# INTERIM REPORT ON OPERATIONS FOR THE PERIOD ENDED 31 MARCH 2014

# GENERAL INFORMATION

## REGISTERED OFFICE

Via U. Poli, 4

Zola Predosa (Bo)

## MANAGEMENT BOARD

Appointed by the Supervisory Board
of 30.04.2014

**CHAIRMAN AND MANAGING DIRECTOR**

Claudio Levorato

**DEPUTY CHAIRMAN**

Mauro Masi

**MANAGEMENT BOARD**

Benito Benati

Marco Bulgarelli

Marco Canale

Giuliano Di Bernardo

Massimo Ferlini

*(term of office expired on 30.04.2014)*

Mauro Masi

Massimiliano Marzo

Marco Monis

Stefano Caspani

Luca Stanzani

Pier Paolo Quaranta

## SUPERVISORY BOARD

Appointed by the Shareholders' Meeting
of 30.04.2014

**CHAIRMAN**

Fabio Carpanelli

**DEPUTY CHAIRMAN**

Antonio Rizzi

**SUPERVISORY BOARD DIRECTORS**

Stefano Caselli

Roberto Chiusoli

Guido Maria Giuseppe Corbetta

Massimiliano Marzo

*(term of office expired on 30.04.2014)*

Massimo Scarafuggi

Pierluigi Stefanini

Giovanni Toniolo

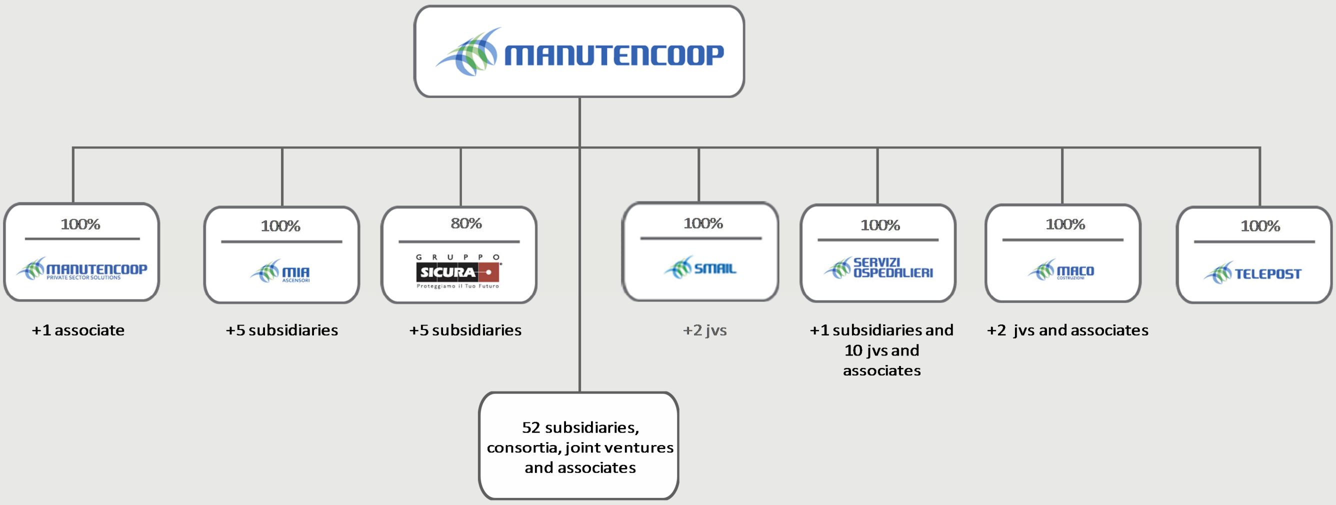
Stefano Zamagni

## INDEPENDENT AUDITORS

Reconta Ernst & Young S.p.A.

# PREAMBLE

At 31 March 2014 the Group controlled by Manutencoop Facility Management S.p.A. ("MFM Group" and "MFM S.p.A.", respectively) was made up as follows:




The MFM Group is structured around a single operating holding company which combines so-called "traditional" facility management production resources with those related to supporting the whole Group's business. At the same time a diversification strategy has been pursued which, through a series of acquisitions, has placed some "specialist" facility management services beside the historical business (hygiene services, green spaces and technical and maintenance services): these services involve fire prevention and safety products and systems, maintenance services for lifting equipment (lifts, escalators, hoists etc...), and operating lighting systems, in addition to linen rental and industrial laundering and sterilising surgical equipment at healthcare facilities.

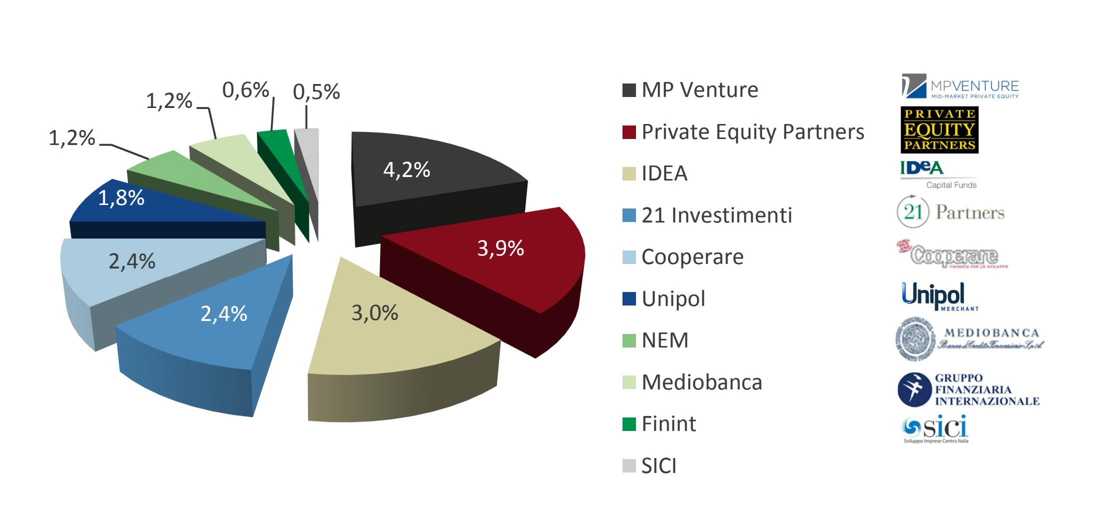
In early 2014, the Group transferred to third parties the total quota held in Energyproject S.r.l. and its subsidiary Mowbray S.r.l., which managed all the photovoltaic plants, thereby exiting that sector.

## Shareholding structure

Ordinary shares issued by the MFM Group and fully paid up at 31 March 2014 amounted to 109,149,600, with a par value of Euro 1 each. There are no other share classes.

The Parent Company does not hold own shares.

Manutencoop Società Cooperativa holds a controlling interest of 71.889%, while a pool of Private Equity investors holds an overall stake of 28.11%.




On 1 July 2013 an additional stake of 7.028% of the share capital was acquired by Manutencoop Società Cooperativa, with retention of title ("*riserva di proprietà*"), pursuant to and for the purposes of article 1523 of the Italian Civil Code. The financial and administrative rights attached to said stake acquired with retention of title by the other shareholders pertain to the buyer.

# INTERIM REPORT ON OPERATIONS

## 1. MAIN EVENTS IN THE FIRST QUARTER OF 2014

The Group's operating results for the first three months of 2014 were marked by the effects of a number of important events that involved the Group in the second half of 2013 but that unfolded only in the period under review.
The significant downsizing of the sales service contract in place with the main customer in the private sector (Telecom Italia) entailed a decline in production volumes compared to the first quarter of 2013, with consequent effects on the performance in terms of EBITDA and Operating Income.
However, the Group's sales action continues to generate a substantial backlog (€ 3,086 million as at 31 March 2014)[(1)] and is further testimony to its ability to address fluctuations in contract flows.
Another event that marked a significant watershed was the bond issue of € 425 million launched on 2 August 2013, which rearranged the consolidated financial structure, against a fixed financial cost equal to the yield of the related six-monthly coupons (8.5% on an annual basis, due 2020) that affects the income statement for the period in a more significant manner than the value recorded in the first quarters of 2013.

From an equity and financial point of view, the positive data of particular importance is linked to the substantial confirmation of the improvement trend in the Net Working Capital and Net Financial Indebtedness, which was already recorded in the second half of 2013. The slight increase at 31 March 2014, compared to 31 December 2013, reflects an operational and statistical trend, in line with previous years, which does not detract from the improvement under way.

Furthermore, the period under review continued to witness the exit from business segments that Management no longer regards as core: as a result, on 3 February 2014, there was the transfer to third parties of the entire quota held by MFM S.p.A. in the subsidiary Energyproject S.r.l., which in turn held the total quota capital of Mowbray S.r.l.. This sale completed the disposal of all photovoltaic assets and the consequent definitive exit from that market.

Lastly, in connection with the corporate combination and streamlining program conducted within the so-called "specialist services" area, on 1 January 2014, Sedda S.r.l., Securveneta S.r.l., Mako Engineering S.r.l., Antincendi Piave S.r.l. and Sicurama S.r.l.'s were merged into Sicura S.r.l., to combine in a single company all the maintenance and engineering activities related to the fire prevention and safety segment. Within the same Sicura Sub-group, the next months will also see the merger of the Gruppo Sicura S.r.l. by incorporation into Sicura S.r.l., with the consequent change in the designated sub-holding.

## 2. BUSINESS DEVELOPMENT

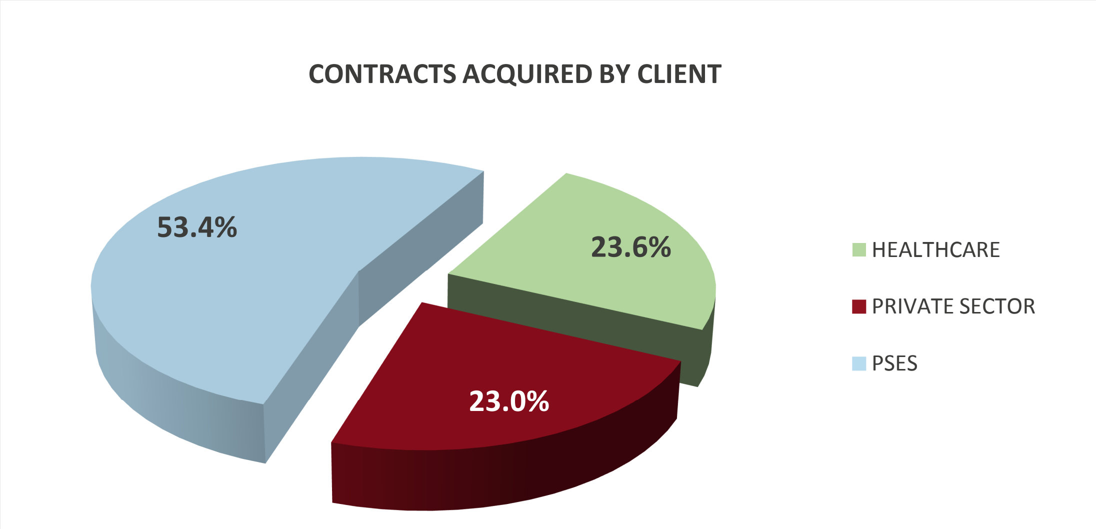
In early 2014 the Group continued its sales activities and already achieved some interesting results, procuring new contracts and renewing orders already in its portfolio for an overall amount of € 87 million, € 76 million of which related to new development.
This figure only regards contracts obtained in the context of services for "traditional" facility management, for public lighting, for linen rental and industrial laundering services as well as for the sterilization of surgical instruments, as

1. The Backlog is the amount of contract revenues connected with the residual term of the orders in the portfolio at the relevant date. The statistical cyclicality of contract awards (which is less significant in the early months of the year) is typically reflected in the backlog, which tends to be lower in the initial part of the year.

they are typically long-term contracts. On the contrary, the figure does not include the commercial portfolios of the companies that offer the so-called “specialist services” (which, however, cover only 7.6% of the Group’s consolidated revenues for the first quarter of 2014), particularly those for private retail customers -, since they consist of awards of contracts that have an average term of less than one year and, therefore, a future minor visibility.

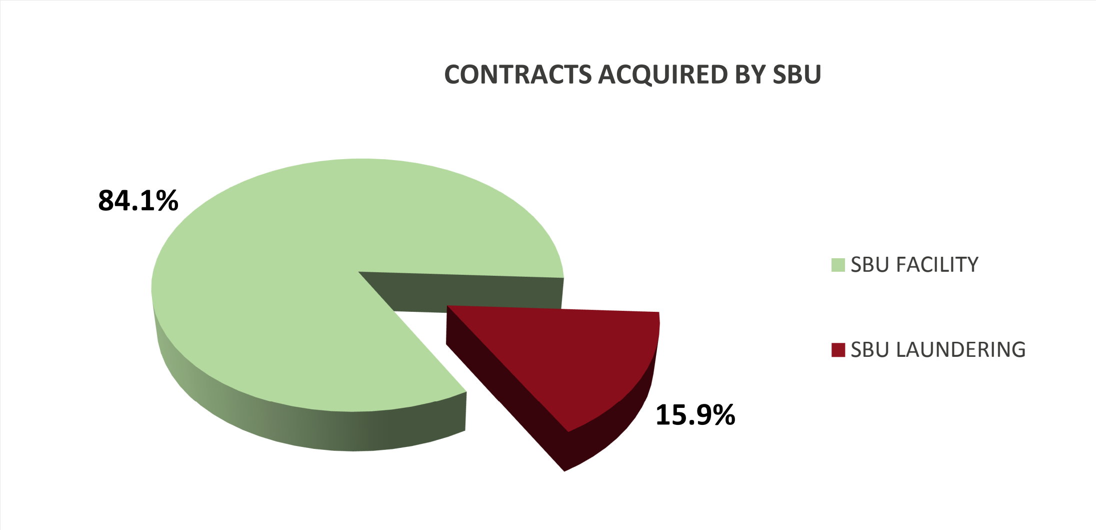
We should mention, among others, that in the Public market the Group was awarded contracts for cleaning services to be provided to ATAC Roma and Trenitalia, for terms of about three years. Furthermore, in the Private market the Group continued its commercial activities aimed at the customers with sales networks spread all over the country, to which the Group offers an extensive organization of offices and business locations. In this context, it should be noted that the Group was awarded maintenance service contracts at the local offices of UnipolSai S.p.A. and some important renewals in the banking and hotel sectors, in addition to the new global service operation of the local offices of Manpower.

Below is the breakdown of contracts acquired by type of Client:

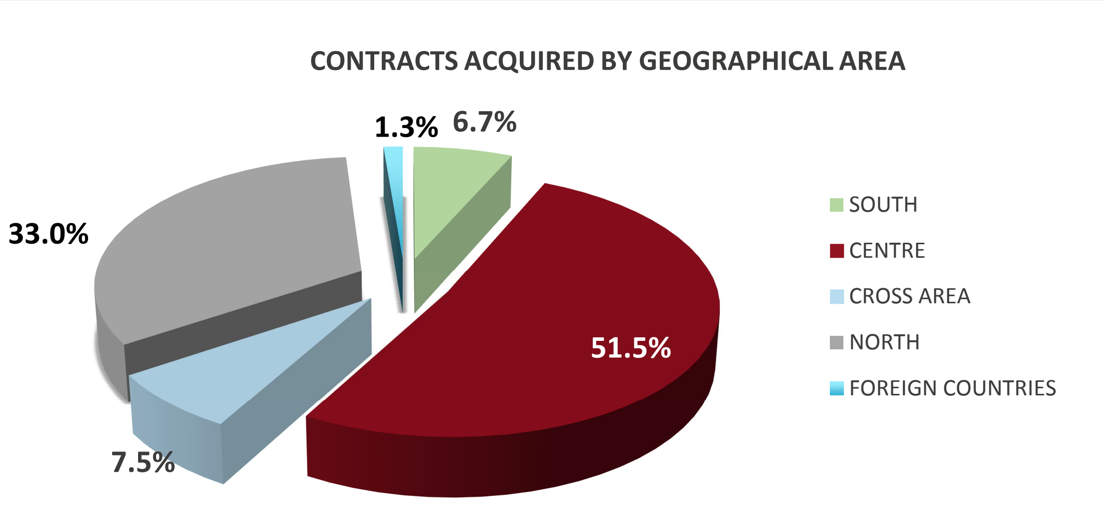



New contracts in the Public and Healthcare sectors affected the total in a significant manner (an overall percentage of 77%, equal to € 47 million and € 21 million, respectively). This evidence is consistent with the Group’s experience, given the structure of the market in which it operates (i.e. the domestic market), where the public customer is the main buyer of its services.

Regarding the new orders in terms of Strategic Business Unit (SBU), the *Laundering&Sterilization* obtained contracts of € 14 million and the *Facility Management* segment for € 73 million:




Finally, a geographical distribution of the commercial portfolio of new acquisitions is provided:




In the quarter the sales action that the Group was outlining for foreign markets achieved the first actual results in the *Laundering&Sterilization* SBU, which was awarded surgical instrument sterilization contracts in Turkey through the subsidiary Servizi Ospedalieri S.p.A..

## 3. THE MFM GROUP'S PERFORMANCE OF OPERATIONS AND FINANCIAL POSITION FOR THE PERIOD ENDED 31 MARCH 2014

### 3.1 Consolidated performance of operations in the first quarter of 2014

Below are reported the main income figures relating to the quarter ended 31 March 2014, compared to the figures of the corresponding period of 2013, as restated to include the effects of changes in accounting standards:

| *(in thousands of Euro)* | For the three months ended 31 March | | Difference | % |
|---|---|---|---|---|
| | 2014 | 2013 Restated | | |
| Total revenues | 265,053 | 283,992 | (18,939) | -6.7% |
| Total costs of production | (234,459) | (248,752) | 14,293 | -5.7% |
| **EBITDA ([2])** | **30,594** | **35,240** | **(4,646)** | **-13.18%** |
| **EBITDA %** | **11.54%** | **12.41%** | | |
| Amortization, depreciation, write-downs and write-backs of assets | (9,295) | (8,872) | (423) | 4.8% |
| Accrual of provisions for risks and charges | (2,136) | (1,558) | (578) | 37.1% |
| **Operating Income** | **19,163** | **24,810** | **(5,647)** | **-22.8%** |
| **Operating Income %** | **7.23%** | **8.74%** | | |
| Share of net profit of associates | 391 | 717 | (326) | -45.5% |
| Net financial charges | (9,874) | (4,227) | (5,647) | 133.6% |
| **Profit before taxes** | **9,680** | **21,300** | **(11,620)** | **-54.6%** |
| **Profit before taxes %** | **3.65%** | **7.50%** | | |
| Income taxes | (5,356) | (10,109) | 4,753 | -47.0% |
| **Profit from continuing operations** | **4,324** | **11,191** | **(6,867)** | **-61.4%** |
| **Profit (loss) for the year from discontinued operations** | **0** | **0** | **0** | **0.0%** |
| **NET PROFIT** | **4,324** | **11,191** | **(6,867)** | **-61.4%** |
| **NET PROFIT %** | **1.63%** | **3.94%** | | |
| Minority interests | (86) | (69) | (17) | 24.6% |
| **NET PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT** | **4,238** | **11,122** | **(6,884)** | **-61.9%** |
| **NET PROFIT FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT %** | **1.60%** | **3.92%** | | |

### Revenues

In the first quarter of 2014 consolidated revenues came to € 265.1 million, against € 284.0 million as at 31 March 2013, as restated to include the effects of changes in accounting standards. The change was mainly attributable to the renegotiation of the contract with the customer Telecom Italia, which was completed in 2013 and which showed the effects of the decline in volumes only starting from the last quarter of 2013.

Even though it is expected to grow slightly, the Italian Facility Management market still trudges along, with strong pressure on pricing, a declining trend in the number of tenders and fierce competition among competing operators.

Details of revenues in the quarter ended 31 March 2014 are provided below, compared with the same periods of the previous year, as broken down by kind of Client and as restated to include the effects of changes in accounting standards:

2. 'EBITDA represents the operating profit (loss) before allocations to the Accrual of provisions for risks and charges and amortization/depreciation, write-downs and write-backs of assets. EBITDA is a measure used by the Company's management to monitor and assess its operating performance and it is not identified as an accounting measure under IFRS. Therefore, it must not be considered an alternative measurement for evaluating the trend in the Group's profit/loss. Given that the breakdown of EBITDA is not regulated by the accounting standards, the calculation criteria applied by the Group may not be comparable.

| **REVENUES BY CLIENT** | For the three months ended 31 March | | | |
|---|---|---|---|---|
| *(in thousands of Euro)* | **2014** | **% of total revenue** | **2013 Restated** | **% of total revenue** |
| PSEs | 73,538 | 27.7% | 84,575 | 29.8% |
| Healthcare | 112,294 | 42.4% | 102,461 | 36.1% |
| Private sector | 79,221 | 29.9% | 96,955 | 34.1% |
| **TOTAL REVENUES** | **265,053** | **100%** | **283,992** | **100%** |

In the first quarter of 2014, the breakdown of turnover by type of customer showed a growth in the number of customers in the Healthcare sector compared to the same period in 2013, with an increase of about 6.3 percentage points.

The decrease in revenues from Private sector customers was mainly due, as already indicated, to the downsizing of business volumes with Telecom Italia. By contrast, there was a € 9.8 million increase in revenues from Healthcare facilities, an area that proved already attractive in past years in terms of business development. In addition, several substantial contracts related to PPP ("*Private Public Partnership"*) projects in this area are allocated to Group companies which, in the first quarter of 2014, worked at full capacity.

Finally, a reduction was reported in revenues from PSEs, whose relative percentage of the total decreased by 2.1 percentage points. In 2013, the Group was awarded a number of contracts for CONSIP Scuole and CONSIP Uffici, which replaced expired agreements. These agreements reflect the manners in which Government procurement activities are organized at the central level.

*Analysis of revenues by Segment*

The business segments were identified on the basis of IFRS 8 and correspond to the following business areas: "*Facility Management*", "*Laundering & Sterilization*" and Complementary Activities (so-called "*Other*" activities).

A comparison of Group revenues by segment of business in the quarter ended 31 March 2014 and in the quarter ended 31 March 2013 is provided below, as restated to include the effects of changes in accounting standards.

| **REVENUES BY SEGMENT** | For the three months ended 31 March | | | |
|---|---|---|---|---|
| *(in thousands of Euro)* | **2014** | **% of total revenue** | **2013 Restated** | **% of total revenue** |
| Facility Management | 228,436 | 86.2% | 249,745 | 87.9% |
| Laundering & Sterilization | 35,643 | 13.4% | 33,371 | 11.8% |
| Other | 1,689 | 0.6% | 1,537 | 0.5% |
| Intra-group elimination | (715) | -0.3% | (661) | -0.2% |
| **CONSOLIDATED REVENUES** | **265,053** | **100%** | **283,992** | **100%** |

In the first quarter of 2014, revenues in the *Facility Management* sector amounted to € 288.4 million, marking a decrease of € 21.3 million compared to the same period of the previous year, as restated to include the effects of changes in accounting standards (-8.5%). As a result, there was a slight decline in the same in terms of percentage of total consolidated revenues, to the benefit of revenues from the *Laundering&Sterilization* segment, which increased by +1.7 percentage points. As anticipated, the Facility Management business bore the brunt of the downsizing of the activities conduced with Telecom Italia, in terms of decline in revenues.

