



STAR CONFERENCE – London – October 8<sup>th</sup> 2008



## Agenda

- 1. The Group at a Glance**
- 2. Market Overview**
- 3. Investment Highlights**
- 4. Company Strategy**
- 5. Financial Overview**
- 6. Shareholders structure & Equity**



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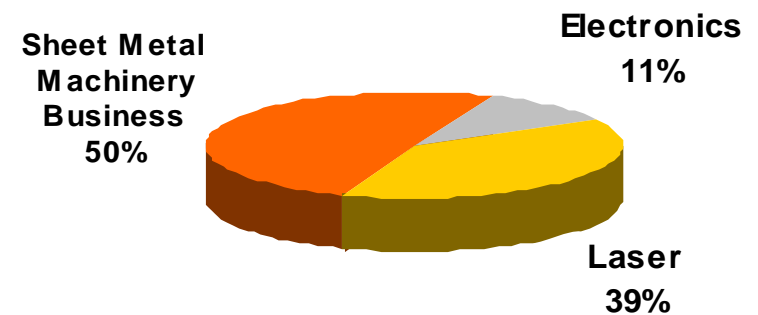
## Company Overview

...Key Highlights

- ▣ Leading global player in laser and sheet metal machinery
- ▣ Comprehensive product range in laser systems and sources, punching, shearing, bending and automation
- ▣ Sales CAGR 2005 – 2007 > 25%
- ▣ 2007 Pro forma sales: ~ EUR 417.8m
- ▣ 2007 Pro forma EBITDA\* : ~ EUR 49.6m (~ 12%)
- ▣ Average yearly 2005 – 2007 R&D expenses: 6%
- ▣ Over 1,700 employees (210 in R&D)
- ▣ 10 Manufacturing facilities (Italy, Finland, USA, China)

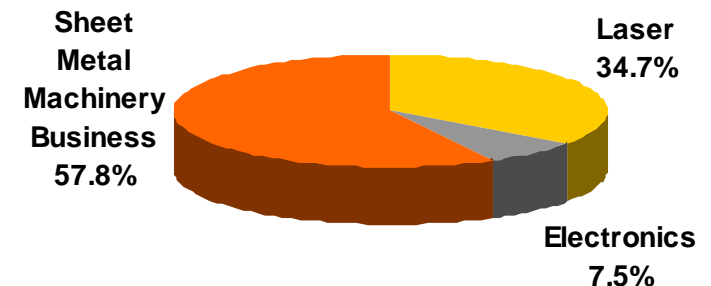
### Breakdown of Sales by Product

1H 2008 \*\*



### Breakdown of Sales by Product

2007 Pro forma



October 8<sup>th</sup> 2008

Pag. 4

\* EBITDA adjusted for impact of impairment and net of result of associates and joint ventures

\*\* Sheet Metal Machinery Business accounts for only 5 months



# A World Leader in Laser and Sheet Metal Machinery

...with a Highly Diversified Product Range



**PRIMA INDUSTRIE Laser**

- 2D Laser
  - plakino
- 3D Laser
  - syncrono
- Laser Sources
  - domino
- After Sales Services
  - rapido
  - optimo

**Sheet Metal Machinery Business**

- Punching
  - X, C, E Series Punch Press
- Integrated Systems
  - SG Shear Genius
  - SB Shear Brilliance
- Bending
  - BC, EBe Panel Bending
- Shearing
  - Press Brakes (E-Series)
- Automation
  - LB, LP Laser Brilliance
- After Sales Services

**PRIMA ELECTRONICS osai DYNAMIC SYSTEMS Electronics**

- Numeric Control
  -
- Other Products
  -
- After Sales Services
  - 
  -





# An Industrial Success Story

## Key Milestones

### 1980-1989: Evolution into an Industrial Company

- ▣ Leadership in 3D laser robots (OPTIMO)
- ▣ Development of industrial electronics & software
- ▣ Player in industrial robots for arc welding & handling
- ▣ Leader in measuring robots
- ▣ First International subsidiary (Germany)

### 1990-1995: Focus on Laser

- ▣ Increase 3D products range (RAPIDO)
- ▣ Development of International sales/service subsidiaries (US, France, UK)
- ▣ Sale of non-core activities
- ▣ Entry in 2D laser market through acquisition of the Swiss Company LASERWORK AG

### 2000-2007: Internationalization

- ▣ Acquisition of Convergent Energy and Laserdyne (presently both divisions of PRIMA North America)
- ▣ Second JV in China: SHANGHAI UNITY PRIMA
- ▣ Launch of SINCRONO and RAPIDO EVOLUZIONE
- ▣ Strengthening EU sales/service (Prima GmbH, Prima Scandinavia, Prima Polska)

1977-1979

1980-1989

1990-1995

1996-1999

2000-2007

2007-2008

### 1977-1979: Start Up as Engineering Company

- ▣ Incorporation under the name of PRIMA PROGETTI
- ▣ Incorporation of PRIMA ELECTRONICS
- ▣ Developments of a wide range of hi-tech products
- ▣ First 3D laser machine developed in 1979 (ZAC)

