

INTERIM REPORT ON OPERATIONS
AT 30 SEPTEMBER 2014



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INTERIM REPORT ON OPERATION
AT 30 SEPTEMBER 2014

(THE CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN TRANSLATED FROM THE ORIGINAL ITALIAN INTO ENGLISH
SOLELY FOR THE CONVENIENCE OF INTERNATIONAL READERS)

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2014)

DIRECTOR AND HONORARY CHAIRMAN

Marco Vacchi

CHAIRMAN AND MANAGING DIRECTOR

Alberto Vacchi

Delegated powers: all powers of ordinary and extraordinary administration, excluding the following powers:

- to transfer or receive for whatever purpose or reason, shares or other equity interests in companies, associations or entities, lines of business, businesses or combinations of businesses and real estate;
- to give secured or other guarantees and give sureties or letters of patronage, except (in relation to the sureties and letters of patronage) for those given on behalf of direct or indirect subsidiaries of the Company or associates;
- to grant beneficial rights over the Company's assets.

CHIEF OPERATING OFFICER

Andrea Malagoli

Delegated powers: the powers associated with responsibility for the pharmaceutical business and operations.

DIRECTORS

Paolo Frugoni, Marco Galliani, Italo Giorgio Minguzzi, Luca Poggi, Enrico Ricotta, Pierantonio Riello, Maria Carla Schiavina, Gianluca Vacchi and Romano Volta.

BOARD OF AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2015)

STANDING AUDITORS

Giacomo Giovanardi - Chairman

Roberta De Simone

Riccardo Pinza

ALTERNATE AUDITORS

Vittorio Coraducci

Giovanna Bolognese

Federico Ferracini

COMMITTEE (*)

Marco Galliani - Independent Director

Pierantonio Riello - Independent Director

Maria Carla Schiavina - Non-executive Director

() The Committee combines the functions, duties and powers suggested or assigned by the code to the Nominations Committee, the Remuneration Committee and the Internal Control and Risk Committee.*

**MANAGER RESPONSIBLE
FOR PREPARING
FINANCIAL REPORTS**

Sergio Marzo

LEAD INDEPENDENT DIRECTOR

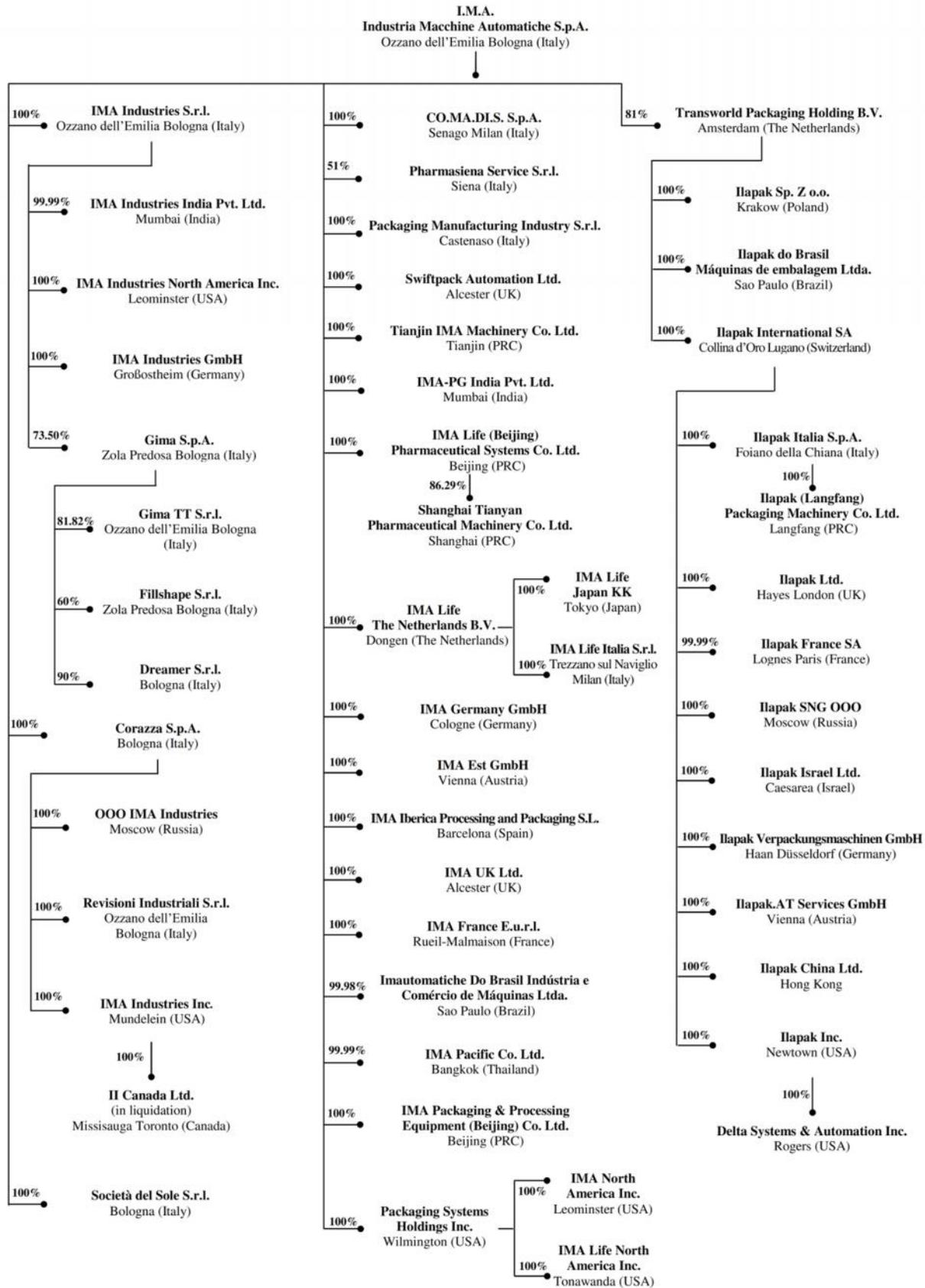
Paolo Frugoni

INDEPENDENT AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2021)

Reconta Ernst & Young S.p.A.

GROUP STRUCTURE AT 30 SEPTEMBER 2014



GROUP PERFORMANCE

GENERAL PERFORMANCE

During the summer, the growth expectations for Europe and Japan deteriorated considerably and there has been an air of pessimism in some of the large emerging economies. It appears to be harder for the USA to escape from the trap of its expansionary monetary policy and emerging nations are going to be giving less support for international trade than before. Europe is facing difficulties in coordinating monetary and fiscal policies in order to avoid stagnation, and Italy is still suffering from the recession that began in 2011. Notwithstanding this background of continuing uncertainty, our Group achieved good, constant growth in orders in all of its core sectors. This trend is reflected in the higher volumes and margins that we have achieved, which make us confident about our forecasts for the current year. So despite this current severe recession, our reference markets - pharmaceutical and food - continue to stand out as being among the most solid and anti-cyclical.

CONSOLIDATED INCOME STATEMENT

The following income statement classified by function was prepared applying the following criteria:

- cost of sales: represents costs incurred directly by the Group to generate revenues. For example, it includes materials, labour, the technical offices' costs involved in customizing products and production overheads;
- research and development costs: these include, by function, costs relating to the research and development of new products or to the maintenance of existing products. They also include costs relating to technical personnel, materials used for trials and technical departments' overheads;
- selling costs: these include costs connected with commercial operations, such as staff, commissions paid to agents, promotional and advertising costs and related overheads;
- general and administrative costs: these include all the costs associated with general operations such as administrative offices in the broadest sense, the management of sectors or divisions, production planning and all depreciation and amortisation not directly related to the foregoing functions;
- gross operating profit: this corresponds to the sum of operating profit, depreciation and amortisation for the period and writedowns.

The following main reclassified income statement components are equivalent to those reported in the consolidated income statement contained in the section entitled "Consolidated financial statements": revenues, operating profit, financial income and expense, profit before tax, taxes, net profit from discontinued activities/disposal groups and net profit for the period.

The consolidated revenues of the IMA Group in the first nine months of 2014 amounted to 571.9 million euros, compared with 497.3 million euros in the same period of 2013. Operating profit amounts to 58.6 million euros, compared with 54.1 million euros in 2013.

The following is a summarized version of the income statement for the period under review, with comparative figures for the corresponding period in 2013:

in millions of euros	1.1.2014-30.9.2014		1.1.2013-30.9.2013	
	Amount	%	Amount	%
Revenues	571.9		497.3	
Cost of sales	(333.4)	58.3	(295.3)	59.4
Gross industrial income	238.5	41.7	202.0	40.6
R&D costs	(26.4)		(25.9)	
Sales costs	(71.2)		(57.2)	
General and administrative costs	(81.1)		(64.8)	
Operating profit before non-recurring items (EBITA)	59.8	10.5	54.1	10.9
Non-recurring items	(1.2)		-	
Operating profit (EBIT)	58.6	10.2	54.1	10.9
Net financial income (expense)	(9.8)		(6.1)	
Profit (loss) from investments accounted for using the equity method	0.5		0.8	
Profit before tax	49.3	8.6	48.8	9.8
Taxes	(18.7)		(19.4)	
Net profit from continuing operations	30.6	5.4	29.4	5.9
Net profit from discontinued operations /disposal groups	-		7.8	
Profit for the period	30.6	5.4	37.2	7.5
Profit attributable to non-controlling interests	(2.3)		(2.0)	
Profit attributable to equity holders of the parent	28.3	4.9	35.2	7.1
Gross operating profit (EBITDA) before non-recurring items	76.1	13.3	67.0	13.5
Gross operating profit (EBITDA)	74.9	13.1	67.0	13.5
Order book	554.3		466.5	

REVENUES AND ORDERS

Consolidated revenues in the first nine months of 2014 came to 571.9 million euros, an increase of 15.0% on the same period last year.

This result is attributable to the consolidation of the Ilapak Group for 66.7 million euros, to a higher order book than at the end of 2013 and to additional orders acquired during the current year. It should again be noted that a key feature of the sector in which IMA Group operates is that interim results do not fully reflect the results that are expected for the entire year, because of a concentration of sales and new orders prior to the year end.

Total orders acquired so far during the year amount to 671.9 million euros versus 588.9 million euros in 2013, a rise of 14.1%. The order book now totals 554.3 million euros, compared with 466.5 million euros of the prior year (up 18.8%).

OPERATING PROFIT (EBIT)

Gross industrial income rose to 41.7% of sales at the end of September, compared with 40.6% in the same period of 2013.

This slight increase was principally due to the higher volume and different sale mix.

Operating profit (EBIT) reached Euro 58.6 million compared with Euro 54.1 million for the same period in 2013.

The increase in operating costs is linked to the rise in personnel costs and to the consolidation of the Ilapak Group, which impacts on sales costs for 8.2 million euros and on general and administrative costs for 14.1 million euros.