In the first quarter of 2014, the *Laundering & Sterilization* segment achieved revenues of € 35.6 million. The increase recorded, amounting to +6.8% compared to the previous year, was mainly attributable to the growth in the surgical instrument sterilization's activity. The latter was mainly related to acquisitions already made during previous years, for which the necessary start-up activities were being completed.

Finally, there were no substantial changes in revenues (+0.1% compared to the same period in 2013) in the *Other activities* segment (which is currently made up only of building construction activities *of* MACO S.p.A.), implementing the Management's decisions not to invest in the business units of this segment any further.

## EBITDA

The Group's gross operating income (EBITDA) came to € 30.6 million in the first quarter of 2014, against € 35.2 million in the first quarter of 2013, as restated to include the effects of changes in accounting standards.
Consolidated EBITDA reported a decrease of € 4.6 million in absolute terms, compared to the same period in 2013, while margins came to 11.5% of revenues, showing a reduction compared to 12.4% in the first quarter of 2013 and, however, showing an increase compared to the final full-year data reported in 2013 (10.9%).

Below is provided a comparison of EBITDA by business segment for the first quarter of 2014 and the first quarter of 2013, as restated to include the effects of changes in accounting standards:

| **EBITDA BY SEGMENT** | **For the three months ended 31 March** | | | |
|---|---|---|---|---|
| *(in thousands of Euro)* | **2014** | **% of segment revenues** | **2013 Restated** | **% of segment revenues** |
| Facility Management | 21,354 | 9.3% | 27,363 | 11.0% |
| Laundering & Sterilization | 9,444 | 26.5% | 8,220 | 24.6% |
| Other | (204) | -12.1% | (343) | -22.3% |
| **CONSOLIDATED EBITDA** | **30,594** | **11.5%** | **35,240** | **12.4%** |

As mentioned, the margins from the "traditional" *facility management* market were also affected by the effects of a reduction in volumes connected with the renewal of the Telecom Italia contract, which have been already described and which entailed a reduction in the related production costs for the period that was less than proportional compared to the data reported for revenues. This was due to the time necessary to reorganize the structure of contracts and a lower allocation to cover the sector's fixed cost.
Generally, the Group's backlog saw the turnover of contracts that in the quarter under review, given the presence of several new projects (including, among the most important: ATAC Roma, CONSIP Scuole and CONSIP Uffici), were down due to the significant portion of start-up costs related, among others, to the greater expenses incurred to take on personnel in connection with the CONSIP contracts.

On the other hand, the *Laundering&Sterilization* segment also recorded a positive performance, which improved both in terms of volumes (+ € 1.2 million, equal to +14.9%) and in terms of profit margins (which passed from 24.6% to 6.5% of the related revenues) compared to the first quarter of 2013, and was mainly attributable to the higher impact of the contracts for the sterilization of surgical instruments in which profit margins were higher than the average for the linen rental and industrial laundering segment.

Finally, the residual construction activities (*Other activities segment*), which the management no longer considers as strategic, showed gross operating losses that were more limited compared to the first quarter of 2013 (- € 0.1 million).

*Cost of production*

In the first quarter of 2014, cost of production, which amounted to € 234.5 million, showed a decrease of € 14.3 million in absolute terms compared to € 248.8 million (-5.7%) of the same period of the previous year, as restated to include the effects of the changes in accounting standards.

| *(in thousands of Euro)* | **For the three months ended 31 March** | | **Difference** | **%** |
|---|---|---|---|---|
| | **2014** | **2013 Restated** | | |
| Consumption of raw materials and consumables | 49,978 | 57,745 | (7,767) | -13.4% |
| Costs for services and use of third-party assets | 84,711 | 93,113 | (8,402) | -9.0% |
| Personnel costs | 98,249 | 96,895 | 1,354 | 1.4% |
| Other operating costs | 1,521 | 1,566 | (45) | -2.9% |
| Capitalized internal construction costs | 0 | (568) | 568 | -100% |
| **TOTAL COSTS OF PRODUCTION** | **234,459** | **248,752** | **(14,293)** | **-5.7%** |

*Costs of raw materials and consumables* at 31 March 2014 came to € 50.0 million, with a decrease of € 7.8 million (-13.4%) compared to 31 March 2013, mainly due to the decrease in the cost of fuel (- € 7.9 million) used in a higher consumption of raw materials (such as heat management), which posted widely varying thermal and weather-related performances in the two comparable quarters, given a persistent downward trend in market prices for fuel.

*Costs for services and use of third-party assets* showed a decrease of € 8.4 million (-9.0%) which was mainly attributable to the reduction in the recourse to third-party work in the provisions of services and, albeit to a lesser extent, to savings in costs for insurance and sureties.

The lower costs for services and use of third-party assets was accompanied, on the other hand, by a substantial alignment in *Personnel costs* (+€ 1.4 million), whose impact on revenues for the period increased however from 34.1% at 31 March 2013 to 37.1% at 31 March 2014, even in the presence of a reduction in overall operating margins, which amounted to 0.9 percentage points only, as mentioned. The combination of outsourcing costs and personnel costs is related not only to the Group’s marked inclination to provide its services with own staff but also to the mix of contracts obtained as well as to any mechanisms for the transfer of the workforce provided for by the laws on contract changes, in particular in the cleaning services sector.

This trend is also confirmed by the number of employees at 31 March 2014, which passed from 15,288 units in 2013 to 16,353 units in 2014. In third regard, there were more than 1,500 new hires within the CONSIP Scuole and CONSIP Uffici agreements, as referred to above.

*Capitalized internal construction costs*, equal to € 0.6 million at 31 March 2013, related to activities of construction on a property used as a laundry plant of Servizi Ospedalieri S.p.A., which were completed in 2013. These works, in fact, have been carried out by MACO S.p.A. and are considered as having been performed on a time and materials basis, net of the intra-group margin obtained.

Finally, *Other operating costs* were in line with the value posted in the first quarter of 2013 (€ 1.5 million against € 1.6 million at 31 March 2014). They also included € 202 thousand of capital losses on disposals of fixed assets, which were realised for € 78 thousand by Servizi Ospedalieri S.p.A. within the sale of capital goods of the Porto Garibaldi site, being disposed of, and for € 145 thousand by MIA S.p.A. as adjustments relating to the transfer of a business unit made in 2013.

## *Non-recurring events and transactions in the period with an impact on EBITDA*

In the course of the first quarter of 2014, the Group did not carry out some transactions that originated "non-recurring" financial items which impacted on the normal dynamics in the gross operating income (EBITDA) as defined above.

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, "*significant non-recurring events and transactions*" mean events or transactions whose occurrence is non-recurring or those transactions or events that are not repeated frequently as part of normal operations and have a significant impact on the financial position, economic result and cash flows of Group companies.

## Operating Income (EBIT)

Concerning consolidated Operating Income (EBIT), which in the first quarter of 2014 stood at € 19.2 million (7.2% of revenues), it was lower than the same period of the previous year by € 5.6 million.

EBIT was mainly affected by the abovementioned performance for the period in terms of EBITDA, from which must be deducted *amortization and depreciation* of € 8.3 million (31 March 2013: € 8.0 million), *write-downs of trade receivables* of € 1.0 million (31 March 2013: € 0.8 million), *net accruals of provisions for risks and charges* of € 2.1 million (31 March 2013: € 1.6 million). In the first months of 2014 the Group adopted a new bonus system for top and middle management, which entailed higher provisions for future charges of € 1.2 million compared to the first quarter of 2013.

### *Analysis of Operating Income (EBIT) by segment*

Below is reported a comparison of Operating Income (EBIT) by segment in the first quarter of 2014, with the amounts recorded in the first quarter of 2013, as restated to include the effects of changes in accounting standards:

| **EBIT BY SEGMENT** | **For the 3 months ended 31 March** | | | |
|---|---|---|---|---|
| (in thousands of Euro | **2014** | **% of segment revenues** | **2013 Restated** | **% of segment revenues** |
| Facility Management | 15,284 | 6.7% | 22,928 | 9.2% |
| Laundering & Sterilization | 3,888 | 10.9% | 2,732 | 8.2% |
| Other | (9) | -0.6% | (850) | -55.3% |
| **CONSOLIDATED EBIT** | **19,163** | **7.2%** | **24,810** | **8.7%** |

The *EBIT* performance in the *Facility Management* segment (- € 7.6 million compared to the first quarter of 2013) substantially confirmed the trend of the sector EBITDA performance (- € 6.0 million). However, the *Laundering & Sterilization* sector reported a positive performance: the sector EBIT showed, in fact, an increase (+ € 1.2 million) in absolute terms, which impacted profit margins (+2.7%, in percentage terms of related revenues) and consistently with the values reported in terms of the positive EBITDA performance (+ € 1.2 million compared to the first quarter of 2013) Finally, the comparison between the consolidated 2013 EBIT and 2012 EBIT was significantly affected by the lower negative contribution of the segment of *Other activities*, the disposal of which, which had been started in the previous years, was being completed through the sale of the companies that operate in the photovoltaic market and the gradual abandonment of the activities in the *building* sector.

## Profit before taxes

To the EBIT must be added net income from companies valued at equity equal to € 0.4 million, compared to € 0.7 million in the first period of the previous year, less net financial charges of € 9.9 million (€ 4.2 million in the first quarter of 2013), thus obtaining a profit before taxes equal to € 9.7 million, for the first quarter of 2014 (€ 21.3 million in the first quarter of 2013, as restated to include the effects of changes in accounting standards).

Below is provided the breakdown by nature of net financial charges for the period ended 31 March 2014 and for the corresponding period of the previous year, as restated to include the effects of changes in accounting standards:

| *(in thousands of Euro)* | For the 3 months ended 31 March | | Difference | % |
|---|---|---|---|---|
| | 2014 | 2013 Restated | | |
| Dividends, income (charges) from sale of equity investments | 0 | 239 | (239) | -100% |
| Financial income | 655 | 301 | 354 | +117.9% |
| Financial charges | (10,529) | (4,767) | (5,761) | +120.8% |
| **NET FINANCIAL CHARGES** | **(9,873)** | **(4,227)** | **(5,646)** | **+133.57%** |

In the period ended 31 March 2014, *financial income* amounted to € 0.7 million, showing an increase of € 0.4 million compared to € 0.3 million in the first quarter 2013. This increase was mainly due to higher consolidated cash and cash equivalents in the period (+0.3 million).

In the period ended 31 March 2014 *financial charges* amounted to € 10.5 million, up by € 5.8 million compared to € 4.8 million in the first quarter of the 2013 financial year. The increase was mainly due to the recognition of financial charges which had accrued on the bond issue, issued on August 2013, with an impact of € 9.0 million on the first three months of 2014. On the other hand, this transaction has taken the place of most of the Group's sources of financing previously existing, and, above all, there have been no assignments of trade receivables without recourse starting from the second quarter of 2013, with the consequent recognition of lower costs for interest discount for € 1.4 million.

### Net profit for the year

From the profit before taxes must be deducted taxes of € 5.4 million, with a tax rate of 55% (47% at 31 March 2013, as restated to include the effects of changes in accounting standards), thus obtaining a net profit for the year (arising from continuing operations) of € 4.3 million (€ 11.2 million at 31 March 2013).

Therefore, the tax rate for the period rose by about 8 percentage points, mainly as a result of the IRAP tax calculation mechanism. This tax, in fact, is markedly affected by financial charges and labour costs and thus, the latter being unchanged, IRAP tax should remain practically unchanged too, with a greater incidence on a lower pre-tax result. Therefore, there was an increase in this figure in 2014, applied to a profit before taxes that was affected by the recognition of a significant portion of financial charges related to the Bond issue.

Finally, the consolidated statement of income showed a net total result attributable to the Group of € 4.3 million, compared to a net result attributable to the Group of € 11.2 million at 31 March 2013.

## 3.2 Analysis of the statement of financial position as at 31 March 2014 and 31 December 2013

The table below provides information on the performance of the main equity and financial indicators of the Group as at 31 March 2014, compared to the same values as of 31 December 2013, as restated to include the effects of changes in accounting standards.

| *(in thousands of Euro)* | 31 March 2014 | 31 December 2013 Restated | Change |
|---|---|---|---|
| **USES** | | | |
| Trade receivables and advances to | 718,609 | 694,704 | 23,905 |

| (in thousands of Euro) | 31 March 2014 | 31 December 2013 Restated | Change |
|---|---|---|---|
| suppliers | | | |
| Inventories | 6,106 | 6,162 | (56) |
| Trade payables and advances from customers | (444,093) | (453,687) | 9,594 |
| Other elements of working capital | (130,305) | (122,460) | (7,845) |
| **Net working capital** | **150,317** | **124,719** | **25,598** |
| Property, plant and equipment | 79,655 | 80,918 | (1,263) |
| Intangible assets | 444,332 | 444,156 | 176 |
| Investments accounted for under the equity method | 30,762 | 31,858 | (1,096) |
| Other non-current assets | 48,511 | 39,642 | 8,869 |
| **Fixed assets** | **603,260** | **596,574** | **6,686** |
| Non-current liabilities | (49,378) | (51,465) | 2,087 |
| **NET INVESTED CAPITAL** | **704,199** | **669,828** | **34,371** |
| **SOURCES** | | | |
| Minority interests | 2,040 | 1,955 | 85 |
| Equity attributable to equity holders of the parent | 328,162 | 324,300 | 3,862 |
| **Shareholders' equity** | **330,202** | **326,255** | **3,947** |
| Net financial indebtedness | 373,997 | 343,573 | 30,424 |
| **TOTAL FINANCING SOURCES** | **704,199** | **669,828** | **34,371** |

## Net working capital

At 31 March 2014 consolidated net working capital amounted to € 150.3 million, up by € 25.6 million compared to 31 December 2013, as restated to include the effects of changes in accounting standards. The increase was linked for € 23.9 million to an increase in the balance of trade receivables, mainly due to the reduction in the benefits of the assignments of trade receivables without recourse to factoring companies, which were gradually abandoned in 2013 and which were totally absent in the first quarter of 2014. In fact, the balance of the receivables assigned by the Group and not yet collected by the factoring companies at 31 March 2014 amounted to € 3.2 million against € 16.4 million at 31 December 2013. In the course of the period the Group also entered into an agreement for the repurchase of the trade receivables assigned to Banca IMI in previous years and not yet collected by the factor, for an overall cost of € 9,946 thousand. This transaction is a financial investment, for which there is no certainty on the time related to its realization, which is related to direct collections from customers and, therefore, the related balances were recognized under "Non-current financial assets". The balance of the items not yet collected as at the date of the consolidated condensed financial statements was equal to € 9,125 thousand.

At 31 March 2014 net commercial working capital, composed of trade receivables and inventories, net of trade payables, was equal to € 280.6 million against € 247.2 million at 31 March 2013, as restated to include the effects of changes in accounting standards.

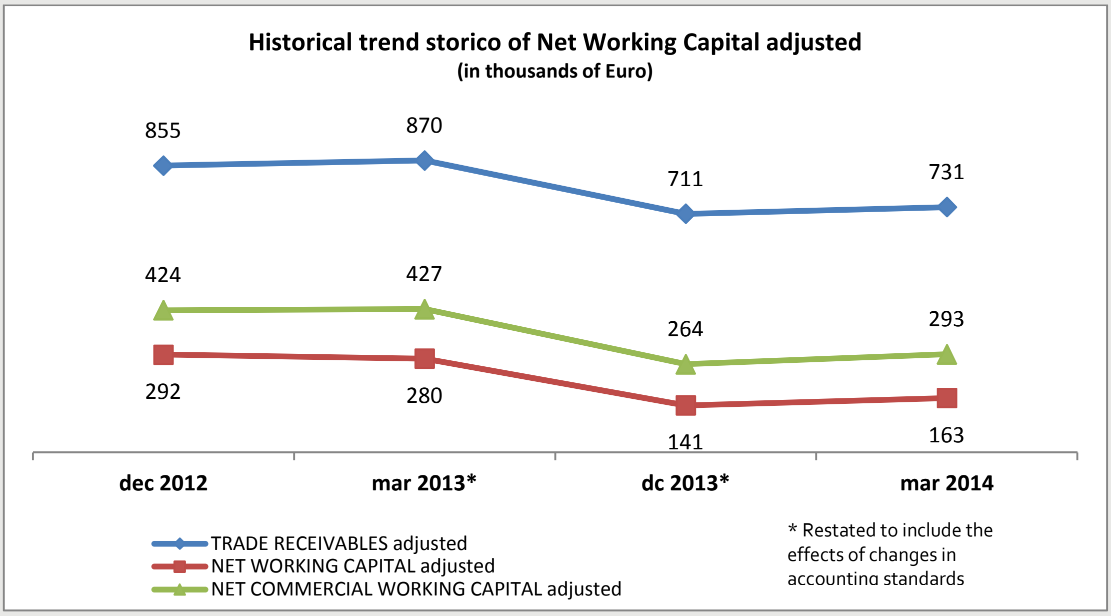
Below is reported a statement of reconciliation of trade receivables, net commercial working capital and net working capital with the same adjusted values to take account of the amount of receivables assigned without recourse to the Factor and of the receivables repurchased by the latter in the period, not recognized under working capital items:

| (in thousands of Euro) | 31 March 2014 | 31 December 2013 Restated | Change |
|---|---|---|---|
| Trade receivables and advances to suppliers | 718,609 | 694,704 | 23,905 |

| | | | |
|---|---|---|---|
| Receivables transferred to factor and not yet collected | 3,203 | 16,437 | (13,234) |
| Receivables repurchased by the factor and not yet collected | 9,125 | 0 | 9,125 |
| **Adjusted trade receivables** | **730,937** | **711,141** | **19,796** |
| Inventories | 6,106 | 6,162 | (56) |
| Trade payables and advances from customers | (444,093) | (453,687) | 9,594 |
| **Adjusted net commercial working capital** | **292,950** | **263,616** | **29,334** |
| Other elements of working capital | (130,305) | (122,460) | (7,845) |
| **ADJUSTED NET WORKING CAPITAL** | **162,645** | **141,156** | **21,489** |

The financial performance for the previous quarters show a constant and significant falling trend in trade receivables, due to faster average collection times. The reduction in the same is linked, first of all, to general higher financial resources available to public administrations for the purposes of Decree Law no. 35/2013, accompanied by control measures taken by the Group to optimise the management of trade receivables invoicing and collection procedures. In fact, average collection times (DSO)([3]), always calculated also taking factored receivables not yet collected into account, passed from 253 days as of 31 December 2012 to 209 days as of 31 December 2013. However, the trend reported a slight slowdown in the first quarter of 2014, when the average collection times came to 217 days (239 days as at 31 March 2013), in relation to contingent and physiological interim positions within the overall management of cash flows. On the other hand, trade payables came to € 444.1 million at 31 March 2014, with a net decrease of € 9.6 million compared to the balance at 31 December 2013 and a further contribution to the increase in the working capital balance.

The information reported above is more fully represented in the chart below, which shows the historical trend of reduction that occurred in the adjusted working capital (including any exposure to the factoring companies for receivables assigned without recourse and not yet collected by the latter):




The balance of the other elements in working capital at 31 March 2014 was a net liability of € 130.3 million, up by € 7.8 million compared to a net liability of € 122.5 million at 31 December 2013, as restated to include the effects of changes in accounting standards.

The increase in net liability was due to a combination of various factors, mainly including: (i) the recognition of higher net VAT payables for € 3.6 million (ii) the seasonal movements of payables to/receivables from employees and the

3. DSO (Days Sales Outstanding) is a weighted average of consolidated trade receivables calculated as the ratio of trade receivables, net of VAT on the amounts already billed to customers, and revenues over the last 12 months multiplied by the days of the reference period.

relative payables to/receivables from social security institutions and the tax authorities, which accounted for an increase in net liabilities of about € 5.9 million, which were partially offset by (iii) the recognition of net receivables for income taxes estimated at € 11.2 million for the period ended 31 March 2014 (€ 16.3 million at 31 December 2013), (iv) a decrease of € 2.0 million in the short-term portion of provisions for risks and charges and, (v) lower net payables for € 7.4 million for amounts collected on behalf of Temporary Associations of Companies in which the Group companies participate in the capacity of agents.

Finally, the period saw the transfer of assets held for sale, net of related liabilities for € 5.4 million, in consideration of the recognition of assets intended to be disposed of in the next months of 2014 for € 1.1 million, represented by the value of the quota held in Perimetro Gestione Proprietà Immobiliari Soc.Cons.a.r.l., which was transferred in April 2014.

## Consolidated net financial indebtedness

Details of net financial indebtedness at 31 March 2014 are shown below, compared to the figures at 31 December 2013, as determined on the basis of the instructions laid down in CONSOB Communication no. DEM/6064293 of 28 July 2006.

| *(in thousands of Euro)* | **31 March 2014** | **31 December 2013 Restated** | **Change** |
|---|---|---|---|
| A. Cash | 86 | 72 | 14 |
| B. c/a, bank deposits and consortia, non-proprietary accounts | 132,027 | 184,466 | (52,439) |
| **D. Cash and cash equivalents (A) + (B) + (C)** | **132,113** | **184,538** | **(52,425)** |
| E. Current financial assets | 6,179 | 13,374 | (7,195) |
| F. Current bank overdraft | (113) | (57) | (56) |
| G. Current portion of non-current debt | (39,909) | (51,520) | 11,611 |
| H. Other current financial liabilities | (30,747) | (33,539) | 2,792 |
| **I. Current financial indebtedness (F)+(G)+(H)** | **(70,769)** | **(85,116)** | **14,347** |
| **J. Current net financial indebtedness (I) + (E) + (D)** | **67,523** | **112,796** | **(45,273)** |
| K. Long-term bank debts | (425,540) | (440,137) | 14,597 |
| L. Other non-current financial liabilities | (15,981) | (16,232) | 251 |
| M. Derivatives | 0 | 0 | 0 |
| **N. Non-current financial indebtedness (K) + (L) + (M)** | **(441,521)** | **(456,369)** | **14,848** |
| **O. NET FINANCIAL INDEBTEDNESS (J) + (N)** | **(373,997)** | **(343,573)** | **(30,424)** |

In the first quarter of 2014 the consolidated net financial debt saw a negative change, passing from € 343.6 million at 31 December 2013 (as restated to include the effects of changes in accounting standards) to € 374.0 million at 31 March 2014. The consolidated net “adjusted” financial debt for the amount of factored receivables not yet collected at the balance sheet date (equal to € 3.2 million at 31 March 2014 and € 16.4 million at 31 December 2013) would come to € 377.2 million, showing a more limited increase equal to € 17.2 million compared to € 360.0 million at 31 December 2013. The main reason for this change is linked to the absorption of cash flows from operating activities, as a result of the cyclicity in the trends of the Net Working Capital, as referred to above.

