GRUPPO MANUTENCOOP

Summary of the Results at June 30, 2016

Call with Bondholders, August 12, 2016, 17CET

Disclaimer

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The information in this presentation may include references to possible future events and is based on the state of current expectations. These indications regarding the future are subject to risks and uncertainties related to the business activities, the performance of the reference sectors and the economy. There is, therefore, no liability in relation to them, not even about their possible amendment or revision.

Half year results are subject to a limited auditors' review

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MFM speakers today

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Main KPIs, 2016 - Adjusted

Reconciliation table of principal economic and balance sheet items coming from consolidated statutory accounts and ADJUSTED in order to normalize non recurring events and off balance sheet items

2Q2016 KPI Reconciliation (statutory vs adjusted), €mln

	For the six months ended June 30, 2016		
	Statutory Consolidated FS	Adj	Adjusted Consolidated FS
Revenues	471.5		471.5
EBITDA	51.4	1.0	52.4
EBITDA % on revenues	*10.9%*		*11.1%*
EBIT	34.3	1.0	35.3
EBIT % on revenues	*7.3%*		*7.5%*
Net Result	13.0		13.0

	June 30, 2016		
	Statutory Consolidated FS	Factoring Outstanding	Adjusted Consolidated FS
NWOC	146.8	18.4	165.1
NFP	(198.4)	(18.4)	(216.7)

Period **EBITDA adjusted** and **EBIT adjusted** include non recurring costs worth 1.0 mln € and refer to up-front fees on pro-soluto receivable sales contracts and ICA related legal expenses.

NFP and NWOC adjusted include net value of receivables sold on a pro-soluto basis (i.e. non recourse) but still not cashed-in from factor agent at June 30, 2016.

Revenues

1H 2016
€471.5 mln
1H 2015
€480.6 mln

Revenues by Segment, €mln

Revenues by Client, €mln

Revenues decrease vs previous year by €9 mln (-1.9%), in line, however, with expectations. Delta vs PY is the same as per 1Q2016, also thanks to Telecom Italia contract reinstatement.

2Q2016 Revenues are aligned with 2Q2015 revenues, showing the interruption of declining trend shown in recent years.

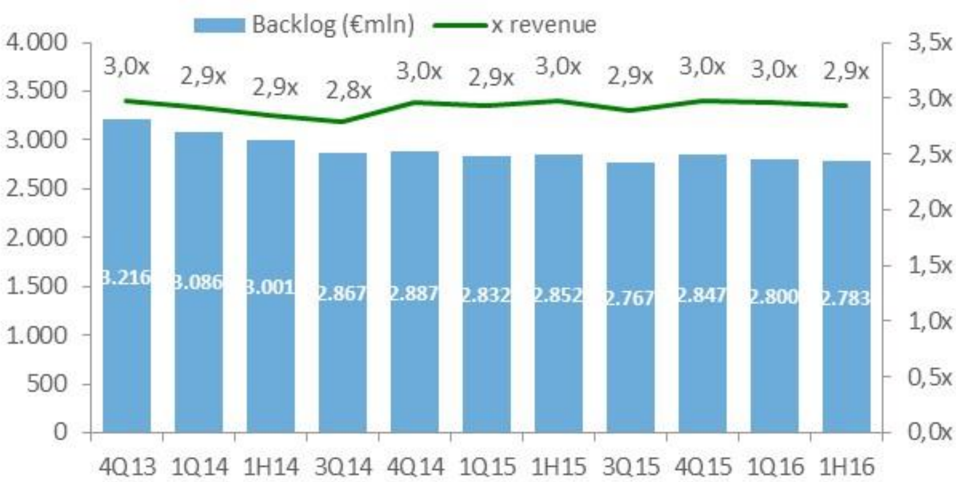
Thus, deltas by Segment vs 1H2015 are substantially the same depicted in 1Q2016 and are attributable to:

- circa €2 mln to terminated business in the «Other» segment;
- circa €1.5 mln in «L&S» segment due to spending review on Laundering and delays in awarding of new tenders in sterilization;
- €6 mln in «FACILITY» segment, due to delayed requalification works and due to delays in awardings of new conventions.

By Client, we confirm «Healthcare» trend already described in 1Q16, while in 2Q16 it is completely aligned with 2Q15.

