

**INTERIM REPORT ON
OPERATIONS
FOR THE PERIOD ENDED
30 SEPTEMBER 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 CEO

Claudio Levorato

VICE CHAIRMAN

Mauro Masi

MANAGEMENT BOARD

Benito Benati
Marco Bulgarelli
Marco Canale
Giuliano Di Bernardo
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

VICE CHAIRMAN

Antonio Rizzi

SUPERVISORY BOARD DIRECTORS

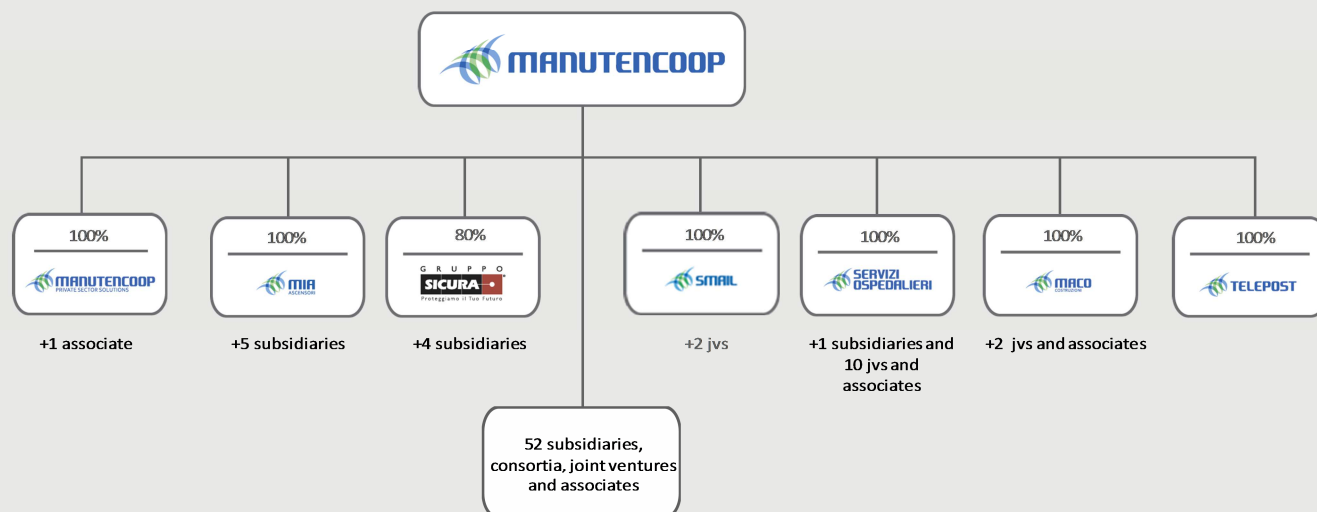
Stefano Caselli
Roberto Chiusoli
Guido Maria Giuseppe Corbetta
Massimo Scarafuggi
Pierluigi Stefanini
Giovanni Toniolo
Stefano Zamagni

INDEPENDENT AUDITORS

Reconta Ernst & Young S.p.A.

PREAMBLE

At 30 September 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.

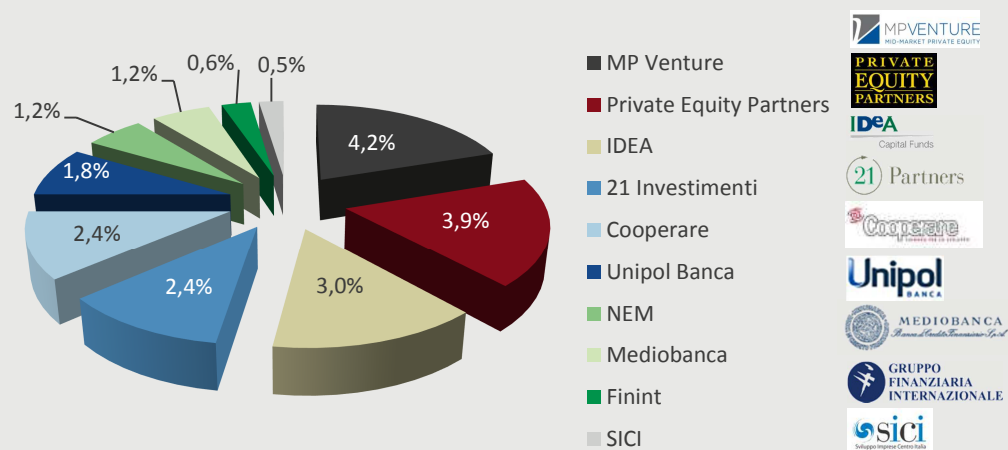
Shareholding structure

Ordinary shares issued by the MFM Group and fully paid up at 30 September 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 in MFM S.p.A. of 71.889%. Furthermore, on 1 July 2013 the company acquired an additional stake of 7.028% 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 pertain to the buyer.

The remaining stake is held by a pool of Private Equity investors:



INTERIM REPORT ON OPERATIONS

Preamble

Starting from 2014, the Group has applied some newly-issued international accounting standards. Specifically, following the introduction of the standards named *IFRS10 Consolidated Financial Statements* and *IFRS11 Joint Arrangements*, it was necessary to apply the same on a retrospective basis and to restate the comparative data reported in this Interim report on operations in order to recognize the relevant accounting effects. More details on the impact of the new accounting standards are provided in the Condensed Explanatory Notes to the Condensed Consolidated Financial Statements.

MAIN EVENTS IN THE FIRST NINE MONTHS OF 2014

In the period, the Group completed the exit from business segments that Management no longer considers 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.

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.p.A., to combine in a single company all the maintenance and engineering activities related to the fire prevention and safety segment. Finally, within the same Sub-group, April 2014 saw the implementation of the merger of Gruppo Sicura S.r.l. by incorporation into Sicura S.p.A., with the consequent change in the designated sub-holding.

Finally, 15 April 2014 saw the transfer of the stake held by the Group in Perimetro Gestione Proprietà Immobiliari S.c.p.A., equal to 20.10% of the share capital of the same, with the consequent exit from the contract for the management of real estate assets of banks, which the company holds on behalf of its shareholders.

PERFORMANCE OF OPERATIONS IN THE THIRD QUARTER OF 2014

	For the 3 months ended 30 September			For the 9 months ended 30 September		
	2014	2013 Restated	Change	2014	2013 Restated	Change
Total revenues	225,340	249,651	-9.7%	739,508	789,694	-6.4%
EBITDA ⁽¹⁾	21,355	28,714	-25.6%	75,827	89,037	-14.8%
EBITDA % of revenues	9.5%	11.5%		10.3%	11.3%	
Operating Income (EBIT)	10,913	15,415	-29.2%	45,511	55,925	-18.6%
EBIT % of revenues	4.8%	6.2%		6.2%	7.1%	
Net profit	(3,349)	1,648		2,575	17,996	

1. 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.

In the third quarter of 2014 the Group accounted for **revenues of** € 225 million against € 250 million recorded in the same period of the previous year (-9.7%). The considerable 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 previous year, which can be estimated at about € 21 million in the quarter. Therefore, while excluding this effect, the revenues relating to the quarter performed in line with the same period in the previous financial year, also recording an increase of about € 13 million in turnover in the first 9 months of the year compared with the previous financial year, which was fully attributable to new business development.

However, turnover in the third quarter was lower than previous quarters (€ 249 million and € 265 million in the second and in the first quarter of 2014, respectively).

In fact sales are historically lower in this quarter mainly because some types of service/customer are seasonal, such as school cleaning services, which are not provided in the summer.

The profit margins (**EBITDA/Revenues**) recorded a decline in the quarter compared to the same period in the previous year (9.5% against 11.5%); however, they were in line with those posted in the previous quarter of 2014 (9.6%).

The quarter recorded a decreased **EBIT** share of € 10.9 million (4.8% of related revenues) compared to the value posted in the same period of the previous year, when it had come to € 15.4 million (6.2% of related revenues). The reduction in absolute terms compared to the value posted in the second quarter of 2014 was consistent with the abovementioned trend that affects revenues and margins. A gradual change in the portfolio is taking place over time, which, nevertheless, is affected by the longer adjustment times required by the necessary processes of streamlining and modifying production facilities.

Finally, the net profit in the quarter was negative for € 3.3 million, against a net profit of € 1.6 million in the quarter ended 30 June 2014 and in quarter ended 30 September 2013.

	30 September 2014	30 June 2014	Change
Net Working Operating Capital (NWOC)	262,221	294,823	-11.1%
Net Financial Indebtedness	(369,622)	(370,440)	-0.2%

2. 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.

The Group's financial position and cash flow were particularly satisfactory, with a continuation of the steady trend in the reduction and rationalisation of Net Operating Working Capital (**NWOC**) and Net Financial Indebtedness. To this end, work continued to streamline the internal processes for the management of cash flows and the monitoring of working capital, which entailed a DSO ⁽²⁾ of 197 days in the quarter (against 209 days at 30 June 2014 and 31 December

2013). The NWOC balance (defined as the balance of trade receivables and inventories, net of trade payables) reported a decrease of € 32.6 million compared to the previous quarter: trade receivables fell by € 57.1 million and trade payables by € 24 million.

As a result of the performance of the NWOC items, the consolidated Net financial indebtedness remained substantially unchanged, recording a decrease of € 0.8 million in the quarter, mainly due to the net effect of a cash flow generated from the changes in NWOC of € 31.7 million, as well as from a cash flow absorbed by current operations for € 3.7 million and industrial investments of € 5.5 million. Finally, there was a € 2.9 million cash flows for utilisations of provisions for future charges and for employee termination indemnity during the period, in addition to € 19.0 million for changes in other operating assets and liabilities resulting from payments of VAT debts and to subordinate employees, who received, in the quarter, the additional monthly salary due to them under their contracts.

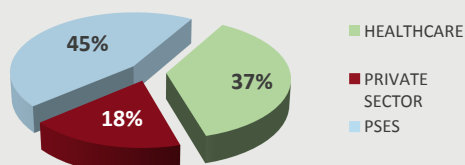
BUSINESS DEVELOPMENT

The Group's business development activity in the period brought new contracts and renewing orders already in its portfolio for an overall amount of € 245 million, € 93 million of which in the last quarter. More than 70% of this new portfolio consists of a new potential market.

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 they are typically long-term contracts. On the contrary, the figure does not include the commercial portfolios of the companies of the sub-group MIA S.p.A. and Sicura S.p.A. (which, cover only 6% of the Group's consolidated revenues for the first nine months of 2014), since they consist of awards of contracts that have an average term of less than one year and, therefore, a future minor visibility.

As a result of the inclusion of the Consip MIES⁽³⁾ framework Agreement in the commercial portfolio in the second quarter, there was an increase in the weight of the Healthcare customers in relation to the total orders gained. More generally, new contracts in the Public and Healthcare sectors affected the total in a significant manner (an overall percentage of 82%, equal to € 109 million and € 91 million, respectively).

CONTRACTS ACQUIRED BY CLIENT

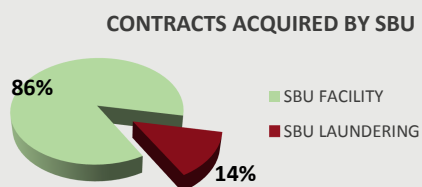


In the third quarter, note the stipulation of global services contracts with A.T.M. (*Azienda Trasporti Milanesi*, Milan Transport Network). Furthermore, significant acquisitions had already been recorded in the previous quarters in relation to contracts for cleaning services to be provided to ATAC Roma and Trenitalia, in addition to the already mentioned supplies of 7-year technical services under MIES framework agreements.

New contracts of the period in the Private market amount to € 45 million. In 2014, in this context, it should be noted that the Group was awarded maintenance service contracts at the local offices of UnipolSai S.p.A., in addition to some important renewals in the banking and hotel sectors and to the new global service operation of the local offices of Manpower.

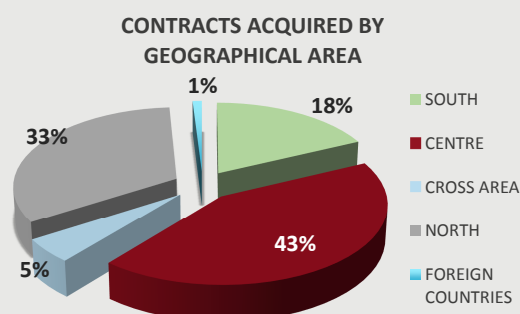
3. CONSIP S.p.A. is the national platform through which the purchases of services on the part of the Public Administration entities are organised at central level. The CONSIP MIES framework agreement consists of an integrated technological multiservice with supply of energy for the properties used for sanitary activities. This agreement is concluded by CONSIP S.p.A. on behalf of the Ministry of Economy and Finance.

Finally, it should be noted that, in the last months of 2013 the Group was awarded some lots within framework agreements with CONSIP Scuole. In 2014 this agreement was affected by a review of some services offered, which is leading to systematic extraordinary orders which are not considered in this analysis but make a substantial contribution to our estimated overall returns for the next three years.



Regarding the new orders in the period in terms of Strategic Business Unit (SBU), the Facility Management obtained contracts of € 211 million and the Laundering & Sterilization segment of € 34 million. In this sector, note the acquisition of a contract for linen rental and industrial laundering services for the Trento Provincial Healthcare Unit (*Azienda Provinciale per i Servizi Sanitari di Trento*) in the last quarter.

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



The Group is developing some business opportunities in foreign markets, as a result of which it was awarded contracts, in the period, for surgical instrument sterilization in Turkey through the subsidiary Servizi Ospedalieri S.p.A. (SBU Laundering & Sterilization).

