

While celebrating its 25th year of activity, the Italian company consolidates its position with an increase in capital (4 mln euro) and a company readjustment aimed at **buy-outs and investments**

## **MORETTO BECOMES A JOINT-STOCK COMPANY. 8% INCREASE IN TURNOVER DURING THE FIRST SIX MONTHS OF 2005**

*After the 18% increase in 2004 (23 mln euro), excellent performance during the first half of 2005. 6% of Moretto's turnover will be invested in Research and Development*

During the celebrations for its 25 years of activity, Moretto PA changes and becomes a joint-stock company. The new name for the leading company in the design and manufacture of automations for the plastic processing industry becomes then **Moretto S.p.A.**

The operation was formally signed on July 27<sup>th</sup>, together with the closing of the balance, and represents only one step in a wider project of consolidation, eagerly wanted by president and CEO Renato Moretto. The first significant move to strengthen the company is an addition in the share capital which will increase to 4 million euro. "This change formally supports an effective growth of the company which, during these 25 years, not only imposed itself with an escalation of the turnover but also with the strengthening of its trademark and a widespread presence on the international markets".

In a moment of global economic weakness, **Moretto SpA's** balance is highly satisfactory. With a turnover of more than 23 million euro in 2004 (+18% compared with 2003), another excellent performance has been registered during the first half of 2005: +8% over the same period of 2004.

"The new company structure – explains Mr Moretto – will allow us to conclude both **buy-outs and investments** in an efficient way. We want to be an even more active and incisive player in the plastics processing field, with our strong will to broaden our presence on an international level".

For this reason, with the new set up, the Research and Development department, which in the recent past developed exclusive models on a worldwide level, will be boosted. As a matter of fact, 6% of the turnover will be dedicated exactly to Research.

Right now, the company has launched on the market a new dosing unit for high temperatures (DVM-H) and soon the revolutionary X-Dryer will be presented to the international markets.

**Moretto P.A. Srl** was founded in Massanzago, near Padua, in 1980. In July 2005 Moretto P.A. srl changes and becomes Moretto S.p.A.

Specialized in the design and manufacture of automations for the plastics processing industry, Moretto soon became one of the five major companies in the world for this sector. It also is the second one in Italy and the third one in Europe.

Among Moretto's customers are some of the leaders of the household appliances (Merloni, Zoppas, Zanussi, Whirlpool, Panasonic), of the illuminating engineering (iGuzzini), of the sportswear sector (Nordica), of the detergent industry (Procter & Gamble, Casalplast), of the automotive sector (suppliers of Fiat, Bmw, Volkswagen, Renault, Lancia-Autobianchi,

Iveco, Piaggio) and of the medical sector (Gambro Dasco, Queenplastic, Dideco, Plastech). Moretto is also the supplier of Siemens and Magneti Marelli, the two world leaders in car injectors. Other customers are San Benedetto (mineral waters), Teuco Guzzini (sanitary fittings and bathtubs) and Guala Closures, the only manufacturer of safety closures for alcoholic beverages in the world.

Moretto SpA employs more than 200 people in its four production plants located in Massanzago, with a total covered surface of 22 thousand square meters.

In 2004, Moretto closed its financial year with a turnover of 23 million Euro, with sales up 18% over the same period of 2003. 66% of the turnover came from sales on the foreign markets. During the first six months of 2005 Moretto's turnover rose by a further **8%**, confirming the positive trend.

Until 2004, 4% of the sales were invested in R&D, with an average of 4 patents registered each year. In 2005 the company aims at increasing this figure up to 6% of the turnover. Moretto holds now 20 patents, 8 of them on an international level.

With an eye towards internationalisation, Moretto is present in 48 countries around the world with its qualified distributors. It also has three commercial branches: **Moretto Germany GmbH** in Paderborn, **Moretto do Brasil Ltda** in São Paulo and **Moretto Plastech Asia PTE** in Singapore. Moreover, Moretto is evaluating the possibility of opening two production sites: one in eastern Europe and another one either in China or in India, to face the challenges coming from the Far East.