Backlog

Revenue Visibility from Backlog



1H 2016

€ 2.8 bln

FY 2015

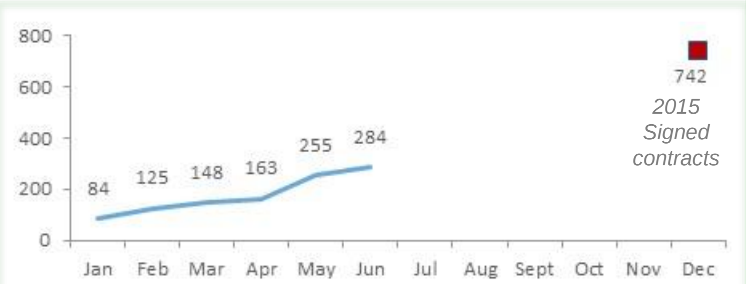
€ 2.8 bln

- Thanks to awardings in 1H16 backlog remains steady vs last three quarters.
- Reduction of circa €60 mln vs 4Q2015 is coherent with physiological backlog burn-out combined with a statistical concentration of awardings in last part of the year.
- Backlog / Revenues 2.9x

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

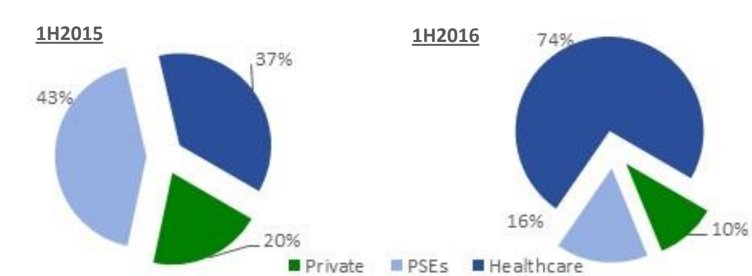
Signed Contracts

Value of contracts signed in 1H2016, €mln



Breakdown of signed contracts YTD, €mln

Signed contracts by Client



Sales Activity

- Positive on-going trend of signed contracts reaches plurinnual value of €284mln (equivalent to average annual value of ca €78 mln)
- "New Market" signed contracts value is perfectly aligned with previous year value.
- Renewals in slight reduction due to delays in awardings compensated, on Revenues, by contract extensions.
- Average contract durations confirmed in circa 3 years with usual distinction between PSEs, Healthcare and Private.
- Healthcare contribution doubles vs same semester last year.

Main signed contracts in 2nd quarter of 2016

- Renewal: Asl Bologna cleaning services worth €31mln, duration 5 years and laundering services worth per €26mln, duration 6 years
- Renewal: Policlinico Gemelli, technological plants maintenance worth €24mln, duration 5 years.
- Renwal/New Market: Asur Marche energy services worth €12mln, duration 9 years. New Market stake worth €3mln.
- New Market: new Prato and Pistoia hospitals, cleaning services worth €9,5mln duration 3 years.
- New Market: Usl Roma 2, cleaning services worth €7,5mln duration 1 year.

Tenders Pipeline

€ Million, Bid Base

Tenders Joined		Awarded to the market		Pending		WON by MFM Group	
#	Total Value	#	Total Value	#	Total Value	#	Total Value
109	€ 3.122mln	26	€ 191mln	77	€ 2.806mln	6	€ 125mln

until May 2016

from May 2016 until today

Tenders Joined		Awarded		Pending		WON	
#	Total Value	#	Total Value	#	Total Value	#	Total Value
29	€ 206mln	0	€ mln	29	€ 206mln	0	€ mln

New Tenders from May 2016 until today

Pending	
#	Total Value
106	€ 3.012mln

47% in volume of which pending for more than 1 year

Circa 68% of which related to central procurement entities tenders

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EBITDA Adjusted

1H 2016	
€52.4 mln	(11.1%)

1H 2015	
€ 49.9 mln	(10.4%)

Bridge EBITDA YoY, €mln

- EBITDA Adj grows by +€2.5mln vs 1H2015 (+5%) despite slight Revenue volumes reduction. (Adjs in 1H2016 are equal to €1.0 mln, vs 1H2015 €1.2mln).
- EBITDA margin +0,7 p.p. due to net effect of:
  - Volumes (-€0.8mln) not meaningful and coherent with reduction of Revenues already mentioned in 1Q2016;
  - Cost savings (+€3.3mln) due to cost saving actions on fixed costs;
  - Combined effect of pricing pressure mitigated by extensions and efficiencies on production costs (+ €0.8mln);
  - Deltas on Revenues balancing (+€1.0 mln) in “L&S” segment;
  - “Other items” (-€1.8mln) due mainly to scouting activities on international markets.

