the needs of our customers and investors. These excellent results are also due to our strong commitment to digitisation and the excellence of our technology which we export all over the world. We are looking forward to the current year with confidence - continued Alberto Vacchi - thanks to an order book that at the end of 2018 is +16.7% on last year and a good performance in the first two months of 2019. The 2019 forecast, which will see a considerable increase in net profit, reflects a lower contribution by the tobacco business compared with the year just ended, but that does not change the enormous trust that we have in this highly profitable business, which has great prospects for future growth. Our growth objective will also be pursued through acquisitions: we have in fact recently signed an agreement for the acquisition of 70% of Spreafico Automation and 61.45%*

of the Argentinean company Tecmar, thereby completing the range of machines that we can offer in the coffee sector. The significant amount of cash flow generated in 2018 allowed us to make both routine and strategic investments, increasing the value of the Group: we will be proposing a higher dividend than last year to the next Shareholders' Meeting, to reward those that had confidence in our sustainable growth potential" - concluded the Chairman of IMA.

Proposal to buy and sell treasury shares

At the Shareholders' Meeting called for 30 April 2019, a proposal will be made to renew the authorisation to buy and sell treasury shares up to the maximum limit permitted by law. The proposed purchase price is equal to the average stock price during the previous five days (+/-10%), while the proposed selling price will be at least the average purchase cost of the shares. As of today, IMA owns 107,000 treasury shares.

Appointment of the Board of Statutory Auditors and its Chairman for the period 2019-2021

The Shareholders will also be asked to vote on the renewal, for the period 2019-2021, of the Board of Statutory Auditors and its Chairman whose term of office expires with the approval of the financial statements at 31 December 2018.

2018 Social Responsibility Report Consolidated non-financial report

The Board of Directors also approved the 2018 Social Responsibility Report - Consolidated non-financial report, pursuant to Legislative Decree 254/2016, which will be made available to the public along with IMA's financial statements.

Other resolutions

The Board of Directors also approved the **report on Corporate Governance** pursuant to art. 123-*bis* of the CFA and the **Remuneration report** pursuant to art. 123-*ter*, paragraph 6 of the CFA.

The notice convening the Ordinary Shareholders' Meeting will be published today on the Company's website (www.ima.it) in the Investor Relations section (Shareholders Meetings), as well as on the authorized storage system IINFO (www.1info.it). All the documents relevant to the Shareholders' Meeting will be made available to the public in accordance with applicable laws and regulations.

Publication of IMA's presentation
updated with the results at 31 December 2018

IMA's presentation updated with the results at 31 December 2018 has also been published on the Company's website (www.ima.it) in the Investor Relations section (Presentations) and on the authorized storage system IINFO (www.iinfo.it). It will be distributed during the **Milan STAR Conference** on **20 and 21 March 2019**.

Significant events after the end of the year 2018

The absorption of **Fillshape S.r.l.**, a wholly-owned subsidiary, by IMA S.p.A. took effect from 1 January 2019.

As announced on 27 February 2019, IMA S.p.A. has signed an agreement to buy 70% of **Spreafico Automation S.r.l.**, based in Calolziocorte (Lecco), an important player in the design, production and marketing of automatic machines for filling and preparing single-serve capsules for coffee and other soluble products. It has also signed an agreement to buy 61.45% of **Tecmar S.A.**, based in Mar del Plata (Argentina), which operates in the Latin American market in the design, production and marketing of automatic packaging machines in the coffee and food sectors.

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.

The 2018 financial statements, including the directors' report on operations and the report on corporate governance and the ownership structure, are currently being checked by the Independent Auditors.

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.

Established in 1961, IMA is 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 about 5,500 employees, about 2,300 of whom overseas, and can count on 39 production plants in Italy, Germany, Switzerland, the United Kingdom, the United States, India, Malaysia, China and Argentina. IMA has an extensive sales network comprising 29 branches which provide 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 East European countries and over 50 agencies covering a total of about 80 countries. **IMA S.p.A. has been listed on the Milan Stock Exchange since 1995 and in 2001 joined the STAR segment.** The following manufacturing companies are part of the IMA Group: 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 MAI S.A., IMA Medtech Switzerland S.A., IMA North America Inc., IMA-PG India Pvt. Ltd., IMA Swiftpack Ltd., Mapster S.r.l., Petroncini Impianti S.p.A., PharmaSiena Service S.r.l., Revisioni Industriali S.r.l., Shanghai Tianyan Pharmaceutical Machinery Co. Ltd., Teknoweb Converting S.r.l., Telerobot S.p.A., Tissue Machinery Company S.p.A., Valley Tissue Packaging Inc.

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