

2011 RESULTS AND 2012 DEVELOPMENTS OF UTECO GROUP

Already in 2010 the Uteco Group had achieved excellent results in terms of sales volumes, production value and economic margins and indexes. Revenues had shown an increase of 23%, thanks to a strong order incoming, which had determined about a +20% compared to a year, 2009, which had been in strong recovery too (+30%).

All the important values above mentioned had led the Uteco Group, after the crisis that affected the world economy in 2008-2009 (biennium in which Uteco hadn't carried out any internal reorganization and had, indeed, increased the global market share) to results even better than those already achieved in 2007, when the famous international agency company D&B awarded rating N. 1 to our Company, certifying at international level that Uteco was able to offer the maximum guarantees in terms of stability and reliability.

Despite the instability and the political, economic and financial turbulences, that have affected all the world markets, as well as the intensification of the high tension in the prices of raw materials and components, the Uteco Group has obtained excellent results in 2011, with a strong further growth with respect to the same period in 2010, in terms of percentage increases over 15% compared with the historical record of 2010 already mentioned, marking sales volumes higher than 80 million Euros, profits higher than 5 million Euros and generating a cash-flow of 15 million Euros.

This trend of continuous growth is getting stronger in 2012 with a further enhancement and expansion of the several projects and investments that concern all business sectors.

The activity of Research & Development is growing in terms of global resources to enhance and expand the several technical developments already initiated by the Group (among which the Kiss & Go, the SmartMatch, the G.I.M.).

At the same time the sales force is expanding, through the cooperation of new agents / external distributors, as well as Area Sales Manager inside the company.

Also the close collaboration with Big international Groups of the Food & Beverage Market, already started since a long time, will be implemented in 2012, in order to continue the research of the best technological solutions in this specific business. The company's growing sensitivity to the environmental sustainability, the energy saving and the concept of "green", especially in the food sector, are closely related to this project.

After years of tests, Uteco is actually intensifying its contribution in relation to this topic with the introduction of important patents and innovations in EB technology (ie, drying with Electron Beam) Advanced of 3th generation.

At the same time new product lines in the printing, converting and special applications have been successfully launched. This technology impressed the emerging markets such as India, China and Far East and enhance the Uteco presence in historical markets and with international big packaging and paper-industry Groups thanks to the order for a new Diamond HP 815 Mod. 180 for the corrugated application, placed by a very important multinational Group.

These activities, which are presently being developed, are joined by new research projects in cooperation with Universities and already sold industrial products concerning nanotechnologies in the printing of the electronic and photovoltaic circuits which allow to get wider the application on the flexographic substrates.

Last but not least, the development projects of the off-set line machinery (the first one for the Security field, now fully operating by an important Central Bank) and the cooperation with digital specialists for the integration of this technology in the flexographic presses are continuously in evolution.

Last month Uteco manifested the commitment to an ongoing growth, organizing a 5-days Event at Uteco's headquarter. During this week all the Uteco Top Management, including the sales and the production area, the purchasing department and the finance department, as well as the Direction, have been involved in meetings and presentations to Agents, Customers and Suppliers.

During the first two days of the *Uteco Week*, Uteco's Agents and Dealers coming from all over the world attended the yearly meeting for their technical and commercial updating. Following the very good results in the worldwide sales obtained by Uteco in the last few years, the 2012-14 Business Plan will more and more involve the sales network in order to get a further increase both in the sales and in the covering of the global territory.

The week continued welcoming the Customers to the Open House with the aim of showing them, the agents and suppliers who attended the Event during the whole week, the last two developments Kiss&Go[®] and Smart Match.

The last days showed the intervention of the main partner suppliers of the Group who, in three days, attended both the technical and the commercial meetings, with the aim of strengthening the existing and various new projects, like the integrated comakership.

In conclusion, Uteco Week was a very important event in the view of the Business Year 2011 closing and mostly for the starting up of the 2012-2014 Business Plan, which will show a continuously growing Sales Budget pushed by the results of the last two years, and a series of investments, starting from the ones in progress for the R&D, which will involve all the company departments.

Starting from the beginning of 2012, the promotional activities for the Drupa show are carrying on and further intensifying, with the participation of Uteco at important worldwide FTA conferences in Asia and USA, and at dedicated exhibitions in Russia, India (with the celebration of the successful partnership with the company Kohli for the rotogravure business) and Brazil.