### 1996-1999: Strong Growth and IPO

- ▣ ISO 9001 certification
- ▣ New 2D product launch (PLATINO)
- ▣ R&D investment program to extend the product range (New OPTIMO, DOMINO, MAXIMO)
- ▣ First JV in China and Branch office in Beijing
- ▣ Listing on Italian Stock Exchange (presently STAR segment)

### 2007-2008: External growth

- ▣ Acquisition of OSAI
- ▣ Acquisition of Finn Power



## Agenda

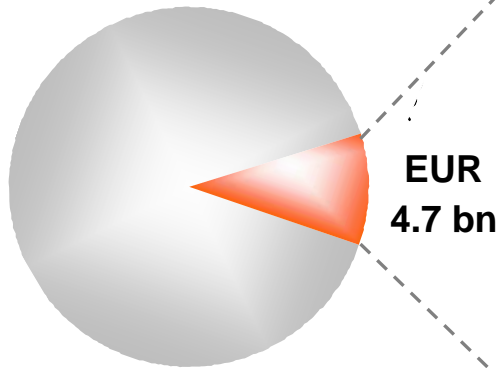
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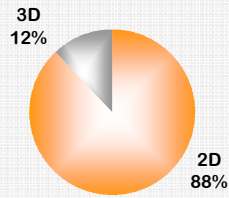
# Prima Industrie is a World Leading Player in its Reference Markets

## Global Machine Tool Market 2007

EUR 47.2 bn



### High Power Laser Systems



Dimension

EUR 1.9 bn  
(2006)

Market Growth <sup>1)</sup>

CAGR 2002-2006: 9%  
CAGR 2006-2010: 5%  
- Laser 3D: 9%  
- Laser 2D: 4%

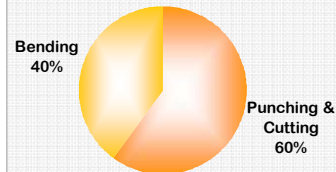
Company Growth <sup>3)</sup>

CAGR 2002-2006:11%

Market Position



### Sheet Metal Working



Dimension

EUR 2.8 bn  
(2006)

Market Growth <sup>1)</sup>

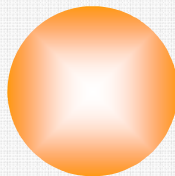
CAGR 2002-2006: 9%

Company Growth <sup>4)</sup>

CAGR 2002-2006:11%



### Electronics



Dimension

EUR 4.7 bn  
(2007)