EBIT Adjusted

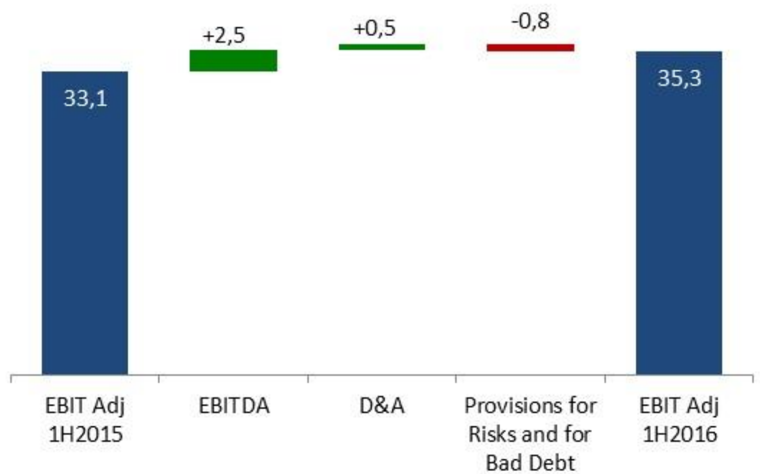
1H 2016

€35.3 mln (7.5%)

1H 2015

€33.1 mln (6.9%)

Bridge EBIT YoY, €mln



- EBIT Adj grows by €2.2 mln vs 1H 2015 (+ 6.8%) coherent with what stated on EBITDA.
- EBIT variation comprises:
  - ❑ More EBITDA (+€2.5mln);
  - ❑ Less D&As for €0.5mln, of which - € 1.3mln in “L&S” segment, due to rationalization policy of linen capex in Laundering (unveiled in previous 2 years) and + € 0.8 mln in “Facility” segment (mainly ICT).
  - ❑ More Provisions: more receivable write-downs for €1.4 mln for some specific items and less provisions for risks for €0.7 mln.

Adjs in 1H2016 are equal to €1.0 mln, already mentioned at EBITDA level (€1,2mln in 1H 2015).

Net Financial Expenses, Taxes, Net Profit

Net Financial Expenses	Taxes	Net Result
1H 2016	**1H 2016**	**1H 2016**
€ 14.1 mln	€ 9.9 mln *EBT € 21.8 mln* *Tax Rate: 45%*	€ 13.0 mln 2.7% of Revenues
1H 2015	**1H 2015**	**1H 2015**
€ 20.0 mln	€ 7.4 mln *EBT € 13.7 mln* *Tax Rate: 54%*	€ 5.6 mln 1.2% of Revenues

Net Financial Expenses

Less Financial expenses for €5.9mln vs 1H2015 mainly due to:

- ❑ Less interest expenses on Bond for €2.8 mln (Tender on €80 mln only from June 2015)
- ❑ 1H2015 included one-off Tender costs for €3.0 mln

Taxes

- EBT increases by €8.1mln (€21,8mln in 1H2016 vs €13,7mln in 1H2015).
- Tax rate decreases significantly vs 1H2015 due to tax components (mainly IRAP) that do not vary together with EBT.
- More taxes for € 2.5mln vs 1H2015: more IRES (+€2,4mln, +30%) and unchanged IRAP (€2.6mln).

Net Result

Period's Net Result is positively impacted by a positive performance on EBT (+59%), more than proportional with taxes increase (+33%).

Net Result includes net gains from 2014 and 2015 discontinued operations for €1.1mln

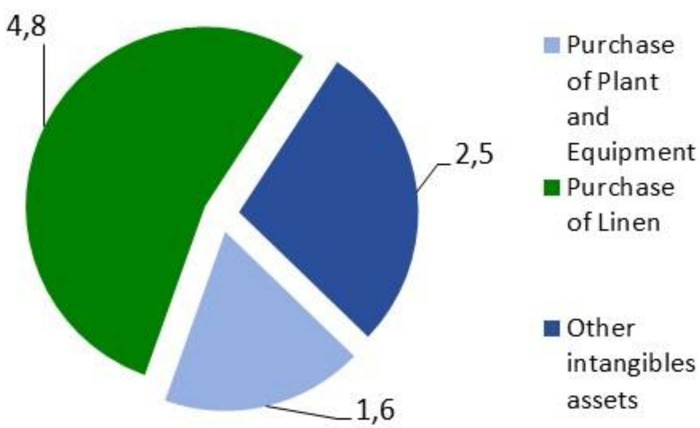
Industrial Capex

1H 2016
€8.9 mln
1H 2015
€ 11.2 mln

In 1H16 industrial Capex are equal to €8.9mln, in reduction by €2.3mln vs 1H15, of which ca € 2.8mln for linen and surgical instruments in «L&S» segment (partially offsettable effect by the end of 2016).

