



**Summary of the Results at  
June 30, 2014**

*Call with Bondholders,  
September 1, 2014, 17CET*

# Disclaimer

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*In particular, the information regarding the «Expo 2015» investigation contains forward looking statements based on the outcome of contingencies that are inherently uncertain. The description herein is provided for information purposes only, includes non-technical terms, is only accurate as of the date hereof and is not intended to be formally correct from a juridical point of view nor it is intended to be used as a legal memorandum.*

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## MFM speakers today



**Claudio  
Levorato**

*CEO & Chairman*



**Milva  
Carletti**

*CFO*



**Riccardo  
Bombardini**

*Head of Investor  
Relations*



**Federico  
Rossi**

*Investor  
Relations*

- ✓ **Expo 2015 Investigation**
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# Expo 2015 Investigation – Timeline of Events

Expo 2015 is the generic name given by the Italian Press to a widespread and sizeable investigation performed by Milan's Public Prosecutor, mainly involving Expo 2015 construction sites. According to the Press, the investigation involves many public figures, companies and executives, including three MFM Group executives

2012 / 2013	May 2014	June / July 2014
<ul style="list-style-type: none"> <li>• SO <b>tenders</b> for ASL Lecco in 2008 and <b>awards</b> it in May 2013. On March 11, 2014 tender awarding is <b>revoked</b> by ASL Lecco before its beginning following an appeal by competitors</li> <li>• MFM/SO <b>tender</b> for Città della Salute in 2013. Awarding outcome is still to come</li> </ul>	<ul style="list-style-type: none"> <li>• May 8, 2014:               <ul style="list-style-type: none"> <li>▪ MFM is <b>officially informed</b> that Milan's Public Prosecutor is investigating. On the same day:                   <ul style="list-style-type: none"> <li>▪ Searches have been conducted in MFM offices</li> <li>▪ MFM promptly issues a press release in Italy (1)</li> </ul> </li> <li>▪ MFM and SO <b>Executives are investigated</b> on an individual basis. <b>Companies are not.</b></li> </ul> </li> <li>• Learned from the Press: Milan Public Prosecutor <b>requests preemptive detention measures</b> for the 3 Executives</li> <li>• Learned from the Press: Milan's GIP (Giudice per le Indagini Preliminari), ie the Judge that examines and validates Public Prosecutor requests (1° ruling degree), <b>denies the preemptive detention measures</b></li> <li>• May 19, 2014: MFM gives first time verbal <b>communication to Bondholders</b> during 1Q14 results call</li> <li>• May 21, 2014 MFM issues <b>first written notice to Bondholders</b> providing additional information on the matter</li> </ul>	<ul style="list-style-type: none"> <li>• June 11, 2014: Milan's Public Prosecutor <b>appeals against GIP's decision</b> that denied home detention measures</li> <li>• July 31, 2014: the Appellate Court (2° ruling degree) of Milan <b>agrees with Public Prosecutor requests</b>, clearing the way for the preemptive home detention measures against the 3 Executives.               <ul style="list-style-type: none"> <li>○ The Court's ruling is not enforceable immediately as the 3 Executives can appeal to the Italian Supreme Court (Corte di Cassazione) as 3° and final ruling degree</li> </ul> </li> <li>• July 31, 2014 MFM issues a press release in Italy (2)</li> </ul>

Note: (1) (2) see page 6

# Expo 2015 Investigation – Timeline of Events

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## August 2014

- MFM issues **second written notice to Bondholders** on August 4, 2014
- August 12, 2014: the 3 MFM and SO **Executives have appealed** to the Italian Supreme Court through the Clerk's Office of Milan's Court (Cancelleria Tribunale Riesame)

## September / October 2014

- The Italian Supreme Court can, indicatively since no mandatory terms apply, take 30 days from receiving the files from Milan Court's Chancellery to rule on a definitive basis, the preemptive home detention measures
- A **possible ruling** from the Italian Supreme Court could be indicatively awaited on pre trial home detention measures

# Expo 2015 Investigation – Press Releases

(1)

May 8, 2014



Zola Predosa (Bo), May 8, 2014 – Manutencoop Facility Management S.p.A. confirms it has received search and seizure decrees related to Expo 2015 investigation. MFM Spa is confident that the outcome of the investigations will be positive for the MFM Group and its management and has no reason to believe that any criminal acts were committed by the MFM Group or its management, given the company has always behaved with full transparency in public tender processes.

