MANUTENCOOP

1H

CONSOLIDATED HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2015

REGISTERED OFFICE

Via U. Poli, 4

Zola Predosa (Bo)

MANAGEMENT BOARD

Appointed by the Supervisory Board of 30.04.2014

CHAIRMAN AND MANAGING DIRECTOR

Claudio Levorato

DEPUTY CHAIRMAN

Mauro Masi

MANAGEMENT BOARD

Benito Benati

Marco Bulgarelli

Marco Canale

Giuliano Di Bernardo

Massimiliano Marzo

Marco Monis

Stefano Caspani

Luca Stanzani

Pier Paolo Quaranta

SUPERVISORY BOARD

Appointed by the Shareholders' Meeting of 30.04.2014

CHAIRMAN

Fabio Carpanelli

DEPUTY CHAIRMAN

Antonio Rizzi

SUPERVISORY BOARD DIRECTORS

Stefano Caselli

Roberto Chiusoli

Guido Maria Giuseppe Corbetta

Massimo Scarafuggi

Pierluigi Stefanini

Giovanni Toniolo

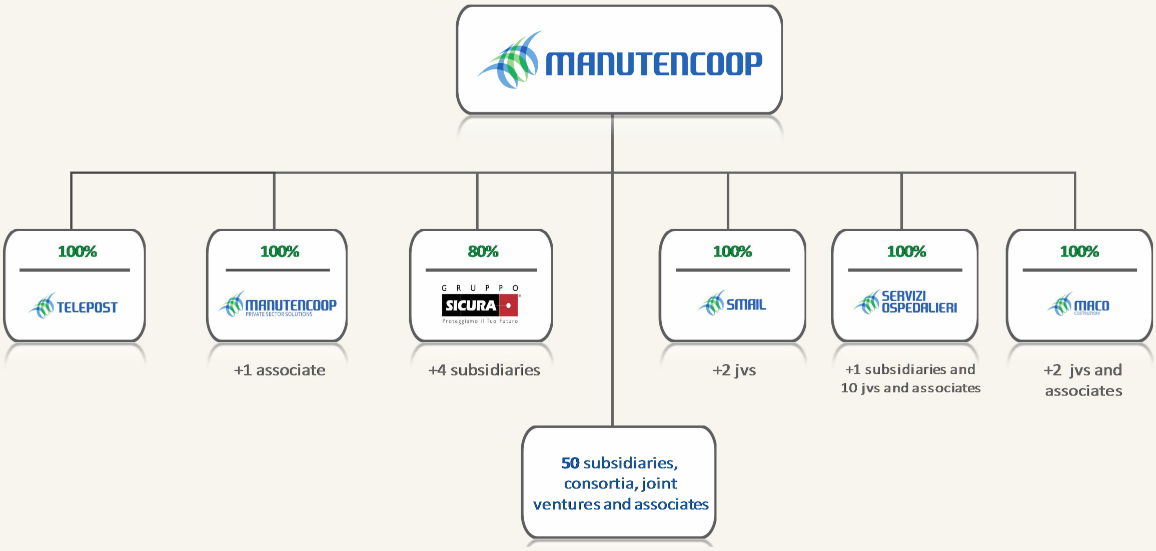
Stefano Zamagni

INDEPENDENT AUDITORS

Reconta Ernst & Young S.p.A.

PREAMBLE

At 30 June 2015 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 active in the management and provision of integrated services to public and private customers, targeted at properties, the area and to support so-called "Integrated Facility Management" health care activities.

In particular, the MFM Group provides a wide and coordinated range of integrated services throughout Italy, aimed at rationalising and improving the quality of the non-strategic and auxiliary activities of major private groups, public authorities and health care facilities.

It 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.

In the 2014 financial year the Group also started a phase in which it refocused its resources on what is referred to as "traditional" facility management. Meeting this objective took the form of selling to third-parties Energyproject S.r.l. and MIA S.p.A. and related subsidiaries, which operate respectively in energy management and in lifting equipment maintenance, and therefore, in practice, abandoned the businesses which they originally conducted.

Furthermore, the transfer to third-parties of the subsidiary SMAIL S.p.A., which is active in the sector of the maintenance of public lighting systems, is likely to happen by the 2015 financial year.

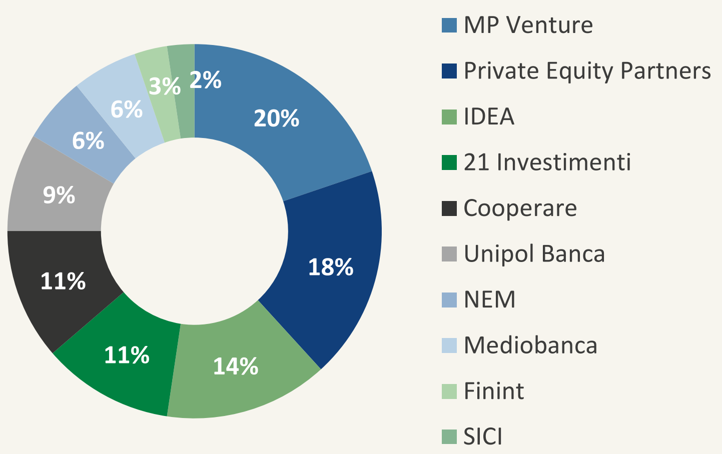
Shareholding structure

Ordinary shares issued by the MFM Group and fully paid up at 30 June 2015 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:



GLOSSARY

ACRONYMS IN THE INTERIM REPORT ON OPERATIONS

	Definition
Backlog	The Backlog is the amount of contract revenues connected with the residual term of the orders in the portfolio.
Financial capex	Financial capex is the net expenditure on the acquisition of equity investments, on business combinations and on grants of long-term loans.
Industrial Capex	Industrial CAPEX are defined as the purchase of (i) Property, plant and equipment, (ii) Property, plant and equipment under lease and (iii) other intangible assets.
NWC	Consolidated Net Working Capital (NWC) is defined as the consolidated NWOC which is added the amount of other operating assets and liabilities (other current assets, other current liabilities, current tax receivables and payables, current provisions for risks and charges.
NWOC	Consolidated Net Operating Working Capital (NWOC) is composed of trade receivables and inventories, net of trade payables
DPO	DPO (Days payables Outstanding) is a weighted average of days for payment of consolidated trade payables calculated as the ratio of trade payables, net of VAT on the amounts already received from the supplier, and costs over the last 12 months related to external production factors (included the capex) multiplied by the days of the reference period.
DSO	DSO (Days Sales Outstanding) is a weighted average of days for collection 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.
EBIT	EBIT represents the Profit (Loss) before taxes, gross of Net financial charges for the year and of Share of net profit of associates. The Statement of Profit or Loss shows EBIT as "Operating Income ".
EBITDA	EBITDA represents the Operating Income 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.
Adjusted EBIT or EBITDA	Adjusted EBITDA and Adjusted EBIT do not include non-recurring elements recorded in the consolidated Statement of Profit/Loss for the year, as described in paragraph "Non-recurring events and

GLOSSARY

	Definition
	transactions in the period".
Gross Interest Bearing Financial Indebtedness (GIBFI)	Gross Interest Bearing Financial Indebtedness (GIBFI) is defined as the sum of: long-term debt, Bank borrowings including current portion of long-term debt and other financial liabilities and derivatives less the sum of the following: collections on behalf of factoring counterparties, loans from parent company Manutencoop Cooperativa, loans from syndicated shareholders, dividends due to non-controlling shareholders, escrow accounts, debt for the acquisition of non-controlling interests, capital contribution to be paid, financial liabilities measured at fair value through profit and loss and other current financial liabilities.
LTM (Last Twelve Months)	LTM values relate to the economic values or financial flows identified in the last 12 months, or in the last 4 financial reporting years.
Net interest bearing financial indebtedness (NIBFI)	Net interest bearing financial indebtedness is defined as Gross Interest Bearing Financial Indebtedness net of Cash and cash equivalents.
NFP	Consolidated Net Financial Position represents the balance of Long-term debt, Derivatives, Bank borrowings (including current portion of long-term debt) and other financial liabilities, net of the amount of current financial assets and Cash and Cash equivalents.
NFP or NWOC Adjusted	Adjusted NWOC and Adjusted NFP include the balance of the trade receivables assigned in the framework of the previous years' assignment without recourse programmes (now abandoned), and not yet collected by the factoring companies.
Restated	In 2014 the Group started negotiations for the purposes of the transfer of the business conducted by SMAIL S.p.A.. to third parties. The equity investment in MIA S.p.A. and related subsidiaries was also transferred to third parties in December 2014. These transactions have been classified as "Assets classified as held for sale" and "discontinued operations", respectively, pursuant to IFRS5. In the application of said standard, the respective comparative economic results have been restated and classified under a single income statement item.

EBITDA ADJ

€/mln

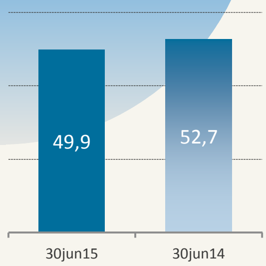
49.9

vs 52.7 at 30/06/2014

EBITDA ADJ / REVENUES

10.4%

vs 10.6% at 30/06/2014



EBITDA LTM ADJ

€/mln

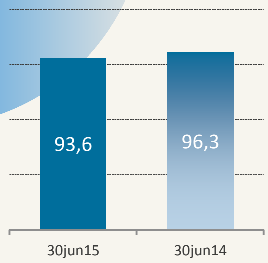
93.6

vs 96.3 at 31/12/2014

EBITDA LTM Adj / REVENUES LTM

9.8%

vs 9.9% at 31/12/2014



REVENUES

€/mln

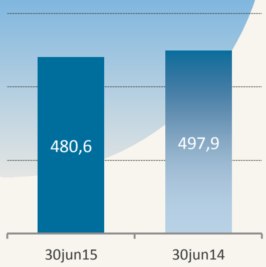
480.6

vs 497.9 at 30/06/2014

DELTA % REVENUES

-3.5%

vs 30/06/2014



NFP / EBITDA LTM

3.1

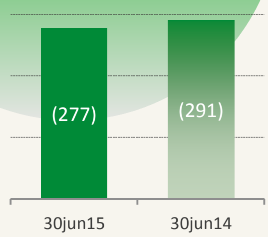
vs 3,1 at 31/12/2014

NFP

€/mln

(277.2)

vs (290.6) at 31/12/2014



NFP Adj

€/mln

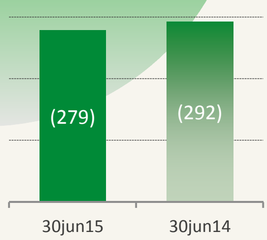
(278.6)

vs (292.1) at 31/12/2014

NFP Adj / EBITDA LTM

3.1

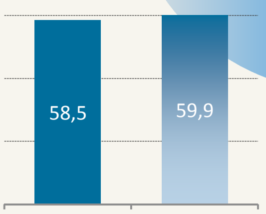
vs 3.1 at 31/12/2014



EBIT LTM ADJ

58.5 €/mln

vs 59.5 at 31/12/2014



EBIT LTM Adj / REVENUES LTM

6.1%

vs 6.1% at 31/12/2014

EBIT ADJ

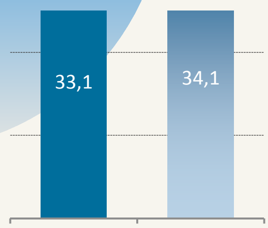
€/mln **33.1**

vs 34.1 at 30/06/2014

EBIT ADJ / RICAVI

6.9%

vs 6.8% at 30/06/2014



NET PROFIT

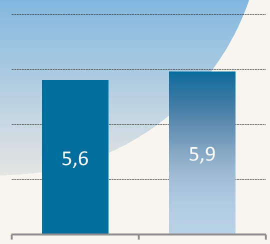
€/mln **5.6**

vs 5.9 at 30/06/2014

NET PROFIT / REVENUES

1.2%

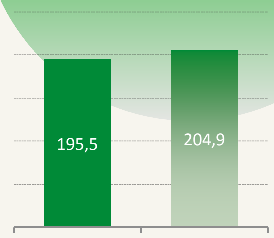
vs 1.2% at 30/06/2014



NWOC

€/mln **195.5**

vs 204.9 at 31/12/2014



NWOC / REVENUES LTM

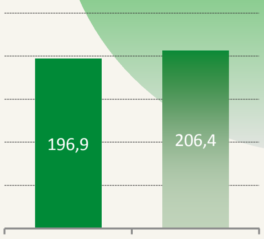
20.4%

vs 21.0% at 31/12/2014

NWOC ADJ

€/mln **196.9**

vs 206.4 at 31/12/2014



NWOC Adj / REVENUES LTM

21.0%

vs 21.2% at 31/12/2014

PREAMBLE

The Interim Report on Operations contains a number of acronyms and Non-GAAP measure. The same are summarized in the Glossary section, to which reference should be made for the respective definitions.

On 30 December 2014, MFM S.p.A. transferred the total stake held in MIA S.p.A., the sub-holding company of the group that operates in the maintenance and installation of lifting equipment (MIA Group). At the same time the Group's Management classified the business which deals with public lighting, an activity exclusively conducted by subsidiary SMAIL S.p.A. as held for sale.

In the consolidated financial statements prepared in accordance with IFRS standards, the results achieved by these activities in the 2014 financial year have been excluded from the perimeter of "Continuing operations" and have been recognized under a single item of the Consolidated Statement of Profit or Loss as "Profit (loss) from discontinued operations", in accordance with IFRS5. For the statements of reconciliation of comparative income statement values and financial flows reported in the condensed consolidated half-year financial statements at 30 June 2015 and the related values reported in the Consolidated half-year Financial Report at 30 June 2015, reference should be made to the condensed Explanatory Notes.

MAIN EVENTS IN THE FIRST HALF-YEAR 2015

Tender offer on Senior Secured Notes

The bonds issued in August 2013 (€ 425 million with an issue price of 98.713, maturing in 2020 at a fixed rate of 8.5% and listed on the Luxembourg Stock Exchange Euro MTF Market in addition to the Italian Stock Exchange Extra MOT Pro Segment), gave the Group financial stability based on a long-term time horizon.

In 2014, however, there was a recovery in the financial market, in which finance at rates far below historical averages again became more easily accessible. At the same time public authorities pumped in further funds in massive volume by paying a large part of their overdue debts and this was also followed by a certain amount of regularity in the payment of more recently issued invoices.

The Group then embarked on a verification of its options for rebalancing its sources of finance towards different credit lines, and this already led in the fourth quarter of 2014 to a € 45 million buy-back transaction carried out on the free market at an average price of just under 93. In order to take opportunities of reducing average debt-financing costs, a Tender Offer was also launched for portions of its bond issue amounting to € 80 million on 19 May 2015, bought back at par and financially settled on 3 June 2015.

None of the notes bought (€ 125 million nominal value) were cancelled; they are deposited in a securities account with Unicredit S.p.A. and are reported in the Statement of Financial Position as a straight reduction of total financial debt.

With these transactions, the financial cost of the consolidated sources of finance will be less onerous, their amounts will be reduced and their composition partly revised in favour of types of financing that are more in line, economically speaking, with the present situation in financial markets.

1. SUMMARY OF RESULTS OF THE SECOND QUARTER OF 2015

	For the Quarter ended 30 June			For the Half-year ended 30 June		
	2015	2014 Restated	Change	2015	2014 Restated	Change
Revenues	229,915	240,284	- 4%	480,631	497,870	- 3%
Adjusted EBITDA	22,314	22,869	- 2%	49,945	52,686	- 5%
Adjusted EBITDA % of Revenues	*9.7%*	*9.5%*		*10.4%*	*10.6%*	
Adjusted EBIT	14,990	15,054	- 0.4%	33,091	34,065	- 3%
Adjusted EBIT % of Revenues	*6.5%*	*6.3%*		*6.9%*	*6.8%*	
Consolidated Net Profit	479	1,600	- 70%	5,648	5,924	-5%

In the second quarter of 2015 the Group recorded ***Revenues*** of € 230 million against € 240 million recorded in the same period of the previous year (-4%). The trend of falling average payments for services which is a feature of the new contracts in the portfolio, to which attention has already been drawn attention in previous periods, still persisted in the second quarter. The Group's domestic market, in fact, is still in a phase of economic difficulty and the signs of growth that are forecast are still too weak to ensure a quick recovery. The price pressure at sales level during recent financial periods, which has been mentioned on previous occasions, had a more substantial effect on the Facility Management Strategic Business Unit (SBU), as can be observed in the new entries to the portfolio, and this development has recently also started to be seen in the Laundering&Sterilisation SBU. Revenues from the other SBUs are also falling (€ 2.6 million less than in the same period in the previous year) as the building work carried out by subsidiary MACO S.p.A. is gradually running down.
Overall the commercial backlog is more or less unchanged (€ 2,852 million compared with € 2,887 million as of 31 March 2015 and € 2,867 million as of 31 December 2014), also thanks to a good number of acquisitions during the period.

There was an improvement in terms of margins (**Adjusted EBITDA/Revenues**) in the quarter over the same period of the previous year (9.7% against 9.5%), the average over the last 12 months being 9.8%. In absolute values, however, the **Adjusted EBITDA** for the quarter is € 0.6 million lower than the second quarter last year.

As you know, in the last quarter of 2014 the Group started a substantial process of rationalisation of production costs and overheads with the primary aim of limiting the tendency for margins to shrink, mainly focusing on the parent company. The evidence in the results is that some efficiency is being recovered even if the trend for turnover and profit margins to fall has come about as expected.

The quarter recorded an **Adjusted EBIT** of € 15.0 million (6.5% of related revenues) similar to the value posted in the same period of the previous year, when it had come to € 15.1 million (6.3% of related revenues). The narrower gap in EBITDA in absolute terms is due to € 1.3 million more net provisions and € 1.8 million less amortization and write-downs of trade receivables.

Finally, the **Net profit** in the quarter was equal to € 0.5 million, down compared to the net profit of € 1.6 million in the quarter ended 30 June 2014, mainly owing to € 2 million more net financial costs. During the second quarter of 2015, in particular, the Group recognised € 3 million non-recurring financial costs for the Tender Offer launched for a nominal € 80 million portion of its bond issue in June. As against this, however, the Group incurred € 2.0 million lower costs for the period on the six-monthly coupons of the portions bought back on the market in the second half of 2014 (€ 45 million nominal value).

	30 June 2015	31 December 2014	Change
Adjusted Net Working Operating Capital (NWOC)	196,944	206,392	(9,448)
Adjusted Net Financial Position (NFP)	(278,602)	(292,099)	13,497

From an equity and financial point of view, the data relating to the Net Working Operating Capital (**NWOC**) recorded a decrease of € 9.5 million, with an adjusted Financial Position (**NFP**) that was € 13.5 million higher in the first half year. DSO on 30 June 2015 was 203 days (207 days on 31 March 2015 and 189 days on 31 December 2014), which nevertheless showed that collection times were stable if compared with the same period in the previous year (209 days as of 30 June 2014). DPO, on the other hand, was 223 days (218 days on 31 December 2014 and 216 days on 30 June 2014).