Market Growth <sup>2)</sup>

CAGR 2005-2007: 9%  
CAGR 2007-2010: 7%

Company Growth <sup>5)</sup>

CAGR 2005-2007:31%

Market Position

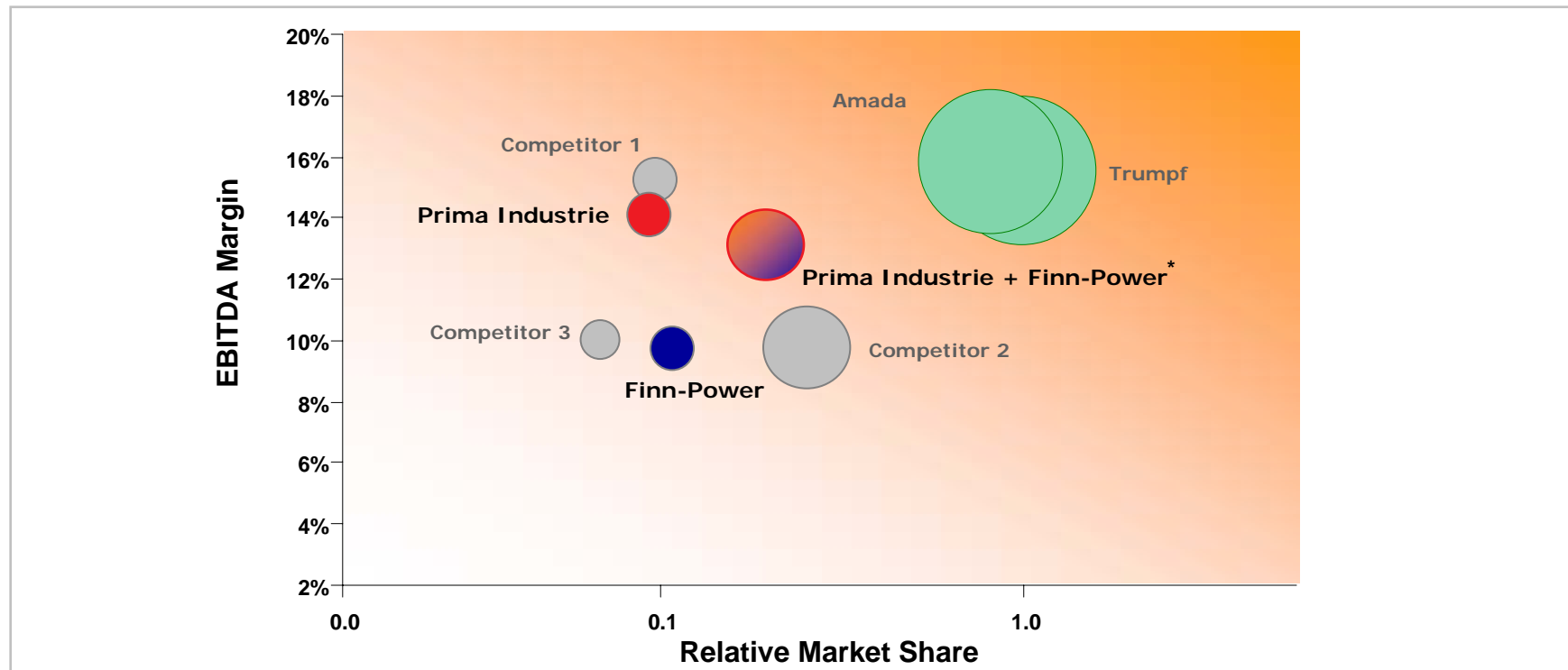
Leadership in Niche Segments







## The Combined Entity Competes as a Leader in the Global Market.....



**Larger size and higher market share mean higher profitability and stability during the cycle**

October 8<sup>th</sup> 2008 Source: Relative Market Share calculated as Revenues on Leader Revenues

Pag. 9 Relative Market Share and EBITDA Margin based on last available accounts (Prima Industrie, Finn-Power and Pro forma as of December 2007)

\* Combined entity with synergies

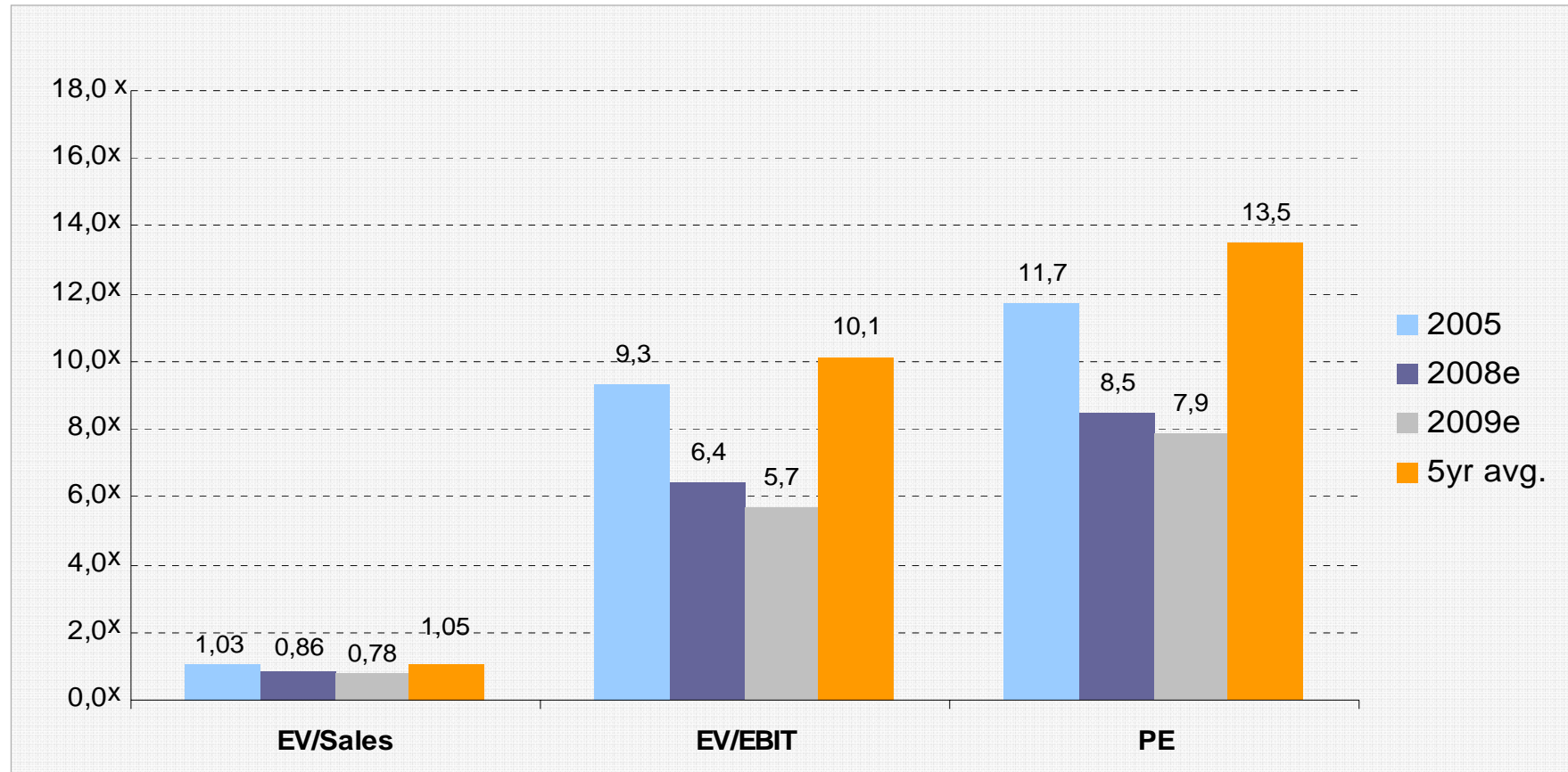




## ....Keeping an Eye on a Challenging Stock Market

Industrial Engineering Universe

Current valuation levels vs. 5 year average valuation level





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## Prima Industrie Key Success Factors