PROFIT BEFORE TAX

Net financial expense amounted to 9.8 million euros (6.1 million euros at 30 September 2013). The change is due to higher net financial expense for the period of 3.1 million euros, attributable to a higher average debt and to the negative effect of exchange differences of 0.4 million euros. It follows that profit before tax comes to 49.3 million euros compared with 48.8 million euros at the end of September 2013.

PROFIT FOR THE PERIOD

Net profit for the period was 30.6 million euros compared with 37.2 million euros in the same period last year. The difference comes from the items mentioned in the previous headings and, above all, from income from discontinued operations of 7.8 million euros in the previous year that will not recur in 2014. Without this item, the net profit for the period would have been higher than the 2013 result net of tax of Euro 18.7 million euros versus 19.4 million euros in the same period last year.

ANALYSIS OF PERFORMANCE BY SEGMENT

The following schedule provides a summary of operations by business segment:

in millions of euros	Tea, Food & Other	Pharma	Ilapak	Unallocated	Total
Revenues					
1.1.2014-30.9.2014	189.0	316.2	66.7	–	571.9
1.1.2013-30.9.2013	176.5	320.8	n.a.	–	497.3
Operating profit (EBIT)					
1.1.2014-30.9.2014	21.4	36.3	0.9	–	58.6
1.1.2013-30.9.2013	20.3	33.8	n.a.	–	54.1
Net capital employed (*)					
30 September 2014	107.8	154.5	43.3	19.9	325.5
30 September 2013	108.0	183.1	n.a.	19.2	310.3
R&D costs					
1.1.2014-30.9.2014	11.9	14.5	–	–	26.4
1.1.2013-30.9.2013	10.3	15.6	n.a.	–	25.9
Average personnel					
1.1.2014-30.9.2014	964	2,314	448	–	3,726
1.1.2013-30.9.2013	906	2,425	n.a.	–	3,331
Order book					
30 September 2014	201.6	326.5	26.2	–	554.3
30 September 2013	177.8	288.7	n.a.	–	466.5

(*) Unallocated assets and liabilities mainly relate to investments, income tax receivables and payables and net deferred tax assets which cannot be directly attributable to the operating sector.

Revenues from the Tea, Food & Other sector have increased by 12.5 million euros compared with the previous year. Operating profit has been impacted by higher volumes in the period and by higher research and development costs and operating costs, while the order book, compared with prior year, has recorded an increase of 13.4% (+ 23.8 million euros on the period ended 30 September 2013). Orders acquired of 230.3 million euros rise by 1.5% with respect to 30 September 2013.

Revenues in the pharmaceuticals sector are 4.6 million euros lower than in the same period last year, mainly due to the deferral of deliveries that will be reabsorbed during the latter part of the year. Operating profit has grown anyway to 36.3 million euros on 33.8 million euros in the same period of 2013, despite the lower sales volumes, but also thanks to a better business performance. The order book is up by 37.8 million euros (+13.1%) thanks to a 2.4% increase in orders on the previous year (370.7 million euros on 362.1 million euros at 30 September 2013).

The revenues of the Ilapak sector amounted to 66.7 million euros. The operating profit of 0.9 million euros, includes a non-recurring charge of 1.0 million euros linked to the purchase of the minority interests (30%) in March. In view of a better sales mix and higher volumes, we expect a strong recovery in profitability during the fourth quarter. Given the flow of orders, the order book provides confidence that the annual target will be met.

CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

The following main balance sheet components are equivalent to the corresponding items reported in the consolidated statement of financial position included in the consolidated financial statements: inventories, property, plant and equipment and intangible assets, equity pertaining to the parent company's shareholders and non-controlling interests. Other payables, net, mainly includes the amounts due to employees, income tax payable and provisions for risks and charges.

The following table summarises the Group's balance sheet at 30 September 2014:

in millions of euros	30.09.2014	31.12.2013
Trade receivables	158.8	143.3
Inventories	242.6	204.7
Trade payables	(248.3)	(262.1)
Other, net	(79.0)	(66.0)
Working capital	74.1	19.9
Property, plant and equipment	51.7	43.3
Intangible assets	174.5	175.8
Investments	31.0	29.5
Non-current assets	257.2	248.6
Provision for severance indemnities and other provisions	(5.8)	(9.7)
Net capital employed	325.5	258.8
Non-financial assets (liabilities) held for sale	-	4.3
Totale net capital employed	325.5	263.1

FINANCED BY:

Net debt (*)	238.1	130.4
Non-controlling interests	10.5	16.9
Group equity attributable to equity holders of the parent	76.9	115.8
Total sources of financing	325.5	263.1

(*) At 31 December 2013 this item includes financial assets of disposal groups of 3.2 million euros.

The net capital employed at the end of the third quarter of 2014 was 62.4 million euros higher than at the end of 2013, and 15.2 million euros more than at the end of the corresponding period of the previous year.

The change in the year is attributable to an increase in working capital. This reflects inventory purchases by the Group in order to lower production times and fulfil any orders that could arrive late with respect to normal production lead times, as well as to meet scheduled deliveries towards the year end. As usual, the level of working capital can be expected to decline during the latter part of the year.

Net financial indebtedness consists of the following:

in millions of euros	30.09.2014	31.12.2013	30.09.2013
A. Cash and cash equivalents	(74.3)	(80.1)	(68.9)
B. Other cash equivalents	(0.7)	(1.0)	(1.3)
C. Investments in securities	(1.3)	(1.1)	(1.2)
D. Liquidity (A)+(B)+(C)	(76.3)	(82.2)	(71.4)
E. Current financial receivables	(2.3)	(1.3)	(4.1)
F. Current payables to banks	105.5	48.6	67.1
G. Current portion of non-current payables	21.8	32.8	36.2
H. Other current financial payables	0.7	5.0	1.9
I. Current financial debt (F)+(G)+(H)	128.0	86.4	105.2
J. Net current financial debt (D)+(E)+(I)	49.4	2.9	29.7
K. Non-current portion of non-current bank payables	73.1	96.2	81.7
L. Bond issued	115.3	36.2	36.2
M. Other non-current financial payables	2.2	1.6	-
N. Non-current financial assets	(1.9)	(3.3)	(0.7)
O. Net non-current financial debt (K)+(L)+(M)+(N)	188.7	130.7	117.2
P. Net financial debt (J)+(O)	238.1	133.6	146.9
Q. Net financial (assets) liabilities held for sale	-	(3.2)	9.2
R. Total net financial debt (P)+(Q)	238.1	130.4	156.1

The analysis of net debt takes account of Consob Communication DEM/6064293 dated 28 July 2006, while including the financial receivables classified as non-current financial assets.

Net financial indebtedness at the period end amounts to 238.1 million euros compared with 156.1 million euros at 30 September 2013 and 130.4 million euros at the end of 2013. The increase in net debt with respect to 31 December 2013 is mainly due to dividends paid by the Parent Company (46.0 million euros in May 2014), the purchase of minority interests in Ilapak for 23 million euros and GIMA S.p.A. for 5.0 million euros and the rise in the working capital to cope with deliveries during the last quarter which are typical of the business's seasonality and, as such, to be considered a temporary event. Net financial indebtedness is therefore expected to fall considerably in the latter part of the year. because of the reduction in working capital.

CAPITAL EXPENDITURE

Group capital expenditure amounted to 9.8 million euros during the first nine months of 2014 (9.5 million euros in the same period of 2013) and mainly related to the extension and upgrading of existing leased buildings and plant, together with the purchase of electronic equipment.

Expenditure on intangible assets amounted to 6.9 million euros (3.0 million euros in the same period of 2013) and mainly related to the capitalization of development costs incurred on totally new products for market segments not previously occupied. In addition, during the period we recorded 2.1 million euros of goodwill following the acquisition of the DOSA business unit which designs, manufactures and markets dosing machines for pharmaceutical products.

The depreciation and amortisation charge for the period is Euro 16.3 million (Euro 12.9 million in the first nine months of the previous year). The increase reflects the consolidation of the Ilapak Group.

OTHER INFORMATION

RELATED-PARTY TRANSACTIONS

The “Regulation containing instructions on related-party transactions”, adopted by Consob Resolution 17221 of 12 March 2010 and subsequently amended by Consob Resolution 17389 of 23 June 2010 implemented art. 2391-bis of the Italian Civil Code.

By a resolution adopted on 1 December 2010, the Board therefore implemented the procedure on related parties, which takes account of the additional instructions on how to apply the new rules provided in Consob Communication DEM/10078683 of 24 September 2010. The purpose of this procedure, which is published on the Company's website (www.ima.it), is to lay down the approach to be taken in identifying, reviewing and approving transactions to be carried out by IMA, or by its subsidiaries, with related parties to ensure that they are transparent and fair from both a substantial and procedural point of view.

Related-party transactions are identified in accordance with the guidelines of the Consob regulation.

The IMA Group carries on business with related parties, mainly comprising persons who are responsible for administration and management within IMA S.p.A., or entities that are controlled by them. Such transactions include commercial and real estate activities (leased premises), carried out on an arm's-length basis in the ordinary course of business, and participation in the consolidated tax mechanism.

Significant related-party transactions are submitted for advance approval by the Board, which in turn has to obtain consent from a special committee made up solely of independent directors; to express their opinion, this committee can make use of outside experts, who also have to be independent.

Transactions with related parties are described more fully in Note 26.

ARTS. 70 AND 71 OF CONSOB'S “ISSUERS' REGULATIONS”

Pursuant to art. 3 of Consob Resolution no. 18079/2012, the Board of Directors of IMA S.p.A. decided to adopt, as of 3 December 2012, the opt-outs envisaged in arts. 70, paragraph 8, and 71, paragraph 1-bis of Consob's Issuers' Regulations. This means being able to choose not to prepare the prospectuses normally required in connection with significant transactions such as mergers, demergers, increases in capital by means of contributions in kind, acquisitions and disposals.

OUTLOOK FOR OPERATIONS

The performance in the first nine months of 2014 reflects the higher level of the order book at the end of 2013, as well as an improvement in efficiency due to higher volumes and the effects of the reorganisation carried out in recent years. The order flow shows favourable growth, guaranteeing an order book at the end of September 2014 that is up by around 87.8 million euros on the previous year and provides good visibility for the whole financial year, as well as allowing us to be optimistic about achieving our targets.

The positive trend in orders in all sectors, together with the number of potential projects and projects acquired in October, provide a degree of confidence concerning the remainder of the year.

On the basis of this trend and the signs mentioned earlier, a sales forecast of about 850 million euros could be feasible with a higher gross operating profit than the 127 million euros previously estimated.