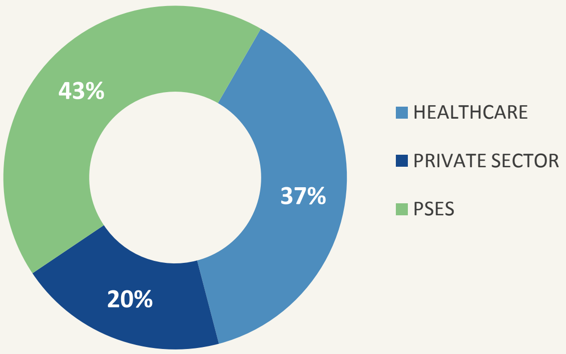
During the quarter, Net Operating Working Capital generated a cash flow of € 27.3 million (€ 19.1 million on 31 March 2015), which is added to a € 10.3 million cash flow generated from current operations (€ 18.6 million on 31 March 2015), while net divestments amounting to € 1.7 million were carried out (compared with € 4.9 million investments on 31 March 2015). Finally, there was a € 5.0 million cash flows for utilizations of provisions for risks and charges and for employee termination indemnity during the quarter (€ 3.0 million at 31 March 2015), in addition to an inflow of € 1 million for changes in other operating assets and liabilities, which, on the other hand, required € 19.1 million on 31 March 2015. The variations in this item in particular arise from movements in the VAT stock, mainly owing to the recent developments in regulations governing "Split payment" and "Reverse charge" introduced by the 2015 Stability Law, which led to a change in the tax treatment of incoming and outgoing invoices from the first quarter of 2015 onwards.

2. BUSINESS DEVELOPMENT

In the first half-year of 2015 the Group's business development activity brought new contracts and renewing orders already in its portfolio for an overall multi-year amount of € 312 million. Just under half of the new portfolio consists of a new potential market (€ 150 million). As in the past, these data regards only contracts obtained in the context of services for "traditional" facility management, 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 owned by Sicura S.p.A., whose contracts have an average term of less than one year and, therefore, a future minor visibility. However, these companies have a not particularly significant impact (of less than 4% in the first half-year of 2015) on consolidated production volumes.

New contracts in the Public and Healthcare sectors still affected the total in a significant manner (an overall percentage of 80%, equal to € 134 million and € 116 million, respectively).

CONTRACTS ACQUIRED BY CLIENT

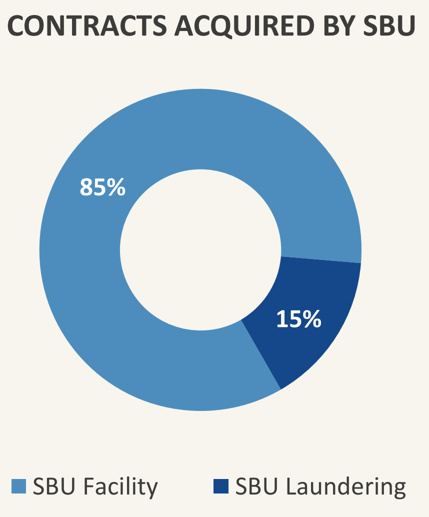


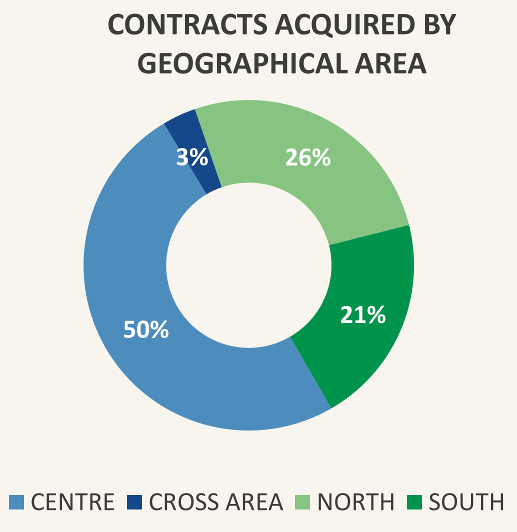
Note the stipulation of new energy services contracts in the Healthcare market at the Lecce ASL Local Health Unit within the CONSIP MIES1 agrement and the renewal of the contract with the Grosseto ASL9 Local Health Unit (both in the first quarter of the financial period) and the finally successful conclusion of the tender for the "Operation and maintenance of the municipal assets" launched by the Municipality of Bologna in the last months of the 2014 financial year, which is already to start up in the second half of this year.

Finally, acquisitions in the Private market during the half year were worth € 62 million, € 25 million coming from the 5-year renewal of the document management services contract that is managed by Telepost S.p.A. with the Telecom Italia Group, which was already extended in February 2014. This renewal, which already came into effect on 1 January 2015, entailed a reduction in the overall volume of annual revenues against a longer contract term. Also important in this market are the new industrial cleaning contracts at Michelin S.p.A.'s factories in Piedmont and office cleaning contracts for Adecco.

Regarding the business development in the half-year in terms of Strategic Business Unit (SBU), the Facility Management segment obtained contracts of € 264 million and the Laundering&Sterilization of € 48 million. The abovementioned orders are placed under the Facility Management SBU. There were, moreover, two valuable renewals in the Laundering&Sterilisation SBU, one for linen rental and industrial laundering services to the "*Azienda Ospedaliera Ancona Le Torrette di Ancona*" and a substantial linen rental and industrial laundering and cloakroom service contract for some health trusts in Tuscany.

Furthermore, a geographical distribution of the commercial portfolio of new acquisitions in the half-year is provided below:





During the second quarter the ceiling for the CONSIP Energy SIE3 Sicily contract, obtained in a previous financial year, was further raised to seven-fifths, which is another opportunity for providing services in this area which are not included in the above statistics.

3. THE MFM GROUP'S CONSOLIDATED PERFORMANCE OF OPERATIONS AND OF THE FINANCIAL POSITION FOR THE HALF-YEAR ENDED 30 JUNE 2015

3.1 Consolidated performance of operations in the first half-year 2015

Below are reported the main income figures relating to the half-year ended 30 June 2015, compared to the figures of the corresponding period of 2014:

(in thousands of Euro)	For the 6 months ended 30 June		For the 3 months ended 30 June	
	2015	2014 Restated	2015	2014 Restated
Total revenues	480,631	497,870	229,915	240,284
Total costs of production	(431,904)	(445,184)	(208,819)	(217,415)
EBITDA	**48,727**	**52,686**	**21,096**	**22,869**
EBITDA %	**10.1%**	**10.6%**	**9.2%**	**9.5%**
Amortization, depreciation, write-downs and write-backs of assets	(15,323)	(17,955)	(7,410)	(9,191)
Accrual of provisions for risks and charges	(1,531)	(666)	86	1,376
Operating Income	**31,873**	**34,065**	**13,772**	**15,054**
Operating Income %	**6.6%**	**6.8%**	**6.0%**	**6.3%**
Share of net profit of associates	1,830	918	810	527
Net financial charges	(20,022)	(19,432)	(11,645)	(9,620)
Profit (loss) before taxes	**13,681**	**15,551**	**2,937**	**5,961**
Profit (loss) before taxes %	**2.8%**	**3.1%**	**1.3%**	**2.5%**
Income taxes	(7,400)	(10,169)	(2,068)	(4,717)
Profit (loss) from continuing operations	**6,281**	**5,382**	**869**	**1,244**
Profit (loss) for the year from discontinued operations	**(633)**	**542**	**(390)**	**356**
NET PROFIT	**5,648**	**5,924**	**479**	**1,600**
NET PROFIT %	**1.2%**	**1.2%**	**0.2%**	**0.7%**
Minority interests	24	(128)	18	(42)
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**5,672**	**5,796**	**497**	**1,558**
NET PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT %	**1.2%**	**1.2%**	**0.2%**	**0.6%**

REVENUES

In the first 6 months of 2015 consolidated revenues came to € 480.6 million, against €497.9 million for the same period of the previous year. As already mentioned, the performance of the consolidated revenues in recent financial periods has been feeling the effects of the widespread pressure on prices and margins which is still a feature of this market.

The breakdown of the consolidated revenues in the first half-year of 2015 is provided below, compared to the same period of the previous year, as broken down by kind of Client:

REVENUES BY CLIENT

(in thousands of Euro)	For the 6 months ended 30 June				For the 3 months ended 30 June	
	2015	% of total Revenues	2014 Restated	% of total Revenues	2015	2014 Restated
PSEs	130,075	27.1%	128,708	25.9%	57,261	57,202
Healthcare	214,184	44.6%	219,215	44.0%	100,542	106,921
Private sector	136,372	28.4%	149,947	30.1%	72,112	76,161
TOTAL REVENUES	**480,631**		**497,870**		**229,915**	**240,284**

In the first 6 months of 2015, the breakdown of turnover by type of customer shows that there was a 27.1% increase in the proportion from PSEs (25.9% at 30 June 2014). The lots acquired under CONSIP Schools and CONSIP Offices fall within this market. There was also a fall in the turnover from healthcare clients (€ 5 million less than June 2014), even if total consolidated revenues held up well in relative terms (44.6% compared with 44% on 30 June 2014).

In the Private market the renewal of the Telepost S.p.A. document management contract led to a 1.6 million reduction in turnover, in the half-year, from Telecom, coupled with € 1.7 million lower turnover from MACO S.p.A.'s building construction activities. More generally, the fall in turnover from Private Clients, however, is due to an economic phase in this sector in which volumes from some big domestic accounts are lower in addition to the expenditure budgets of these organisations having tended to shrink during recent financial periods.

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 is provided below:

REVENUES BY SEGMENT

(in thousands of Euro)	For the 6 months ended 30 June				For the 3 months ended 30 June	
	2015	% of total Revenues	2014 Restated	% of total Revenues	2015	2014 Restated
Facility Management	411,014	85.5%	423,331	85.0%	195,821	202,362
Laundering & Sterilization	69,407	14.4%	71,728	14.4%	34,911	36,085
Other	1,917	0.4%	4,343	0.9%	22	2,654
Intra-group elimination	(1,707)	-0.4%	(1,532)	-0.3%	(839)	(817)
TOTAL REVENUES	**480,631**		**497,870**		**229,915**	**240,284**

First of all, there was no considerable change in the weight of operating segments in relation to the consolidated turnover in the two half-years under comparison.

In the first 6 months of 2015, revenues in the Facility Management sector amounted to € 411.0 million, marking a decrease of € 12.3 million (-2.9%) compared to the same period of the previous year, mainly as a result of the smaller volumes in the Private sector.

In the first six months of 2015, the Laundering & Sterilization segment achieved revenues of € 69.4 million, against € 71.7 million at 30 June 2014. The decrease in volumes was attributable to the linen rental and industrial laundering activities (- € 1.3 million) while the turnover from the sterilization of surgical instruments was stable. We note, however, that during the first six months of 2014 the outstanding amounts due under linen rental and industrial laundering services contracts were higher and were only settled in 2015. The turnover from linen rental and industrial laundering services should therefore fall into line with previous figures before the end of the year.

The turnover relating to “Other activities” remained residual and steadily dropping, 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. The Company 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.

EBITDA

The Group’s EBITDA amounts to € 48.7 million in the first half-year of 2015, against € 52.7 million in the first half-year of 2014, with a € 4.0 million reduction in absolute terms and a profit margin that fell from 10.6% to 10.1%.

The performance of consolidated EBITDA is consistent with that of Revenues, although the reduction was more than proportionate, mainly due to the effects that the price pressure is causing in the market in relation to the new development and the renewal/new award of contracts.

Below is provided a comparison of EBITDA by business segment for the first half-year of 2015 and the first half-year of 2014:

EBITDA BY SEGMENT

(in thousands of Euro)	For the 6 months ended 30 June				For the 3 months ended 30 June	
	2015	% of segment Revenues	2014 Restated	% of segment Revenues	2015	2014 Restated
Facility Management	32,830	8.0%	34,470	8.1%	13,612	13,893
Laundering&Sterilization	16,103	23.2%	18,619	26.0%	7,759	9,175
Other	(206)	-10.7%	(403)	-9.3%	(275)	(199)
CONSOLIDATED EBITDA	**48,727**	**10.1%**	**52,686**	**10.6%**	**21,096**	**22,869**

The profit margin of the Facility Management sector is practically unchanged as a percentage of revenues (8% on 30 June 2015 and 8.1% on 30 June 2014), in spite of the phenomenon that we have already mentioned of the reduction in average payments for newly awarded contracts. In this sector there was also a one-off cost of € 1.3 million (more will be said of this later) during 2015, net of which Adjusted EBITDA is practically the same as that of the previous year. This is the sector, too (especially as regards parent company MFM S.p.A.), in which the most forceful measures were adopted at the end of 2014 for the improvement of efficiency and for cutting fixed costs and overheads in order to support the company's margins: the result is that these costs were about € 5 million lower at the end of 2015 than at the end of the previous year.

On the other hand, the EBITDA in the Laundering&Sterilization segment also decreased compared to the same period of 2014 both in absolute terms (- € 2.5 million) and in terms of profit margins (which passed from 26.0% to 23.2% of the related revenues). The main reason for the trend in the first six months of 2015 is a difference in the distribution of outstanding balances in time compared with the previous year, there being € -0.5 million outstanding on 30 June 2015 compared with € +0.5 million on 30 June 2014. There were no other outstanding balances that are expected to be settled before the end of the financial year.

Finally, at 30 June 2015, the residual construction activities (Other activities segment), which the management no longer considers as strategic, showed a substantial break-even, with a negative EBITDA equal to € 0.2 million against a negative EBITDA of € 0.4 million at 30 June 2014.

Costs of production

In the first 6 months of 2015, *Cost of production*, which amounted to € 431.9 million, showed a decrease of € 13.3 million in absolute terms compared to € 445.2 million (-3.0%) of the same period of the previous year.

(in thousands of Euro)	For the 6 months ended 30 June				For the 3 months ended 30 June	
	2015	% of total	2014 Restated	% of total	2015	2014 Restated
Costs of raw materials and consumables	72,949	16.9%	75,434	16.9%	26,107	26,914
Costs for services and use of third-party assets	161,936	37.5%	176,725	39.7%	82,396	94,162
Personnel costs	193,050	44.7%	190,333	42.8%	97,368	94,956
Other operating costs	3,969	0.9%	2,692	0.6%	2,946	1,383
TOTAL COSTS OF PRODUCTION	**431,903**		**445,184**		**208,818**	**217,416**

Costs of raw materials and consumables for the 6 months ended 30 June 2015, came to € 72.9 million, showing a decrease of € 2.5 million (-3.3%) compared to 30 June 2014, with an incidence on consolidated revenues that remained substantially unchanged. The comparison data is mainly linked to an average cost of fuels showing a downward trend, against volumes of supply of energy and heat management services that had no showed significant changes.

Costs for services and use of third-party assets showed a decrease of € 14.8 million (-8.4%), with a lower incidence on total revenues (37.5% at 30 June 2015 against 39.7% at 30 June 2014). In general, the cost of services rendered by third parties (professional services, consortium services and other third party services) fell by € 12.1 million in all, partly as a result of small volumes, partly owing to a different mix of contracts, which have, at the moment, moved towards services with a greater labour content, and partly as a result of the measures we have already mentioned for cutting overheads, which have a substantial impact on this item. There was also a € 2 million reduction in the cost of leased assets.

The lower costs for services and use of third-party assets was accompanied by an increased incidence of *Personnel costs* on consolidated revenues (40.2% at 30 June 2015 against 38.2% a 30 June 2014), with an increase in the same in absolute terms over the total (€ 2.7 million more than the first six months of 2014), especially owing to the different composition of the services the company rendered, as mentioned above, and the consequent increase in the make-or-buy decisions that had to be taken compared with the previous year.

As at the end of the half-year the number of employees was 16,596 units at 30 June 2015, against 16,131 units at 30 June 2014.

Finally, *Other operating costs* amounted to € 4.0 million compared with € 2.7 million on 30 June 2014. Among other costs, € 1.3 million sundry operating costs related to energy services contracts were incurred owing to recent changes in law which are still being examined and assessed. This item also includes € 0.8 million costs which are considered to be non-recurring because they accrued in previous financial periods.

Non-recurring events and transactions

In the course of the first half-year of 2015, the Group carried out some transactions that originated "non-recurring" financial items which impacted on the normal dynamics in the gross operating income (EBITDA) as defined above.

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

In detail, the following non-recurring costs are recorded in the Consolidated Half-Year Statement of Profit/Loss for the period:

(in thousands of Euro)	**For the 6 months ended**	
	30 June 2015	**30 June 2014 Restated**
Tender offer consulting fees	142	
Structural reorganisation consulting fees	250	
"Oneri di Sistema" relating previous years	826	
Total non-recurring operating costs	**1,218**	**0**
Write-off of upfront fees related to the Notes bought back by means of the Tender offer	1,902	
Financial fees	1,069	
Total non-recurring financial costs	**2,971**	**0**
TOTAL NON-RECURRING COSTS	**4,189**	**0**

Consolidated Adjusted EBITDA and EBIT are thus represented as follows:

(in thousands of Euro)	**For the 6 months ended**	
	30 June 2015	30 June 2014 Restated
EBITDA	**48,727**	**52,686**
Non-recurring operating costs impacting on EBITDA	1,218	0
Adjusted EBITDA	**49,945**	**52,686**
Adjusted EBITDA % of Revenues	**10.4%**	**10.6%**

(in thousands of Euro)	For the 6 months ended	
	30 June 2015	30 June 2014 Restated
EBIT	**31,873**	**34,065**
Non-recurring operating costs impacting on EBIT	1,218	0
Adjusted EBIT	**33,091**	**34,065**
Adjusted EBIT % of Revenues	**6.9%**	**6.8%**

Operating Income (EBIT)

In the first 6 months of 2015, consolidated Operating Income (EBIT) stood at € 31.9 million (6.6% of revenues) against € 34.1 million at 30 June 2014 (6.8% of revenues).

Margins (EBIT/Revenues) were mainly affected by the abovementioned performance for the period in terms of EBITDA, with a recovery of 0.3 percentage points over the same. In fact, from the EBITDA must be deducted *amortization and depreciation* of € 14.2 million (€ 15.9 million at 30 June 2014), *write-downs of trade receivables and net impairment losses* of € 1.1 million (30 June 2014: € 2.0 million), *accruals of provisions for risks and charges* of € 2.4 million (30 June 2014: € 2.9 million) against *reversals* of € 0.9 million (€ 2.2 million at 30 June 2014).

