

PRESS RELEASE

ITALIAN STOCK EXCHANGE – STAR SEGMENT

PRIMA INDUSTRIE

**SALES, ORDERS AND PROFITABILITY
KEEP GROWING AS AT JUNE 30, 2007**

**THE BOARD OF DIRECTORS APPROVES THE 2ND QUARTER ACCOUNTS.
CONSOLIDATED RESULTS AT 06/30/07 STRENGTHEN THE CURRENT POSITIVE TREND.**

- **SALES at 73.3 MILLION EURO (+10% against 66.7 million euro at 06/30/2006);**
- **EBITDA at 9.3 MILLION EURO (+27% against 7.3 million euro at 06/30/2006);**
- **EBIT at 8.7 MILLION EURO (+29% against 6.7 MILLION EURO AT 06/30/2006);**
- **PROFIT BEFORE TAXES at 8.4 MILLION EURO (+35% against 6.2 million euro at 06/30/2006);**
- **NET RESULT at 4.0 MILLION EURO (-11% against 4.5 million euro at 06/30/2006 as a consequence of a higher tax rate);**
- **ORDERS BACKLOG at 73.5 MILLION EURO (+30% against 56.5 million euro at 06/30/2006).**

The economic and financial results and historical comparison data, included in this press release, have been calculated according to IAS/IFRS international accounting principles.

Collegno, August 3, 2007 – The Board of Directors of Prima Industrie S.p.A., a leading company in the high technology sector of laser systems for industrial applications, have approved today 2nd quarter 2007 financial statements.

Consolidated sales (73,308 thousand euro) are about 10% higher in respect to 66,677 thousand euro of same period last year.

As for 2nd quarter, consolidated sales are at 38,282 thousand euro, compared to 33,215 thousand euro of 2006 second quarter.

As for **geographical markets**, Group sales in the first half 2007 were achieved abroad for 77.9%. A remarkable growth has been registered, both in volumes (+23% as against first half 2006) and in percentage, by sales realized in Europe, thanks to the great performance of the parent company Prima Industrie S.p.A. and its controlled company Prima Electronics S.p.A.

Also sales realized in Italy have recorded, in absolute figures, a slight increase (+4.4%), against a light reduction in Asia and R.O.W, where it must be reminded that the Chinese JV operations are not included in the consolidation area.

North American sales have instead shown a contraction related to the fact that the 2006 first six months had taken advantage both of a high number of Laserdyne systems already delivered in 2005, although accepted by customers and recognized as revenues at the beginning of 2006, and also of the strong depreciation of the dollar/euro exchange rate in respect to 06/30/2006.

As far as product range, it is still continuing the expanding trend of 2D systems sales (PLATINO and SINCRONO), together with a good increase in revenues from sales of electronics products and from after-sale service and spare parts; a contraction in 3D systems sales is instead registered, mainly due, as already

explained, to the reduced number of Laserdyne systems recorded within the period revenues in respect to 2006 first six months.

In particular, as for the revenues trend in 2007 second quarter, they are 38,282 thousand euro, as against 33,215 thousand euro in 2006 second quarter (+15.3%). As for geographical distribution, sales have been realized for 17.9% in Italy (31.0% in 2006 second quarter), for 55.3% in Europe (44.0% in 2006 second quarter), for 17.0% in North America (12.0% in 2006 second quarter) and for 9.8% in Asia and R.O.W. (13.0% in 2006 second quarter).

As considering each quarter, it comes out the high rate of sales realized in the European countries (significantly improved both in percentage and in absolute figures in respect to 2006 first quarter).

The **production value** at 06/30/2007 is 80,850 thousand euro, up 18% against the amount of same period last year (68,490 thousand euro), thanks to those lasers systems already delivered but not yet accepted at 06/30/2007. We remind, in fact, that the Group recognize revenues when systems are accepted by customers (IAS 18).

As for the second quarter, the amount have been of 40,279 thousand euro, in respect to 36,606 thousand euro of same period in 2006 (+10%).

All profitability ratios have recorded remarkable growth rates in respect to the values of last year, also as a consequence of the operating leverage as well as of the economies of scale and of learning in the period..