The statement below reports the changes that were recorded in the period in the items making up the consolidated financial liabilities:

| (in thousands of Euro) | 31 December 2013 Restated | Advance repayment | Amortization for the year | Other changes | 31 March 2014 |
|---|---|---|---|---|---|
| Repayment of bank loans in the period | 17,987 | (18,000) | | 13 | 0 |
| Other bank loans | 45,704 | | | 17 | 45,721 |
| Current bank overdraft, advance payments and hot money | 57 | | (57) | 113 | 113 |
| Accrued income and prepaid expenses on loans | 14,303 | | (18,063) | 9,496 | 5,736 |
| Bond issue | 412,687 | | | 340 | 413,027 |
| **BANK DEBTS** | **490,738** | **(18,000)** | **(18,120)** | **9,979** | **464,597** |
| Financial lease obligations | 3,359 | | (262) | | 3,097 |
| Other financial liabilities | 47,388 | | | (2,792) | 44,596 |
| **FINANCIAL LIABILITIES** | **541,485** | **(18,000)** | **(18,382)** | **7,187** | **512,290** |

The bond issue launched in 2013 has rationalised our financial debt structure, which is now more balanced towards long-term sources of finance with a view to greater future financial stability that is more consistent with medium- and long-term strategic growth and development targets.

As early as in the previous year, higher cash and cash equivalents supported the early repayment of some medium- and long-term bank loans, which continued in the first quarter of 2014 with the repayment of the loan from CCFS for a nominal amount of € 18 million.

Finally, on 2 February 2014 the controlling company MFM S.p.A. took steps to pay the six-monthly coupons on the bond issue of € 18.3 million.

The following is the detail of the net financial exposure for bank credit lines and obligations for financial leases ("*Net interest bearing financial indebtedness*"), compared to 31 December 2013, as restated to include the effects of changes in accounting standards:

| (in thousands of Euro) | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Cash and cash equivalents | 132,113 | 184,538 |
| Current bank overdraft, advance payments and hot money | (113) | (57) |
| Current portion of non-current bank debts | (38,945) | (50,544) |
| Long-term bank debts | (12,513) | (27,450) |
| Bond issue | (413,027) | (412,687) |
| Financial lease obligations | (3,097) | (3,359) |
| **NET INTEREST BEARING FINANCIAL INDEBTEDNESS** | **(335,582)** | **(309,559)** |

The indebtedness, as defined above, reported an increase compared to 31 December 2013, as restated to include the effects of changes in accounting standards, passing from € 309.6 million to € 335.6 million. However, considering the exposure to factoring companies, the financial debt balance would amount to € 328.80 million at 31 March 2014 compared to € 326.0 million at 31 December 2013.

As already mentioned, the higher cash and cash equivalents were used to increase efficiency of the consolidated financial structure, proceeding with the early repayment of long-term loans existing before the bond issue. This context also saw the already described financial transaction for the repurchase of outstanding receivables (i.e. receivables that have been assigned to the Factor but that the latter has not yet collected from the end customer) from Banca IMI, which was carried out in the quarter for an amount equal to € 9.9 million and which was followed by the discontinuance of service activities on the collection management envisaged in the factoring agreement. Of the same, an amount of € 0.9 million had been collected as at the date of these consolidated financial statements.

Finally, below is reported the breakdown of cash flows in the first three months of 2014 compared to the values posted in the same period of the previous year, as restated to include the effects of changes in accounting standards:

| *(in thousands of Euro)* | **For the three months ended 31 March** | |
|---|---|---|
| | **2014** | **2013 Restated** |
| **Profit before taxes** | **9,680** | 21,300 |
| Cash flow from current operations | 20,737 | 31,334 |
| Change in assets and liabilities for the period | (39,932) | (53,539) |
| **Net cash flow from operating activities** | **(19,195)** | (22,205) |
| Net cash flow used in investing activities | (3,914) | (7,504) |
| Net cash flow from/(used in) financing activities | (29,314) | 34,402 |
| **Changes in cash and cash equivalents** | **(52,425)** | **4,693** |
| Cash and cash equivalents at the beginning of the period | 184,538 | 51,394 |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | **132,113** | **56,088** |

The overall cash flows mainly reflect the net effect of:

- a positive cash flow from current operations of € 20.7 million;
- a use of net working capital (excluding provisions for risks and the provision for employee termination indemnity) of € 33.3 million;
- uses of provisions for risks and provision for employee termination indemnity of € 6.7 million;
- net investments in tangible and intangible fixed assets amounting to € 7.2 million, € 4.4 million of which relating to the *Laundering&Sterilization* SBU;
- flows arising from discontinued operations of € 2.6 million, mainly correlated to the transfer of assets and liabilities of the subsidiary Energyproject S.r.l. in the course of the quarter;
- a net cash flow used in financing activities of € 29.3 million, mainly correlated to the payments of the six-monthly bond issue coupons in the period (€ 18.1 million) and to the repayments of loans in the period (€ 18 million).

### *Capital expenditures*

In the first quarter of 2014 the Group made net investments which totalled € 7.9 million, € 5.6 million of which in property, plant and equipment.

These investments mainly relate to the purchase of linen by Servizi Ospedalieri S.p.A. for the linen rental and industrial laundering activity, in which frequent periodic replacements are necessary (€ 3.8 million). Investments in intangible assets for the period amounted to € 2.2 million and mainly related to improvements on the company's IT systems.

Disposals of property, plant and equipment for the period amounted to € 0.6 million and mainly related to some capital goods of the industrial laundering site of Porto Garibaldi (FE), which had been used in the past for linen rental and industrial laundering operations and which is currently the object of a plan of disposals.

## 4. SUBSEQUENT EVENTS

On 30 April, as a result of the intention to streamline its financial structure and debt financial costs, the Group completed the early repayment of the long-term loan that the parent company MFM S.p.A. had entered into with Monte Paschi di Siena, for a nominal amount of € 20 million, originally due 2017.

## 5. BUSINESS OUTLOOK

The Group's operating performance and cash flows in the past few quarters reflect the initial steps toward the implementation of strategies outlines in the Group's multi-year strategy plans.

On one side, working capital analysis and management activities show their positive effects in a renewed ability to generate cash flows. If on one side the effort undertaken on internal processes has in fact shortened the invoicing and cash collection cycles with end customers, as confirmed first of all by the described DSO trend, on the other a more prudent cash management approach fosters current stability and lays the ground for future growth, thanks to the availability of copius cash levels. The cash flow issue came under close scrutiny also by Public Administrations, which constitute a significant portion of the Group's market, and were recently the subject of specific legislative action. The Group continues to work side by side with the customer, to take the opportunities deriving from any availability of cash by the customer and foster the collection of its receivables by their contractual due dates.

On the other hand these activities designed to improve efficiency and to achieve financial stabilization go hand in hand with a marketing action intended to improve diversification. In fact, new market segments continue to be explored, especially with retail customers, with the provision of new Home security services and the development of new and more comprehensive solutions in the lifting equipment market. Concerning larger customers, the Group continues to scout for new initiatives based on "Service concession arrangements" provided for by Presidential Decree 207/2010, to improve the efficiency of real estate portfolios and to curb consumption and the emission of polluting gases into the atmosphere.

Finally, the Group continues to be interested in foreign markets, which is a natural outlet to achieve growth and business development.

# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2014

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| *(in thousands of Euro)* | NOTES | 31 MARCH 2014 | 31 DECEMBER 2013 RESTATED |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 4 | 76,279 | 77,320 |
| Property, plant and equipment under lease | 4 | 3,376 | 3,598 |
| Goodwill | 5 - 6 | 415,094 | 415,094 |
| Other intangible assets | 5 | 29,238 | 29,062 |
| Investments accounted for under the equity method | 7 | 30,762 | 31,858 |
| Other investments | 7 | 3,037 | 3,038 |
| Non-current financial assets | 8 | 19,750 | 10,840 |
| Other non-current assets | 8 | 1,556 | 1,638 |
| Deferred tax assets | | 24,168 | 24,126 |
| **TOTAL NON-CURRENT ASSETS** | | **603,260** | **596,574** |
| | | | |
| **CURRENT ASSETS** | | | |
| Inventories | | 6,106 | 6,162 |
| Trade receivables and advances to suppliers | 9 | 718,609 | 694,704 |
| Current tax receivables | | 14,667 | 16,495 |
| Other current assets | 9 | 30,666 | 29,225 |
| Current financial assets | 12 | 6,179 | 13,374 |
| Cash and cash equivalents | 12 | 132,113 | 184,538 |
| **TOTAL CURRENT ASSETS** | | **908,340** | **944,498** |
| Non-current assets classified as held for sale | 10 | 1,111 | 7868 |
| **TOTAL NON-CURRENT ASSETS AS HELD FOR SALE** | | **1,111** | **7,868** |
| **TOTAL ASSETS** | | **1,512,711** | **1,548,940** |

| *(in thousands of Euro)* | NOTES | 31 MARCH 2014 | 31 DECEMBER 2013 RESTATED |
|---|---|---|---|
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | | 109,150 | 109,150 |
| Reserves | | 166,864 | 167,797 |
| Retained earnings | | 47,910 | 33,606 |
| Profit for the period attributable to equity holders of the parent | | 4,238 | 13,747 |
| **EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT** | | **328,162** | **324,300** |
| Capital and reserves attributable to non-controlling interests | | 1,954 | 1,611 |
| Profit for the period attributable to non-controlling interests | | 86 | 344 |
| **EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS** | | **2,040** | **1,955** |
| **TOTAL SHAREHOLDERS' EQUITY** | **11** | **330,202** | **326,255** |
| | | | |
| **NON-CURRENT LIABILITIES** | | | |
| Employee termination indemnity | 13 | 23,727 | 27,599 |
| Provisions for risks and charges, non-current | 14 | 13,487 | 11,715 |
| Long-term debt | 12 | 441,521 | 456,369 |
| Deferred tax liabilities | | 12,136 | 12,144 |
| Other non-current liabilities | | 28 | 7 |
| **TOTAL NON-CURRENT LIABILITIES** | | **490,899** | **507,834** |
| | | | |
| **CURRENT LIABILITIES** | | | |
| Provisions for risks and charges, current | 14 | 22,934 | 24,973 |
| Trade payables and advances from customers | 15 | 444,093 | 453,687 |
| Current tax payables | | 3,436 | 226 |
| Other current liabilities | 15 | 150,379 | 148,429 |
| Bank borrowings, including current portion of long-term debt, and other financial liabilities | 12 | 70,768 | 85,116 |
| **TOTAL CURRENT LIABILITIES** | | **691,610** | **712,431** |
| Liabilities directly associated with non-current assets classified as held for sale | 10 | 0 | 2,420 |
| **TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | | **0** | **2,420** |
| **TOTAL LIABILITIES** | | **1,512,711** | **1,548,940** |

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

| *(in thousands of Euro)* | NOTES | FOR THE THREE MONTHS ENDED 31 MARCH 2014 | FOR THE THREE MONTHS ENDED 31 MARCH 2013 RESTATED |
|---|---|---|---|
| **REVENUE** | | | |
| Revenue from sales and services | | 264,824 | 283,651 |
| Other revenue | | 229 | 341 |
| **TOTAL REVENUE** | | **265,053** | **283,992** |
| **OPERATING COSTS** | | | |
| Costs of raw materials and consumables | | (49,978) | (57,745) |
| Costs for services and use of third party assets | | (84,711) | (93,113) |
| Personnel costs | | (98,249) | (96,895) |
| Other operating costs | | (1,521) | (1,567) |
| Capitalized internal construction costs | | 0 | 568 |
| Amortization, depreciation, write-downs and write- backs of assets | 4 – 5 – 9 | (9,295) | (8,872) |
| Accrual of provisions for risks and charges | 14 | (2,136) | (1,558) |
| **TOTAL OPERATING COSTS** | | **(245,890)** | **(259,182)** |
| **OPERATING INCOME** | | **19,163** | **24,810** |
| **FINANCIAL INCOME AND EXPENSES** | | | |
| Share of net of associates | 7 | 391 | 717 |
| Dividend and income (loss) from sale of investments | | 0 | 239 |
| Financial income | | 655 | 301 |
| Financial charges | | (10,529) | (4,767) |
| **PROFIT (LOSS) BEFORE TAXES FROM CONTINUING OPERATIONS** | | **9,680** | **21,300** |
| Income taxes | | (5,356) | (10,109) |
| **PROFIT (LOSS) FROM CONTINUING OPERATIONS** | | **4,324** | **11,191** |
| Profit (loss) from discontinued operations | 10 | 0 | 0 |
| **NET PROFIT (LOSS) FOR THE PERIOD** | | 4,324 | 11,191 |
| Net profit (loss) for the period attributable to non- controlling interests | | (86) | (69) |
| **NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT** | | **4,238** | **11,122** |

| *(amounts in Euro)* | FOR THE THREE MONTHS ENDED 31 MARCH 2014 | FOR THE THREE MONTHS ENDED 31 MARCH 2013 RESTATED |
|---|---|---|
| Basic earnings per share | 0.039 | 0.102 |
| Diluted earnings per share | 0.039 | 0.102 |
| Basic earnings per share from continuing operations | 0.039 | 0.102 |
| Diluted earnings per share from continuing operations | 0.039 | 0.102 |

## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

| (in thousands of Euro) | NOTES | FOR THE THREE MONTHS ENDED 31 MARCH 2014 | FOR THE THREE MONTHS ENDED 31 MARCH 2013 RESTATED |
|---|---|---|---|
| **NET PROFIT FOR THE PERIOD** | | **4,324** | **11,191** |
| Other components of the comprehensive income, which will be subsequently reclassified under profit/loss for the year: | | | |
| Net gain/(loss) on Cash Flow Hedge | | 0 | 36 |
| Income taxes on Cash Flow Hedge | | 0 | (10) |
| **Net effect on gains (losses) of cash flow hedge for the period** | | **0** | **26** |
| **Share of other comprehensive income of entities accounted for using the equity method, which will be subsequently reclassified under profit/loss for the year** | 7 | **(377)** | **(66)** |
| **Other components of the comprehensive income for the period, which will be subsequently reclassified under profit/loss for the year** | | **(377)** | **(40)** |
| | | | |
| **TOTAL PROFITS (LOSSES) IN THE STATEMENT OF COMPREHENSIVE INCOME, NET OF TAXES** | | **(377)** | **(40)** |
| | | | |
| **TOTAL COMPREHENSIVE INCOME (LOSS), NET OF TAX** | | **3,947** | **11,151** |
| Attributable to: | | | |
| Equity holders of the Parent | | 3,861 | 11,082 |
| Non-controlling interests | | 86 | 69 |

# CONSOLIDATED STATEMENT OF CASH FLOWS

| (in thousands of Euro) | NOTES | FOR THE THREE MONTHS ENDED 31 MARCH 2014 | FOR THE THREE MONTHS ENDED 31 MARCH 2013 RESTATED |
|---|---|---|---|
| **Profit before taxes from continuing operations** | | **9,680** | **21,300** |
| Amortization, depreciation, write-downs and (write-backs) of assets | | 9,295 | 8,871 |
| Accrual of provisions for risks and charges | | 2,136 | 1,558 |
| Employee termination indemnity provision | | 385 | 412 |
| Share of net profit of associates | | (391) | (478) |
| Income tax paid | | (368) | (329) |
| **Cash flow from current operations** | | **20,737** | **31,334** |
| Decrease (increase) of inventories | | 56 | 292 |
| Decrease (increase) of trade receivables | | (24,295) | (68,556) |
| Decrease (increase) of other current assets | | (1,411) | (3,570) |
| Increase (decrease) of trade payables and advances from customers | | (9,594) | 13,911 |
| Increase (decrease) of other current liabilities | | 1,971 | 9,799 |
| Payments of employee termination indemnity | | (4,257) | (1,299) |
| Utilization of provisions | | (2,403) | (4,117) |
| **Change in operating assets and liabilities** | | **(39,933)** | **(53,539)** |
| **Net cash flow from operating activities** | | **(19,196)** | **(22,205)** |
| Purchase of intangible assets, net of sales | 5 | (2,210) | (900) |
| Purchase of property, plant and equipment | 4 | (5,604) | (5,555) |
| Proceeds from sales of property, plant and equipment | 4 | 607 | 66 |
| Acquisition of investments | | 0 | (248) |
| (Decrease) increase of non-current assets | | 658 | (864) |
| Discontinuing activities | 10 | 2,634 | (2) |
| **Net cash flow used in investing activities** | | **(3,914)** | **(7,504)** |
| Net cash flow used in investing activities | 12 | (29,314) | 34,398 |
| Acquisition/Sale of minority interests in subsidiaries | | 0 | 4 |
| **Net cash flow from / (used in) financing activities** | | **(29,314)** | **34,402** |
| **Changes in cash and cash equivalents** | | **(52,425)** | **4,693** |
| Cash and cash equivalents at the beginning of the period | | 184,538 | 51,394 |
| Changes in cash and cash equivalents | | (52,425) | 4,693 |
| **Cash and cash equivalents at the end of the period** | | **132,113** | **56,088** |
| **Details of cash and cash equivalents:** | | | |
| Cash and bank current accounts | | 132,113 | 56,088 |
| **TOTAL CASH AND CASH EQUIVALENTS** | | **132,113** | **56,088** |

| ***Supplementary information*** *(in thousands of Euro)* | FOR THE THREE MONTHS ENDED 31 MARCH 2014 | FOR THE THREE MONTHS ENDED 31 MARCH 2013 RESTATED |
|---|---|---|
| Interest paid | (18,812) | (3,522) |
| Interest received | 602 | 187 |
| Dividends received | 58 | 239 |

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| *(in thousands of Euro)* | Issued capital | Reserves | Retained earnings | Result of the period | Group's shareholders' equity | Non-controlling interests | Total shareholders' equity |
|---|---|---|---|---|---|---|---|
| **1 January 2014 Restated** | **109,150** | **167,797** | **33,606** | **13,747** | **324,300** | **1,954** | **326,255** |
| Allocation of prior year result | | | 13,747 | (13,747) | 0 | 0 | 0 |
| Total comprehensive income for the period | | (377) | | 4,238 | 3,861 | 86 | 3,947 |
| **31 March 2014** | **109,150** | **167,421** | **47,353** | **4,238** | **328,162** | **2,040** | **330,202** |

| *(in thousands of Euro)* | Issued capital | Reserves | Retained earnings | Result of the period | Group's shareholders' equity | Non-controlling interests | Total shareholders' equity |
|---|---|---|---|---|---|---|---|
| **1 January 2013 Restated** | **109,150** | **144,221** | **23,540** | **32,574** | **309,485** | **2,500** | **311,985** |
| Allocation of prior year result | | | 32,574 | (32,574) | 0 | 0 | 0 |
| Acquisition/ transfer of minority interests in subsidiaries | | | 4 | | 4 | (4) | 0 |
| Total comprehensive income for the period | | (40) | | 11,122 | 11,082 | 69 | 11,151 |
| **31 March 2013 Restated** | **109,150** | **144,181** | **56,118** | **11,122** | **320,571** | **2,565** | **323,136** |

# CONDENSED EXPLANATORY NOTES

## 1. GENERAL INFORMATION

The Interim Report on operations of the Manutencoop Facility Management Group ("the MFM Group") for the period ended 31 March 2014 consists of the Interim Report and of the Condensed Consolidated Financial Statements at 31 March 2014, which were prepared in the application of IAS 34 – Interim Financial Reporting.

The publication of the Interim Report on operations of MFM Group for the period ended 31 March 2014 was authorized by resolution of the Management Board of 16 May 2014.

The Group is 71.89% owned by Manutencoop Società Cooperativa, with registered office in Zola Predosa (BO), which in turn exercises management and coordination activities over the Group. On 1 July 2013 the company acquired an additional stake of 7.028% with retention of title ("*riserva di proprietà*"), whereby it is vested with related financial and administrative rights, pursuant to and for the purposes of article 1523 of the Italian Civil Code.

## 2. ACCOUNTING STANDARDS AND BASIS OF PRESENTATION

The condensed consolidated financial statements at 31 March 2014 comprise the Consolidated statement of financial position, the Consolidated Statement of profit or loss, the Consolidated Statement of other comprehensive income, the Consolidated Statement of cash flows, the Consolidated Statement of changes in Shareholders' Equity and the Condensed explanatory notes.

The amounts presented in the statements and in the explanatory notes are compared with those as at 31 December 2013, while the economic values included in the statement of comprehensive income and in the statement of cash flows are compared with those in the first quarter of 2013. All comparative data have been restated in order to include the effects of changes in accounting standards, which were adopted as from 1 January 2014, as discussed in detail below in this report.

The condensed consolidated Financial Statements at 31 March 2014 were prepared on a historical cost basis, except for the derivative financial instruments that have been measured at fair value.

The statement of financial position sets forth assets and liabilities distinguishing between current and non-current. The consolidated Statement of profit or loss classifies costs by nature and the Statement of other comprehensive income sets forth the result for the period added with income and expenses, that in accordance with IFRS, are directly recognized in the Shareholders' Equity. The statement of Cash Flows has been prepared on the basis of the indirect method and presented in accordance with IAS 7, distinguishing between cash flow from operating, investing and financing activities.

The condensed consolidated financial statements at 31 March 2014 have been presented in Euro, which is the Group's functional currency. All values showed in the statements and in the condensed explanatory notes are in thousands of Euro, unless otherwise stated.

## 2.1 Statement of compliance with international accounting standards (IFRS)

The condensed consolidated financial statements at 31 March 2014 have been prepared in compliance with IAS 34 - *Interim Financial Reporting*.

The condensed consolidated financial statements do not include all the information required for the complete annual financial statements prepared according to IAS 1, and must be read together with the Consolidated Financial Statements as at 31 December 2013.

## 2.2 Changes in accounting standards and disclosures

The criteria adopted for the preparation of the condensed consolidated Financial Statements at 31 March 2014 are consistent with those used to prepare the annual consolidated Financial Statements as at 31 December 2013, to which reference is made for their detailed presentation, with the exception of the aspects detailed below for the determination of the taxes and standards and interpretations which are newly issued and applicable from 1 January 2014.

### New or revised IFRS and interpretations applicable as from 1 January 2014

The Group did not provide for the early adoption of any standard, interpretation or improvement issued but still not obligatorily in force.

The following accounting standards must be applied starting from 1 January 2014 and the Group has taken steps to apply them to these condensed interim Consolidated Financial Statements:

- *IFRS 10 – Consolidated Financial Statements*. The new accounting standard redefines the concept of control, expanding its scope and introducing new application rules for the identification of companies that must be consolidated. New accounting rules are also established for the drafting of the consolidated financial statements, replacing the so-called ‘‘proportional method’’.
- *IFRS 11 – Joint Arrangements*. The new standard requires an evaluation of the substance of entities that were ‘‘jointly-controlled entities’’ according to IAS 31 and provides operating guidelines for performing said valuation. The accounting method used for the consolidation of joint-ventures is the equity method.
- *IFRS 12 – Disclosure of Interests in Other Entities*. The new standard provides a general overview of the information relating to interests in other entities, such as joint arrangements, equity investments in subsidiaries, associates and other interests not falling within the consolidation area.