Below is reported a comparison of Operating Income (EBIT) by segment in the first half-year 2015, with the amounts recorded in the first half-year 2014:

EBIT BY SEGMENT

(in thousands of Euro)	For the 6 months ended 30 June				For the 3 months ended 30 June	
	2015	% of segment Revenues	2014 Restated	% of segment Revenues	2015	2014 Restated
Facility Management	26,638	6.5%	27,057	6.4%	11,487	11,924
Laundering & Sterilization	5,443	7.8%	7,275	10.1%	2,561	3,387
Other	(208)	-10.8%	(266)	-6.1%	(276)	(256)
CONSOLIDATED EBIT	**31,873**	**6.6%**	**34,065**	**6.8%**	**13,772**	**15,054**

EBIT in the *Facility Management* segment was equal to € 26.6 million at 30 June 2015 (6.5% of the respective sector Revenues), only fell in absolute terms compared to the value already posted in the first 6 months of the 2014 financial year (6.4% of sector Revenues). The sector’s EBITDA performance is reflected in EBIT, which, however, benefits, compared to the same period in the previous financial year, from lower amortization, depreciation and write-downs for € 0.2 million (also as a result of the write-off of some fixed assets applied in the financial statements at 31 December 2014) as against a € 0.9 million increase in net appropriations (as of 30 June 2014 € 1.4 million more was set aside to meet risks on some contracts).

The reduction in the sector EBITDA also reflected on the Laundering&Sterilization sector, whose sector EBIT showed a decrease compared to the same period of the previous year, in absolute terms, to € 1.8 million (- € 2.5 million at EBITDA level); this in its turn led to a fall in terms of profit margins (- 2.3% on the related Revenues) similar to the values reported in terms of the EBITDA performance (- 2.8% compared to the first quarter of 2014). Amortisation, depreciation and write-downs amounted to € 0.6 million less than in the last year (also as a result of less investment in the linen rental and industrial laundering segment) and net appropriations were € 0.1 million lower.

Finally, there is a completely residual effect on EBIT from the negative contribution of the segment of *Other activities;* within this segment, as has been said, there was the residual construction activities of MACO S.p.A. only, which had recorded an operating loss of € 0.2 million at 30 June 2014 (€ 0.3 million at 30 June 2014).

Profit before taxes

To the consolidated EBIT must be added net income from companies valued at equity equal to € 1.8 million (€ 0.9 million at 30 June 2014), which reflected, among others, some unusual items recognised in the positive results of some associates. Furthermore, there was the recognition of net financial charges of € 20.0 million (€ 19.4 million in the same period of 2014), thus obtaining a profit before taxes equal, at 30 June 2015, to € 13.7 million (€ 15.6 million at 30 June 2014).

Below is provided the breakdown by nature of net financial charges for the first 6 months of 2015 and for the corresponding period of the previous year:

(in thousands of Euro)	**For the 6 months ended 30 June**		**For the 3 months ended 30 June**	
	2015	**2014 Restated**	**2015**	**2014 Restated**
Dividends and income (loss) from sale of investments	(774)	239	(774)	239
Financial income	337	1,644	81	1,106
Financial charges	(19,572)	(21,313)	(10,945)	(10,963)
Profit / (loss) on exchange rate	(13)	(2)	(7)	(2)
NET FINANCIAL CHARGES	**(20,022)**	**(19,433)**	**(11,645)**	**(9,620)**

Net income from investments includes the net result for the period for investment operations (€ -0.8 million as of 30 June 2015 compared with € +2.0 million as of 30 June 2014).

Financial income fell by € 1.3 million owing to less interest received on bank accounts (€ -0.5 million) together with the fact that as of 30 June 2014 € 0.8 million more interest had been paid on trade accounts receivable: this was interest on late payment in connection with some project financing contracts.

The impact of *financial charges* on the consolidated results of operations reduced by € 1.7 million compared to the first half-year of 2014. First of all the financial costs of the bond issue were € 1.9 million lower as a result of the reduction in the net debt for the purchase of quotas of nominal amount € 45 million of the same in the market, which was launched by the controlling company MFM S.p.A. in the last quarter of 2014. Moreover the parent company successfully concluded a tender offer for a nominal amount of € 80 million more of this loan, settling the purchase on 3 June 2014, not cancelling the bonds and keeping them in a securities account as it had done with the previous acquisitions. The favourable impact of this transaction in terms of lower financial costs amounted to € 0.6 million in the first half of 2015, and the saving will become even more evident in the coming quarters, even if costs will have to be sustained for any other short-term credit facilities which may be considered necessary to meet liquidity contingencies. The buy-back transaction also entailed writing off a proportionate part of the upfront fees reported in accordance with IAS 39, and € 1.9 million higher financial costs were reported in the six month period. Finally, financial fees amounting to € 1.1 million for the buy-back transaction were reported.

Net profit for the period

From the profit before taxes in the half-year must be deducted taxes of € 7.4 million, thus obtaining a *Net profit* arising from continuing operations of € 6.3 million (€ 5.4 million at 30 June 2014).

Furthermore, the first half-year of 2015 recorded a negative *Profit (loss) from discontinued operations* equal to € 0.6 thousand. According to IFRS5, the *Profit (loss) from discontinued operations* also includes the net negative result for the half-year (€ 0.9 million, net of profits from taxes of € 0.3 million) of SMAIL S.p.A., a company active in the sector of the maintenance of public lighting systems, which has been the object of a plan for its transfer that the management started in 2014 and which is expected to be completed in the year. Again in the application of IFRS5, the comparative data was restated which related to the net results for the period of SMAIL and MIA S.p.A., totalling, at 30 June 2014, a positive result of € 0.5 million (of which € 0.8 million relating to MIA S.p.A. against a loss of € 0.3 million of SMAIL S.p.A.).

The consolidated tax rate for the half-year (i.e. the tax impact on the Consolidated net profit, including the Profit(loss) from discontinued operations) came to 56.7%, with a decrease of about 6.5 percentage points compared to 30 June 2014, when it stood at 63.2%:

(in thousands of Euro)	For the 6 months ended	
	30 June 2015	30 June 2014 Restated
Profit before taxes	13,681	15,551
Income taxes	(7,400)	(10,169)
Tax rate from continuing operations	***54.1%***	***65.4%***
Profit (loss) from discontinued operations	(633)	542
Consolidated Net Profit	**5,648**	**5,924**
Total tax rate	***56.7%***	***63.2%***

The tax impact for the half-year was lower, in absolute values, for € 2.8 million compared the value posted at 30 June 2014, against a lower IRAP tax for € 3.5 million (determined by the application of the new regulations providing for the full deductibility of labour costs limited to the workers employed under permanent employment contracts) and higher IRES tax for € 0.7 million (determined by a low deductible share of IRAP tax, even if the tax base was also lower).

Finally, the Consolidated statement of Profit or Loss showed a Net Profit for the half-year attributable to the Group equity holders of the parent of € 5.6 million, compared to a Net Profit attributable to the equity holders of the parent of € 5.9 million at 30 June 2014.

3.2 Analysis of the statement of financial position as at 30 June 2015

(in thousands of Euro)	30 June 2015	31 December 2014	Change
USES			
Trade receivables and advances to suppliers	561,937	580,629	(18,692)
Inventories	4,949	5,115	(166)
Trade payables and advances from customers	(371,354)	(380,821)	9,467
Other elements of working capital	(69,534)	(79,630)	10,096
Net working capital	**125,998**	**125,293**	**705**
Property, plant and equipment	67,238	70,558	(3,320)
Intangible assets	394,513	394,642	(129)
Investments accounted for under the equity method	29,482	29,390	92
Other non-current assets	43,742	51,016	(7,274)
Fixed assets	**534,975**	**545,606**	**(10,631)**
Non-current liabilities	(42,813)	(45,363)	2,550
NET INVESTED CAPITAL	**618,160**	**625,536**	**(7,376)**
SOURCES			
Equity attributable to non-controlling interests	638	682	(44)

(in thousands of Euro)	30 June 2015	31 December 2014	Change
Equity attributable to equity holders of the parent	340,332	334,224	6,108
Shareholders' equity	**340,970**	**334,906**	**6,064**
Net financial indebtedness	277,190	290,630	(13,440)
FINANCING SOURCES	**618,160**	**625,536**	**(7,376)**

Net working capital

At 30 June 2015, Consolidated Net Working Capital (**NWC**) amounted to € 126.0 million, similar to the figure on 31 December 2014 (€ 125.3 million).

At 30 June 2015, consolidated net operating working capital (**NWOC**), composed of trade receivables and inventories, net of trade payables, was equal to € 195.5 million against € 204.9 million at 31 December 2014. Considering the now residual balance of receivables assigned by the Group in the framework of the previous years' assignment without recourse programmes (which are currently no longer used) and not yet collected by the factoring agencies, at 30 June 2015 and at 31 December 2014 the Adjusted NWOC would come to € 196.9 million and € 206.4 million, respectively.

The decrease is linked to the net effect of a reduction in the balance of trade payables and advances from customers (€ -9.5 million), against a decrease in the balance of trade receivables and advances to suppliers (€ - 18.7 million).

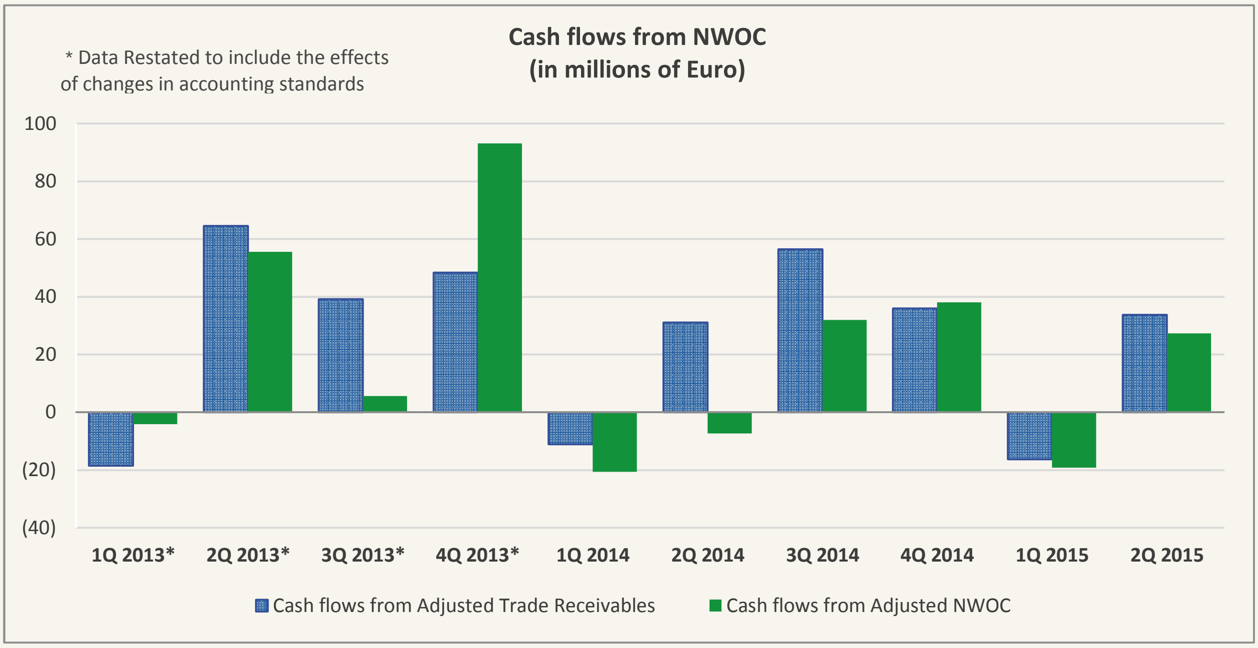
First of all, note a significant discontinuity in the stock of receivables (and in particular in a considerable portion of those concerning the customers in the Public and Healthcare sectors) at 30 June 2015, which was attributable to the VAT regulations, and in particular to those governing "Split Payments" introduced by the 2015 Stability law. These rules require Public Administrations to pay directly the Tax Office the VAT charged by their suppliers, which are no longer taxable persons in relation to the tax itself. This mechanism shows, as regards the Group's NWOC, a reduction in receivables for the portion of tax that is no longer recorded as a contra entry as a VAT debt to be paid. On the other hand, a lower VAT liability appears among the other elements in operating working capital, which has a positive impact which is reclassified in this indicator. From the analysis conducted to monitor this phenomenon within the Group, it has emerged that this reclassification can be estimated at € 35-40 million, net of which the total stock of receivables would be actually more significant.

On the contrary, average DSO at 30 June 2015 was 203 days, against 189 days at 13 December 2014, but in any case shorter than the time observed as of 30 June last year (209 days). Collection times, the improvement in which has been consolidated in the Group's recent past, did in fact lengthen slightly when the VAT law to which we have just referred was introduced: the new rules delayed invoicing processes during the initial phases of its application, causing a temporary slippage in the issuing of invoices which, in turn, was reflected in these longer collection times.

However, more generally, there was a more rational management for the components of its working capital, and in particular of trade payables. In fact, trade payables came to € 371.4 million at 30 June 2015, with a decrease of € 9.5 million compared to the balance at 31 December 2014 (€ 380.8 million). As early as in 2014, the Group also started to report a downward trend in invoiced costs (costs for professional services, subcontracted services and capex for the period), which partially affects the average stock of trade payables.

There was also an increase in DPO in the first six months of the year (223 days as of 30 June 2015 compared with 218 as of 31 December 2014 and 216 as of 30 June 2014). As regards invoice management, the new reverse charge VAT rules also affected incoming invoices and this delayed the average time it took to handle them, which had an impact on overall DPO.

The graph below shows the quarterly trends of available cash flow generated from or used by changes in trade receivables and of NWOC, both adjusted to take account of the balance of trade receivables assigned without recourse to factoring companies and not yet collected by these companies on the reporting dates. Starting from the end of the 2013 financial year, inflows from the collection of debts were substantially stable (even with a different physiological performance during the quarters), so that these benefits could be transferred to the suppliers too. Average DSO was 14 days longer than as of 31 December 2014 (owing to the factors described above), but average DPO only increased by 5 days.



	1Q 2013*	2Q 2013*	3Q 2013*	4Q 2013*	1Q 2014	2Q 2014	3Q 2014	4Q 2014	1Q 2015	2Q 2015
Change on Adjusted Trade Receivables	(18.5)	64.6	39.2	48.4	(11.1)	31.2	56.5	36.0	(16.3)	33.8
Change on Trade Payables	14.1	(10.7)	(34.7)	42.9	(9.6)	(38.7)	(24.3)	1.8	(2.7)	(6.7)
Cash flows from Adjusted NWOC	(4.2)	55.5	5.7	93.2	(20.6)	(7.3)	32.0	38.1	(19.1)	27.4

The balance of the other elements in working capital at 30 June 2015 was a net liability of € 69.5 million, down by € 10.1 million compared to a net liability of € 79.6 million at 31 December 2014:

(in thousands of Euro)	30 June 2015	31 December 2014 Restated	Change
Current tax receivables	28,811	28,922	(111)
Other current assets	29,031	30,632	(1,601)
Assets classified as held for sale	5,221	5,003	218
Provisions for risks and charges, current	(16,186)	(20,559)	4,373
Current tax payables	(6,816)	(4)	(6,812)
Other current liabilities	(109,595)	(123,624)	14,029
OTHER ELEMENTS IN WORKING CAPITAL	**(69,534)**	**(79,630)**	**10,096**

The effect of the Split Payment, net of the reverse charge rule already described, is evident (lower net VAT debt for € 25.3 million compared to the amount reported on 31 December 2014), above all when comparing the trend in the item in question with the data in the first half-year of previous financial years, in which there was an increase, in statistical terms, in the liability itself (€ 7.1 million at 30 June 2014 compared to 31 December 2013).

This decrease in net liability was due to a combination of various factors, mainly including:

- 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 an increase in net liabilities of € 15.3 million;
- the estimated income tax liability recognised on 30 June 2015 was € 6.9 million higher;
- the decrease of € 4.4 million short-term portion of provisions for risks and charges;
- lower net payables for € 1.9 million for amounts collected on behalf of TJA partners in which the Group companies participate in the capacity of agents.

The working capital elements also include inventories of work in progress of SMAIL S.p.A., which have been classified as "assets held for sale" (€ 5.2 million at 30 June 2015 against € 5.0 million at 31 December 2014).

Other non current liabilities

"Other non current liabilities" mainly include liabilities relating to:

- TFR (employee benefits), equal to € 19.5 million and € 21.2 million at 30 June 2015 and 31 December 2014, respectively;
- long-term portion of provisions for future risks and charges (€ 11.4 million at 30 June 2015 against € 12.4 million at 31 December 2014);
- deferred tax liabilities of € 11.9 million (€ 11.8 million at 31 December 2014).

Consolidated net financial indebtedness

Details of net financial indebtedness at 30 June 2015 are shown below, compared to the figures at 31 December 2014, as determined on the basis of the instructions laid down in CONSOB Communication no. DEM/6064293 of 28 July 2006.

(in thousands of Euro)	30 June 2015	31 December 2014	Change
A. Cash	38	36	2
B. C/a, bank deposits and consortia, non-proprietary accounts	66,252	113,346	(47,094)
D. Cash and cash equivalents (A) + (B) + (C)	**66,290**	**113,382**	**(47,092)**
E. Current financial assets	**7,950**	**3,501**	**4,449**
F. Current bank overdraft	32,014	0	32,014
G. Current portion of non-current debt	17,702	27,108	(9,406)
H. Other current financial liabilities	423	1,404	(981)
I. Current financial indebtedness (F)+(G)+(H)	**50,139**	**28,512**	**21,627**
J. Current net financial indebtedness (D) + (E) + (I)	**(24,101)**	**(88,371)**	**64,270**
K. Long-term bank debts and Senior Secured Notes	292,868	370,280	(77,412)
L. Other non-current financial liabilities	8,423	8,721	(298)
M. Derivatives	0	0	0
N. Non-current financial indebtedness (K) + (L) + (M)	**301,291**	**379,001**	**(77,710)**
O. NET FINANCIAL INDEBTEDNESS (J) + (N)	**277,190**	**290,630**	**(13,440)**

In the first 6 months of 2015 the Consolidated net financial debt saw a decrease, passing from € 290.6 million at 31 December 2014 to € 277.2 million at 30 June 2015. The consolidated net "adjusted" financial debt for the amount of receivables assigned to factoring companies that had not been collected at the balance sheet date (equal to € 1.4 million at 30 June 2015, substantially in line with the value posted at 31 December 2014) would come to € 278.6 million (€ 292.1 at 31 December 2014). The main factors in the variation are the cash flow generated, as explained above, by the variations in NWOC (€ 8.2 million) together with a positive cash flow from the operating result for the six months (€ 28.9 million) as against outflows for investments, the utilisation of provisions and other variations in assets items amounting to € 23.6 million.