(2)

July 31, 2014



Zola Predosa (Bo), July 31 2014 – MFM confirms it has learned from the press the news related to the ruling of Tribunale del Riesame di Milano concerning Chairman Claudio Levorato on Expo 2015 Investigation. As of today's date, the Company confirms no formal notifications have been received from the Judicial Authority. Manutencoop and Chairman Claudio Levorato deny any responsibility having always behaved with full transparency and respecting the law. All the appropriate legal actions will be undertaken in order to ascertain the non-existence of any involvement.

# A word from the CFO

## Italian Recession Longer Than Expected

### Flash

- Revenues still behind 1H13 (€-25mln) but Telecom Italia contract reduction is partially offset
- Startup costs in 1Q, Telecom Italia reduction and pressure on margins bite profitability
- Italian Market environment impacts negatively on signed contracts in 1H, however backlog remains at **2,9x revenues**

### EBITDA Adj. %\*

**10.6%** 12.1%  
in 1H13

Statutory EBITDA

10.6 % 11.2% in 1H13

### Backlog

**€3,001mln** 3,066  
in 1H14 in 1H13

3,216 in 4Q13

- Retention ratio stable above 90%

New signed Contracts

€152 mln in 1H14

\*EBITDA Adj. does not include pro-forma items



# A word from the CFO

Comfortable Financial Position with second tranche of PA payments to come in 2H14

## Official data by Italian Government

JULY 2014



Second tranche of payables in arrears of ≈20bln **not paid yet** but something may change soon

## DSO and Net Working Operating Capital\*



**No bounce effect** on DSOs, which remain stable, bring benefits to suppliers as well

## NWOC\* / Revenues

Leverage Ratio 3,3x

**28,3%**  
24,5% in 4Q13

Slight increase due to revenues and suppliers decrease

## Highlights on Cash Changes in 1H 2014

Liquidity beyond expectations allowed:

- ✓ Early repayment of €38 millions of bank debt including repayment of MPS for €20mln on April 30, 2014. Out of €82 mln of bank debt at bond issuance only €19 mln are left
- ✓ Voluntary Manutencoop Cancellation of never used €30 mln RCF in July 2014

Note: \*Data include Factoring. Since 1Q2014 DSOs are calculated on LTM Revenues. NWOC from 1Q13 to 4Q13 are restated ex IFRS 10



# 1H 2014 - Highlights



## 1H 2014 Results, year-to-date

Euro Million, unless otherwise stated	1H 2013		
	1H 2014	Restated	1H vs 1H
Revenues	<b>514,2</b>	540,0	-4,8%
Ebitda	<b>54,5</b>	60,3	-9,7%
Ebitda margin	<b>10,6%</b>	11,2%	
Ebitda Adjusted	<b>54,5</b>	65,1	-16,3%
Ebitda Adjusted margin	<b>10,6%</b>	12,1%	
Ebit	<b>34,6</b>	40,5	-14,6%
Ebit margin	<b>6,7%</b>	7,5%	
Tax Rate %	<b>63%</b>	50%	
Net Result	<b>5,9</b>	16,3	-63,8%
Net result margin	<b>1,2%</b>	3,0%	
Net Financial Position	<b>373</b>	438	(65)
DSOs	<b>209 days</b>	235 days	-26 days
Net Working Operating Capital (*)	<b>298</b>	371	(73)

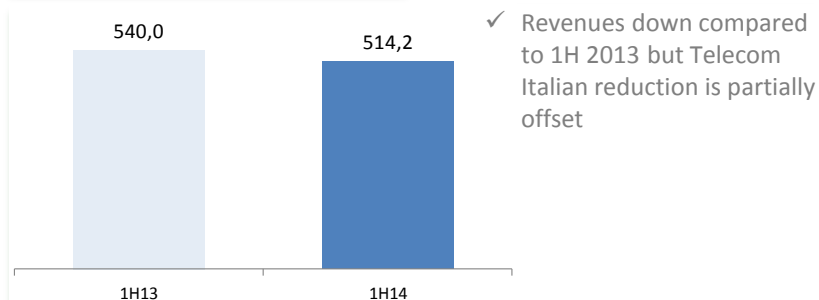
\*(trade receivables + factoring + inventory - trade payables)

New IFRS 10 and IFRS 11 accounting standards on consolidated accounts and JVs, effective from Jan 01, 2014. Consequently, 1H 2013 has been restated for a proper comparison.