Following the introduction of the new IFRS11 and IFRS12, IAS 28 has been renamed *Investments in Associates and Joint Ventures* and describes the application of the equity method to investments in joint ventures in addition to associates.

The economic and financial effects of the application of such accounting standards are described in note 3 below, to which reference should be made.

## 2.3 Discretionary assessments and significant accounting assumptions

The preparation of the consolidated Financial Statements requires Management Boards to make discretionary assessments, estimates and assumptions that affect the amounts of revenues, costs, assets and liabilities, and the indication of contingent liabilities at the date of the financial statements. However, the uncertainty of these assumptions and estimates could lead to outcomes which may require a significant adjustment to the carrying amount of said assets and/or liabilities in the future.

### Discretionary assessments

The main decisions taken by the Directors, on the basis of discretionary assessments (excluding those relating to accounting estimates), in the application of the accounting standards of the Group, with a significant effect on the values recognized in the accounts are the following:

- the adoption, starting from 2007, of the *continuity of values* principle for the recognition of business combinations under common control. Application of this principle gives rise to the recognition in the statement of financial position of values equal to those that would be recorded if the companies involved in the business combination had always been combined. The net assets of the acquired entity are therefore recorded on the basis of the carrying amounts included in their respective accounts before the transaction.
- The application, starting from 2005 which is the first year in which the Group drafted a consolidated financial statements in compliance with IAS/IFRS, of the full proportional consolidation method to companies held under a joint ventures with other shareholders, in accordance with IAS 31. This option was then eliminated following the introduction of *IFRS11 – Joint Arrangements* starting from 2014.

## Uncertainty of estimates

The key assumptions regarding the future and other significant sources of uncertainty relating to estimates as at the period ending date of the condensed Consolidated Financial Statements are detailed below.

### *Impairment test*

Goodwill is subject to impairment test at least annually, or more frequently if there is an indication of potential impairment in the carrying amounts. This requires an estimate of the value in use of the CGU (cash-generating unit) to which the goodwill is allocated, in turn based on an estimate of expected cash flows from the CGU and their discounting on the basis of a suitable discount rate.

At 31 March 2014, the carrying amount of the goodwill stood at € 415,094 thousand (which remained unchanged compared to the value reported in the Restated Consolidated Financial Statements at 31 December 2013). More details are given in note 6.

### *Recognition of the present value of liabilities for Put Options on minority shares of subsidiaries and of the present value of liabilities for Earn-outs on acquisitions made*

The Group holds majority interests in subsidiaries in relation to which the minority shareholders hold PUT options, which can be exercised in the future at prices determined on the basis of certain parameters that require estimates from management for the purposes of reliable valuation.

Similarly, the contract for the purchase of certain majority interests in subsidiaries provides for the transferors, i.e. the currently minority shareholders, to be granted an earn-out upon the fulfilment of given conditions on a certain future date. In this case, the correct recognition in the financial statements of the related liability requires management to make some estimates to determine the expected relevant parameters.

### *Income taxes for the period*

The income taxes for the period have been recognized by applying the best estimate of the expected weighted-average tax rate for the entire current financial year to the results for the period. A separate estimate is determined for IRES and IRAP, as provided by IAS 34 B.14.

The amounts allocated for taxes in the interim period are adjusted in subsequent interim periods of the same year pursuant to any changes in the estimated annual tax rate.

### *Other financial position items*

Management also needed to use estimates in determining:

- Accruals to bad debt provision and provisions for future risks and charges;
- main assumptions applied to the actuarial valuation of the TFR (employee benefits), such as the future turnover

rate and discount financial rates;

- Inventories of contract work in progress, particularly in relation to the total amount of estimated costs to complete used to determine the percentage of completion.

## Consolidation principles

The condensed consolidated Financial Statements include the financial statements of Manutencoop Facility Management S.p.A. (the ‘’Parent Company, “MFM S.p.A.” or simply “MFM”) and its subsidiaries, prepared as at 31 December 2013. The financial statements of the subsidiaries have been prepared by adopting for each closing date the same accounting standards as those applied for the parent company.

All Intra-Group balances and intercompany transactions, including unrealized profits and losses arising from intra-Group transactions, which are recognized under assets, are eliminated in full.

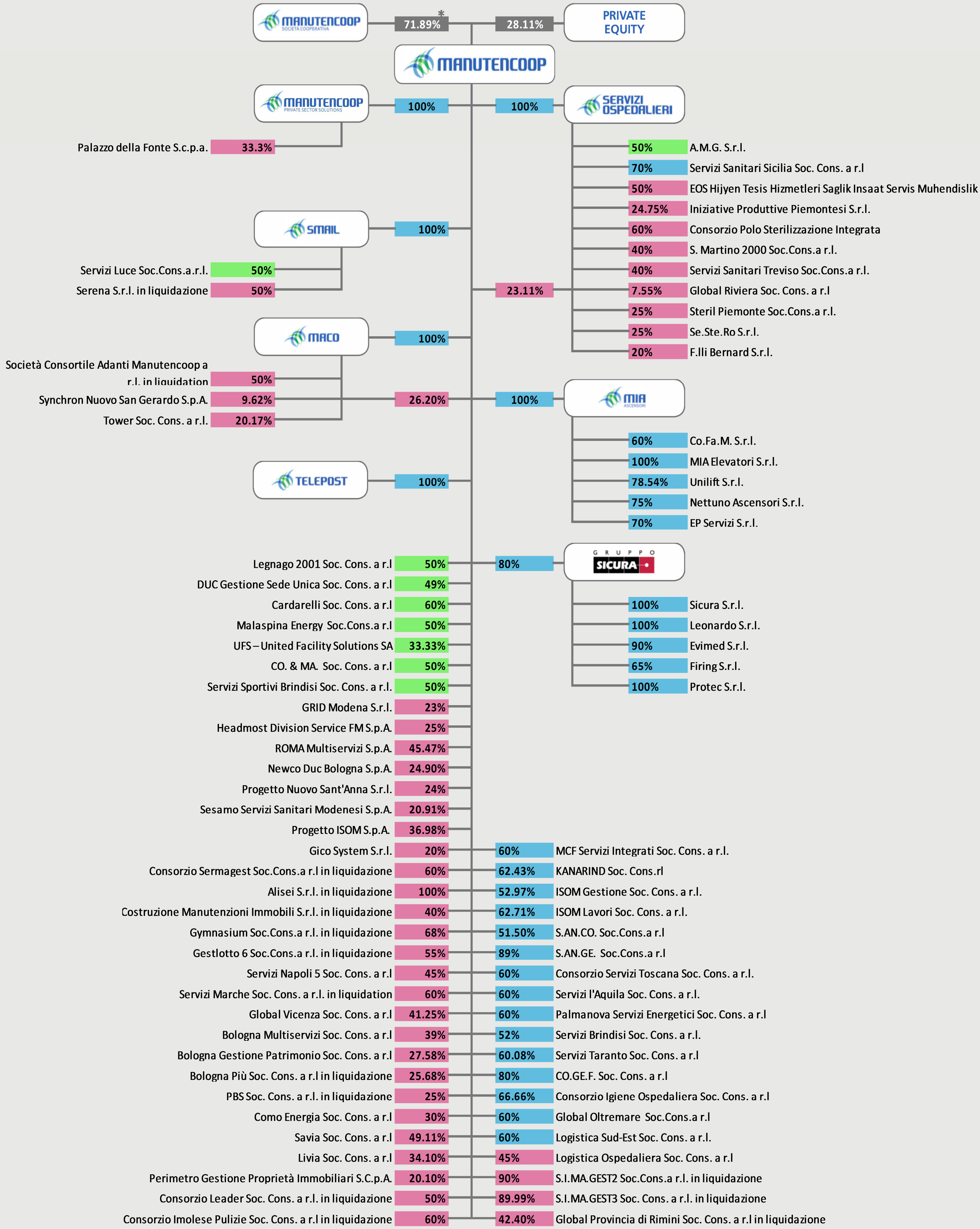
Subsidiaries are fully consolidated starting from the acquisition date, i.e. the date on which the Group acquires control, and are deconsolidated on the date in which control is transferred out of the Group.

Acquisitions of subsidiaries, with the exception of those deriving from combinations of entities subject to common control, are accounted for using the purchase method. This involves the allocation of the cost of the business combination to the fair values of assets, liabilities and contingent liabilities acquired at the acquisition date and the inclusion of the result of the company acquired starting from the date of acquisition until the end of the fiscal year. Joint-venture with other shareholders and associates are accounted for under equity method.

Changes in the Group’s ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Minority interests represent the portion of profits or losses and net assets not held by the Group and are disclosed under a separate item in the consolidated Statement of profit or loss and in the Consolidated Statement of Financial Position under Equity items, separately from the Group’s Equity.

The consolidation area as at 31 March 2014 is shown below.




Legend:

- Subsidiaries consolidated on a line-by-line basis
- Joint Ventures consolidated by equity method
- Associate consolidated by equity method

* On 1 July 2013 an additional shareholding of 7.028% was acquired by Manutencoop Cooperativa with retention of title ("riserva di proprietà"), pursuant to and for the purpose of art. 1523 of the Italian Civil Code. The financial and administrative rights related to this share are attributed to the purchaser.

3 February 2014 saw the completion of the transfer of the total stake held by MFM S.p.A. in the subsidiary Energyproject S.r.l., which in turn held the total quota capital of Mowbray S.r.l., to UMA S.r.l. at an agreed price of € 660 thousand. This transfer is the final step in the process of the disposal of photovoltaic plant management activities that started in previous periods after the Group Management decided to leave this market for good.

The period also saw the implementation of some mergers between Group companies, which were aimed at streamlining the corporate structure. Specifically:

- On 1 January 2014 the mergers of Sedda S.r.l., Securveneta S.r.l., Mako Engineering S.r.l., Antincendi Piave S.r.l. and Sicurama S.r.l. into Sicura S.r.l. became effective.
- On 19 February 2014 a plan was filed with the Vicenza register of companies, involving the reverse merger of Gruppo Sicura S.r.l. into the subsidiary Sicura S.r.l.. The deed of merger was entered into on 16 April 2014, with statutory effects from 30 April 2014 and tax effects from 1 January 2014.

## 3. EFFECT OF CHANGES IN ACCOUNTING STANDARDS

By Regulation (EC) no. 1254 of 29 December 2012, the European Union endorsed, among others, the documents issued by the IASB on 12 December 2012, named *IFRS10 Consolidated Financial Statements*, *IFRS11 Joint Arrangements, IFRS12 Disclosure of Interests in Other Entities,* as well as amended and renamed *IAS27 Separate Financial Statements* and *IAS28 Investments in Associates and Joint Ventures.* The new standards were applied starting from the financial years commencing after 1 January 2014, with early application permitted as from 1 January 2013. The new standard must be applied on a retroactive basis.
Below are summarised the first-time adoption accounting standards.

### *IFRS10 Consolidated Financial Statements*

The new accounting standard outlines the requirements for the preparation and presentation of consolidated financial statements. It is due to replace SIC 12 and to partially amend IAS 27, which remains in force for the recognition of equity investments in subsidiaries, associates and joint-ventures in the separate financial statements. The new accounting standard redefines the concept of control, expanding its scope and introducing new application rules for the identification of companies that must be consolidated. New accounting rules are also established for the drafting of the consolidated financial statements, replacing the so-called ‘‘proportional method’’.

### *IFRS 11 – Joint Arrangements*

The new standard requires an evaluation of the substance of entities that were ‘‘jointly-controlled entities’’ according to IAS 31 and provides operating guidelines for performing said valuation. The new standard is due to replace IAS 31 and SIC 13. Under the new standard a distinction is made between a “joint venture”, where the entity has rights and obligations in relation to total net assets, and a “joint operation”, where the entity has rights and obligations in relation to specific assets and liabilities, respectively. The accounting method used for the consolidation of joint-ventures is the equity method.

### *IFRS 12 – Disclosure of Interests in Other Entities*

The new standard provides a general overview of the information relating to interests in other entities, such as joint arrangements, equity investments in subsidiaries, associates and other interests not falling within the consolidation area. Its main purpose is to define consistent disclosures of the risks and benefits associated with equity investments, in relation to the nature and materiality of the relationship. In addition, disclosure is required on the considerations of substance of “joint arrangements”, of which guidance is provided. As a result of the issue of the new IFRS11 and of the new IFRS 12, *IAS28 Investments in Associates* was renamed *IAS28 Investments in Associates and Joint Ventures*.

The analysis conducted on first-time adoption in the MFM Group's Consolidated Financial Statements showed, first of all, the need to change the consolidation method adopted for "joint ventures", which in the past were consolidated with the proportional method, which provides for the consolidation on a line-by-line basis of the share of each assets, liabilities, revenues and costs of the joint venture in the respective items in the consolidated financial statements.
The MFM group's Consolidated Financial Statements at 31 December 2013 reported the following operating joint ventures, for which the Group companies hold interests that ensure joint control as of right and as of fact (i.e. arising from agreements with the other interest holders):

- AMG S.r.l. (50% owned by Servizi Ospedalieri S.p.A.)
- Malaspina Energy Soc. Cons. a r.l. (50% owned by MFM S.p.A.)
- Cardarelli Soc. Cons. a r.l. (60% owned by MFM S.p.A.)
- DUC Gestione Sede Unica Soc. Cons. a r.l. (49% owned by MFM S.p.A.)
- Legnago 2001 Soc. Cons. a r.l. (50% owned by MFM S.p.A.)
- Servizi Luce Soc. Cons. a r.l. (50% owned by SMAIL S.p.A.)

In the application of the so-called "equity method", the interest in an investee company is initially recognized at cost in the consolidated Statement of Financial Position, increased by changes, after the acquisition, in the Group's share of the net assets of the investee company. Goodwill (if any) arising from the acquisition is included in the carrying amount of the equity investment and not subject to amortisation. The consolidated Statement of Profit/(Loss) for the year reflects the Group's share of the result for the year of the investee company. In the event that the investee company recognizes adjustments that are directly attributable to equity, the Group will recognize its relevant share and will reported it, if applicable, in the consolidated Statement of Changes in Shareholders' Equity and in the consolidated Statement of Other Comprehensive Income.

## Reconciliation of the equity and profit for the period reported in the condensed consolidated Financial Statements at 31 March 2013 and in the consolidated Financial Statements at 31 December 2013 and the Equity and Profit for the period at 31 March 2014 and 31 December 2013, as restated to include the effects of changes in accounting standards

The accounting standards IFRS10, IFRS11 and IFRS12 were applied on a retroactive basis pursuant to IAS8, through the restatement of consolidated data at 1 January 2013. As regards all the joint ventures listed above, a restatement was made of the accounting statements included in the Consolidated Financial Statements.
However, the adoption of a different consolidation method did not have any effect on consolidated net profit, as these consolidation methods have the same bottom-line effects. On the contrary, a restatement was made of the single items in the financial statements, which had previously included the Group's proportional share of assets, liabilities, costs and revenues and the corresponding Expense/Income from interests accounted for at equity were subsequently recognized under Financial Income/Expenses in the consolidated Statement of Profit/(Loss) for the year. The effects (if any) accounted for under equity reserves in previous years were maintained under the respective reserves and were included in the consolidated Statement of other comprehensive income.

The table below show the changes that were reported in the single items of the Consolidated Financial Statements as a result of the changes in accounting standards described above.

Below is reported the reconciliation of the financial balances at 1 January 2013 and the financial balances at 1 December 2013, as restated to include the abovementioned adjustments.

| *(in thousands of Euro)* | **1 January 2013** | **Result of the implementation of the new standards** | **1 January 2013 Restated** |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 80,276 | (2,400) | 77,876 |
| Property, plant and equipment under lease | 5,996 | | 5,996 |
| Goodwill | 418,724 | (1,047) | 417,677 |
| Other intangible assets | 26,919 | (2) | 26,916 |
| Investments accounted for under the equity method | 27,881 | 2,147 | 30,028 |
| Other investments | 3,041 | | 3,041 |
| Non-current financial assets | 11,455 | 168 | 11,623 |
| Other non-current assets | 1,746 | (7) | 1,738 |
| Deferred tax assets | 23,550 | (10) | 23,540 |
| **TOTAL NON-CURRENT ASSETS** | **599,588** | **(1,151)** | **598,435** |
| **CURRENT ASSETS** | | | |
| Inventories | 11,240 | (34) | 11,205 |
| Trade receivables and advances to suppliers | 655,497 | (2,312) | 653,185 |
| Current tax receivables | 24,747 | (56) | 24,691 |
| Other current assets | 23,690 | (455) | 23,234 |
| Current financial assets | 11,202 | 278 | 11,480 |
| Cash and cash equivalents | 51,987 | (593) | 51,394 |
| **TOTAL CURRENT ASSETS** | **778,363** | **(3,172)** | **775,189** |
| Assets classified as held for sale | 130 | 0 | 130 |
| **TOTAL NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **130** | **0** | **130** |
| **TOTAL ASSETS** | **1,378,081** | **(4,323)** | **1,373,754** |
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | 109,150 | | 109,150 |
| Reserves | 144,221 | | 144,221 |
| Retained earnings | 56,114 | | 56,114 |
| **EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT** | **309,485** | **0** | **309,485** |
| **EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS** | **2,500** | **0** | **2,500** |
| **TOTAL SHAREHOLDERS' EQUITY** | **311,985** | **0** | **311,985** |
| **NON-CURRENT LIABILITIES** | | | |
| Employee termination indemnity | 31,321 | (160) | 31,161 |
| Provisions for risks and charges, non-current | 11,797 | | 11,797 |
| Derivatives | 1,222 | | 1,222 |
| Long-term debt | 119,213 | (792) | 118,420 |
| Deferred tax liabilities | 12,006 | (15) | 11,991 |
| Other non-current liabilities | 7 | | 7 |
| **TOTAL NON-CURRENT LIABILITIES** | **175,566** | **(967)** | **174,598** |
| **CURRENT LIABILITIES** | | | |
| Provisions for risks and charges, current | 29,297 | | 29,297 |
| Trade payables and advances from customers | 441,551 | (2,136) | 439,415 |
| Current tax payables | 2,922 | (29) | 2,892 |
| Other current liabilities | 148,362 | (248) | 148,113 |
| Bank borrowings, including current portion of long-term debt, and other financial liabilities | 268,334 | (943) | 267,390 |
| **TOTAL CURRENT LIABILITIES** | **890,466** | **(3,356)** | **887,107** |
| Liabilities directly associated with assets classified as held for sale | 64 | | 64 |
| **TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **64** | **0** | **64** |
| **TOTAL LIABILITIES** | **1,378,081** | **(4,323)** | **1,373,754** |

Below is reported the reconciliation of the balances of results of operations at 31 March 2013 reported in the condensed Consolidated Financial Statements at 31 March 2014 and the balances of results of operations at 31 March 2014, as restated to include the abovementioned adjustments.

| *(in thousands of Euro)* | **31 March 2013** | **Results of the implementation of the new standards** | **31 March 2013 Restated** |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from sales and services | 284,184 | (533) | 283,651 |
| Other revenue | 346 | (5) | 341 |
| **Total revenue** | **284,530** | **(538)** | **283,992** |
| **Operating costs** | | | |
| Costs of raw materials and consumables | (57,891) | 146 | (57,745) |
| Costs for services and use of third party assets | (93,148) | 35 | (93,113) |
| Personnel costs | (97,116) | 221 | (96,895) |
| Other operating costs | (1,578) | 11 | (1,567) |
| Capitalized internal construction costs | 568 | | 568 |
| Amortization, depreciation, write-downs and write- backs of assets | (8,962) | 90 | (8,872) |
| Accrual of provisions for risks and charges | (1,558) | | (1,558) |
| **Total operating costs** | **(259,685)** | **503** | **(259,182)** |
| **Operating income** | **24,845** | **(35)** | **24,810** |
| **Financial income and expenses** | | | |
| Share of net profit of associates | 694 | 23 | 717 |
| Dividend and income (loss) from sale of investments | 239 | | 239 |
| Financial income | 300 | | 301 |
| Financial charges | (4,781) | 14 | (4,767) |
| **Profit (loss) before taxes from continuing operations** | **21,297** | **2** | **21,300** |
| Income taxes | (10,106) | (2) | (10,109) |
| **Profit (loss) from continuing operations** | **11,191** | **0** | **11,191** |
| Profit (loss) from discontinued operations | 0 | | 0 |
| **Net profit (loss) for the period** | **11,191** | **0** | **11,191** |
| Net profit (loss) for the period attributable to non- controlling interests | (69) | | (69) |
| **Net profit (loss) for the period attributable to equity holders of the parent** | **11,122** | **0** | **11,122** |

Below is reported the reconciliation of financial balances at 31 December 2013 reported in the Consolidated Financial Statements at 31 December 2013 and financial balances at 31 December 2013, as restated to include the abovementioned adjustments.

| *(in thousands of Euro)* | **31 December 2013** | **Results of the implementation of the new standards** | **31 December 2013 Restated** |
|---|---|---|---|
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | 80,059 | (2,739) | 77,320 |
| Property, plant and equipment under lease | 3,598 | | 3,598 |
| Goodwill | 416,141 | (1,047) | 415,094 |
| Other intangible assets | 29,064 | (1) | 29,062 |
| Investments accounted for under the equity method | 29,660 | 2,199 | 31,858 |

| *(in thousands of Euro)* | 31 December 2013 | Results of the implementation of the new standards | 31 December 2013 Restated |
|---|---|---|---|
| Other investments | 3,038 | | 3,038 |
| Non-current financial assets | 10,668 | 172 | 10,840 |
| Other non-current assets | 1,653 | (16) | 1,638 |
| Deferred tax assets | 24,129 | (3) | 24,126 |
| **TOTAL NON-CURRENT ASSETS** | **598,010** | **(1,435)** | **596,574** |
| **CURRENT ASSETS** | | | |
| Inventories | 6,194 | (32) | 6,162 |
| Trade receivables and advances to suppliers | 696,677 | (1,973) | 694,704 |
| Current tax receivables | 16,548 | (53) | 16,495 |
| Other current assets | 29,650 | (425) | 29,225 |
| Current financial assets | 13,208 | 166 | 13,374 |
| Cash and cash equivalents | 185,293 | (755) | 184,538 |
| **TOTAL CURRENT ASSETS** | **947,570** | **(3,072)** | **944,498** |
| No-current assets classified as held for sale | 7,868 | | 7,868 |
| **TOTAL NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **7,868** | **0** | **7,868** |
| **TOTAL ASSETS** | **1,553,448** | **(4,507)** | **1,548,940** |
| **SHAREHOLDERS' EQUITY** | | | |
| Share capital | 109,150 | | 109,150 |
| Reserves | 167,797 | | 167,797 |
| Retained earnings | 33,606 | | 33,606 |
| Retained earnings | 13,747 | | 13,747 |
| **EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT** | **324,300** | **0** | **324,300** |
| Retained earnings | 1,611 | | 1,611 |
| Retained earnings | 344 | | 344 |
| **EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS** | 1,955 | | 1,955 |
| **TOTAL SHAREHOLDERS' EQUITY** | **326,255** | **0** | **326,255** |
| **NON-CURRENT LIABILITIES** | | | |
| Employee termination indemnity | 27,785 | (186) | 27,599 |
| Provisions for risks and charges, non-current | 11,715 | | 11,715 |
| Long-term debt | 457,074 | (705) | 456,369 |
| Deferred tax liabilities | 12,156 | (12) | 12,144 |
| Other non-current liabilities | 8 | (1) | 7 |
| **TOTAL NON-CURRENT LIABILITIES** | **508,738** | **(904)** | **507,834** |
| **CURRENT LIABILITIES** | | | |
| Provisions for risks and charges, current | 24,973 | | 24,973 |
| Trade payables and advances from customers | 456,420 | (2,733) | 453,687 |
| Current tax payables | 227 | (1) | 226 |
| Other current liabilities | 148,535 | (105) | 148,429 |
| Bank borrowings, including current portion of long-term debt, and other financial liabilities | 85,880 | (764) | 85,116 |
| **TOTAL CURRENT LIABILITIES** | **716,035** | **(3,603)** | **712,431** |
| Liabilities directly associated with assets classified as held for sale | 2,420 | | 2,420 |
| **TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **2,420** | **0** | **2,420** |
| **TOTAL LIABILITIES** | **1,553,448** | **(4,507)** | **1,548,940** |

## 4. PROPERTY, PLANT AND EQUIPMENT

The table below shows the changes in property, plant and equipment (owned and under a financial lease) in the period ended 31 March 2014. The comparative data were restated to include the effects of changes in accounting standards.

| | Properties | Plant and equipment | Properties under lease | Plant and equipment under lease | Total |
|---|---|---|---|---|---|
| **At 1 January 2014 restated, net of accumulated depreciation and impairment** | **5,243** | **72,077** | **222** | **3,376** | **80,918** |
| Additions due to business combinations | | | | | **0** |
| Additions from acquisitions | 2 | 5,602 | | | **5,604** |
| Impairment losses | | | | | **0** |
| Disposals | | (607) | | | **(607)** |
| Depreciation for the period | (48) | (6,033) | (6) | (173) | **(6,260)** |
| Others | | 43 | | (43) | **0** |
| **At 31 March 2014** | **5,197** | **71,082** | **216** | **3,160** | **79,655** |
| **At 1 January 2014 restated** | | | | | |
| Cost | 7,296 | 295,175 | 375 | 6,215 | **309,061** |
| Accumulated depreciation and impairment losses | (2,053) | (223,098) | (153) | (2,839) | **(228,143)** |
| **NET BOOK VALUE** | **5,243** | **72,077** | **222** | **3,376** | **80,918** |
| **At 31 March 2014** | | | | | |
| Cost | 7,298 | 299,459 | 375 | 6,172 | **313,304** |
| Accumulated depreciation and impairment losses | (2,101) | (228,377) | (159) | (3,012) | **(233,649)** |
| **NET BOOK VALUE** | **5,197** | **71,082** | **216** | **3,160** | **79,655** |

The additions from acquisitions in the period relate for € 4,963 thousand to investments made in the *Laundering&Sterilization* segment, mainly due to the purchase of linen (€ 3,812 thousand) and to the purchases of plant, machinery and specific equipment (€ 1,151 thousand).