The following is the detail of the net financial exposure for bank credit lines and obligations for financial leases ("*Net interest bearing financial indebtedness*"), compared to 31 December 2014:

(in thousands of Euro)	**30 June 2015**	**31 December2014**
Cash and cash equivalents	(66,290)	(113,382)
Current bank overdraft, advance payments and hot money	32,014	0
Current portion of non-current bank debts	17,075	26,333
Long-term bank debts	0	0
Senior Secured Notes	292,868	370,280
Financial lease obligations	1,821	2,288
NET INTEREST BEARING FINANCIAL INDEBTEDNESS	**277,488**	**285,519**

The financial Indebtedness, as defined above, reported a decrease compared to 31 December 2014 passing from € 285.5 million (€ 287.0 considering the exposure to factoring companies) to € 277.5 million (€ 278.9 considering the exposure to factoring companies). This change was mainly attributable to the lower cash and cash equivalents compared to the value posted at the end of the previous year (- € 79.1 million, net of € 32.0 million utilised from very short-term credit lines for advances on invoices and to meet liquidity contingencies); the current portion of non-current bank debt amounted to € 9.3 million (which included accrued expenses of € 13.5 million at 31 December 2014, relating to interest on the bond coupons paid in February 2015, while the liability on 30 June 2015 for the coupons maturing in August 2015 was € 10.6 million).

The debt for Senior Secured Notes fell by € 77.4 million: a portion of these notes with a nominal value of € 80 million was bought back by means of a tender offer in June 2015 and the transaction was recognised in the accounts according to the amortised cost method in accordance with IAS 39.

The change in consolidated Cash and cash equivalents is shown in the table below: the cash flows for the first half-year of 2015 are compared with the figures for the previous year.

Annex IV to the consolidated Half-year Financial Report contains a reconciliation between the items in this table and those in the statutory Cosnolidated Statement of Cash Flows presented in the Condensed Explanatory Notes pursuant to IAS 7.

	2015	**2014**
At 1 January	**113,382**	**184,538**
Cash flow from current operations	28,905	36,776
Uses of provisions for risks and charges and for employee termination indemnity	(8,078)	(12,956)
Change in adjusted NWOC	8,213	(36,029)
Industrial and financial capex, net of disposals	(3,230)	(7,844)

	2015	2014
Change in adjusted net financial liabilities	(60,588)	(65,381)
Other changes	(12,314)	6,636
AT 30 JUNE	**66,290**	**105,740**

The overall cash flows mainly reflect the net effect of:

- a positive cash flow from operations of € 28.9 million (€ 36.8 million at 30 June 2014);
- € 8.1 million in outflows from the utilisation of the provision for future risks and charges and for employee termination indemnity (€ 13.0 million at 30 June 2014);
- a cash flow from changes in adjusted NWOC for € 8.2 million (compared with an outflow of € 36.0 million at 30 June 2014) which mainly arises from a positive flow correlated to a change in adjusted trade receivables of € 17.5 million (€ 20.1 million at 30 June 2014), net of a flow absorbed by a reduction in trade payables for € 9.5 million (€ 48.3 million over the same period of 2014);
- a € 3.2 million net cash flow used in investing activities (€ 7.8 million at 30 June 2014), generated by industrial investments amounting to € 11.2 million, net of disposals for € 0.2 million (€ 15.2 million and € 1.0 million at 30 June 2014, respectively), against € 7.7 million (€ 7.3 million at 30 June 2014) in positive inflows arising from financial investments;
- a € 60.6 million decrease in net adjusted financial liabilities (mainly due to drawing € 32.0 million on a credit facility in order to be able to buy back the notes at a book value of € 77.4 million) compared with a decrease of € 65.4 million on 30 June 2014, € 38 million of which was the result of the early termination of bank loan agreements and € 9.5 million of the closure of the pledged Intesa San Paolo bank account to which the receipts from the programme for the assignment of accounts receivable without recourse were credited;
- changes in other assets and liabilities amounting to a total outflow of € 12.3 million against € 6.6 million generated as of 30 June 2014, mainly owing to changes in flows relating to the VAT debt already described above.

Financial and industrial Capex

In the first half-year of 2015, the Group made net capital expenditures which totalled € 11.2 million, compared to disinvestments of € 0.2 million:

(in thousands of Euro)	For the 6 months ended 30 June	
	2015	2014 Restated
Purchase of properties	0	2
Purchase of plant and equipment	8,902	10,361
Other capital expenditures in intangible assets	2,287	4,611

(in thousands of Euro)	For the 6 months ended 30 June	
	2015	2014 Restated
Investments related to assets held for sale	0	208
CAPITAL EXPENDITURES	**11,189**	**15,182**

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 (€ 5.7 million at June 2015, against € 7.1 million at 30 June 2014). Investments in intangible assets for the period amounted to € 2.3 million (€ 4.6 million at 30 June 2014) and mainly related to improvements on the company's IT systems.

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

(in thousands of Euro)	For the 6 months ended 30 June	
	2015	2014
Facility Management	2,866	5,571
Laundering & Sterilization	8,323	9,403
Other	0	0
Assets held for sale	0	208
CAPITAL EXPENDITURES	**11,189**	**15,182**

Finally, disinvestments were recorded for the period equal to € 0.2 million against € 1.0 million at 30 June 2014, mainly related to 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 was disposed of in early 2014.

The € 7.7 million positive cash flow was the final result of the divestment of a portion of the investment in Progetto Nuovo Sant'Anna S.r.l. and the shareholders' loan (€ +4.7 million) as against new long-term loans to project financing companies (€ -1.9 million) and the reclassification of € 5.0 million escrowed in connection with the sale of MIA S.p.A. in December 2014 among short-term financial assets. There were net financial divestments of € 6.3 million as of 30 June 2015, € 2.6 million of which from the sale of Energyproject S.r.l. and € 1.1 million from the sale of Perimetro Immobiliare S.c.p.a..

Change in net financial liabilities

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

(in thousands of Euro)	31 December 2014	Amortization for the period	Buy-back Notes	Openings for the period	Other changes	30 June 2015
Bank loans	12,869	(6,415)			10	6,464
Current bank overdraft, advance payments and hot money	0			32,014		32,014
Accrued income and prepaid expenses on loans	13,410	(16,150)			13,315	10,575
Senior Secured Notes	370,280		(80,000)		2,588	292,868
BANK DEBTS	**396,558**	**(22,565)**	**(80,000)**	**32,014**	**15,913**	**341,921**
Financial lease obligations	2,288	(467)				1,821
Other financial liabilities	8,667				(979)	7,688
FINANCIAL LIABILITIES	**407,513**	**(23,032)**	**(80,000)**	**32,014**	**14,934**	**351,430**
Current financial assets	(3,501)				(4,449)	(7,950)
NET FINANCIAL LIABILITIES	**404,012**	**(23,032)**	**(80,000)**	**32,014**	**10,485**	**343,480**
Outstanding amount of receivables assigned without recourse to factoring companies	1,469				(56)	1,412
Adjusted NET FINANCIAL LIABILITIES	**405,481**	**(23,032)**	**(80,000)**	**32,014**	**10,429**	**344,892**

The first half-year of 2015 saw the payment of the net six-monthly coupon on the Senior Secured Notes of € 16,2 million; the settlement date was 2 February 2015. As already disclosed to the market, in the last quarter of the 2014 financial year MFM S.p.A. formalised the acquisition of some of its Senior Secured Notes on the open market for a total nominal amount of € 45 million.

Also during this period, as we have already reported, a public tender offer to investors was made as a result of which notes with a nominal value of € 80 million were bought back; these, too, were not cancelled but kept in a securities account.

Finally, the short-term financial assets balance was € 4.4 million higher mainly as a result of the reclassification as short-term assets, already mentioned, of a € 5 million portion of the price, not yet collected, for the sale of shares in MIA S.p.A. in December 2014. € 10 million had been escrowed in connection with this transaction, which were to be released when certain provisions in the agreement were satisfied.

4. BUSINESS OUTLOOK

The cost cutting and internal reorganisation measures which the Group has been taking since the end of the 2014 financial year are showing their effects on margins: the half-year results are confirmation of the soundness of the economic and financial targets that have been set. The management continued to focus on management efficiency and the stabilisation of business profitability in response to a market situation which was still slow-moving, in the first half-year of 2015, and in which pressure on prices and volumes persisted. The reorganisation that has been announced is reaching its conclusion and will therefore soon come to fruition. In the coming months it will involve the headquarters and outlying offices, its aim being to refocus the Group's business model in order to resume its growth path.

As regards cash flow management, during this half year there was a slight slowdown in invoicing processes and collection and payment, which were affected by the substantial impact, particularly on processes, of the new split payment and reverse charge VAT rules. As the process of putting these new rules into practice has finished and the system of electronic invoicing of Italian public sector clients is now fully operational, we expect the management of elements in working capital to be smoother in the months to come. The changes in the financial market have also enabled the Group to seize favourable opportunities for a more efficient use of its liquid assets and the reduction of its overall financial exposure, which has taken the form, up to now, only of its bond issue. The action that the Group started to take in the second half of 2014 to rebalance its financial structure and reduce the cost of funding will bring it further financial cost savings during the rest of this financial year to the benefit of overall profitability. In fact on the date on which this Consolidated Interim Report was approved, the Group obtained access to more than € 100 million in bank credit facilities, which will be used to meet temporary cash requirements and give the Group greater financial flexibility at lower costs while still observing the covenants laid down in the Senior Secured Notes issue regulations.

Finally, as already reported in the financial statements at 31 December 2014, within negotiations started with third parties for the transfer of the public lighting business of SMAIL S.p.A., the latter had been classified as held for sale pursuant to IFRS5. In the first half-year 2015, the negotiations led to a preliminary agreement for the sale of SMAIL S.p.A., which should be followed by the completion of the sale before the end of the financial year, this will conclude the process of the disposal of a business – public lighting – which management has defined as non-strategic for the Group's future development.

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS AT 30 JUNE 2015

CONSOLIDATED HALF-YEAR STATEMENT OF FINANCIAL POSITION

	NOTES	30 June 2015	31 December 2014
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	64,706	67,691
Property, plant and equipment under lease	4	2,532	2,867
Goodwill	6	369,860	369,860
Other intangible assets	5	24,653	24,782
Investments accounted for under the equity method	7	29,482	29,390
Other investments	8	3,511	3,341
Non-current financial assets	8	11,135	18,449
Other non-current assets	8	1,644	1,787
Deferred tax assets		27,452	27,439
TOTAL NON-CURRENT ASSETS		**534,975**	**545,606**
CURRENT ASSETS			
Inventories		4,949	5,115
Trade receivables and advances to suppliers	9	561,937	580,629
Current tax receivables		28,811	28,922
Other current assets	9	29,031	30,632
Current financial assets	12	7,950	3,501
Cash and cash equivalents	12	66,290	113,382
TOTAL CURRENT ASSETS		**698,968**	**762,181**
Assets classified as held for sale	10	5,221	5,003
TOTAL ASSETS CLASSIFIED AS HELD FOR SALE		**5,221**	**5,003**
TOTAL ASSETS		**1,239,164**	**1,312,790**

	NOTES	30 June 2015	31 December 2014
SHAREHOLDERS' EQUITY			
Share capital		109,150	109,150
Reserves		188,012	170,167
Retained earnings		37,498	42,553
Profit (loss) for the period attributable to equity holders of the Parent		5,672	12,354
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**340,332**	**334,224**
Capital and reserves attributable to non-controlling interests		662	409
Profit (loss) for the period attributable to non-controlling interests		(24)	273
EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**638**	**682**
TOTAL SHAREHOLDERS' EQUITY	11	**340,970**	**334,906**
NON-CURRENT LIABILITIES			
Employee termination indemnity	13	19,510	21,207
Provisions for risks and charges, non-current	14	11,406	12,373
Long-term debt	12	301,291	379,001
Deferred tax liabilities		11,869	11,755
Other non-current liabilities		28	28
TOTAL NON-CURRENT LIABILITIES		**344,104**	**424,364**
CURRENT LIABILITIES			
Provisions for risks and charges, current	14	16,186	20,559
Trade payables and advances from customers	15	371,354	380,821
Current tax payables		6,816	4
Other current liabilities	15	109,595	123,624
Bank borrowings, including current portion of long-term debt, and other financial liabilities	12	50,139	28,512
TOTAL CURRENT LIABILITIES		**554,090**	**553,520**
Liabilities directly associated with assets classified as held for sale	10	0	0
TOTAL LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE		**0**	**0**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**1,239,164**	**1,312,790**

CONSOLIDATED HALF-YEAR STATEMENT OF PROFIT OR LOSS

	NOTES	For the 6 months ended 30 June 2015	30 June 2014 Restated (*)
REVENUES			
Revenues from sales and services		479,929	495,655
Other revenues		702	2,215
TOTAL REVENUES		**480,631**	**497,870**
OPERATING COSTS			
Costs of raw materials and consumables		(72,949)	(75,434)
Costs for services and use of third party assets		(161,936)	(176,725)
Personnel costs		(193,050)	(190,333)
Other operating costs		(3,969)	(2,692)
Amortization, depreciation, write-downs and write- backs of assets	4 – 5 – 9	(15,323)	(17,955)
Accrual of provisions for risks and charges	14	**(1,531)**	(666)
TOTAL OPERATING COSTS		**(448,758)**	**(463,805)**
OPERATING INCOME		**31,873**	**34,065**
FINANCIAL INCOME AND EXPENSES			
Share of net of associates	7	1,830	918
Dividend and income (loss) from sale of investments		(774)	239
Financial income		337	1,644
Financial charges		(19,572)	(21,313)
Profit (loss) on exchange rate		(13)	(2)
Profit (loss) before taxes from continuing operations		**13,681**	**15,551**
Income taxes		(7,400)	(10,169)
Profit (loss) from continuing operations		**6,281**	**5,382**
Profit (loss) from discontinued operations		(633)	542
Profit (loss) for the period		5,648	5,924
Net profit (loss) for the period attributable to non-controlling interests		**24**	**(128)**
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		**5,672**	**5,796**

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

	For the 6 months ended	
	30 June 2015	30 June 2014 Restated (*)
Basic earnings per share	0.052	0.053
Diluted earnings per share	0.052	0.053
Basic earnings per share from continuing operations	0.058	0.053
Diluted earnings per share from continuing operations	0.058	0.053

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

CONSOLIDATED HALF-YEAR STATEMENT OF OTHER COMPREHENSIVE INCOME

	NOTES	For the 6 months ended	
		30 June 2015	**30 June 2014 Restated (*)**
Net profit for the period		**5,648**	**5,924**
Other components of the comprehensive income, which will be subsequently reclassified under profit/loss for the year:			
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	(226)	(446)
Other components of the comprehensive income for the period, which will be subsequently reclassified under profit/loss for the year		**(226)**	**(446)**
Other components of the comprehensive income, which will be subsequently reclassified under profit/loss for the year:			
Actuarial gain (losses) on defined benefit plans		856	(1,592)
Income taxes		(235)	438
Net effect on actuarial gains (losses)	13	**621**	**(1,154)**
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	**43**	**(75)**
Other components of the comprehensive income for the period, which will not be subsequently reclassified under profit/loss for the year		**664**	**(1,229)**
Total profits (losses) in the statement of other comprehensive income, net of taxes		**438**	**(1,675)**
Total comprehensive profit (loss), net of taxes		**6,086**	**4,249**
Attributable to:			
Equity holders of the Parent		6,110	4,121
Non-controlling interests		(24)	128

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

CONSOLIDATED HALF-YEAR STATEMENT OF CASH FLOWS

	NOTES	For the 6 months ended	
		30 June 2015	30 June 2014 Restated (*)
Net profit (loss) from continuing operations for the period		**6,281**	**5,382**
Income taxes for the period		7,400	10,169
Profit before taxes from continuing operations		**13,681**	**15,551**
Profit (loss) from discontinued operations		(633)	542
(Capital gains)losses from the transfer of equity investments		41	0
Amortization, depreciation, write-downs and (write-backs) of assets		15,305	19,135
Accrual (reversal) of provisions for risks and charges		1,646	739
Employee termination indemnity provision		390	771
Payments of employee termination indemnity		(1,231)	(5,514)
Utilization of provisions		(6,847)	(7,442)
Share of net profit of associates		(914)	643
Financial charges (income) for the period		19,092	19,585
Operating cash flows before movements in Working Capital		**40,530**	**44,010**
Of which related to discontinued operations		*(702)*	*1,679*
Of which related to continuing operations		*41,232*	*42,332*
Decrease (increase) of inventories		166	226
Decrease (increase) of trade receivables and advances to suppliers		17,458	6,661
Decrease (increase) of other current assets		1,744	528
Increase (decrease) of trade payables and advances from customers		(9,467)	(48,260)
Increase (decrease) of other current liabilities		(14,038)	6,123
Change in Working Capital		**(4,137)**	**(34,722)**
Net interest received (paid) in the period		(19,469)	(18,995)
Income taxes paid in the period		(611)	(523)
Net cash flow from operating activities		**16,313**	**(10,230)**
Purchase of intangible assets, net of sales	5	(2,287)	(4,758)
Purchase of property, plant and equipment	4	(8,902)	(10,417)
Proceeds from sales of property, plant and equipment	4	217	1,013
Disposal (acquisition) of investments		469	716
(Decrease) increase of financial assets		2,815	1,861
Net cash from assets held for sale	10	9	2,634
Net cash flow from (used in) investing activities		**(7,679)**	**(8,951)**
Net proceeds from/(reimburse of) borrowings	12	(55,706)	(59,602)
Dividends paid		(20)	(15)
Net cash flow from / (used in) financing activities		**(55,726)**	**(59,617)**
Changes in cash and cash equivalents		**(47,092)**	**(78,798)**
Cash and cash equivalents at the beginning of the period		113,382	184,538
Changes in cash and cash equivalents		(47,092)	(78,798)

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

	NOTES	For the 6 months ended	
		30 June 2015	30 June 2014 Restated (*)
Cash and cash equivalents at the end of the period		**66,290**	**105,740**
Details of cash and cash equivalents:			
Cash and bank current accounts		66,290	105,740
TOTAL CASH AND CASH EQUIVALENTS		**66,290**	**105,740**

SUPPLEMENTARY INFORMATION

(in thousands of Euro)	For the 6 months ended	
	30 June 2015	30 June 2014 Restated (*)
Interests paid	(19,795)	(20,635)
Interests received	326	1,640
Dividends received	143	1,687

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Reserves	Retained earnings	Result of the period	Equity attributable to equity holders of the parent	Equity attributable to non-controlling interests	Total shareholders' equity
1 January 2015 Restated (*)	**109,150**	**170,167**	**42,553**	**12,354**	**334,224**	**682**	**334,906**
Dividends paid					**0**	(20)	**(20)**
Allocation of prior year result		17,407	(5,055)	(12,354)	**0**	0	**0**
Acquisition/transfer of minority interests in subsidiaries					**0**	(1)	**(1)**
Total comprehensive income for the period		438		5,672	**6,110**	(24)	**6,085**
30 June 2015	**109,150**	**188,012**	**37,498**	**5,672**	**340,332**	**638**	**340,970**

	Share capital	Reserves	Retained earnings	Result of the period	Equity attributable to equity holders of the parent	Equity attributable to non-controlling interests	Total shareholders' equity
1° January 2014 (*)	**109,150**	**167,797**	**33,606**	**13,747**	**324,300**	**1,954**	**326,255**
Dividends paid					**0**	(15)	**(15)**
Allocation of prior year result		4,800	8,947	(13,747)	**0**	0	**0**
Total comprehensive income for the period		(1,675)		5,796	**4,121**	128	**4,249**
30 June 2014 (*)	**109,150**	**170,922**	**42,553**	**5,796**	**328,421**	**2,066**	**330,487**

(*)For any information on the restatement of the comparative data determined in the application of the IFRS5 reference should be made to Note 3 – Effect of the application of IFRS5

1. GENERAL INFORMATION

The consolidated Half-year Financial Report of the Manutencoop Facility Management Group ("the MFM Group" or "the Group") for the half-year ended 30 June 2015 consists of the Interim Report of Operations and of the condensed consolidated half-year Financial Statements at 30 June 2015, which were prepared in the application of IAS 34 – Interim Financial Reporting. The publication of the consolidated Half-year Financial Report of MFM Group for the period ended 30 June 2015 was authorized by resolution of the Management Board of 13 August 2015.

