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Dear Colleagues,

The last 12 months have been basically good for the PM industry. Starting from the EPMA point of view, we are happy and healthy. This should not let us close our eyes and check the weather on the horizon. We can see some severe thunderstorms coming up that will hit our industry!

Let’s take a look at the raw materials: The cost of the metal powder is essential although competitor industries are suffering also in this matter. In January 2008 we see the Nickel price to be back to the level of August 2006 after an extreme in the middle of 2007. So far that is good news but in the light of the recently announced 71.5% price increase for iron ore of CVRD (Brazilian iron mine) to Nippon Steel, it could start another increase of raw material prices. Other alloying elements like Molybdenum are back in the high regions of the middle of 2005 and Chromium is at the highest level for years, although it is still much cheaper than other alloying elements.

The energy cost increase is no secret and it involves another thread. A barrel of oil has been well above US$100 and we have to expect more. In parallel, gas and power costs have increased. At the same time as most economies in Europe are doing well the people like to participate in the growth. This will increase the wages more than in the last years of consolidation.

Even if it is only a strong breeze today, the international financial crisis could develop into a Tornado. Companies purchased by Private-Equity in the gold rush of the last years may suffer the desire for profit from the new owners who are losing money on sick and overpriced shares on the stock exchange. Companies have been sold at utopian prices and now the profits are missing. I am afraid this could be too much for one or another company.

The big shareholders might lose money on their shares and so the pressure on the manufacturing industry as PM will increase and liquidity will move away from our companies. Further to this, our big clients suffer from the weak US Dollar and so the pressure by the purchaser buying in Europe will get bigger. “The next Lopez-effect might come.”

We cannot sell our products under cost price as it eats the reserves we need for the future crisis and cost drivers such as raw material, energy, labour and solvency. This is a shortcut to disaster and will result in plant closures.

To overcome this thunderstorm, we need the good time at present to form reserves and modernize our plants and processes. We have to keep the money within our industry! Our class best MIM is a good example. Also the tungsten carbide-industry could be seen as a hidden champion as Europe is still going strong in this sector.

We all know that the financial crisis has its roots in the US. So even though Europe is strong at present; it is in all our interest that Uncle Sam is healthy. If we can be of help, we should do so! In Toulouse we saw Airbus and learned about their plan for recovering their crisis. Selling some plants is part of their plan, but with no investors being able to access money, this plan will not work. Therefore recently the deal was broken off because a US investor could not get a loan.

Every crisis has also its chances! Companies that make their home work may get a snip. Let us do our job in a sustainable way and not believe in government support as our friends from the financial sector do. They have private profits and now they might get their losses paid by public money. As a niche technology, we will not get such a support.

After the first year of my presidency, I received so much professional support from members, the Council and the Board. Thank you! Here I would also like to thank Cesar Molins, my predecessor, who lived the EPMA and is still heavily involved.

I am sure that we will meet the challenges in the future and after each thunderstorm, when the air is clean and calm again.

With the best wishes and thank you all for supporting the PM via EPMA.

Ingo Cremer
President EPMA
2007 was a year of change at the EPMA with the retirement of Peter Brewin and the introduction of a new Technical Director Dr Olivier Coube.

We are sure that Olivier, will prove to be a worthy replacement and an asset for the future of the EPMA.

Also of note during the year was the success of the Euro PM2007 Congress & Exhibition. With some 800 attendees and over 80 exhibitors it was one of the largest of our European events to date and to some extent reflects a healthy year within many parts of the PM industry.

One of our key activities is the promotion of PM in a variety of ways and during the year we attended the MEDTEC expo for the medical industry and the 11th EAEC 2007 European Automotive Congress where a number of useful end user contacts were made and their details distributed to members.

The Global PM Property Database activity continued with the extension of the database to include the MIM materials section. Overall user registrations have now passed the 6000 mark and some 35% of the identified users are from end user companies. Work on developing new data and further promoting this unique resource continues.

Our major Leonardo funded project called “DesignforPM” continued during the year and will shortly create important promotional material for the industry in the form of e-learning courses for end-user designers and engineers. The two year project will be vital in creating new ways to promote the PM industry to our key target audiences such as the engineering and automotive sectors.

The dreaded EU environmental legislation REACH finally arrived in 2007 and its impact on competitiveness and employment throughout the European industry remains to be seen. The EPMA organized two well-received seminars for the benefit of our members and presented a special REACH seminar at request of the MPIF for US-based companies.