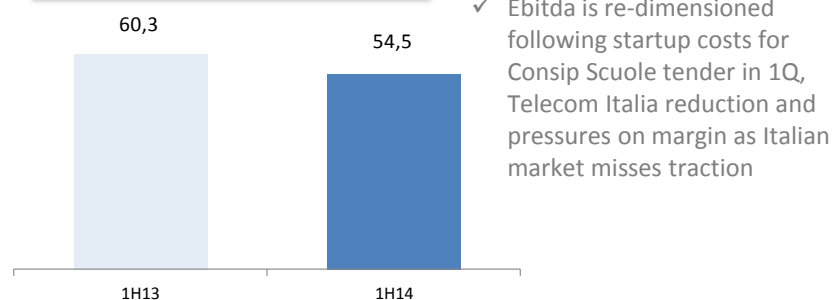
# Focus on...P&L

## Profit & Loss, €mln

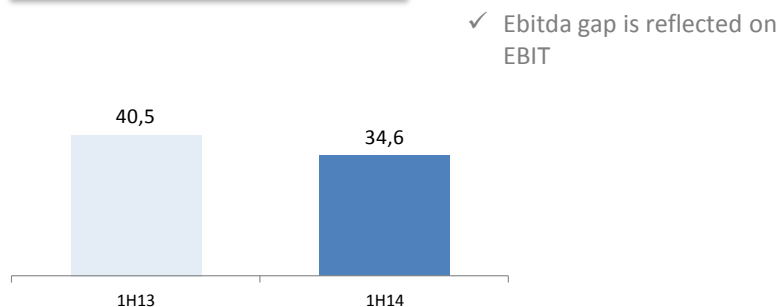
### Revenues



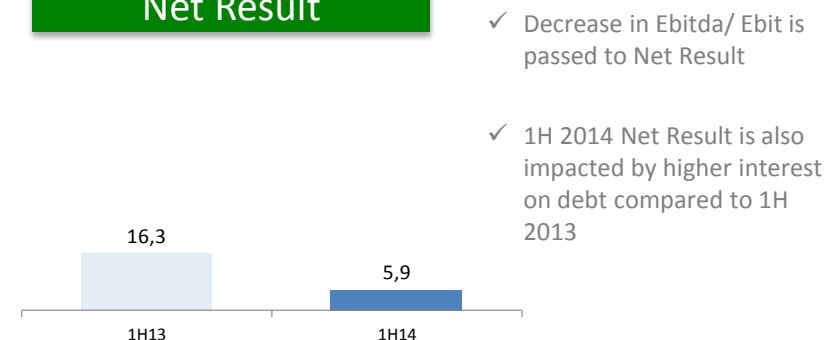
### EBITDA



### EBIT

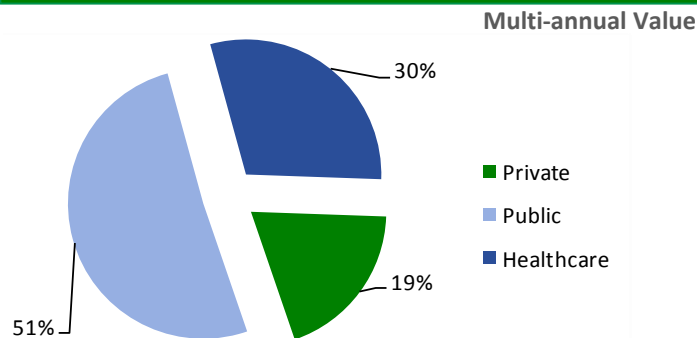


### Net Result



# Focus on...Sales Activities

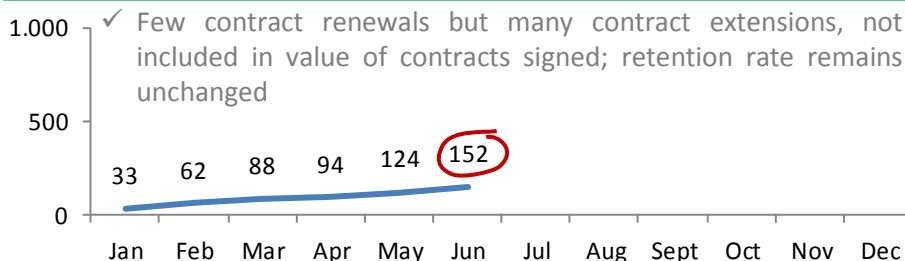
## Signed contracts in 1H14, by client type



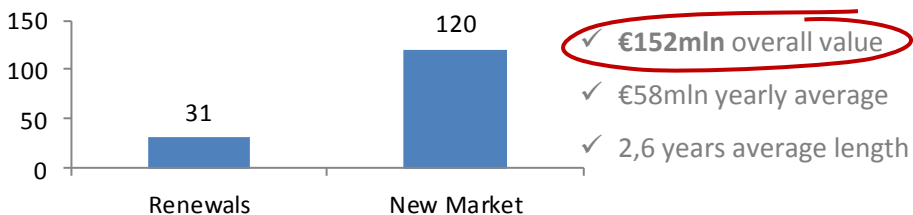
## Main signed contracts in second quarter 2014

- ✓ Energy Management and Maintenance Services under MIES convention worth a total of €27mIn in 7 years