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 half-year Financial Statements at 30 June 2015 comprise the Consolidated statement of financial position, the Consolidated Statement of profit or loss, the Consolidated Statement of other comprehensive income, the Consolidated half-year 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 2014, 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 half-year of 2014. All comparative data have been restated in order to show the effects of the application of IFRS5, which was adopted on 31 December 2015.

The condensed consolidated interim Financial Statements at 30 June 2015 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 half-year Financial Statements at 30 June 2015 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 half-year Financial Statements at 30 June 2015 have been prepared in compliance with IAS 34 - *Interim Financial Reporting*.
The condensed consolidated half-year 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 2014.

2.2 Changes in accounting standards and disclosures

The criteria adopted for the preparation of the condensed consolidated half-year Financial Statements at 30 June 2015 are consistent with those used to prepare the consolidated Financial Statements as at 31 December 2014, 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 2015, in addition to the amendments to the existing standards.
IFRIC 21, Levies, has come into effect. It is an interpretation of IAS 37, Provisions, Contingent Liabilities and Contingent Assets which states the method for recognising liabilities for the payment of levies other than income tax, especially as regards the obligating event and the time the liability is recognised.
The 2011-2013 series of *Annual Improvements to IFRS* has also come into force. The series includes minor amendments to and clarifications of various previously issued Standards. The adoption of the above Standards and Interpretations has had no impact at all on the Group's Condensed Consolidated Half-Year Financial Statements.

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

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 half-year Financial Statements are detailed below.

Impairment test

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

At 30 June 2015, the carrying amount of the goodwill stood at € 369,860 thousand (which remained unchanged compared to the value reported in the Consolidated Financial Statements at 31 December 2014). More details are given in note 6.

Recognition of the present value of liabilities for Put Option 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 half-year Financial Statements include the financial statements of Manutencoop Facility Management S.p.A. (the ''Parent Company, "MFM S.p.A." or simply "MFM") and its subsidiaries, prepared as at 30 June 2015. 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.

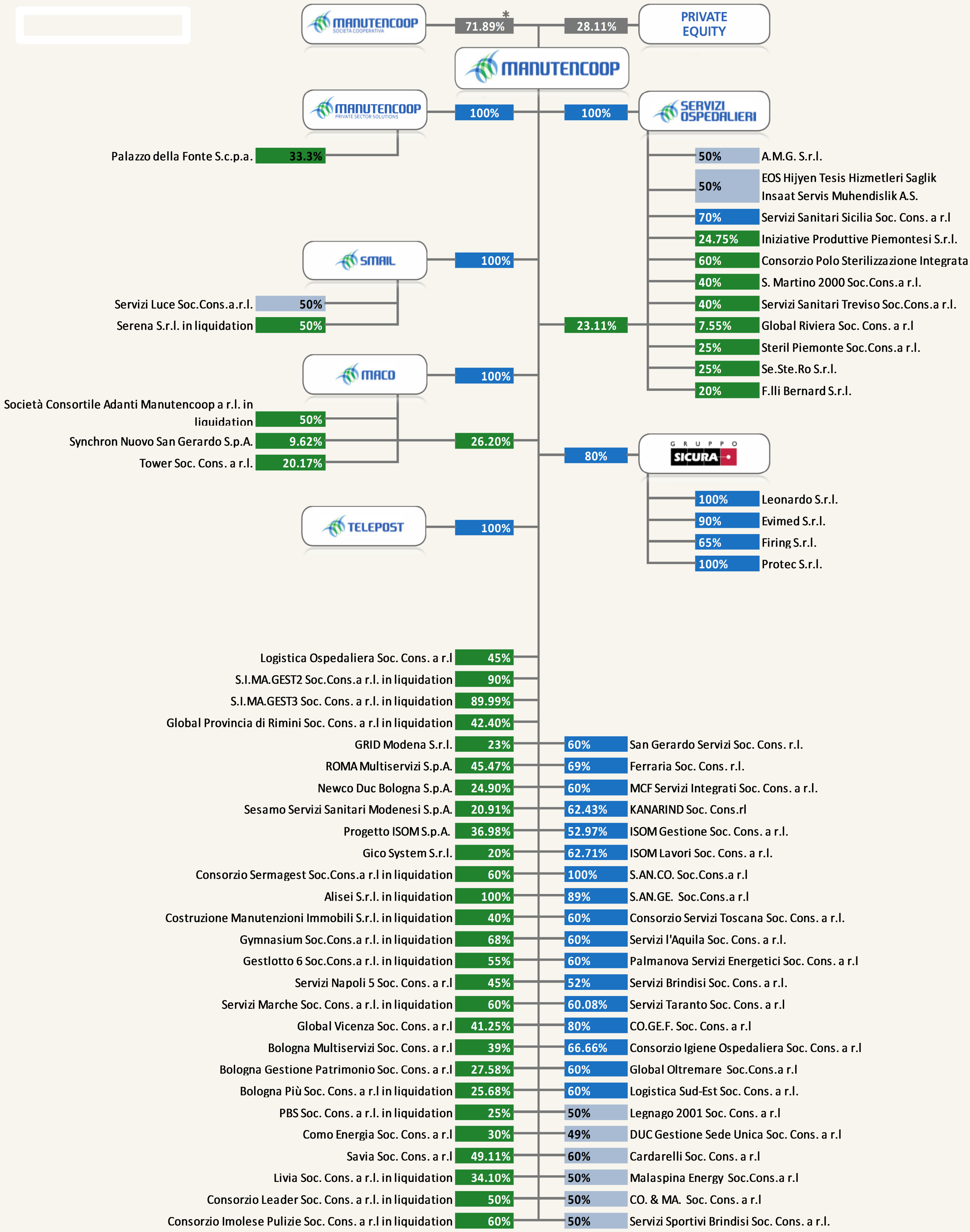
Subsidiaries are fully consolidated starting from the acquisition date, i.e. the date on which the Group acquires control, and are deconsolidated on the date in which control is transferred out of the Group.

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 June 2015 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.

In the half-year note:

- the incorporation of San Gerardo Servizi Soc. Cons a r.l., owned by MFM (60%) on 24 March 2015;
- the transfer of the entire investment (33.33%) held by MFM in United Facility Solutions, which was completed on 6 March 2015;
- the sale on 4 June 2015 of 20% of the equity of Progetto Nuovo Sant'Anna S.r.l., in which MFM S.p.A. previously had a 24% interest, has therefore been reclassified among "Other Equity investments".

3. EFFECTS OF APPLICATION OF IFRS5

On 30 December 2014 MFM S.p.A. transferred the total stake in MIA S.p.A., the sub-holding company of the group active in the maintenance and installation of lifting equipment (MIA Group). At the same time, the Group's Management classified the public lighting business, conducted by subsidiary SMAIL S.p.A. on an exclusive basis, as held for sale.

In the consolidated financial statements prepared according to the IFRS, the economic results obtained from these activities in the 2014 financial year have been excluded from the perimeter of "Continuing operations" and classified as a single item under the Statement of Profit or Loss as "Profit (loss) from discontinued operations", in accordance with IFRS 5.

However, the application of this standard has not entailed effects on the consolidated net profit and the consolidated equity.

Below is reported the reconciliation of the economic figures at 30 June 2014 reported in the condensed Consolidated Financial Statements at 30 June 2014 and the economic figures at 30 June 2014, as restated to include the abovementioned reclassifications:

	30 June 2014	Effects of application of IFRS5	30 June 2014 Restated
REVENUES			
Revenues from sales and services	511,922	(16,267)	495,655
Other revenues	2,246	(31)	2,215
TOTAL REVENUES	**514,168**	**(16,298)**	**497,870**
OPERATING COSTS			
Costs of raw materials and consumables	(78,875)	3,441	(75,434)
Costs for services and use of third party assets	(181,815)	5,090	(176,725)
Personnel costs	(195,993)	5,660	(190,333)
Other operating costs	(3,013)	321	(2,692)
Amortization, depreciation, write-downs and write- backs of assets	(19,135)	1,180	(17,955)
Accrual of provisions for risks and charges	(739)	73	(666)
TOTAL OPERATING COSTS	**(479,570)**	**15,765**	**(463,805)**

	30 June 2014	Effects of application of IFRS5	30 June 2014 Restated
OPERATING INCOME	**34,598**	**(533)**	**34,065**
FINANCIAL INCOME AND EXPENSES			
Share of net profit of associates	918		918
Dividends and income (loss) from sale of investments	239		239
Financial income	1,914	(270)	1,644
Financial charges	(21,497)	184	(21,313)
Profit (loss) on exchange rate	(2)		(2)
Profit (loss) before taxes from continuing operations	**16,170**	**(619)**	**15,551**
Income taxes	(10,246)	77	(10,169)
Profit (loss) from continuing operations	**5,924**	**(542)**	**5,382**
Profit (loss) from discontinued operations	0	542	542
PROFIT (LOSS) FOR THE PERIOD	**5,924**	**0**	**5,924**
Net profit (loss) for the period attributable to non- controlling interests	(128)		(128)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	**5,796**	**0**	**5,796**

Below is reported the reconciliation of the values arising from the Condensed Consolidated half-year Financial Statements at 30 June 2014 and the values at 30 June 2014 as restated to adopt the application of IFRS5 to comparative data with reference to the items of the Consolidated Statement of Cash Flows:

	For the 6 months ended 30 June 2014	Effects of application of IFRS5	For the 6 months ended 30 June 2014 Restated
Net profit (loss) from continuing operations	**5,924**	**(542)**	**5,382**
Income taxes for the period	10,246	(77)	10,169
Profit before taxes from continuing operations	**16,170**	**(619)**	**15,551**
Profit (loss) from discontinued operations	0	542	542
Amortization, depreciation, write-downs and (write-backs) of assets	19,135		19,135
Accrual (reversal) of provisions for risks and charges	739		739
Employee termination indemnity provision	771		771
Payments of employee termination indemnity	(5,514)		(5,514)
Utilization of provisions	(7,442)		(7,442)
Share of net profit of associates	643		643
Financial charges (income) for the period	19,585		19,585
Operating cash flows before movements in Working Capital	**44,087**	**(77)**	**44,010**
Cash flow related to discontinued operations			*1,679*
Cash flow related to continuing operations			*42,332*
Decrease (increase) of inventories	226		226
Decrease (increase) of trade receivables and advances to suppliers	6,661		6,661
Decrease (increase) of other current assets	528		528
Increase (decrease) of trade payables and advances from customers	(48,260)		(48,260)
Increase (decrease) of other current liabilities	6,123		6,123
Change in working capital	**(34,722)**	**0**	**(34,722)**

	For the 6 months ended 30 June 2014	Effects of application of IFRS5	For the 6 months ended 30 June 2014 Restated
Net interests received (paid) in the period	(18,995)		(18,995)
Income taxes paid in the period	(600)	77	(523)
Net cash flow from operating activities	**(10,230)**	**0**	**(10,230)**
Purchase of intangible assets, net of sales	(4,758)		(4,758)
Purchase of property, plant and equipment	(10,417)		(10,417)
Proceeds from sales of property, plant and equipment	1,013		1,013
Disposal (acquisition) of investments	716		716
(Decrease) increase of financial assets	1,861		1,861
Discontinuing activities	2,634		2,634
Net cash flow from (used in) investing activities	**(8,951)**	**0**	**(8,951)**
Net proceeds from/(reimburse of) borrowings	(59,602)		(59,602)
Dividends paid	(15)		(15)
Net cash flow from / (used in) financing activities	**(59,617)**	**0**	**(59,617)**
Changes in cash and cash equivalents	**(78,798)**	**0**	**(78,798)**
Cash and cash equivalents at the beginning of the period	184,538		184,538
Changes in cash and cash equivalents	(78,798)		(78,798)
Cash and cash equivalents at the end of the period	**105,740**	**0**	**105,740**
Details of cash and cash equivalents			
Cash and bank current accounts	105,740		105,740
TOTAL CASH AND CASH EQUIVALENT	**105,740**	**0**	**105,740**

4. PROPERTY, PLANT AND EQUIPMENT

The table below shows the changes in property, plant and equipment (owned and under a financial lease) in the half-year ended 30 June 2015.

	Properties	Plant and equipment	Properties under lease	Plant and equipment under lease	Total
At 1 January 2015, net of accumulated depreciation and impairment	**4,970**	**62,721**	**200**	**2,667**	**70,558**
Additions from acquisitions		8,902			**8,902**
Impairment losses		(35)			**(35)**
Disposals		(217)			**(217)**
of which discontinued operations		*(11)*			***(11)***
Depreciation for the period	(70)	(11,425)	(11)	(324)	**(11,830)**
of which discontinued operations		*(3)*			***(3)***
Others		(140)			**(140)**
At 30 June 2015	**4,900**	**59,806**	**189**	**2,343**	**67,238**
At 1 January 2015					
Historical cost	6,981	304,936	375	4,953	**317,245**
Accumulated depreciation and	(2,011)	(242,215)	(175)	(2,286)	**(246,687)**

	Properties	Plant and equipment	Properties under lease	Plant and equipment under lease	Total
impairment losses					
NET BOOK VALUE	**4,970**	**62,721**	**200**	**2,667**	**70,558**
At 30 June 2015					
Historical cost	6,981	312,557	375	4,947	**324,860**
Accumulated depreciation and impairment losses	(2,081)	(252,751)	(186)	(2,604)	**(257,622)**
NET BOOK VALUE	**4,900**	**59,806**	**189**	**2,343**	**67,238**

The additions from acquisitions in the period mainly relate to the purchase of linen in the Laundering&Sterilization segment (€ 5,749 thousand) and to the purchases of plant, machinery and specific equipment (€ 1,682 thousand).

In the half-year ended 30 June 2015, some plant and equipment were disposed of for a total amount of € 217 thousand, manly relating to additional residual disposals concerning the industrial laundering site of located in Porto Garibaldi (FE), which was disposed of at the beginning of 2014.

5. OTHER INTANGIBLE ASSETS

The table below shows the changes in intangible assets in the period ended 30 June 2015.

	Other intangible assets	Goodwill	Total
At 1 January 2015, net of accumulated amortization and impairment	**24,782**	**369,860**	**394,642**
Additions from acquisitions	2,287		**2,287**
Amortization of the period	(2,416)		**(2,416)**
of which discontinued operations	*(5)*		***(5)***
At 30 June 2015	**24,653**	**369,860**	**394,513**
At 1 January 2015			
Cost	89,572	372,253	**461,825**
Accumulated amortization and impairment losses	(64,790)	(2,393)	**(67,183)**
NET BOOK VALUE	**24,782**	**369,860**	**394,642**
At 30 June 2015			
Cost	91,859	372,253	**464,112**
Accumulated amortization and impairment losses	(67,206)	(2,393)	**(69,599)**
NET BOOK VALUE	**24,653**	**369,860**	**394,513**

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

Other intangible assets, amounting to € 24,653 thousand as at 30 June 2015, mainly consist of investments in software carried out as part of the projects aimed at upgrading and enhancing the corporate information systems. The additions from acquisitions made in the period (€ 2,287 thousand) were attributable almost entirely to the investments in software used in the corporate IT systems within the Facility Management SBU (€ 2,235 thousand).
The amortisation charges of intangible fixed assets amounted to € 2,416 thousand as at 30 June 2015.

6. IMPAIRMENT TEST 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 sub-group controlled by Sicura 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.

At 30 June 2015, as it had already reported as at 31 December 2014, the SMAIL S.p.A. business unit used in the respective public lighting equipment maintenance business was classified as an asset held for sale pursuant to IFRS5.

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 half-year Financial Statements as at 30 June 2015, relating to the different CGUs, which remained unchanged compared to the value reported in the Consolidated Financial Statements as at 31 December2014.

	30 June 2015	31 December 2014
Goodwill allocated to Facility Management CGU	358,097	358,097
Goodwill allocated to Laundering&Sterilization CGU	11,763	11,763
CONSOLIDATED GOODWILL	**369,860**	**369,860**

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 June 2015, 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 2014.

7. INVESTMENTS ACCOUNTED FOR UNDER THE EQUITY METHOD

The Group holds some investments, which are accounted under the equity method in the condensed consolidated half-year Financial Statements. These companies include associates, joint-ventures and subsidiaries in liquidation, as listed in Annex I attached to the condensed consolidated half-year Financial Statements.
At 30 June 2015, the item related to the investments valued at Equity amounted to € 29,421 thousand, against € 29,330 thousand in the previous year.
Details of changes during the half-year are shown in Annex II attached to the condensed consolidated half-year Financial Statements.
In the first 6 months of 2015 investments accounted for under the equity method overall recorded a positive result equal to € 1,830 thousand, for the share attributable to the Group, as a result of the recording of income from equity investments of € 1,903 thousand and write-downs of € 73 thousand. Furthermore, negative effects were recognised directly under consolidated equity for a total of € 183 thousand.

