



Press release

Bologna, 20 December 2006

## **IMA acquires another 34% stake in Precision Gears, its Indian subsidiary**

IMA has signed a contract to buy shares equal to 34% of the share capital of the Indian subsidiary Precision Gears Pvt Ltd., of which it already holds 51%. The company is based in Mumbai and specialises in the production of blister and cartoning machines for emerging markets.

The 34% interest will be sold by the group of shareholders headed up by the Rao family in various tranches (the first will be of 11%) between December 2006 and 30 June 2007, for a price not exceeding 4.1 million euros, based on average earnings for the last three years. The company's 2006 turnover is expected to be around 11 million euros with an EBITDA of 1.5 million euros.

On completion of this operation, the Rao family will still hold 15% of the share capital. The parties have agreed on reciprocal put and call rights for this residual stake at the same conditions as the 34%.

Assuming that the put and call options are exercised and taking into account the agreed amount of interest, the total amount of this investment will come to around 7 million euros.

Commenting on this operation, Alberto Vacchi, IMA's Managing Director, declared: *"We have decided to buy a further stake in the Indian company, which has been a member of the Group since 1995, as it is a growth situation located in one of the fastest developing areas in the world. In recent years Precision Gears has achieved excellent results both in India and in emerging markets, maintaining the high capacity for technological innovation and customer service that has always been one of IMA's distinguishing features"*.

**Established in 1961, IMA is the world leader in the design and manufacture of automatic machines for the packaging of pharmaceutical products and of tea in filter bags.** The IMA Group has closed **the first nine months of 2006** with higher **consolidated revenues** of 271.3 million euros (238.7 million at September 30, 2005) and **operating income** that has reached 23.9 million euros (6.1 million at September 30, 2005). The Group has about 2,700 employees, more than 1,100 of whom overseas, and can count on 15 production plants in Italy, Germany, the United Kingdom, Spain, the United States, India and China. IMA has an extensive sales network comprising 9 branches which provide sales and service in France, the United Kingdom, Germany, Austria, Spain, Portugal, the United States, China and Thailand, 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 2 joint-ventures in China for production and service. In 2005 IMA concluded a joint-venture agreement with the **Telstar** Group (Spain) in the field of freeze-drying machinery for the pharmaceutical industry. In March 2006 IMA acquired the entire share capital of **VIMA Impianti S.r.l.**, a company that manufactures machines for powder handling of pharmaceuticals. IMA S.p.A. 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. S.p.A.**, **IMA Kilian GmbH & Co. KG**, **Nova Packaging Systems Inc.**, **Precision Gears Pvt Ltd.**, **Swiftpack Automation Ltd.**

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