A comprehensive product range

Internal development and implementation of components with higher value added

Ability to continuously develop new products

A global sales network

A comprehensive after sales services

Brand awareness





## A Comprehensive Product Range...

Laser

platino

domino

optimo

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sincrono

rapido

laserdyne 790

Sheet Metal Machinery Business

X, C, E Series  
Punch Press

Servo electric  
bending cell EBe5

SG Shear Genius  
SB Shear Brilliance

BC, EBe  
Panel Bending

Press Brakes  
(E-Series)

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Night Train

Punching

Punch/Shearing

Bending

Systems



Electronics

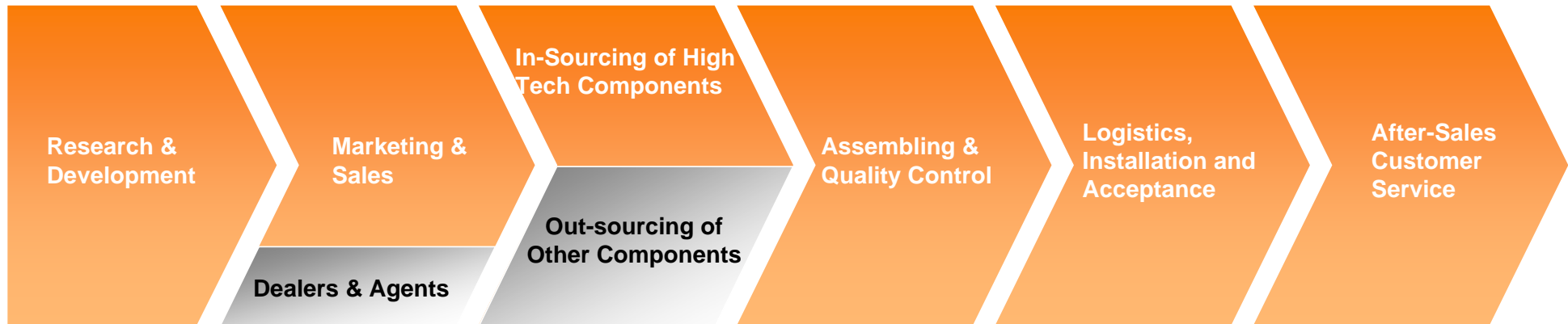


## ...Serving a Highly Diversified Top-Class Customer Base

<p><b>Automotive</b></p>	<p><b>Agricultural &amp; Construction Mach., Trucks &amp; Trailers</b></p>	<p><b>Miscellaneous End Products</b></p>	<p><b>Contract Manufacturing</b></p>
<p><b>Automotive Suppliers</b></p>	<p><b>Aerospace</b></p>	<p><b>HVAC &amp; White Goods</b></p>	<p><b>Energy</b></p>
<p><b>Aircraft Engines &amp; Components</b></p>	<p><b>Forklifts &amp; Industrial Machinery</b></p>	<p><b>Lifts</b></p>	<p><b>Energy</b></p>



## Internal Development and Implementation of Components with Higher Value Added



In-House



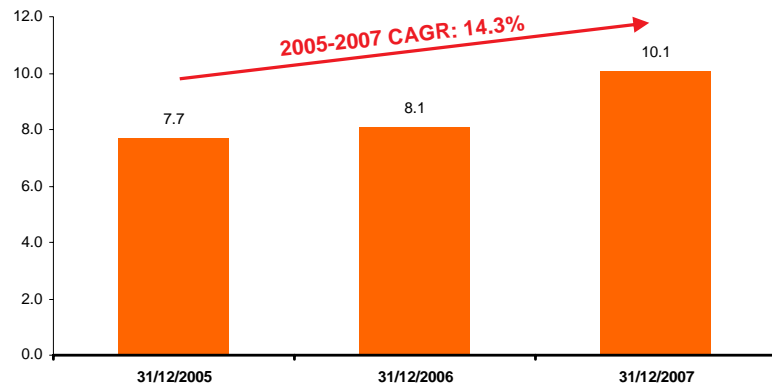
Out-sourced



## Ability to Continuously Develop New Products

- Over 200 Engineers in R&D
- R&D centers in:
  - Italy (Torino, Bari and Verona)
  - Finland (Kauhava)
  - USA (Chicopee and Champlin)

**R&D Expenses 2005-2007 – Prima Industrie Group only**



F

### 2006 Innovations

New generation LP6 punching – laser cutting cell

LC laser cutting centre – sheet positioning using same solution as in punching technology