THE MFM GROUP'S PERFORMANCE OF OPERATIONS AND OF THE STATEMENT OF FINANCIAL POSITION FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

3.1 Consolidated performance of operations in the first nine months of 2014

Below are reported the main income figures relating to the first nine months of 2014, compared to the figures of the corresponding period of 2013:

(in thousands of Euro)	For the 9 months ended 30 September		For the 3 months ended 30 September	
	2014	2013 Restated	2014	2013 Restated
Total revenues	739,508	789,694	225,340	249,651
Total costs of production	(663,681)	(700,657)	(203,985)	(220,937)
EBITDA	75,827	89,037	21,355	28,714
EBITDA %	10.3%	11.3%	9.5%	11.5%
Amortization, depreciation, write-downs and write-backs of assets	(28,372)	(27,755)	(9,237)	(9,660)
Accrual of provisions for risks and charges	(1,944)	(5,357)	(1,205)	(3,639)
Operating Income	45,511	55,925	10,913	15,415
Operating Income %	6.2%	7.1%	4.8%	6.2%
Share of net profit of associates	667	2,029	(251)	564
Net financial charges	(29,148)	(18,747)	(9,802)	(9,514)
Profit before taxes	17,030	39,207	860	6,465
Profit before taxes %	2.3%	5.0%	0.4%	2.6%
Income taxes	(14,455)	(21,211)	(4,209)	(4,817)
Profit from continuing operations	2,575	17,996	(3,349)	1,648
Profit (loss) for the period from discontinued operations	0	0	0	0
NET PROFIT	2,575	17,996	(3,349)	1,648
NET PROFIT %	0.3%	2.3%	-1.5%	0.7%
Minority interests	(179)	(234)	(51)	(47)
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	2,396	17,762	(3,400)	1,601
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT %	0.3%	2.2%	-1.5%	0.6%

Revenues

In the first nine months of 2014 consolidated revenues came to € 739.5 million, against € 789.7 million for the same period of the previous year. The change was mainly attributable to the renegotiation of the contract with the customer Telecom Italia, which was completed in 2013 and which showed a reduction in volumes in the 2014 period only, which can be estimated at € 63 million. Net of this effect, consolidated revenues recorded an increase of € 12.8 million in the period (+1.8% compared to the same period in the previous year), due to new business development.

The breakdown of the consolidated revenues in the first nine months of 2014 is provided below, compared to the same period of the previous year, as broken down by kind of Client:

REVENUES BY CLIENT	For the 9 months ended 30 September				For the 3 months ended 30 September	
	2014	% of total	2013 Restated	% of total	2014	2013 Restated
(in thousands of Euro)						
PSEs	181,272	24.5%	190,150	24.1%	47,891	48,050
Healthcare	322,626	43.6%	302,713	38.3%	103,411	100,992
Private sector	235,610	31.9%	296,831	37.6%	74,038	100,609
TOTAL REVENUES	739,508		789,694		225,340	249,651

In the first nine months of 2014, the breakdown of turnover by type of customer showed a growth of the revenues recorded by the Healthcare sector compared to the same period in 2013, with an increase of over 5 percentage points. In fact this sector reports orders that became fully operational during the period, related to some major PPP ("Private Public Partnership") projects in which Group companies participate.

A substantial stability of the PSEs revenue weight was reported in turnover, with relative percentage was 24.5% of the total. Note that in 2013 the Group was awarded some contracts for CONSIP Scuole and a contract for CONSIP Uffici which partly replaced the previous expired agreements.

Finally, the decrease in revenues from Private sector customers was mainly due, as already indicated, to the downsizing of business volumes with Telecom Italia. Nevertheless, net of this effect, the Private customer substantially achieved the same volumes of business, also as a result, during the 2014 financial year, of the full contribution from the turnover from some contracts acquired during the previous year, of which the contract with Auchan S.p.A. which came into effect in June 2013, stands out in importance.

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 period ended 30 September 2014 and in the quarter ended 30 September 2014 is provided below, compared with the same periods of the previous year:

REVENUES BY SEGMENT	For the 9 months ended 30 September				For the 3 months ended 30 September	
	2014	% of total	2013 Restated	% of total	2014	2013 Restated
(in thousands of Euro)						
Facility Management	629,703	85.2%	681,248	86.3%	190,074	210,913
Laundering & Sterilization	106,650	14.4%	103,080	13.1%	34,922	35,671
Other	5,663	0.8%	8,134	1.0%	1,320	3,359
Intra-group elimination	(2,508)	-0.3%	(2,767)	-0.4%	(976)	(292)
CONSOLIDATED REVENUES	739,508		789,694		225,340	249,651

In the first nine months of 2014, revenues in the *Facility Management* sector amounted to € 629.7 million, marking a decrease of € 51.5 million (-7.6%) compared to the same period of the previous year. 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

Laundrying&Sterilization segment. As anticipated, the Facility Management business bore the effect of the downsizing of the activities conducted with Telecom Italia, in terms of decline in revenues.

In the first nine months of 2014, the *Laundrying & Sterilization* segment achieved revenues of € 106.7 million. The increase recorded, amounting to +3.5% compared to the previous year, was mainly attributable to the growth in the surgical instrument sterilization's activity. Furthermore, starting from the 2014 financial year, this sector has been reporting sterilisation activities carried out abroad, at healthcare units in Turkey.

Finally, a decrease was recorded in revenues (-€ 2.5 million 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., as a result of the Management's decisions not to invest in the business units of this segment any further and after having transferred the companies that carried out *energy management* activities in January 2014. In the first period of 2014, the sector mainly recorded revenues from construction activities under project financing agreements, in addition to those arising from contracts in which MACO S.p.A. was participating on the basis of orders gained in previous years, while, the first nine months of 2013 had mainly recorded revenues from construction activities carried out on a time and materials basis within the MFM Group (€ 1.8 million).

EBITDA

The Group's gross operating income (EBITDA) amounts to € 75.8 million in the first nine months of 2014, against € 89.0 million in the first nine months of 2013.

Consolidated EBITDA reported a decrease of € 13.2 million in absolute terms, compared to the same period in 2013, while margins came to 10.3% of revenues, showing a reduction compared to 11.3% in the first nine months of 2013.

Below is provided a comparison of EBITDA by business segment for the first nine months of 2014 and the first nine months of 2013:

EBITDA BY SEGMENT (in thousands of Euro)	For the 9 months ended 30 September				For the 3 months ended 30 September	
	2014	% of segment Revenues	2013 Restated	% of segment Revenues	2014	2013 Restated
Facility Management	48,522	7.7%	64,477	9.5%	12,265	18,440
Laundrying & Sterilization	27,923	26.2%	26,105	25.3%	9,304	9,113
Other	(618)	-10.9%	(1,545)	-19.0%	(215)	1,162
CONSOLIDATED EBITDA	75,827	10.3%	89,037	11.3%	21,355	28,715

In the last quarters, the effects of price pressure are to be seen in the gross operating margin of the "traditional" facility management sector. This phenomenon emerged more and more clearly during the acquisition of the most recent orders, the result being that the contracts awarded (especially in the Public and Healthcare market) were obtained for prices that, on the average, are tending to fall, for the same services. The financial effects of the price reduction trend are felt more quickly in the very sectors in which cost adjustment and efficiency processes (especially as regards overheads) require more complex procedures and take longer to implement. Furthermore, the Group's commercial portfolio saw the turnover of contracts that in the period under review, given the presence of several new projects (including, among the most important: ATAC Roma, CONSIP Scuole and MIES), were down due to the

significant portion of start-up costs related, among others, to the greater expenses incurred to hire personnel in connection with CONSIP Scuole.

On the other hand, the *Laundering&Sterilization* segment also recorded a positive performance, which improved both in absolute terms (EBITDA by segment +€ 1.8 million, equal to +7.0%) and in terms of profit margins (EBITDA by segment which passed from 25.3% to 26.2% of the related revenues), compared to the same period 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, at 30 September 2014, gross operating losses that were more limited compared to the same period of 2013 (€ 0.6 million against € 1.5 million) due to the recognition of write-downs of € 1.0 million on the photovoltaic plants (which were subsequently transferred to third parties) in the first nine months of 2013.

Costs of production

In the first nine months of 2014, *Cost of production*, which amounted to € 663.7 million, showed a decrease of € 37.0 million in absolute terms compared to € 700.7 million (-5.3%) of the same period of the previous year.

<i>(in thousands of Euro)</i>	For the 9 months ended 30 September		For the 3 months ended 30 September	
	2014	2013 Restated	2014	2013 Restated
Costs of raw materials and consumables	103,609	121,411	24,734	29,619
Costs for services and use of third-party assets	272,326	288,059	90,511	100,270
Personnel costs	283,087	286,604	87,094	89,689
Other operating costs	4,659	6,373	1,647	1,806
Capitalized internal construction costs	0	(1,788)	0	(446)
TOTAL COSTS OF PRODUCTION	663,681	700,657	203,985	220,937

Costs of raw materials and consumables for the nine months ended 30 September 2014, came to € 103.6 million, showing a decrease of € 17.8 million (-15%) compared to 30 September 2013, with their incidence on consolidated revenues falling from 15.4% to 14.0%. Specifically, there was still a decrease of € 10.1 million in fuel costs, which had been already reported in the first quarter of the year, with a reduction of 0.9% of the incidence on consolidated revenues, to which must be added a reduction of € 7.7 million in the consumption of raw materials, compared to the same period of 2013.

Costs for services and use of third-party assets showed a decrease of € 15.7 million (-5.5%), which was substantially consistent with the reduction reported in revenue volumes, and which was attributable to the reduction in the recourse to third-party work in the provisions of services, as well as to a reduction in maintenance and lease costs for offices and plants of the Group. It should also be noted that non-recurring costs amounting to € 3.7 million had been reported in the consolidated income statement at 30 September 2013, € 3.4 million of which regarding the Group's bond issue in the third quarter of 2013.

The reduction in costs for services and use of third-party assets was accompanied, even if less than proportionately, by a decrease in *Personnel costs* (- € 3.5 million). The number of employees as at the closing date of the period moved from 15,597 units in 2013 to 16,347 units in 30 September 2014, above all due to the mechanisms for the transfer of

the workforce provided for by the laws on contract changes, in particular in the cleaning services segment. In third regard, there were more than 1,500 new hires within CONSIP Scuole and CONSIP Uffici.

Other operating costs, equal to € 4.7 million for the period ended 30 September 2014, showed a reduction of € 1.7 million compared to € 6,4 million in the same period in 2013. In the first period of 2013 this item reported penalties of € 837 thousand (to be considered as non-recurring costs) payable to the Tax Authorities following a general tax audit carried out against the Parent Company MFM S.p.A., in addition to *credit discounts* of € 602 thousand on those recurring assignments of trade receivables that the Group carried out before the bond issue.

Finally, *Capitalized internal construction costs*, equal to € 1.8 million at 30 September 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.

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

In the course of the first nine months of 2014, the Group did not carry out 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)

The consolidated Operating Income (EBIT), in the first nine months of 2014, stood at € 45.5 million (equal to 6.2% of revenues) against € 55.9 million in the same period of the previous year (equal to 7.1% of revenues).

EBIT was mainly affected by the abovementioned performance for the period in terms of EBITDA, from which must be deducted *amortization and depreciation* of € 25.3 million (equal to the amount recorded at 30 September 2013), *writedowns of trade receivables and net impairment losses* of € 3.1 million (30 September 2013: € 2.5 million), *accruals of provisions for risks and charges* of € 4,2 million (30 September 2013: € 7.2 million) against *reversals* of € 2.3 million (€ 1.8 million at 30 September 2013).

Below is reported a comparison of Operating Income (EBIT) by segment in the first nine months of 2014, with the amounts recorded in the same period of 2013:

EBIT BY SEGMENT	For the 9 months ended 30 September				For the 3 months ended 30 September	
	2014	% of segment Revenues	2013 Restated	% of segment Revenues	2014	2013 Restated
(in thousands of Euro)						
Facility Management	35,390	5.6%	48,300	7.1%	7,800	10,553
Laundering & Sterilization	10,615	10.0%	9,466	9.2%	3,340	3,603
Other	(495)	-8.7%	(1,840)	-22.6%	(228)	1,259
CONSOLIDATED EBIT	45,511	6.2%	55,925	7.1%	10,912	15,415

The *EBIT* performance in the *Facility Management* segment (- € 12.9 million compared to the first nine months of 2013) confirmed the trend of the sector EBITDA (-€ 16.0 million). The sector was also affected by higher amortisation, depreciation and write-downs of € 6.0 million, against a reduction in net provisions of € 3.6 million.

The same considerations apply to the *Laundering&Sterilization* sector: the sector EBIT showed, in fact, an increase compared to the same period of the previous year equal, in absolute terms, to € 1.1 million (+ € 1.8 million at EBITDA level), which also entailed an increase in profit margins (+0.8%, in percentage terms of related revenues) consistent with the values reported in terms of the positive EBITDA performance (+ 0.9% compared to the first period of 2013).

The consolidated EBIT in the first nine months of 2014 was significantly affected by the lower negative contribution of the segment of *Other activities*; within this segment, as has been said, there was a disposal of the companies that operated in the photovoltaic market in the second half of 2013 and that contributed a negative EBIT of € 1.9 million to the consolidated results of the first nine months of the 2013 financial year. Finally, construction activities showed losses that were more limited compared to the first nine months of 2013 (€ 0.5 million against € 0.8 million).

Profit before taxes

To the EBIT must be added net income from companies valued at equity equal to € 0.7 million, compared to € 2.0 million in the same period of the previous year, less net financial charges of € 29.1 million (€ 18.7 million in the same period of 2013), thus obtaining a profit before taxes equal, at 30 September 2014, to € 17.0 million (€ 39.2 million at 30 September 2013).

Below is provided the breakdown by nature of net financial charges for the first nine months of 2014 and for the corresponding period of the previous year:

(in thousands of Euro)	For the 9 months ended 30 September		For the 3 months ended 30 September	
	2014	2013 Restated	2014	2013 Restated
Dividends, income (charges) from sale of equity investments	210	358	(29)	(8)
Financial income	2,375	1,871	461	965
Financial charges	(31,729)	(20,978)	(10,232)	(10,470)
Profit / (loss) on exchange rate	(4)	1	(2)	1
NET FINANCIAL CHARGES	(29,148)	(18,747)	(9,801)	(9,513)

The impact of *financial charges* on the consolidated results of operations showed a significant changes in the first nine months of 2014 compared to the same period in 2013, reporting an overall increase of € 10.8 million. In fact, the 2014 financial year sees the full recognition of financial charges which have accrued on the fixed-coupon bond issue (8.5% p.a.) launched for a nominal amount of € 425 million in August 2013 (€ 27.1 million), which were accounted for in the first period of 2013 for just one quarter (€ 5.9 million). On the other hand, this transaction has taken the place of most of the Group's sources of financing previously existing, primarily with short-term maturity, and, above all, there have been no assignments of trade receivables without recourse starting already from the second quarter of 2013, with the consequent recognition of lower costs for interest discount for € 2.3 million. After the bonds were issued, the other existing long-term loans were gradually paid off, consequently eliminating the financial cost involved.

Net profit for the year

From the profit before taxes must be deducted taxes of € 14.4 million, with a tax rate of 85% (54% at 30 September 2013), thus obtaining a net profit for the year (arising from continuing operations) of € 2.6 million (€ 14.5 million at 30 September 2013).

The tax rate for the period rose mainly as a result of the IRAP tax calculation mechanism which is markedly affected by personnel costs and thus, considering that there were no substantial changes in the latter, IRAP tax should remain practically unchanged too, with a greater incidence on a lower pre-tax result.