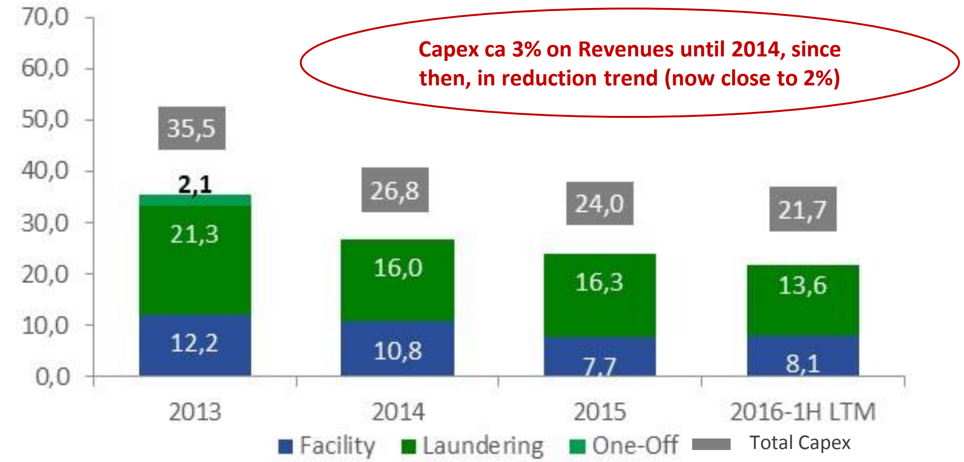
Capex for linen remain main item (≈54% of Capex).

Total Capex Breakdown 1H 2016, €mln



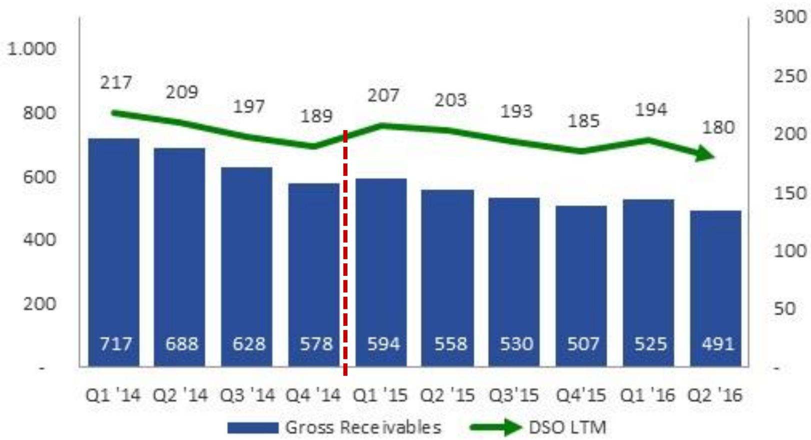
Capex for intangible assets are mainly represented by ICT development

Capex overview, LTM €mln



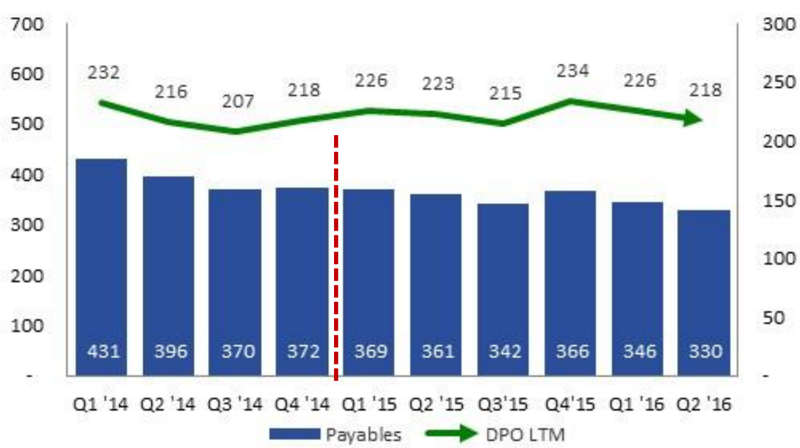
DSOs & DPOs

Gross Receivables and DSO



Introduction of «Split Payment» and «Reverse Charge»

Payables and DPO



- In line with our expectations, DSOs reduction trend restarts: vs 4Q15 -5 days and vs 2Q15 -23 days.
- DPOs show a reduction vs 4Q15 (-16 days) and vs 2Q15 (-5 days). This is the result of a DSO benefit sharing program on suppliers with alignment on more physiological values after high DPOs at 2015 year end.

NB: Due to introduction of Split Payment and Reverse Charge mechanisms in 2015, receivables and payables are not comparable with periods before 01/01/2015. DPOs and DSOs, however, are.

Net Working Operating Capital Adjusted

NWOC

1H 2016

€165.1 mln

FY 2015

€145.1 mln

Adjustment on NWOC equals €18,4 mln (pro-soluto - i.e. non recourse - factoring).
In 1H16 **NWOC** increases by €20mln vs FY15.

Increase is prevalently due to more benefit passed onto suppliers as DSOs continue to decrease (less delta DSO-DPO).

NB: stock values before FY 2014 are not comparable due to the 2015 introduction of VAT new fiscal regime (Split payment e Reverse charge).