8. OTHER NON-CURRENT ASSETS

The table below sets forth the breakdown of other non-current assets as at 30 June 2015 and as at 31 December 2014:

	30 June 2015	31 December 2014
Other investments	3,511	3,341
Non-current financial assets	11,135	18,449
Other non-current assets	1,644	1,787
OTHER NON-CURRENT ASSETS	**16,290**	**23,577**

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 € 11,135 thousand as at 30 June 2015 (€ 18,449 thousand as at 31 December 2014), are composed of:

- € 4,466 thousand of non-current financial receivables due from associates, affiliates or joint-ventures (€ 7,541 thousand as at 31 December 2014). The face value of these receivables is € 4,743 thousand, while the discounting fund amounts to € 277 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. The decrease in the period is mainly due to the divestment of the shareholders' loan which MFM S.p.A. had granted to Progetto Nuovo Sant'Anna S.r.l. after the sale of its shares during the period (€ 4,196 thousand), as against new loans to project financing companies amounting to € 1,858 thousand.
- € 6,507 thousand of non-current financial receivables from third parties (€ 10,745 thousand at 31 December 2014), the main balance of which is made up of the receivable for amounts in escrow relating to the transfer of MIA S.p.A. that took place in December 2014. The variation from last year arises from the classification of a part of these receipts (€ 5 million) among short-term financial assets in conformity to some provisions of the sale agreement.
- € 162 thousand of securities held to maturity (€ 162 thousand at 31 December 2014).

Other non-current assets, amounting to € 1,644 thousand as at 30 June 2015 (€ 1,787 thousand at 31 December 2014) mainly consist of security deposits related to long-term income-generating manufacturing contracts (€ 980 thousand) and long-term deferrals relating to some contracts (€ 401 thousand).

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

The following table includes the breakdown of Trade receivables, advances to suppliers and Other current operating receivables at 30 June 2015 and 31 December 2014:

	30 June 2015	of which from related parties	31 December 2014	of which from related parties
Work in progress on order	20,314		21,242	4
Trade receivables, gross	526,443		552,564	0
Allowance for doubtful accounts	(28,426)		(37,507)	0
Provision for discounting of trade receivables	(57)		(57)	0
Trade receivables due from third parties	**518,274**	0	**536,242**	**4**
Trade receivables from Parent Companies	82	82	113	113
Trade receivables from Associates	34,839	34,839	34,801	34,801
Trade receivables from Affiliates and Joint Ventures	7,023	7,023	7,706	7,706
Trade receivables due from Manutencoop Group	**41,944**	**41,944**	**42,620**	**42,620**
Advances to suppliers	1,719	7	1,767	0
TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS	**561,937**	**41,951**	**580,629**	**42,624**
Current tax assets within 12 months	11,071		10,999	0
Other current assets due from third parties	11,629		13,776	0
Due from social security institutions	4,196		4,057	0
Due from employees	434		485	0
Other current assets from third parties	**27,330**	**0**	**29,317**	**0**
Current assets from Manutencoop Società Cooperativa	7	7	9	9
Current assets from associates	648	648	78	78
Other current assets from Manutencoop Group	**655**	**655**	**87**	**87**
Accrued income	1		1	0
Prepaid expenses	1,045		1,227	0
Accrued income and prepaid expenses	**1,046**	**0**	**1,228**	**0**
OTHER CURRENT ASSETS	**29,031**	655	**30,632**	**87**

The balance of trade receivables and advances to suppliers, which also includes inventories of contract work in progress, amounted to € 561,937 thousand as at 30 June 2015, down by € 18,692 thousand compared to 31 December 2014. The changes reported in the period mainly concerned decrease in trade receivables from third parties, which amounted to € 518,274 thousand at 30 June 2015 (31 December

2014: € 536,242 thousand) and decrease in trade receivables from the Group, which amounted to € 41,944 thousand (€ 42,620 thousand at 31 December 2014).

A specific allowance for doubtful accounts was recorded in connection with non-performing receivables, which are difficult to fully recover, amounting to € 28,426 thousand at 30 June 2015 (at 31 December 2014: € 37,507 thousand). Changes in the provision during the period are detailed as follows:

	31 December 2014	Increases	Uses	Releases	Other changes	30 June 2015
Allowance for doubtful accounts	**37,507**	1,110	(10,256)	(95)	159	**28,426**
of which discontinued operations		*0*	*0*	*(26)*		

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.

€ 9,395 thousand of the amount used during the period was employed in a non-performing trade receivables assignment without recourse transaction carried out during the last quarter. These accounts had already been written down to their assumed realisable value in the accounts for 31 December 2014 and they were therefore written off on the date on which they were assigned.

Other current assets, equal to € 29,031 thousand (€ 30,632 thousand at 31 December 2014), decreased by an overall amount of € 1,601 thousand in the period.

This item includes the receivables arising from the periodic VAT settlements of some Group companies (€ 8,053 thousand compared to € 7,917 thousand at 31 December 2014). 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. ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 30 December 2014, MFM S.p.A. transferred the total stake held in MIA S.p.A., the sub-holding company of the group that operates in the maintenance and installation of lifting equipment (MIA Group). At the same time the Group's Management classified the business which deals with public lighting, an activity exclusively conducted by subsidiary SMAIL S.p.A. as held for sale.

In the condensed consolidated Financial Statements at 30 June 2015, as well as in the Consolidated Financial Statements at 31 December 2014, the economic results achieved by these activities have been excluded from the perimeter of "Continuing operations" and are recognized under a single item of the Statement of Profit or Loss as "Profit (loss) from discontinued operations", in accordance with IFRS5. Furthermore, there has been a restatement of the comparative data, as largely illustrated in note 3, to which reference is made.

Assets classified as held for sale

At 30 June 2015 *Assets classified as held for sale* amounted to € 5,221 thousand (€ 5,003 thousand as at 31 December 2014).

	30 June 2015	31 December 2014
Work in progress of SMAIL S.p.A.	5,221	5,003
ASSETS CLASSIFIED AS HELD FOR SALE	**5,221**	**5,003**

At 30 June 2015, assets held for sale included the assets involved in the business unit of SMAIL S.p.A. for which the management have started a disposal plan that is expected to be completed in 2015. The sales negotiations, which continued in the first half-year of 2015, have not given rise to the need to make additional write-downs in order to adjust the book value of the assets at their fair value.

Profit (loss) from discontinued operations

Below is the breakdown of profit (loss) from discontinued operations:

	30 June 2015	30 June 2014 Restated
Revenues	1,266	16,298
Operating costs	(2,227)	(14,511)
GROSS MARGIN	**(961)**	**1,787**

Amortization, depreciation, write-downs and write- backs of assets	18	(1,180)
Accrual of provisions for risks and charges	(115)	(73)
Net financial charges	156	85
Adjustment of net capital gain on discontinued operation	(41)	0
PROFIT (LOSS) BEFORE TAXES FROM DISCONTINUED OPERATIONS	**(943)**	**619**
Income taxes from discontinued operations:		
- related to profit (loss) for the period	310	(77)
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	**(633)**	**542**
Basic earnings per share from discontinued operations	(0.0058)	0.0050
Diluted earnings per share from discontinued operations	(0.0058)	0.0050

The result of discontinued operations for the six months ended on 30 June 2015 was a loss of € 633 thousand, generated by the operating results of SMAIL S.p.A., which lost € 592 thousand during the first half-year, and the € 41 thousand negative adjustment to the capital gain obtained from the sale of sub-holding MIA S.p.A. made after the closure of the accounts for the period ended 31 December 2014.

At 30 June 2014 the profit (loss) from discontinued operations showed a profit of € 542 thousand, which was generated by the economic values of SMAIL S.p.A. and of the sub-holding company MIA S.p.A., transferred on 30 December 2014.

Net cash flows from/(used in) discontinued operations

In the first 6 months of 2015 and in the 2014, discontinued operations generated the following cash flows:

	30 June 2015	30 June 2014 Restated
Profit /(loss) for the period from discontinued operations	**(592)**	**542**
Amortization, depreciation, write-downs and (write-backs) of assets	(18)	1,180
Accrual (reversal) of provisions for risks and charges	115	73
Employee termination indemnity provision	3	170
Payments of employee termination indemnity	(43)	(124)
Utilization of provisions	(11)	(76)
Financial charges (income) for the period	(156)	(86)
CASH FLOWS RELATED TO PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	**(702)**	**1.679**
Net transfer price of Unilift S.r.l. property	0	74
Net transfer price of Energyproject S.r.l.	0	660
Residual transfer price of Energyproject S.r.l.	50	1,900
Adjustment of net capital gain on discontinued operation	(41)	0
CASH FLOW FROM INVESTING ACTIVITIES	**9**	**2,634**

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 in 2014 (€ 3,905 thousand) and € 50 thousand in the first half-year of 2015, while the residual portion will be paid off in the course of the financial year.

The transfer of the total quota held in MIA S.p.A. (the sub-holding company of the related group of companies operating in the market of lifting equipment installation and maintenance) took place on 30 December 2014. The transfer agreement provided for the definition of a preliminary price of the investment, in addition to the full repayment of the intragroup loan, which was outstanding, as at that date, between the transferred company and the transferor MFM S.p.A.. On the closing date the buyer followed up the payment, totalling € 60,405 thousand, in connection with the repayment of the intragroup loan and a portion of the preliminary consideration relating to the transfer of the equity, while a portion of the transfer price (€ 10 million) was paid by the buyer into an escrow account, as security for the future commitments entered into by the parties. On 30 June 2015 a € 5 million portion of this escrowed sum was reclassified as a short-term financial asset, since it is to be released during the early months of 2016 after verification of the satisfaction of some contractual requirements, which could reduce the amount to be paid by the buyer. As of the date of the Condensed Consolidated Half-Year Financial Statements, however, the management did not consider it had reliable elements on which to base an estimate of the possible adjustment.

Furthermore, according to the transfer agreement, the price set before closing would have been the object of a settlement. At 31 December 2014, the management had made an estimate of this price adjustment, on the basis of the information to hand at the time, while, as at the reporting date of the financial statements at 30 June 2015, there was the final calculation of this adjustment, thus entailing the recognition of a negative differential of € 41 thousand in the income statement. Therefore, the financial items were settled through bank transfer in April 2015.
Finally, there was an absorption of cash flows relating to the profit (loss) from discontinued operations made up of the business of SMAIL S.p.A., which was classified as held for sale.

11. SHARE CAPITAL AND RESERVES

	30 June 2015	31 December 2014
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 June 2015 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 half-year:

	Share premium reserve	Legal reserve	SE reserves companies valued at SE	Cash flow hedge reserve	SORIE reserve	Other reserves	Total reserves
1 January 2014 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			(1,095)		(1,336)		**(2,431)**
31 December 2014	**145,018**	**17,736**	**(855)**	**0**	**(5,781)**	**14,047**	**170,167**
Allocation of profits of previous years		646			673	12,286	**13,605**
Transfer of shares of investee companies			3,803				**3,803**
Economic effects on shareholders' equity			(183)		620		**437**
30 June 2015	**145,018**	**18,382**	**2,765**	**0**	**(4,488)**	**26,333**	**188,012**

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 June 2015.
- The Parent Company's extraordinary reserve (€ 73,229 thousand).

The table below shows changes in *Retained earnings*:

	Retained earnings of the Parent Company	Consolidation reserve	Total retained earnings
1 January 2014 Restated	**3,809**	**29,797**	**33,606**
Allocation of profits of previous years		8,947	8,947
31 December 2014	**3,809**	**38,744**	**42,553**
Allocation of profits of previous years		(5,055)	(5,055)
30 June 2015	**3,809**	**33,689**	**37,498**

Below is the breakdown of Shareholders' Equity and the Profit for the period attributable to minority shareholders. For a detailed list of the companies in which non-controlling interests are held, reference should be made to the paragraph on Consolidation Area.

	30 June 2015	31 December 2014
Capital and reserves attributable to non-controlling interests	**662**	**409**
of which attributable to:		
Subsidiaries of Sicura S.p.A.	588	335
Other minor consortia	74	74

	30 June 2015	31 December 2014
Profit (loss) attributable to non-controlling interests	**(24)**	**273**
of which attributable to:		
Subsidiaries of Sicura S.p.A.	(24)	100
Subsidiaries of MIA S.p.A.	0	173

MFM S.p.A. holds a stake of 80% in the share capital of Sicura S.p.A., but the equity attributable to the minority shareholder is not reported since the Parent Company has a call option on this holding, linked to a put option in favour of the minority shareholder which is recognised as a financial liability. Therefore, the equity attributable to minority interests relates to the minorities present in some indirect subsidiaries relating to the same sub-group.

12. NET FINANCIAL INDEBTEDNESS

Net financial indebtedness as of 30 June 2015 amounted to € 277,190 thousand, compared to € 290,631 thousand as of 31 December 2014. Below is the related breakdown by balance sheet lines:

	30 June 2015	31 December 2014	Change
Long-term financial debt	(301,291)	(379,001)	77,710
Bank borrowings, including current portion of long-term debt, and other financial liabilities	(50,139)	(28,512)	(21,627)
Financial liabilities	**(351,430)**	**(407,513)**	**56,083**
Derivatives	0	0	0
Gross financial indebtedness	**(351,430)**	**(407,513)**	**56,083**
Cash and cash equivalents	66,290	113,382	(47,092)
Current financial assets	7,950	3,501	4,449
NET FINANCIAL INDEBTEDNESS	**(277,190)**	**(290,630)**	**(13,440)**

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 June 2015 and 31 December 2014.

	30 June 2015	within 1 year	from 1 to 5 years	after 5 years
Senior Secured Notes	292,868			292,868
BPV loan	6,464	6,464		
Prepaid expenses on financial interest	(36)	(36)		
Accrued interest expense	10,611	10,611		
Long-term bank borrowings and current portion of long-term bank borrowings	**309,907**	**17,039**	**0**	**292,868**
Current bank overdraft, advance payments and hot money	32,014	32,014		
Financial lease obligations	1,821	627	1,128	66
Loans from syndicated shareholders	383	383		
Loan from the Parent Company Manutencoop Cooperativa	3	3		
Other current financial liabilities	2	2		
Debt for the acquisition of investments	66	66		
Options on subsidiaries' minority shareholdings	7,229		7,229	
Capital contribution to be paid	5	5		
TOTAL FINANCIAL LIABILITIES	**351,430**	**50,139**	**8,357**	**292,934**

	31 December 2014	within 1 year	from 1 to 5 years	after 5 years
Senior Secured Notes	370,280			370,280
BPV loan	12,869	12,869		
Prepaid expenses on financial interest	(55)	(55)		
Accrued interest expense	13,464	13,464		
Long-term bank borrowings and current portion of long-term bank borrowings	**396,558**	**26,278**	**0**	**370,280**
Financial lease obligations	2,288	775	1,408	105
Loans from syndicated shareholders	376	376		
Loan from the parent company Manutencoop Cooperativa	26	26		
Other current financial liabilities	733	733		
Due to factoring agencies	53	53		
Debt for the acquisition of investments	66	66		
Options on subsidiaries' minority shareholdings	7,207		7,207	
Capital contribution to be paid	5	5		
Dividends to be paid	200	200		
TOTAL FINANCIAL LIABILITIES	**407,513**	**28,512**	**8,616**	**370,385**

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 2014 was due to the € 80 million nominal value buy-back transaction and 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.

In the 2014 financial year there was a substantial development in the market which led to average lending rates being observed which were well under historical averages, at the same time as a trend reversal on the part of Italian public authorities, whose payments gradually became more reliable, providing regular and constant cash flows. The Group therefore started to consider its options for rebalancing its sources of finance towards various credit lines and in the fourth quarter of 2014 this process had already led to a € 45 million buy-back transaction. Given the opportunity further to reduce the average financial cost of debt, the Group launched a tender offer on 19 May 2015 for an € 80 million portion of the bond issue, which was bought back at par, with financial settlement on 3 June 2015. The transaction entailed the recognition of € 1.9 million financial costs for the proportional write-off of the upfront fees paid when the bonds were issued, accounted for at amortised cost in compliance with IAS 39. None of the notes purchased (nominal value € 125 million) were cancelled; they were deposited in a securities account with Unicredit S.p.A. and are reported in the Statement of Financial Position as a straight reduction of total financial debt since, from the accounting point of view, they constitute the repayment of a debt.

Accrued interest expense

At 30 June 2015, the Group recognised accrued expenses on interest payable of € 10,611 thousand, of which € 10,554 thousand relating to the amount accrued on the coupon of the Senior Secured Notes due 2 August 2015. The balance of the latter items includes an amount accrued on the total coupons being paid equal to € 12,647 thousand, net of accrued income of € 2,093 thousand relating to the Notes held on securities accounts.

Obligations arising from finance lease

The lease agreements entered into are not secured and refer to the companies MFM S.p.A., Servizi Ospedalieri S.p.A. and Sicura S.p.A.. They refer to motor vehicles and plant and machinery mainly used by Servizi Ospedalieri S.p.A. in the laundering and sterilization production processes.

Syndicated loans

This item refers to financing provided by third-party syndicated shareholders to consortium companies included within the scope of consolidation as they are controlled or held under a joint venture (50%). In certain cases, these loans are non-interest-bearing loans and are repayable on request. In other cases, they have a contractually defined maturity and, in others still, they do not have a contractually defined maturity but will essentially be repayable at the end of the long-term service contract, on the basis of which the consortium company was established. The balance of this item, equal to € 383 thousand, remained almost unchanged compared to 31 December 2014.

Options on subsidiaries' minority shareholdings

The € 7,229 thousand reported as the value of options on subsidiaries' minority shareholdings is, in its entirety, the present value 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.

In connection with the fair value measurement of the items described above, the Group recognized net financial charges against their fair value for € 21 thousand.

Current financial assets

At 30 June 2015 Current financial assets amounted to € 7,950 thousand (€ 3,501 thousand as at 31 December 2014).

This item is mainly composed of:

- Receivables for transfers of businesses to third parties for € 5,860 thousand, including € 5 million escrowed by buyer MIA S.p.A. in December 2015, reclassified as current financial asset as of 30 June 2015 in conformity to provisions in the agreement;
- € 1,430 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 six months of 2015 are shown below, compared with changes in the same period of the last year.

	For the 6 months ended			
	30 June 2015	of which discontinued operations	30 June 2014 Restated	of which discontinued operations
At 1 January	**21,207**		**27,599**	
Service cost	226	2	325	143
Interest costs on benefit obligation	164	0	446	27
Benefits paid	(1,231)	(43)	(5,126)	(124)
Net actuarial (gains)/ losses recognized in the period	(856)		1,592	
Other changes	0		(387)	
AT 30 JUNE	**19,510**		**24,448**	

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

	For the 6 months ended			
	30 June 2015	of which discontinued operations	30 June 2014 Restated	of which discontinued operations
Current service cost	226	2	325	143
Interest costs on benefits obligation	164	0	446	27
Net cost of the benefits recognized in the statement of profit or loss	**390**	**2**	**771**	**170**
Net actuarial (gains)/ losses recognized in the period	(856)	0	1,592	0
TOTAL COST OF THE BENEFITS	**(466)**		**2,363**	

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 6 months ended	
	30 June 2015	**30 June 2014 Restated**
Executives	57	62
Office workers	1,423	1,634
Manual workers	14,781	14,012
AVERAGE STAFF	**16,261**	**15,707**

The average number of leased employees provided to the Group by Manutencoop Società Cooperativa was equal to no. 538 units at 30 June 2015 (30 June 2014: no. 583 units).