Finally, the consolidated statement of income showed a net result for the period attributable to the Group of € 2.4 million, compared to a net result attributable to the Group of € 17.8 million at 30 September 2013.

3.2 Analysis of the statement of financial position as at September 2014

<i>(in thousands of Euro)</i>	30 September 2014	31 December 2013 Restated	Change
USES			
Trade receivables and advances to suppliers	637,170	694,704	(57,534)
Inventories	6,174	6,162	12
Trade payables and advances from customers	(381,123)	(453,687)	72,564
Other elements of working capital	(105,176)	(122,460)	17,284
Net working capital	157,045	124,719	32,326
Property, plant and equipment	73,966	80,918	(6,952)
Intangible assets	445,304	444,156	1,148
Investments accounted for under the equity method	29,227	31,858	(2,631)
Other non-current assets	38,813	39,642	(829)
Fixed assets	587,310	596,574	(9,264)
Non-current liabilities	(47,854)	(51,465)	3,611
NET INVESTED CAPITAL	696,501	669,828	26,673
SOURCES			
Minority interests	2,042	1,955	87
Equity attributable to equity holders of the parent	324,837	324,300	537
Shareholders' equity	326,879	326,255	624
Net financial indebtedness	369,622	343,573	26,049
FINANCING SOURCES	696,501	669,828	26,673

Net working capital

At 30 September 2014, Consolidated Net Working Capital (**NWC**) amounted to € 157.0 million, up by € 32.3 million compared to 31 December 2013. The consolidated net operating working capital (**NWOC**), composed of trade receivables and inventories, net of trade payables, was equal to € 262.8 million at 30 September 2014 against € 247.2 million at 31 December 2013.

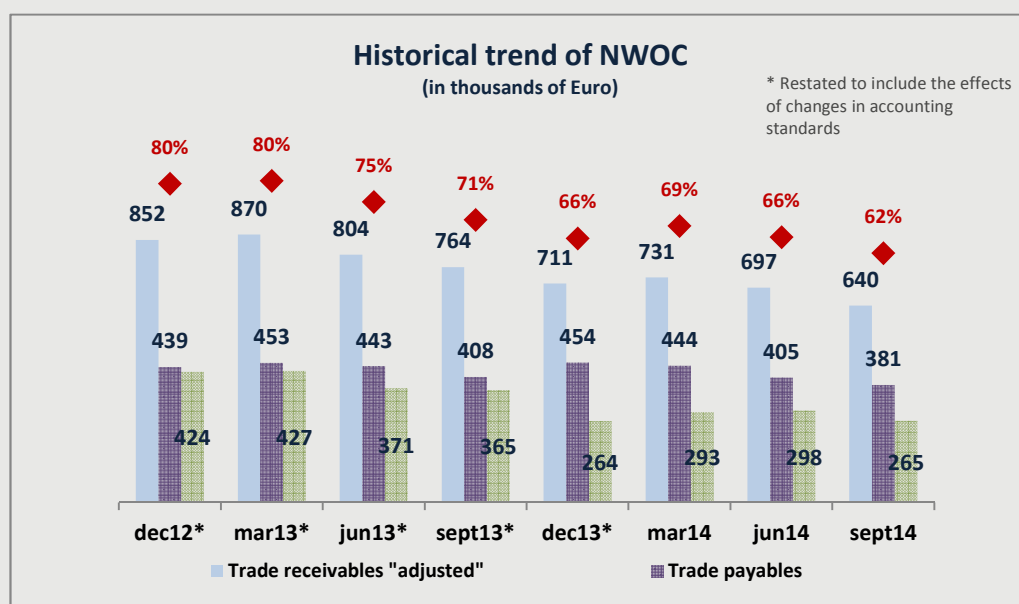
The increase was due to a substantial reduction in the balance of trade payables (-€ 72.6 million) accompanied by another positive trend in the reduction in the balance of trade receivables (-€ 57.5 million). Finally, the residual balance of the receivables assigned by the Group in the framework of the previous years' assignment without recourse programmes (now abandoned), and not yet collected by the factoring companies at 30 September 2014, amounted to € 2.4 million against € 16.4 million at 31 December 2013. As early as in the course of the first quarter of 2014 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 same, for a value of € 9.9 million. The balance of the items not yet collected as at 30 September 2014 was equal to € 7.8 million and was included in the balance of trade receivables. While also considering this component, trade receivables reported an even more substantial fall, equal to € 71.5 million.

The inflow from the collection of trade receivables, in fact, was affected, starting from the second quarter of 2013, by a

constant and clear trend of improvement and stabilization.

This reduction is linked, first of all, to higher financial resources available to Italian public administrations for the extraordinary cash inflow arising from Decree Law 35/2013 (€31.3 billion paid at 23 September 2014), aimed at sharply reducing the outstanding debt of public administrations.

The information reported above is more fully represented in the chart below, which shows the historical trend of reduction that occurred in adjusted NWOC (i.e. including the outstanding amount of receivables assigned to the factoring companies without recourse and not yet collected by the latter) in the last financial years:



During 2014 a trend towards a reduction in turnover began to emerge in the Group, which partly affects the average amount of trade receivable. Nevertheless, the reduction in this amount is quicker and more obvious than the effects of the financial variable and therefore the ratio between trade Receivable and annual Turnover is substantially lower.

In fact, average DSO at 30 September 2014 was 197 days, i.e. well under the average time recorded by the Group in previous financial years and noticeably lower than in the previous one (209 days at 31 December 2013). In fact the Group has stabilised inflows from the payment of invoices, especially those from public authorities, by optimising its invoicing and collection procedures and more generally, its management of the components of its working capital and by taking an unrelentingly rational approach to these activities in order to avoid the risk of the gradual exhaustion of the financial rewards from these receipts.

The continuity of these inflows in the course of the period just ended allowed, on the other hand, to make more fluid payments to suppliers: in fact, trade payables came to € 381.1 million at 30 September 2014, with a decrease of € 72.6 million compared to the balance at 31 December 2013.

The balance of the other elements in working capital at 30 September 2014 was a net liability of € 105.2 million, down by € 17.3 million compared to a net liability of € 122.5 million at 31 December 2013.

The decrease in net liability was due to a combination of various factors, mainly including: (i) the recognition of lower net VAT payables for € 3.3 million (ii) the seasonal movements of payables to/receivables from employees and the relative payables to/receivables from social security institutions and the tax authorities, which accounted for a decrease in net liabilities of about € 1.0 million (iii) the recognition of higher net receivables for income taxes estimated at € 1.8 million for the period ended 30 September 2014, (iv) the decrease of € 8.7 million in the short-term portion of provisions for risks and charges and, (v) lower net payables for € 6.2 million for amounts collected on behalf of TJAs (*Associazioni Temporanee di Imprese*, Temporary Joint Associations) 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, related to the already mentioned quota held in Energyproject S.r.l..

Consolidated net financial indebtedness

Details of net financial indebtedness at 30 September 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, as restated to include the effects of changes in accounting standards:

<i>(in thousands of Euro)</i>	30 September 2014	31 December 2013 Restated	Change
A. Cash	68	72	(4)
B. c/a, bank deposits and consortia, non-proprietary accounts	84,624	184,466	(99,842)
D. Cash and cash equivalents (A) + (B) + (C)	84,692	184,538	(99,846)
E. Current financial assets	4,495	13,374	(8,879)
F. Current bank overdraft	0	(57)	57
G. Current portion of non-current debt	(19,754)	(51,520)	31,766
H. Other current financial liabilities	(3,268)	(33,539)	30,271
I. Current financial indebtedness (F)+(G)+(H)	(23,022)	(85,116)	62,094
J. Current net financial indebtedness (I) + (E) + (D)	66,165	112,796	(46,631)
K. Long-term bank debts	(420,339)	(440,137)	19,798
L. Other non-current financial liabilities	(15,448)	(16,232)	784
M. Derivatives	0	0	0
N. Non-current financial indebtedness (K) + (L) + (M)	(435,787)	(456,369)	20,582
O. NET FINANCIAL INDEBTEDNESS (J) + (N)	(369,622)	(343,573)	(26,049)

In the first nine months of 2014 the consolidated net financial debt saw a negative change, passing from € 343.6 million at 31 December 2013 to € 369.6 million at 30 September 2014. The consolidated net "adjusted" financial debt for the amount of receivables assigned to factoring companies that had not been collected at the reporting date (equal to € 2.4 million at 30 September 2014 and € 16.4 million at 31 December 2013) would come to € 372.1 million, showing an increase equal to € 12.1 million compared to € 360.0 million at 31 December 2013. The main reason for this change is linked to the absorption of cash flows due to the changes in working capital described above.

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:

<i>(in thousands of Euro)</i>	30 September 2014	31 December 2013 Restated
Cash and cash equivalents	84,692	184,538
Current bank overdraft, advance payments and hot money	0	(57)
Current portion of non-current bank debts	(18,914)	(50,544)
Long-term bank debts	(6,595)	(27,450)
Senior Secured Notes	(413,744)	(412,687)
Financial lease obligations	(2,508)	(3,359)
NET INTEREST BEARING FINANCIAL INDEBTEDNESS	(357,069)	(309,559)

The indebtedness, as defined above, reported an increase compared to 31 December 2013 passing from € 309.6 million to € 357.1 million. However, considering the exposure to factoring companies, the financial debt balance would amount to € 359,5 million at 30 September 2014 compared to € 326.0 million at 31 December 2013 (+ € 33.5 million). As already mentioned, the higher cash and cash equivalents were, first of all, used to increase efficiency of the consolidated financial structure, proceeding with the already defined early repayment of long-term loans existing before the bond issue.

The change in consolidated cash and cash equivalents is shown in the table below: the cash flows for the first nine months of the 2014 financial year are compared with the figures for the same period last year. Annex IV to the Interim Report on Operations contains a reconciliation between the items in this table and those in the statutory Statement of Cash Flows schedule presented in the Condensed Explanatory Notes pursuant to IAS 7.

	2014	2013
At 1 January	184,538	51,394
Cash flow from current operations	33,052	64,801
Uses of provisions for risks and charges and for employee termination indemnity	(15,903)	(12,286)
Change in adjusted <i>NWOC</i> ⁽⁴⁾	(3,765)	57,037
Industrial and financial capex	(13,120)	(22,051)
Change in adjusted net financial liabilities	(87,785)	3,922
Other changes	(12,324)	9,372
AT 30 SEPTEMBER	84,692	152,189

The overall cash flows mainly reflect the net effect of:

- › a € 33.1 million rise in income from current operations (€ 64.8 million at 30 September 2013);
- › € 15.9 million in outflows from the utilisation of the provision for future risks and charges and for employee termination indemnity (€ 12.3 million at 30 September 2013);
- › an outflow of € 3.8 million (€ 57.0 million at 30 September 2013) from changes in adjusted *NWOC*, mainly resulting from a € 69.2 million inflow of collections (€ 85.3 million at 30 September 2013), net of a € 72.6 million decrease in trade payables (€ 31.4 million over the same period of 2013);
- › a € 13.1 million net cash flow used in investing activities (€ 22.1 million at 30 September 2013), generated by industrial investments amounting to € 20.7 million in the period, net of disposals for € 1.2 million (€ 26.0 million and € 1.0 million at 30 September 2013, respectively), against € 6.4 million in inflows from the sale of discontinued operations and equity investments (€ 3.0 million at 30 September 2013);
- › a decrease of € 87.8 million in net financial liabilities (€ 3.9 million increase at 30 September 2013);
- › changes in other operating assets and liabilities amounting to a total outflow of € 12.3 million against € 9.4 million generated as of 30 September 2013, mainly owing to changes in VAT payments and payments to staff and to social security institutions.

4. This includes the balance of receivables assigned to factoring companies in previous financial years and not yet collected by the latter as at the date of the Consolidated Financial Statements.

Capital expenditures

In the first nine months of 2014 the Group made net capital expenditures which totalled € 20.7 million, compared to disinvestments of € 1.2 million.

<i>(in thousands of Euro)</i>	For the 9 months ended 30 September	
	2014	2013 Restated
Purchase of properties	8	750
Purchase of plant and equipment	13,251	16,075
Purchase of plant and equipment under lease	0	2,014
Other capital expenditures in intangible assets	7,440	7,185
CAPITAL EXPENDITURES	20,699	26,024

Acquisitions of plant and equipment 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 (€ 9.2 million at 30 September 2014, against € 10.0 million at 30 September 2013). Investments in intangible assets for the period amounted to € 7.4 million and mainly related to improvements on the company's IT systems.

Below is reported the breakdown of capital expenditures in terms of SBU:

<i>(in thousands of Euro)</i>	For the 9 months ended 30 September	
	2014	2013 Restated
Facility Management	8,648	8,080
Laundering & Sterilization	12,051	17,944
Other	0	0
CAPITAL EXPENDITURES	20,699	26,024

In the period ended 30 September 2013 the *Laundering&Sterilization* sector made investments in the industrial buildings located in Lucca used for linen rental and industrial laundering systems for € 1.7 million, to be considered as non-recurring items.

Finally, disinvestments were recorded for the period equal to € 1.2 million (€ 1.1 million at 30 September 2013), 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.

Net financial position recorded a positive flow in the period, which arose from discontinued operations (net of their respective liabilities) recognized in the Consolidated Financial Statements at 31 December 2013 in relation to the transfer of Energyproject S.r.l. and of Mowbray S.r.l. for a total of € 4.8 million, an amount of € 3.6 million of which was already collected at 30 September 2014. Furthermore, the period saw the transfer of the stake held in Perimetro Gestione Immobiliare S.c.p.a. for € 1.1 million (equal to the book value of the stake itself).