Rapido Evoluzione

New Laser Head for 3D systems

**Prima Industrie is able to constantly implement innovations to its product-base and launch new products every year**

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### 2007 Innovations

Servo electric turret punch press E5

Servo electric bending cell EBe5

CV 5000 Laser Source

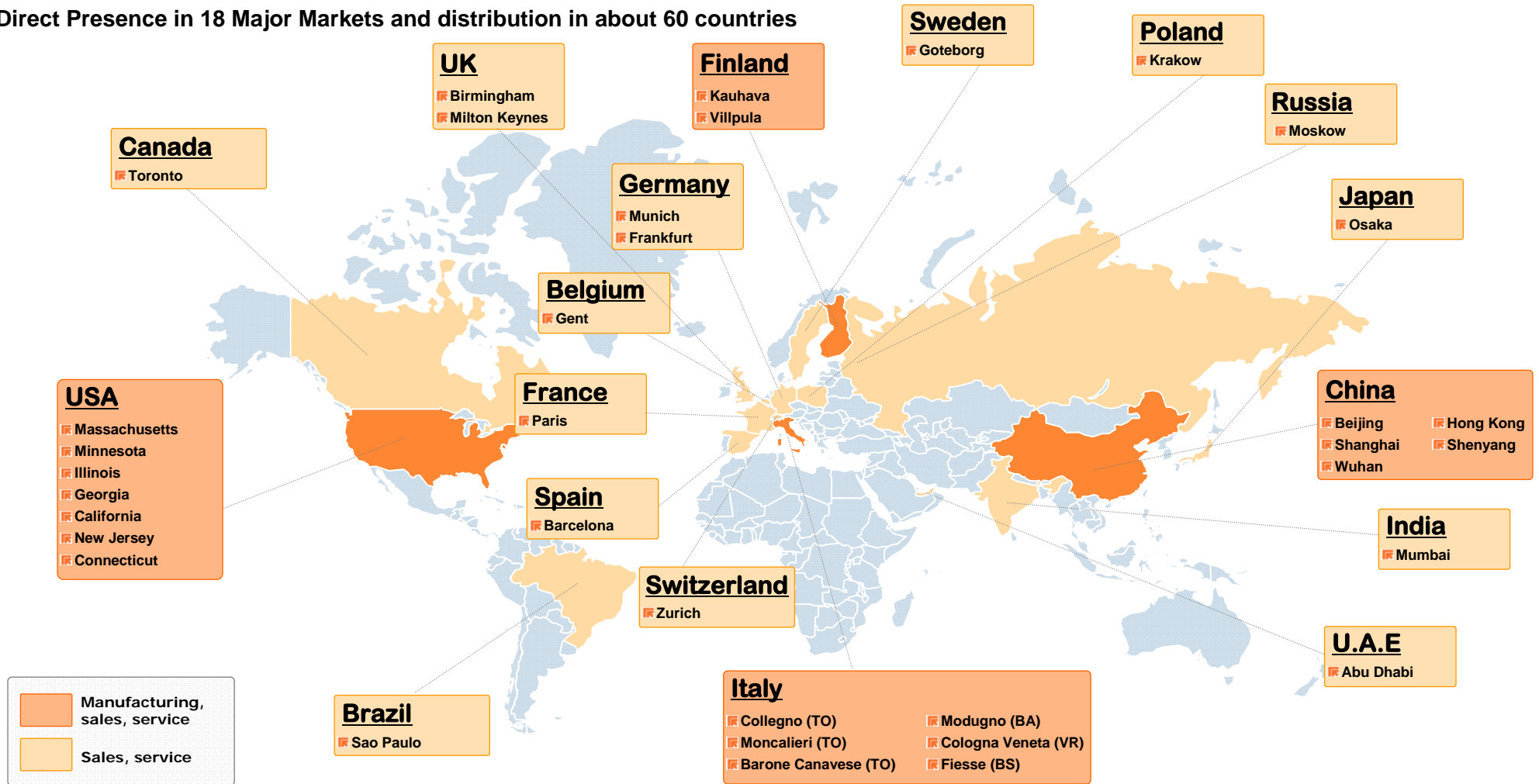
Domino Evoluzione





# A Global Sales Network

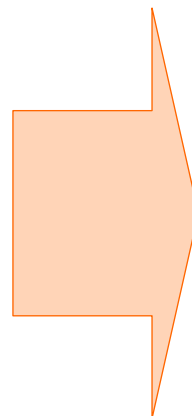
Direct Presence in 18 Major Markets and distribution in about 60 countries





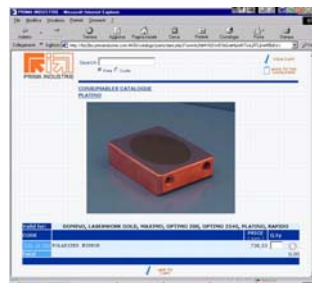
## A Comprehensive After Sales Services

- Highly trained and skilled technicians assure real proximity to the customer and quick response
- Over 380 employees dedicated
- 24-hour hotline service
- TELEPRIMACH: remote diagnostics
- Delivery of consumables and spare parts for regular maintenance assured in 8 to 24 hours
- E-commerce for consumables and spare parts



### Effective after sales service provides:

- Customers loyalty
- Constant feedback on clients' needs
- A stable source of revenues
- An effective marketing tool for signing new contracts