- ✓ Energy Management and Maintenance Services for CNS Provincia di Roma Lotto 3 Energia worth €18mIn in 7 years
- ✓ Maintenance Services for Provincia di Venezia Global and Comune di Bologna worth €4.7mIn and €4.0mIn respectively with a duration of 1 year

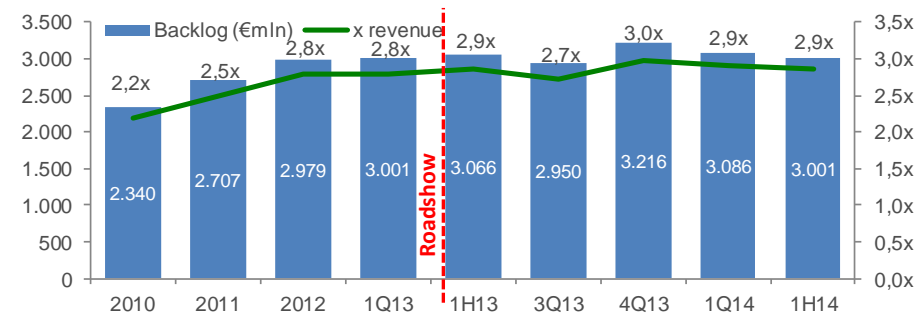
## Value of contracts signed in first 6 months of 2014, €mIn



## Breakdown of signed contracts in 1H14



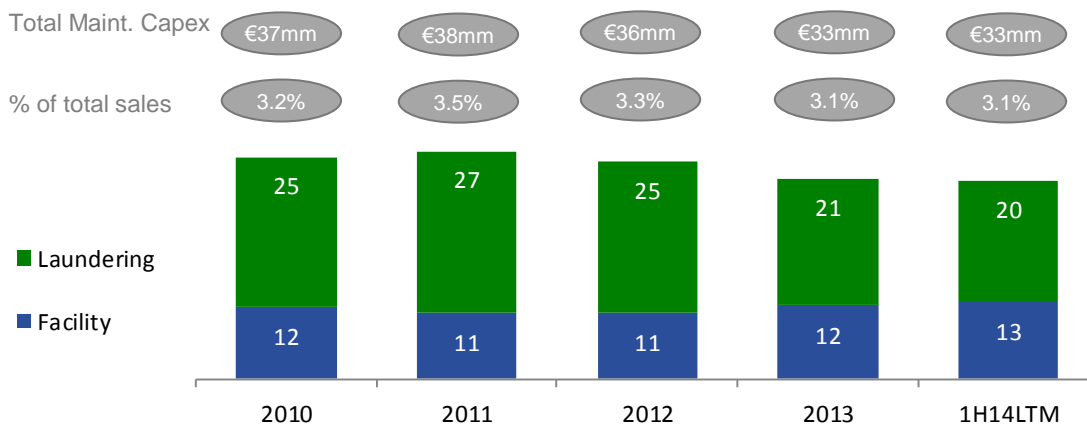
## Revenue Visibility from Backlog<sup>1</sup>