Change in net financial liabilities

The table below shows the changes that were recorded in the period in the items making up consolidated financial liabilities, including the balance of the receivables assigned without recourse not yet collected by the factoring companies:

<i>(in thousands of Euro)</i>	31 December 2013 Restated	Advance repayment	Amortization for the year	Other changes	30 September 2014
Repayment of bank loans in the financial year	37,965	(38,000)		35	0
Other bank loans	25,726		(6,345)	28	19,409
Current bank overdraft, advance payments and hot money	57		(57)		0
Accrued income and prepaid expenses on loans	14,303		(36,025)	27,822	6,100
Senior Secured Notes	412,687			1,057	413,744
BANK DEBTS	490,738	(38,000)	(42,427)	28,941	439,253
Financial lease obligations	3,359		(851)		2,508
Other financial liabilities	47,388			(30,340)	17,048
FINANCIAL LIABILITIES	541,485	(38,000)	(43,278)	(1,399)	458,809
Current financial assets	(13,374)			8,879	(4,495)
NET FINANCIAL LIABILITIES	528,111	(38,000)	(43,278)	7,480	454,314
Outstanding amount of receivables assigned without recourse to factoring companies and not yet collected by the latter	16,437			(13,988)	2,449
Adjusted NET FINANCIAL LIABILITIES	544,549	(38,000)	(43,278)	(6,508)	456,763

As early as in the previous year, higher cash and cash equivalents available to the Group compared to the past supported the early repayment of some medium- and long-term bank loans, which continued in 2014 with the repayment of the loans from CCFS for a nominal amount of € 18 million and from Monte Paschi di Siena for a nominal amount of € 20 million. Furthermore, the financial year saw the payment of the six-monthly coupons on the bond issue of € 36.0 million, in addition to instalments for the period on long-term bank loans still in place for € 6.3 million. As regards other financial liabilities, on 16 July MFM S.p.A. arranged for the payment of the € 10.6 million earn-out as of 31 December 2013 due to transferors of 80% of the share capital of Gruppo Sicura S.r.l (now merged into Sicura S.p.A.), acquired in 2008. Among other substantial transactions, € 9.9 million was paid in connection with equity investments made in previous periods and € 8.8 million to settle the debts to factoring companies arising from moneys erroneously collected by Group companies after the programme for the assignment of receivables without recourse had been abandoned.

Finally, it should be noted that, with effect from 30 July 2014, the Parent Company demanded the formal cancellation of the Revolving Credit Facility (R.C.F.), which had been obtained within the bond issue process from a pool 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.. The revolving credit line, which can be activated on demand for a nominal amount of € 30 million on the basis of a 3-year term, has never been used by the Group and no future use has been contemplated in the provisions governing future consolidated financial flows. Therefore, the Group accounted for the residual amount to be amortised in relation to the costs incurred for the registration of the line, equal to € 579 thousand, as a financial charge for the period.

Total short-term financial assets for the first nine months of 2014 fell by € 8.9 million mainly owing to the closure of the current account contracts with Banca IMI related to the collection of receivables in the framework of the programmes, already mentioned, for the assignment of receivables without recourse, pledged and thus not included among the Group's liquid assets (€ 9.5 million at 31 December 2013).

SUBSEQUENT EVENTS

As already announced on 16 October, MFM S.p.A. put a transaction in hand involving the acquisition on the open market of a portion of its Senior Secured bonds for a principal amount of € 10.0 million, followed by another on 17 October for a principal amount of € 15.0 million. As the company has already declared, furthermore, it will consider the reasonableness of further future market transactions with a view to streamlining its financial structure.

Another event to note is that with effect from 1 October 2014 Manutencoop Private Sector Solutions S.p.A. was partially demerged by incorporation into the parent company MFM S.p.A.. This transaction transferred the business unit which operated for customer Telecom Italia, composed of the agreements signed with the latter, its assets and liabilities and the human resources engaged in the operations. The transaction did not involve any share swap between the companies, whose equity is unchanged.

BUSINESS OUTLOOK

The Group did not perform up to expectations in the third quarter of 2014. Sales growth is still under the targets set for the current year and the outlook for now up to the closure of the period does not point to any significant recovery. The Group is revising its strategies with a view to keeping its market shares and maintaining its operating result by taking measures to rationalise costs and remove potential inefficiencies.

The cash flow consolidation and stabilisation objectives, on the other hand, appear to have been fully achieved, showing their positive effects in the consolidated performance financial indicators. There are also prospects of fairly reliable inflows from payments by Public Authorities. On one hand, in fact, on the basis of the options offered by the Government regarding the certification and collection of money owed by Public Authorities by means also of payments on account on the part of the banking system, the Group is considering the action to take in order to join the scheme; the procedural scenario, however, has not yet been made completely clear and is complicated by some issues raised by the banks that are to join the scheme which have not yet been resolved. On the other hand, the prospect of utilising digital invoicing procedures, which were already partially introduced during the 2014 financial year, leads us to foresee simpler document issuing and credit collection procedures and less uncertainty.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT 30 SEPTEMBER 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>in thousands of Euro)</i>	NOTES	30 SEPTEMBER 2014	31 DECEMBER 2013 RESTATED (*)	1 JANUARY 2013 RESTATED (*)
ASSETS				
NON-CURRENT ASSETS				
Property, plant and equipment	4	70,927	77,320	77,876
Property, plant and equipment under lease	4	3,039	3,598	5,996
Goodwill	6	415,094	415,094	417,677
Other intangible assets	5	30,210	29,062	26,916
Investments accounted for under the equity method	7	29,227	31,858	30,028
Other investments	7	3,438	3,038	3,041
Non-current financial assets	8	9,670	10,840	11,623
Other non-current assets	8	1,592	1,638	1,738
Deferred tax assets		24,113	24,126	23,540
TOTAL NON-CURRENT ASSETS		587,310	596,574	598,435
CURRENT ASSETS				
Inventories		6,174	6,162	11,205
Trade receivables and advances to suppliers	9	637,170	694,704	653,185
Current tax receivables		25,520	16,495	24,691
Other current assets	9	27,186	29,139	23,234
Current financial assets	12	4,495	13,374	11,480
Cash and cash equivalents	12	84,692	184,538	51,394
TOTAL CURRENT ASSETS		785,237	944,412	775,189
Non-current assets classified as held for sale	10	0	7,868	130
TOTAL NON-CURRENT ASSETS AS HELD FOR SALE		0	7,868	130
TOTAL ASSETS		1,372,547	1,548,854	1,373,754

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

in thousands of Euro)

	NOTES	30 SEPTEMBER 2014	31 DECEMBER 2013 RESTATED (*)	1 JANUARY 2013 RESTATED (*)
SHAREHOLDERS' EQUITY				
Share capital		109,150	109,150	109,150
Reserves		170,738	167,797	144,221
Retained earnings		42,553	33,606	23,540
Profit for the period attributable to equity holders of the Parent		2,396	13,747	32,574
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		324,837	324,300	309,485
Capital and reserves attributable to non-controlling interests		1,863	1,611	1,772
Profit for the period attributable to non-controlling interests		179	344	728
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		2,042	1,955	2,500
TOTAL SHAREHOLDERS' EQUITY	11	326,879	326,255	311,985
NON-CURRENT LIABILITIES				
Employee termination indemnity	13	23,122	27,599	31,161
Provisions for risks and charges, non-current	14	13,008	11,715	11,797
Derivatives		0	0	1,222
Long-term debt	12	435,787	456,369	118,420
Deferred tax liabilities		11,696	12,144	11,991
Other non-current liabilities		28	7	7
TOTAL NON-CURRENT LIABILITIES		483,641	507,834	174,598
CURRENT LIABILITIES				
Provisions for risks and charges, current	14	16,273	24,973	29,297
Trade payables and advances from customers	15	381,123	453,687	439,415
Current tax payables		7,468	226	2,892
Other current liabilities	15	134,141	148,343	148,113
Bank borrowings, including current portion of long-term debt, and other financial liabilities	12	23,022	85,116	267,390
TOTAL CURRENT LIABILITIES		0	712,345	887,107
Liabilities directly associated with non-current assets classified as held for sale	10	562,027	2,420	64
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		0	2,420	64
TOTAL LIABILITIES		1,372,547	1,548,854	1,373,754

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>in thousands of Euro)</i>	NOTES	FOR THE 9 MONTHS ENDED	
		30 SEPTEMBER 2014	30 SEPTEMBER 2013 RESTATED (*)
REVENUE			
Revenue from sales and services		736,932	788,272
Other revenue		2,576	1,422
TOTAL REVENUE		739,508	789,694
OPERATING COSTS			
Costs of raw materials and consumables		(103,609)	(121,411)
Costs for services and use of third party assets		(272,326)	(288,059)
Personnel costs		(283,087)	(286,603)
Other operating costs		(4,659)	(6,372)
Capitalized internal construction costs		0	1,788
Amortization, depreciation, write-downs and write-backs of assets	4 – 5 – 9	(28,372)	(27,755)
Accrual of provisions for risks and charges	14	(1,944)	(5,357)
TOTAL OPERATING COSTS		(693,997)	(733,769)
OPERATING INCOME		45,511	55,925
FINANCIAL INCOME AND EXPENSES			
Share of net of associates	7	667	2,029
Dividend and income (loss) from sale of investments		210	358
Financial income		2,375	1,871
Financial charges		(31,729)	(20,977)
Profit (loss) on exchange rate		(4)	1
PROFIT (LOSS) BEFORE TAXES		17,030	39,207
Income taxes		(14,455)	(21,211)
PROFIT (LOSS) FROM CONTINUING OPERATIONS		2,575	17,996
Profit (loss) from discontinued operations		0	0
PROFIT (LOSS) FOR THE PERIOD		2,575	17,996
Net profit (loss) for the period attributable to non-controlling interests		(179)	(234)
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		2,396	17,762

<i>amounts in Euro)</i>	FOR THE 9 MONTHS ENDED	
	30 SEPTEMBER 2014	30 SEPTEMBER 2013 RESTATED (*)
Basic earnings per share	0.022	0.163
Diluted earnings per share	0.022	0.163
Basic earnings per share from continuing operations	0.022	0.163
Diluted earnings per share from continuing operations	0.022	0.163

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

'in thousands of Euro)	NOTES	FOR THE 9 MONTHS ENDED	
		30 SEPTEMBER 2014	30 SEPTEMBER 2013 RESTATED (*)
NET PROFIT FOR THE PERIOD		2,575	17,996
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	1,222
Income taxes on Cash Flow Hedge		0	(336)
Net effect on gains (losses) of cash flow hedge for the period		0	886
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	(629)	563
Other components of the comprehensive income for the period, which will be subsequently reclassified under profit/loss for the year		(629)	1,449
Other components of the comprehensive income, which will not be subsequently reclassified under profit/loss for the year:			
Actuarial gains (losses) on defined benefit plans		(1,593)	0
Income taxes		438	0
Net effect on actuarial gains (losses)	13	(1,155)	0
Share of other comprehensive income of entities accounted for using the equity method, which will not be subsequently reclassified under profit/loss for the year	7	(75)	0
Other components of the comprehensive income for the period, which will not be subsequently reclassified under profit/loss for the year		(1,230)	0
TOTAL PROFIT (LOSSES) IN THE STATEMENT OF COMPREHENSIVE INCOME, NET OF TAXES		(1,859)	1,449
TOTAL COMPREHENSIVE INCOME (LOSS), NET OF TAXES		716	19,445
Attributable to:			
Equity holders of the Parent		537	19,211
Non-controlling interests		179	234

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of Euro)	NOTES	FOR THE 9 MONTHS ENDED	
		30 SEPTEMBER 2014	30 SEPTEMBER 2013 RESTATED (*)
Net profit (loss) from continuing operations for the period		2,575	17,996
Income taxes for the period		14,455	21,211
Profit before taxes from continuing operations		17,030	39,207
Amortization, depreciation, write-downs and (write-backs) of assets		28,371	27,755
Accrual (reversal) of provisions for risks and charges		1,944	5,357
Employee termination indemnity provision		1,130	1,148
Payments of employee termination indemnity		(7,200)	(2,864)
Utilization of provisions		(8,703)	(9,422)
Share of net profit of associates, net of dividends collected		894	(292)
Financial charges (income) for the period		29,358	19,105
Operating cash flows before movements in Working Capital		62,824	79,994
Decrease (increase) of inventories		(12)	3,138
Decrease (increase) of trade receivables		62,645	(69,520)
Decrease (increase) of other current assets		1,947	(2,389)
Increase (decrease) of trade payables and advances from customers		(72,564)	(31,376)
Increase (decrease) of other current liabilities		(14,181)	12,327
Change in Working Capital		(22,166)	(87,820)
Net interest received (paid) in the period		(35,888)	(11,090)
Income tax paid in the period		(16,235)	(5,930)
Net cash flow from operating activities		(11,463)	(24,847)
Purchase of intangible assets, net of sales	5	(7,431)	(6,629)
Purchase of property, plant and equipment	4	(13,259)	(18,839)
Proceeds from sales of property, plant and equipment	4	1,190	458
Acquisition of investments		715	(197)
Decrease (increase) of financial assets	10	3,014	508
Net cash used in business combinations		0	(854)
Discontinuing activities	10	3,707	(6)
Net cash flow used in investing activities		(12,064)	(25,559)
Net proceeds from/(reimburse of) borrowings	12	(76,229)	151,762
Dividends paid		(90)	(566)
Acquisition/Sale of minority interests in subsidiaries		0	4
Net cash flow from / (used in) financing activities		(76,319)	151,200
Changes in cash and cash equivalents		(99,846)	100,795
Cash and cash equivalents at the beginning of the period		184,538	51,394
Changes in cash and cash equivalents		(99,846)	100,795
Cash and cash equivalents at the end of the period		84,692	152,189
Details of cash and cash equivalents:			
Cash and bank current accounts		84,692	152,189
TOTAL CASH AND CASH EQUIVALENTS		84,692	152,189

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

SUPPLEMENTARY INFORMATION

<i>(in thousands of Euro)</i>	FOR THE 9 MONTHS ENDED	
	30 SEPTEMBER 2014	30 SEPTEMBER 2013 RESTATED (*)
Interest paid	(37,778)	(12,399)
Interest received	1,890	1,309
Dividends received	1,687	2,095

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

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	1,955	326,255
Dividends paid					0	(90)	(90)
Allocation of prior year result		4,800	8,947	(13,747)	0	0	0
Total comprehensive income for the period		(1,859)		2,396	537	179	716
30 September 2014	109,150	170,738	42,553	2,396	324,837	2,042	326,879

(in thousands of Euro)

	Issued capital	Reserves	Retained earnings	Result of the period	Group's shareholder s' equity	Non-controlling interests	Total shareholder s' equity
1 January 2013 Restated (*)	109,150	144,221	23,540	32,574	309,485	2,500	311,985
Dividends paid					0	(566)	(566)
Allocation of prior year result		21,040	11,533	(32,574)	0	0	0
Acquisition/ transfer of minority interests in subsidiaries					0	4	4
Total comprehensive income for the period		1,449		17,762	19,211	234	19,445
30 September 2013 Restated	109,150	166,710	35,073	17,762	328,695	2,173	330,868

(*) For any information on the restatement of the comparative data determined in the application of the new standards IFRS 10 and 11, reference should be made to Note 3 – Effect of changes in accounting standards.

CONDENSED EXPLANATORY NOTES

1. GENERAL INFORMATION

The Interim Report on Operations of the Manutencoop Facility Management Group (“the MFM Group” or “the Group”) for the period ended 30 September 2014 consists of the Interim Report on operations and of the condensed consolidated interim Financial Statements at 30 September 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 30 September 2014 was authorized by resolution of the Management Board of 14 November 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. Furthermore, 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 interim Financial Statements at 30 September 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 other Comprehensive Income and in the statement of Cash Flows are compared with those in the first nine months 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 interim Financial Statements at 30 September 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 interim Financial Statements at 30 September 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 interim Financial Statements at 30 September 2014 have been prepared in compliance with IAS 34 - *Interim Financial Reporting*.