14. PROVISIONS FOR RISKS AND CHARGES

Below are reported the breakdown and changes in provisions for risks and charges for the half-year ended 30 June 2015:

	Risks on investments	Risks on job orders	Pending disputes	Tax litigation	Agents' indemnity leave	Severance provision	Bonuses	Other provisions	Total
At 1 January 2015	**60**	**6,264**	**10,268**	**685**	**177**	**11,726**	**2,544**	**1,208**	**32,932**
Accruals	4	686	1,581				245		**2,515**
of which discontinued operations		*115*							***115***
Utilizations (payments)		(137)	(921)	(132)		(4,134)	(1,446)	(77)	**(6,847)**
of which discontinued operations		*(25)*							***(25)***
Unused and reversed		(73)	(633)				(93)	(69)	**(868)**
of which discontinued operations									***0***
Other	(3)	(67)				(70)			**(140)**
At 30 June 2015	**61**	**6,673**	**10,295**	**553**	**177**	**7,522**	**1,249**	**1,062**	**27,592**
At 30 June 2015:									
Current	61	6,192	629	553	0	7,522	1,194	34	**16,186**
Non-current	0	481	9,666	0	177	0	55	1,027	**11,406**
At 31 December									

	Risks on investments	Risks on job orders	Pending disputes	Tax litigation	Agents' indemnity leave	Severance provision	Bonuses	Other provisions	Total
2014:									
Current	60	5,873	661	685	0	11,726	1,503	51	**20,559**
Non-current	0	391	9,607	0	177	0	1,041	1,157	**12,373**

Provision for risks on investments

The item, amounting to € 61 thousand at 30 June 2015, 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 of the end of the period was equal to € 6,673 thousand, against accruals of € 686 thousand, in addition to uses, releases and other changes that entailed a decrease of € 277 thousand in the provision.

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 half-year ended 30 June 2015 the provision reported increases for accruals totalling € 1,581 thousand and decreases for uses, releases and other changes of € 1,554 thousand. Accruals were mainly recognized to cover risks of MFM S.p.A. for € 1,126 thousand, of Servizi Ospedalieri S.p.A. for € 373 thousand. Utilization and reversal in the period, totalling € 633 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 2014 the Group had recognized provisions totalling € 11,726 thousand (of which € 6,730 thousand in MFM S.p.A., € 2,707 thousand in Telepost S.p.A., € 87 thousand in Manutencoop Private Sector Solutions S.p.A., € 280 thousand in MACO S.p.A. and € 1,923 thousand Servizi Ospedalieri S.p.A.). In 2015 there were uses of € 4,134 thousand (€ 3,507 thousand of which in MFM S.p.A.).

Provision for bonuses

This provision includes accrual for future payments in relation to the bonus system adopted by the Group in favour of the top and middle management. As early as in the course of 2014 this incentive plan was not applied and, therefore, there was an allocation of the residual amounts. Changes that occurred during the period ended 30 June 2015 comprised new accruals for € 245 thousand and uses and releases for a total of € 1,539 thousand.

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

The table below sets forth the breakdown of the item as at 30 June 2015 and 31 December 2014:

	30 June 2015	of which to related parties	31 December 2014	of which to related parties
Trade payables	337,865		347,061	4
Trade payables to third parties	**337,865**	0	**347,061**	**4**
Trade payables to Manutencoop Cooperativa	9,621	9,621	10,897	10,897
Trade payables to associates within 12 months	15,377	15,377	15,798	15,798
Trade payables to related parties	**24,998**	**24,998**	**26,695**	**26,695**
Advances from customers and payables for work to be performed	8,492		7,065	
TRADE PAYABLES AND ADVANCES FROM CUSTOMERS	**371,354**	**24,998**	**380,821**	**26,699**
Payables to directors and statutory auditors	419		706	
Tax payables	18,408		44,292	
Payables to social security within 12 months	12,423		9,152	
Collections on behalf of TJA	10,102		11,859	
Payables to employees within 12 months	58,610		47,149	
Other payables within 12 months	5,763		6,429	
Property collection on behalf of customers	2,176		2,176	
Other current operating payables to third parties	**107,901**	**0**	**121,763**	**0**
Other current payables to Manutencoop Cooperativa	44	44	80	80
Other payables to associates	552	552	701	701
Other current operating payables to the related parties	**596**	**596**	**781**	**781**
Accrued expenses	10		6	
Deferred income	1,088		1,074	
Accrued expenses and deferred income	**1,098**	**0**	**1,080**	**0**
OTHER CURRENT LIABILITIES	**109,595**	**596**	**123,624**	**781**

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 June 2015 amounted to € 371,354 thousand against a balance at 31 December 2014 of € 380,821 thousand.

Other current operating payables showed a balance of € 109,595 thousand at 30 June 2015 and are mainly made up of the following items:

- payables to employees of € 58,610 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 € 12,423 thousand.
- in payables due to tax authorities for € 18,408 thousand, mainly related to the balance of the VAT payables due from subsidiaries of the Group (€ 44,292 thousand at 31 December 2014).
- collections on behalf of Temporary Associations of Companies for € 10,102 thousand, which relate to the amounts collected by the Group, on behalf of third parties, mainly relating to job orders under CONSIP agreement.

16. COMMITMENTS AND CONTINGENT LIABILITIES

Financial lease

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

	30 June 2015		31 December 2014	
	Rental fees	Current value of rental fees	Rental fees	Current value of rental fees
Within one year	711	628	877	775
From one year to five years	1,186	1,128	1,492	1,408
After five years	68	68	109	105
TOTAL LEASE FEES	**1,965**	**1,824**	**2,478**	**2,288**
Financial charges	(141)		(189)	
CURRENT VALUE OF LEASE FEES	**1,824**	**1,824**	**2,288**	**2,288**

Guarantees given

As at 30 June 2015, the Group granted sureties to third parties for:

- guarantees in favour of associates amounting to € 16,675 thousand (31 December 2014: € 18,075 thousand);
- other sureties granted to third parties: i) to ensure the correct fulfilment of contract obligations in place with customers amounting to € 244,750 thousand (31 December 2014: € 231,701 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 € 2,142 thousand (31 December 2014: € 1,792 thousand).
- guarantees in favour of Factoring Agencies amounting to € 2,104 thousand (31 December 2014: € 2,104 thousand), to ensure correct fulfilment of factoring contracts.

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 bondholders, 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 June 2015 the receivables assigned as security amounted to € 80,310 thousand (€ 77,793 thousand at 31 December 2014);
- 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 June 2015 was equal to € 6,820 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 June 2015.

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 June 2015 no events of default had occurred.

Contingent liabilities

There were no contingent liabilities recognised at the balance sheet date, with the exception of those already recognised in the condensed Consolidated Financial statements and described in the condensed explanatory notes.

17. MANAGEMENT OF FINANCIAL RISKS

The management of borrowing and the relative risks (mainly interest rate and liquidity risks) is carried out centrally by the financial department of the Group on the basis of guidelines that are approved by the Parent Company's Management Board and which are reviewed periodically. The main aim of these guidelines is to ensure that the liabilities structure is in line with the composition of the balance sheet assets in order to maintain a high degree of financial solidity.

In 2013 the Parent Company issued secured high yield bonds due 2020, which radically revised the composition of the sources of financing. The bond issue that has been described has then rationalised our financial debt structure with a view to greater future financial stability that is more consistent with medium- and long-term strategic growth and development targets. The traditional financing instruments used by the Group Companies are made up of:

› short-term loans and revolving assignment of trade receivables without recourse transactions with the aim of funding working capital. The revolving programmes for the assignment in place with Credit Agricole Corporate and Investment Bank and Banca IMI have been abandoned as early as in the 2013 financial year, together with the very short-term credit lines used for contingent cash requirements.
› medium- and long-term loans with long-term amortization plans to cover investments in non-current assets and in acquisitions of companies and business units.

The Group also uses trade payables deriving from operations as financial instruments. It is not Group policy to trade in financial instruments.

The Group's financial instruments involves a classification at the three levels stated in IFRS 7. The fair value hierarchy has the following three levels:

› Level 1: prices quoted on active markets for similar liabilities and assets.
› Level 2: prices calculated through information obtained from observable market data.
› Level 3: prices calculated through information other than observable market data.

The table below shows the hierarchical levels for each class of financial asset measured at fair value on 30 June 2015 and 31 December 2014:

	Hierarchy Level				Hierarchy Level			
	30 June 2015	Level 1	Level 2	Level 3	31 December 2014	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss								
Financial assets, securities and	163		163		163		163	
- of which securities held to maturity	163		163		163		163	
Available for sale financial assets								
Financial assets and other current financial assets	0		0		0		0	
- of which hedging derivatives	0		0		0		0	
- of which non-hedging derivatives	0		0		0		0	
TOTAL FINANCIAL ASSETS	**163**		**163**		**163**		**163**	

Any additional financial assets resulting from the Statement of Financial Position have not been measured at fair value.

The Group has no financial liabilities measured at fair value as of June 2015 and 31 December 2014. In the 2015 financial year there were no transfers from one fair value measurement level to another.

There were no changes in the designation of financial assets that entailed any being classified differently.

The Group has no credit security instruments to mitigate credit risk. The carrying amount of the financial assets, therefore, represents its potential credit risk.

Management of capital

The main objective of the Group's policy for the management of its capital is to ensure that a solid credit rating and sound capital ratios are maintained in order to support its activities and maximize shareholder value.

The Group manages and modifies capital structure according to changes in economic conditions. In order to maintain or adjust capital structure, the Group may change the amounts of shareholder dividends, repay capital or issue new shares.

The Group checks its indebtedness ratio comparing its net debt with the sum of its total assets and its net liabilities: interest-paying loans, trade payables, other payables and the employee termination indemnity in its net liabilities, net of cash and cash equivalents.

	30 June 2015	31 December 2014
Employee termination indemnity	19,510	21,207
Interest-bearing financial loans	349,146	405,229
Trade payables and advances from customers	371,354	380,821

	30 June 2015	31 December 2014
Other current liabilities	109,595	123,624
Other current financial liabilities	2,284	2,284
Cash and cash equivalents	(66,290)	(113,382)
Current financial assets	(7,950)	(3,501)
Total Net Debt	**777,649**	**816,283**
Equity attributable to equity holders of the parent	340,332	334,224
Profit of the period attributable to equity holders of the parent	(5,672)	(12,354)
Total Capital	**334,660**	**321,870**
EQUITY AND NET DEBT	**1,112,309**	**1,138,153**
Indebtedness ratio	69.9%	71.70%

A 1.8% change was recorded in the debt ratio compared to 31 December 2014, which was mainly due to a reduction of € 38.6 million in net debt compared to a limited capital increase of € 12.8 million.

18. 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:

- 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 June 2015 and 30 June 2014

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Segment revenues	411,014	69,407	1,917	(1,707)	480,631
Segment costs	(384,376)	(63,964)	(2,123)	1,707	(448,758)
Operating income (loss) by segment	**26,638**	**5,443**	**(208)**	**0**	**31,873**
Share of net profit of associates	1,388	442			1,830
Net financial charges					(20,022)
Profit before taxes					**13,681**
Income taxes					(7,400)
Profit (loss) from discontinued operations	(633)				(633)
NET PROFIT FOR THE PERIOD ENDED 30 JUNE 2015					**5,648**

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Segment revenues	423,331	71,728	4,343	(1,532)	497,870
Segment costs	(396,274)	(64,453)	(4,609)	1,532	(463,805)
Operating income (loss) by segment	**27,057**	**7,275**	**(266)**		**34,065**
Share of net profit of associates	837	81			918
Net financial charges					(19,432)
Profit before taxes					**15,551**
Income taxes					(10,169)
Profit (loss) from discontinued operations	542				542
NET PROFIT FOR THE PERIOD ENDED 30 JUNE 2014 RESTATED					**5,924**

Below are reported the data related to assets and liabilities by operating segments of the Group at 30 June 2015 and 31 December 2014.

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total
Assets allocated to the segment	**551,277**	**134,530**	**3,634**	**(1,632)**	**687,809**
Goodwill	358,097	11,763			369,860
Investments	26,429	5,713	852		32,993
Assets classified as held for sale	5,221				5,221
Other assets not allocated and related taxes					143,281
SEGMENT ASSETS AT 30 JUNE 2015	**941,025**	**152,005**	**4,486**	**(1,632)**	**1,239,164**
Liabilities allocated to the segment	**461,577**	**63,863**	**4,246**	**(1,632)**	**528,053**
Other liabilities not allocated and related taxes					370,141
SEGMENT LIABILITIES AT 30 JUNE 2015	**461,577**	**63,863**	**4,246**	**(1,632)**	**898,194**

	Facility Management	Laundering & Sterilization	Other Activities	Eliminations	Total Restated
Assets allocated to the segment	**564,369**	**139,484**	**5,125**	**(2,267)**	**706,712**
Goodwill	358,097	11,763			369,860
Investments	26,611	5,270	852		32,733
Assets classified as held for sale	5,003				5,003
Other assets not allocated and related taxes					198,482
SEGMENT ASSETS AT 31 DECEMBER 2014	**954,080**	**156,518**	**5,976**	**(2,267)**	**1,312,790**
Liabilities allocated to the segment	**485,668**	**69,015**	**6,170**	**(2,267)**	**558,585**
Other liabilities not allocated and related taxes					419,299
SEGMENT LIABILITIES AT 31 DECEMBER 2014	**485,668**	**69,015**	**6,170**	**(2,267)**	**977,884**

19. 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, was extended on 11 December 2014 for additional 12 months and makes provision for an annual consideration of € 850 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 Consolidated Half-year Financial Report.

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

20. SUBSEQUENT EVENTS AFTER THE END OF THE HALF-YEAR

The measures which started in the second half of the 2014 financial year to be taken to rebalance the Group's financial structure and reduce the cost of funding will lead to further savings in financial costs during the rest of the financial year, to the benefit of total profitability. On the date on which this Consolidated Half-Year Financial Report was approved, in fact, the Group obtained access to € 112 million in bank credit lines, to be used to meet temporary cash requirements and give it greater financial flexibility at lower costs while still complying with the covenants laid down in the bond issue regulations. A part of the facility (€ 10 million) consists of a 3-year committed credit line secured by a pledge over € 14 million nominal value of the notes repurchased and held in the Group's portfolio.

SMAIL S.p.A. was classified as held for sale in accordance with IFRS 5 in the financial statements for the period ended on 31 December 2014, since negotiations with a third party had then begun with a view to the sale of this public lighting company. The negotiations led to a preliminary agreement for the sale of SMAIL S.p.A. during the first half of 2015, which should be followed by the completion of the sale before the end of the financial year; this will conclude the process of the disposal of a business – public lighting – which management has defined as non-strategic for the Group's future development.

Zola Predosa, 13 August 2015

The Chairman of the Management Board

Claudio Levorato

ANNEX I

GROUP COMPANIES

PARENT COMPANY

Name	Registered Office	City
Manutencoop Facility Management S.p.A.	Via Poli no. 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
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
Evimed S.r.l.	Via Zamenhof 363	Vicenza	90%	Subsidiary
Ferraria Soc. cons. a r.l.	Via Poli 4	Zola Predosa (BO)	69%	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
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
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	100%	Subsidiary
S.AN.GE S.c.a.r.l.	Viale Piero Alberto Pirelli 21	Milan	89%	Subsidiary
San Gerardo Servizi Soc. Cons. r.l.	Via Poli 4	Zola Predosa (BO)	60%	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

JOINT VENTURES ACCOUNTED FOR UNDER THE EQUITY METHOD

Name	Registered Office	City	% held	Type
AMG S.r.l.	SS Laghi di Avigliana 48/a	frazione Roata Raffo Busca (CN)	50%	Joint Venture
Cardarelli Soc.cons.r.l.	S.S. Appia 7 bis Km. 11,900 Zona A.s.i. Aversa Nord	Carinaro (CE)	60%	Joint Venture
CO. & MA. Soc. Cons. a r.l.	Via del Parco n. 16	Tremestieri Etneo (CT)	50%	Joint Venture
DUC Gestione Sede Unica Soc.cons.r.l.	Via Poli 4	Zola Predosa (BO)	49%	Joint Venture
EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S.	Üniversiteler Mahallesi, Bilkent Plaza, A3 Blok, n. 4	Çankaya/ Ankara	50%	Joint Venture
Legnago 2001 Soc.cons.r.l.	Via Poli 4	Zola Predosa (BO)	50%	Joint Venture
Malaspina Energy Soc.cons.r.l.	Via Varesina 118	Lurate Caccivio (CO)	50%	Joint Venture
Servizi Luce Soc.Cons.r.l.	Via Poli 4	Zola Predosa (BO)	50%	Joint Venture
Servizi Sportivi Brindisi Soc.cons.r.l.	Via Licio Giorgieri 93	Rome	50%	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	Padua	60%	Associate
Consorzio Sermagest Soc.Cons. a r.l. in liquidation	Via Filippo Corridoni 23	Rome	60%	In liquidation
F.lli Bernard S.r.l.	Stradella Aquedotto 21	Bari	20%	Associate
Geslotto6 Soc.Cons. r.l. in liquidation	Via Poli 4	Zola Predosa (BO)	55%	In liquidation
Gico System S.r.l.	Via Finelli 8	Calderara di Reno (BO)	20%	Associate
Global Provincia Di Rimini Soc.Cons. r.l. in liquidation	Via Poli 4	Zola Predosa (BO)	42.40%	In liquidation
Global Riviera Soc.Cons. a 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
Iniziative Produttive Piemontesi S.r.l.	Corso Einaudi 18	Turin	24.75%	Associate
Livia Soc.Cons. a r.l. in liquidation	Via Roma 57/B	Zola Predosa (BO)	34.10%	Associate

Name	Registered Office	City	% held	Type
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)	33.30%	Associate
PBS Soc.Cons. r.l. in liquidation	Via G. Negri 10	Milan	25%	Associate
Progetto ISOM S.p.A.	Via Poli 4	Zola Predosa (BO)	36.98%	Associate
Roma Multiservizi S.p.A.	Via Tiburtina 1072	Rome	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
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	Turin	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, December 31, 2014	Changes of the period					Net Book Value June 30, 2015	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Alisei s.rl. in liquidation	100%	(60)				(1)		(61)	0	(61)
A.M.G. S.r.l.	50%	2,200			37			2,237	2,237	
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. & Ma. Soc.Cons. a r.l.	50%	5						5	5	
Como Energia Soc.Cons. a R.L.	30%	11						11	11	
Consorzio Imolese Pulizie Soc. Cons. a r.l in liquidation	60%	6						6	6	
Consorzio Leader Soc.Cons. a r.l. in liquidation	50%	5						5	5	
Consorzio Polo sterilizzazione Integrata	60%	23						23	23	
Consorzio Sermagest in liquidation	60%	0						0	0	
Costruzione Manutenzione Immobili	40%	84						84	84	
DUC Gestioni Soc.Cons. a r.l.	49%	10						10	10	
EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S.	50%	50						50	50	
F.lli Bernard S.r.l.	20%	808			392			1,200	1,200	
Geslotto 6 soc. cons. a r.l.	55%	50						50	50	
GICO Systems S.r.l.	20%	59			5			64	64	
Global Provincia di Rimini Soc.Cons. a r.l.	42.40%	4						4	4	
Global Riviera Soc.Cons. a r.l.	30.66%	9						9	9	