The Consolidated **EBITDA** is 9,316 thousand euro (12.7% on sales) and is up 26.8% against 7,348 thousand euro at 06/30/2006 (11.0% on sales).

The Consolidated **EBIT** is 8,654 thousand euro, (11.8% on sales) growing by 29.1% against 6,705 thousand euro of 06/30/2006 (10% on sales).

As for 2007 second quarter, Consolidated EBITDA and EBIT were respectively at 4,493 and 4,156 thousand euro, against 3,002 and 2,664 thousand euro of 2006 second quarter.

The increase in operating profitability reflected on the **profit before taxes** at 06/30/2007, which amounts to 8,381 thousand euro, compared to 6,218 thousand euro at 06/30/2006 (+34.8%). The value relevant to the quarter is 4,284 thousand euro (2,518 thousand euro in 2006 second quarter).

The Group **net result** at 06/30/2007 is 4,028 thousand euro, compared to 4,493 thousand euro at 06/30/2006 as a consequence of a tax rate higher than same period last year, which instead was still taking advantage of the remarkable carry-forward fiscal losses relevant to Prima North America.

2007 second quarter, in particular, has brought to this amount 1,892 thousand euro in respect to 1,449 thousand euro of 2006 second quarter.

The **Net financial position** (2,946 thousand euro at 06/30/2007), recording a net improvement in respect to same period last year (-7,376 thousand euro), is reducing in respect to 03/31/2007, mainly as a result of the dividend payment which took place in May 2007 for an amount of 2,988 thousand euro.

Both the **consolidated order acquisition** during 2007 first six months and the **backlog** at the end of second quarter recorded significantly higher amounts against same period last year, so confirming the favourable growth trend started in mid 2005; consolidated order acquisition at 06/30/2007 is at 92,569 thousand euro, up about 13% against 82,218 thousand euro of 2006 same period.

As for 2007 second quarter, order acquisition is 51,404 thousand euro, up 13% in respect to 45,460 thousand euro in 2006 second quarter, confirming the excellent trend of the Group commercial activities.

Consolidated backlog at 06/30/2007 is also excellent at 73,486 thousand euro, up 30% against 56,545 thousand euro as at 06/30/2006 and up 19% against 61,520 thousand euro as at 03/31/2007.

The Group continued to significantly invest in **Research & Development** during the period. As at 06/30/2007, in fact, 4,522 thousand euro of research costs were charged to P&L (6.2% of sales) as against 4,106 thousand euro at 06/30/2006.

As for the **parent company Prima Industrie S.p.A.**, sales at 06/30/2007 are 50,246 thousand euro, up 14.8% against 06/30/2006 (43,752 thousand euro). In particular, during the second quarter sales were 25,670 thousand euro against 25,306 thousand euro of 2006 second quarter.

The operating profitability at 06/30/2007 is also increasing to 3,956 thousand euro, as against 2,156 thousand euro of 06/30/2006. During the quarter the EBIT achieved has been 1,423 thousand euro (it was 1,320 thousand euro in 2006 second quarter).

The net result, which benefits also from the dividends distributed by the controlled company Prima North America for an amount of 2,268 thousand euro and from the lower dividends tax rate (5% compared to an average tax rate over 50%), has increased to 4,208 thousand euro at 06/30/2007 from 1,198 thousand euro at 06/30/2006. The net result achieved in the quarter is 1,099 thousand euro as against 1.084 thousand euro of 2006 second quarter.

The positive trend of the parent company PRIMA INDUSTRIE S.p.A. should continue also in next months thanks to the customers' orders backlog which, at 06/30/2007, amounts to 42,320 thousand euro, with a growth of over 33% against 31,719 thousand euro as at 06/30/2006.