The condensed consolidated interim 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 interim Financial Statements at 30 September 2014 are consistent with those used to prepare the 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 consolidated interim 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 relate to 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.

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 interim Financial Statements.

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 30 September 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 interim Financial Statements includes 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 30 September 2014. 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.

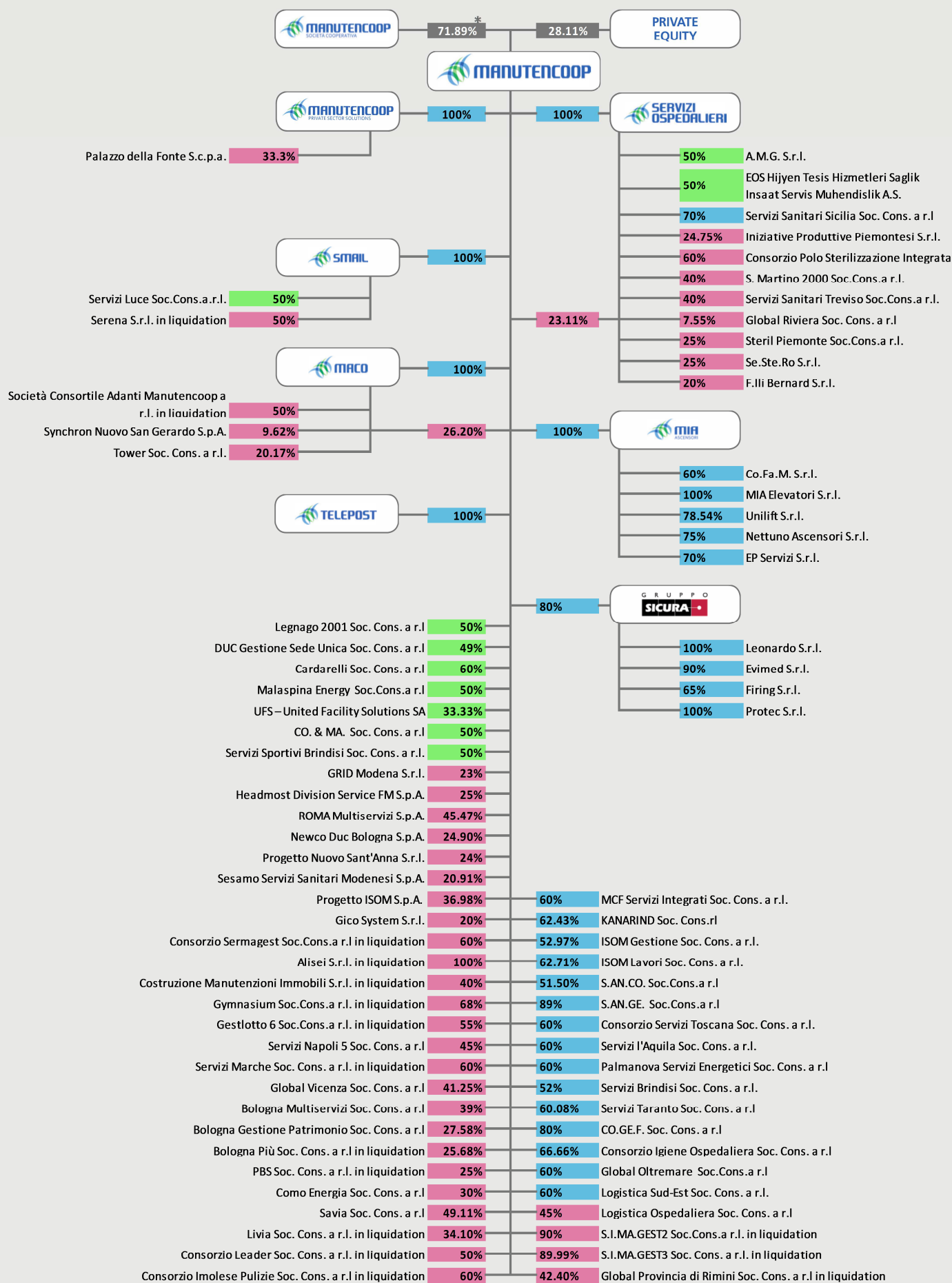
Acquisitions of subsidiaries, with the exception of those deriving from combinations of entities subject to common control, are accounted for using the purchase method. This involves the allocation of the cost of the business combination to the fair values of assets, liabilities and contingent liabilities 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 30 September 2014 is shown below.



Legend:

	Subsidiaries consolidated on a line-by-line basis
	Joint Ventures consolidated by equity method
	Associates and other companies 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 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 definitively.

Furthermore, 15 April saw the transfer of the stake held in Perimetro Gestione Proprietà Immobiliari S.c.p.a., equal to 20.10% of the share capital of the same, with the consequent termination of the related operations linked to the management of the real estate assets owned by banks.

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 30 April 2014 the reverse merger of Gruppo Sicura S.r.l. into the subsidiary Sicura S.r.l. became effective, with accounting and tax effects from 1 January 2014. On 19 May 2014 the latter approved the transformation in Sicura S.p.A..

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 retrospective 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, 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 30 September 2013 and in the consolidated Financial Statements at 31 December 2013 and the Equity and Profit for the period at 30 September 2013 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 figures at 1 January 2013 and the financial figures at 1 January 2013, as restated to include the abovementioned adjustments.

<i>(in thousands of Euro)</i>	1 January 2013	Effect 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	(3)	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	(8)	1,738
Deferred tax assets	23,550	(10)	23,540
TOTAL NON-CURRENT ASSETS	599,588	(1,153)	598,435
CURRENT ASSETS			
Inventories	11,240	(35)	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	(456)	23,234
Current financial assets	11,202	278	11,480
Cash and cash equivalents	51,987	(593)	51,394
TOTAL CURRENT ASSETS	778,363	(3,174)	775,189
Assets classified as held for sale	130		130
TOTAL NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	130	0	130
TOTAL ASSETS	1,378,081	(4,327)	1,373,754
SHAREHOLDERS' EQUITY			
Share capital	109,150		109,150
Reserves	144,221		144,221
Retained earnings	23,540		23,540
Profit for the period attributable to equity holders of the Parent	32,574		32,574
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	309,485	0	309,485
Capital and reserves attributable to non-controlling interests	1,772		1,772
Profit for the period attributable to non-controlling interests	728		728
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	(793)	118,420
Deferred tax liabilities	12,006	(15)	11,991
Other non-current liabilities	7		7
TOTAL NON-CURRENT LIABILITIES	175,566	(968)	174,598

<i>(in thousands of Euro)</i>	1 January 2013	Effect of the new standards	1 January 2013 Restated
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	(30)	2,892
Other current liabilities	148,362	(249)	148,113
Bank borrowings, including current portion of long-term debt, and other financial liabilities	268,334	(944)	267,390
TOTAL CURRENT LIABILITIES	890,466	(3,359)	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	(4,327)	1,373,754

Below is reported the reconciliation of the economic figures at 31 December 2013 reported in the Consolidated Financial Statements at 31 December 2013 and the economic figures at 31 December 2013, as restated to include the abovementioned adjustments:

<i>(in thousands of Euro)</i>	31 December 2013	Effect of the new standards	31 December 2013 Restated
REVENUE			
Revenue from sales and services	1,077,932	(2,459)	1,075,473
Other revenue	2,665	(23)	2,642
TOTAL REVENUE	1,080,597	(2,482)	1,078,115
Operating costs			
Costs of raw materials and consumables	(173,711)	609	(173,102)
Costs for services and use of third party assets	(394,229)	269	(393,960)
Personnel costs	(387,757)	1,001	(386,756)
Other operating costs	(8,353)	70	(8,283)
Capitalized internal construction costs	1,838		1,838
Amortization, depreciation, write-downs and write-backs of assets	(43,205)	387	(42,818)
Accrual of provisions for risks and charges	(11,105)		(11,105)
TOTAL OPERATING COSTS	(1,016,522)	2,336	(1,014,186)
OPERATING INCOME	64,075	(146)	63,929
FINANCIAL INCOME AND EXPENSES			
Share of net profit of associates	2,592	60	2,652
Dividend and income (loss) from sale of investments	665		665
Financial income	2,713	(14)	2,699
Financial charges	(32,318)	67	(32,251)
Gain (loss) on exchange rate	1		1
PROFITS (LOSS) BEFORE TAXES	37,727	(33)	37,694
Income taxes	(23,211)	33	(23,178)
PROFITS (LOSS) FROM CONTINUING OPERATIONS	14,516	0	14,516
Profit (loss) from discontinued operations	(425)		(425)
PROFITS (LOSS) FOR THE PERIOD	14,091	0	14,091
Net profit (loss) for the period attributable to non-controlling interests	(344)		(344)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	13,747	0	13,747

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

(in thousands of Euro)

	31 December 2013	Effect 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	(2)	29,062
Investments accounted for under the equity method	29,660	2,198	31,858
Other investments	3,038		3,038
Non-current financial assets	10,668	172	10,840
Other non-current assets	1,653	(15)	1,638
Deferred tax assets	24,129	(3)	24,126
TOTAL NON-CURRENT ASSETS	598,010	(1,436)	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	(511)	29,139
Current financial assets	13,208	166	13,374
Cash and cash equivalents	185,293	(755)	184,538
TOTAL CURRENT ASSETS	947,570	(3,158)	944,412
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	(4,594)	1,548,854
SHAREHOLDERS' EQUITY			
Share capital	109,150		109,150
Reserves	167,797		167,797
Retained earnings	33,606		33,606
Profit for the period attributable to equity holders of the parent	13,747		13,747
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	324,300	0	324,300
Capital and reserves attributable to non-controlling interests	1,611		1,611
Profit for the period attributable to non-controlling interests	344		344
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1,955	0	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	(192)	148,343

(in thousands of Euro)

	31 December 2013	Effect of the new standards	31 December 2013 Restated
Bank borrowings, including current portion of long-term debt, and other financial liabilities	85,880	(764)	85,116
TOTAL CURRENT LIABILITIES	716,035	(3,690)	712,345
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	(4,594)	1,548,854

Finally, below is reported the reconciliation of the economic figures at 30 September 2013 reported in the interim condensed consolidated Financial Statements at 30 September 2013 and the economic figures at 30 September 2013, as restated to include the abovementioned adjustments:

(in thousands of Euro)

	For the 9 months ended 30 September 2013	Effect of the new standards	For the 9 months ended 30 June 2013 Restated
REVENUE			
Revenue from sales and services	790,095	(1,823)	788,272
Other revenue	1,438	(16)	1,422
TOTAL REVENUE	791,533	(1,839)	789,694
OPERATING COSTS			
Costs of raw materials and consumables	(121,844)	433	(121,411)
Costs for services and use of third party assets	(288,304)	245	(288,059)
Personnel costs	(287,337)	734	(286,603)
Other operating costs	(6,431)	59	(6,372)
Capitalized internal construction costs	1,788		1,788
Amortization, depreciation, write-downs and write-backs of assets	(28,029)	274	(27,755)
Accrual of provisions for risks and charges	(5,357)		(5,357)
TOTAL OPERATING COSTS	(735,514)	1,745	(733,769)
OPERATING INCOME	56,019	(94)	55,925
FINANCIAL INCOME AND EXPENSES			
Share of net of associates	1,986	43	2,029
Dividend and income (loss) from sale of investments	358		358
Financial income	1,885	(14)	1,871
Financial charges	(21,022)	45	(20,977)
Gain (loss) on exchange rate	1		1
PROFIT (LOSS) BEFORE TAXES	39,227	(20)	39,207
Income taxes	(21,231)	20	(21,211)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	17,996	0	17,996
Profit (loss) from discontinued operations	0		0
PROFIT (LOSS) FOR THE PERIOD	17,996	0	17,996
Net profit (loss) for the period attributable to non-controlling interests	(234)		(234)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	17,762	0	17,762

Furthermore, the Group has prepared a new consolidated Statement of Cash Flows, with the objective to also improve the representation of the financial flows for the period in relation to the significant changes that have been reported in the capital and financial structure in the most recent financial years.

Below is reported the reconciliation of the values arising from the Condensed Consolidated Financial Statements at 30 September 2013 and the values at 30 September 2013 as restated to adopt the change in the relevant accounting standards and in the items of the Consolidated Statement of Cash Flows:

<i>(in thousands of Euro)</i>	For the 9 months ended 30 September 2013	Effect of the new standards	For the 9 months ended 30 September 2013 Restated
Net profit (loss) from continuing operations for the period	17,996	0	17,996
Income taxes for the period	21,231	(20)	21,211
Profit before taxes from continuing operations	39,227	(20)	39,207
Amortization, depreciation, write-downs and (write-backs) of assets	28,029	(274)	27,755
Accrual (reversal) of provisions for risks and charges	5,357	0	5,357
Employee termination indemnity provision	1,169	(21)	1,148
Payments of employee termination indemnity	(2,867)	3	(2,864)
Utilization of provisions	(9,422)	0	(9,422)
Share of net profit of associates	(249)	(43)	(292)
Financial charges (income) for the period	19,136	(31)	19,105
Operating cash flows before movements in Working Capital	80,380	(386)	79,994
Decrease (increase) of inventories	3,133	5	3,138
Decrease (increase) of trade receivables	(69,179)	(341)	(69,520)
Decrease (increase) of other current assets	(2,291)	(98)	(2,389)
Increase (decrease) of trade payables and advances from customers	(30,735)	(641)	(31,376)
Increase (decrease) of other current liabilities	12,191	136	12,327
Change in working capital	(86,881)	(939)	(87,820)
Net interest received (paid) in the period	(11,118)	28	(11,090)
Income tax paid in the period	(5,962)	32	(5,930)
Net cash flow from operating activities	(23,582)	(1,265)	(24,847)
Purchase of intangible assets, net of sales	(6,629)	0	(6,629)
Purchase of property, plant and equipment	(19,480)	641	(18,839)
Proceeds from sales of property, plant and equipment	489	(31)	458
Acquisition of investments	(207)	10	(197)
Decrease (increase) of financial assets	399	109	508
Net cash used in business combinations	(854)	0	(854)
Discontinuing activities	(6)	0	(6)
Net cash flow used in investing activities	(26,288)	729	(25,559)
Net proceeds from/(reimburse of) borrowings	151,447	315	151,762
Dividends paid	(566)	(1)	(566)
Acquisition/Sale of minority interests in subsidiaries	4	0	4
Net cash flow from / (used in) financing activities	150,885	315	151,200
Changes in cash and cash equivalents	101,016	(221)	100,795
Cash and cash equivalents at the beginning of the period	51,987	(593)	51,394
Changes in cash and cash equivalents	101,016	(221)	100,795
Cash and cash equivalents at the end of the period	153,003	(814)	152,189
Details of cash and cash equivalents:			
Cash and bank current accounts	153,003	(814)	152,189
TOTALE CASH AND CASH EQUIVALENT	153,003	(814)	152,189

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 30 September 2014.