<sup>1</sup> Backlog is defined as the total amount of uncancellable and already secured revenues in respect of which MFM Group has received binding commitments from customers

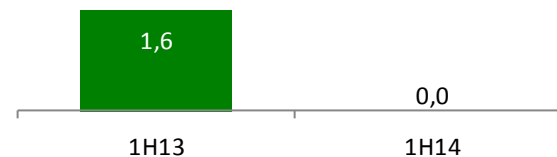
# Focus on...Capex

## Maintenance Capex overview, €mln

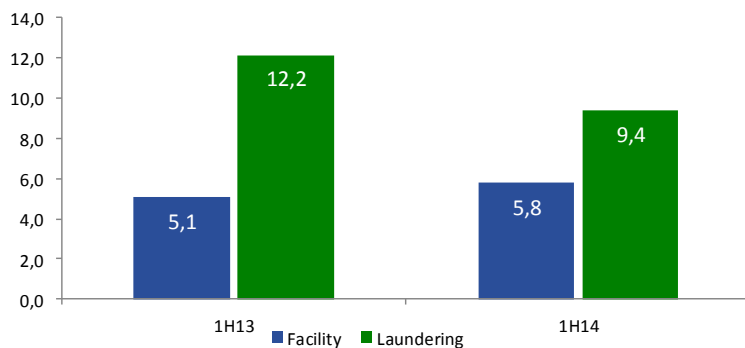


Note: 2013 = Restated ex IFRS 10

## One-Off Capex overview, €mln



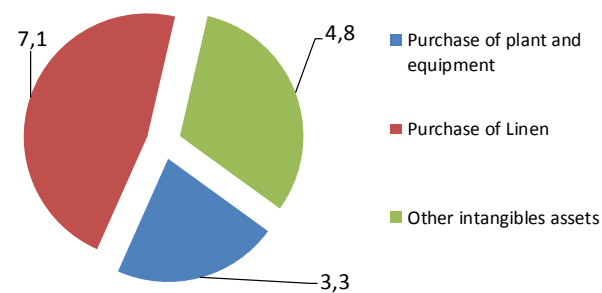
## Maintenance Capex 1H13 vs 1H14, €mln



✓ €15.2mln in 1H 2014

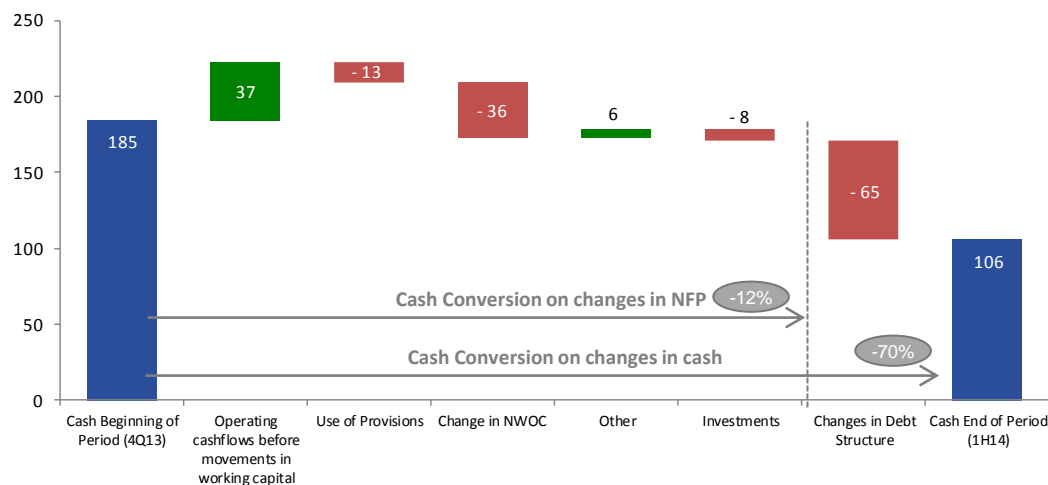
✓ €17.2mln in 1H 2013

## Total Capex Breakdown 1H14, €mln

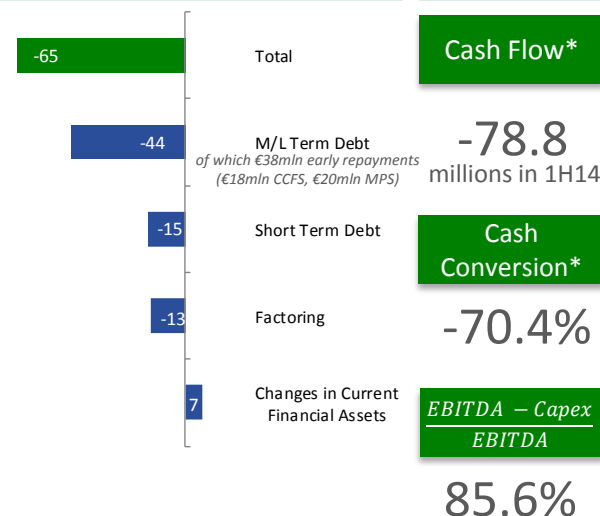


# Focus on...Net Financial Position

## Cashflow Bridge, 2013 vs 1H 2014

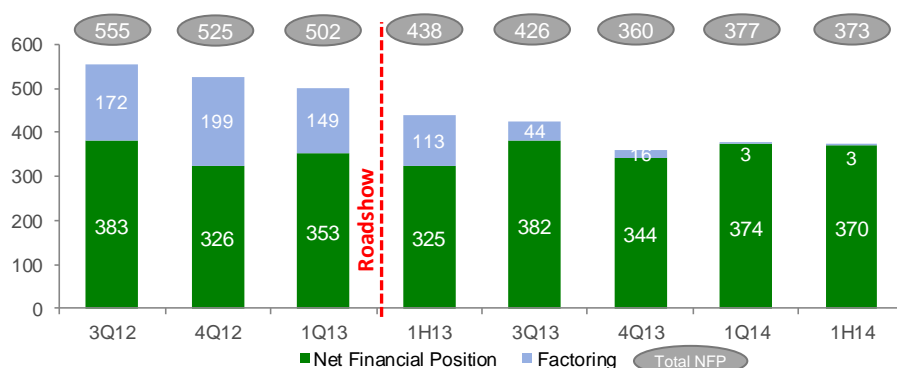


## Changes in Debt Structure



\* Cash Flow = Cash end of period – Cash beginning of period, Cash Conversion = Cash Flow / EBITDA 1H14 LTM

## Net Financial Position (on balance sheet, €mln)



NFP from 1Q 2013 to 4Q13 are restated ex IFRS 10

Breakdown of Net Financial Position	June 30, 2014
Long-term financial debt	435.622
Bank borrowings, including current portion of long-term debt, and other financial liabilities	46.933
Derivatives	
<b>Gross financial indebtedness</b>	<b>482.555</b>
Cash and cash equivalents	(105.740)
Current financial assets	(6.375)
<b>Net financial indebtedness</b>	<b>370.440</b>
Factoring outstanding	2.987
<b>Net financial indebtedness adjusted</b>	<b>373.427</b>

# What's next

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- ✓ Next call with Bondholders on 3Q 2014 will be held on November 17<sup>st</sup>, 2014 – 17 CET
- ✓ Manutencoop Financial Calendar is available on:  
[www.manutencoopfm.it/eng/investor-relations\\_calendario.asp](http://www.manutencoopfm.it/eng/investor-relations_calendario.asp)