Commenting the results of 2007 second quarter, Gianfranco Carbonato, Chairman and C.E.O. of Prima Industrie S.p.A., declared: *"We are happy to announce once more to our Shareholders growing results in terms of sales, profitability and order acquisition. Our reference market remains excellent, in particular in Europe where the Company recently strengthened its direct presence through the opening of a new subsidiary in Poland"*

PRIMA INDUSTRIE, established in 1977 and listed at the Italian Stock Exchange since 1999, currently present on the STAR segment, develops, manufactures and markets high-power laser systems for cutting, welding and drilling of three-dimensional (3D) and bi-dimensional (2D) parts.
PRIMA INDUSTRIE leads a Group with nearly 600 employees, with manufacturing facilities in Italy (PRIMA INDUSTRIE S.p.A. and PRIMA ELECTRONICS S.p.A.); USA (PRIMA North America Inc.) and China (Shanghai Unity Prima Ltd. and Shenyang Prima Laser Machine Company Ltd.), and with a wide sales network in about 50 countries.
At present the Group has over 2500 systems installed worldwide with more than 1000 customers in the automotive, aerospace and in a wide range of other industries.
After 30 years from its incorporation, PRIMA INDUSTRIE's mission is still the same of its origin: innovation, excellence, growth.

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PRIMA INDUSTRIE S.p.A.

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30TH 2007»

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007

CONSOLIDATED BALANCE SHEET AT JUNE 30 2007 & DECEMBER 31 2006

| VALUES IN EURO | 06/30/2007 | 12/31/2006 |
|---|--------------------|--------------------|
| Tangible fixed assets | 6.620.259 | 6.427.108 |
| Intangible fixed assets | 2.783.835 | 2.511.075 |
| Equity investments valued using the equity method | 1.750.951 | 1.787.906 |
| Equity investments valued using the cost method | 801.885 | 801.885 |
| Other financial assets | 267.999 | 267.999 |
| Tax assets for prepaid taxes | 6.301.117 | 7.525.805 |
| Other receivables | 24.882 | 38.791 |
| Derivative financial instruments | 42.530 | |
| TOTAL NON CURRENT ASSETS | 18.593.458 | 19.360.569 |
| Inventories | 47.262.756 | 33.870.201 |
| Trade receivables | 36.857.076 | 38.960.582 |
| Other receivables | 3.833.963 | 2.802.967 |
| Other tax assets | 4.389.511 | 1.643.701 |
| Derivative financial instruments | - | - |
| Trading securities valued at fair value | - | - |
| Cash and cash equivalents | 21.857.964 | 20.702.707 |
| TOTAL CURRENT ASSETS | 114.201.270 | 97.980.158 |
| Non current assets held for sale | - | - |
| TOTAL ASSETS | 132.794.728 | 117.340.727 |
| Share Capital | 11.500.000 | 11.500.000 |
| Treasury stock | (87.880) | (109.034) |
| Treasury stock owned by subsidiaries | - | - |
| Legal reserve | 2.300.000 | 2.300.000 |
| Other reserve | 17.018.984 | 16.849.034 |
| Conversion reserve | (1.008.062) | (639.537) |
| Profits (Losses) carried forward | 9.285.724 | (1.307.575) |
| Profit (losses) for the year | 4.027.695 | 13.705.921 |
| Total Group stockholders' equity | 43.036.461 | 42.298.809 |
| Minority interests | - | 60.266 |
| TOTAL NET EQUITY | 43.036.461 | 42.359.075 |
| Loans | 15.916.390 | 12.657.033 |
| Employee benefits | 4.929.327 | 5.544.236 |
| Deferred tax liabilities | 2.191.233 | 2.384.507 |
| Provisions for risks and charges | 26.988 | 33.500 |
| Derivative financial instruments | - | 6.071 |
| TOTAL NON CURRENT LIABILITIES | 23.063.938 | 20.625.347 |
| Trade payables | 37.227.254 | 26.054.651 |
| Advances | 10.564.012 | 7.387.989 |
| Other payables | 6.428.759 | 5.905.438 |
| Amounts due to banks and in respect of loans | 3.287.477 | 5.231.281 |
| Tax liabilities - current taxes | 4.536.246 | 5.066.445 |
| Provision for risks and charges | 4.632.032 | 4.709.897 |
| Derivative financial instruments | 18.549 | 604 |
| TOTAL CURRENT LIABILITIES | 66.694.329 | 54.356.305 |
| Liabilities due to non current assets held for sale | - | - |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 132.794.728 | 117.340.727 |