The third of the “PMTraining Courses” hosted by SAS IMR in Kosice, Slovakia enabled the EPMA to train some 67 young graduates. We were again more than twice over-subscribed for the event and a similar response is likely in 2008 when the final event in this series will be held in Alessandria, Italy. We are actively working to find replacement EU funding for this most successful concept.

We are also now looking ahead to the end of September when we will be holding the Euro PM2008 Congress & Exhibition in Mannheim, Germany. We have already sold over 70 exhibition stands and a programme of some 180 technical papers, will be complemented by a Special Workshop organized by the ESPG. The new format has been specifically developed at the request of members and the two-day event will focus on key issues for EPMA member companies and their end users. We very much need the full support of members to make it a success.

In summary, 2007 was a good year for the Association with membership at record levels and we look forward to 2008 with the Association on a firm financial footing. That said, we will of course continue to strive to provide real value to our members which is the true test of any organization like the EPMA.

Jonathan Wroe
Highlights of 2007

- **Euro PM2007 Congress & Exhibition in Toulouse**
- **Successful Third PMTraining Course**
- **Overall membership at record levels**
- **Well received REACH Seminars**

The Secretariat’s resources continue to be involved in a wide range of activities, as can be seen from this Report. The third of our four PM Training Courses supported by the Marie Curie Programme was successfully completed in Kosice, Slovakia and the project continues to achieve its targets and budgets.

Our efforts to introduce scientific and technological realities into the structuring of the new REACH environmental legislation have continued. Once again EPMA’s efforts to punch “above its weight” continue to be recognised by both members and outside agencies. We are now working to support our members with the implementation of this complex legislation via seminars and information provision.

The EU’s FP7 programme has reached its second year and we plan to submit three project applications, two of which could provide follow up to the PM Training Course summer schools and the third which would provide funding for a research network on modelling to be known as PRONET. The PMRADNET group members have also been active in submitting proposals for other opportunities to support members’ requirements.

Last but not least it was most pleasing that the General Assembly decided to make both Peter Brewin and Bob Moon honorary members in respect of their efforts on behalf of the Association over many years.

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**Membership**

**Membership Structure**

Corporate membership increased during 2007 to equal its previous highest level reflecting both our increased marketing efforts and also the positive state of the industry in Europe. It is also pleasing to note the increase in MIM related companies as a result of the success of Euro PM2006 event. The Membership totals by category at year-end are shown in the graph, right.
EPMA Membership

New members in 2007
EPMA was pleased to welcome the following into membership during the year:

FULL MEMBERS
Comotec
Erasteel SA
Linde Gas
Philips Innovative Applications NV
Rifmet
Sintez Rus MIM
Sumitomo Electric Hartmetall GmbH

ASSOCIATE
Acupowder International LLC
Centre de Recherche de Trappes
CRITT – MDTS
Euromotor Autotrain
Innovative Metal Processing Centre IMPC
Jinduicheng Molybdenum Imp.& Exp. Corp.
Metal Powder Products
Nippon Atomized Metal Powders Corporation
Platit AG
Shanghai Leading Metal Technology Co Ltd
SIRRIS
Transton Industries Corp

INDIVIDUAL
Dzhafarov, Subkhan
Erol, Ayhan
Gingu, Oana
Hausnerova, Berenika
Iglesias, Joan
Juhani, Kristjan
Kollo, Mr Lauri
Lyulko, Artem
Matsumoto, Mitsumasa
Nestorovic, Prof Svetlana
Poole, Andrew
Popescu, Dr Traian
Purnell, Charles
Ryabicheva, Prof Lyudmila
Usatyuk, Dmytro
Vargas, Robert

Membership Subscription Rates
As the EPMA’s reserves have been maintained at the required level membership fees will once again be linked to the OECD consumer price index for the EU. Therefore the membership rates for 2008 show an increase of around 2.0% over last year, compared to 2.2% in 2007.
EU: Influencing Regulations and Legislation

REACH

The most prominent case in point, which has occupied a significant effort on the part of EPMA and its members during the past five years, is REACH (Registration, Evaluation and Authorisation of CHemicals) which came into force on June 1st 2007.

The next important step is the Pre-Registration period (June 1st 2007 – December 1st 2008) to enable complying companies to benefit from extended Registration deadlines.

The main actions of the EPMA during the year have been:
- To create a REACH section in the EPMA website.
- Circulate to over 300 contacts the REACH email news flash.
- Hold three REACH workshops one in March 2007, another during Euro PM2007 plus a US REACH Workshop in co-ordination with MPIF.
- Participate in the Eurometaux REACH Implementation and Interpretation Working group and other information meetings such as the REACH Forum.