NWOC / Revenues LTM

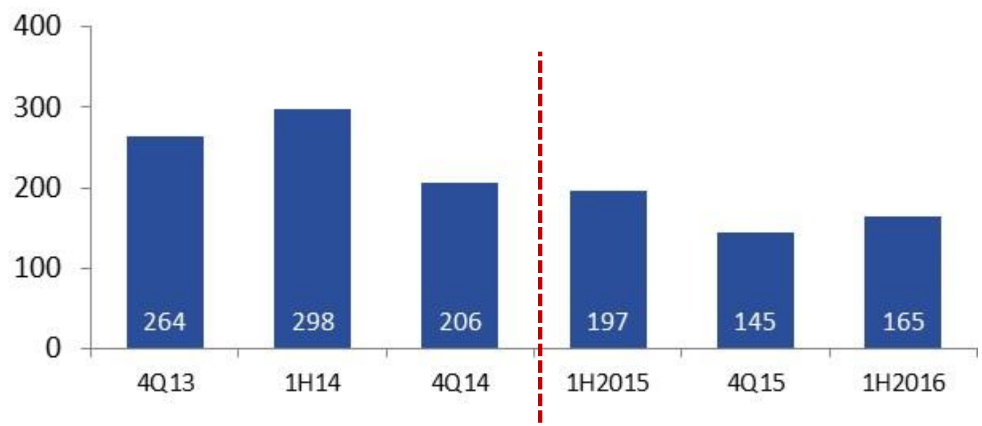
1H 2016

17.4 %*

FY 2015

15.2 %

Net Working Operating Capital, €mln



** NWOC = €165 mln; Revenues LTM = €947mln. NWOC / Rev = €165mln /€ 947mln*

Introduction of «Split Payment» and «Reverse Charge»

Net Financial Position Adjusted

NFP

1H 2016

€217 mln

FY 2015

€242 mln

Leverage (*)

1H 2016

2.3 x

FY 2015

2.6 x

(in thousands of Euro)	June 30, 2016	December 31, 2015
Long-term financial debt	305,1	311,7
Bank borrowings, including current portion of long-term debt, and other financial liabilities	69,2	48,6
Gross financial indebtedness	**374,2**	**360,2**
Cash and cash equivalents	(167,2)	(114,4)
Current financial assets	(8,6)	(5,3)
Net financial indebtedness	**198,4**	**240,6**
Factoring outstanding	18,4	1,4
Net financial indebtedness adjusted	**216,7**	**242,0**

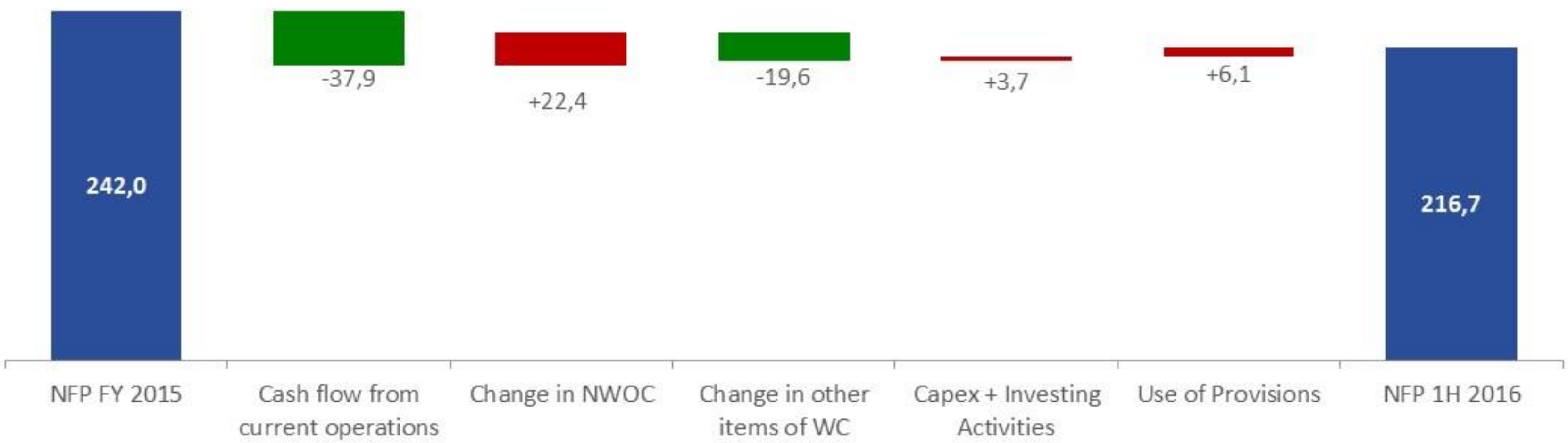
Net Financial Position (on balance sheet, €mln)

** Leverage Ratio calculated as following:*

- ***1H2016.*** *NFP = €217mln; EBITDA LTM = €96mln; Leverage = €217mln /€ 9*
- ***FY2015.*** *NFP = €242mln; EBITDA = €93mln; Leverage = €242mln /€ 93mln*