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## ANNEX



# ANNEX

<i>(in thousands of Euro)</i>	<b>June 30, 2014</b>	<b>December 31, 2013 Restated</b>
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipments	74.549	77.320
Property, plant and equipments under lease	3.083	3.598
Goodwill	415.094	415.094
Other intangible assets	29.610	29.062
Investments accounted for under the equity method	29.660	31.858
Other investments	3.438	3.038
Non-current financial assets	9.733	10.840
Other non-current assets	1.558	1.638
Deferred tax assets	24.235	24.126
<b>Total non-current assets</b>	<b>590.960</b>	<b>596.574</b>
<b>Current assets</b>		
Inventories	5.936	6.162
Trade receivables and advances to suppliers	694.314	694.704
Current taxes receivables	15.646	16.495
Other current assets	28.639	29.139
Current financial assets	6.375	13.374
Cash and cash equivalents	105.740	184.538
<b>Total current assets</b>	<b>856.650</b>	<b>944.412</b>
Assets classified as held for sale	0	7.868
<b>Total assets classified as held for sale</b>	<b>-</b>	<b>7.868</b>
<b>Total assets</b>	<b>1.447.610</b>	<b>1.548.854</b>

# ANNEX

<i>(in thousands of Euro)</i>	<b>June 30, 2014</b>	<b>December 31, 2013 Restated</b>
<b>Shareholders' equity and Liabilities</b>		
Share capital	109.150	109.150
Reserves	170.922	167.797
Retained earnings	42.553	33.606
Profit for the period attributable to equity holders of the parent	5.796	13.747
<i>Equity attributable to equity holders of the parent</i>	<i>328.421</i>	<i>324.300</i>
Capital and reserves attributable to non-controlling interests	1.938	1.611
Profit for the period attributable to non-controlling interests	128	344
<i>Equity attributable to non-controlling interests</i>	<i>2.066</i>	<i>1.955</i>
<b>Total shareholders' equity</b>	<b>330.487</b>	<b>326.255</b>
<b>Non-current liabilities</b>		
Employee termination indemnity	24.448	27.599
Provisions for risks and charges, non-current	12.122	11.715
Long-term financial debt	435.622	456.369
Deferred tax liabilities	11.714	12.144
Other non-current liabilities	28	7
<b>Total non-current liabilities</b>	<b>483.934</b>	<b>507.834</b>
<b>Current liabilities</b>		
Provisions for risks and charges, current	17.260	24.973
Trade payables and advances from customers	405.427	453.687
Current tax payables	9.124	226
Other current liabilities	154.445	148.343
Bank borrowings, including current portion of long-term debt, and other financial liabilities	46.933	85.116
<b>Total current liabilities</b>	<b>633.189</b>	<b>712.345</b>
Liabilities directly associated with assets classified as held for sale	0	2.420
<b>Total liabilities directly associated with assets classified as held for sale</b>	<b>0</b>	<b>2.420</b>
<b>Total shareholders' equity and Liabilities</b>	<b>1.447.610</b>	<b>1.548.854</b>

# ANNEX

<i>(in thousands of Euro)</i>	<b>For the 6 months ended 30 June,</b>	
	<b>2014</b>	<b>2013 Restated</b>
<b>Revenue</b>		
Revenue from sales and services	511.922	539.174
Other revenue	2.246	869
<b>Total revenue</b>	<b>514.168</b>	<b>540.043</b>
<b>Operating costs</b>		
Costs of raw materials and consumables	(78.875)	(91.792)
Costs for services and use of third party assets	(181.815)	(187.789)
Personnel costs	(195.993)	(196.915)
Other operating costs	(3.013)	(4.567)
Capitalized internal construction costs	0	1.343
Amortization, depreciation, write-downs and write-backs of assets	(19.135)	(18.095)
Accrual of provisions for risks and charges	(739)	(1.718)
<b>Total operating costs</b>	<b>(479.570)</b>	<b>(499.533)</b>
<b>Operating Income</b>	<b>34.598</b>	<b>40.510</b>
<b>Financial income and expenses</b>		
Share of net profit of associates	918	1.465
Dividends and income from sales of investments	239	367
Financial income	1.914	906
Financial expenses	(21.497)	(10.507)
<b>Profit (loss) before taxes from continuing operations</b>	<b>16.170</b>	<b>32.742</b>
Income taxes	(10.246)	(16.394)
<b>Profit (loss) from continuing operation</b>	<b>5.924</b>	<b>16.348</b>
Profit (loss) from discontinued operation	0	0
<b>Net profit (loss) for the period</b>	<b>5.924</b>	<b>16.348</b>
Net profit (loss) for the period attributable to non controlling interests	(128)	(187)
<b>Net profit (loss) for the period attributable to equity holders of the parent</b>	<b>5.796</b>	<b>16.161</b>