CONSOLIDATED FINANCIAL STATEMENTS
AT 30 SEPTEMBER 2014

(THE CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN TRANSLATED FROM THE ORIGINAL ITALIAN INTO ENGLISH
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(MILLIONS OF EUROS)

ASSETS	Note	30 September 2014	31 December 2013
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2	51.7	43.3
<i>Intangible assets</i>	3	174.5	175.8
<i>Investments accounted for using the equity method</i>	4	27.0	25.9
<i>Financial assets</i>	5	5.9	6.9
<i>Receivables from others</i>		1.4	1.4
<i>Deferred tax assets</i>	7	42.6	39.0
TOTAL NON-CURRENT ASSETS		303.1	292.3
CURRENT ASSETS			
<i>Inventories</i>	8	242.6	204.7
<i>Trade and other receivables</i>	9	195.1	174.0
<i>Income tax receivables</i>		6.4	6.3
<i>Financial assets</i>	5	4.3	3.4
<i>Derivative financial instruments</i>	6	–	0.1
<i>Cash and cash equivalents</i>	10	74.3	80.1
TOTAL CURRENT ASSETS		522.7	468.6
ASSETS HELD FOR SALE	21	–	10.1
TOTAL ASSETS		825.8	771.0
EQUITY AND LIABILITIES	Note	30 September 2014	31 December 2013
EQUITY			
<i>Equity attributable to equity of the parent</i>	11	76.9	115.8
<i>Non-controlling interests</i>	12	10.5	16.9
TOTAL EQUITY		87.4	132.7
NON-CURRENT LIABILITIES			
<i>Borrowings</i>	13	190.6	133.9
<i>Severance and pension obligations</i>		22.1	20.0
<i>Provisions for risks and charges</i>	14	2.5	2.6
<i>Other payables</i>	15	–	2.4
<i>Derivative financial instruments</i>	6	4.1	3.8
<i>Deferred tax liabilities</i>	7	23.4	23.7
TOTAL NON-CURRENT LIABILITIES		242.7	186.4
CURRENT LIABILITIES			
<i>Borrowings</i>	13	128.0	86.4
<i>Trade and other payables</i>	15	329.6	332.7
<i>Income tax liabilities</i>		17.7	12.3
<i>Provisions for risks and charges</i>	14	19.6	17.9
<i>Derivative financial instruments</i>	6	0.8	–
TOTAL CURRENT LIABILITIES		495.7	449.3
LIABILITIES HELD FOR SALE	21	–	2.6
TOTAL LIABILITIES		738.4	638.3
TOTAL EQUITY AND LIABILITIES		825.8	771.0

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

	Note	3rd quarter 2014	3rd quarter 2013	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013
REVENUES	1	197.7	169.8	571.9	497.3
OTHER REVENUES		2.7	2.0	9.2	5.7
OPERATING COSTS					
<i>Change in work in progress, semifinished and finished goods</i>		6.9	1.3	35.2	24.9
<i>Change in inventory of raw, ancillary and consumable materials</i>		1.0	2.5	(0.9)	3.7
<i>Cost of raw, ancillary and consumable materials and goods for resale</i>		(70.0)	(63.6)	(206.6)	(188.7)
<i>Services, rentals and leases</i>		(45.6)	(38.0)	(142.4)	(117.8)
<i>Personnel costs</i>	16	(58.7)	(47.8)	(184.4)	(153.1)
<i>Depreciation and amortization expense</i>	17	(5.6)	(4.4)	(16.5)	(12.8)
<i>Provisions for risks and charges</i>		(0.6)	(0.4)	(1.8)	(1.1)
<i>Other operating costs</i>		(1.7)	(1.0)	(5.1)	(4.0)
TOTAL OPERATING COSTS		(174.3)	(151.4)	(522.5)	(448.9)
OPERATING PROFIT	1	26.1	20.4	58.6	54.1
<i>- of which: effect of non-recurring items</i>	27	(0.2)	-	(1.2)	-
FINANCIAL INCOME AND EXPENSE					
<i>Financial income</i>	18	6.4	1.5	9.8	3.8
<i>Financial expense</i>	19	(11.0)	(3.9)	(19.6)	(9.9)
TOTAL FINANCIAL INCOME AND EXPENSE		(4.6)	(2.4)	(9.8)	(6.1)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		-	-	0.5	0.8
PROFIT BEFORE TAX		21.5	18.0	49.3	48.8
TAXES	20	(8.6)	(9.6)	(18.7)	(19.4)
NET PROFIT FROM CONTINUING OPERATIONS		12.9	8.4	30.6	29.4
NET PROFIT FROM DISCONTINUED OPERATIONS / DISPOSAL GROUPS	22	-	-	-	7.8
NET PROFIT FOR THE PERIOD		12.9	8.4	30.6	37.2
ATTRIBUTABLE TO:					
EQUITY HOLDERS OF THE PARENT		12.3	7.5	28.3	35.2
NON-CONTROLLING INTERESTS		0.6	0.9	2.3	2.0
		12.9	8.4	30.6	37.2
EARNINGS PER SHARE (in euros)		0.34	0.21	0.77	0.96
<i>- of which from continuing operations</i>		0.34	0.21	0.77	0.75
<i>- of which from discontinued operations / disposal groups</i>		-	-	-	0.21

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MILLIONS OF EUROS)

	3rd quarter 2014	3rd quarter 2013	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013
Net profit for the period	12.9	8.4	30.6	37.2
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
<i>Exchange rate gains (losses) on the translation of foreign currency financial statements</i>	4.8	(1.9)	5.3	(2.5)
<i>Gains (losses) on financial assets available for sale</i>	-	-	(1.0)	(0.3)
<i>Gains (losses) on cash flow hedges</i>	(1.0)	(1.5)	(1.4)	(1.5)
<i>Tax effect</i>	0.2	0.4	0.3	0.4
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	4.0	(3.0)	3.2	(3.9)
Other comprehensive income not being reclassified to profit or loss in subsequent periods:				
<i>Actuarial gains (losses) on post employment benefit obligations</i>	(0.9)	0.2	(2.6)	0.2
<i>Tax effect</i>	0.3	(0.1)	0.8	(0.1)
Net other comprehensive income not being reclassified to profit or loss in subsequent periods	(0.6)	0.1	(1.8)	0.1
Gains and losses recognized in equity	3.4	(2.9)	1.4	(3.8)
Total comprehensive income for the period	16.3	5.5	32.0	33.4
Attributable to:				
Equity holders of the parent	15.6	4.5	29.8	31.4
Non-controlling interests	0.7	1.0	2.2	2.0
	16.3	5.5	32.0	33.4

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(MILLIONS OF EUROS)

	Share capital	Share premium reserve	Treasury shares	Trans-lation reserve	Fair value reserve	Remeasurement of defined benefit plans reserve	Other reserves and retained earnings	Profit for the period	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Balances at 01.01.2013	19.2	47.0	(0.7)	1.0	(0.5)	(2.5)	41.8	47.7	153.0	5.5	158.5
Distribution of dividends	-	-	-	-	-	-	-	(36.8)	(36.8)	(2.3)	(39.1)
Allocation of earnings for 2012	-	-	-	-	-	-	10.9	(10.9)	-	-	-
Purchase and sale of treasury shares	-	-	0.6	-	-	-	0.2	-	0.8	-	0.8
Purchase of shares in subsidiaries and non-controlling interests	-	-	-	-	-	-	-	-	-	0.6	0.6
Total comprehensive income for the period	-	-	-	(2.5)	(1.4)	0.9	(0.8)	35.2	31.4	2.0	33.4
Balances at 30.09.2013	19.2	47.0	(0.1)	(1.5)	(1.9)	(1.6)	52.1	35.2	148.4	5.8	154.2
Balances at 01.01.2014	19.2	16.1	(0.1)	(2.5)	(3.2)	(1.6)	36.4	51.5	115.8	16.9	132.7
Distribution of dividends	-	(11.3)	-	-	-	-	(1.5)	(33.2)	(46.0)	(1.9)	(47.9)
Allocation of earnings for 2013	-	-	-	-	-	-	18.3	(18.3)	-	-	-
Sale of shares in subsidiaries	-	-	-	-	-	-	-	-	-	(1.5)	(1.5)
Change in non-controlling interests	-	-	-	-	-	-	(22.7)	-	(22.7)	(5.2)	(27.9)
Total comprehensive income for the period	-	-	-	5.4	(2.1)	(1.8)	-	28.3	29.8	2.2	32.0
Balances at 30.09.2014	19.2	4.8	(0.1)	2.9	(5.3)	(3.4)	30.5	28.3	76.9	10.5	87.4

CONSOLIDATED STATEMENT OF CASH FLOWS

(MILLIONS OF EUROS)

	30 September 2014	30 September 2013
OPERATING ACTIVITIES		
<i>Net profit from continuing operations</i>	28.3	27.4
<i>Net profit from discontinued operations / disposal groups</i>	–	7.8
Net profit (loss) for the period	28.3	35.2
<i>Adjustments for:</i>		
- Depreciation and amortization	16.3	12.9
- Capital (gains) losses on disposal of non-current assets	(0.3)	–
- Changes in provisions for risks and charges and staff severance obligations	1.0	(0.5)
- Unrealized losses (gains) on exchange rate differences	(0.6)	(0.2)
- Other non-monetary changes	(0.2)	0.8
- Taxes	18.7	20.0
- Net gain from assets held for sale	–	(8.4)
- Minority interests	2.3	2.0
- Result from investments accounted for using the equity method	(0.5)	(0.8)
Operating profit (loss) before changes in working capital	65.0	61.0
<i>(Increase) decrease in trade and other receivables</i>	(21.1)	(28.8)
<i>(Increase) decrease in inventories</i>	(37.6)	(28.6)
<i>Increase (decrease) in trade and other payables</i>	(5.9)	24.2
<i>Taxes paid</i>	(16.0)	(17.0)
CASH FLOW GENERATED (ABSORBED) BY OPERATING ACTIVITIES (A)	(15.6)	10.8
INVESTING ACTIVITIES		
<i>Investments in property, plant and equipment</i>	(9.8)	(9.5)
<i>Investments in intangible assets</i>	(6.9)	(3.0)
<i>Acquisition business divisions/companies</i>	(3.2)	(0.8)
<i>Purchase of investments</i>	(0.7)	(13.2)
<i>Sale of subsidiaries</i>	6.0	40.4
<i>Sale of non-current assets</i>	0.5	0.2
<i>Other changes</i>	3.3	(1.0)
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES (B)	(10.8)	13.1
FINANCING ACTIVITIES		
<i>Granting of loans</i>	31.0	50.8
<i>Repayment of borrowings</i>	(68.3)	(86.7)
<i>Bond</i>	80.0	36.6
<i>Repayment of finance lease debts</i>	(0.2)	–
<i>Increase (decrease) in other financial payables</i>	61.3	28.6
<i>Change in non-controlling interests</i>	(28.0)	–
<i>Net change in financial assets and other non current receivables</i>	(0.6)	(1.7)
<i>Dividends paid</i>	(47.9)	(39.1)
<i>(Purchase) and sale of treasury shares</i>	–	0.8
<i>Payment of interest</i>	(6.8)	(4.6)
<i>Receipt of interest</i>	0.1	0.2
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES (C)	20.6	(15.1)
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	(5.8)	8.8
CASH AND CASH EQUIVALENTS AT START OF PERIOD (E)	80.1	68.9
CASH AND CASH EQUIVALENTS FROM ASSETS HELD FOR SALE (F)	–	(8.8)
CASH AND CASH EQUIVALENTS AT END OF PERIOD (G=D+E+F)	74.3	68.9

A BREAKDOWN OF "CASH AND CASH EQUIVALENTS" IS PROVIDED IN NOTE 10.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(THE CONSOLIDATED FINANCIAL STATEMENTS HAVE BEEN TRANSLATED FROM THE ORIGINAL ITALIAN INTO ENGLISH
SOLELY FOR THE CONVENIENCE OF INTERNATIONAL READERS)

A) OVERVIEW

The interim report at 30 September 2014 was approved by the Board of Directors on 14 November 2014 and has not been audited.