	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 from acquisitions	8	13,251			13,259
Impairment losses	(23)	(63)		46	(40)
Disposals	(35)	(1,153)		(2)	(1,190)
Depreciation for the period	(125)	(18,321)	(17)	(518)	(18,981)
Others		68		(68)	0
At 30 September 2014	5,068	65,859	205	2,834	73,966
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 30 September 2014					
Cost	7,071	304,988	375	5,062	317,496
Accumulated depreciation and impairment losses	(2,003)	(239,129)	(170)	(2,228)	(243,530)
NET BOOK VALUE	5,068	65,859	205	2,834	73,966

The additions from acquisitions in the period mainly relate to the purchase of linen in the *Laundrying&Sterilization* segment (€ 9,226 thousand) and to the purchases of plant, machinery and specific equipment (€ 2,813 thousand).

In the period ended 30 September 2014, some plant and equipment were disposed of for a total amount of € 1,190 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 30 September 2014.

	Other intangible assets	Goodwill	Total
At 1 January 2014 restated, net of accumulated amortization and impairment	29,062	415,094	444,156
Additions from acquisitions	7,440		7,440
Disposals	(9)		(9)
Amortization of the period	(6,277)		(6,277)
Impairment losses	(6)		(6)
At 30 September 2014	30,210	415,094	445,304
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

	Other intangible assets	Goodwill	Total
At 30 September 2014			
Cost	92,983	417,487	510,470
Accumulated amortization and impairment losses	(62,773)	(2,393)	(65,166)
NET BOOK VALUE	30,210	415,094	445,304

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

Other intangible assets, amounting to € 30,210 thousand at 30 September 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 (€ 7,440 thousand) were attributable almost entirely to the investments in software used in the corporate IT systems within the Facility Management SBU (€ 7,050 thousand).

The amortisation charges of intangible fixed assets amounted to € 6,277 thousand in the period ended 30 September 2014. The first nine months of 2014 reported amortisation of backlog of € 452 thousand. In the period impairment losses of € 6 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 believes 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 Sicura S.p.A. 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
- › 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 condensed consolidated interim Financial Statements at 30 September 2014, relating to the different CGUs, which remained unchanged compared to the value reported in the Consolidated Financial Statements at 31 December 2013.

	30 September 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 30 September 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 are accounted under the equity method in the condensed consolidated interim Financial Statements. These companies include associates, joint-ventures and subsidiaries in liquidation, as listed in Annex I attached to the condensed consolidated interim Financial Statements.

At 30 September 2014, the item related to the investments valued at Equity amounted to € 29,153 thousand, against € 31,858 thousand in the previous year.

	Net assets 30 September 2014	Net assets 31 December 2013 Restated
Investments accounted for under the equity method	29,227	31,858
Provision for risks on investments	(73)	(60)
INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD	29,153	31,798

Details of changes during the period are shown in Annex II attached to the condensed consolidated interim Financial Statements.

In the first nine months of 2014 investments accounted for under the equity method overall recorded a positive result equal to € 667 thousand, for the share attributable to the Group, as a result of the recording of income from equity investments of € 1,253 thousand and write-downs of € 586 thousand. Furthermore, negative effects were recognised directly under consolidated equity for a total of € 705 thousand.

In April 2014 the quota held by MFM S.p.A. in Perimetro Gestione Proprietà Immobiliari S.c.p.a. (20.10%) was transferred to third parties at its book value (€ 1,111 thousand).

8. OTHER ELEMENTS OF NON-CURRENT ASSETS

The table below sets forth the breakdown of other non-current assets at 30 September 2014 and at 31 December 2013:

	30 September 2014	31 December 2013 Restated
Other investments	3,438	3,038
Non-current financial assets	9,670	10,840
Other non-current assets	1,592	1,638
OTHER NON-CURRENT ASSETS	14,700	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 € 9,670 thousand at 30 September 2014 (€ 10,840 thousand at 31 December 2013), are composed of:

- › € 8,426 thousand of non-current financial receivables due from associates, affiliates or joint-ventures (€ 8,588 thousand at 31 December 2013). The face value of these receivables is € 8,713 thousand, while the discounting fund amounts to € 288 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.
- › € 1,082 thousand of non-current financial receivables from third parties (€ 1,915 thousand at 31 December 2013).
- › € 163 thousand of securities held to maturity (€ 164 thousand at 31 December 2013).

Other non-current assets, amounting to € 1,592 thousand as at 30 September 2014 (€ 1,638 thousand at 31 December), mainly consist of security deposits related to long-term income-generating manufacturing contracts (€ 961 thousand) and long-term deferrals relating to some contracts (€ 390 thousand).

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

The following table includes the breakdown of Trade receivables, advances to suppliers and Other current assets at 30 September 2014 and 31 December 2013:

	30 September 2014	of which from related parties	31 December 2013 Restated	of which from related parties
Work in progress on order	32,846		26,096	
Trade receivables, gross	600,824		659,799	
Allowance for doubtful accounts	(42,019)		(38,672)	
Provision for discounting of trade receivables	(197)		(301)	
Trade receivables due from third parties	591,454	0	646,922	0
Work in progress on order from associates	0		584	584
Trade receivables from Parent Companies	62	62	58	58
Trade receivables from Associates	36,865	36,865	34,569	34,569
Trade receivables from Affiliates and Joint Ventures	7,039	7,039	8,925	8,925
Trade receivables due from Manutencoop Group	43,965	43,965	44,136	44,136
Advances to suppliers	1,751		3,646	
TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS	637,170	43,965	694,704	44,136
Current tax assets within 12 months	8,011		8,563	
Other current assets due from third parties	12,706		15,526	
Due from social security institutions	4,871		2,785	
Due from employees	503		488	
Other current assets from third parties	26,091	0	27,362	0
Current assets from Manutencoop Società Cooperativa	3	3	10	
Current assets from associates	78	78	78	
Other current assets from Manutencoop Group	81	81	88	88
Accrued income	1		2	
Prepaid expenses	1,013		1,687	
Accrued income and prepaid expenses	1,014	0	1,689	0
OTHER CURRENT ASSETS	27,186	81	29,139	88

The balance of trade receivables and advances to suppliers, which also includes inventories of contract work in progress, amounted to € 637,170 thousand as at 30 September 2014, down by € 57,534 thousand compared to 31 December 2013.

The changes reported in the period mainly concerned a decrease in trade receivables from third parties, which amounted to € 591,454 thousand at 30 September 2014 (31 December 2013: € 646,922 thousand).

As early as in the previous financial year, the Group abandoned its programmes for the assignment of trade receivables without recourse; instead, on 31 December 2013 assignments had been made for a total nominal value of € 175.7 million. At 30 September 2014 the total receivables transferred through factoring by the Group to factoring agencies and still not collected amounted to € 2.4 million (€ 16.4 million at 31 December 2013).

Furthermore, in the course of 2014, the Group entered into an agreement for the repurchase of the trade receivables assigned to Banca IMI in previous financial years and not yet collected by the factor, for an initial overall cost of € 9,946 thousand. The balance of these receivables has been recognised at the purchase value under “trade receivables”, while the balance of the items not yet collected as at the date of the Condensed Consolidated interim Financial Statements was equal to € 7,823 thousand.

A specific allowance for doubtful accounts was recorded in connection with non-performing receivables, which are difficult to fully recover, amounting to € 42,019 thousand at 30 September 2014 (at 31 December 2013: € 38,672 thousand). Changes in the provision during the period are detailed as follows:

	31 December 2013 Restated	Increases	Utilizations	Releases	Business combinations	Other changes	30 September 2014
Allowance for doubtful accounts	38,672	3,092	(733)	(78)		1,066	42,019

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.

Other current assets, equal to € 27,186 thousand (€ 29,139 thousand at 31 December 2013), decreased by an overall amount of € 1,953 thousand in the period.

This item includes the receivables arising from the periodic VAT settlements of some Group companies (€ 4,919 thousand compared to € 5,731 thousand at 31 December 2013). The same item had also been recognizing, since 2012, receivables of € 2,587 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 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., subject to the prior redemption of the mortgage encumbering the property. Therefore, again at the time of the preparation of the consolidated Financial Statements at 31 December 2013, the assets and liabilities had been classified as "Group of assets classified ad held for sale.

Non-current assets classified as held for sale

At 30 September 2014 the item *Non-current assets held for sale* reported no value, while it was equal to € 7,868

thousand as at 31 December 2013.

	30 September 2014	31 December 2013 Restated
Energyproject S.r.l. assets	0	7,391
Mowbray S.r.l. assets	0	347
Residential property owned by Unilift S.r.l.	0	130
NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	0	7,868

As described above, the balance sheet assets of Energyproject and Mowbray S.r.l. were transferred in the course of the period, together with the property owned by Unilift S.r.l.. No write-downs were applied to adjust them at their sales value following the disposals in question.

Liabilities directly associated with non-current assets held for sale

At 30 September 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 period.

	30 September 2014	31 December 2013 Restated
Energyproject S.r.l. liabilities	0	1,863
Mowbray S.r.l. liabilities	0	77
Provisions for risks and charges in consolidated accounts	0	425
Non-current loans (mortgages) of Unilift S.r.l.	0	55
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	0	2,420

Net cash flows from/(used in) discontinued operations

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

	30 September 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.	3,633	0
NET CASH FLOW	4,367	(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 was collected at the same time as the transfer of the capital quotas (€ 1,900 thousand) and subsequently for € 1,733 thousand, while the residual portion will be paid off in the course of the financial year, net of settlements (if any) due to the transferee.

11. SHARE CAPITAL AND RESERVES

	30 September 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 30 September 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 in the period:

	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	(489)	(885)	(5,366)	(10,214)	144,221
Allocation of profits of previous years		1,312				19,729	21,041
Economic effects on shareholders' equity			728	885	922		2,535
31 December 2013 Restated	145,018	17,469	240	0	(4,445)	9,515	167,797
Allocation of profits of previous years		267				4,532	4,800
Economic effects on shareholders' equity			(705)		(1,154)		(1,859)
30 September 2014	145,018	17,736	(465)	0	(5,599)	14,047	170,738

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 30 September 2014.
- › The Parent Company's extraordinary reserve (€ 60,944 thousand).

The table below shows changes in *Retained earnings*:

	Retained earnings 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	0	8,947	8,947
30 September 2014	3,809	38,744	42,553

12. NET FINANCIAL INDEBTEDNESS

Net financial indebtedness as of 30 September 2014 amounted to € 369,622 thousand, compared to € 343,573 thousand as of 31 December 2013.

Below is the related breakdown by balance sheet lines:

	30 September 2014	31 December 2013 Restated	Change
Long-term financial debt	(435,787)	(456,369)	20,582
Bank borrowings, including current portion of long-term debt, and other financial liabilities	(23,022)	(85,115)	62,093
Financial liabilities	(458,809)	(541,484)	82,675
Medium/long-term derivatives	0	0	0
Gross financial indebtedness	(458,809)	(541,484)	82,675
Cash and cash equivalents	84,693	184,538	(99,845)
Current financial assets	4,495	13,374	(8,880)
NET FINANCIAL INDEBTEDNESS	(369,622)	(343,573)	(26,049)

The bond issue completed in 2013 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 30 September 2014 and 31 December 2013.

	30 September 2014	within 1 year	from 1 to 5 years	after 5 years
Senior Secured Notes	413,744			413,744
BPV loan	19,221	12,755	6,467	
Other bank loans	188	60	128	
Prepaid expenses on financial interest	(85)	(85)		
Accrued interest expense	6,185	6,185		
Long-term bank borrowings and current portion of long-term bank borrowings	439,253	18,914	6,594	413,744
Financial leasing obligations	2,508	840	1,552	116
Loans from syndicated shareholders	1,902	372	1,530	
Loan from the Parent Company Manutencoop Cooperativa	21	21		
Other current financial liabilities	62	62		
Obligations to factoring agencies	106	106		
Debt for the acquisition of investments	3,273	2,573	700	
Potential debt for the acquisition of non-controlling interests	11,594	43	11,551	
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	458,809	23,022	21,927	413,861

	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	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	50,544	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	85,116	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 assured 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.. As from the execution of the agreement, no use of the line has been requested from the lending banks and no future use is contemplated in the provisions governing the Group's financial flows. With effect from 30 July 2014, the Parent Company noticed the banks of the pool as to its intention to cancel said credit line. Therefore, the residual amount to be amortised in relation to the costs incurred for the registration of the line, equal to € 579 thousand in the Consolidated Financial Statements at 31 December 2013, was accounted for as a financial charge for the period.

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 early repaid in the period.

MPS loan (MFM S.p.A.)

The loan with Banca Monte Paschi comprised 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 credit line was early repaid in the course of the period.

Accrued interest expense

At 30 September 2014 the Group recognised accrued expenses on interest payable of € 6,185 thousand, of which € 6,021 thousand relating to the amount accrued on the coupon of the Senior Secured Notes due 2 February 2015.

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

The debt balance at 31 December 2013, equal to € 8,830 thousand, related 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. At the time of the gradual abandonment of the assignments in the course of the 2013 financial year and also as a result of the already described transaction involving the repurchase of the receivables not yet collected by Banca IMI, with the consequent termination of all the service operations, this debt amounted to zero at 30 September 2014.

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 € 3,273 thousand at 30 September 2014 (€ 10,998 thousand at 31 December 2013) relates to the amounts still not paid to the transferor within business combinations.

On 30 September 2014 an amount of € 1,048 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 € 120 thousand was recognised as fees not yet paid by Sicura S.p.A. 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 € 1,413 thousand, against the already deposited € 664 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 € 11,594 thousand, related to:

- › the current value, equal to € 7,168 thousand, of the Put option held by the minorities of Gruppo Sicura S.r.l. (acquired in 2008 and now merged into Sicura S.p.A.) in relation to 20% of the share capital that is still owned by them;
- › the current value of the Put option held by 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 Put option held by 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 the period MIA S.p.A. also paid a € 132 thousand earn-out in connection with the acquisition of ABM S.r.l. (now merged by incorporation into Unilift S.r.l.) and a € 21 thousand earn-out in connection with the acquisition of MIND S.r.l. (now merged by incorporation into MIA S.p.A.). On July 16 MFM S.p.A. also arranged for the payment of an earn-out of € 11 million (€ 10,604 thousand at 31 December 2013), due to the transferors of 80% of share capital of Gruppo Sicura S.r.l. (now merged into Sicura S.p.A.), acquired in 2008.