# ANNEX

(in thousands of Euro)	For the 6 months ended 30 June,	
	2014	2013 Restated
Net profit (loss) from continuing operations for the period	5.924	16.348
Income taxes	10.246	16.393
<b>Profit before taxes from continuing operations</b>	<b>16.170</b>	<b>32.741</b> A
Amortization, depreciation, write-downs and (write-backs) of assets	19.135	18.095 A
Accrual of provisions for risks and charges	739	1.718 A
Employee termination indemnity provision	771	760 A
Payments of employee termination indemnity	(5.514)	(2.096) E
Utilization of provisions	(7.442)	(8.253) E
Share of net profit of associates	643	262 A
Financial charges (income) for the period	19.585	9.601 A
<b>Operating cash flows before movements in Working Capital</b>	<b>44.087</b>	<b>52.828</b>
Decrease (increase) of inventories	226	1.987 B
Decrease (increase) of trade receivables	6.661	(40.057) B
Decrease (increase) of other current assets	528	(10.670) C
Increase (decrease) of trade payables and advances from customers	(48.260)	3.369 B
Increase (decrease) of other current liabilities	6.123	22.932 C
<b>Change in Working Capital</b>	<b>(34.722)</b>	<b>(22.438)</b>
Net interests received (paid) in the period	(18.995)	(8.453) A
Income taxes paid in the period	(600)	(816) A
<b>Net cash flow from operating activities</b>	<b>(10.230)</b>	<b>21.121</b>
Purchase of intangible assets, net of sales	(4.758)	(3.958) D
Purchase of property, plant and equipment	(10.417)	(12.709) D
Proceeds from sales of property, plant and equipment	1.013	321 D
Acquisition of investments	716	(24) D
(Decrease) increase of financial assets	1.861	(14.864) D
Net cash used in business combination	0	(70) D
Net cash from assets classified as held for sale	2.634	0 D
<b>Net cash flow used in investing activities</b>	<b>(8.951)</b>	<b>(31.304)</b>
Net proceeds from/(reimburse of) borrowings	(59.602)	7.354 F
Dividends paid	(15)	(393) F
Acquisition/Sale of minority interests in subsidiaries	0	(4)
Reclassification of assets classified as held for sale	0	0
<b>Net cash flow from/(used in) financing activities</b>	<b>(59.617)</b>	<b>6.958</b>
<b>Changes in cash and cash equivalents</b>	<b>(78.798)</b>	<b>(3.225)</b>
Cash and cash equivalents at the beginning of the period	184.538	51.394
Changes in cash and cash equivalents	(78.798)	(3.225)
<b>Cash and cash equivalents at the end of the period</b>	<b>105.740</b>	<b>48.169</b>

## Reconciliation Table between Bridge and Cashflow Statement

Euro/000	Cashflows	Adjustments	Bridge	REF
<b>Cash at beginning of the period</b>	184.538		184.538	
Cash flow from current operations	37.448		37.448 A	
Use of provisions	(12.956)		(12.956) E	
Change in NWOC (including factoring)	(41.373)	5.344	(36.029) B +2+3	
Other	6.651	(687)	5.964 C +1+5	
Investments	(8.951)	1.107	(7.844) D +4+3	
Change in debt structure	(59.617)	(5.764)	(65.381) F-1-2-4-5	
<b>Cash at the end of the period</b>	<b>105.740</b>	<b>0</b>	<b>105.740</b>	
<b>Adjustments</b>				<b>REF</b>
Dividends paid		(15)		1
Change in factoring outstanding		13.450		2
Repurchase of factorized receivable		(8.106)		3
Changes in Current Financial Assets		(6.999)		4
Other differences (mainly unpaid interest expenses)		(672)		5



*Thank You  
For Your  
Attention!*