For 2008 the main activities will be:
- To provide the members with a Pre-Registration simplified document.
- To prepare a “Train the Trainer” Workshop during Spring 2008 to follow, liaise and inform the members about REACH.

We continue to cooperate closely with the Brussels based lobbying organisation Eurometaux as well as several other industry trade associations.

EU Attracting EU project Funding

EPMA has performed very satisfactorily over recent years in its participation in, and initiation of, EU funded projects. These have included the DIENET, MODNET, MIMNET, Marie Curie and Leonardo programmes which have brought over €5 million of government funding into the European PM sector. During 2008 we are intending to apply for three further projects covering training, networking and research activities these are detailed in the relevant sections.

EPMA Awards for Excellence in PM will be presented during a special Awards luncheon at the Euro PM2008 Congress & Exhibition in Mannheim, Germany 29th September - 1st October.

ENTER ONLINE AT www.epma.com/awards
The vibrant city of Toulouse was the home of the Euro PM2007 International Congress organised and hosted by the EPMA. A full topic event covering all aspects of PM Technology brought together delegates from some 45 countries including the Far East, Africa and the Americas.

A first class technical programme of over 200 Oral and Poster presentations attracted over 800 participants, the second largest Euro PM event on record, with more than 80 exhibitors representing companies from all aspects of the PM supply chain. In addition, special seminars focused on ‘Designing for MIM’, ‘Dimensional Control in Ferrous PM’ and ‘Hard Materials for Advanced Applications’, and a REACH Workshop gave delegates an update on the implementation of this important legislation, and how it would impact on the PM industry as a whole.

During the Congress plenary session the new EPMA President Mr. Ingo Cremer presented the EPMA Distinguished Service Awards for 2007 to Dr. Joan-Anton Bas of Ames SA and Dr Gian Filippo Bocchini formerly of Merisinter SpA and Höganäs Italy.

The EPMA extends its sincere thanks to the many people who worked on the organisation of Euro PM2007. Special gratitude is due to the Congress Co-Chairmen, Pierre Blanchard of Federal Mogul-France and Didier Bouvard of INPG Grenoble.

Also to members of the Technical Programme Committee and, last but not least, the Chairmen who helped to make the technical sessions and workshops run with their usual efficiency. The 3 volumes of Congress Proceedings contains the text and key figures of the papers presented, both oral and poster, along with author details and references. Volumes can be purchased separately, or as a complete set. A CD-ROM version is available free with 2 or more volumes purchased. Details are available on the EPMA website in the Publications section.

www.epma.com
The winners of this year’s EPMA Excellence in PM Awards were honoured at a special lunch during the Euro PM2007 International Congress, held at the Pierre Baudis Centre des Congrès in Toulouse, France, with some 500 people in attendance at the luncheon ceremony.

The competition, which is open to all EPMA members, is split into four categories; Components - Structural, Components - MIM, Materials and Process Equipment as well as the prestigious International Award. In each category a panel of expert judges gave marks to each of the entries using the following five criteria:

- Excellence in exploiting PM
- Novelty, that is surpassing borders or bringing new ideas into practice
- Stimulation of further usage of PM technology
- Cost savings or improved quality
- Preparation of the Entry.

The 2007 EPMA Awards for Excellence in Powder Metallurgy has been another difficult year for the judges to decide on. The level of quality from all the entrants has been raised once again, as the competition has attracted components from many industry-leading companies, such as mG minigears, last year’s runners-up Ames SA, and Dorst Technologies, to name but a few.

Although a difficult task, the judges did decide upon which products were worthy recipients of the EPMA Award of Merit and the Highly Commended runners-up, as follows:

- **Category Components - Structural Parts:**
  - **Award of Merit:** Sintertech SAS, France - Transfer case sliding sleeve

- **Category Components - MIM parts:**
  - **Award of Merit:** MIMItalia srl, Italy - Double bulge diamond bead

- **Category Materials/Processing Technology:**
  - **Award of Merit:** Uddeholm Tooling AB, Sweden - Uddeholm Vancron 40

- **International Award:**
  - **Award of Merit:** Hoeganaes Corporation, USA - AncorMax 200

- **Category Components - Structural Parts:**
  - **Highly Commended:** PMG Fuessen Germany - P/M Sliding Sleeve, MG Minigears Italy - Bevel Gear Set for Bush Cutter

- **Category Components - MIM parts:**
  - **Highly Commended:** maxon motor GmbH, Germany - Guitar Tuner