In the period ended 31 March 2014, some plant and equipment were disposed of for a total amount of € 461 thousand, almost fully referable to the production district of Porto Garibaldi, intended for linen rental and industrial laundering activities.

Other changes are mainly made of reclassifications from one class of assets to another, first of all after the purchase of leased goods and equipment.

## 5. OTHER INTANGIBLE ASSETS

The table below shows the changes in intangible assets in the period ended 31 March 2014. The comparative data were restated to include the effects of changes in accounting standards.

| | Other intangible assets | Goodwill | Total |
|---|---|---|---|
| **At 1 January 2014 restated, net of accumulated amortization and impairment** | **29,062** | **415,094** | **444,156** |
| Additions due to business combinations | | | |
| Additions from acquisitions | 2,210 | | 2,210 |
| Disposals | | | |
| Amortization of the period | (2,026) | | (2,026) |
| Impairment losses | (8) | | (8) |

| | | | |
|---|---|---|---|
| Other | | | |
| **At 31 March 2014** | **29,238** | **415,094** | **444,332** |
| **At 1 January 2014 restated** | | | |
| Cost | 85,558 | 417,487 | 503,045 |
| Accumulated amortization and impairment losses | (56,496) | (2,393) | (58,889) |
| **NET BOOK VALUE** | **29,062** | **415,094** | **444,156** |
| **At 31 March 2014** | | | |
| Cost | 87,760 | 417,487 | 505,247 |
| Accumulated amortization and impairment losses | (58,522) | (2,393) | (60,915) |
| **NET BOOK VALUE** | **29,238** | **415,094** | **444,332** |

Goodwill is tested annually for impairment; for more details please refer to note 6.

*Other intangible assets*, amounting to € 29,238 thousand at 31 March 2014, mainly consist of investments in software carried out as part of the projects aimed at upgrading and enhancing the corporate information systems. The additions from acquisitions made in the period (€ 2,210 thousand) were attributable almost entirely to the investments in software used in the corporate IT systems within the Facility Management SBU (€ 2,157 thousand).

The amortisation charges of intangible fixed assets amounted to € 2,026 thousand in the period ended 31 March 2014. The first quarter of 2014 reported amortisation of backlog of € 151 thousand.

In the period ended 31 March 2014 impairment losses of € 8 thousand were recognized, which were linked to the write-off of the residual net value of specific software that were no longer used in the facility management activities.

## 6. IMPAIRMENT TESTING OF GOODWILL

The corporate restructuring process that involved the Group in the course of the previous financial years led to a redefinition of the CGUs, coinciding with the SBUs, regardless of legal entities. The Group's Management believe that the SBU structure should be reflected, consistently with the provisions of the accounting standards, also at the level of the CGUs used for impairment tests. The SBUs identified and their composition, in corporate terms, are defined as follows.

### *SBU – Facility Management*

The SBU is identified with:

- Manutencoop Facility Management S.p.A.
- Manutencoop Private Sector Solutions S.p.A.
- SMAIL S.p.A. and the groups controlled by Gruppo Sicura S.r.l. and by MIA S.p.A., operating in the facility management segment as suppliers of more specialist services
- Telepost S.p.A. which provides internal mailing services for the Telecom Italia Group
- other minor investee companies operating in the same segment.

### *SBU – Laundering & Sterilization*

The SBU is identified with:

- Servizi Ospedalieri S.p.A., operating in the linen rental and industrial laundering segment for hospitals and the sterilization of linen and surgical instruments
- A.M.G. S.r.l., held under a joint venture (50%) with Servizi Ospedalieri S.p.A.
- other minor investee companies operating in the same segment.

### *SBU – Other*

The SBU is identified with:

- MACO S.p.A., to which the business unit relating to Group ''building'' activities was conferred in 2009; this company has also been the object of assessments by the Management as to the exit from the market of this business, since Management does not consider it to be strategic any longer
- other minor investee companies operating in the same segment.

The table below sets forth the carrying amounts of the goodwill recognized in the consolidated Financial Statements 31 March 2014, relating to the different CGUs, compared with the figures at 31 December 2013, as restated to include the effects of changes in accounting standards.

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Goodwill allocated to Facility Management CGU | 403,331 | 403,331 |
| Goodwill allocated to Laundering&Sterilization CGU | 11,763 | 11,763 |
| **TOTAL GOODWILL** | **415,094** | **415,094** |

Goodwill is subject to impairment testing on an annual basis or more frequently if there are indications that the asset may have suffered an impairment loss.
At 31 March 2014, the Management did not identify any elements for impairment on the cash generating units and, therefore, it did not proceed to update the impairment test performed at the time of the preparation of the consolidated Financial Statements as at 31 December 2013.

## 7. INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

The Group holds some investments, which for the purpose of consolidation are accounted under the equity method. These companies include associates, joint-ventures and subsidiaries in liquidation, as listed in Annex I attached to the condensed consolidated Financial Statements.

At 31 March 2014 the net-book value of the investments valued at Equity amounted to € 31,873 thousand, against € 31,858 thousand in the previous year, as restated to include the effects of changes in accounting standards.

| | Net assets 31 March 2014 | Net assets 31 December 2013 Restated |
|---|---|---|
| Investments accounted for under the equity method | 30,762 | 31,858 |
| Provision for risks on investments | (116) | (60) |
| **INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD** | **30,646** | **31,798** |

Details of changes during the period are shown in Annex II attached to the condensed Consolidated Financial Statements.
In 2014 investments accounted for under the equity method overall recorded a positive result equal to € 391 thousand, for the share attributable to the Group, as a result of the recording of income from equity investments of € 431 thousand and write-downs of € 40 thousand. Furthermore, negative effects were recognised directly under consolidated equity for a total of € 377 thousand.

At 31 March 2014 the quota held by MFM S.p.A. in Perimetro Gestione Proprietà Immobiliari Soc.Cons.a.r.l. (20.1%) was reclassified as Asset held for sale, following an agreement for the transfer of quotas that was entered into in April 2014.

## 8. OTHER ELEMENTS OF NON-CURRENT ASSETS

The table below sets forth the breakdown of other non-current assets at 31 March 2014 and at 31 December 2013, as restated to include the effects of changes in accounting standards:

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Other investments | 3,037 | 3,038 |
| Non-current financial assets | 19,750 | 10,840 |
| Other non-current assets | 1,556 | 1,638 |
| **OTHER NON-CURRENT ASSETS** | **24,343** | **15,516** |

The financial assets accounted for as "*Other investments*" relate to investments in companies in which the Group has no significant or controlling interests and that have been acquired for strategic/production purposes. There are also investments in National Cooperative Consortia, as well as investments in production sites, or in other minor activities such as industrial laundry services, performed by minor companies that may also act as sub-contractors. The other investments are measured at purchase or establishment cost, since there is no active market in the securities concerned, which for the most part cannot be freely transferred to third parties due to limitations and restrictions preventing their free circulation.

*Non-current financial assets*, amounting to € 19,750 thousand at 31 March 2014 (€ 10,840 thousand at 31 December 2013, as restated to include the effects of changes in accounting standards), are composed of:

- € 8,928 thousand of non-current financial receivables due from associates or affiliates (€ 8,588 thousand at 31 December 2013). The face value of these receivables is € 9,333 thousand, while the discounting fund amounts to € 404 thousand. Some of these are non-interest bearing since they were drawn down from each consortium partner and are thus discounted on the basis of their expected residual maturity, applying Eurirs as the reference interest rate, plus a spread.
- € 10,658 thousand of non-current financial receivables from third parties (€ 1,915 thousand at 31 December 2013, as restated to include the effects of changes in accounting standards). In the course of the period the Group entered into an agreement for the repurchase of the trade receivables assigned to Banca IMI in previous years and not yet collected by the factor, for an overall cost of € 9,946 thousand. This transaction is a financial investment, for which there is no certainty on the time related to its realization, which is related to direct collections from customers and, therefore, the related balances were recognized under the item in question. The balance of the items not yet collected as at the date of the consolidated condensed financial statements was equal to € 9,125 thousand.
- € 164 thousand of securities held to maturity (€ 164 thousand at 31 December 2013).

Other non-current assets, amounting to € 1,556 thousand as at 31 March 2014 (€ 1,638 thousand at 31 December), mainly consist of security deposits related to long-term income-generating manufacturing contracts (€ 945 thousand) and long-term deferrals relating to some contracts (€ 365 thousand).

## 9. TRADE RECEIVABLES, ADVANCES TO SUPPLIERS AND OTHER CURRENT RECEIVABLES

The following table includes the breakdown of Trade receivables, advances to suppliers and Other current operating receivables at 31 March 2014 and 31 December 2013, as restated to include the effects of changes in accounting standards:

| | 31 March 2014 | of which from related parties | 31 December 2013 Restated | of which from related parties |
|---|---|---|---|---|
| Work in progress on order | 26,314 | | 26,096 | |
| Trade receivables, gross | 681,030 | | 659.799 | |
| Allowance for doubtful accounts | (39,556) | | (38.672) | |
| Provision for discounting of trade receivables | (349) | | (301) | |
| **Trade receivables due from third parties** | **667,439** | **0** | **646,922** | **0** |
| Work in progress on order from associates | 584 | 584 | 584 | 584 |
| Trade receivables from Parent Companies | 88 | 88 | 58 | 58 |
| Trade receivables from Associates | 36,878 | 36,878 | 34,569 | 34,569 |
| Trade receivables from Affiliates and Joint Ventures | 9,613 | 9,613 | 8,925 | 8,925 |
| **Trade receivables due from Manutencoop Group** | **47,163** | **47,163** | **44,136** | **44,136** |
| Advances to suppliers | 4,007 | 5 | 3,647 | 0 |
| **TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS** | **718,609** | **47,157** | **694,704** | **44,136** |
| Current tax assets within 12 months | 9,495 | | 8,563 | |
| Other current assets due from third parties | 15,201 | | 15,612 | |
| Due from social security institutions | 3,641 | | 2,785 | |
| Due from employees | 639 | | 488 | |
| **Other current assets from third parties** | **28,975** | **0** | **27,448** | **0** |
| Current assets from Manutencoop Società Cooperativa | 4 | 10 | 10 | 16 |
| Current assets from associates | 78 | 79 | 78 | 78 |
| **Other current assets from Manutencoop Group** | **82** | **89** | **89** | **94** |
| Accrued income | 0 | | 2 | |
| Prepaid expenses | 1,609 | | 1,687 | |
| **Accrued income and prepaid expenses** | **1,609** | **0** | **1,689** | **0** |
| **OTHER CURRENT ASSETS** | **30,666** | **89** | **29,225** | **94** |

The balance of trade receivables and advances to suppliers, which also includes inventories of contract work in progress, amounted to € 718,609 thousand as at 31 March 2014, showing an increase of € 23,905 thousand compared to 31 December 2013, as restated to include the effects of changes in accounting standards, equal to € 694.704 thousand.

The change is mainly due to the increase in gross trade receivables, which amounted to € 681,030 thousand at 31 March 2014 (31 December 2013: € 659,799 thousand), against the related adjustment provisions that showed a balance of € 39,906 thousand at 31 March 2014 (31 December 2013: € 38,973 thousand).

In the first quarter of 2014 the Group abandoned its programmes for the assignment of trade receivables without recourse and, therefore, no transactions of this type were carried out; instead, on 31 December 2013 assignments had been made for a total nominal value of € 175.7 million. At 31 March 2014 the total receivables transferred through factoring by the Group to factoring agencies and still not collected amounted to € 3.2 million (€ 16.4 million at 31 December 2013).

A specific allowance for doubtful accounts was recorded in connection with non-performing receivables, which are difficult to fully recover, amounting to € 39,556 thousand at 31 March 2014 (at 31 December 2013: € 38,672 thousand). Changes in the provision during the quarter are detailed as follows:

| | 31 December 2013 Restated | Increases | Utilizations | Releases | Business combinations | Other changes | 31 March 2014 |
|---|---|---|---|---|---|---|---|
| Allowance for doubtful accounts | **38,672** | 1,162 | (508) | (213) | | 443 | **39,556** |

The other changes relate to amounts previously classified as provisions for future charges that for the purpose of clarification have been reclassified and directly deducted from the asset items to which they referred. The same section also reports increases in the consolidated provision for write-down of default interests.

Due to the fact that some payments in the portfolio are constantly delayed by certain Group customers (in particular the Public Administrations), trade receivables due from third parties are discounted. Changes in the provision during the period are detailed as follows:

| | 31 December 2013 Restated | Increases | Releases | Other changes | 31 March 2014 |
|---|---|---|---|---|---|
| Provision for discounting of trade receivables | **301** | 193 | (145) | | **349** |

*Other current assets*, equal to € 30,666 thousand (€ 29,225 thousand at 31 December), increased by an overall amount of € 1,441 thousand in the period.

This item includes the receivables arising from the periodic VAT settlements of some Group companies (€ 6,386 thousand compared to € 5,731 thousand at 31 December 2013, as restated to include the effects of changes in accounting standards). The same item had also been recognizing, since 2012, receivables of € 2,595 thousand from the Tax Authorities on account of refund following the petition submitted for the deduction of IRAP tax from the IRES tax base by companies not adhering to the National Tax Consolidation agreement with Manutencoop Società Cooperativa.

Finally, the item also recognizes € 2,176 thousand of credit balances of current accounts held at Unicredit, managed in the name and on behalf of INPDAP (Social Security Institute for employees in public administration), as envisaged in a property management contract stipulated with the aforementioned authority. Some restrictions have been placed on said accounts as a result of the dispute that has arisen with INPDAP. Therefore, for the purposes of an accurate presentation, it was deemed appropriate to classify said item under *Other current receivables*.

## 10. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

In the previous year the Management had started negotiations with third parties, which had been aimed at the disposal of assets linked to the construction, installation and operation of the photovoltaic plants run by the subsidiary Energyproject S.r.l.. On 3 February 2014 an agreement was reached for the transfer of the total quotas of the quota capital of Energyproject S.r.l. (and of the related subsidiary Mowbray S.r.l.) to UMA S.r.l. at a price of € 660 thousand, in addition to the repayment of the shareholders' loan of € 4,715 thousand outstanding at 31 December 2013. The balance sheet assets of the two companies were then classified, in the Consolidated Financial Statements at 31 December 2013, as "*Disposal Group*", pursuant to IFRS5. Likewise, the related balance sheet liabilities were recognised as "*Liabilities directly associated with non-current assets held for sale*".

Furthermore, in the previous years, MIA S.p.A. had acquired ABM S.r.l., which was subsequently merged by incorporation into Unilift S.r.l.. The investment agreement stipulated by the parties provides for selling a residential property to the sellers or third parties. The property is located in Noventa Vicentina (VI) and it has been mortgaged. On 20 January 2014 Unilift S.r.l. completed the sale of the property to the former quotaholders of ABM S.r.l. at the agreed price, subject to the prior redemption of the mortgage encumbering the property for € 51 thousand. Therefore, again at the time of the preparation of the consolidated Financial Statements at 31 December 2013, the assets and related liabilities had been classified as “Disposal group”.

*Non-current assets classified as held for sale*

At 31 March 2014 *non-current assets* held for sale amounted to € 1,111 thousand (€ 7,868 thousand as at 31 December 2013).

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Energyproject S.r.l. balance sheet assets | 0 | 7,390 |
| Mowbray S.r.l. balance sheet assets | 0 | 347 |
| Residential property owned by Unilift S.r.l | 0 | 130 |
| Equity investment in Perimetro Gestione Proprietà Immobiliari S.c.p.A. | 1,111 | 0 |
| **NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **1,111** | **7,867** |

At 31 March 2014 *Non-current assets held for sale* included the value of the quota held in Perimetro Gestione Proprietà Immobiliari S.c.p.A., equal to 20.10% of the capital of the same, which was transferred by MFM S.p.A. on 15 April 2014. The transfer was made at book value and there was no need to make any write-downs to adjust it at the selling value.

*Liabilities directly associated with non-current assets held for sale*

At 31 March 2014 no liabilities were recognised which were directly associated with non-current assets held for sale, as they were discharged or assumed in the course of the quarter.

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Energyproject S.r.l. balance sheet liabilities | 0 | 1,863 |
| Mowbray S.r.l. balance sheet liabilities | 0 | 77 |
| Provisions for risks and charges in consolidated accounts | 0 | 425 |
| Non-current loans (mortgages) of Unilift S.r.l. | 0 | 56 |
| **LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE** | **0** | **2,420** |

*Cash flows generated/absorbed by discontinued operations*

In the first quarter of 2014, discontinued operations generated the following cash outflows:

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Payment of Unilift S.r.l. loan instalment | 0 | (8) |
| Net transfer price of Unilift S.r.l. property | 74 | 0 |

| | | |
|---|---|---|
| Net transfer price of Energyproject S.r.l. | 660 | 0 |
| Partial repayment of MFM S.p.A. loan to Energyproject S.r.l. | 1,900 | 0 |
| **NET CASH FLOW** | **2,634** | **(8)** |

The agreement for the transfer of the quota held in Energyproject S.r.l. provided, among others, for the procedures to repay the loan granted by MFM S.p.A. to the same company, equal to € 4,155 thousand as at the date of execution of the agreement. A portion of the same (€ 1,900 thousand) was repaid at the same time as the transfer of the capital quotas, while the residual portion was collected in the course of 2014, net of settlements (if any) due to the transferee.

## 11. SHARE CAPITAL AND RESERVES

| | 31 March 2014 | 31 December 2013 Restated |
|---|---|---|
| Share Capital - Ordinary shares | 109,150 | 109,150 |

Ordinary shares have a nominal value of Euro 1 each.

Ordinary shares issued and fully paid up at 31 March 2014 amounted to 109,149,600. The Parent Company does not hold own shares.

### Reserves and Retained Earnings

The table below shows changes in shareholders' equity reserves:

| | Share premium reserve | Legal reserve | SE reserves companies valued at SE | Cash flow hedge reserve | SORIE reserve | Other reserves | Total reserves |
|---|---|---|---|---|---|---|---|
| **1 January 2013 Restated** | **145,018** | **16,157** | **(491)** | **(885)** | **(5,364)** | **(10,214)** | **144,221** |
| Allocation of profits of previous years | | 1,312 | | | | 19,729 | **21,041** |
| Economic effects on shareholders' equity | | | 724 | 885 | 926 | | **2,535** |
| **31 December 2013 Restated** | **145,018** | **17,469** | **237** | **0** | **(4,442)** | **9,515** | **167,797** |
| Allocation of profits of previous years | | | | | | | **0** |
| Economic effects on shareholders' equity | | | (383) | | | 7 | **(376)** |
| **31 March 2014** | **145,018** | **17,469** | **(146)** | **0** | **(4,442)** | **9,522** | **167,421** |

The item *Other reserves* includes the following items, among the others:

- The reserve originating from the recognition of transactions under common control, which includes the differences between the purchase cost and the net carrying amount of the assets acquired under business combinations between entities under common control, for a negative amount of € 45,400 thousand as at 31 March 2014.
- The Parent Company's extraordinary reserve (€ 55,861 thousand).

The table below shows changes in *Retained earnings*:

| | Accumulated profits (losses) of the Parent Company | Consolidation reserve | Total retained earnings |
|---|---|---|---|
| **1 January 2013 Restated** | **3,809** | **19,731** | **23,540** |
| Allocation of profits of previous years | 0 | 11,533 | **11,533** |
| Acquisition/Sale of minority interests in subsidiaries | 0 | (1,467) | **(1,467)** |
| **31 December 2013 Restated** | **3,809** | **29,797** | **33,606** |
| Allocation of profits of previous years | 5,350 | 8,397 | **13,747** |
| Acquisition/Sale of minority interests in subsidiaries | 0 | 0 | **0** |
| **31 March 2014** | **9,159** | **38,194** | **47,353** |

## 12. NET FINANCIAL INDEBTEDNESS

Net financial indebtedness as of 31 March 2014 amounted to € 382,423 thousand, compared to € 325,580 thousand as of 31 December 2013, as restated to include the effects of changes in accounting standards.