In connection with the fair value measurement of the items described above, the Group recognized net financial charges against their fair value for € 913 thousand.

Current financial assets

At 30 September 2014 Current financial assets amounted to € 4,495 thousand (€ 13,374 thousand as at 31 December 2013).

This item is mainly composed of:

- › escrow amounts paid as part of business combinations for € 664 thousand;
- › € 306 thousand of receivables originated by the transfer of contracts and business units to third parties, € 126 thousand of which related to the transactions carried out by the MIA sub-group in previous years;
- › € 1,182 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;
- › € 1,754 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 nine months of 2014 are shown below, compared with changes in the same period of the last year.

	For the 9 months ended	
	30 September 2014	30 September 2013 Restated
At 1 January Restated	27,599	31,161
Increases for personnel acquired in business combinations	0	198
Current service cost	469	521
Interest costs on benefit obligation	661	648
Benefits paid	(6,653)	(2,885)
Net actuarial (gains)/ losses recognized in the period	1,593	0
Other changes	(547)	0
AT 30 SEPTEMBER	23,122	29,643

Other changes included the exits of staff that had been acquired in past financial years within business combinations, which sought and obtained the legal reintegration at the companies of origin.

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

	For the 9 months ended	
	30 September 2014	30 September 2013 Restated
Current service cost	469	521
Interest costs on benefits obligation	661	648
Net cost of the benefits recognized in the statement of profit or loss	1,130	1,169
Net actuarial (gains)/ losses recognized in the period	1,593	0
TOTAL COST OF THE BENEFITS	2,723	1,169

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 9 months ended	
	30 September 2014	30 September 2013
Executives	63	62
Office workers	1,615	1,679
Manual workers	14,136	13,427
AVERAGE STAFF	15,815	15,168

The average number of leased employees provided to the Group by Manutencoop Società Cooperativa was equal to no. 581 units at 30 September 2014 (30 September 2013: no. 604 units).

14. PROVISIONS FOR RISKS AND CHARGES

Below are reported the breakdown and changes in provisions for risks and charges for the period ended 30 September 2014:

	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
Accruals	13	415	1,743	54			1,999	14	4,237
Utilizations (payments)		(2,028)	(669)			(2,745)	(2,779)	(482)	(8,703)
Unused and reversed		(1,453)	(498)			(247)	(95)		(2,293)
Other		(648)	(79)					79	(648)
At 30 September 2014	73	5,346	9,291	1,025	159	8,058	4,035	1,295	29,281
<i>At 30 September 2014:</i>									
Current	72	4,708	666	1,025	0	8,058	1,575	169	16,273
Non-current	0	638	8,625	0	159	0	2,460	1,126	13,008
<i>At 31 December 2013 Restated:</i>									
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 € 73 thousand at 30 September 2014, includes the provision for unrecoverable future losses of Group companies and fully related to the subsidiary Alisei S.r.l. in liquidation.

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 balance at the period end was equal to € 5,346 thousand, against accruals of € 415 thousand, in addition to uses, releases and other changes that entailed a decrease of € 4,129 thousand in the provision.

Other changes, equal to € 648 thousand, 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 trade receivables.

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 30 September 2014 the provision reported increases for accruals totalling € 1,743 thousand and decreases for uses, releases and other changes of € 1,246 thousand.

Accruals were mainly recognized to cover risks of MFM S.p.A. for € 1,226 thousand, of Servizi Ospedalieri S.p.A. for € 485 thousand. Utilization and reversal in the period, totalling € 1,245 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 € 2,745 thousand (€ 13 thousand of which in MACO S.p.A., € 582 thousand in Servizi Ospedalieri S.p.A., € 513 thousand in Telepost S.p.A., € 115 thousand in MFM S.p.A. and € 1,522 thousand in Manutencoop Private Sector Solutions S.p.A.) and releases for € 247 thousand.

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 30 September 2014 comprised new accruals for € 1,999 thousand and uses and releases for a total of € 2,875 thousand.

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

The table below sets forth the breakdown of the item as at 30 September 2014 and 31 December 2013:

	30 September 2014	of which to related parties	31 December 2013 restated	of which to related parties
Trade payables	343.481		410.907	
Trade payables to third parties	343.481	0	410.907	0
Trade payables to Manutencoop Cooperativa	9.507	9.507	11.613	11.613
Trade payables to associates within 12 months	18.280	18.280	24.295	24.295
Trade payables to related parties	27,787	27,787	35,908	35,908
Advances from customers and payables for work to be performed	9,855		6,872	
TRADE PAYABLES AND ADVANCES FROM CUSTOMERS	381,123	27,787	453,687	35,908
Payables to directors and statutory auditors	645		907	
Tax payables	55,378		65,275	
Payables to social security within 12 months	7,920		10,002	
Collections on behalf of TJA ("Associazione temporanea di Imprese")	8,446		16,557	
Payables to employees within 12 months	53,142		45,378	
Other payables within 12 months	4,173		5,139	
Property collection on behalf of customers	2,177		2,176	
Other current operating payables to third parties	131,881	0	145,434	0
Other current payables to Manutencoop Cooperativa	46	46	7	7
Other payables to associates	171	171	171	171
Other current operating payables to the related parties	217	217	178	178
Accrued expenses	8		18	
Deferred income	2,035		2,715	
Accrued expenses and deferred income	2,043	0	2,733	0
OTHER CURRENT LIABILITIES	134,141	217	148,343	178

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 30 September 2014 amounted to € 381,123 thousand against a balance at 31 December 2013 of € 453,687 thousand.

Other current operating payables showed a balance of € 134,141 thousand at 30 September 2014 and are mainly made up of the following items:

- › payables to employees of € 53,142 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, and of the 13th salary, to be paid every year in December). Furthermore, the corresponding payables to social security institutions were recognized for € 7,920 thousand
- › in payables due to tax authorities for € 55,378 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 € 8,446 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 *Laundrying&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:

	30 September 2014		31 December 2013 Restated	
	Rental fees	Current value of rental fees	Rental fees	Current value of rental fees
Within one year	961	840	1,135	976
From one year to five years	1,641	1,552	2,363	2,213
After five years	121	116	179	171
TOTAL LEASE FEES	2,722	2,508	3,677	3,359
Financial charges	(215)		(318)	
CURRENT VALUE OF LEASE FEES	2,508	2,508	3,359	3,359

Guarantees given

As at 30 September 2014, the Group granted sureties to third parties for:

- › guarantees in favour of associates amounting to € 17,206 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 € 241,442 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 € 1,494 thousand (31 December 2013: € 2,340 thousand).
- › guarantees in favour of Factoring Agencies amounting to € 2,104 thousand (31 December 2013: € 2,104 thousand).

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 12, 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 30 September 2014 the receivables assigned as security amounted to € 85,105 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 30 September 2014 was equal to € 11,394 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 30 September 2014.

On 29 September 2014, the guarantees issued to the Lending Banks that had granted the Revolving Credit Facility were formally cancelled. This took place after the facility had been voluntarily cancelled on 30 July 2014, and therefore all the guarantees described above, which had been previously shared between bondholders and the Lending Banks of the Revolving Credit Facility, remain such only to the bondholders. MFM S.p.A.'s movable assets, previously subject to a lien in the framework of the arrangement, also became fully available to the company again.

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 30 September 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 periods ended 30 September 2014 and 30 September 2013.

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Segment revenues	629,703	106,650	5,663	(2,508)	739,508
Segment costs	(594,312)	(96,035)	(6,157)	2,508	(693,996)
Operating income (loss) by segment	35,391	10,615	(494)		45,512
Share of net profit of associates	578	89			667
Net financial charges					(29,148)
Profit before taxes					17,031
Income taxes					(14,455)
NET PROFIT FOR THE PERIOD ENDED 30 SEPTEMBER 2014					2,575

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Segment revenues	681,248	103,080	8,134	(2,767)	789,694
Segment costs	(632,948)	(93,614)	(9,974)	2,767	(733,769)
Operating income (loss) by segment	48,300	9,466	(1,840)		55,925
Share of net profit of associates	1,377	652			2,029
Net financial charges					(18,747)
Profit before taxes					39,208
Income taxes					(21,211)
NET PROFIT FOR THE PERIOD ENDED 30 SEPTEMBER 2013 RESTATED					17,996

Below are reported the data related to assets and liabilities by operating segments of the Group at 30 September 2014 and 31 December 2013.

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Assets allocated to the segment	626,802	145,696	4,519	(2,311)	774,706
Goodwill	403,331	11,763			415,094
Investments	26,597	5,218	852		32,666
Other assets not allocated and related taxes					150,081
SEGMENT ASSETS AT 30 SEPTEMBER 2014	1,056,730	162,676	5,371	(2,311)	1,372,547
Liabilities allocated to the segment	492,342	72,453	5,182	(2,311)	567,666
Other liabilities not allocated and related taxes					478,002
SEGMENT LIABILITIES AT 30 SEPTEMBER 2014	492,342	72,453	5,182	(2,311)	1,045,668

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total Restated
Assets allocated to the segment	687,009	150,082	7,558	(4,664)	839,986
Goodwill	403,331	11,763			415,094
Investments	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					251,009
SEGMENT ASSETS AT 31 DECEMBER 2013 RESTATED	1,119,438	166,922	16,148	(4,664)	1,548,854
Liabilities allocated to the segment	585,185	76,372	9,424	(4,664)	666,318
Liabilities directly associated with assets classified as held for sale	56		2,363		2,420
Other liabilities not allocated and related taxes					553,861
SEGMENT LIABILITIES AT 31 DECEMBER 2013 RESTATED	585,241	76,372	11,788	(4,664)	1,222,599

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.

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 provide 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 € 1,722 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 Companies 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, 14 November 2014

The Chairman and CEO

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
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%	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
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
Protec S.r.l.	Via Zamenhof 363	Vicenza	100%	Subsidiary
S.AN.CO S.c.a.r.l.	Via A. Saffi, 51	Bologna	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.p.A.	Via Zamenhof 363	Vicenza	80%	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 S.S. Appia 7 bis Km. 11.900	frazione Roata Raffo Busca (CN)	50%	Joint Venture
Cardarelli Soc.cons.r.l.	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
Como Energia Soc.Cons. r.l.	Via Pietro Strazzi 2	Como	30%	Associate
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.Ili 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
Iniziativa Produttive Piemontesi S.r.l.	Corso Einaudi 18	Torino	24.75%	Associate
Livia Soc.Cons. a r.l. in liquidation	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
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
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

<i>Name</i>	Registered Office	City	% Held	Type
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 Dic 31, 2013 Restated	Changes of the period					Net Book Value Sept 30, 2014	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Alisei s.r.l. in liquidation	100%	(60)	3		(3)	(13)		(73)	0	(73)
A.M.G. S.r.l.	50%	2,123			43		(1)	2,166	2,166	
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			(7)			43	43	
F.lli Bernard S.r.l.	20%	752			42			794	794	
Geslotto 6 soc. cons. a r.l.	100%	50						50	50	
GICO Systems S.r.l.	50%	46			13			59	59	
Global Provincia di Rimini Soc.Cons. a r.l.	27,58%	4						4	4	

	%	Net Book Value Dic 31, 2013 Restated	Changes of the period					Net Book Value Sept 30, 2014	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Global Riviera Soc.Cons. a r.l.	39%	9						9	9	
Global Vicenza	25,68%	4						4	4	
Gymnasium soc. cons. a r.l. in liq.	60%	7						7	7	
GRID Modena S.r.l.	26,33%	24	76		(76)			23	23	
Headmost Division Service FM S.p.A.	50%	0						0	0	
IPP s.r.l.	30%	467			(10)			457	457	
Legnago 2001 Soc. Cons. a r.l.	60%	5						5	5	
LIVIA Soc. Cons. a r.l.	50%	3						3	3	
Logistica Ospedaliera Soc. Cons. a r.l.	60%	5						5	5	
Malaspina Energy Soc. Cons. a r.l.	60%	50						50	50	
Newco DUC Bologna S.p.A.	40%	393			83		(453)	23	23	
P.B.S. Soc.Cons. a r.l. in liquidation	49%	25						25	25	
Palazzo della Fonte S.c.p.a.	50%	8,000						8,000	8,000	
Perimetro Gestione Proprietà Immobiliari Soc.Cons.a.r.l.	20%	1,111	(1,111)					0	0	
Progetto ISOM S.p.A.	55%	2,399			(456)			1,943	1,943	
Progetto Nuovo Sant'Anna S.r.l.	20%	1,630			91		(177)	1,543	1,543	
ROMA Multiservizi S.p.A.	42,40%	8,658		(1,511)	210		(74)	7,282	7,282	
San Martino 2000 Soc.Cons. a r.l.	30,66%	4						4	4	
Savia soc.cons.a.r.l.	41,25%	5						5	5	
Società Consortile Adanti Manutencoop a r.l. in liquidation	68%	10						10	10	
SE.SA.MO. S.p.A.	23%	953			267			1,221	1,221	
Se.Ste.Ro S.r.l.	25%	165		(50)	22			137	137	
Serena S.r.l.	25%	9						9	9	
Servizi Luce Soc. Cons. a r.l.	50%	5						5	5	

	%	Net Book Value Dic 31, 2013 Restated	Changes of the period					Net Book Value Sept 30, 2014	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Servizi Marche soc.Cons. a r.l. in liquidation	34,10%	6						6	6	
Servizi Napoli 5 Soc. Cons. a r.l.	45%	5						5	5	
Servizi Sanitari Treviso (SE.SA.TRE)	50%	8						8	8	
Servizi Sportivi Brindisi	24,90%	5						5	5	
Simagest 2 Soc.Cons.a r.l.	25%	45						45	45	
Simagest 3 Soc.Cons.a r.l.	33,30%	45						45	45	
Synchron Nuovo San Gerardo S.p.A.	20,10%	3,494			481			3,976	3,976	
Steril Piemonte Soc. Cons. a r.l.	36,98%	1,000						1,000	1,000	
Tower Soc.Cons. a r.l.	24%	20						20	20	
UFS – United Facility Solutions SA	45,47%	94			(33)			61	61	
NET BOOK VALUE		31,798	(1,032)	1,561	667	(13)	(705)	29,153	29,227	(73)

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	30-sept-13 Restated	463	30,173	0	166	31-dec-13 Restated	554	14,068	11,613	577
	30-sept-14	301	28,326	0	64	30-sept-14	62	20,604	9,507	70