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007
CONSOLIDATED INCOME STATEMENT AT JUNE 30 2007 AND JUNE 30 2006

| VALUES IN EURO | 06/30/2007 | 06/30/2006 | II quarter 07 | II quarter 06 |
|--|------------------|------------------|------------------|------------------|
| Net revenues from sales and services | 73.308.282 | 66.677.018 | 38.282.412 | 33.214.890 |
| Other operating income | 1.217.319 | 784.628 | 342.328 | 316.708 |
| Changes in inventories of semifinished and finished products | 6.212.189 | 977.617 | 1.597.573 | 3.051.151 |
| Increases in fixed assets for internal work | 112.703 | 50.399 | 57.555 | 23.663 |
| Use of raw materials, consumables, supplies and goods | (36.960.723) | (31.693.448) | (17.597.010) | (18.390.558) |
| Personnel cost | (16.309.277) | (14.540.313) | (8.367.608) | (7.286.483) |
| Amortization | (661.817) | (642.669) | (336.355) | (337.535) |
| Impairment & Writedowns | - | - | - | - |
| Other operating costs | (18.264.323) | (14.907.960) | (9.822.923) | (7.927.590) |
| OPERATING INCOME | 8.654.353 | 6.705.272 | 4.155.972 | 2.664.246 |
| Financial income | 361.047 | 165.371 | 222.766 | 76.210 |
| Financial expenses | (632.646) | (720.678) | (342.807) | (300.955) |
| Net income from transactions in foreign exchange | 29.247 | 88.075 | 40.632 | 109.164 |
| Net income from associated companies & joint ventures | (31.450) | (20.120) | 207.762 | (30.305) |
| INCOME BEFORE TAX | 8.380.551 | 6.217.920 | 4.284.325 | 2.518.360 |
| Current and deferred taxes | (4.352.856) | (1.724.553) | (2.392.328) | (1.069.223) |
| NET PROFIT | 4.027.695 | 4.493.367 | 1.891.997 | 1.449.137 |
| Income from assets held for disposal | - | - | - | - |
| NET PROFIT | 4.027.695 | 4.493.367 | 1.891.997 | 1.449.137 |
| - Group Stockholders' net profit | 4.027.695 | 4.520.870 | 1.891.997 | 1.439.487 |
| - Minorities net profit | - | (27.503) | - | 9.650 |
| EARNING PER SHARE (euro) | 0,88 | 0,98 | 0,41 | 0,32 |

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY AT JUNE 30 2006 AND JUNE 30 2007

From January 1st, 2006 to June 30th, 2006

| VALUES IN EURO | 01/01/2006 | Variation of Consolidation Area | Purchase/Sale of treasury stock | Gains on disposal of treasury stock | Losses on disposal of treasury stock | Allocation of Previous Financial Year's income | Dividends Distribution | Profit of the period | Other | Conversion Reserve | 30/06/2006 |
|--------------------------------------|-------------------|---------------------------------|---------------------------------|-------------------------------------|--------------------------------------|--|------------------------|----------------------|-------|--------------------|-------------------|
| Share Capital | 11.500.000 | | | | | | | | | | 11.500.000 |
| Treasury stock | (92.872) | | (196.489) | | | | | | | | (289.361) |
| Treasury stock owned by Subsidiaries | - | | | | | | | | | | 0 |
| Share premium reserve | 15.664.893 | | | | | | | | | | 15.664.893 |
| Legal reserve | 770.910 | | | | | 1.529.090 | | | | | 2.300.000 |
| Other reserve | 220.624 | | | | | 964.856 | | | | | 1.185.480 |
| Conversion reserve | 329.937 | | | | | | | | | (488.028) | (158.091) |
| Profit / (loss) carried forward | (2.661.910) | (28.372) | | 32.061 | | 1.327.771 | | | | | (1.330.450) |
| Income for the year | 5.107.631 | | | | | (3.821.717) | (1.285.914) | 4.520.870 | | | 4.520.870 |
| Net Equity | 30.839.213 | | (196.489) | 32.061 | 0 | 0 | (1.285.914) | 4.520.870 | | (488.028) | 33.393.341 |
| Minorities' interest | 0 | | | | | | | | | | 18.820 |
| Total Net Equity | 30.839.213 | | | | | | | | | | 33.412.161 |