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## A Clear Strategy

Reinforce Worldwide Presence

Cross – Selling Activities

New Products Development

Cost Savings



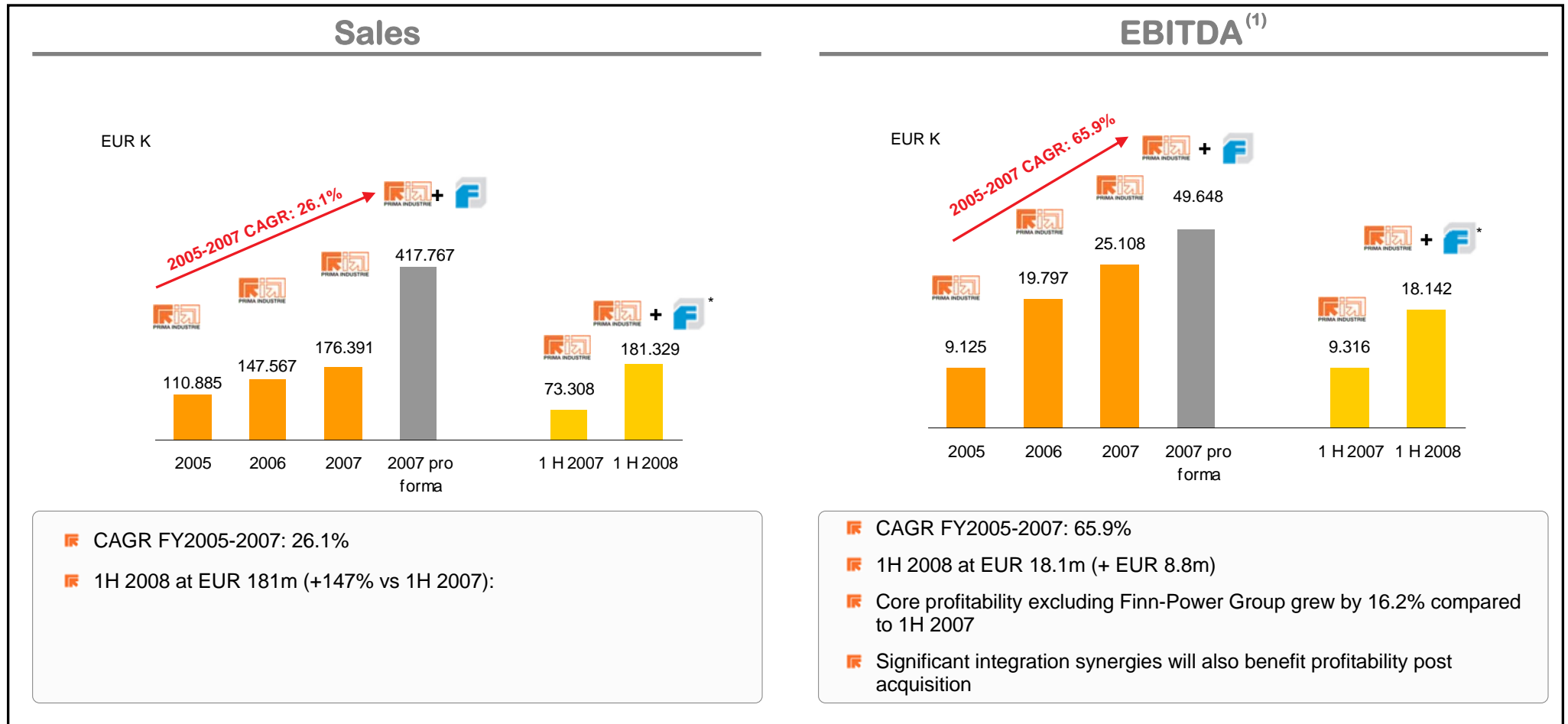


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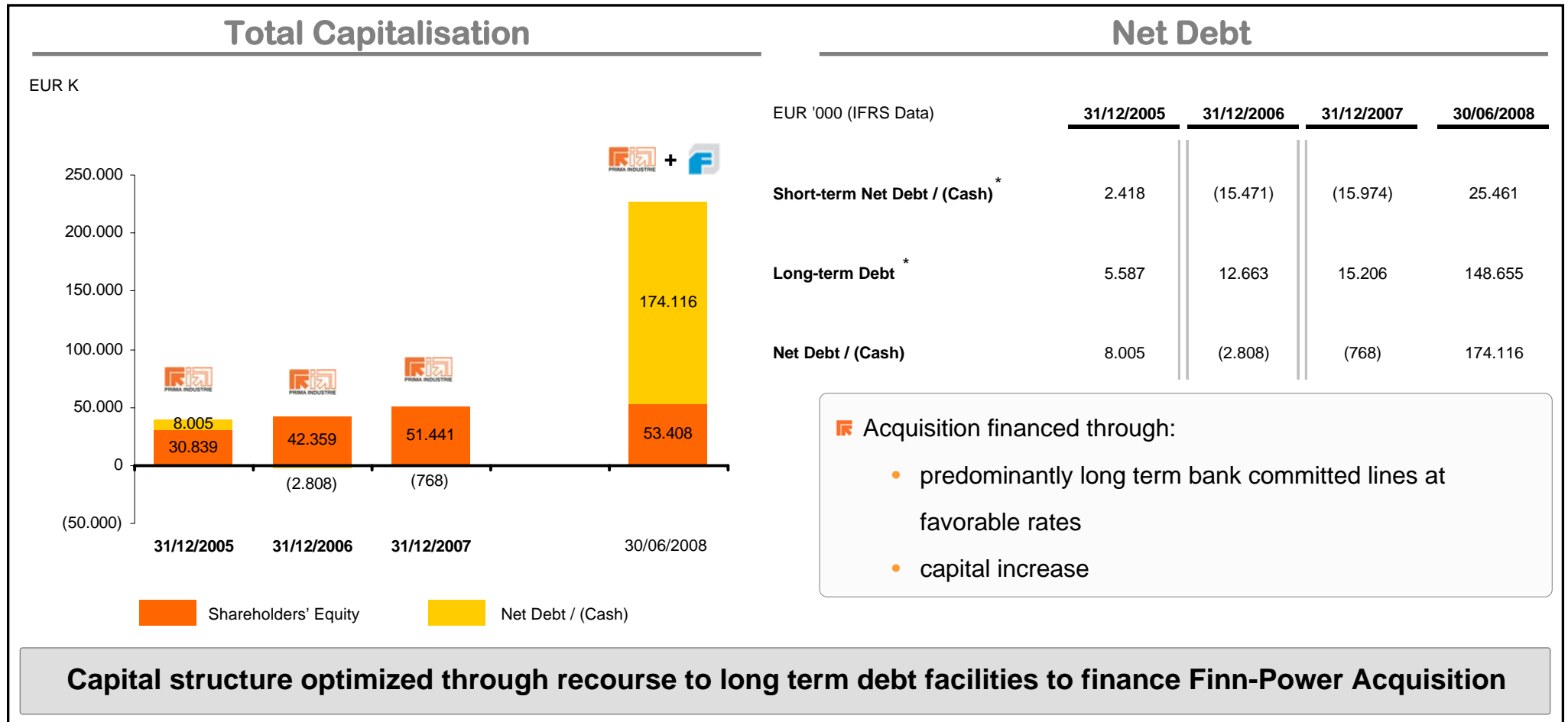