Below is the related breakdown by balance sheet lines:

| | 31 March 2014 | 31 December 2013 Restated | Change |
|---|---|---|---|
| Long-term financial debt | (441,521) | (456,369) | 14,848 |
| Bank borrowings, including current portion of long-term debt, and other financial liabilities | (70,769) | (85,115) | 14,346 |
| **Financial liabilities** | **(512,291)** | **(541,485)** | **29,194** |
| Derivatives | 0 | 0 | 0 |
| **Gross financial indebtedness** | **(512,291)** | **(541,485)** | **29,194** |
| Cash and cash equivalents | 132,113 | 184,538 | (52,425) |
| Current financial assets | 6,179 | 13,374 | (7,195) |
| **NET FINANCIAL INDEBTEDNESS** | **(373,998)** | **(343,573)** | **(30,425)** |

The bond issue completed in 2013 also consolidated the borrowing structure of the Group, which now looks forward to future plans for greater financial stability at the service of longer-term corporate strategies. 2004 saw the continuation of some actions aimed at the early repayment of some medium/long-term bank loans, as well as at a more efficient use of cash and cash equivalents and the rationalization of the financial cost of sources of financing.

### Bank borrowings, including current portion of long-term debt and other financial liabilities

The tables below set forth the qualitative breakdown by current and non-current financial liabilities at 31 March 2014 and 31 December 2013, as restated to include the effects of changes in accounting standards.

| | 31 March 2014 | within 1 year | from 1 to 5 years | after 5 years |
|---|---|---|---|---|
| Senior Secured Notes | 413,027 | | | 413,027 |
| BPV loan | 25,505 | 12,629 | 12,876 | |
| MPS loan | 20,000 | 20,000 | | |
| Other bank loans MIA-SICURA | 216 | 59 | 158 | |
| Prepaid expenses on financial interest | (610) | (89) | (521) | |

| | | | | |
|---|---|---|---|---|
| Accrued interest expense | 6,346 | 6,346 | | |
| ***Long-term bank borrowings and current portion of long-term bank borrowings*** | **464,484** | **38,944** | **12,513** | **413,027** |
| Current bank overdrafts | 113 | 113 | | |
| Financial leasing obligations | 3,097 | 964 | 1,983 | 150 |
| Loans from syndicated shareholders | 1,894 | 364 | 1,530 | |
| Other current financial liabilities | 6 | 4 | 1 | |
| Due to factoring agencies | 9,909 | 9,909 | | |
| Obligations to factoring agencies | 106 | 106 | | |
| Debt for the acquisition of investments | 10,175 | 9,395 | 780 | |
| Potential debt for the acquisition of non-controlling interests | 22,415 | 10,878 | 11,538 | |
| Capital contribution to be paid | 5 | 5 | | |
| Financial liabilities measured at fair value through profit and loss | 35 | 35 | | |
| Dividends to be paid | 51 | 51 | | |
| **TOTAL FINANCIAL LIABILITIES** | **512,290** | **70,769** | **28,344** | **413,177** |

| | **31 December 2013 Restated** | **within 1 year** | **from 1 to 5 years** | **after 5 years** |
|---|---|---|---|---|
| Senior Secured Notes | 412,687 | | | 412,687 |
| C.C.F.S. loan | 17,987 | 17,987 | | |
| BPV loan | 25,495 | 12,624 | 12,871 | |
| MPS loan | 19,978 | 4,993 | 14,985 | |
| Other bank loans MIA-SICURA | 231 | 58 | 173 | |
| Prepaid expenses on financial interest | (719) | (140) | (579) | |
| Accrued interest expense | 15,022 | 15,022 | | |
| ***Long-term bank borrowings and current portion of long-term bank borrowings*** | **490,681** | **50,543** | **27,450** | **412,687** |
| Current bank overdrafts | 57 | 57 | | |
| Financial leasing obligations | 3,359 | 976 | 2,213 | 171 |
| Loans from syndicated shareholders | 1,982 | 452 | 1,530 | |
| Loan from the parent company Manutencoop Cooperativa | 143 | 143 | | |
| Other current financial liabilities | 103 | 103 | | |
| Due to factoring agencies | 8,830 | 8,830 | | |
| Obligations to factoring agencies | 287 | 287 | | |
| Debt for the acquisition of investments | 10,998 | 10,186 | 812 | |
| Potential debt for the acquisition of non-controlling interests | 22,229 | 10,723 | 11,506 | |
| Capital contribution to be paid | 2,201 | 2,201 | | |
| Financial liabilities measured at fair value through profit and loss | 35 | 35 | | |
| Dividends to be paid | 579 | 579 | | |
| **TOTAL FINANCIAL LIABILITIES** | **541,485** | **85,115** | **43,511** | **412,858** |

### *Senior Secured Notes (MFM S.p.A.)*

On 2 August 2013 the Parent Company MFM S.p.A. issued secured High Yield bonds (Senior Secured Notes) due 1 August 2020, restricted to institutional investors. The proceeds of the transaction were used to repay most of the existing bank loans and replace the revolving programmes for the assignment of trade receivables without recourse. The bonds, which are listed on the Euro MTF Market of the Luxembourg Stock Exchange and on the Extra MOT Pro Segment of the Italian Stock Exchange, was issued for a nominal value of € 425 million, with an issue price below par by 98.713%, with a fixed annual 8.5% coupon on a six-monthly settlement basis.

The change in the balance compared to the year ended 31 December 2013 was due to the recognition of the amortised cost for the period.

To protect the investment of the Bondholders of the so-called notes, the rules governing the bond issue provide for a system of guarantees and restrictions (covenants). In fact, some limitations are envisaged on the financial operations of the Issuer and of its subsidiaries, while leaving the Group the freedom of movement insofar as the operations undertaken contribute, at least potentially, added value and cash flows to the Group. These restrictions consist of limitations on the possibility of incurrence of indebtedness and of making distributions of dividends, investments and some types of payments that fall outside the scope of the so-called Restricted Group payments. Furthermore, there are provisions in relation to the allocation of sums obtained from the transfer of fixed assets, extraordinary operations and transactions with related parties and the issue of collaterals to third parties on corporate assets. The restrictions in question lie not so much in the absolute prohibition on carrying out the abovementioned operations, but rather in checking for compliance with certain financial ratios (incurrence base financial covenants), the presence of certain conditions or a quantitative limit on the performance of the above operations. Finally, periodic disclosure obligations are provided for in relation to the Group's financial position, results of operation and cash flows.

The limits and provisions envisaged in the rules governing the bond issue are in line with the market practice for similar operations. The failure by the Issuer to comply with one or more covenants, in addition to significant events that express a state of insolvency, constitute events of default. For the most of them, there is the possibility of remediation within a certain period of time. The event of default relating to the state of insolvency or the absence of remediation of any other events of default are a reason for acceleration, i.e. the forfeiture of the right to the time limit and the early redemption of the bonds. As at the reporting date of these financial statements, no events of default had occurred and the financial covenants, in relation to which no periodic check is required, had been complied with.

### *Revolving Credit Facility (MFM S.p.A.)*

In the framework of the bond issue process, on 31 July 2013 the Parent Company also signed a 3-year Revolving Credit Facility (RCF) agreement that assures a revolving credit line, which can be activated on request, for a nominal amount of € 30.0 million with a pool of banks made up of UniCredit S.p.A., J.P. Morgan Chase Bank S.A. Milan Branch, Cassa di Risparmio in Bologna S.p.A. and Mediobanca – Banca di Credito Finanziario S.p.A.. This line was granted to meet possible temporary cash requirements and thus gave the Group additional financial flexibility. To date it has not yet been utilised.

The RCF agreement provides for the compliance with a financial covenant that is preliminary to the possibility of using the line granted. This financial covenant is in line with market practice for similar financing operations and is observed on a quarterly basis according to the data relating to the last 12 months, as resulting from the financial position, results of operations and cash flows approved in the quarter prior to the date of request for use. As at the reporting date of these financial statements, the financial covenants had been complied with and, as from the execution of the agreement, no use of the line has been requested from the lending banks.

### *CCFS loan (MFM S.p.A.)*

During the 2013 financial year, the Parent Company MFM entered into a loan agreement with CCFS for a debt on account of capital of € 18,000 thousand, originally due January 2016. The credit line was repaid in the first months of 2014.

### *MPS loan (MFM S.p.A.)*

The loan with Banca Monte Paschi comprises a long-term credit line at a variable rate plus a spread amounting to € 25 million, used partially, and expiring on 22 December 2017. The loan agreement also makes provision for the verification of financial parameters to be calculated on an annual basis on the consolidated financial statements. As at

31 December 2013 the financial parameters were respected. As at 31 March 2014 the residual debt was € 20,000 thousand and was classified as short-term debt, given the early repayment of the loan itself on 30 April 2014.

### *Accrued interest expense*

At 31 December 2013 the Group recognised accrued expenses on interest payable of € 6,346 thousand, of which € 6,021 thousand relating to the amount accrued on the coupon of the Senior Secured Notes due 2 August 2014.

### *Collections on behalf of Credit Agricole Corporate & Investment Bank and Banca IMI*

The debt balance relates to receivables transferred under non-recourse factoring transactions on a revolving basis carried out by the Group, collected on behalf of the assignee and still not paid as at the balance sheet date. As at 31 March 2014, the balance was € 9,909 thousand (€ 8,830 thousand as at 31 December 2013).

### *Capital contribution to be paid*

The Group recognized obligations for capital contribution to be paid to unconsolidated companies for € 5 thousand, against € 2,201 thousand at 31 December 2013. In early 2014 an amount of € 2,192 thousand was paid in favour of the associate Synchron Nuovo San Gerardo S.p.A..

### *Debt for the acquisition of investments*

This line, amounting to € 10,175 thousand at 31 March 2014 (€ 10,998 thousand at 31 December 2013) relates to the amounts still not paid to the transferor within business combinations. On 31 March 2014 an amount of € 7,170 was recognised under payables to the previous shareholders of Lenzi S.p.A. (the minority interest of which was acquired by MIA S.p.A. in 2013), while an amount of € 838 thousand was recognised as fees not yet paid by Gruppo Sicura S.r.l. to the holders of minority interests in subsidiaries acquired in the previous year.

Furthermore, MIA S.p.A. holds commitments to deposit amounts in escrow for a total of € 2,106 thousand, against the already deposited € 628 thousand with the contractually identified parties, recognized under Other current financial assets.

### *Potential debt for the acquisition of non-controlling interests*

Any potential debt for the acquisition of investments, recognized to an amount of € 22,415 thousand, related to:

- the current value of the earn-out to be paid to the minorities of Gruppo Sicura S.r.l., that has been estimated at € 10,709 thousand, the payment of which is expected in 2014. Furthermore, a present value of € 7,155 thousand was also recognized for the Put option held by the minorities of the same company in relation to 20% of the share capital that is still owned by them;
- the current value of the Put option granted to the minorities of Cofam S.r.l. (acquired by MIA S.p.A. at the beginning of 2009), relating to the 40% stake in share capital that they still own, estimated at € 3,459 thousand;
- the current value of the earn-out to be paid in relation to the acquisition of ABM S.r.l. by MIA S.p.A. (merged by incorporation into Unilift S.r.l. during 2012) estimated at € 132 thousand;
- the current value of the Put option granted to the minorities of Unilift S.r.l. (merged by incorporation into ABM S.r.l. in 2012) estimated at € 924 thousand;
- the current value of the earn-out to be paid to the previous quotaholders of SIE S.r.l., acquired in 2012 by MIA S.p.A. and subsequently merged by incorporation into it, estimated at € 37 thousand.

In connection with the fair value measurement of the items described above, the Group recognized net financial charges against their fair value for € 303 thousand.

## Current financial assets

At 31 March 2014 Current financial assets amounted to € 6,179 thousand (as restated at 31 December 2013 to include the effects of changes in accounting standards: € 13,374 thousand). This item is mainly composed of:

- escrow amounts paid as part of business combinations for € 628 thousand;
- € 859 thousand of receivables originated by the transfer of contracts and business units to third parties, € 370 thousand of which related to the transactions carried out by the MIA sub-group in previous years,
- € 2,255 thousand relating to the sums to be collected within the agreement that was followed by the transfer of Energyproject S.r.l. in February 2014;
- € 1,568 thousand of receivables from short-term loans and financial accounts held with non-consolidated companies belonging to the Group.

## 13. EMPLOYEE TERMINATION INDEMNITY

Changes in employee termination indemnity (''T.F.R.'') occurred during the first three months of 2014 are shown below, compared with changes in the same period of the last year, as restated to include the effects of changes in accounting standards.

| | For the 3 months ended | |
|---|---|---|
| | 31 March 2014 | 31 March 2013 Restated |
| **At 1 January Restated** | **27,599** | **31,161** |
| Increases for personnel acquired in business combinations | 0 | 0 |
| Current service cost | 163 | 167 |
| Interest costs on benefit obligation | 220 | 228 |
| Curtailment | 0 | 0 |
| Benefits paid | (4,255) | (1,282) |
| Net actuarial (gains)/ losses recognized in the period | 0 | 0 |
| **AT 31 MARCH** | **23,727** | **30,274** |

Below is reported the breakdown of the net cost of employee benefits relating to the termination indemnity:

| | For the 3 months ended | |
|---|---|---|
| | 31 March 2014 | 31 March 2013 Restated |
| Curtailment | 0 | 0 |
| Current service cost | 163 | 167 |
| Interest costs on benefits obligation | 220 | 228 |
| **Net cost of the benefits recognized in the statement of income** | **383** | **395** |
| Net actuarial (gains)/ losses recognized in the period | 0 | 0 |
| **TOTAL COST OF THE BENEFITS** | **383** | **395** |

Below are reported the data relating to the average number of the Group's employees and of the workers provided to the Group by Manutencoop Società Cooperativa:

| | For the 3 months ended | |
|---|---|---|
| | 31 March 2014 | 31 March 2013 Restated |
| Executives | 61 | 64 |

| | | |
|---|---|---|
| Office workers | 1,643 | 1,637 |
| Manual workers | 14,114 | 13,313 |
| **AVERAGE STAFF** | **15,818** | **15,014** |

The number of leased employees provided to the Group by Manutencoop Società Cooperativa was equal to no. 590 units at 31 March 2014 (31 March 2013: no. 609 units).

## 14. PROVISIONS FOR RISKS AND CHARGES

Below are reported the breakdown and changes in provisions for risks and charges for the period ended 31 March 2014. The comparative value at 31 December 2013 was restated to include the effects of changes in accounting standards:

| | Risks on investments | Risks on job orders | Pending disputes | Tax litigation | Agents' indemnity leave | Severance provision | Bonuses | Other provisions | Total |
|---|---|---|---|---|---|---|---|---|---|
| **At 1 January 2014 Restated** | **60** | **9,060** | **8,794** | **971** | **159** | **11,050** | **4,910** | **1,684** | **36,688** |
| Addition due to business combinations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **0** |
| Accruals | 56 | 54 | 737 | 54 | 0 | 0 | 1,677 | 0 | **2,578** |
| Utilizations (payments) | 0 | (200) | (537) | 0 | 0 | (1,072) | 0 | (48) | **(1,857)** |
| Unused and reversed | 0 | (12) | (192) | 0 | 0 | (196) | (29) | (15) | **(444)** |
| Other | 0 | (544) | (79) | 0 | 0 | 0 | 0 | 79 | **(544)** |
| **At 31 March 2014** | **116** | **8,358** | **8,723** | **1,025** | **159** | **9,782** | **6,558** | **1,700** | **36,421** |
| *At 31 March 2014:* | | | | | | | | | |
| *Current* | *116* | *8,001* | *668* | *1,025* | *0* | *9,782* | *2,780* | *562* | ***22,934*** |
| *Non-current* | *0* | *357* | *8,055* | *0* | *159* | *0* | *3,778* | *1,138* | ***13,487*** |
| *At 31 December 2013 Restated:* | | | | | | | | | |
| *Current* | *60* | *8,703* | *913* | *971* | *0* | *11,050* | *2,714* | *562* | ***24,973*** |
| *Non-current* | *0* | *357* | *7,881* | *0* | *159* | *0* | *2,196* | *1,122* | ***11,715*** |

*Provision for risks on investments*

The item, amounting to € 116 thousand as at 31 March 2014, includes the provision for unrecoverable future losses of Group companies and related to the subsidiary Alisei S.r.l. in liquidation for € 63 thousands and to the associate GRID Modena S.r.l. for € 53 thousand.

*Provision for risks on job orders*

This provision includes, at consolidated level:

- estimated risks relating to potential disputes with customers, on the report of works;
- estimated penalties charged by customers
- estimated costs to complete job orders, in respect of which no additional revenues will be paid.

The year-end balance was equal to € 8,358 thousand, against accruals of € 54 thousand, in addition to uses and releases that entailed a decrease of € 212 thousand in the provision.

Other changes mainly related to amounts reclassified, for the sake of clarity, as a direct deduction in the asset items to which they refer: specifically, for € 394 thousand as a deduction in receivables repurchased from the Factor in the year, entered under non-current financial assets.

*Provision for pending disputes*

At the end of the financial year, the company assesses the risk of having to pay future compensation in the event of unsuccessful legal disputes with customers, suppliers and employees. During the period ended 31 March 2014 the provision reported increases for accruals totalling € 737 thousand and decreases for uses, releases and other changes of € 808 thousand.

Accruals were mainly recognized to cover risks of MFM S.p.A. for € 650 thousand, of Servizi Ospedalieri S.p.A. for € 85 thousand.

Utilization and reversal in the period, totalling € 729 thousand, refer to the provisions recorded in previous years due to the settlement of disputes with suppliers and legal proceedings with other parties.

*Severance provision*

This provision relates to the amounts due for severance and employee redundancy costs, as part of the restructuring plans implemented by some Group companies over the last few years.

At 31 December 2013 the Group had recognized provisions totalling € 11,050 thousand, of which € 150 thousand in MFM S.p.A., € 3,283 thousand in Telepost S.p.A., € 4,105 thousand in Manutencoop Private Sector Solutions S.p.A., € 832 thousand in MACO S.p.A. and € 2,680 thousand in Servizi Ospedalieri S.p.A.. In 2014 there were uses of € 1,072 thousand, € 5 thousand of which in MACO S.p.A., € 229 thousand in Servizi Ospedalieri S.p.A., € 288 thousand in Telepost S.p.A., € 52 thousand in MFM S.p.A. and € 498 thousand in Manutencoop Private Sector Solutions S.p.A..

*Provision for bonuses*

This provision includes accrual for future payments in relation to the bonus system adopted by the Group in favour of the top and middle management. Changes that occurred during the period ended 31 March 2014 comprised new accruals for € 1,677 thousand and uses and releases for a total of € 29 thousand.

## 15. TRADE PAYABLES, ADVANCES FROM CUSTOMERS AND OTHER CURRENT LIABILITIES

The table below sets forth the breakdown of the item as at 31 March 2014 and 31 December 2013, as restated to include the effects of changes in accounting standards:

| | 31 March 2014 | of which to related parties | 31 December 2013 restated | of which to related parties |
|---|---|---|---|---|
| Trade payables | 398,568 | | 410,907 | |
| **Trade payables to third parties** | **398,568** | **0** | **410,907** | **0** |
| Trade payables to Manutencoop Cooperativa | 12,562 | 12,562 | 11,613 | 11,613 |
| Trade payables to associates within 12 months | 23,416 | 23,416 | 24,295 | 24,295 |
| **Trade payables to related parties** | **35,978** | **35,978** | **35,908** | **35,908** |
| Advances from customers and payables for work to be performed | 9,547 | 4 | 6,872 | |
| **TRADE PAYABLES AND ADVANCES FROM CUSTOMERS** | **444,093** | **35,982** | **453,687** | **35,908** |
| Payables to directors and statutory auditors | 787 | | 907 | |
| Tax payables | 67,261 | | 65,275 | |
| Payables to social security within 12 months | 7,930 | | 10,002 | |
| Collections on behalf of ATI (“*Associazione temporanea di Imprese*”) | 9,385 | | 16,557 | |
| Payables to employees within 12 months | 56,316 | | 45,378 | |

| | | | | |
|---|---|---|---|---|
| Other payables within 12 months | 4,235 | | 5,225 | |
| Property collection on behalf of customers | 2,176 | | 2,176 | |
| **Other current operating payables to third parties** | **148,089** | **0** | **145,520** | **0** |
| Other current payables to Manutencoop Cooperativa | 17 | 7 | 7 | |
| Other payables to associates | 171 | 171 | 171 | 171 |
| **Other current operating payables to the related parties** | **188** | **178** | **178** | **171** |
| Accrued expenses | 11 | | 18 | |
| Deferred income | 2,089 | | 2,713 | |
| **Accrued expenses and deferred income** | **2,100** | **0** | **2,731** | **0** |
| **OTHER CURRENT LIABILITIES** | **150,379** | **178** | **148,429** | **171** |

Trade payables do not accrue interest and are settled for, on average, 90/120 days from the invoice date. The other are non-interest bearing payables and are settled, on average, after 30 days, excluding payables due to employees for accrued 13th and 14th monthly pay and holidays paid at 6 months on average, and the amounts due to the Tax Authorities for deferred VAT payments settled at the moment of collection of the related trade receivables.

Trade payables and advances from customers as at 31 March 2014 amounted to € 444,093, against a balance of € 453,687, at 31 December 2013, as restated to include the effects of changes in accounting standards.

*Other current operating payables* showed a balance of € 150,379 at 31 March 2014 and are mainly made up of the following items:

- payables to employees of € 56,316 thousand, including the current monthly salaries to be paid in the months after the closing of the financial year, as well as payables for additional monthly salary to be paid (a portion of the 14th salary, to be paid in the month of July). Furthermore, the corresponding payables to social security institutions were recognized for € 7,930 thousand.
- in payables due to tax authorities for € 67,261 thousand, mainly related to the balance of the VAT payables due from subsidiaries of the Group (€ 65,275 thousand at 31 December 2013).
- collections on behalf of Temporary Associations of Companies for € 9,385 thousand, which relate to the amounts collected by the Group, on behalf of third parties, mainly relating to job orders under Consip agreements.

## 16. COMMITMENTS AND CONTINGENT LIABILITIES

*Financial leasing*

The Group signed financial leases primarily for plant and machinery used in the production processes of the *Laundering&Sterilisation* SBU and for motor vehicles. The table below details the amount of future rental fees deriving from financial leases and the current value of these fees:

| | 31 March 2014 | | 31 December 2013 Restated | |
|---|---|---|---|---|
| | Rental fees | Current value of rental fees | Rental fees | Current value of rental fees |
| Within one year | 1,114 | 964 | 1,135 | 976 |
| From one year to five years | 2,113 | 1,983 | 2,363 | 2,213 |
| After five years | 157 | 150 | 179 | 171 |
| **TOTAL LEASE FEES** | **3,385** | **3,097** | **3,677** | **3,359** |
| Financial charges | (287) | | (318) | |

| | | | | |
|---|---|---|---|---|
| Current value of lease fees | 3,097 | 3,097 | 3,359 | 3,359 |

*Guarantees given*

As at 31 March 2014, the Group granted sureties to third parties for:

- guarantees in favour of associates amounting to € 16,134 thousand (31 December 2013: € 11,263 thousand);
- other sureties granted to third parties: i) to ensure the correct fulfilment of contract obligations in place with customers amounting to € 329,796 thousand (31 December 2013: € 252,236 thousand) ii) to replace security deposits required to activate utilities or for lease contracts, as well as for VAT refunds from Inland Revenue Agency, for a total amount of € 1,436 thousand (31 December 2013: € 2,340 thousand).
- guarantees in favour of Factoring Agencies amounting to € 2,104 thousand (31 December 2013: € 2,104 thousand), to ensure correct fulfilment of factoring contracts.