From January 1st, 2007 to June 30th, 2007

| VALUES IN EURO | 01/01/2007 | Variation of Consolidation Area | Purchase/Sale of treasury stock | Gains on disposal of treasury stock | Losses on disposal of treasury stock | Allocation of Previous Financial Year's income | Dividends Distribution | Profit of the period | Other | Conversion Reserve | 30/06/2007 |
|--------------------------------------|-------------------|---------------------------------|---------------------------------|-------------------------------------|--------------------------------------|--|------------------------|----------------------|----------|--------------------|-------------------|
| Share Capital | 11.500.000 | | | | | | | | | | 11.500.000 |
| Treasury stock | (109.034) | | 21.154 | | | | | | | | (87.880) |
| Treasury stock owned by Subsidiaries | - | | | | | | | | | | - |
| Share premium reserve | 15.664.893 | | | | | | | | | | 15.664.893 |
| Legal reserve | 2.300.000 | | | | | | | | | | 2.300.000 |
| Other reserve | 1.184.141 | | | | | 169.950 | | | | | 1.354.091 |
| Conversion reserve | (639.537) | | | | | | | | | (368.525) | (1.008.062) |
| Profit / (loss) carried forward | (1.307.575) | 21.524 | | 25.000 | (1.146) | 10.547.921 | | | | - | 9.285.724 |
| Income for the year | 13.705.921 | 0 | | | | (10.717.871) | (2.988.050) | 4.027.695 | | | 4.027.695 |
| Net Equity | 42.298.809 | 21.524 | 21.154 | 25.000 | (1.146) | 0 | (2.988.050) | 4.027.695 | 0 | (368.525) | 43.036.461 |
| Minorities' interest | 60.266 | (60.266) | | | | | | | | | 0 |
| Total Net Equity | 42.359.075 | | | | | | | | | | 43.036.461 |

CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007
CONSOLIDATED CASH FLOWS STATEMENT AT JUNE 30, 2007 & JUNE 30, 2006

| THOUSAND OF EURO | 06/30/2007 | 06/30/2006 |
|---|--------------------|-------------------|
| Profit (Loss) before tax | 8.380.551 | 6.217.920 |
| Adjustments | 1.024.790 | 1.736.554 |
| Amortization for the financial year | 661.817 | 642.669 |
| Provisions raised to Employees' severance fund | 89.171 | 606.533 |
| Loss (Profit) on foreign currency transactions | (29.247) | (88.075) |
| Loss (Income) from equity investments | 31.450 | 20.120 |
| Financial expenses | 632.646 | 720.678 |
| Financial (income) | (361.047) | (165.371) |
| | 9.405.341 | 7.954.474 |
| (Increase) /Decrease in trade and other receivables | (434.703) | 2.784.058 |
| (Increase) /Decrease in inventories | (13.392.555) | (3.684.823) |
| Increase / (Decrease) in trade payables | 14.348.626 | (1.754.814) |
| Increase / (Decrease) in other payables | (3.821.623) | (608.501) |
| Cash flow from typical activity | 6.105.086 | 4.690.394 |
| Interest payment | (632.646) | (678.078) |
| Tax payment | (1.490.595) | (102.869) |
| Cash flow derived from operating activity | 3.981.845 | 3.909.447 |
| Cash flow derived from investment activity | | |
| Consolidation MLTA S.r.l. | - | (38.622) |
| Purchase of tangible fixed assets | (767.152) | (952.526) |
| Start up MLTA S.r.l. | (124.486) | - |
| Purchase of intangible fixed assets | (249.350) | 37.471 |
| Sale /(Purchase) of financial assets (at cost) | - | (236.551) |
| Sale /(Purchase) investments in associates | 5.505 | 26.403 |
| Receipts from sales of fixed assets | 13.260 | - |
| Interest encashed | 361.047 | 165.371 |
| Flusso di cassa netto dalla gestione di investimento | (761.176) | - 998.454 |
| Cash flow derived from financing activity | | |
| Variation in the conversion reserve | (368.525) | (488.028) |
| (Purchase)/sale of treasury stock | 45.008 | (164.428) |
| Variation of other reserves | (38.742) | 18.820 |
| Changes in balance- derivative instruments (FV) | (30.656) | (7.415) |
| Loan agreements | 4.000.000 | 11.000.000 |
| Repayments of loans and financing | (2.321.779) | (8.302.865) |
| (Repayments)/ Raising of financial leases | (104.149) | (117.777) |
| (Repayments)/ Raising of Sabatini transactions | (258.519) | (79.897) |
| Dividends paid | (2.988.050) | (1.285.914) |
| Net Cash flow derived from financing activity | (2.065.412) | 572.496 |
| Increase (decrease) in the cash and cash equivalents | 1.155.257 | 3.483.489 |
| Cash and cash equivalents at start of year | 20.702.707 | 11.495.383 |
| Cash and cash equivalents at year end | 21.857.964 | 14.978.872 |