- **Category Materials/Processing Technology:**
  - **Highly Commended:** Dorst Technologies, Germany - Powder Press TPA - HS

- **International Award:**
  - **Highly Commended:** Acelent Technologies, Singapore - MIM ColdPlate

‘The EPMA would like take this opportunity to thank all the companies that entered their components, materials and equipment into this year’s competition, as without their continued support the competition could not be what it is’ said Jonathan Wroe, Executive Director of the EPMA. He added: ‘The EPMA looks forward to hosting another competitive awards competition in 2008, at the Euro PM2008 Congress & Exhibition in Mannheim, Germany.’
Working Groups

EPMA Working Groups meet regularly to discuss and organise trade association response to industry wide issues. Typically, they concentrate on matters best handled on an industry-wide basis, rather than those that are more appropriately addressed at individual member company level. The Groups are, in general, permanent and have a regular membership, but temporary committees or groups can be set up to handle single issues. There continues to be strong support for the Open Meeting principle in which all interested can mix with the permanent membership of the Groups, understand what they are doing and offer ideas. This concept will be developed alongside more traditional working meetings with attendance restricted to EPMA members.

An example of an outcome of the previous MODNET working group was the recently published ‘Modelling of Powder Die Compaction’.

Research Education Training Group (RET)

The RET Working Group held a closed meeting (Ferrous structural part) on 5th of October in Madrid (University Carlos III). The motivation of the meeting was to improve:

- The promotion and diffusion of the PM technology
- The activities of the RET group.

These outcomes will be followed up at a meeting in Spring 2008.

- Presentations on priority research needs by representatives of the three EPMA Industry Sectoral Groups
- Research topics being proposed to industry by the EPMA RADNET Group
- Reports from Nano and PM Titanium subgroups and plans for Special Topic

Environment, Health and Quality Group (EHQ)

Benchmarking. Five newcomers participated in the 2007 Benchmarking exercise and, in total, eleven sites participated. Revisions to the content and breadth continue, based on feedback from members, to increase the value of this useful service.

We also maintain the service advertising EPMA member quality accreditation on the EPMA website, which remains a popular area amongst the 200,000 visitors per year to the site.

The EPMA also provides, through the members’ area of the web site, a set of information on REACH (Documents to Download, Letters to suppliers, Workshop contents, useful links etc). The results of the recent Bioavailability Program were published in a scientific journal by the laboratory CANMET, which carried out the tests.

Facilities at University Carlos III Madrid
Peter Brewin Receives Award at General Assembly 2007

AGM 2007 location, Istanbul and the Bosphorus

Ingo Cremer addresses Euro PM2008

Euro PM2007 Technical Programme Committee

AGM 2007 Working Group, Istanbul Turkey

Euro PM2007 Plenary Speaker Alrik Danielson of Höganäs AB
The Year in Pictures

07 - Toulouse, France

Euro PM2007 Exhibition

Pierre Baudis Centre In Toulouse, France - Venue for Euro PM2007 Congress & Exhibition

Pauline Davies receiving her long term service award marking 20 years service at EPMA

AGM Meeting 2007 Istanbul

Pablo Ballester, EPMA Spanish Student

Bob Moon, Honorary Member & Project leader of the Summer School Programme

Euro PM2007 Gala Dinner
Sectoral Groups

European Structural Parts Group (ESPG)

Peter Kjeldsteen (Sintex A/S) is the new co-chairman of the ESPG with Alberto Escribano (Fersint). The ESPG had an open meeting at Toulouse that was attended by 12 people, which was disappointing. The main subjects were:

- Leonardo: Ferrous Structural Part e-learning course
- Benchmarking: Results of 2006
- Global Database: data gaps (see Projects/GPMD)
- RET closed meeting

Raw and Energy prices are still a concern for the sector even if there are some improvements with the customers according to some stakeholders.

European Hard Materials Group (EHMG)

The EHMG held a Steering Group meeting (conference call) in July 2007 and an Open meeting in Toulouse attended by 20 people. Following the Open meeting and the Steering Group meeting, the most significant items were:

- Promotion: Possibility of holding regional seminars, however, more details are needed to work out this concept.
- Revision of the section in the EPMA web site for the EHMG
- Discussion on the proposal for extending the GPMD to include Hard Materials data

EuroMIM

The EuroMIM had an Open meeting in Toulouse which was attended by 47 people. The total membership of EuroMIM now exceeds fifty organisations with several new parts makers joining during 2007. There are several important areas that have been worked on during the period including:

A first meeting of the new ISO sub committee took place in Toulouse. The inputs from EuroMIM members were made well in advance directly to Howard Sanderow, who has taken over as Chairman of the sub committee. A new draft standard is to be circulated shortly

The extended 2007 benchmarking exercise, which was supported by eleven companies, the highest number so far.