	%	Net Book Value, December 31, 2014	Changes of the period					Net Book Value June 30, 2015	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Global Vicenza Soc.Cons. a r.l.	41.25%	4						4	4	
Gymnasium soc. Cons. A r.l. in liquidation	68%	7						7	7	
GRID Modena S.r.l.	23%	24						24	24	
Headmost Division Service FM S.p.A.	25%	0						0	0	
IPP S.r.l.	25%	453			(1)			452	452	
Legnago 2001 Soc. Cons. a r.l.	50%	5						5	5	
LIVIA Soc. Cons. a r.l	34.10%	3						3	3	
Logistica Ospedaliera Soc. Cons. a r.l	45%	5						5	5	
Malaspina Energy Soc. Cons. a r.l.	50%	50						50	50	
Newco DUC Bologna S.p.A.	24.90%	(160)			51		(197)	(308)	(308)	
P.B.S. Soc.Cons. a r.l. in liquidation	25%	25						25	25	
Palazzo della Fonte S.c.p.a.	33.30%	8,000						8,000	8,000	
Progetto ISOM S.p.A.	36.98%	1,929			22			1,950	1,950	
Progetto Nuovo Sant'Anna S.r.l.	24%	1,653	(1,552)		(72)		(28)	0	0	
ROMA Multiservizi S.p.A.	45.47%	7,330			649		43	8,022	8,022	
San Martino 2000 Soc.Cons. a r.l.	40%	4						4	4	
Savia soc.cons.a.r.l.	49,11%	5						5	5	
Società Consortile Adanti Manutencoop a r.l. in liquidation	50%	10						10	10	
SE.SA.MO. S.p.A.	20.91%	1,259			389			1,648	1,648	
Se.Ste.Ro S.r.l.	25%	144			14			158	158	
Serena S.r.l.	50%	9						9	9	
Servizi Luce Soc. Cons. a r.l.	50%	5						5	5	
Servizi Marche soc.Cons. a r.l. in liquidation	60%	6						6	6	
Servizi Napoli 5 Soc. Cons. a r.l.	45%	5						5	5	
Servizi Sanitari Treviso (SE.SA.TRE)	40%	8						8	8	
Servizi Sportivi Brindisi Soc. Cons. a r.l.	50%	5						5	5	
Simagest 2	90%	45						45	45	

	%	Net Book Value, December 31, 2014	Changes of the period					Net Book Value June 30, 2015	Book Value	Investment Provision
			Additions/ Disposals	Dividends	Share of net profit/ Write-downs	Provision	Reserves			
Soc.Cons.a r.l. in liquidation										
Simagest 3 Soc.Cons.a r.l. in liquidation	89,99%	45						45	45	
Synchron Nuovo San Gerardo S.p.A.	35,82%	4,151			344			4,495	4,495	
Steril Piemonte Soc. Cons. a r.l.	25%	1,000						1,000	1,000	
Tower Soc.Cons. a r.l.	20,17%	20						20	20	
UFS – United Facility Solutions SA	33,33%	0						0	0	
NET BOOK VALUE		**29,330**	**(1,552)**		**1,830**	**(1)**	**(183)**	**29,422**	**29,422**	**(61)**

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 Società Cooperativa	30-Jun-14 Restated	253	20,037		14	31-Dec-14	113	21,492	10,897	170
	30-Jun-15	94	16,853		3	30-Jun-15	82	21,918	9,621	142

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-Jun-14 Restated					31-Dec-14	3			1
	30-Jun-15					30-Deu-15	3			1
AMG S.r.l.	30-Jun-14 Restated		141	2		31-Dec-14	19	504	106	
	30-Jun-15		130	1		30-Jun-15	23	501	134	
Bologna Gestione Patrimonio Soc.Cons. a r.l.	30-Jun-14 Restated	37	42			31-Dec-14	198		124	
	30-Jun-15	26	55			30-Jun-15	188		148	
Bologna Multiservizi Soc.Cons. a r.l.	30-Jun-14 Restated	103	489			31-Dec-14	174		1.687	
	30-Jun-15					30-Jun-15	174		1.474	
Bologna Più Soc.Cons.a r.l. in liquidation	30-Jun-14 Restated					31-Dec-14	(2)	39	13	
	30-Jun-15					30-Jun-15	(2)	39	13	
Cardarelli Soc. Cons. a r.l.	30-Jun-14 Restated		754			31-Dec-14			402	
	30-Jun-15		1.214			30-Jun-15			1.216	
Como Energia Soc.Cons.a r.l.	30-Jun-14 Restated		537			31-Dec-14			599	
	30-Jun-15		420			30-Jun-15			466	
Consorzio Imolese Pulizie soc.Cons. in liquidation	30-Jun-14 Restated					31-Dec-14	138	36	48	
	30-Jun-15					30-Jun-15	49	36	48	
Consorzio Leader Soc. Cons. a r.l. in	30-Jun-14 Restated					31-Dec-14	14		6	

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
liquidation	30-Jun-15					30-Jun-15	14		6	
Consorzio Sermagest Soc.Cons.a r.l in liquidation	30-Jun-14 Restated					31-dic-14				
	30-giu-15					30-giu-15				
CO.& MA. Soc. Cons. a r.l	30-giu-14 Restated	180	563			31-dic-14	439	20	1.094	
	30-Jun-15	180	464			30-Jun-15	180	20	1.288	
DUC Gestione Sede Unica Soc. Cons. a r.l.	30-Jun-14 Restated	2.541	1.241			31-dic-14	5.449		851	
	30-Jun-15	2.663	1.286			30-Jun-15	5.066		1.151	(143)
EOS Hijyen Tesis Hizmetleri Saglik Insaat Servis Muhendislik A.S.	30-Jun-14 Restated	37				31-Dec-14	116	182	387	62
	30-Jun-15	27			10	30-Jun-15	143	182	291	17
Fr.lli Bernard s.r.l.	30-Jun-14 Restated	6	154			31-Dec-14	25	50	111	
	30-Jun-15	6	1			30-Jun-15	31	50	1	
Gestlotto 6 Soc. cons. a r.l in liquidation	30-Jun-14 Restated		2			31-Dec-14	6	20	47	
	30-Jun-15		3			30-Jun-15	6	20	51	
Gico Systems S.r.l.	30-Jun-14 Restated	4	350			31-Dec-14	6		329	
	30-Jun-15	2	396			30-Jun-15	6		441	(25)
Global Provincia di RN Soc.Cons.a r.l. in liquidation	30-Jun-14 Restated					31-Dec-14	251	70	18	
	30-Jun-15					30-Jun-15	25	70	18	
Global Riviera Soc.Cons.a r.l.	30-Jun-14 Restated		24			31-Dec-14	55		(117)	
	30-Jun-15		5			30-Jun-15	55		(111)	
Global Vicenza Soc.Cons. a r.l.	30-Jun-14 Restated	92	767			31-Dec-14	163		604	
	30-Jun-15	102	761			30-Jun-15	233	570	715	
Grid Modena S.r.l.	30-Jun-14 Restated					31-Dec-14	18			
	30-Jun-15		12			30-Jun-15	18		14	
Gymnasium Soc. cons. a r.l in liquidation	30-Jun-14 Restated					31-Dec-14	1	7	33	5
	30-Jun-15					30-Jun-15	1	7	33	5
HEADMOST in liquidation	30-Jun-14 Restated					31-Dec-14	454			
	30-Jun-15					30-Jun-15				
IPP S.r.l.	30-Jun-14 Restated	192	196			31-Dec-14	194	60	129	
	30-Jun-15	194	137			30-Jun-15	290	60	188	(2)
Legnago 2001 Soc. Cons. r.l.	30-Jun-14 Restated		2			31-Dec-14	216		80	
	30-Jun-15		2			30-Jun-15	216		82	

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
Livia Soc. cons. a r.l.	30-Jun-14 Restated	11	173			31-Dec-14	129		257	
	30-Jun-15					30-Jun-15	129		137	(5)
Logistica Ospedaliera Soc. Cons. a r.l.	30-Jun-14 Restated		199			31-Dec-14			92	
	30-Jun-15		207			30-Jun-15			157	
Malaspina Energy Soc. Cons. a r.l.	30-Jun-14 Restated		25	3		31-Dec-14	1.047	176	52	
	30-Jun-15		30			30-Jun-15	1.047	176	82	
Newco DUC Bologna S.p.A	30-Jun-14 Restated					31-Dec-14			22	
	30-Jun-15					30-Jun-15			22	
Palazzo della Fonte S.c.p.a.	30-Jun-14 Restated	2.255				31-Dec-14	1.065		0	
	30-Jun-15	1.742				30-Jun-15	602		0	
P.B.S. Soc.Cons. a r.l. in liquidation	30-Jun-14 Restated					31-Dec-14			7	
	30-Jun-15					30-Jun-15			16	
Perimetro Gestione Proprietà Immobiliari Soc. Cons. p. A.	30-Jun-14 Restated	111				31-Dec-14	37			
	30-Jun-15					30-Jun-15				
Progetto ISOM S.p.A.	30-Jun-14 Restated	117	17	6		31-Dec-14	9.337	206	2	
	30-Jun-15	110	25	3		30-Jun-15	12.408	210		276
Progetto Nuovo Sant'Anna S.r.l.	30-Jun-14 Restated	85	1	61		31-Dec-14	5.818	4.671	164	16.430
	30-Jun-15	85	40	22		30-Jun-15	5.890	475	204	(246)
Roma Multiservizi S.p.A.	30-Jun-14 Restated	751	1.131			31-Dec-14	518		1.973	530
	30-Jun-15	768	1.019			30-Jun-15	462		1.280	616
San Martino 2000 Soc.Cons. r.l.	30-Jun-14 Restated	901	1.735			31-Dec-14	675		363	
	30-Jun-15	867	1.732			30-Jun-15	674		930	
Savia Soc. Cons. a r.l	30-Jun-14 Restated	325	1.241			31-Dec-14	338		1.626	
	30-Jun-15		606			30-Jun-15	18		1.405	7
Serena S.r.l. - in liquidation	30-Jun-14 Restated					31-Dec-14	49	3		
	30-Jun-15					30-Jun-15		3		
Servizi Luce Soc. Cons. a r.l.	30-Jun-14 Restated		733			31-Dec-14	290		521	
	30-Jun-15	27	1.134			30-Jun-15	323		(41)	(38)
Servizi Marche Soc. Cons. r.l. in liquidation	30-Jun-14 Restated					31-Dec-14	12		1	
	30-Jun-15					30-Jun-15	12		1	
Servizi Napoli 5 Soc.Cons. a r.l.	30-Jun-14 Restated	712	628			31-Dec-14	1.743		962	

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
	30-Jun-15	701	637			30-Jun-15	1.428		641	
Se.Sa.Mo. S.p.A.	30-Jun-14 Restated	2.576	2	551		31-Dec-14	3.003	639	6	
	30-Jun-15	2.606		13		30-Jun-15	3.368	606	6	
SESATRE S.cons. a r.l.	30-Jun-14 Restated	5	2.231	17		31-Dec-14	(17)	1.921	1.715	
	30-Jun-15	7	2.172	10		30-Jun-15	(11)	1.899	1.296	
Se.Ste.Ro S.r.l.	30-Jun-14 Restated	5	265			31-Dec-14	35		627	
	30-Jun-15	5	250			30-Jun-15	41		781	53
S.I.MA.GEST2 Soc. Cons. r.l. in liquidation	30-Jun-14 Restated					31-Dec-14	208	75	4	1
	30-Jun-15					30-Jun-15	20	75	4	1
S.I.MA.GEST3 Soc. Cons. r.l in liquidation	30-Jun-14 Restated					31-Dec-14	2		3	
	30-Jun-15					30-Jun-15			3	
Società Consortile Adanti Manutencoop in liquidation	30-Jun-14 Restated					31-Dec-14	36		12	
	30-Jun-15					30-Jun-15				
Steril Piemonte Soc. cons. a.r.l	30-Jun-14 Restated		412	3		31-Dec-14	23	580	251	
	30-Jun-15		423	1		30-Jun-15	18	576	494	42
Synchron Nuovo San Gerardo S.p.A.	30-Jun-14 Restated	6.949				31-Dec-14	10.115		369	
	30-Jun-15	5.193	50	16	0	30-Jun-15	8.640	1.111	122	(211)
Tower Soc.Cons. a r.l. in liquidation	30-Jun-14 Restated					31-Dec-14	17	17	(11)	
	30-Jun-15					30-Jun-15				

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-Jun-14 Restated					31-Dec-14	1			
	30-Jun-15					30-Jun-15	1			
Manutencoop Immobiliare S.p.A.	30-Jun-14 Restated	20	1,276			31-Dec-14	7		190	
	30-Jun-15	5	1,234			30-Jun-15	3		152	(72)
Nugareto Società Agricola Vinicola S.r.l.	30-Jun-14 Restated	22	1			31-Dec-14	13		35	
	30-Jun-15	1	9			30-Jun-15	1		10	
Segesta servizi per l'Ambiente S.r.l.	30-Jun-14 Restated	8				31-Dec-14	9			
	30-Jun-15	8				30-Jun-15	7			

ASSOCIATES OF MANUTENCOOP COOPERATIVA OR OTHER RELATED PARTIES

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
Consorzio Karabak Società Cooperativa	30-Jun-14 Restated	32				31-Dec-14	11			
	30-Jun-15	31				30-Jun-15	7			
Consorzio Karabak Due Società Cooperativa	30-Jun-14 Restated	1				31-Dec-14	1			
	30-Jun-15	2				30-Jun-15	1			
Consorzio Karabak Tre Società Cooperativa	30-Jun-14 Restated					31-Dec-14				
	30-Jun-15					30-Jun-15				
Sacoa S.r.l.	30-Jun-14 Restated	37	17			31-Dec-14	52		8	
	30-Jun-15	34				30-Jun-15	61		8	

		Revenues	Costs	Financial income	Financial expenses		Trade receivables	Financial assets and other	Trade payables	Financial liabilities and other
TOTAL	**30-Jun-14 Restated**	**18,368**	**35,386**	**643**	**14**	**31-Dec-14**	**42,624**	**30,768**	**26,699**	**17,199**
	30-Jun-15	**15,486**	**31,307**	**66**	**13**	**30-Jun-15**	**41,951**	**28,604**	**24,998**	**418**

ANNEX IV

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

	For the 6 months ended 30 June			
	2015		2014 Restated	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**113,382**		**184,538**
CASH FLOW FROM CURRENT OPERATIONS:		**28,905**		**36,776**
Profit before taxes for the period	*13,681*		*15,551*	
Profit (loss) from discontinued operation	*(633)*		*542*	
(Capital gain) losses from transfer of equity investments	*41*		*0*	
Amortization, depreciation, write-downs and (write-backs) of assets	*15,305*		*19,135*	
Accrual (reversal) of provisions for risks and charges	*1,646*		*739*	
Employee termination indemnity provision	*390*		*771*	
Share of net profit of associates, net of dividends collected	*(914)*		*643*	
Financial charges (income) for the period	*19,092*		*19,585*	
Net interests received (paid) in the period	*(19,469)*		*(18,995)*	
Income taxes paid in the period	*(611)*		*(523)*	
Reclassifications:				
Non-cash net financial charges accounted for under the Statement of profit or loss	*377*		*(672)*	
USES OF PROVISIONS FOR RISKS AND CHARGES AND PAYMENTS OF THE EMPLOYEE TERMINATION INDEMNITY:		**(8,078)**		**(12,956)**
Payments of employee termination indemnity	*(1,231)*		*(5,514)*	
Utilization of provisions	*(6,847)*		*(7,442)*	
CHANGE IN ADJUSTED NWOC:		**8,213**		**(36,029)**
Decrease (increase) of inventories	166		226	
Decrease (increase) of trade receivables and advances to suppliers	*17,458*		*6,661*	
Increase (decrease) in trade payables and advances from customers	*(9,467)*		*(48,260)*	
Adjustments:				
Change in the amount of trade receivables assigned without recourse to Factoring agencies and not yet collected by the latter	*56*		*13,450*	
Net balance of receivables purchased by Banca IMI, assigned to factoring companies in the previous years, to be included in the Net Working Operating Capital	*0*		*(8,106)*	
INDUSTRIAL AND FINANCIAL CAPEX:		**(3,230)**		**(7,844)**
(Purchase of intangible assets, net of sales)	*(2,287)*		*(4,758)*	
(Purchase of property, plant and equipment)	*(8,902)*		*(10,417)*	
Proceeds from sales of property, plant and equipment	*217*		*1,013*	

	For the 6 months ended 30 June			
	2015		2014 Restated	
Disposal (acquisition) of investments	*469*		*716*	
Decrease (increase) of financial assets	*2,815*		*1,861*	
Net cash from assets held for sale	*9*		*2,634*	
Reclassifications:				
Net balance of receivables purchased by Banca IMI, assigned to factoring companies in the previous years, to be included in the Net Working Operating Capital	*0*		*8,106*	
Change in current financial assets, to be included in Net Financial Liabilities.	*4,449*		*(6,999)*	
CHANGE IN ADJUSTED NET FINANCIAL LIABILITIES:		**(60,588)**		**(65,381)**
Net proceeds from/(reimburse of) borrowings	*(55,706)*		*(59,617)*	
Adjustments:				
Change in the amount of receivables assigned without recourse to Factoring agencies and not yet collected by the latter	*(56)*		*(13,450)*	
Reclassifications:				
Non-cash net financial charges accounted for under the Statement of Profit or Loss	*(377)*		*687*	
Change in current financial assets, to be included in the Net Financial Liabilities	*(4,449)*		*6,999*	
OTHER CHANGES:		**(12,314)**		**6,636**
Decrease (increase) of other current assets	*1,744*		*528*	
Increase (decrease) of other current liabilities	*(14,038)*		*6,123*	
Dividends paid	*(20)*		*(15)*	
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**66,290**		**105,740**

Manutencoop Facility Management S.p.A.
Registered office: Zola Predosa (BO)
Via U. Poli no. 4

F.C.– VAT – Bologna Register of Companies
no. 02402671206
Share Capital: € 109,149,600.00 fully paid-up

“The Company is subject to the management and
coordination activities of Manutencoop
Società Cooperativa Zola Predosa (BO)”