



Press release

Bologna, 15 May 2014

## **IMA's Board of Directors approves the results at 31 March 2014**

### **Q1 growth in Group results**

#### **Consolidated results for the first quarter 2014**

In millions of euros	<b>31.03.14</b>	<b>31.03.13</b> <i>restated</i>	<b>Δ% 14/13</b>
Revenues	177.1	134.2	+32%
Gross operating profit (EBITDA) before non-recurring charges	17.3	8.3	n.s.
Gross operating profit (EBITDA)	16.5	8.3	n.s.
Operating profit (EBIT)	11.2	4.1	n.s.
Profit before tax	8.8	2.5	n.s.
<i>Group order book</i>	506.4	446.1	+13.5%
<i>Net financial position</i>	(188.5)	(162.2)	

*The income statement and balance sheet figures at 31 March 2014 include the contribution made by the recently acquired ILAPAK Group, which has been consolidated from August 2013.*

*The income statement figures for the first quarter of 2013 have been restated following the sale of the Kilian business.*

#### **Three merger plans approved for IMA S.p.A. to absorb certain subsidiaries**

#### **Consolidated results as of 31 March 2014**

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 Group's interim report on operations at 31 March 2014.

The normal timing of deliveries in this sector traditionally sees a modest portion of revenues concentrated in the period January-March; this means that the 1st quarter results are not very meaningful in terms of extrapolating the results for the whole of the year.

The **IMA Group** has closed 1st quarter 2014 with higher **consolidated revenues** of 177.1 million euros (+ 32% on 134.2 million at 31 March 2013).

Growth in **gross operating profit (EBITDA) before non-recurring charges** which has risen to 17.3 million euros (8.3 million at 31 March 2013), the **gross operating profit (EBITDA)** which has risen to 16.5 million euros (8.3 million at 31 March 2013), the **operating profit (EBIT)** which has risen to 11.2 million euros (4.1 million at 31 March 2013) and the **profit before tax** which has risen to 8.8 million euros (2.5 million at 31 March 2013).

The **Group order book** has reached 506.4 million euros (+ 13.5% on 446.1 million at 31 March 2013) thanks to the completion of various negotiations in the Group's core businesses (pharmaceuticals and food).

The IMA Group has closed 1st Qtr 2014 with excellent results in all business areas, thanks to the positive trend in sales of automatic machines to the Group's key sectors and the contribution of the **ILAPAK Group**.

In the period January-March 2014 the **ILAPAK Group** has generated revenues of 20 million euros, an EBITDA before non-recurring charges of 0.7 million euros and an order book of 17.7 million euros.

**Net debt** of the IMA Group at 31 March 2014 comes to 188.5 million euros (162.2 million at 31 March 2013) and includes the net debt of the ILAPAK Group of 9.3 million euros and the outlay for the acquisition of the minority interest in ILAPAK for about 23 million euros.

Commenting on the results at 31 March **Alberto Vacchi, IMA's Chairman and CEO**, declared: *"2014 has begun with a very good quarter for us in terms of revenues and profit margins, in line with our growth estimates for the current year. The good results in the first three months confirm that the Group has taken the right approach in terms of technological excellence and its ability to respond to market needs with a range of products that makes IMA a totally diversified world-wide company. For 2014 - continued Vacchi - we estimate a growth in revenues and profits, thanks to the positive trend in orders in all business areas, as well as the contribution made by the newly-acquired ILAPAK Group. The many new products that we presented at the Interpack trade fair, which closed successfully in Düsseldorf yesterday, were very well received by our international customers, confirming the continued product innovation that has always distinguished us. We are continuing - concluded IMA's Chairman - our policy of acquisitions and partnerships to further increase our range of products, so that we can achieve the ambitious targets that we have set ourselves."*

### **Three merger plans approved for IMA S.p.A. to absorb certain subsidiaries**

The Board of Directors of IMA S.p.A. approved **three separate merger plans** for **IMA S.p.A. to absorb certain wholly-owned subsidiaries** with a view to simplifying the Group structure. The first involves two companies that are both wholly owned and directly controlled: **IMA Industries S.r.l.** and **Corazza S.p.A.**, whereas the other two involve companies that are wholly-owned and indirectly controlled: **Revisioni Industriali S.r.l.** and **IMA Life Italia S.r.l.** Today, the Boards of Directors of the various companies concerned approved their respective merger plans, each according to their own sphere of competence.

**IMA Industries S.r.l.**, the non-pharmaceutical sector of the IMA Group, is a world leader in the design and manufacture of automatic machines for the packaging of tea, coffee, beverage and confectionery, and for the processing and packaging of food (dairy and convenience food), cosmetics and toiletries.

**Corazza S.p.A.** is world leader in manufacturing and supplying a complete range of equipment for dosing and packaging products having creamy and semi-hard consistency, such as processed and fresh cheese, butter, margarine, soft and pressed soup cubes, yeast and other similar products.

**Revisioni Industriali S.r.l.** sells used automatic machines for the packaging of tea as well as food dosing and packaging machines for portions of processed cheese, butter and soup cubes, after refurbishing and regenerating them.

**IMA Life Italia S.r.l.** handles the marketing of the products made by the IMA Life division on the Italian market.

These mergers will help to optimise the Group's activities and resolve certain inefficiencies in the management of financial flows and in the debt structure.

The mergers will be carried out based on the financial statements at 31 December 2013 of both the merging company and the mergee companies. The merger plan relating to **IMA Industries S.r.l.** and **Corazza S.p.A.**, in accordance with arts. 2501-ter and 2505 of the Civil Code, has been prepared in simplified form as IMA S.p.A. holds the entire share capital of the mergee companies and, therefore, there will be no exchange ratios or changes to the articles of association of the merging company. The two merger plans relating to **Revisioni Industriali S.r.l.** and **IMA Life Italia S.r.l.** have been prepared in simplified form, as it is assumed that the two shareholdings will be transferred to IMA S.p.A. prior to completion of the mergers.

The merger operations will presumably be completed by the end of 2014 and will take effect from 1 January 2015.

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 agree with the books of account, the accounting entries and supporting documentation.

#### **Disclaimer**

This press release contains forward-looking declarations. 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, tea, coffee and food.** The Group has more than 3,600 employees, more than 1,600 of whom overseas, and can count on 25 production plants in Italy, Switzerland, the United Kingdom, the United States, India and China. IMA has an extensive sales network comprising 27 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 more than 70 countries. IMA is also participating in one joint-venture in China for production and service. **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: Co.ma.di.s. S.p.A., Corazza S.p.A., Delta Systems & Automation Inc., Gima S.p.A., Gima TT S.r.l., Ilapak International SA, Ilapak Italia S.p.A., Ilapak (Langfang) Packaging Machinery Co. Ltd., IMA Industries S.r.l., IMA Life North America Inc., IMA Life (Beijing) Pharmaceutical Systems Co. Ltd., IMA North America Inc., IMA-PG India Pvt. Ltd., PharmaSiena Service S.r.l., Shanghai Tianyan Pharmaceutical Machinery Co. Ltd., Swiftpack Automation Ltd.

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