A second end user event (DSEi in London) was attended in September and a number of potential end user contacts were circulated to EuroMIM members.

We will attend a competitor technology event in Autumn 2008

EuroPMRADNET

The development of this group continues with two well supported meetings held in Dusseldorf. The submissions under the first FP7 call were unfortunately not successful. However at least three new applications will be made under the next call which will close in Spring 2008.

Partners continue to work on a bilateral basis on student exchanges, joint projects and use of equipment.
Education and Training Projects

Marie Curie "PM Training Courses" Programme

The third event in Kosice was very successful with 67 students taking part. IMR SAS Kosice proved to be excellent hosts and the event ran smoothly and within budget. Our main targets were met in terms of type/origin of student.

Politecnico di Torino in Alessandria will host the final event in June 2008.

In May 2007 we submitted application for a major four-year project for postgraduate students called an International Training Network (ITN). This programme would include in its activities research training, training in management skills plus summer schools for industry and academia. Unfortunately this application narrowly failed to meet the required standards in one area and so was rejected. It is our intention to upgrade and resubmit it in September 2008. We are also looking to submit a proposal to cover workshops on "state of the art" in PM linked to Eastern Europe which would include an element of the current summer schools programme.

Leonardo "Design for PM" Project

The fifth steering group meeting was held during October in Madrid and we are working with partners to make sure that they have all the material ready by early in 2008. The work on the actual e-learning platforms and structure of the material has progressed more quickly during the last quarter and is now ready for initial trials. The project will complete in September 2008.
Research and Development Projects

As far as research and development work is concerned, the year could be divided cleanly in two. Those projects where funding has been coordinated on a private basis by the Secretariat and using members' direct funding, has produced a number of smaller scale, but successful projects. These include the ongoing ‘Bioavailability’ and ‘Nano Technology Projects’. In terms of the larger EU funded projects the successful applications for training and education projects in Framework 6 (FP6) were somewhat offset by the failure to gain any R&D based funding for the sector. However, with a success rate across FP6 being in the region of only 5% our strike rate over the last three years is still well above average.

Member Funded Activities

Global PM Property Database

2007 saw the launch of the new MIM materials section and uploading of further data in the ferrous and non-ferrous areas. Some fatigue data for ferrous parts data has been received from member companies but many “holes” remain to be filled.

Therefore, as previously agreed, Professor Beiss from the University of Aachen has started work on a two part project involving a desk survey followed by data generation on selected grades of material. This work will complete by the third quarter of 2008.

Nano Project Stage 3:

The objective of this project is to define ‘Good Testing Practice’ by improving the methodology for measuring the dimensions of sub micron hard material powders. Three manufacturers (WBH, Sandvik HM, Osram Sylvania) have now supplied Powders in the range of 0.5-0.15 micron which will be characterised using inter-laboratory techniques.

Publically Funded Projects

EPMA continued as a core partner in a UK government funded programme PowdermatriX managed by CERAM Research. PowdermatriX is a knowledge transfer network in particulate engineering, focused mainly on the advanced ceramic, powder metal, hardmetal and magnetics industries. Over 180 companies and 35 UK universities form the network.

EPMA also continued as dissemination partner in two further projects both related to the MIM sector. The first being the PIMSIM Project coordinated by the ARC Seibersdorf. This is a four region pilot project worth €1 million over two years. The aim of the project is to adapt PIM software by developing and implementing modules that describe PIM-characteristic material features using -components where mould filling issues cause long development times and costly alterations of the moulding tools.

The second originates from Sheffield University, England. Its objective is the development of the “Advanced Manufacturing Research Centre” which will have special development and scale up facilities for the MIM sector focused on aerospace applications.

Its funding of some €5m is mainly derived from a regional development agency grant and the core industry partners include Boeing and Rolls Royce.
Annual Meeting

The 18th EPMA General Assembly which took place at the Richmond Hotel in Istanbul was the first time EPMA has held a formal event in Turkey and it is hoped that it will over time build stronger links with the Turkish PM Community.

The two-day event which was attended by nearly 40 people from some 35 companies included the EPMA Annual Dinner as well as Board, Council and committee meetings.