ASSOCIATES AND JOINT-VENTURES

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
Alisei s.r.l. in liquidation	30-sept-13					31-dec-13 Restated	3			
	Restated					30-sept-14	3			1
AMG S.r.l.	30-sept-14		151	3		31-dec-13 Restated		504	74	
	30-sept-13	8	194	3		30-sept-14	8	503	117	
Bologna Gestione Patrimonio Soc.Cons. a r.l.	Restated	56	79			31-dec-13 Restated	198		60	
	30-sept-14	56	86			30-sept-14	245		150	
Bologna Multiservizi Soc.Cons. a r.l.	30-sept-13	1,144	2,946			31-dec-13 Restated	2,082		5,206	
	Restated	105	488			30-sept-14	194		2,602	
Bologna Più Soc.Cons.a r.l. in liquidation	30-sept-14		3			31-dec-13 Restated	(2)	39	13	
	30-sept-13					30-sept-14	(2)	39	13	
Cardarelli Soc. Cons. a r.l.	Restated		624			31-dec-13 Restated			1,043	
	30-sept-14		1,064			30-sept-14			698	
Como Energia Soc.Cons.a r.l.	30-sept-13		749			31-dec-13 Restated			655	
	Restated		620			30-sept-14			714	
Consorzio Imolese Pulizie soc.Cons. in liquidation	30-sept-14					31-dec-13 Restated	138	36	48	
	30-sept-13					30-sept-14	138	36	48	
Consorzio Leader Soc. Cons. a r.l. in liquidation	Restated					31-dec-13 Restated	13		6	
	30-sept-14					30-sept-14	14		6	
Consorzio Sermagest Soc.Cons.a r.l in liquidation	30-sept-13					31-dec-13 Restated	6			
	Restated					30-sept-14	6			
CO.& MA. Soc. Cons. a r.l	30-sept-14					31-dec-13 Restated				4
	30-sept-13	270	947			30-sept-14	323	20	947	
DUC Gestione Sede Unica Soc. Cons. a r.l.	Restated	3,952	1,952			31-dec-13 Restated	7,014		411	
	30-sept-14	3,844	1,852			30-sept-14	4,872		1,189	
EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S.	30-sept-13 Restated					31-dec-13 Restated	55			
	30-sept-14	41				30-sept-14	96	182		

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
Fr.Ili Bernard s.r.l.	30-sept-13 Restated	27	250			31-dec-13 Restated	25		135	
	30-sept-14	9	202			30-sept-14	22	50	86	
Gestlotto 6 Soc. cons. a r.l in liquidation	30-sept-13 Restated		4			31-dec-13 Restated	6	20	43	
	30-sept-14		3			30-sept-14	6	20	46	
Gico Systems S.r.l.	30-sept-13 Restated	4	316			31-dec-13 Restated	7		359	
	30-sept-14	5	530			30-sept-14	6		361	
Global Provincia di RN Soc.Cons.a r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated	251	170	18	
	30-sept-14					30-sept-14	251	170	18	
Global Riviera Soc.Cons.a r.l.	30-sept-13 Restated	7	9			31-dec-13 Restated	8		(177)	
	30-sept-14		24			30-sept-14	55		(151)	
Global Vicenza Soc.Cons. a r.l.	30-sept-13 Restated	195	886			31-dec-13 Restated	16		595	
	30-sept-14	142	981			30-sept-14	203		546	
Grid Modena S.r.l.	30-sept-13 Restated	74				31-dec-13 Restated	118			
	30-sept-14					30-sept-14	18			
Gymnasium Soc. cons. a r.l in liquidation	30-sept-13 Restated					31-dec-13 Restated	1	7	33	5
	30-sept-14					30-sept-14	1	7	33	5
HEADMOST in liquidation	30-sept-13 Restated					31-dec-13 Restated	454			
	30-sept-14					30-sept-14	454			
IPP S.r.l.	30-sept-13 Restated	282	280	1		31-dec-13 Restated	154	99	128	
	30-sept-14	289	269	1		30-sept-14	229	100	159	
Legnago 2001 Soc. Cons. r.l.	30-sept-13 Restated		(9)			31-dec-13 Restated	216		78	
	30-sept-14		3			30-sept-14	216		81	
Livia Soc. cons. a r.l.	30-sept-13 Restated	125	846			31-dec-13 Restated	172		868	
	30-sept-14	10	216			30-sept-14	129		341	
Logistica Ospedaliera Soc. Cons. a r.l.	30-sept-13 Restated		302			31-dec-13 Restated			94	
	30-sept-14		299			30-sept-14			122	
Malaspina Energy Soc. Cons. a r.l.	30-sept-13 Restated		70	3		31-dec-13 Restated	1,247	172	187	
	30-sept-14		43	3		30-sept-14	1,247	175	244	
Newco DUC Bologna S.p.A	30-sept-13 Restated		7			31-dec-13 Restated			15	
	30-sept-14		7			30-sept-14			22	
Palazzo della Fonte S.c.p.a.	30-sept-13 Restated	2,199				31-dec-13 Restated	848			
	30-sept-14	3,514				30-sept-14	1,420			
P.B.S. Soc.Cons. a r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated			3	
	30-sept-14					30-sept-14			7	
Perimetro Gestione Proprietà Immobiliari Soc. Cons. p. A.	30-sept-13 Restated	360				31-dec-13 Restated	236			
	30-sept-14	111				30-sept-14				
Progetto ISOM S.p.A.	30-sept-13 Restated	166	14	5		31-dec-13 Restated	13,457	192	92	
	30-sept-14	168	22	9		30-sept-14	11,946	203	25	
Progetto Nuovo Sant'Anna S.r.l.	30-sept-13 Restated	128	86	89		31-dec-13 Restated	5,448	5,402	156	15,327

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
	30-sept-1	128	5	91		30-sept-14	5,146	4,644	164	12,357
Roma Multiservizi S.p.A.	30-sept-13 Restated	1,176	3,976			31-dec-13 Restated	450		3,628	
	30-sept-14	1,181	1,691			30-sept-14	523		1,867	
San Martino 2000 Soc.Cons. r.l.	30-sept-13 Restated	1,261	2,514			31-dec-13 Restated	640		631	
	30-sept-14	1,327	2,587			30-sept-14	1,341		1,005	
Savia Soc. Cons. a r.l.	30-sept-13 Restated	420	1,305			31-dec-13 Restated	455		1,454	
	30-sept-14	509	1,887			30-sept-14	388		1,978	
Serena S.r.l. - in liquidation	30-sept-13 Restated					31-dec-13 Restated	49	3		
	30-sept-14					30-sept-14	49	3		
Servizi Luce Soc. Cons. a r.l.	30-sept-13 Restated	64	436			31-dec-13 Restated	189		1,280	
	30-sept-14	53	1,272			30-sept-14	243		667	
Servizi Marche Soc. Cons. r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated	12		4	
	30-sept-14					30-sept-14	12		4	
Servizi Napoli 5 Soc.Cons. a r.l.	30-sept-13 Restated	1,018	959			31-dec-13 Restated	2,535		1,728	
	30-sept-14	1,026	934			30-sept-14	1,328		639	
Se.Sa.Mo. S.p.A.	30-sept-13 Restated	3,844		24		31-dec-13 Restated	3,145	606	6	
	30-sept-14	3,839	3	559		30-sept-14	4,062	632	6	
SESATRE S.cons. a r.l.	30-sept-13 Restated	10	3,289	30		31-dec-13 Restated	(12)	2,616	4,166	
	30-sept-14	10	3,304	25		30-sept-14	(17)	2,601	2,100	
Se.Ste.Ro S.r.l.	30-sept-13 Restated	7	428			31-dec-13 Restated	22		618	
	30-sept-14	7	389			30-sept-14	32		651	
S.I.MA.GEST2 Soc. Cons. r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated	208	75	4	
	30-sept-14					30-sept-14	208	75	4	
S.I.MA.GEST3 Soc. Cons. r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated	2		3	
	30-sept-14					30-sept-14	2		3	
Società Consortile Adanti Manutencoop in liquidation	30-sept-13 Restated					31-dec-13 Restated	36		12	
	30-sept-14					30-sept-14	36		12	
Steril Piemonte Soc. cons. a.r.l.	30-sept-13 Restated		620	6		31-dec-13 Restated	24	775	242	
	30-sept-14		602	4		30-sept-14	16	779	232	
Synchron Nuovo San Gerardo S.p.A.	30-sept-13 Restated	641	32			31-dec-13 Restated	3,291		128	
	30-sept-14	8,280	144			30-sept-14	8,337		318	
Tower Soc.Cons. a r.l. in liquidation	30-sept-13 Restated		1			31-dec-13 Restated	17	17	(18)	
	30-sept-14					30-sept-14	19	17	(17)	

SUBSIDIARIES OF MANUTENCOOP COOPERATIVA

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
Cerpac S.r.l. in liquidation	30-sept-13 Restated					31-dec-13 Restated	1			
	30-sept-14					30-sept-14	1			
Manutencoop Immobiliare S.p.A.	30-sept-13 Restated	16	1,927			31-dec-13 Restated	3		235	
	30-sept-14	23	1,909			30-sept-14	3		213	
Manutencoop Servizi Ambientali S.p.A.	30-sept-13 Restated	15	0			31-dec-13 Restated	6			
	30-sept-14					30-sept-14	0			
Nugareto Società Agricola Vinicola S.r.l.	30-sept-13 Restated	7				31-dec-13 Restated	88		4	
	30-sept-14	31	3			30-sept-14	21		2	
Segesta servizi per l'Ambiente S.r.l.	30-sept-13 Restated					31-dec-13 Restated	12			
	30-sept-14	12				30-sept-14	7			
Sies S.r.l.	30-sept-13 Restated	2				31-dec-13 Restated	138			
	30-sept-14					30-sept-14				

ASSOCIATES OF MANUTENCOOP COOPERATIVA OR OTHER RELATED PARTIES

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Debiti finanziari e altri
Consorzio Karabak Società Cooperativa	30-sept-13 Restated	43				31-dec-13 Restated	16		2	
	30-sept-14	42				30-sept-14	9			
Consorzio Karabak Due Società Cooperativa	30-sept-13 Restated	2				31-dec-13 Restated				
	30-sept-14	2				30-sept-14	1			
Consorzio Karabak Tre Società Cooperativa	30-sept-13 Restated	1				31-dec-13 Restated	1			
	30-sept-14	1				30-sept-14				
Consorzio Karabak Quattro Società Cooperativa	30-sept-13 Restated					31-dec-13 Restated				
	30-sept-14					30-sept-14				
Sacoa S.r.l.	30-sept-13 Restated	63	16			31-dec-13 Restated	83		25	
	30-sept-14	54	17			30-sept-14	36		8	

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
TOTAL	30-SEPT-13 RESTATED	17,772	55,241	161	166	31-DEC-13 RESTATED	44,136	24,801	35,908	15,913
	30-SEPT-14	25,398	50,923	695	64	30-SEPT-14	43,965	30,860	27,787	12,433

ANNEX IV

STATEMENT OF RECONCILIATION OF THE RECLASSIFIED STATEMENT OF CASH FLOWS AND THE STATUTORY SCHEDULES ITEMS

	2014	2013
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	184,538	51,394
CASH FLOW FROM CURRENT OPERATIONS:	33,052	64,801
<i>Profit before taxes for the period</i>	17,030	39,207
<i>Amortization, depreciation, write-downs and (write-backs) of assets</i>	28,371	27,755
<i>Accrual (reversal) of provisions for risks and charges</i>	1,944	5,357
<i>Employee termination indemnity provision</i>	1,130	1,148
<i>Share of net profit of associates, net of dividends collected</i>	894	(292)
<i>Financial charges (income) for the period</i>	29,358	19,105
<i>Net interest received (paid) in the period</i>	(35,888)	(11,090)
<i>Income tax paid in the period</i>	(16,235)	(5,930)
Reclassifications:		
<i>Non-cash net financial charges accounted for under the Statement of profit or loss</i>	6,448	(10,459)
USES OF PROVISIONS FOR RISKS AND CHARGES AND PAYMENTS OF THE EMPLOYEE TERMINATION INDEMNITY:	(15,903)	(12,286)
<i>Payments of Employee termination indemnity</i>	(7,200)	(2,864)
<i>Utilization of provisions</i>	(8,703)	(9,422)
CHANGE IN ADJUSTED NWOC:	(3,765)	57,037
<i>Decrease (increase) of inventories</i>	(12)	3,138
<i>Decrease (increase) of trade receivables</i>	62,645	(69,520)
<i>Increase (decrease) of trade payables and advances from customers</i>	(72,564)	(31,376)
Adjustments:		
<i>Change in the amount of trade receivables assigned without recourse to Factoring agencies and not yet collected by the latter</i>	13,988	154,795
Reclassifications:		
<i>Amount of trade receivables repurchased by Banca IMI, assigned assigned under programmes of factoring without recourse in previous financial years.</i>	(7,823)	0
INDUSTRIAL AND FINANCIAL CAPEX:	(13,120)	(22,051)
<i>(Purchase of intangible assets, net of sales)</i>	(7,431)	(6,629)
<i>(Purchase of property, plant and equipment)</i>	(13,259)	(18,839)
<i>Proceeds from sales of property, plant and equipment</i>	1,190	458
<i>Acquisition of investments</i>	715	(197)
<i>Decrease (increase) of financial assets</i>	3,014	508
<i>Net cash used in business combinations</i>	0	(854)
<i>Discontinuing activities</i>	3,707	(6)
Reclassifications:		
<i>Amount of trade receivables repurchased by Banca IMI, assigned assigned under programmes of factoring without recourse in previous financial years.</i>	7,823	0
<i>Change in current financial assets, to be included in Net Financial Liabilities</i>	(8,879)	3,508
CHANGE IN ADJUSTED NET FINANCIAL LIABILITIES:	(87,785)	3,922
<i>Net proceeds from/(reimburse of) borrowings</i>	(76,229)	151,762
Adjustments:		
<i>Change in the amount of receivables assigned without recourse to Factoring agencies and not yet collected by the latter</i>	(13,988)	(154,795)
Reclassifications:		
<i>Non-cash net financial charges accounted for under the Statement of profit or loss</i>	(6,448)	10,459

	2014		2013	
<i>Change in current financial assets, to be included in Net Financial Liabilities</i>	8,879		(3,508)	
OTHER CHANGES:		(12,324)		9,372
<i>Decrease (increase) of other current assets</i>	1,947		(2,389)	
<i>Increase (decrease) of other current liabilities</i>	(14,181)		12,327	
<i>Dividends paid</i>	(90)		(566)	
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		84,692		152,189