PRIMA INDUSTRIE S.p.A.

FINANCIAL STATEMENTS AT JUNE 30, 2007

FINANCIAL STATEMENTS AT JUNE 30, 2007
BALANCE SHEET AT JUNE 30 2007 & DECEMBER 31 2006

| VALUES IN EURO | 30/06/07 | 31/12/06 |
|---|--------------------|-------------------|
| Tangible fixed assets | 3.367.114 | 3.153.790 |
| Intangible fixed assets | 217.781 | 161.036 |
| Equity investments in subsidiaries | 12.933.734 | 12.840.913 |
| Equity investments valued using the equity method | 664.135 | 1.009.794 |
| Equity investments valued using the cost method | 51.832 | 51.832 |
| Financial assets - financing to subsidiaries | 6.626.528 | 626.000 |
| Other financial assets | 267.999 | 267.999 |
| Tax assets for prepaid taxes | 2.818.000 | 2.784.368 |
| Derivative financial instruments | 42.530 | - |
| Other receivables | - | 8.800 |
| TOTAL NON CURRENT ASSETS | 26.989.653 | 20.904.532 |
| Inventories | 27.783.256 | 19.957.839 |
| Trade receivables | 31.987.389 | 33.666.729 |
| Other receivables | 2.299.877 | 2.340.099 |
| Other tax assets | 4.054.499 | 1.592.722 |
| Derivative financial instruments | | |
| Trading securities valued at fair value | 7.561.851 | 14.470.160 |
| TOTAL CURRENT ASSETS | 73.686.872 | 72.027.549 |
| Non current assets held for sale | - | - |
| TOTAL ASSETS | 100.676.525 | 92.932.081 |
| Share Capital | 11.500.000 | 11.500.000 |
| Treasury stock | (87.880) | (109.034) |
| Legal reserve | 2.300.000 | 2.300.000 |
| Other reserve | 17.018.984 | 16.849.034 |
| Profits (Losses) carried forward | (1.577.524) | (1.601.378) |
| Profit (losses) for the year | 4.208.204 | 3.158.000 |
| Total Group Stockholders' equity | 33.361.784 | 32.096.622 |
| TOTAL NET EQUITY | 33.361.784 | 32.096.622 |
| Loans | 13.148.883 | 11.680.253 |
| Employee benefits | 3.410.103 | 3.935.385 |
| Deferred tax liabilities | 26.988 | 33.500 |
| Provisions for risks and charges | 1.665.350 | 1.661.121 |
| Derivative financial instruments | - | 6.071 |
| TOTAL NON CURRENT LIABILITIES | 18.251.324 | 17.316.330 |
| Trade payables | 31.653.260 | 23.765.426 |
| Advances | 6.597.799 | 5.299.076 |
| Other payables | 3.571.766 | 3.446.243 |
| Amounts due to banks and in respect of loans | 2.370.561 | 4.982.898 |
| Tax liabilities - current taxes | 2.457.182 | 3.666.882 |
| Provision for risks and charges | 2.394.300 | 2.358.000 |
| Derivative financial instruments | 18.549 | 604 |
| TOTAL CURRENT LIABILITIES | 49.063.417 | 43.519.129 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | 100.676.525 | 92.932.081 |