Elections for a new EPMA Board and Council were also held and Mr Ingo Cremer was elected as the new EPMA President, for a three year term of office, replacing Dr Cesar Molins, who had held the post for the last six years.

The meeting also marked the retirement of Mr Peter Brewin as Technical Director at EPMA. Presentations were made to both gentlemen during the event in recognition of their outstanding service to the Association.

The delegates also heard two keynote papers, the first on the local Turkish automotive industry by Professor Ercan Tezer, Secretary General of the Turkish Automotive Producers Association. The second being a review paper, covering the Development and Status of the Turkish PM Industry was given by Professor Suleyman Saritas, President of the Turkish PM Association. A factory tour was undertaken of the Tozmatal plant outside of Istanbul.

Government and Management

Authority of the General Assembly

Under the Constitution, authority is vested in the General Assembly of members, which meets annually. A Council, directly or through its Executive Board, implements policies and decisions of the General Assembly and ensures effective operation between Assemblies.

EPMA Secretariat

Day-to-day management is in the hands of the Executive Director and his staff. In March 2007 the Secretariat was joined by Dr Olivier Coube formerly of Plansee AG as Technical Director. In January 2008 Rachel Burton-Pye joined us as Graphic Designer replacing Reena Sharma who left to get married. We welcome Olivier and Rachel in their new posts.

Jonathan Wroe
(Executive Director)

Frances Holland
(Congress Manager, Office Administration)

Pauline Davies
(PM Publications, invoices)

Olivier Coube
(Technical Director)

Joan Hallward
(PM Training Courses Coordinator, Leonardo Project Manager, Membership)

Andrew Almond
(Marketing, Exhibition Manager & Promotion)

Rachel Burton-Pye
(Brochure Design, Website)
Council

The EPMA Constitution requires the Council to be composed of a minimum of seven individuals with voting power and appointed by the General Assembly. In practice, the Council has always been larger than its permitted minimum. Initially, it constituted 12 members. In line with increases in the range and number of members it has subsequently been increased to the present 16.

Seats on Council are allocated according to the number of Full Members in each of the sectors making up the EPMA’s spectrum of interest; at the same time, consideration is given to ensuring an equitable geographical spread of Council members around Europe. Members in 2007 represented 25 countries in Europe (and 10 outside Europe).

The 18th Assembly elected a new Council and Executive Board for the period 2007-10

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<th>Representing PM Parts Sector</th>
<th>Representing Equipment Sector</th>
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<td>Volker Arnhold (GKN Sinter Metals, Germany)</td>
<td>Ingo Cremer (Cremer Thermoprozessanlagen GmbH, Germany)</td>
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<tr>
<td>Michael Krehl (PMG Füssen, Germany)</td>
<td>Thomas Lambrecht (Dorst Technologies, Germany)</td>
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<td>César Molins (AMES SA, Spain)</td>
<td>Thoms Lambecht</td>
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<td>Norbert Schruefer (Miba Sinter Austria GmbH)</td>
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<td>Kelvyn Williams (Federal Mogul Sintered Products, United Kingdom)</td>
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<th>Representing Powder Sector</th>
<th>Representing Refractory and Hard Material Sectors</th>
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<tr>
<td>John Boyle (QMP Metal Powders Ltd, Germany)</td>
<td>Dr Günter Kneringer (Plansee SE, Austria)</td>
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<td>Philippe Gundermann (Erasteel, France)</td>
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<td>Jan Tengzelius (Höganäs AB, Sweden)</td>
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<td>Thomas Witheford (Hoeganaes Corporation Europe GmbH, Germany)</td>
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<th>Representing PM Semi Sector</th>
<th>MIM Producers</th>
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<tr>
<td>Dr Gérard Raisson (Aubert et Duval Holding, France)</td>
<td>Dr Martin Blömacher (BASF AG, Germany)</td>
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<td>Dr Bruno Vicenzi (MIMItalia srl, Italy)</td>
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Contact details for Council Members can be found on the EPMA website www.epma.com

Executive Board (2004-2007)

- **President** – Ingo Cremer
- **Vice Presidents**
  - Volker Arnhold
  - Philippe Gundermann
  - Thomas Lambrecht
  - César Molins
- **Treasurer** – John Boyle
Outlook

The economic outlook for the sector remains uncertain with, in the short-term costs pressures remaining a major factor. However, at the same time the Hard Materials sector and those looking at construction or aerospace applications are still expecting to see growth in volumes during 2008.