The sureties are issued on non-recourse factoring transactions to cover financial risk. For this reason the risk was carried at fair value and recorded as a financial liability for € 35 thousand.

*Guarantees given within the bond issue*

The Parent Company MFM S.p.A. and the subsidiaries Servizi Ospedalieri S.p.A. and Manutencoop Private Sector Solutions S.p.A. have issued, in favour of the banks participating in the RCF agreement and in favour of the bondholders, described under note 18, the following collaterals:

- first-recorded pledge on the shares held by MFM S.p.A. in Manutencoop Private Sector Solutions S.p.A. and in Servizi Ospedalieri S.p.A., equal to 100% of the capital of the same;
- assignment as security of receivables from private customers claimed by MFM S.p.A. and Manutencoop Private Sector Solutions S.p.A.. At 31 March 2014 the receivables assigned as security amounted to € 109,449 thousand;
- execution of a deed of pledge on the current accounts held with Unicredit S.p.A., which were credited with the amounts collected from private customers assigned as security. The balance of these current accounts at 31 March 2014 was equal to € 6,271 thousand;
- the release by Servizi Ospedalieri S.p.A. and Manutencoop Private Sector Solutions S.p.A. of a personal security for an overall maximum amount of € 48,411 thousand and € 16,907 thousand at 31 March 2014.

Furthermore, within the scope of the RCF agreement only, the Parent Company granted the pool of banks a special lien over all the Group-owned personal property up to a maximum amount of € 60 million. At 31 December 2013 (the last date of recognition) the personal property subject to special lien amounted to € 29,658 thousand.

The guarantees listed above may be enforced by the counterparties only in the case that one of the events of default envisaged in the abovementioned contracts occurs; up to the occurrence of the same, the assets covered by the guarantee are fully available to the Group. At 31 March 2014 no events of default had occurred.

## 17. OPERATING SEGMENTS

The services provided by the MFM Group can be divided into three primary areas of business, which coincide with the Strategic Business Units (SBU) where business is channelled. The latter is not affected by significant seasonality factors. The SBUs identified coincide with the CGUs where the Group's activities are conducted and are summarised below.

*SBU Facility Management*

The Facility Management Segment offers a collection of logistic and organizational support services targeted at users of properties and aimed to optimize the management of property-related activities.

The so-called ‘‘traditional’’ Facility Management services provided by the MFM Group include the following activities:

- Cleaning;
- Technical Services;
- Landscaping.

Cleaning activity includes cleaning and hygiene services, sanitation, disinfection, pest control and rat extermination, collection, transport and disposal of hospital waste and employs the highest number of Group employees.

The so-called Technical Services encompass the management, running and maintenance services of property-related systems (including heating and air conditioning systems, electrical systems, lifts, fire prevention and safety systems), including therein:

- design and implementation of redevelopment and adjustment work into line with the safety legislation;
- design and installation of devices for energy saving and for the reduction of emissions of polluting agents into the atmosphere.

Finally, a third type of activities attributable to the Facility Management service rendered by the Group is the so-called Landscaping, i.e. a service for the maintenance of green spaces, which include both the planning and implementation of maintenance of properties’ green areas, and services for the area.

Starting from 2008, as a consequence of the diversification and horizontal integration strategy, the Group expanded its range of services through a series of acquisitions, providing certain specialist facility management services alongside its ‘‘traditional’’ Facility Management services, such as:

- installation and maintenance services of elevating systems;
- services related to building security;
- public lighting services;
- mail services;
- document management.

*SBU Laundering&Sterilization*

The so-called Laundering and Sterilization is an industrial activity given in support of health care activities. The activity, provided by the MFM Group, in particular through Servizi Ospedalieri S.p.A. and its subsidiaries, mainly involves (i) the rental and industrial laundering of bed linens, packaged linen and mattress provider (linen rental and industrial laundering), (ii) sterilization of linen and (iii) sterilization of surgical equipment.

*Laundering&Sterilization services provided by the Group include the following activities*:

- collection and distribution of linen in the individual departments;
- management of the linen rooms in the health care facilities;
- supply of disposable items;
- rental of linen with special materials for operating rooms;
- acceptance, treatment, sterilization and redelivery of surgical instruments;
- rental of surgical instruments;
- creation and management of sterilization systems.

*SBU Other*

The Other activities SBU includes all the remaining activities of the Group, i.e. all building operations, after the exit from the Project Management and Energy Management businesses as a result of the transfer of the subsidiary Energyproject S.r.l. to third parties in the first quarter of 2014. The Building activities that consist of construction projects, not particularly significant in respect of total Group production, also carried out on behalf of other Manutencoop Group companies, as well as, on occasion, to support facility management activities where, as part of non-ordinary maintenance works, small building works are also necessary.

The following table shows the economic results by segment for the quarters ended 31 March 2014 and 31 March 2013, s restated to include the effects of changes in accounting standards.

| | Facility Management | Laundering & Sterilization | Other Activities | Eliminations | Total |
|---|---|---|---|---|---|
| Segment revenues | 228,436 | 35,643 | 1,689 | (715) | 265.053 |
| Segment costs | (213,151) | (31,755) | (1,699) | 715 | (245.890) |
| **Operating income (loss) by segment** | **15,284** | **3,888** | **(9)** | **0** | **19,163** |
| Share of net profit of associates | 387 | 4 | | | 391 |
| Net financial charges | | | | | (9,873) |
| **Profit before taxes** | | | | | **9,680** |
| Income taxes | | | | | (5,356) |
| **NET PROFIT FOR THE PERIOD ENDED 31 MARCH 2014** | | | | | **4,324** |

| | Facility Management | Laundering & Sterilization | Other Activities | Eliminations | Total Restated |
|---|---|---|---|---|---|
| Segment revenues | 249,745 | 33,371 | 1,537 | (661) | 283,992 |
| Segment costs | (226,817) | (30,639) | (2,387) | 661 | (259,181) |
| **Operating income (loss) by segment** | **22,928** | **2,732** | **(850)** | | **24,810** |
| Share of net profit of associates | 699 | 17 | | | 717 |
| Net financial charges | | | | | (4,227) |
| **Profit before taxes** | | | | | **21,300** |
| Income taxes | | | | | (10,109) |
| **NET PROFIT FOR THE PERIOD ENDED 31 MARCH 2013 RESTATED** | | | | | **11,191** |

Below are reported the data related to assets and liabilities by operating segments of the Group at 31 March 2014 and 31 December 2013, s restated to include the effects of changes in accounting standards.

| | Facility Management | Laundering & Sterilization | Other Activities | Eliminations | Total |
|---|---|---|---|---|---|
| **Assets allocated to the segment** | **707,855** | **153,147** | **5,825** | **(2,554)** | **864,274** |
| Goodwill | 403,331 | 11,763 | | | 415,094 |
| Investments accounted for under the Equity Method | 28,969 | 5,089 | 852 | | 34,910 |
| Other assets not allocated and related taxes | | | | | 198,431 |
| **SEGMENT ASSETS AT 31 MARCH 2014** | **1,140,156** | **169,999** | **6,677** | **(2,554)** | **1,512,709** |
| **Liabilities allocated to the segment** | **578,551** | **72,610** | **6,010** | **(2,554)** | **654,618** |
| Liabilities classified as held for sale | 56 | | 2,363 | | 2,420 |

| | | | | | |
|---|---|---|---|---|---|
| Other liabilities not allocated and related taxes | | | | | 527,890 |
| **SEGMENT LIABILITIES AT 31 MARCH 2014** | **578,551** | **72,610** | **6,010** | **(2,554)** | **1,182,507** |

| | Facility Management | Laundering & Sterilization | Other Activities | Eliminations | Total Restated |
|---|---|---|---|---|---|
| **Assets allocated to the segment** | **687,095** | **150,082** | **7,558** | **(4,664)** | **840,072** |
| Goodwill | 403,331 | 11,763 | | | 415,094 |
| Investments accounted for under the Equity Method | 28,968 | 5,077 | 852 | | 34,896 |
| Assets classified as held for sale | 130 | | 7,738 | | 7,868 |
| Other assets not allocated and related taxes | | | | | 251,010 |
| **SEGMENT ASSETS AT 31 DECEMBER 2013 RESTATED** | **1,119,524** | **166,922** | **16,148** | **(4,664)** | **1,548,941** |
| **Liabilities allocated to the segment** | **585,271** | **76,372** | **9,424** | **(4,664)** | **666,404** |
| Liabilities classified as held for sale | 56 | | 2,363 | | 2,420 |
| Other liabilities not allocated and related taxes | | | | | 553,862 |
| **SEGMENT LIABILITIES AT 31 DECEMBER 2013 RESTATED** | **585,327** | **76,372** | **11,788** | **(4,664)** | **1,222,686** |

## 18. RELATED PARTIES TRANSACTIONS

Related party transactions were performed under normal market conditions, i.e. in line with conditions that would be applied between aware and independent parties. Market prices are applied to both commercial and financial transactions.

Non-interest bearing loans are only disbursed in the case of pro-quota financing granted by syndicated shareholders to consortium companies. These loans were, however, discounted in the financial statements of the Parent Company MFM S.p.A.. The Parent Company not only provides technical-production services relating to the core business, but also administrative and IT services for certain Group companies.

The Parent Company also has some administrative, financial and lease service contracts in place with its parent company Manutencoop Società Cooperativa.

In the financial year the Group did not make any accrual to the bad debt provision for amounts due from related parties.

The main contracts in place with other MFM Group companies, controlled by Manutencoop Società Cooperativa, with the latter and its subsidiaries, are shown below.

- MFM signed a contract with associate Roma Multiservizi S.p.A. on the basis of which it is committed to providing an Information System service. The contract, expiring on 31 December 2014, makes provision for an annual consideration of € 1,000 thousand.
- Manutencoop Cooperativa sub-leased to MFM S.p.A. the part of the property located in Zola Predosa, via Poli no.

4 (BO), for office use. The duration of the lease has a 5-year term and is tacitly renewable, except in the event of termination by one of the parties. Annual rent is expected to be € 1,715 thousand, to be paid in 12 monthly instalments.

- The affiliate company Manutencoop Immobiliare S.p.A. leased to Sicura S.r.l. Group the property located in Vicenza (VI), at via Zamenhof 363, for use as offices/warehouse. The duration of the lease has a 6-year term and is tacitly renewable, except in the event of termination by one of the parties. Annual rent is expected to be € 390 thousand, to be paid in 12 monthly instalments.
- The affiliate company Manutencoop Immobiliare S.p.A. leased to MFM S.p.A. the part of the property located in Mestre (VE), via Porto di Cavergnago no. 6, for office use. The duration of the lease has a 6-year term and is tacitly renewable, except in the event of termination by one of the parties. Annual rent is expected to be € 348 thousand, to be paid in 12 monthly instalments.
- On 6 July 2007, MFM S.p.A. signed a framework agreement with its parent company, Manutencoop Cooperativa, in order to regulate the essential contents of subsequent personnel leases from Manutencoop Cooperativa to MFM S.p.A, pursuant to Title III, Chapter I of Legislative Decree 276/2003. The contract has a five-year term, and is tacitly renewed, unless terminated by one of the parties. As a result of said agreement, which has the legal nature of a legislative contract that does not provide rights to third parties, MFM and the parent company Manutencoop Cooperativa set out the conditions that regulate any future contracts for the leasing of shareholding personnel of Manutencoop Cooperativa, and the operating rules for establishing and resolving said contracts.
- Manutencoop Cooperativa is committed, on the basis of contracts stipulated with the individual companies of the MFM Group, to preparing pay packets.
- MFM S.p.A. signed agreements with Manutencoop Cooperativa and its subsidiaries, for the provision of tax consultancy services.

The breakdown of the balances relating to the transactions carried out by the Group with related parties is provided in Annex III attached to the Interim Report on operations.

The MFM Group is subject to the management and coordination activities of Manutencoop Società Cooperativa.

Zola Predosa, 16 May 2014

**The Chairman of the Management Board**

Claudio Levorato

# ANNEX I

# GROUP COMPANIES

## PARENT COMPANY

| *Name* | Registered Office | City |
|---|---|---|
| Manutencoop Facility Management S.p.A. | Via Poli n. 4 | Zola Predosa (BO) |

## SUBSIDIARIES CONSOLIDATED ON A LINE-BY-LINE BASIS

| *Name* | Registered Office | City | % Held | Type |
|---|---|---|---|---|
| MIA Servizi Torino S.r.l. | Via Pianezza 123 | Torino (TO) | 100% | Subsidiary |
| CO.GE.F. Soc. Cons. a r.l | Via Poli 4 | Zola Predosa (BO) | 80% | Subsidiary |
| COFAM S.r.l. | Via A. Pica 160 | Modena | 60.00% | Subsidiary |
| Consorzio Igiene Ospedaliera Soc. Cons. a r.l | Via Poli 4 | Zola Predosa (BO) | 66.66% | Subsidiary |
| Consorzio Servizi Toscana Soc. Cons. a r.l | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| EP Servizi S.r.l. | Via A. Pica 170 | Modena | 70% | Subsidiary |
| Evimed S.r.l. | Via Zamenhof 363 | Vicenza | 90% | Subsidiary |
| Firing S.r.l. | Via Luigi Meraviglia 31 | Lainate (MI) | 65% | Subsidiary |
| Global Oltremare Soc.Cons. r.l. | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| Gruppo Sicura S.r.l. | Via Zamenhof 363 | Vicenza | 80% | Subsidiary |
| ISOM Lavori Soc. Cons.rl | Via Poli 4 | Zola Predosa (BO) | 62.71% | Subsidiary |
| ISOM Gestione Soc. Cons.rl | Via Poli 4 | Zola Predosa (BO) | 52.97% | Subsidiary |
| KANARIND Soc. Cons.rl | Via Poli 4 | Zola Predosa (BO) | 62.43% | Subsidiary |
| Leonardo S.r.l. | Via Zamenhof 363 | Vicenza | 100% | Subsidiary |
| Logistica Sud Est Soc. Cons. a r.l. | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| MACO S.p.A. | Via Poli 4 | Zola Predosa (BO) | 100% | Subsidiary |
| Manutenzione Installazione Ascensori S.p.A. | Via A. Pica 170 | Modena | 100% | Subsidiary |
| Manutencoop Private Sector Solutions S.p.A. | Via Poli 4 | Zola Predosa (BO) | 100% | Subsidiary |
| MCF servizi Integrati Soc. cons. a r.l. | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| MIA Elevatori S.r.l. | Via A. Pica n. 170 | Modena (MO) | 100% | Subsidiary |
| Nettuno Ascensori S.r.l. | Via Marzabotto 11 | Quarto inferiore (BO) | 75% | Subsidiary |
| Palmanova Servizi Energetici Soc. Cons. a r.l | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| PIB Service S.r.l. | Via Poli 4 | Zola Predosa (BO) | 100% | Subsidiary |
| Protec S.r.l. | Via Zamenhof 363 | Vicenza | 100% | Subsidiary |
| S.AN.CO S.c.a.r.l. | Viale Piero e Alberto Pirelli 21 | Milano | 51.50% | Subsidiary |
| S.AN.GE S.c.a.r.l. | Viale Piero e Alberto Pirelli 21 | Milano | 89% | Subsidiary |
| Servizi Brindisi Soc. Cons. a r.l | Via Poli 4 | Zola Predosa (BO) | 52% | Subsidiary |
| Servizi l'Aquila Soc. Cons. a r.l. | Via Poli 4 | Zola Predosa (BO) | 60% | Subsidiary |
| Servizi Ospedalieri S.p.A. | Via Calvino 33 | Ferrara | 100% | Subsidiary |
| Servizi Sanitari Sicilia Soc.Cons.a r.l. | Via Calvino 33 | Ferrara | 70% | Subsidiary |
| Servizi Taranto Soc.Cons. a.r.l. | Via Poli 4 | Zola Predosa (BO) | 60.08% | Subsidiary |
| Sicura S.r.l. | Via Zamenhof 363 | Vicenza | 100% | Subsidiary |
| Società Manutenzione Illuminazione S.p.A. (SMAIL) | Via Poli 4 | Zola Predosa (BO) | 100% | Subsidiary |
| Telepost S.p.A. | Via Poli 4 | Zola Predosa (BO) | 100% | Subsidiary |
| Unilift S.r.l. | Piazzale Giustiniani 11/A | Mestre (VE) | 78.54% | Subsidiary |

## JOINT VENTURES ACCOUNTED FOR UNDER THE EQUITY METHOD

| *Name* | Registered Office | City | % Held | Type |
|---|---|---|---|---|
| AMG S.r.l. | SS Laghi di Avigliana 48/a | frazione Roata Raffo Busca (CN) | 50% | Joint Venture |
| Cardarelli Soc.cons.r.l. | S.S. Appia 7 bis Km. 11,900 Zona A.s.i. Aversa Nord | Carinaro (CE) | 60% | Joint Venture |
| CO. & MA. Soc. Cons. a r.l. | Via del Parco n. 16 | Tremestieri Etneo (Ct) | 50% | Joint Venture |
| DUC Gestione Sede Unica Soc.cons.r.l. | Via Poli 4 | Zola Predosa (BO) | 49% | Joint Venture |
| EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S. | Üniversiteler Mahallesi, Bilkent Plaza, A3 Blok, n. 4 | Çankaya/ Ankara | 50% | Joint Venture |
| Legnago 2001 Soc.cons.r.l. | Via Poli 4 | Zola Predosa (BO) | 50% | Joint Venture |
| Malaspina Energy Soc.cons.r.l. | Via Varesina 118 | Lurate Caccivio (CO) | 50% | Joint Venture |
| Servizi Luce Soc.Cons.r.l. | Via Poli 4 | Zola Predosa (BO) | 50% | Joint Venture |
| Servizi Sportivi Brindisi Soc.cons.r.l. | Via Licio Giorgieri 93 | Roma | 50% | Joint Venture |
| UFS – United Facility Solutions SA | Rue colonel Bourg, 101 | 1030 Bruxelles (Belgio) | 33,33% | Joint Venture |

## ASSOCIATES AND OTHER COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD

| *Name* | Registered Office | City | % Held | Type |
|---|---|---|---|---|
| Alisei S.r.l. In liquidation | Via Cesari 68/1 | Modena | 100% | In liquidation |
| Bologna Gestione Patrimonio Soc.Cons. r.l. | Via della Cooperazione 9 | Bologna | 27.58% | Associate |
| Bologna Multiservizi Soc.Cons. r.l. | Via Del Lavoro 23/4 | Casalecchio di Reno (BO) | 39% | Associate |
| Bologna Più' Soc.Cons. r.l In liquidation | Via M.E. Lepido 182/2 | Bologna | 25.68% | In liquidation |
| Consorzio Imolese Pulizie Soc. Cons. a r.l in liquidation | Via Poiano 22 | Imola (BO) | 60% | In liquidation |
| CO.M.I. S.r.l. In liquidation | Piazza De Calderini 2/2 | Bologna | 40% | In liquidation |
| CO.S.I.S. a r.l. In liquidation | Via Adolfo Gandiglio 27 | Roma | 26.33% | In liquidation |
| Como Energia Soc.Cons. r.l. | Via Pietro Strazzi 2 | Como | 30% | Associate |
| Consorzio Energia Servizi Bologna In liquidation | Viale Masini 46 | Bologna | 24.25% | In liquidation |
| Consorzio Leader Soc.Cons. r.l. In liquidation | Via Poli 4 | Zola Predosa (BO) | 50% | In liquidation |
| Consorzio Polo Sterilizzazione Integrata a r.l. | Via Facciolati 84 | Padova | 60% | Associate |
| Consorzio Sermagest Soc.Cons. r.l. In liquidation | Via Filippo Corridoni 23 | Roma | 60% | In liquidation |
| F.lli Bernard S.r.l. | Stradella Aquedotto 21 | Bari | 20% | Associate |
| Geslotto6 Soc.Cons. r.l. In liquidation | Via Poli 4 | Zola Predosa (BO) | 55% | In liquidation |
| Gico System S.r.l. | Via Finelli 8 | Calderara di Reno (BO) | 20% | Associate |
| Global Provincia Di Rimini Soc.Cons. r.l. In liquidation | Via Poli 4 | Zola Predosa (BO) | 42.40% | In liquidation |
| Global Riviera Soc.Cons. r.l. | Via Poli 4 | Zola Predosa (BO) | 30.66% | Associate |
| Global Vicenza Soc.Cons.a r.l. | Via Grandi 39 | Concordia Sulla Secchia (MO) | 41.25% | Associate |
| Gymnasium Soc.Cons. r.l. In liquidation | Via Poli 4 | Zola Predosa (BO) | 68% | In liquidation |
| GRID Modena S.r.l. | Via Divisione Acqui, 129 | Modena (MO) | 23% | Associate |
| Headmost Division Service FM S.p.A. | Via Rimini 5 | Pomezia (RM) | 25% | Associate |
| Iniziative Produttive Piemontesi S.r.l. | Corso Einaudi 18 | Torino | 24.75% | Associate |
| Livia Soc.Cons. a r.l. | Via Roma 57/B | Zola Predosa (BO) | 34.10% | Associate |
| Logistica Ospedaliera Soc. Cons. a r.l | Via C. Alberto Dalla Chiesa 23/I | Caltanissetta (CL) | 45% | Associate |
| Newco Duc Bologna S.p.A. | Via M.E. Lepido 182/2 | Bologna | 24.90% | Associate |
| Palazzo della Fonte S.c.p.a. | Via Calamandrei, 255 | Arezzo (AR) | 33.3% | Associate |
| PBS Soc.Cons. r.l. In liquidation | Via G. Negri 10 | Milano | 25% | Associate |
| Perimetro Gestione Proprietà Immobiliari S.C.p.A. | Via del Giglio 14 | Siena | 20.10% | Associate |
| Progetto ISOM S.p.A. | Via Poli 4 | Zola Predosa (BO) | 36.98% | Associate |
| Progetto Nuovo Sant'Anna S.r.l. | Viale Piero e Alberto Pirelli 21 | Milano | 24% | Associate |
| Roma Multiservizi S.p.A. | Via Tiburtina 1072 | Roma | 45.47% | Associate |
| San Martino 2000 Soc.Cons. a r.l. | Via al Molo Vecchio | Calata Gadda (GE) | 40% | Associate |
| Savia Soc.Cons. a r.l. | Via B. Vanzetti 1 | Forlì | 49.11% | Associate |
| Società Consortile Adanti Manutencoop a r.l.in liquidation | Via Poli 4 | Zola Predosa (BO) | 50% | In liquidation |

| *Name* | **Registered Office** | **City** | **% Held** | **Type** |
|---|---|---|---|---|
| Serena S.r.l.In liquidation | Via Poli 4 | Zola Predosa (BO) | 50% | In liquidation |
| Se.Ste.Ro S.r.l. | Via San Pietro 59/B | fraz. Castellina - Soragna (PR) | 25% | Associate |
| Servizi Marche Soc. Cons. a r.l. In liquidation | Via Poli 4 | Zola Predosa (BO) | 60% | In liquidation |
| Servizi Napoli 5 Soc.Cons. a r.l. | Via Poli 4 | Zola Predosa (BO) | 45% | Associate |
| Servizi Sanitari Treviso Soc.Cons.a r.l. | Via al Molo Vecchio | Calata Gadda (GE) | 40% | Associate |
| Sesamo S.p.A. | Via C. Pisacane 2 | Carpi (MO) | 20.91% | Associate |
| Simagest 2 Soc. Cons. a r.l In liquidation | Via Poli 4 | Zola Predosa (BO) | 90% | In liquidation |
| Simagest 3 Soc. Cons. a r.l In liquidation | Via Poli 4 | Zola Predosa (BO) | 89.99% | In liquidation |
| Synchron Nuovo San Gerardo S.p.A. | Via Poli 4 | Zola Predosa (BO) | 35.82% | Associate |
| Steril Piemonte Soc.Cons. r.l. | Corso Einaudi 18 | Torino | 25% | Associate |
| Tower Soc.Cons. a r.l. In liquidation | Via Zanardi 372 | Bologna | 20.17% | Associate |