…Focus on NFP changes from December 31, 2015

Changes in Net Financial Position FY 2015 vs 1Q 2016, €mln

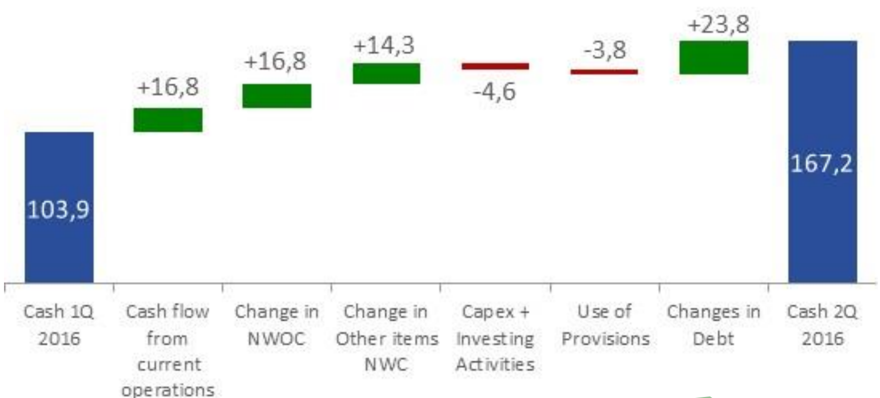


NFP decreases in semester by €25.3 mln:

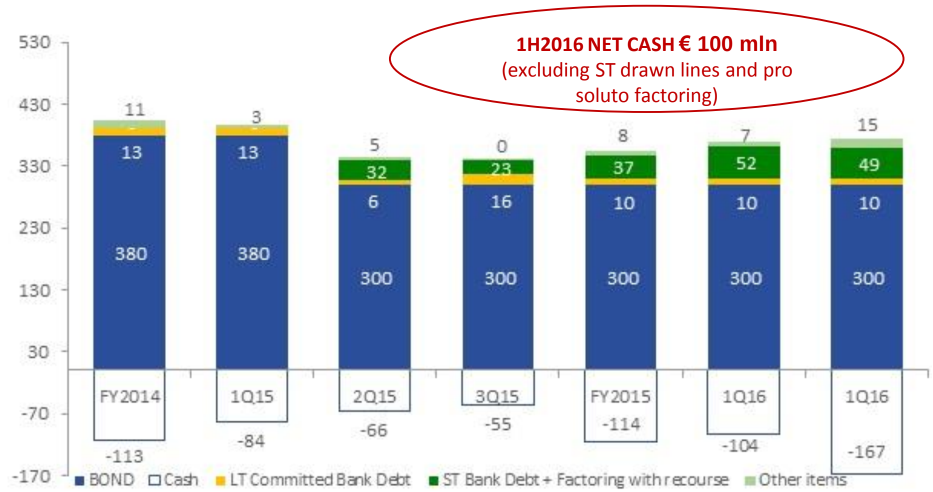
- ✓ "Current operations" flow generates €37.9 mln
- ✓ "NWOC" absorbs flows by €22.4 mln
- ✓ "Change in other items of WC" include positive flow coming from pro-soluto selling of receivable of tax assets for € 12mln besides seasonal debts vs employees.
- ✓ "Capex+Investing Activities" absorb cash by €3.7 mln, as difference between industrial capex by € 8.3 mln and cash generated investing activities per € 4.6 mln (short term reclassification second escrow on MIA for € 5.0 mln)
- ✓ "Use of provisions" absorb cash for €6.1 mln (of which €0.9mln for severance indemnity, €2.5mln for restructuring

…Focus on Credit Facilities

Changes in Cash in 2nd quarter of 2016, €mln



Debt Breakdown, €mln



Detail of changes in debt in 2nd quarter of 2016, €mln

Note: «Other» mainly includes Accrued Interest on Coupon for €4.1 mln

<u>Up date as of July 29, 2016</u>: Manutencoop has available the following facilities:

Short Term:

- €48 mln short term (hot money, invoice advance), utilized for €23 mln.
- €50 mln Factoring pro-solvendo (i.e. recourse), utilized for €17 mln

Committed:

- €14mln 3 years banking facilities, utilized for €10mln
- Factoring pro-soluto (i.e. non recourse) up to €100 mln per year, 3 years, utilized for €28mln