From the EPMA point of view we will continue to work to recruit new members to continue the upward growth of our corporate membership numbers. The prospects for Euro PM2008, which this year is an all topic event, are positive as at least two thirds of all stand space is already reserved. The innovative development of the new workshops for parts makers and end users depends on support from all our industrial members.

![Euro PM2008 Mannheim Congress Centre](image1)

The new REACH legislation implementation means EPMA's ability to operate as a 'single industry voice' for the powder metal industry will be most important to offer support where required by our members. The importance of coordination at a European level will be shown as consortia are formed for data testing and generation.

The recent expansion of the Global PM Property Database to include non-ferrous and MIM data will give a further opportunity to promote its use to end users. This promotion will increasingly need to be undertaken not only by the three trade associations supporting it, but also by EPMA members.

The PMTrainingCourses will once again offer a tremendous, bargain-price opportunity for training promising young people employed by member companies. Our two EU programmes will finish during 2008 which leaves much work still to be done on securing new funding.

![PM Training Course 2008 Aqui Terme, Italy](image2)
## Financial Statements

### Income 2007 (€) 2006 (€)

<table>
<thead>
<tr>
<th>Category</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership fees</td>
<td>377,351</td>
<td>352,392</td>
</tr>
<tr>
<td>Publications and promotions</td>
<td>8,894</td>
<td>7,410</td>
</tr>
<tr>
<td>Conferences, seminars and courses</td>
<td>501,243</td>
<td>302,919</td>
</tr>
<tr>
<td>EU and other projects</td>
<td>405,755</td>
<td>236,599</td>
</tr>
<tr>
<td>Miscellaneous income</td>
<td>23,599</td>
<td>17,271</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,325,842</strong></td>
<td><strong>916,591</strong></td>
</tr>
</tbody>
</table>

### Expenditure 2007 (€) 2006 (€)

<table>
<thead>
<tr>
<th>Category</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries social charges and pensions</td>
<td>392,940</td>
<td>309,584</td>
</tr>
<tr>
<td>Office overheads</td>
<td>41,781</td>
<td>38,426</td>
</tr>
<tr>
<td>Subsistence and travel</td>
<td>25,377</td>
<td>25,258</td>
</tr>
<tr>
<td>Publication costs</td>
<td>17,220</td>
<td>13,809</td>
</tr>
<tr>
<td>Conferences, seminars and courses</td>
<td>293,652</td>
<td>218,627</td>
</tr>
<tr>
<td>Professional and membership fees</td>
<td>23,202</td>
<td>22,744</td>
</tr>
<tr>
<td>Council and meetings expenses</td>
<td>4,908</td>
<td>8,032</td>
</tr>
<tr>
<td>Annual report</td>
<td>1,495</td>
<td>1,911</td>
</tr>
<tr>
<td>Promotions and internet</td>
<td>7,572</td>
<td>13,282</td>
</tr>
<tr>
<td>Bank and credit card charges</td>
<td>14,477</td>
<td>9,189</td>
</tr>
<tr>
<td>Taxation on interest received</td>
<td>3,894</td>
<td>2,850</td>
</tr>
<tr>
<td>Exchange rate differences (note 4)</td>
<td>34,450</td>
<td>(1,942)</td>
</tr>
<tr>
<td>Printing, stationery, postage and sundries</td>
<td>14,406</td>
<td>18,508</td>
</tr>
<tr>
<td>EU and other projects</td>
<td>423,517</td>
<td>228,646</td>
</tr>
<tr>
<td>Depreciation</td>
<td>7,096</td>
<td>5,556</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,305,987</strong></td>
<td><strong>914,490</strong></td>
</tr>
</tbody>
</table>

**Surplus of income over expenditure** 19,855  2,101

**SURPLUS/DEFICIT AFTER ADJUSTMENT FOR 2006/2007 EXPENSES**

<table>
<thead>
<tr>
<th>Description</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure relating to 2007/2010</td>
<td>-</td>
<td>14,511</td>
</tr>
<tr>
<td>Expenses relating to 2008/2009/2010</td>
<td>36,662</td>
<td>-</td>
</tr>
<tr>
<td><strong>Surplus (Deficit) of income over expenditure</strong></td>
<td><strong>(16,807)</strong></td>
<td><strong>(12,410)</strong></td>
</tr>
</tbody>
</table>

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EPMA is governed by Belgian Law of 25 October 1919, as amended by that of 6 December 1954. The Association, un Association internationale poursuivant un but scientifique, is therefore exempt from Belgian income tax. The Secretariat, situated in the UK, registered for UK VAT on 1st December 1993, in order to regularize the situation with regard to new Single Market regulations. EPMA works to a calendar year. The Articles of Association require that members contribute towards the expenses of the EPMA through an annual subscription; the generation of funds from other sources and activities compatible with its objectives is permitted. Belgian law requires that the EPMA Council shall submit the accounts for the past year and the budget for the following year for the approval of the General Assembly. Set out above are the accounts for 2007, with those of 2006 for comparison.