IMA Group is a world leader in the design and production of automatic machines for the processing and packaging of pharmaceuticals, cosmetics, tea and coffee and other food products. The interim results from the market segment in which IMA Group operates are generally not fully representative of those expected for the year as a whole, as sales tend to be concentrated towards the end of the year.

The Parent Company of the IMA Group is I.M.A. Industria Macchine Automatiche S.p.A. (referred to as "IMA", "IMA S.p.A." or the "Parent Company"), with registered offices at Via Emilia 428/442, Ozzano dell'Emilia (Bologna). IMA is listed on the electronic stock exchange of Borsa Italiana S.p.A. in the S.T.A.R. segment.

At 30 September 2014, IMA S.p.A. is 66.219% held by SO.FI.MA. Società Finanziaria Macchine Automatiche S.p.A., which is a subsidiary of Lopam Fin S.p.A.

B) GENERAL PREPARATION POLICIES

General principles

This interim report at 30 September 2014 has been prepared in accordance with art. 154-ter of Legislative Decree 58/98 and subsequent amendments and with Consob's Issuers' Regulations. The report complies with international accounting standards (IAS/IFRS) as endorsed by the European Union and, in particular, with IAS 34 "Interim Financial Reporting".

The accounting principles used in preparing the interim report as of 30 September 2014 are consistent with those used to prepare the consolidated financial statements at 31 December 2013, to which the reader is referred for further information, except for the following international standards in force from 1 January 2014.

- IFRS 10 Consolidated and Separate Financial Statements IAS 27 (revised in 2011): IFRS 10 replaces part of IAS 27 Consolidated and Separate Financial Statements and includes the issues raised in SIC 12 Consolidation - Special Purpose Entities. IFRS 10 establishes a single control model that applies to all companies, including special-purpose entities. It also provides guidance for determining the existence of control where it is difficult to ascertain;
- IFRS 11 Joint Arrangements: this standard replaces IAS 31 Interests in Joint Ventures and SIC 13 Jointly Controlled Entities - Contributions in Kind by Venturers. IFRS 11 removes the option to account for jointly controlled entities using the proportionate consolidation method: only the equity method can now be used. Following issuance of the standard, IAS 28 - Investments in Associated Companies was amended to include investments in jointly controlled entities within its scope.

The new provisions introduced by IFRS 10 and IFRS 11 have not had a material impact on the financial position, results and cash flows of the Group.

IFRS 12 Disclosure of interests in other entities: this is a new and complete standard on the additional disclosures to be made for each type of equity investment, including those for subsidiaries, joint arrangements, associates and structured entities. Except for changing the disclosures included in this interim financial report, adoption of the new standard has not had any effect on the consolidated financial statements.

The effects of standards and interpretations not yet applicable and not adopted early by the Group have also been considered, without identifying any potentially significant effects on the Group's economic or financial position.

The interim result is stated net of taxes calculated using the best estimate of the weighted average tax rate expected for the full year.

Preparing interim reports requires the directors to make estimates and assumptions based on their best assessment at the time, which then have an effect on the figures shown in the financial statements and in the notes. These estimates and assumptions are reviewed periodically and the effects of any changes are recognised immediately in the period when circumstances change.

Financial statements

The statement of financial position has been classified on the basis of the operating cycle, distinguishing between current and non-current components.

Costs and revenues for the period are presented in two statements: a consolidated income statement, which analyses costs according to their nature, and a consolidated statement of comprehensive income.

The statement of cash flows has been prepared using the indirect method for determining cash flows from operating activities.

Except where otherwise stated, the figures included in the interim report at 30 September 2014 are presented in millions of euros.

C) FINANCIAL RISK MANAGEMENT

RISK FACTORS

The Group is exposed to various types of financial risk connected with its business activities. In particular:

- Credit risk arising from commercial transactions or financing activities;
- Liquidity risk related to the availability of financial resources and access to the credit market;
- Market risk, specifically:
 - a) Exchange rate risk, relating to operations in areas using currencies other than the functional currency;
 - b) Interest rate risk, relating to the Group's exposure to interest-bearing financial instruments;
 - c) Price risk, associated with changes in the listed price of capital instruments held as financial assets and in commodity prices.

The interim report does not include all of the disclosures on financial risk management that are required in annual financial statements. It should therefore be read together with our annual report for the year ended 31 December 2013.

There are no substantial changes in financial risk management or in the policies adopted by the Group during the period.

FAIR VALUE

IFRS 13 establishes the following fair value hierarchy to be used when measuring the financial instruments shown in the balance sheet:

- Level 1: quoted prices in active markets;
- Level 2: inputs other than the quoted prices of Level 1 that are observable on the market, either directly (prices) or indirectly (derived from prices);
- Level 3: inputs that are not based on observable market data.

The following table analyses the assets and liabilities measured at fair value at 30 September 2014 and 31 December 2013 by fair value hierarchy level (million euros):

	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	-	-	5.3	5.3
Derivative financial instruments	-	-	-	-
Total assets	-	-	5.3	5.3
Liabilities:				
Payables for acquisition	-	-	0.5	0.5
Derivative financial instruments	-	4.9	-	4.9
Total liabilities	-	4.9	0.5	5.4

	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	-	-	4.7	4.7
Derivative financial instruments	-	0.1	-	0.1
Total assets	-	0.1	4.7	4.8
Liabilities:				
Payables for acquisition	-	-	0.5	0.5
Derivative financial instruments	-	3.8	-	3.8
Total liabilities	-	3.8	0.5	4.3

Gains and losses on investments in other companies and investments in securities classified as financial assets available for sale are reflected in other comprehensive income.

During the first nine months of 2014, there were no transfers between the three levels of the fair value hierarchy laid down in IFRS 13. There have not been any significant changes in the commercial or economic circumstances which affect the fair value of financial assets and liabilities.

The following table shows the changes in level 3 during the period (millions of euros):

	Assets	Liabilities
Balance at 01.01.2014	4.7	0.5
Profits / (losses) recognized in other comprehensive income	(1.0)	-
Profits / (losses) recognized in the income statement	-	-
Increases / (decreases)	1.6	-
Balance at 30.09.2014	5.3	0.5

D) SCOPE OF CONSOLIDATION

The interim report at 30 September 2014 includes the financial and operating information of I.M.A. - Industria Macchine Automatiche S.p.A. (the Parent Company) and all of the companies in which it directly or indirectly holds a controlling interest.

The following are the main events that affected Group companies in the first nine months of 2014:

- on 10 January 2014, Packaging Manufacturing Industry S.r.l. acquired 30% of Meccanica Sarti S.r.l., located in Bologna and active in the construction of mechanical components for machinery, for 1.2 million euros;
- on 25 February 2014, the Parent Company completed its acquisition from DOSA S.r.l. of a line of business that designs, manufactures and markets dosing machines for pharmaceutical products for 2.5 million euros;

- on 25 March 2014, IMA S.p.A. finalised with Transworld Packaging Holding B.V. and its shareholders the purchase of an additional 30% stake in the Ilapak Group which produces primary packaging machines for the food sector, thereby raising the interest held by IMA in the Ilapak Group to 81%. The price for this transaction, 22.7 million euros, was settled at the time of the closing. Under a separate option agreement, IMA also has the right to acquire the remaining 19% of TWP's share capital in 2017 or 2018. For further details, please read Note 12;
- on 6 June 2014, IMA S.p.A. acquired the entire quota capital of Società del Sole S.r.l., located in Bologna and active in the real estate sector, for 1.5 million euros;
- on 16 June 2014, IMA Life Beijing Pharmaceutical Systems Co. Ltd. acquired a further 26.29% equity interest in Shanghai Tianyan Pharmaceutical Machinery Co. Ltd. for 1.9 million renminbi;
- on 24 June 2014, the Parent Company completed the disposal to third parties of its entire equity interest, 80%, in Zibo IMA Xinhua Pharmatech Co. Ltd, a Chinese company. The price agreed was 50 million renminbi. For further details, please read Note 21;
- in July 2014, IMA signed a preliminary contract for the acquisition of the entire capital of a new-formed company to which GS Divisione Verniciatura S.r.l. will contribute a line of business for the coating of pharmaceuticals, para-pharmaceuticals and solid food products. The consideration agreed for the transfer of this equity investment is about 3 million euros; the closing date is scheduled for December 2014;
- on 24/25 July 2014, IMA Industries S.r.l. acquired a further 8.5% interest in GIMA S.p.A. for 8.5 million euros and now owns 73.5% of that company;
- the increase in capital for cash, on one or more occasions with subscriptions open to third parties, by up to a maximum of 0.1 million euros plus a share premium of 3.5 million euros was completed at the end of September 2014. This operation was decided by the quotaholders' meeting of GIMA TT S.r.l., a subsidiary of GIMA S.p.A., on 25 July 2014.

The following transactions involving legal entities within the Group have not had any effect on the consolidated financial statements:

- on 17 April 2014, Ilapak Management Service SA was absorbed by Ilapak International SA with retroactive effect from 1 January 2014;
- on 8 May 2014, as part of the plan to reorganise the Group, IMA S.p.A. acquired the entire equity interest in Corazza S.p.A. from IMA Industries S.r.l., a wholly-owned subsidiary.

A list of the companies included in the consolidation is provided in paragraph F of the Notes, with an indication of the consolidation method used.

E) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The changes shown below have been calculated with respect to the balances at 31 December 2013 for balance sheet items and the figures for the first nine months of 2013 for income statement items.

1. SEGMENT INFORMATION

Operating segments have been identified based on the internal reports used by senior management to allocate resources by segment and to evaluate the results. The operating segments comprising the Group's activities are discussed below:

- Tea, Food & Other sector: machines for the packaging of tea and herbal teas in filter bags and coffee in pods for the food & beverage sector, for the personal care sector, for end-of-line equipment, for the cheese sector and for stock cubes and for the tobacco sector, as well as related services;
- Pharma segment: machines for the packaging of pharmaceutical capsules and tablets in blisters and bottles, machines for filling bottles and vials with liquid and powdered products in sterile and non-sterile environments, machines for freeze-drying, tube-filling and cartoning, systems for the production of tablets and capsules and for coating and fluid-bed granulation, as well as related services;
- the Ilapak segment manufactures packaging machines employed for primary packaging in the food sector using flexible materials (horizontal and vertical flow packs), and also provides the related services.