ANNEX

ANNEX

(in thousands of Euro)	**June 30, 2016**	**December 31, 2015**
Assets		
Non-current assets		
Property, plant and equipments	57.988	62.155
Property, plant and equipments under lease	1.841	2.217
Goodwill	370.456	370.456
Other intangible assets	25.263	26.005
Investments accounted for under the equity method	29.825	28.484
Other investments	3.925	3.502
Non-current financial assets	11.523	15.657
Other non-current assets	2.022	2.180
Deferred tax assets	19.113	19.044
Total non-current assets	**521.956**	**529.700**
Current assets		
Inventories	4.590	4.763
Trade receivables and advances to suppliers	489.995	519.194
Current taxes receivables	13.251	23.430
Other current assets	34.949	31.138
Current financial assets	8.633	5.257
Cash and cash equivalents	167.204	114.391
Total current assets	**718.622**	**698.173**
Assets classified as held for sale	0	0
Total assets classified as held for sale	**0**	**0**
Total assets	**1.240.578**	**1.227.873**

ANNEX

(in thousands of Euro)	**June 30, 2016**	**December 31, 2015**
Shareholders' equity and Liabilities		
Share capital	109.150	109.150
Reserves	186.699	188.349
Retained earnings	(7.519)	37.498
Profit for the period attributable to equity holders of the Parent	13.086	(45.412)
Equity attributable to equity holders of the parent	*301.416*	*289.585*
Capital and reserves attributable to non-controlling interests	347	337
Profit for the period attributable to non-controlling interests	(135)	43
Equity attributable to non-controlling interests	*212*	*380*
Total shareholders' equity	**301.628**	**289.965**
Non-current liabilities		
Employee termination indemnity	19.045	18.424
Provisions for risks and charges, non-current	58.171	58.738
Long-term financial debt	305.075	311.686
Deferred tax liabilities	10.918	11.167
Other non-current liabilities	28	28
Total non-current liabilities	**393.237**	**400.043**
Current liabilities		
Provisions for risks and charges, current	10.784	14.515
Trade payables and advances from customers	347.821	380.215
Current tax payables	9.487	0
Other current liabilities	108.466	94.572
Bank borrowings, including current portion of long-term debt, and other financial liabilities	69.155	48.563
Total current liabilities	**545.713**	**537.865**
Liabilities directly associated with assets classified as held for sale	0	0
Total liabilities directly associated with assets classified as held for sale	**0**	**0**
Total shareholders' equity and Liabilities	**1.240.578**	**1.227.873**

ANNEX

(in thousands of Euro)	For the six months ended June 30,	
	2016	**2015**
Revenues		
Revenue from sales and services	470.914	479.929
Other revenue	633	702
Total revenues	**471.547**	**480.631**
Operating costs		
Costs of raw materials and consumables	(64.193)	(72.949)
Change in inventories of finished goods	20	0
Costs for services and use of third party assets	(159.094)	(161.936)
Personnel costs	(192.956)	(193.050)
Other operating costs	(3.942)	(3.969)
Amortization, depreciation, write-downs and write-backs of assets	(16.199)	(15.323)
Accrual of provisions for risks and charges	(882)	(1.531)
Total operating costs	**(437.246)**	**(448.758)**
Operating Income	**34.301**	**31.873**
Financial income and expenses		
Share of net profit of associates	1.601	1.830
Financial income	1.089	337
Financial charges	(15.420)	(19.572)
Profit/(loss) on exchange rate	(3)	(13)
Profit (loss) before taxes from continuing operations	**21.806**	**13.681**
Income taxes	(9.907)	(7.400)
Profit (loss) from continuing operations	**11.899**	**6.281**
Profit (loss) from discontinued operation	1.052	(633)
Net profit (loss) for the period	**12.951**	**5.648**
Net profit (loss) attributable to non controlling interests	135	24
Net profit (loss) for the period attributable to equity holders of the Parent	**13.086**	**5.672**