## Growth and Profitability





## Capital Structure

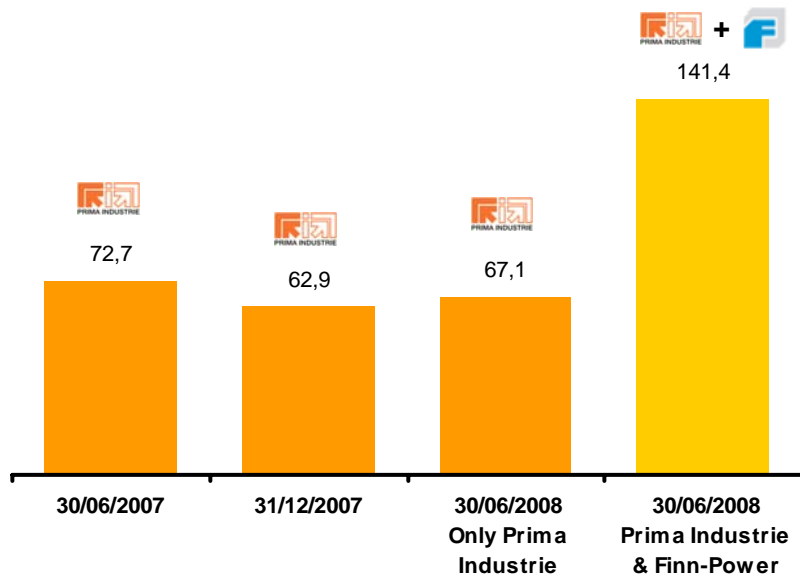




## Backlog as of 30<sup>th</sup> June 2008

### Backlog Evolution \*

EUR m



### Comments (1H 2008 vs 1H 2007)

- Backlog of EUR 141m as of June 2008 almost doubled thanks to:
  - consistent contribution of Prima Industrie stand alone
  - strong contribution of Finn-Power Group
- Backlog derives predominantly from sales orders in Italy and Western Europe
- Good increase in orders for 3D systems (mainly destined to automotive)
- Backlog does not include after sales orders

**Solid backlog provides confidence on positive 2008 results**





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## Summary Income Statement

EUR '000 (IFRS Data)	31/12/2005	31/12/2006	31/12/2007	31/12/2007 PF	30/06/2007	30/06/2008 *
<b>Net Sales</b>	110.885	147.569	176.391	417.767	73.308	181.329
<i>Y-o-Y Growth</i>	-	33,1%	19,5%	183,1%	-	147,4%
<b>EBITDA</b>	9.125	19.797	25.108	49.648	9.316	18.142
<i>EBITDA Margin</i>	8,2%	13,4%	14,2%	11,9%	12,7%	10,0%
<b>EBIT</b>	7.917	18.467	23.584	41.686	8.654	15.690
<i>EBIT Margin</i>	7,1%	12,5%	13,4%	10,0%	11,8%	8,7%
<b>Profit/ (Loss) before Tax</b>	7.113	17.577	22.901	31.495	8.381	10.824
- Taxes	(2.005)	(3.857)	(9.154)	(8.865)	(4.353)	(2.993)
- Tax Rate	-28,2%	-21,9%	-40,0%	-28,1%	-51,9%	-27,7%
<b>Net Income</b>	5.108	13.720	13.747	22.630	4.028	7.832
<i>Net Income Margin</i>	4,6%	9,3%	7,8%	5,4%	5,5%	4,3%
<b>Earning per share - EUR</b>	1,11	2,98	2,99	4,92	0,88	1,70
# of shares	4600	4600	4600	4600	4600	4600