Segment information for the first nine months of 2014 and first nine month of 2013 is provided below (millions of euros):

2014	Tea, Food & Other	Pharmaceutical	Ilapak	Total
Revenues	189.0	316.2	66.7	571.9
Segment operating profit	21.4	36.3	0.9	58.6
Net financial income (expense) (*)				(9.8)
Profit (loss) from investments accounted for using the equity method	-	0.5	-	0.5
Profit before tax				49.3
Taxes				(18.7)
Net profit for the period				30.6

2013	Tea, Food & Other	Pharmaceutical	Ilapak	Total
Revenues	176.5	320.8	n.a.	497.3
Segment operating profit	20.3	33.8	n.a.	54.1
Net financial income (expense) (*)				(6.1)
Profit (loss) from investments accounted for using the equity method	-	0.8	n.a.	0.8
Profit before tax				48.8
Taxes				(19.4)
Net profit from continuing operations				29.4
Net profit from discontinued operations / disposal groups	8.2	(0.4)	n.a.	7.8
Net profit for the period				37.2

(*) Financial income and expense have not been allocated to the individual operating segments, since it is not possible to indicate specific amounts for each segment; this subdivision is not made in internal reports.

Consolidated revenues for the first nine months of 2014 amounted to 571.9 million euros, an increase of 15.0% with respect to the same period of last year. This result is attributable to the consolidation of the Ilapak Group for 66.7 million euros, to a higher order book than at the end of 2013 and to additional orders acquired during the current year. A key feature of the business in which the IMA Group operates is that interim results do not fully reflect the results that are

expected for the entire year, because of a concentration of sales and new orders towards the end of the year.

Revenues from the Tea, Food & Other sector have increased by 12.5 million euros compared with the previous year. Operating profit has been impacted by higher volumes in the period and higher research and development and operating costs.

Revenues in the Pharma sector are 4.6 million euros lower than in the same period last year, mainly because of the deferral in deliveries which will be reabsorbed during the latter part of the year. Operating profit has grown anyway to 36.3 million euros on 33.8 million euros in the same period of 2013, despite the lower sales volumes, but also thanks to a better business performance.

The revenues of the Ilapak sector amounted to 66.7 million euros. The operating result of 0.9 million euros, includes a non-recurring charge of 1.0 million euros linked to the purchase of the minority interests (30%) in March. In view of a better sales mix and higher volumes, we expect a strong recovery in profitability during the fourth quarter.

Total assets at 30 September 2014 and 31 December 2013 are as follows (millions of euros):

	Tea, Food & Other	Pharma- ceutical	Ilapak	Not allocated (*)	Total
Total assets at 30 September 2014	251.4	350.0	82.1	142.3	825.8
Total assets at 31 December 2013	224.2	322.8	77.4	146.6	771.0

(*) *Unallocated assets principally comprise financial assets, investments, current income tax credits and deferred tax assets, which are impossible to split by divisions reported.*

The increase in total assets compared with 31 December 2013 is mainly due to the results and seasonal nature of the period.

Revenues earned during the period ended 30 September 2014 by the IMA Group are analysed by geographical area and line of business as follows (millions of euros):

REVENUES BY GEOGRAPHICAL AREA

	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013	Change
European Union (excluding Italy)	175.0	164.7	10.3
Other European countries	55.3	41.6	13.7
North America	82.8	89.2	(6.4)
Asia & Middle East	136.0	108.4	27.6
Other countries	79.6	52.9	26.7
Total	528.7	456.8	71.9
Italy	43.2	40.5	2.7
Total	571.9	497.3	74.6

REVENUES BY BUSINESS SEGMENT

	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013	Change
Machines and change parts	250.8	202.7	48.1
Construction contract	186.1	172.3	13.8
Spare parts and other materials	81.7	71.8	9.9
Technical assistance	41.7	38.5	3.2
Other services	11.6	12.0	(0.4)
Total	571.9	497.3	74.6

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment show a net increase of 8.4 million euros compared with 31 December 2013. Movements in property, plant and equipment during the period are analysed as follows (millions of euros):

	Land	Buildings and leasehold improvements	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total
Balances at 01.01.14	4.7	22.0	6.9	2.3	5.2	2.2	43.3
Increases in the period	-	4.3	1.9	0.8	1.6	1.2	9.8
Sales and disposals	(0.2)	-	-	-	-	-	(0.2)
Change in scope of consolidation	2.7	-	-	0.1	-	-	2.8
Depreciation	-	(1.6)	(1.4)	(0.7)	(1.4)	-	(5.1)
Reclassifications	-	0.2	0.3	0.2	(0.1)	(0.6)	-
Translation differences	0.2	0.5	0.2	0.1	0.1	-	1.1
Balances at 30.09.14	7.4	25.4	7.9	2.8	5.4	2.8	51.7

Leasehold improvements amount to 15.4 million euros.

Assets under development and advances mainly relate to machinery under construction by the Parent Company and GIMA S.p.A..

Increases during the period mainly relate to costs incurred to extend and upgrade plant and leased buildings, as well as to purchase electronic equipment.

The change in the scope of consolidation mainly reflects the acquisition of Società del Sole S.r.l., which is discussed in Note 23.

3. INTANGIBLE ASSETS

The movements in intangible assets during the period are analysed as follows (millions of euros):

	Development costs	Industrial patents rights	Software licences, trademarks and similar	Goodwill	Assets under dev. and advances	Total
Balances at 01.01.14	44.4	4.9	26.0	94.1	6.4	175.8
Increases in the period	0.2	0.7	0.4	-	5.6	6.9
Acquisition of business divisions	-	-	-	2.1	-	2.1
Amortization	(6.9)	(1.0)	(3.3)	-	-	(11.2)
Reclassifications	0.3	-	0.1	-	(0.4)	-
Translation differences	0.1	-	0.1	0.7	-	0.9
Balances at 30.09.14	38.1	4.6	23.3	96.9	11.6	174.5

Development costs mainly include the costs incurred for new products that were not previously available and are targeted at new market segments. They relate principally to unpatented technology acquired as part of the acquisition of the Ilapak Group in 2013, of the Dairy & Convenience Food sector of the Corazza Group that took place in 2011 and to the know-how involved in the freeze-drying plant for the pharmaceutical industry, which was recognised following the acquisition of the Edwards Group in 2008. They also include capitalised costs of the Xtrema Series linear filling machines, the Adapta capsule filling machines, the P.O.D. decartoning machine, the thermo-forming machine and compact systems for the biotechnology industry.

Software, licences, trademarks and other rights primarily include operating and technical software applications and two intangible assets linked to the "customer list" of 8.4 million euros and 9.9 million euros respectively. They arose on the acquisition of the Ilapak Group and the Corazza Group.

Goodwill comprises the following (millions of euros):

	30.09.2014	31.12.2013
Tea, Food & Other sector:		
CGU B.F.B. S.p.A.	1.8	1.8
CGU GIMA S.p.A.	1.6	1.6
CGU Naturapack S.r.l.	8.7	8.7
CGU Corazza Group	18.9	18.9
	31.0	31.0
Pharma sector:		
CGU CO.MA.DI.S. S.p.A.	3.8	3.8
CGU DOSA S.r.l.	2.1	n.a.
CGU G.S. S.r.l. Coating System	7.4	7.4
CGU Edwards Group	23.1	23.1
CGU Nova Group	13.3	12.7
CGU ICO OLEODINAMICI S.p.A.	1.6	1.6
CGU MKCS Inc.	0.6	0.5
CGU Pharmasiena Service S.r.l.	2.1	2.1
CGU Precision Gears Ltd.	4.0	4.0
CGU Shanghai Tianyan	0.9	0.9
CGU Zanchetta S.r.l.	2.9	2.9
	61.8	59.0
Ilapak sector:		
CGU Ilapak Group	4.1	4.1
	4.1	4.1
Total	96.9	94.1

On 25 February 2014 the Parent Company completed its acquisition of the DOSA business unit, which designs, manufactures and markets dosing machines for pharmaceutical products, for 2.5 million euros. The acquisition involved booking goodwill of 2.1 million euros.

The impairment tests performed on goodwill pursuant to IAS 36 did not identify the need for any writedowns, having regard for current forecasts and the absence of events suggesting possibly significant losses of value.

For completeness, the goodwill of the Nova Group, Zanchetta and ICO Oleodinamici CGUs was written down in prior years by 0.8 million euros, 2.5 million euros and 1.5 million euros respectively.

Assets under development and advances mainly relate to the capitalization of development costs incurred by the Parent Company (4.9 million euros) and IMA Industries S.r.l. (3.4 million euros).

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

This item comprises (millions of euros):

	30.09.2014	31.12.2013
Amherst Stainless Fabrication LLC	0.2	0.2
B.C. S.r.l.	1.8	1.5
Bacciottini F.lli S.r.l.	0.6	0.5
Bolognesi S.r.l.	0.8	0.6
Brio Pharma Technologies Pvt. Ltd.	0.4	0.4
CMH S.r.l.	8.1	8.1
CMRE S.r.l.	4.4	4.4
Doo Officina-Game East Vrsc	0.6	0.5
I.E.M.A. S.r.l.	0.7	0.7
L.A.CO. S.r.l.	0.4	0.4
Logimatic S.r.l.	0.4	0.3
Meccanica Sarti S.r.l.	1.2	n.a.
Plasticenter S.r.l.	0.5	0.9
Scriba Nanotecnologie S.r.l.	0.4	0.4
SIL.MAC. S.r.l.	0.4	0.3
Sirio S.p.A. Associazione in partecipazione	5.9	6.5
Other investments	0.2	0.2
Total	27.0	25.9

See the section on the scope of consolidation for comments on Meccanica Sarti S.r.l..

5. FINANCIAL ASSETS

Non-current financial assets of 5.9 million euros include investments in other companies of 4.0 million euros (3.6 million euros at 31 December 2013) and financial receivables of 1.9 million euros (3.3 million euros at 31 December 2013).

Investments in other companies mainly include the 2.02% interest held in InterMedia Holding S.p.A., 2.4 million euros (3.4 million euros at 31 December 2013), and the shares held in Continuus Pharmaceuticals Inc. totalling 1.4 million euros. The change in the value of InterMedia during the period reflects a decrease in fair value that was charged against equity.

During 2014, the Parent Company purchased a 19.8% interest in Continuus Pharmaceuticals Inc., a company that operates in the pharmaceuticals industry with a focus on the development of new technologies for the production of pharmaceuticals. Given the strategic nature of this transaction for the IMA Group, this investment is classified among the financial assets available for sale with the recognition in equity of changes in fair value.

Non-current financial receivables are attributable to Ilapak International SA, 1.2 million euros, and to a loan of 0.7 million euros granted by the Parent Company to Logimatic S.r.l., an associated company, on market terms.

The current financial assets of 4.3 million euros (3.4 million euros at 31 December 2013) mainly include financial receivables of the Parent Company and Ilapak International SA, for a total of 2.3 million euros, other liquid funds represented by bank deposits belonging to IMA-PG India Pvt Ltd. for 0.7 million euros and investments of IMA S.p.A. in mutual funds for 1.3 million euros.

6. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments comprise (millions of euros):

	Assets 30.09.2014	Liabilities 30.09.2014	Assets 31.12.2013	Liabilities 31.12.2013
Interest rate swaps - cash flow hedges	-	4.1	-	3.8
Exchange rate hedging instruments - cash flow hedges	-	0.8	0.1	-
Total	-	4.9	0.1	3.8

INTEREST RATE DERIVATIVES

At 30 September 2014, the amounts of 4.1 million euros represent the fair value of option contracts to hedge the interest rate risk arranged by the Parent Company with leading banks and connected to a bond loan and part of the medium-term loans that expire by the end of 2018, on a nominal value of 38.3 million euros and 50.0 million US dollars.

EXCHANGE RATE DERIVATIVES

At 30 September 2014, the amount of 0.8 million euros represents the fair value of contracts for the forward sale of currency arranged by the Group to hedge exchange rate risk exposure based on notionals of 15.2 million US dollars.

7. DEFERRED TAX ASSETS AND LIABILITIES

At 30 September 2014, the deferred tax assets of 42.6 million euros (39.0 million euros at 31 December 2013), mainly relate to a deferred tax asset recognised in 2012 on the release of the uplift in the carrying amounts of the controlling interests recorded in IMA S.p.A.'s consolidated financial statements and temporary differences arising on provisions.

At 30 September 2014 deferred tax liabilities amount to 23.4 million euros (23.7 million euros at 31 December 2013) and mainly relate to temporary differences between the book values of certain tangible and intangible assets and their values recognised for tax purposes.

8. INVENTORIES

This item comprises (millions of euros):

	30.09.2014			31.12.2013		
	Gross value	Impairment provision	Net value	Gross value	Impairment provision	Net value
Raw, ancillary and consumable materials	45.6	(8.7)	36.9	45.3	(8.3)	37.0
Work in progress and semifinished goods	223.5	(27.7)	195.8	186.4	(25.9)	160.5
Finished products and goods for resale	13.0	(3.1)	9.9	10.6	(3.4)	7.2
Total	282.1	(39.5)	242.6	242.3	(37.6)	204.7

The increase in inventories since 31 December 2013 reflects the preparation of machines for delivery to customers during the fourth quarter of the year and purchasing in relation to the order book at the end of September.

Movements in these provisions in the period were as follows (millions of euros):

Balance at 31.12.2013	37.6
Net provisions	1.5
Exchange rate difference	0.4
Balances at 30.09.2014	39.5

9. TRADE AND OTHER RECEIVABLES

This item comprises (millions of euros):

	30.09.2014	31.12.2013
Trade receivables	158.8	143.3
Advances to suppliers	17.8	9.5
Tax receivables	9.0	9.9
Deferrals	4.5	3.2
Other receivables	5.0	8.1
Total	195.1	174.0

TRADE RECEIVABLES

Trade receivables include amounts due from customers of 106.2 million euros (95.7 million euros at 31 December 2013), amounts due on contract work in progress of 48.2 million euros (44.4 million euros at 31 December 2013) and receivables from associates and joint ventures of 4.4 million euros (3.2 million euros at 31 December 2013).

Deferred payment terms granted to customers in countries with particular risks are guaranteed by suitable financial instruments to secure collection.

Trade receivables from customers are carried net of accumulated provisions amounting to 13.0 million euros (12.9 million euros at 31 December 2013).

Assigned receivables not yet due at 30 September 2014 amount to around 6.4 million euros, of which 5.4 million euros assigned to factoring companies and 1.0 million euros to other financial institutions. 2014 saw the assignment without recourse of receivables with an overall nominal value of around 15.5 million euros.

ADVANCES TO SUPPLIERS

At 30 September 2014 these relate to advances to suppliers for goods to be used in production and for services of respectively 12.0 million euros (4.4 million euros at 31 December 2013) and 5.8 million euros (5.1 million euros at 31 December 2013).

This balance includes Euro 2.2 million of advances to associated companies (Euro 1.7 million at 31 December 2013).

10. CASH AND CASH EQUIVALENTS

This item comprises (millions of euros):

	30.09.2014	31.12.2013
Bank current accounts	72.4	76.8
Deposits	1.7	3.1
Cheques and cash	0.2	0.2
Total	74.3	80.1

For a better understanding of the trend in net financial indebtedness, reference should be made to Note 13.

11. EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

SHARE CAPITAL

The share capital reported in the consolidated financial statements at 30 September 2014, 19.2 million euros, is the share capital issued (fully subscribed and paid up) by the Parent Company, IMA S.p.A., and is made up of 36,828,000 ordinary shares with a par value of 0.52 euros each.

TREASURY SHARES

During the first nine months of 2014, the Parent Company did not carry out any transactions in treasury shares. In 2013 the Parent Company sold 50,000 treasury shares for 0.8 million euros. These transactions were booked directly to equity in accordance with IAS 32.

The table below shows the number of outstanding shares:

Shares in thousands	
Balance at 01.01.2013	36,772
Purchase of treasury shares	–
Sale of treasury shares	50
Balance at 30.09.2013	36,822
Purchase of treasury shares	–
Sale of treasury shares	–
Balance at 31.12.2013	36,822
Purchase of treasury shares	–
Sale of treasury shares	–
Balance at 30.09.2014	36,822

At 30 September 2014 there were 5,500 treasury shares in portfolio (0.015% of share capital), with a total value of 0.1 million euros.

FAIR VALUE RESERVE

The changes in the fair value reserve are analysed as follows (millions of euros):

Balance at 01.01.2013	(0.5)
<i>Available for sale</i>	
Measurement at fair value	(0.3)
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	(0.9)
Realization recognized in income - revenues	(0.7)
Realization recognized in income - financial income and expense	0.1
Tax effect	0.4
Balance at 30.09.2013	(1.9)
Balance at 01.01.2014	(3.2)
<i>Available for sale</i>	
Measurement at fair value	(1.0)
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	(1.6)
Fair value - tax effect	0.4
Realization recognized in income - financial income and expense	0.2
Tax effect - realization in income statement	(0.1)
Balance at 30.09.2014	(5.3)

DIVIDENDS

In May 2014 the Parent Company paid a total dividend of 46.0 million euros, equal to a gross amount of 1.25 euros per outstanding ordinary share (36.8 million euros, equal to a gross amount of 1.00 euros in May 2013).

REMEASUREMENT OF DEFINED BENEFIT PLANS RESERVE

The item breaks down as follows (millions of euros):

Balance at 01.01.2013	(2.5)
Sale of the Stephan business	0.8
Actuarial value	0.2
Tax effect	(0.1)
Balance at 30.09.2013	(1.6)
Balance at 01.01.2014	(1.6)
Actuarial value	(2.6)
Tax effect	0.8
Balance at 30.09.2014	(3.4)

12. NON-CONTROLLING INTERESTS

The direct and indirect investments held by IMA S.p.A. together with minority shareholders are indicated below:

	Country	30 September 2014		31 December 2013	
		% held by the Group	% held by third parties	% held by the Group	% held by third parties
Direct investments:					
Pharmasiena S.r.l.	Italy	70%	30%	70%	30%
Transworld Packaging Holding B.V.	The Netherlands	81%	19%	51%	49%
Indirect investments:					
GIMA S.p.A.	Italy	73.5%	26.5%	65%	35%
GIMA TT S.r.l.	Italy	60.14%	39.86%	58.5%	41.5%
Fillshape S.r.l.	Italy	44.1%	55.9%	39%	61%
Dreamer S.r.l.	Italy	66.15%	33.85%	58.5%	41.5%
Shanghai Tianyan Ph. Mach. Co. Ltd.	PRC	86.29%	13.71%	60%	40%

Transworld Packaging Holding B.V. controls fourteen companies, either directly or indirectly. For further information, see the list of equity investments provided in section F of the explanatory notes.

At 30 September 2014, non-controlling interests total 10.5 million euros (16.9 million euros at 31 December 2013) and principally relate to GIMA S.p.A., 1.5 million euros, GIMA TT S.r.l., 4.5 million euros, and the Ilapak Group, 4.1 million euros.

On 25 March 2014, the Parent Company purchased an additional 30% interest in the Ilapak Group, raising its investment to 81%. The price for the acquisition was 22.7 million euros. The difference of 16.7 million euros between the price paid and the equity value of the additional interest purchased, 6.0 million euros, was charged against equity reserves. The Group measured the residual non-controlling interests at their total fair value, including the related share of goodwill. Acquisition expenses of 1.0 million euros were charged to the income statement.

On 24 June 2014, the Parent Company completed the sale to third parties of its 80% interest in Zibo IMA Xinhua Pharmatech Co. Ltd., a Chinese company, which reduced the carrying amount of non-controlling interests by 1.5 million euros.

On 24/25 July 2014, IMA Industries S.r.l. acquired a further 8.5% interest in GIMA S.p.A. for 8.5 million euros and now owns 73.5% of that company.

The increase in capital for cash, on one or more occasions with subscriptions open to third parties, by up to a maximum of 0.1 million euros plus a share premium of 3.5 million euros was completed at the end of September 2014. This operation was decided by the quotaholders' meeting of GIMA TT S.r.l., a subsidiary of GIMA S.p.A., on 25 July 2014.

The dividends paid to the minority shareholders of GIMA S.p.A. in 2014 amounted to 1.9 million euros.

13. BORROWINGS

This includes amounts due to banks of 199.0 million euros (176.9 million euros at 31 December 2013), amounts due to other lenders of 3.0 million euros (6.5 million euros at 31 December 2013) and bonds of 116.6 million euros (36.9 million euros at 31 December 2013).

PAYABLES TO BANKS

Applied research and technological innovation loans

Repayments totalling 0.1 million euros were made by the Parent Company and Corazza S.p.A. as they fell due during the period; no new loans were received.

Other loans

In February 2014, IMA S.p.A. obtained 29 million euros of funding from the European Investment Bank (EIB) to support its 2013-2016 R&D programme, which envisages using total resources of more than 60 million euros. The loan has a maximum duration of 6 years and is 50% guaranteed by SACE. Its purpose is to fund the R&D activities carried out by the Group in Italy, both in the Pharma sector and in the Tea, Food & Other sector.

The main changes in Other loans are contractual repayments made by the Parent Company for 63.4 million euros.

PAYABLES TO OTHER LENDERS

At 30 September 2014 this item includes payables to leasing companies for 1.0 million euros (1.1 million euros at 31 December 2013), mainly in relation to the plant in Krakow (Poland) and financial payables to Ilapak Italia S.p.A. for 2.0 million euros (3.7 million euros at 31 December 2013 mainly attributable to GIMA TT S.r.l.). Note that at 31 December 2013 there were payables to factoring companies amounting to 1.7 million euros.

Payables that fall due beyond 5 years amount to 0.6 million euros.