ANNEX

(in thousands of Euro)	For the six months ended June 30,	
	2016	**2015**
Net profit (loss) from continuing operations	11.899	6.281
Income taxes for the period	9.907	7.400
Profit before taxes from continuing operations	**21.806**	**13.681**
Profit (loss) from discontinued operation	1.052	(633)
(Gains) losses from the transfer of equity investments	(1.409)	41
Amortization, depreciation, write-downs and (write-backs) of assets	16.199	15.305
Accrual (reversal) of provisions for risks and charges	882	1.646
Employee termination indemnity provision	408	390
Payments of employee termination indemnity	(921)	(1.231)
Utilization of provisions	(5.180)	(6.847)
Share of net profit of associates	(1.601)	(914)
Financial charges (income) for the period	14.334	19.092
Operating cash flows before movements in Working Capital	**45.570**	**40.530**
Cash flows related to discontinued operations	*185*	*(702)*
Cash flows related to continuing operations	*45.385*	*41.232*
Decrease (increase) of inventories	173	166
Decrease (increase) of trade receivables and advances to suppliers	26.711	17.458
Decrease (increase) of other current assets	(3.714)	1.744
Increase (decrease) of trade payables and advances from customers	(32.323)	(9.467)
Increase (decrease) of other current liabilities	13.894	(14.038)
Change in Working Capital	**4.741**	**(4.137)**
Net interests received (paid) in the period	(13.316)	(19.469)
Income taxes paid in the period	9.714	(611)
Net cash flow from operating activities	**46.708**	**16.313**
Purchase of intangible assets, net of sales	(2.497)	(2.287)
Purchase of property, plant and equipment	(6.423)	(8.902)
Proceeds from sales of property, plant and equipment	616	217
Disposal (acquisition) of investments	(227)	469
Decrase (increase) of financial assets	(841)	2.815
Net cash from assets held for sale	3.984	9
Net cash flow from (used in) investing activities	**(5.387)**	**(7.679)**
Net proceeds from/(reimburse of) borrowings	11.520	(55.706)
Dividends paid	(25)	(20)
Change in scope of consolidation	(4)	0
Net cash flow from/(used in) financing activities	**11.491**	**(55.726)**
Changes in cash and cash equivalents	**52.813**	**(47.092)**
Cash and cash equivalents at the beginning of the year	114.391	113.382
Changes in cash and cash equivalents	52.813	(47.092)
Cash and cash equivalents at the end of the period	**167.204**	**66.290**
Details of cash and cash equivalents		
Cash and bank current accounts	167.204	66.290
Total cash and cash equivalents	**167.204**	**66.290**

ANNEX

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

	For the 6 months ended June 30, 2016	
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**114.391**
CASH FLOW FROM CURRENT OPERATIONS:		**37.860**
Profit before taxes for the period	*21.806*	
Profit (loss) from discontinued operation	*1.052*	
Capital gain on disposal of discontinued operation	*(1.409)*	
Other impairment on discontinued operation	*0*	
Amortization, depreciation, write-downs and (write-backs) of assets	*16.199*	
Accrual (reversal) of provisions for risks and charges	*882*	
Employee termination indemnity provision	*408*	
Share of net profit of associates, net of dividends collected	*(1.601)*	
Financial charges (income) for the period	*14.334*	
Net interest received (paid) in the period	*(13.316)*	
Income tax paid in the year	*9.714*	
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of profit or loss	*(738)*	
Cash flow related to the assignment without recourse of tax receivables from tax consolidation agreement, which forms in "Decrease (increase) of other current assets"	*(9.471)*	
USES OF PROVISIONS FOR RISKS AND CHARGES AND PAYMENTS OF THE EMPLOYEE TERMINATION INDEMNITY:		**(6.101)**
Payments of Employee termination indemnity	*(921)*	
Utilization of provisions	*(5.180)*	
CHANGE IN ADJUSTED NWOC:		**(22.395)**
Decrease (increase) of inventories	*173*	
Decrease (increase) of trade receivables	*26.711*	
Increase (decrease) of trade payables and advances from customers	*(32.323)*	
Adjustments:		
Change in the amount of trade receivables assigned without recourse to Factoring agencies and not yet collected by the latter	*(16.956)*	
INDUSTRIAL AND FINANCIAL CAPEX:		**(3.734)**
(Purchase of intangible assets, net of sales)	*(2.497)*	
(Purchase of property, plant and equipment)	*(6.423)*	
Proceeds from sales of property, plant and equipment	*616*	
(Acquisition of investments)	*(227)*	
Decrease (increase) of financial assets	*(841)*	
Net cash used in business combinations	*0*	
Net cash from assets held for sale	*3.984*	
Reclassifications:		
Payables for acquisition of equity investments and business combinations	*(747)*	
Change in current financial assets, to be included in Net Financial Liabilities	*2.400*	
CHANGE IN ADJUSTED NET FINANCIAL LIABILITIES:		**27.561**
Net proceeds from/(reimburse of) borrowings	*11.520*	
Adjustments:		
Change in the amount of receivables assigned without recourse to Factoring agencies and not yet collected by the latter	*16.956*	
Reclassifications:		
Non-cash net financial charges accounted for under the Statement of Profit or Loss	*738*	
Payables for acquisition of equity investments and business combinations	*747*	
Change in current financial assets, to be included in Net Financial Liabilities	*(2.400)*	
OTHER CHANGES:		**19.622**
Decrease (increase) of other current assets	*(3.714)*	
Increase (decrease) of other current liabilities	*13.894*	
Dividends paid	*(25)*	
Change in consolidation scope	*(4)*	
Reclassifications:		
Cash flow related to the assignment without recourse of tax receivables from tax consolidation agreement, which forms in "Decrease (increase) of other current assets"	*9.471*	
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**167.204**

What's next

- ✓ **Next call with Bondholders on 3Q 2016 will be held on November 15, 2016 – 17 CET**

- ✓ **Manutencoop Financial Calendar is available on:**

  www.manutencoopfm.it/eng/investor-relations_calendario.asp

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Thank You For Your Attention!