Press release — Bologna, March 23, 2006

IMA's Board of Directors approves the draft 2005 financial statements

Consolidated results at December 31, 2005

The **consolidated** results as of December 31, 2005 are in line with the preliminary figures announced on February 14:

in millions of euro	**12.31.05**	**12.31.04**	**Δ% 05/04**
Revenues	398.8*	372.0	7.2
Gross operating profit (EBITDA)	49.2	47.6	3.4
Operating profit (EBIT)	35.6	36.7	(3.0)
Pre-tax income	28.0	32.6	(14.1)
Net profit	13.0	17.1	(24.0)
Group order book	*164.0*	*150.7*	*8.8*
Net financial position	*86.8*	*74.0*	*17.3*

* of which 22,2 million euro relating to the **Nova Group** (6,6 million in 2004), which entered the scope of consolidation during the last quarter of 2004, and 4.1 million euro pertaining to the **IMA-Telstar** joint-venture, consolidated with effect from the second half of 2005.

Proposed dividend

Proposed **dividend** of **0,40 euro per share**, as in 2004, to be submitted for approval by the **Shareholders' Meeting** called for April **27, 2005**.

Estimates of the IMA Group for the year 2006

Revenues: around 426 million euro
Gross operating profit: around 55 million euro
Operating profit: around 44 million euro

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, 2005 for submission to the **Shareholders' Meeting**, due to be held on **April 27, 2006**, at first calling.

The Board of Directors will propose to the Shareholders' Meeting to distribute a **dividend** of **0,40 euro per share**, as in 2004, due to be paid from May 18, 2006 (going ex-coupon on May 15, 2006), allocating the balance to reserves.

IMA Group results

Net revenues of the IMA Group at December 31, 2005 came in at 398.8 million euro (372 million euro at December 31, 2004), of which 22,2 million euro pertaining to the **Nova Group** (6,6 million in 2004), consolidated since the last quarter of 2004, and 4.1 million euro to the **IMA-Telstar** joint-venture, consolidated with effect from the second half of 2005. **Exports** accounted for 90.3%.
The **gross operating profit** amounted to 49.2 million euro (47.6 million in 2004). **Operating profit** came to 35.6 million euro, in line with the figure at December 31, 2004 (36.7 million). The items that had a particular impact on this result were the writedown and amortization of goodwill for 3.5 million euro, non-recurring expenses involved in reorganising the Group for 2 million euro, a generally unfavourable dollar exchange rate compared with the previous year, and higher discounts on average due to a more aggressive approach on the part of competitors. **Pre-tax income** came to 28 million euro, down compared with 32.6 million in 2004, mainly due to exchange losses. **Net profit** came to 13 million euro (17.1 million in 2004).
The Group order book as of December 31, 2005 stands at 164 million euro (150.7 million as of December 31, 2004).
Net debt at December 31, 2005 came to 86.8 million euro (74 million at December 31, 2004) after capital expenditure of 10.8 million euro (12 million in 2004), dividends distributed of 14 million euro and a net outlay for the purchase of treasury shares of 14.4 million euro. The acquisition of 50% of **IMA-Telstar S.L.** had a 5.9 million euro impact on the net financial position at the end of the year.

Results of the Parent Company IMA S.p.A.

The Parent Company IMA S.p.A. closed 2005 with **net revenues** of 304.5 million euro, an increase on 298.1 million euro in 2004. **Operating profit** came to 29.6 million euro (23.5 million in 2004) whereas **net profit** amounted to 15.5 million euro versus 16.1 million in 2004. **Net debt** at the end of 2005 amounts to 68.6 million euro (50.9 million at the end of 2004).

Estimates of the IMA Group for the year 2006

The high level of the order book in the **tea-bagging machine sector** and the increase in sales to the **pharmaceutical industry** (a sector that according to authoritative sources is expected to grow by 7% in 2006, compared with 5% in 2005) make it possible to foresee an improvement in the Group's results in 2006. The reinforcement of the US dollar and the steps taken to improve the Group's organisational efficiency, as well as a containment of fixed costs, should raise profit margins, with cash flow and the net financial position benefiting as a result.

In 2006, we expect to see **revenues** of around 426 million euro, a **gross operating profit** of around 55 million euro and an **operating profit** of around 44 million euro.

In commenting on the 2005 results **Alberto Vacchi**, **IMA's Managing Director**, declared *“The consolidated order book at the end of year is showing a +8.8% compared with the previous year, confirming the very positive trend in the tea sector, year on year, and an increase in sales to the pharmaceutical industry in the last quarter. In 2005, the Group has consolidated its leadership position in our core businesses (tea and pharmaceuticals), but above all it has shown an ability to identify and pursue new paths for development in high potential markets. The alliance with the Telstar Group (Spain) in the field of freeze-drying machinery for the pharmaceutical industry are proof of this. The size of the order book as at December 31, 2005 and the order trend as at today, confirm our forecasts for a further reinforcement of the Group's position in the tea and pharmaceutical sectors in 2006. Ongoing efforts begun in the last quarter of 2005 to reorganise internal processes and to hold down costs, together with the measures to reduce working capital, which already show an improvement in cash flows in these first months* - concluded Alberto Vacchi - *will make it possible to resume that steady growth and profitability that has distinguished the IMA Group in recent years."*

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

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 Group has more than 2,700 employees, about 1,100 of whom overseas, and can count on 14 production plants in Italy, Germany, the United Kingdom, Spain, the United States, India and China. IMA has an extensive sales network comprising nine 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 3 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. **IMA Board recently resolved to buy the entire share capital of VIMA Impianti S.r.l., a company that manufactures machines for dosing pharmaceutical products.** 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 Ltd., Swiftpack Automation Ltd.**

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