BONDS

On 13 May 2014, the Parent Company completed the placement with European institutional investors of a non-convertible bond amounting to 80 million euros, represented by two separate issues of equal amount. The securities representing the two issues will have a duration of five and seven years respectively. Starting from 13 May 2014 the securities were admitted to the Multilateral Trading Facility (MTF) run by the Luxembourg Stock Exchange. The principal will be repaid in a lump sum on the respective due dates, subject, however, to the possibility of early repayment of the securities in accordance with their regulations. The bonds bear interest from the issue date at a fixed rate of 3.875% for the 5-year bonds and 4.375% for the 7-year bonds. The bonds are not guaranteed, but certain covenants must be met.

As mentioned in the past, in February 2013 IMA S.p.A. completed the US Private Placement of a non-convertible bond totalling 50 million US dollars with repayment in equal instalments over 10 years. This bond incurs interest at a fixed rate of 6.25%.

At 30 September 2014, outstanding bonds total 116.6 million euros, representing their nominal redemption value of 80 million euros and 50 million US dollars.

Bonds are analysed as follows (millions of euros):

	30.09.2014	31.12.2013
Non-current portion	115.3	36.2
Current portion	1.3	0.7
Total book value	116.6	36.9
Adjustment to fair value as result of transactions in fair value hedge and measurement at amortized cost	(0.3)	(0.6)
Present value of finance lease payables	116.3	36.3

NET DEBT

The breakdown of net debt is as follows: (millions of euros):

	30.09.2014	30.06.2014	31.12.2013	30.09.2013
A. Cash and cash equivalents	(74.3)	(77.8)	(80.1)	(68.9)
B. Other cash equivalents	(0.7)	(0.6)	(1.0)	(1.3)
C. Investments in securities	(1.3)	(1.1)	(1.1)	(1.2)
D. Liquidity (A)+(B)+(C)	(76.3)	(79.5)	(82.2)	(71.4)
E. Current financial receivables	(2.3)	(2.2)	(1.3)	(4.1)
F. Current payables to banks	105.5	28.4	48.6	67.1
G. Current portion of non-current payables	21.8	33.4	32.8	36.2
H. Other current financial payables	0.7	1.4	5.0	1.9
I. Current financial debt (F) + (G) + (H)	128.0	63.2	86.4	105.2
J. Net current financial debt (D)+(E)+(I)	49.4	(18.5)	2.9	29.7
K. Non-current portion of non-current bank payables	73.1	109.3	96.2	81.7
L. Bonds issued	115.3	115.3	36.2	36.2
M. Other non-current financial payables	2.2	2.2	1.6	-
N. Non-current financial assets	(1.9)	(2.0)	(3.3)	(0.7)
O. Net non-current financial debt (K)+(L)+(M)+(N)	188.7	224.8	130.7	117.2
P. Net financial debt (J)+(O)	238.1	206.3	133.6	146.9
Q. Net financial (assets) liabilities held for sale	-	-	(3.2)	9.2
R. Total net financial debt (P)+(Q)	238.1	206.3	130.4	156.1

Total non-current financial assets differs from that reported in the balance sheet as it does not include equity interests in other companies. Further information on the composition of net financial indebtedness is provided in Notes 5 and 10.

Net debt at the end of the period amounts to 238.1 million euros (130.4 million euros at 31 December 2013). The increase in net debt, with respect to 31 December 2013, is mainly due to dividends paid by the Parent Company (46.0 million euros in May 2014), the purchase of minority interests in Ilapak for 23 million euros and GIMA S.p.A. for 5.0 million euros and the rise in working capital to cope with deliveries during the last quarter that are typical of the business's seasonality and, as such, to be considered a temporary event. Net financial indebtedness is therefore expected to fall considerably in the latter part of the year. because of the reduction in working capital.

14. PROVISIONS FOR RISKS AND CHARGES

These provisions are analysed as follows (millions of euros):

	Balance at 31.12.2013	Increases	Decreases	Exchange rate differences	Balance at 30.09.2014
Non-current:					
Agency termination indemnities	1.8	–	–	–	1.8
Other provisions	0.8	–	(0.1)	–	0.7
	2.6	–	(0.1)	–	2.5
Current:					
Product guarantee provision	14.7	2.7	(1.1)	0.3	16.6
Other provisions	3.2	0.2	(0.4)	–	3.0
	17.9	2.9	(1.5)	0.3	19.6
Total	20.5	2.9	(1.6)	0.3	22.1

The warranty provision was established on the basis of the estimated cost of work to be performed under guarantee subsequent to 30 September 2014.

Other provisions are made up of provisions for risks and charges made to cover tax liabilities or charges that might arise from contractual obligations.

15. TRADE AND OTHER PAYABLES

This item comprises (millions of euros):

	30.09.2014	31.12.2013
Trade payables	151.7	174.6
Advances from customers	114.5	97.0
Social security payables and defined contribution plans	6.5	9.7
Tax payables	5.1	7.7
Employee payables	39.0	32.0
Payables in respect of acquisitions	0.8	0.5
Guarantee deposits	3.1	3.0
Other payables	8.9	10.6
Total	329.6	335.1

TRADE PAYABLES

This item includes trade payables of 118.4 million euros (138.1 million euros at 31 December 2013), payables to agents of 7.1 million euros (6.5 million euros at 31 December 2013) and trade payables to associates of 26.2 million euros (30.0 million euros at 31 December 2013).

ADVANCES FROM CUSTOMERS

The high amount of advances from customers reflects the substantial volume of orders acquired at the date of this report.

TAX PAYABLES

Tax payables mainly consist of income tax withheld from employees' wages and salaries.

EMPLOYEE PAYABLES

The increase in this caption since 31 December 2013 mainly reflects deferred payroll which will be paid during the last quarter of the year.

PAYABLES IN RESPECT OF ACQUISITIONS

The item essentially includes the residual liability of 0.3 million euros for the Parent Company's acquisition of the DOSA business unit and the estimated liability of 0.5 million euros for the Parent Company's purchase of an additional 19% interest in Pharmasiena Service S.r.l. The put option granted is exercisable in April 2016.

OTHER PAYABLES

Other payables include 3.2 million euros related to the medium and long term variable component of payroll that can be earned by two directors on the achievement of pre-defined measurable targets over three years (2.4 million at 31 December 2013 classified as non-current liabilities).

16. PERSONNEL COSTS

This item comprises (millions of euros):

	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013	Change
Wages and salaries	132.3	107.3	25.0
Social security contributions	32.1	27.5	4.6
Remuneration of directors	3.9	3.9	–
Pensions - defined-benefit plans	0.1	0.2	(0.1)
Pensions - defined-contribution plans	7.0	6.0	1.0
Other personnel costs	9.0	8.2	0.8
Total	184.4	153.1	31.3

Personnel costs attributable to companies of the Ilapak Group, not included in the scope of consolidation in the first nine months of 2013, amount to 20.8 million euros.

In the first nine months of 2014 the IMA Group employed an average of 3,726 persons (3,331 persons in the same prior year period). At the end of the period there were 3,758 employees (3,885 at 31 December 2013).

17. DEPRECIATION AND AMORTIZATION EXPENSE

This caption includes depreciation of property, plant and equipment of 5.1 million euros (4.2 million euros in the same period of the previous year), amortization of intangible assets of 11.2 million euros (8.7 million euros in the first nine months of 2013), and the provision for doubtful accounts of 0.2 million euros (release of the excess provision of 0.1 million euros in the comparative period of last year). The increase in amortisation reflects the consolidation of the Ilapak Group.

18. FINANCIAL INCOME

This item comprises (millions of euros):

	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013	Change
Interest income from banks	0.1	0.3	(0.2)
Other interest income and financial income	0.6	0.3	0.3
Exchange rate gains	9.1	3.2	5.9
Total	9.8	3.8	6.0

19. FINANCIAL EXPENSE

This item comprises (millions of euros):

	from 01.01.2014 to 30.09.2014	from 01.01.2013 to 30.09.2013	Change
Interest expense on bank payables	5.6	4.1	1.5
Interest expense on bond	3.1	1.4	1.7
Net financial expense on defined-benefit plans	0.5	0.4	0.1
Expense on bank guarantees	0.3	0.3	–
Other interest and financial expense	0.4	0.3	0.1
Exchange rate losses	9.7	3.4	6.3
Total	19.6	9.9	9.7

The increase in interest expense reflects the higher level of borrowing during the period.

Exchange gains and losses in the period to 30 September 2014 included, respectively, unrealised gains of 7.1 million euros and unrealised losses of 6.5 million euros (1.3 million euros and 1.1 million euros, respectively, in the same period of the prior year).

20. TAXES

The following companies form part of the domestic tax group: IMA S.p.A., IMA Industries S.r.l., CO.MA.DI.S. S.p.A. and Corazza S.p.A. as consolidated companies and SO.FI.MA. S.p.A. as the consolidating company.

Taxation includes taxes for the period, calculated using the best estimate of the weighted average tax rate for the full year.

21. ASSETS AND LIABILITIES HELD FOR SALE

In October 2013, a contract was signed for the sale to third parties of the entire 80% equity interest held in Zibo IMA Xinhua Pharmatech Co. Ltd., a company specialised in the production of components and automated machines for the manufacture of pharmaceutical products. The price agreed was 50 million renminbi. The sale was completed on 24 June 2014, so at 31 December 2013 the assets and liabilities linked to this company were valued and classified as held for sale.

22. NET PROFIT FROM DISCONTINUED OPERATIONS / DISPOSAL GROUPS

The amount of 7.8 million euros related to the disposal of the Stephan and Kilian businesses in 2013. For further information please read the 2013 annual report.

23. BUSINESS COMBINATIONS

On 25 February 2014 the Parent Company completed its acquisition of the DOSA business unit, which designs, manufactures and markets dosing machines for pharmaceutical products, for 2.5 million euros. The acquisition involved booking goodwill of 2.1 million euros. On the acquisition date, the principal assets of the business unit comprised inventories of 0.3 million euros and property, plant and equipment of 0.1 million euros.

On 6 June 2014, IMA S.p.A. acquired the entire quota capital of Società del Sole S.r.l., located in Bologna and active in the real estate sector, for 1.5 million euros. Provisional recognition of this transaction has involved the allocation to Land of additional value totalling 1.5 million euros. The company is in fact the owner of a parcel of building land and parcels of agricultural land situated in the municipality of Ozzano dell'Emilia (Bologna). As required by IFRS 3, any adjustments will be made within twelve months of the acquisition date.

24. GUARANTEES GRANTED

At 30 September 2014, the Group has given sureties and other bank guarantees to customers totalling 18.2 million euros for the proper operation of machinery, bid bonds and advances not yet received, sureties to guarantee rental contracts for 6.6 million euros, sureties in favour of the Tax Authorities for VAT credits for 1.7 million euros and sureties in favour of others for 2.0 million euros.

The Parent Company has also given sureties and other guarantees (binding letters of patronage) to third parties on behalf of subsidiaries and associates, with respect to lines or credit or financing extended by banks and the payment of rental fees for 213.7 million euros. Ilapak International SA and Transworld Packaging Holding B.V. have provided guarantees to third parties on behalf of subsidiaries of the Ilapak Group totalling 7.2 million euros.

Sureties given against advances received from customers amount to about 61.0 million euros (55.9 million euros at 31 December 2013).