FINANCIAL STATEMENTS AT JUNE 30, 2007
 INCOME STATEMENT AT JUNE 30 2007 AND JUNE 30 2006

| VALUES IN EURO | 06/30/2007 | 06/30/2006 | II quarter 2007 | II quarter 2006 |
|---|------------------|------------------|------------------|------------------|
| Net revenues from sales and services | 50.245.942 | 43.751.889 | 25.669.886 | 25.306.125 |
| Other operating revenues | 1.343.468 | 785.858 | 434.959 | 309.799 |
| Change in inventories of semifinished and finished products | 2.391.895 | 1.126.439 | 50.768 | 306.745 |
| Increases in fixed assets for internal work | 80.703 | 29.399 | 42.555 | 8.663 |
| Use of raw materials, consumables, supplies and goods | (27.617.886) | (24.778.446) | (13.084.276) | (14.449.499) |
| Personnel cost | (8.837.569) | (7.790.973) | (4.556.970) | (3.926.288) |
| Amortization | (348.385) | (312.313) | (175.662) | (162.397) |
| Impairment & Writedowns | - | - | - | - |
| Other operating costs | (13.302.053) | (10.655.682) | (6.957.907) | (6.072.792) |
| OPERATING INCOME | 3.956.115 | 2.156.171 | 1.423.353 | 1.320.356 |
| Financial income | 3.163.462 | 793.253 | 783.492 | 681.869 |
| Financial expenses | (540.582) | (581.757) | (275.339) | (225.108) |
| Net result from transactions in foreign exchange | 38.620 | 132.783 | 19.749 | 133.671 |
| Net result from associated companies & joint ventures | (345.659) | - | - | - |
| RESULT BEFORE TAXES | 6.271.956 | 2.500.450 | 1.951.255 | 1.910.788 |
| Current and deferred taxes | (2.063.752) | (1.302.185) | (852.613) | (826.843) |
| NET PROFIT/ (LOSS) | 4.208.204 | 1.198.265 | 1.098.642 | 1.083.945 |

FINANCIAL STATEMENTS AT JUNE 30, 2007

STATEMENT OF CHANGES IN STOCKHOLDERS'EQUITY AT JUNE 30 2006 AND JUNE 30 2007

From January 1st, 2006 to June 30th, 2006

| VALUES IN EURO | 01/01/2006 | Purchase/ Sale of treasury stock | Gains on disposal of treasury stock | Losses on disposal of treasury stock | Allocation of Previous Financial Year's income | Dividends Distribution | Profit of the period | 30/06/2006 |
|--------------------------------------|-------------------|--|--|--|---|---------------------------|-------------------------|-------------------|
| Share Capital | 11.500.000 | | | | | | | 11.500.000 |
| Treasury stock | (92.872) | (51.393) | | | | | | (144.265) |
| Treasury stock owned by Subsidiaries | - | | | | | | | - |
| Share premium reserve | 15.664.893 | | | | | | | 15.664.893 |
| Legal reserve | 770.910 | | | | 1.529.090 | | | 2.300.000 |
| Other reserve | 220.624 | - | | | 964.856 | | | 1.185.480 |
| Conversion reserve | | | | | 0 | | | - |
| Profit / (loss) carried forward | (1.181.405) | - | 39.805 | (7.744) | 125.092 | | | (1.024.252) |
| Income for the year | 3.904.952 | | | | (2.619.038) | (1.285.914) | 1.198.265 | 1.198.265 |
| Net Equity | 30.787.102 | (51.393) | 39.805 | (7.744) | - | (1.285.914) | 1.198.265 | 30.680.121 |