# ANNEX II

## VALUATION OF INVESTMENTS USING THE EQUITY METHOD

| | % | Net Book Value Dec 31, 2013 Restated | Changes of the period | | | | | Net Book Value Mar 31, 2014 | Book Value | Investment Provision |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Additions/ Disposals | Dividends | Share of net profit/Write-downs | Investment Provision | Investment Reserves | | | |
| Alisei s.rl. In liquidation | 100% | (60) | | | | (2) | | (63) | 0 | (63) |
| A.M.G. S.r.l. | 50% | 2.123 | | | (6) | | | 2.117 | 2.117 | |
| Bologna Gestione Patrimonio | 27.58% | 6 | | | | | | 6 | 6 | |
| Bologna Multiservizi Soc.Cons. a R.L. | 39% | 4 | | | | | | 4 | 4 | |
| Bologna Più Soc.Cons. a R.L. | 25.68% | 5 | | | | | | 5 | 5 | |
| Cardarelli Soc.Cons. a r.l. | 60% | 5 | | | | | | 5 | 5 | |
| Co.S.I.S. Soc.Cons. a r.l. | 26.33% | 9 | | | (9) | | | 0 | 0 | |
| Co. & Ma. Soc.Cons. a r.l. | 50% | 5 | | | | | | 5 | 5 | |
| Como Energia Soc.Cons. a R.L. | 30% | 11 | | | | | | 11 | 11 | |
| Consorzio Imolese Pulizie Soc. Cons. a r.l In liquidation | 60% | 6 | | | | | | 6 | 6 | |
| Consorzio Leader Soc.Cons. a r.l. In liquidation | 50% | 5 | | | | | | 5 | 5 | |
| Consorzio Polo sterilizzazione Integrata | 60% | 23 | | | | | | 23 | 23 | |
| Consorzio Sermagest In liquidation | 60% | 0 | | | | | | 0 | 0 | |
| Costruzione Manutenzione Immobili | 40% | 84 | | | | | | 84 | 84 | |
| DUC Gestioni Soc.Cons. a r.l. | 49% | 10 | | | | | | 10 | 10 | |
| EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S. | 50% | 50 | | | | | | 50 | 50 | |
| F.lli Bernard S.r.l. | 20% | 752 | | | 14 | | | 766 | 766 | |
| Geslotto 6 soc. cons. a r.l. | 55% | 50 | | | | | | 50 | 50 | |
| GICO Systems S.r.l. | 20% | 46 | | | 13 | | | 59 | 59 | |

| | % | Net Book Value Dec 31, 2013 Restated | Changes of the period | | | | | Net Book Value Mar 31, 2014 | Book Value | Investment Provision |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Additions/ Disposals | Dividends | Share of net profit/Write-downs | Investment Provision | Investment Reserves | | | |
| Global Provincia di Rimini Soc.Cons. a r.l. | 42.40% | 4 | | | | | | 4 | 4 | |
| Global Riviera Soc.Cons. a R.L. | 30.66% | 9 | | | | | | 9 | 9 | |
| Global Vicenza | 41.25% | 4 | | | | | | 4 | 4 | |
| Gymnasium Soc. Cons. a r.l. in liq. | 68% | 7 | | | | | | 7 | 7 | |
| GRID Modena S.r.l. | 23% | 24 | | | (24) | (53) | | (53) | 0 | (53) |
| Headmost Division Service FM S.p.A. | 25% | 0 | | | | | | 0 | 0 | |
| IPP s.r.l. | 25% | 467 | | | 4 | | | 471 | 471 | |
| Legnago 2001 Soc. Cons. a r.l. | 50% | 5 | | | | | | 5 | 5 | |
| LIVIA Soc. Cons. a r.l. | 34.10% | 3 | | | | | | 3 | 3 | |
| Logistica Ospedaliera Soc. Cons. a r.l | 45% | 5 | | | | | | 5 | 5 | |
| Malaspina Energy Soc. Cons. a r.l. | 50% | 50 | | | | | | 50 | 50 | |
| Newco DUC Bologna S.p.A. | 24.90% | 393 | | | 24 | | (315) | 102 | 102 | |
| P.B.S. Soc.Cons. a r.l. In liquidation | 25% | 25 | | | | | | 25 | 25 | |
| Palazzo della Fonte S.c.p.a. | 33.30% | 8.000 | | | | | | 8.000 | 8.000 | |
| Perimetro Gestione Proprietà Immobiliari Soc.Cons.a.r.l. | 20.10% | 1.111 | (1.111) | | | | | 0 | 0 | |
| Progetto ISOM S.p.A. | 36.98% | 2.399 | | | 72 | | | 2.471 | 2.471 | |
| Progetto Nuovo Sant'Anna S.r.l. | 24% | 1.630 | | | 31 | | (62) | 1.598 | 1.598 | |
| ROMA Multiservizi S.p.A. | 45.47% | 8.658 | | | 55 | | | 8.712 | 8.712 | |
| San Martino 2000 Soc.Cons. a r.l. | 40% | 4 | | | | | | 4 | 4 | |
| Savia soc.cons.a.r.l. | 49.11% | 5 | | | | | | 5 | 5 | |
| Società Consortile Adanti Manutencoop a r.l. In liquidation | 50% | 10 | | | | | | 10 | 10 | |

| | % | Net Book Value Dec 31, 2013 Restated | Changes of the period | | | | | Net Book Value Mar 31, 2014 | Book Value | Investment Provision |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Additions/ Disposals | Dividends | Share of net profit/Write-downs | Investment Provision | Investment Reserves | | | |
| SE.SA.MO. S.p.A. | 20.91% | 953 | | | 153 | | | 1.106 | 1.106 | |
| Se.Ste.Ro S.r.l. | 25% | 165 | | | 9 | | | 174 | 174 | |
| Serena S.r.l. | 50% | 9 | | | | | | 9 | 9 | |
| Servizi Luce Soc. Cons. a r.l. | 50% | 5 | | | | | | 5 | 5 | |
| Servizi Marche soc.Cons. a r.l. In liquidation | 60% | 6 | | | | | | 6 | 6 | |
| Servizi Napoli 5 Soc. Cons. a r.l. | 45% | 5 | | | | | | 5 | 5 | |
| Servizi Sanitari Treviso (SE.SA.TRE) | 40% | 8 | | | | | | 8 | 8 | |
| Servizi Sportivi Brindisi | 50% | 5 | | | | | | 5 | 5 | |
| Simagest 2 Soc.Cons.a r.l. | 90% | 45 | | | | | | 45 | 45 | |
| Simagest 3 Soc.Cons.a r.l. | 89.99% | 45 | | | | | | 45 | 45 | |
| Synchron Nuovo San Gerardo S.p.A. | 35.82% | 3.494 | | | 57 | | | 3.552 | 3.552 | |
| Steril Piemonte Soc. Cons. a r.l. | 25% | 1.000 | | | | | | 1.000 | 1.000 | |
| Tower Soc.Cons. a r.l. | 20.17% | 20 | | | | | | 20 | 20 | |
| UFS – United Facility Solutions SA | 33.33% | 94 | | | (2) | | | 92 | 92 | |
| **NET BOOK VALUE** | | **31.798** | **(1.111)** | **0** | **391** | **(55)** | **(377)** | **30.646** | **30.762** | **(116)** |

# ANNEX III

# RELATED PARTY TRANSACTIONS

## PARENT COMPANY

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| Manutencoop Cooperativa | 31-mar-13 Restated | 115 | 10.980 | | 47 | 31-dec-13 Restated | 554 | 14.068 | 11.613 | 577 |
| | 31-mar-14 | 75 | 10.229 | | | 31-mar-14 | 584 | 12.807 | 12.561 | 446 |

## ASSOCIATES AND JOINT-VENTURES

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| Roma Multiservizi S.p.A. | 31-mar-13 Restated | 373 | 1.342 | | | 31-dec-13 Restated | 450 | | 3.628 | |
| | 31-mar-14 | 377 | 584 | | | 31-mar-14 | 909 | | 4.443 | |
| Gico Systems S.r.l. | 31-mar-13 Restated | 1 | 70 | | | 31-dec-13 Restated | 7 | | 359 | |
| | 31-mar-14 | | 124 | | | 31-mar-14 | 8 | | 369 | |
| Se.Sa.Mo. S.p.A. | 31-mar-13 Restated | 1.286 | | 8 | | 31-dec-13 Restated | 3.145 | 606 | 6 | |
| | 31-mar-14 | 1.273 | | 9 | | 31-mar-14 | 3.565 | 615 | 6 | |
| S.I.MA.GEST2 Soc. Cons. r.l. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 208 | 75 | 4 | |
| | 31-mar-14 | | | | | 31-mar-14 | 208 | 75 | 4 | |
| Global Provincia di RN Soc.Cons.a r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 251 | 170 | 18 | |
| | 31-mar-14 | | | | | 31-mar-14 | 251 | 170 | 18 | |
| Bologna Più Soc.Cons.a r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | (2) | 39 | 13 | |
| | 31-mar-14 | | | | | 31-mar-14 | (2) | 39 | 13 | |
| Global Riviera Soc.Cons.a r.l. | 31-mar-13 Restated | 7 | 3 | | | 31-dec-13 Restated | 8 | | (177) | |
| | 31-mar-14 | | 9 | | | 31-mar-14 | 8 | | (167) | |
| Como Energia Soc.Cons.a r.l. | 31-mar-13 Restated | | 353 | | | 31-dec-13 Restated | | | 655 | |
| | 31-mar-14 | | 285 | | | 31-mar-14 | | | 680 | |
| Newcoduc S.p.A. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | | | 15 | |
| | 31-mar-14 | | | | | 31-mar-14 | | | 15 | |
| EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 55 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 55 | 40 | | |
| P.B.S. Soc.Cons. a r.l. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | | | 3 | |
| | 31-mar-14 | | | | | 31-mar-14 | | | 3 | |
| Tower Soc.Cons. a r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 17 | 17 | (18) | |
| | 31-mar-14 | | | | | 31-mar-14 | 17 | 17 | (18) | |
| Bologna Multiservizi Soc.Cons. a r.l. | 31-mar-13 Restated | 665 | 1.385 | | | 31-dec-13 Restated | 2.082 | | 5.206 | |
| | 31-mar-14 | 73 | 489 | | | 31-mar-14 | 2.270 | | 5.442 | |

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| Global Vicenza Soc.Cons. a r.l. | 31-mar-13 Restated | 65 | 616 | | | 31-dec-13 Restated | 16 | | 595 | |
| | 31-mar-14 | 65 | 578 | | | 31-mar-14 | 95 | | 643 | |
| Bologna Gestione Patrimonio Soc.Cons. a r.l. | 31-mar-13 Restated | 19 | 25 | | | 31-dec-13 Restated | 198 | | 60 | |
| | 31-mar-14 | 19 | | | | 31-mar-14 | 221 | | 64 | |
| Progetto Nuovo Sant'Anna S.r.l. | 31-mar-13 Restated | 42 | 30 | 29 | | 31-dec-13 Restated | 5.448 | 5.402 | 156 | 15.327 |
| | 31-mar-14 | 43 | 1 | 31 | | 31-mar-14 | 6.111 | 5.433 | 164 | 4.002 |
| S.I.MA.GEST3 Soc. Cons. r.l in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 2 | | 3 | |
| | 31-mar-14 | | | | | 31-mar-14 | 2 | | 3 | |
| Steril Piemonte Soc. cons. a.r.l | 31-mar-13 Restated | | 209 | 2 | | 31-dec-13 Restated | 24 | 775 | 242 | |
| | 31-mar-14 | | 203 | 2 | | 31-mar-14 | 16 | 777 | 234 | |
| Headmost Division Service FM S.p.A. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 454 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 454 | | | |
| Iniziative Produttive Piemontesi S.r.l. | 31-mar-13 Restated | 84 | 104 | 1 | | 31-dec-13 Restated | 154 | 99 | 128 | |
| | 31-mar-14 | 96 | 109 | | | 31-mar-14 | 249 | 99 | 223 | |
| Alisei s.r.l. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 3 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 3 | | | |
| San Martino 2000 Soc.Cons. r.l. | 31-mar-13 Restated | 415 | 822 | | | 31-dec-13 Restated | 640 | | 631 | |
| | 31-mar-14 | 444 | 852 | | | 31-mar-14 | 1.284 | | 1.272 | |
| Livia Soc. cons. a r.l. | 31-mar-13 Restated | 42 | 214 | | | 31-dec-13 Restated | 172 | | 868 | |
| | 31-mar-14 | 5 | 132 | | | 31-mar-14 | 146 | | 722 | |
| Gymnasium Soc. cons. a r.l | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 1 | 7 | 33 | 5 |
| | 31-mar-14 | | | | | 31-mar-14 | 1 | 7 | 33 | 5 |
| Geslotto 6 Soc. cons. a r.l | 31-mar-13 Restated | | 1 | | | 31-dec-13 Restated | 6 | 20 | 43 | |
| | 31-mar-14 | | 1 | | | 31-mar-14 | 6 | 20 | 44 | |
| Fr.lli Bernard s.r.l. | 31-mar-13 Restated | 9 | 86 | | | 31-dec-13 Restated | 25 | | 135 | |
| | 31-mar-14 | 3 | 78 | | | 31-mar-14 | 28 | | 122 | |
| Servizi Sanitari Treviso (SE.SA.TRE) | 31-mar-13 Restated | 3 | 1.096 | 10 | | 31-dec-13 Restated | (12) | 2.616 | 4.166 | |
| | 31-mar-14 | 3 | 1.168 | 8 | | 31-mar-14 | (11) | 2.585 | 2.652 | |
| Savia Soc. Cons. a r.l | 31-mar-13 Restated | 122 | 341 | | | 31-dec-13 Restated | 455 | | 1.454 | |
| | 31-mar-14 | 160 | 570 | | | 31-mar-14 | 385 | | 1.692 | |
| Consorzio Sermagest Soc.Cons.a r.l in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 6 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 6 | | | |
| Se.Ste.Ro S.r.l. | 31-mar-13 Restated | | 128 | | | 31-dec-13 Restated | 22 | | 618 | |
| | 31-mar-14 | | 87 | | | 31-mar-14 | 23 | | 632 | |
| Napoli 5 Soc.Cons. a r.l. | 31-mar-13 Restated | 371 | 335 | | | 31-dec-13 Restated | 2.535 | | 1.728 | |
| | 31-mar-14 | 359 | 326 | | | 31-mar-14 | 1.972 | | 1.264 | |
| Serena S.r.l. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 49 | 3 | | |
| | 31-mar-14 | | | | | 31-mar-14 | 49 | 3 | | |
| Servizi Marche Soc. Cons. r.l. in | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 12 | | 4 | |

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| liquidazione | 31-mar-14 | | | | | 31-mar-14 | 12 | | 4 | |
| Consorzio Leader Soc. Cons. a r.l. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 13 | | 6 | |
| | 31-mar-14 | | | | | 31-mar-14 | 13 | | 6 | |
| Progetto ISOM S.p.A. | 31-mar-13 Restated | 66 | 4 | | | 31-dec-13 Restated | 13.457 | 192 | 92 | |
| | 31-mar-14 | 63 | 7 | 3 | | 31-mar-14 | 12.254 | 197 | 10 | |
| Grid Modena S.r.l. | 31-mar-13 Restated | 22 | | | | 31-dec-13 Restated | 118 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 94 | | | |
| Logistica Ospedaliera Soc. Cons. a r.l. | 31-mar-13 Restated | | 98 | | | 31-dec-13 Restated | | | 94 | |
| | 31-mar-14 | | 101 | | | 31-mar-14 | | | 145 | |
| Consorzio Imolese Pulizie soc.Cons. in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 138 | 36 | 48 | |
| | 31-mar-14 | | | | | 31-mar-14 | 138 | 36 | 48 | |
| Palazzo della Fonte S.c.p.a. | 31-mar-13 Restated | 127 | | | | 31-dec-13 Restated | 848 | | | |
| | 31-mar-14 | 601 | | | | 31-mar-14 | 867 | | | |
| CO.&MA. Soc. Cons. a r.l | 31-mar-13 Restated | | | | | 31-dec-13 Restated | | | | 4 |
| | 31-mar-14 | | | | | 31-mar-14 | | 20 | | |
| Società Consortile Adanti Manutencoop in liquidation | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 36 | | 12 | |
| | 31-mar-14 | | | | | 31-mar-14 | 36 | | 12 | |
| Servizi Sportivi Brindisi Soc. Cons. a r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | | | | |
| | 31-mar-14 | | | | | 31-mar-14 | | | | |
| Synchron Nuovo San Gerardo S.p.A. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 3.291 | | 128 | |
| | 31-mar-14 | 2.926 | 85 | | | 31-mar-14 | 5.116 | | 213 | |
| Perimetro Gestione Proprietà Immobiliari Soc. Cons. p.A. | 31-mar-13 Restated | 128 | | | | 31-dec-13 Restated | 236 | | | |
| | 31-mar-14 | 111 | | | | 31-mar-14 | 37 | | | |
| A.M.G. S.r.l. | 31-mar-13 Restated | | 51 | 1 | | 31-dec-13 Restated | | 504 | 74 | |
| | 31-mar-14 | | 47 | 1 | | 31-mar-14 | | 501 | 58 | |
| Cardarelli Soc. Cons. a r.l. | 31-mar-13 Restated | | 211 | | | 31-dec-13 Restated | | | 1.043 | |
| | 31-mar-14 | | 365 | | | 31-mar-14 | | | 424 | |
| DUC Gestione Sede Unica Soc. Cons. a r.l. | 31-mar-13 Restated | 1.283 | 673 | | | 31-dec-13 Restated | 7.014 | | 411 | |
| | 31-mar-14 | 1.330 | 679 | | | 31-mar-14 | 7.751 | | 552 | |
| Legnago 2001 Soc. Cons. a r.l. | 31-mar-13 Restated | | 1 | | | 31-dec-13 Restated | 216 | | 78 | |
| | 31-mar-14 | | 1 | | | 31-mar-14 | 216 | | 79 | |
| Malaspina Energy Soc. Cons. a r.l. | 31-mar-13 Restated | | 13 | 1 | | 31-dec-13 Restated | 1.247 | 172 | 187 | |
| | 31-mar-14 | | 13 | 1 | | 31-mar-14 | 1.247 | 173 | 199 | |
| Servizi Luce Soc. Cons. a r.l. | 31-mar-13 Restated | 22 | 166 | | | 31-dec-13 Restated | 189 | | 1.280 | |
| | 31-mar-14 | 24 | 262 | | | 31-mar-14 | 214 | | 789 | |

## SUBSIDIARIES OF MANUTENCOOP COOPERATIVA

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| Manutencoop Immobiliare S.p.A. | 31-mar-13 Restated | 3 | 534 | | | 31-dec-13 Restated | 3 | | 235 | |
| | 31-mar-14 | 3 | 665 | | | 31-mar-14 | 74 | | 298 | |
| Nugareto Società Agricola Vinicola S.r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 88 | | 4 | |
| | 31-mar-14 | | | | | 31-mar-14 | 88 | | 2 | |
| Manutencoop Servizi Ambientali S.p.A. | 31-mar-13 Restated | 5 | | | | 31-dec-13 Restated | 6 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | | | | |
| Sies S.r.l. | 31-mar-13 Restated | 2 | | | | 31-dec-13 Restated | 138 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | | | | |
| Segesta servizi per l'Ambiente S.r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 12 | | | |
| | 31-mar-14 | 4 | | | | 31-mar-14 | 12 | | | |
| Cerpac S.r.l. | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 1 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 1 | | | |

## ASSOCIATES OF MANUTENCOOP COOPERATIVA OR OTHER RELATED PARTIES

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| Consorzio Cooperativo Karabak Soc.a r.l. | 31-mar-13 Restated | 21 | | | | 31-dec-13 Restated | 16 | | 2 | |
| | 31-mar-14 | 18 | | | | 31-mar-14 | 14 | | 2 | |
| Consorzio Karabak Tre Società Cooperativa | 31-mar-13 Restated | | | | | 31-dec-13 Restated | 1 | | | |
| | 31-mar-14 | | | | | 31-mar-14 | 1 | | | |
| Consorzio Karabak Quattro Società Cooperativa | 31-mar-13 Restated | | | | | 31-dec-13 Restated | | | | |
| | 31-mar-14 | | | | | 31-mar-14 | | | | |
| Consorzio Karabak Due Società Cooperativa | 31-mar-13 Restated | 1 | | | | 31-dec-13 Restated | | | | |
| | 31-mar-14 | 1 | | | | 31-mar-14 | | | | |
| Sacoa S.r.l. | 31-mar-13 Restated | 15 | 16 | | | 31-dec-13 Restated | 83 | | 25 | |
| | 31-mar-14 | 16 | | | | 31-mar-14 | 59 | | 8 | |

| | | Revenues | Costs | Financial income | Financial expenses | | Trade receivables | Financial assets and other | Trade payables | Financial liabilities and other |
|---|---|---|---|---|---|---|---|---|---|---|
| **TOTAL** | **31-MAR-13 RESTATED** | **5.314** | **19.907** | **52** | **47** | **31-DEC-13 RESTATED** | **44.136** | **24.801** | **35.908** | **15.913** |
| | **31-MAR-14** | **8.092** | **18.050** | **55** | **0** | **31-MAR-14** | **47.157** | **23.614** | **35.982** | **4.453** |