## Summary Balance Sheet

EUR '000 (IFRS Data)	31/12/2005	31/12/2006	31/12/2007	30/06/2008
<b>Fixed Assets</b>	<b>10.650</b>	<b>11.796</b>	<b>21.049</b>	<b>184.907</b>
-Property, plant and equipment	5.778	6.427	10.166	34.062
-Intangible Assets	2.739	2.511	6.713	143.491
-Investments	2.133	2.858	4.170	7.354
<b>Net Working Capital</b>	<b>36.936</b>	<b>38.043</b>	<b>42.699</b>	<b>54.626</b>
<b>Provisions</b>	<b>8.742</b>	<b>10.288</b>	<b>13.075</b>	<b>19.147</b>
-Provisions for employee benefits	4.937	5.544	7.561	8.844
-Other funds	3.805	4.744	5.514	10.303
<b>Shareholders' Equity</b>	<b>30.839</b>	<b>42.359</b>	<b>51.441</b>	<b>51.441</b>
<b>Net Debt / (Cash)</b>	<b>8.005</b>	<b>(2.808)</b>	<b>(768)</b>	<b>168.945</b>



## Summary Cash Flow

EUR '000 (IFRS Data)	31/12/2005	31/12/2006	31/12/2007	30/06/2007	30/06/2008
<b>Cash Flows from Operating Activities</b>	9.838	15.393	13.634	4.614	16.247
<b>Cash Flows from Investing Activities</b>	(2.246)	(1.759)	(9.823)	(762)	(93.648)
<b>Cash Flows from Financing Activities</b>	(2.545)	(4.426)	(2.963)	(2.698)	81.150
<b>Increase/(Decrease) in Cash and Cash Equiv.</b>	5.047	9.208	848	1.154	3.749

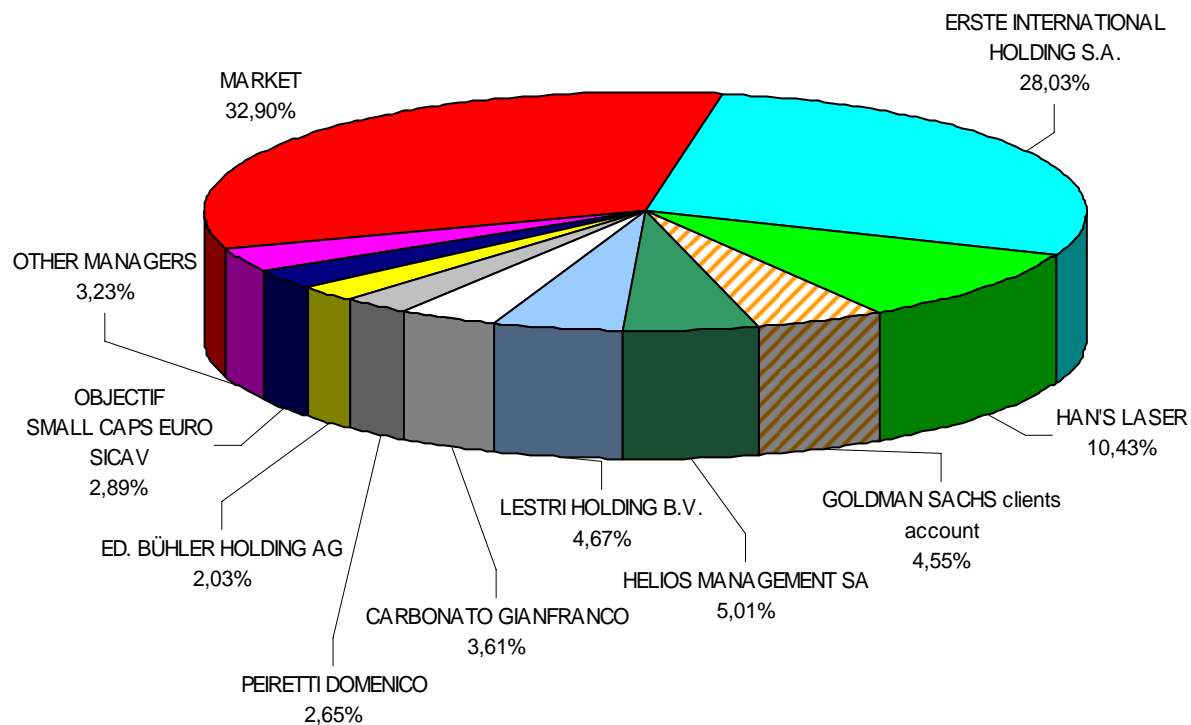




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## Shareholders structure & Equity



Share capital includes 1,800,000 new shares issued for the capital increase ended on July 31<sup>st</sup>, 2008.

Issuing price was 14.25 € (for a total amount of 25,650,000 €)

Outstanding shares are: 6,400,000 (face value 2.5€ each)

After capital increase: + 25.6 M€ Equity  
- 25.6 M€ NFP



## Q&A and Contacts

### Contacts:

**☒ Massimo Ratti:**

☒ +39 011 4103 208

☒ Chief Financial Officer

☒ [m.ratti@primaindustrie.com](mailto:m.ratti@primaindustrie.com)

**☒ Chiara Roncolini:**

☒ +39 011 4103 204

☒ Investor Relator

☒ [c.roncolini@primaindustrie.com](mailto:c.roncolini@primaindustrie.com)

Visit: [primaindustrie.com](http://primaindustrie.com)