From January 1st, 2007 to June 30th, 2007

| VALUES IN EURO | 01/01/2007 | Purchase/ Sale of treasury stock | Gains on disposal of treasury stock | Losses on disposal of treasury stock | Allocation of Previous Financial Year's income | Dividends Distribution | Profit of the period | 30/06/2007 |
|---------------------------------|-------------------|--|--|--|---|---------------------------|-------------------------|-------------------|
| Share Capital | 11.500.000 | | | | | | | 11.500.000 |
| Treasury stock | (109.034) | 21.154 | | | | | | (87.880) |
| Share premium reserve | 15.664.893 | | | | | | | 15.664.893 |
| Legal reserve | 2.300.000 | | | | - | | | 2.300.000 |
| Other reserve | 1.184.141 | | | | 169.950 | | | 1.354.091 |
| Conversion reserve | - | | | | - | | | - |
| Profit / (loss) carried forward | (1.601.378) | | 25.000 | (1.146) | | | | (1.577.524) |
| Income for the year | 3.158.000 | | | | (169.950) | (2.988.050) | 4.208.204 | 4.208.204 |
| Net Equity | 32.096.622 | 21.154 | 25.000 | (1.146) | - | (2.988.050) | 4.208.204 | 33.361.784 |

FINANCIAL STATEMENTS AT JUNE 30, 2007

CASH FLOWS STATEMENT AT JUNE 30, 2007 & JUNE 30, 2006

| VALORI IN EURO | 30/06/07 | 30/06/06 |
|---|--------------------|-------------------|
| Profit (Loss) before tax | 6.271.956 | 1.900.450 |
| Adjustments | (1.896.605) | (331.622) |
| Amortization for the financial year | 348.385 | 312.313 |
| Provisions raised to Employees' severance fund | 70.851 | 211.786 |
| Loss (Profit) on foreign currency transactions | (38.620) | 132.783 |
| Loss (Income) from equity investments | (2.522.600) | (600.000) |
| Financial expenses | 540.582 | (581.757) |
| Financial (income) | (295.203) | 193.253 |
| | 4.375.351 | 1.568.828 |
| (Increase) /Decrease in trade and other receivables | (767.047) | 210.278 |
| (Increase) /Decrease in inventories | (7.825.417) | (4.316.090) |
| Increase / (Decrease) in trade payables | 9.186.557 | 5.029.474 |
| Increase / (Decrease) in other payables | (759.589) | (616.477) |
| Cash flow from typical activity | 4.209.855 | 1.876.013 |
| Interest payment | (501.962) | 491.573 |
| Tax payment | (1.450.456) | (103.060) |
| Cash flow derived from operating activity | 2.257.437 | 2.264.526 |
| Cash flow derived from investment activity | | |
| Purchase of tangible fixed assets | (472.982) | (340.507) |
| Purchase of intangible fixed assets | (145.472) | (117.023) |
| Decreasing/(Increase) financing to subsidiaries | (6.000.528) | (138.579) |
| Sale / (Purchase) investments in associates | (92.821) | - |
| Sale/ (Purch.) of invest. accounted for using the equity method | - | - |
| Receipts from sales and fixed assets | - | 19.522 |
| Dividends encashed | 2.868.259 | 600.000 |
| Interest encashed | 295.203 | (193.253) |
| Flusso di cassa netto dalla gestione di investimento | (3.548.341) | (169.840) |
| Cash flow derived from financing activity | | |
| Variation in the conversion reserve | - | - |
| (Purchase)/sale of treasury stock | 45.008 | (19.332) |
| Changes in balance- derivative instruments (FV) | (30.656) | (7.415) |
| Repayments of loans and financing | 2.000.000 | 11.000.000 |
| Loan agreements | (2.670.722) | (6.834.768) |
| (Repayments)/ Raising of financial leases | (104.149) | (117.777) |
| (Repayments)/ Raising of Sabatini transactions | (368.836) | (79.897) |
| (Repayments)/ Raising of infragroup financing | (1.500.000) | - |
| Dividends paid | (2.988.050) | (1.285.914) |
| Net Cash flow derived from financing activity | (5.617.405) | 2.654.897 |
| Increase (decrease) in the cash and cash equivalents | (6.908.309) | 4.749.583 |
| Cash and cash equivalents at start of year | 14.470.160 | 7.138.093 |
| Cash and cash equivalents at year end | 7.561.851 | 11.887.676 |