**ACKNOWLEDGEMENTS:**
Accounts prepared and audited by Turner Peachey Chartered Accountants, Shrewsbury, UK.
## BALANCE SHEETS AS AT 31 DECEMBER 2006

<table>
<thead>
<tr>
<th>NOTES</th>
<th>2007</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>1</td>
<td>24,096</td>
<td>16,704</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Debtors</td>
<td>411,079</td>
<td>387,602</td>
</tr>
<tr>
<td>Bank accounts</td>
<td>722,059</td>
<td>582,250</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>1,133,138</td>
<td>969,852</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Creditors</td>
<td>683,553</td>
<td>496,067</td>
</tr>
<tr>
<td></td>
<td>449,585</td>
<td>473,785</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>473,682</td>
<td>490,489</td>
</tr>
<tr>
<td><strong>REPRESENTED BY:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated fund at 1st January 2006</td>
<td>490,489</td>
<td>502,899</td>
</tr>
<tr>
<td>Less: Surplus of expenditure over income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add: Surplus of income over expenditure</td>
<td>(16,807)</td>
<td>(12,410)</td>
</tr>
<tr>
<td><strong>TOTAL REPRESENTED BY</strong></td>
<td>473,682</td>
<td>490,489</td>
</tr>
</tbody>
</table>
NOTES TO THE FINANCIAL STATEMENTS -
YEAR ENDED 31 DECEMBER 2006

<table>
<thead>
<tr>
<th></th>
<th>2007 (€)</th>
<th>2006 (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment brought forward</td>
<td>16,704</td>
<td>18,307</td>
</tr>
<tr>
<td>Additions during the year</td>
<td>16,345</td>
<td>3,963</td>
</tr>
<tr>
<td>Disposals during the year</td>
<td>(926)</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>32,123</strong></td>
<td><strong>22,270</strong></td>
</tr>
<tr>
<td>Less: depreciation @ 25%</td>
<td>8,027</td>
<td>5,566</td>
</tr>
<tr>
<td></td>
<td><strong>24,096</strong></td>
<td><strong>16,704</strong></td>
</tr>
<tr>
<td><strong>2. DEBTORS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales ledger balances</td>
<td>404,206</td>
<td>381,641</td>
</tr>
<tr>
<td>Other debtors</td>
<td>6,873</td>
<td>5,961</td>
</tr>
<tr>
<td>EU projects</td>
<td></td>
<td>1,079</td>
</tr>
<tr>
<td></td>
<td><strong>411,079</strong></td>
<td><strong>387,602</strong></td>
</tr>
<tr>
<td><strong>3. CREDITORS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PM conference amounts due</td>
<td>1,397</td>
<td>1,475</td>
</tr>
<tr>
<td>Purchase ledger balances</td>
<td>15,571</td>
<td>11,355</td>
</tr>
<tr>
<td>Membership fees received in advance</td>
<td>395,064</td>
<td>369,709</td>
</tr>
<tr>
<td>PAYE owed to inland revenue</td>
<td>12,303</td>
<td>13,491</td>
</tr>
<tr>
<td>Taxation</td>
<td>8,282</td>
<td>7,068</td>
</tr>
<tr>
<td>Professional fees</td>
<td>4,756</td>
<td>8,311</td>
</tr>
<tr>
<td>Other sundry creditors</td>
<td>28,671</td>
<td>58</td>
</tr>
<tr>
<td>VAT on PM2006 conference</td>
<td>-</td>
<td>22,300</td>
</tr>
<tr>
<td>EU and other projects</td>
<td>217,509</td>
<td>62,300</td>
</tr>
<tr>
<td></td>
<td><strong>683,553</strong></td>
<td><strong>496,067</strong></td>
</tr>
</tbody>
</table>

**4. EXCHANGE RATES**

The figures in the Balance Sheet are converted at the closing rate of £1 to €1.35883 (2006 - £1 to €1.4552)

The figures in the Profit & Loss account have been converted at the actual rate of exchange during the month the expenditure was incurred.

The differences arising, due to the use of different exchange rates, is shown in the Income & Expenditure account under 'exchange rate differences'.