



## **PRESS RELEASE**

***ITALIAN STOCK EXCHANGE – STAR SEGMENT***

### **PRIMA INDUSTRIE**

**PRIMA INDUSTRIE APPROVES THE ACQUISITION OF FINN-POWER CREATING  
A GLOBAL LEADER  
IN THE LASER AND SHEET METAL WORKING MACHINE SECTORS  
WITH OVER 400 MILLION EUROS IN SALES  
AND 1.700 EMPLOYEES WORLDWIDE**

*Collegno, 30 January 2008* – The board of directors of Prima Industrie S.p.A., a leading player in the industrial laser machine tool sector, agreed to acquire Finn-Power, a Finnish company, with a 25-year history of growth and innovation in the fabrication of sheet metal working machines.

This transaction creates a global leader in laser and sheet metal working systems, with pro-forma revenues in excess of 400 million euros, with a presence in 50 countries, with 10 manufacturing facilities located in Italy, Finland, USA and China and over 1,700 employees worldwide.

Within the next few days 100% of Finn-Power Oy will be acquired from the private equity fund EQT III Limited, holding 91.64% and the remaining shares will be acquired from other minority shareholders.

The enterprise value agreed is 170 million euros, including the net financial debt at the date of closing. The equity value, which will be adjusted for the net financial debt at closing, includes a three year deferred payment of 25 million euros.

On the basis of the 2007 preliminary consolidated financial statements (Finnish accounting principles), Finn-Power reported revenues of 240 million euros, representing growth of 15% (208 million euros in 2006) and an EBITDA of 23.6 million euros, representing growth of almost 90% (12.6 million euros in 2006). The net financial debt at 31 December 2007 was 60.4 million euros (66.5 million euros in 2006).

Finn-Power has headquarters in Kauhava (Finland), manufacturing facilities in Finland and Italy and subsidiaries in Italy, Germany, France, Belgium, Spain, the U.S. and Canada. The company mainly operates in the sheet metal working machine tool sector (punch presses, integrated punching and shearing cells and punching-laser cells, automatic bending cells and related material handling systems) and, to a smaller extent, in the laser cutting machine tool sector, in which the Prima Industrie Group is a leader.

The Finn-Power products are positioned in the mid-high range and are highly versatile: the company is well renowned for its factory-wide Flexible Manufacturing Systems.

The reference market for Finn-Power products is wide and overlaps substantially with those of the Prima Industrie Group: telecommunications, HVAC (Heating, Ventilation and Air-Conditioning), electrical and lighting equipment, agricultural machines, home appliances and metal furniture.

*“The acquisition is in line with Prima Industrie’s growth strategy in complementary sectors. The combination of the two companies will generate significant commercial and manufacturing synergies: we estimate that there will be 10 million euros of annual pre-tax synergies. Furthermore, in future years, the group will benefit from substantial tax savings due to tax-losses carried forward and goodwill amortisation in excess of 100 million euros. The acquisition will contribute to earnings per share during the current year.”* stated Marco Pincirolì, Prima Industrie Executive Director responsible for mergers and acquisitions.

The transaction will be financed by a long-term loan facility of 183.5 million euros, of which 20 million euros is a working capital facility, underwritten by Banca IMI (mandated lead arranger), Unicredit Banca di Impresa (mandated lead arranger) and Intesa Sanpaolo (financing bank).

A portion of this facility, estimated to be 25 million euros, will be refinanced within the next 12 months with the proceeds of a rights issue, for which a contract of assistance has been signed with Unicredit Markets & Investment Banking.

Commenting on the transaction, Gianfranco Carbonato, Prima Industrie Chairman and C.E.O., stated: *“We are proud to announce this acquisition which represents a significant milestone in the growth path of the Prima Industrie Group.*

*Notwithstanding the recent financial market volatility, Prima Industrie confirms its confidence in the strong industrial rationale underlying this transaction.*

*The combined entity product offering is fully complementary and constitutes an unrivalled competitive advantage. The spirit of the transaction is to leverage the outstanding quality of the human resources and management of the two groups in order to achieve significant synergies for further development and create value”.*

During the transaction the company was assisted by Banca IMI S.p.A. (Intesa Sanpaolo Group) as financial advisor, Bain&Co (business due diligence), PricewaterhouseCoopers (financial due diligence), Terra Nova Partners (consulting for the acquisition), Cleary Gottlieb Steen Hamilton and Roschier (legal due diligence and sale and purchase agreement) and Toso e Associati (financing agreement).

**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 of nearly 600 employees, with manufacturing facilities in Italy (PRIMA INDUSTRIE S.p.A., PRIMA ELECTRONICS S.p.A. and OSAI S.p.A.); USA (PRIMA North America Inc.) and China (Shanghai Unity Prima Ltd. and Shenyang Prima Laser Machine Company Ltd.), and has a wide sales network in about 50 countries.

At present the Group has over 2,500 systems installed worldwide with more than 1,000 customers in the automotive, aerospace and a wide range of other industries.

After 30 years from its incorporation, PRIMA INDUSTRIE’s mission remains the same: innovation, excellence, growth.

For further information:

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