25. COMMITMENTS

At 30 September 2014, commitments for the purchase of property, plant and equipment and intangible assets amount to 0.3 million euros and 0.6 million euros respectively, relating principally to leasehold improvements, equipment and software.

The Group also has commitments in respect of minimum lease payments for non-cancellable operating leases totalling 1.5 million euros (1.2 million euros at 31 December 2013) and for rentals totalling 115.7 million euros (110.5 million euros at 31 December 2013).

There are also other commitments in favour of third parties of 4.3 million euros, consisting mainly of the Parent Company's commitment to buy further units of the mutual funds shown under financial assets.

26. RELATED-PARTY TRANSACTIONS

In compliance with current Consob regulations on related-party transactions, from 2010 IMA S.p.A. adopted procedures to be followed by IMA and its subsidiaries when carrying out transactions with parties related to IMA.

The Parent Company of the IMA Group is I.M.A. Industria Macchine Automatiche S.p.A., which at 30 September 2014 is owned 66.219% by SO.FI.MA. S.p.A., which in turn is controlled by Lopam Fin S.p.A.

Intercompany transactions are carried out in the ordinary course of business on arm's-length terms. Relations with other related parties are mainly attributable to the persons who control the Parent Company, to persons who administer and direct the activities of IMA S.p.A. and to entities that are controlled by them. The Board must give advance approval in its meetings for all transactions with related parties, including intercompany transactions, except for transactions carried out in the ordinary course of business on arm's-length terms.

Related-party transactions mainly refer to commercial and property operations (leased premises used by the Parent Company or Group companies), as well as to membership of the tax group.

The following table details the main transactions carried out with related parties (millions of euros):

	Assets at 30.09.2014	Assets at 31.12.2013	Liabilities at 30.09.2014	Liabilities at 31.12.2013
Joint venture:				
Carle & Montanari-OPM S.p.A.	-	-	0.3	0.4
CMFIMA S.r.l.	0.1	0.1	0.1	0.1
CMH S.r.l.	8.9	8.9	-	-
CMRE S.r.l.	5.3	4.4	-	-
	14.3	13.4	0.4	0.5
Associates:				
Amherst Stainless LLC	0.7	0.4	-	0.3
B.C. S.r.l.	1.8	1.5	0.5	0.7
Bacciottini F.lli S.r.l.	0.6	0.6	1.4	2.1
Bolognesi S.r.l.	0.8	0.6	1.0	1.3
Brio Pharma Tech. Ltd.	0.4	0.4	0.8	1.0
Doo Officina-Game East Vrsac	0.6	0.5	-	-
I.E.M.A. S.r.l.	0.8	0.7	6.6	6.9
LA.CO S.r.l.	0.6	0.8	1.5	1.6
Logimatic S.r.l.	6.0	5.1	10.5	11.0
Masterpiece S.r.l.	-	-	0.1	0.1
Meccanica Sarti S.r.l.	1.2	n.a.	0.3	n.a.
Plasticenter S.r.l.	0.5	0.9	2.0	2.7
Powertransmission.it S.r.l.	0.1	0.1	0.2	0.3
Scriba Nanotecnologie S.r.l.	0.5	0.5	-	0.1
SIL.MAC S.r.l.	0.5	0.6	1.2	1.7
Other associates	-	0.1	0.1	-
	15.1	12.8	26.2	29.8
Other related parties:				
Banca di Bologna	0.5	0.8	-	-
Datalogic Automat. S.r.l.	-	-	0.3	0.2
Galliani & Sistemi S.p.A.	-	-	0.1	0.1
EPSOL S.r.l.	0.3	0.1	0.3	1.2
Mandarin Capital Man. SA	0.9	0.6	-	-
Morosina S.p.A.	0.1	-	0.2	-
Nemo Investimenti S.r.l.	0.7	-	-	-
Naturapack S.r.l.	0.1	0.1	-	-
Poggi & Associati	-	-	0.1	0.2
Schiavina S.r.l.	0.4	0.4	-	-
Verniciatura Ozzanese S.r.l.	-	-	0.2	0.3
	3.0	2.0	1.2	2.0
Total	32.4	28.2	27.8	32.3

The following table details the main transactions carried out with related parties (millions of euros):

	Revenues from 01.01.2014 to 30.09.2014	Revenues from 01.01.2013 to 30.09.2013	Costs from 01.01.2014 to 30.09.2014	Costs from 01.01.2013 to 30.09.2013
Joint venture:				
CMFIMA S.r.l.	0.4	0.2	-	-
	0.4	0.2	-	-
Associates:				
Amherst Stainless LLC	-	-	1.2	2.1
B.C. S.r.l.	0.3	0.2	3.2	3.1
Bacciottini F.lli S.r.l.	0.1	0.2	2.8	2.6
Bognesi S.r.l.	0.2	0.1	2.9	2.8
Brio Pharma Technologies Ltd.	-	-	0.9	0.6
I.E.M.A. S.r.l.	0.2	0.2	8.8	7.7
Ilapak International SA	n.a.	1.7	n.a.	-
Ilapak Italia S.p.A.	n.a.	1.2	n.a.	-
LA.CO S.r.l.	0.2	0.5	2.0	1.7
Logimatic S.r.l.	2.9	2.6	11.0	9.2
Masterpiece S.r.l.	-	-	0.4	0.3
Meccanica Sarti S.r.l.	-	n.a.	0.5	n.a.
Plasticenter S.r.l.	-	-	3.5	0.7
Powertransmission.it S.r.l.	-	-	0.5	0.6
SIL.MAC. S.r.l.	0.2	0.1	2.0	2.1
Other associates	-	0.4	0.1	0.1
	4.1	7.2	39.8	33.6
Other related parties:				
Datalogic Automation S.r.l.	-	-	0.4	0.3
EPSOL S.r.l.	0.4	0.2	2.2	2.0
Galliani & Sistemi S.p.A.	-	-	0.1	0.2
Italbe S.p.A.	-	-	0.1	0.2
Lopam S.r.l.	-	-	0.3	0.2
Mandarin Capital Management SA	-	-	0.5	0.5
Morosina S.p.A.	-	-	0.7	-
Nemo Investimenti S.r.l.	0.2	-	1.2	1.2
Poggi & Associati	-	-	0.4	0.4
Verniciatura Ozzanese S.r.l.	-	-	0.4	0.3
Other related parties	-	-	0.1	0.3
	0.6	0.2	6.4	5.6
Total	5.1	7.6	46.2	39.2

These balances and transactions relate primarily to the Group's Italian companies.

We would point out that on 24/25 July 2014, IMA Industries S.r.l. acquired a further 8.5% interest in GIMA S.p.A. for 8.5 million euros and now owns 73.5% of that company.

The increase in capital for cash, on one or more occasions with subscriptions open to third parties, by up to a maximum of 0.1 million euros plus a share premium of 3.5 million euros was completed at the end of September 2014. This operation was decided by the quotaholders' meeting of GIMA TT S.r.l., a subsidiary of GIMA S.p.A., on 25 July 2014.

Given that some of the people involved in both transactions are related parties, in accordance with the requirements of the specific procedure in this area, the Company has taken steps to inform the appropriate Committee so that it could comment on it in order to ensure the necessary transparency and fairness during the investigation, negotiation and approval of these transactions.

In the interest of a full investigation before giving its opinion on the matter, the Committee decided to make use of an independent expert to prepare the appraisal in the first case and, in the second case, the fairness opinion to determine the subscription cost of the newly issued shares.

On completion, the Committee expressed a positive opinion, having classified the transactions as "less relevant related party transactions".

Lastly, there are also dealings with SO.FI.MA. S.p.A., the ultimate parent company, as a result of setting up the domestic tax group, as mentioned in Note 20.

27. SIGNIFICANT NON-RECURRING TRANSACTIONS AND EVENTS

In the first nine months of 2014, Services, rentals and leases include ancillary charges incurred in relation to the business combinations totalling 1.2 million euros, essentially in relation to the acquisition of an additional 30% interest in the Ilapak Group.

28. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No positions or operations deriving from atypical and/or unusual transactions arose during the first nine months of 2014.

29. SIGNIFICANT EVENTS AFTER THE END OF THE THIRD QUARTER

The main events that took place after 30 September 2014 are as follows:

- on 22 October 2014 Packaging Manufacturing Industry S.r.l. acquired for 0.1 million euros 30% of STA.MA. S.r.l., a company located in Ozzano dell'Emilia (Bologna) which operates in the installation, construction and revision of automatic machines;
- on 22 October 2014, the Board of Directors of IMA S.p.A. approved the absorption of the wholly owned subsidiaries IMA Industries S.r.l. and IMA Life Italia S.r.l. by IMA S.p.A., with effect from 1 January 2015. These mergers will help to optimise the Group's activities and centralise certain staff functions.

F) EQUITY INVESTMENTS INCLUDED IN THE SCOPE OF CONSOLIDATION AND METHOD USED

Companies consolidated line-by-line	Registered office		Share capital	Direct investment	Indirect investment
Industrial and service companies:					
- I.M.A. Industria Macchine Automatiche S.p.A.	Ozzano dell'Emilia	Bologna - Italy	EUR 19,150,560	Parent company	-
- CO.MA.D.I.S. S.p.A.	Senago	Milan - Italy	EUR 1,540,000	100%	-
- Corazza S.p.A.	Bologna	Bologna - Italy	EUR 15,675,000	100%	-
- GIMA S.p.A.	Zola Predosa	Bologna - Italy	EUR 1,000,000	-	73.5% (1)
- GIMA TT S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR 110,000	-	60.14% (2)
- Fillshape S.r.l.	Zola Predosa	Bologna - Italy	EUR 100,000	-	44.1% (2)
- Ilapak Italia S.p.A.	Foiano della Chiana	Arezzo - Italy	EUR 4,074,000	-	81% (3)
- IMA Industries S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR 4,000,000	100%	-
- Pharmasiena Service S.r.l.	Siena	Siena - Italy	EUR 100,000	70% (4)	-
- Revisioni Industriali S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR 100,000	-	100% (5)
- Delta Systems & Automation Inc.	Rogers	USA	USD 1,000	-	81% (6)
- Ilapak International SA	Collina d'Oro Lugano	Switzerland	CHF 4,000,000	-	81% (7)
- Ilapak (Langfang) Packaging Machinery Co. Ltd.	Langfang	PRC	USD 3,000,000	-	81% (8)
- IMA Life The Netherlands B.V.	Dongen	The Netherlands	EUR 22,382,654 (*)	100%	-
- IMA Life North America Inc.	Tonawanda	USA	USD 100	-	100% (9)
- IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.	Beijing	PRC	USD 400,000	100%	-
- IMA North America Inc.	Leominster	USA	USD 8,052,500	-	100% (9)
- IMA-PG India Pvt. Ltd.	Mumbai	India	INR 17,852,100 (*)	100%	-
- Shanghai Tianyan Pharmaceutical Co. Ltd.	Shanghai	PRC	RMB 5,250,000	-	86.29% (10)
- Swiftpack Automation Ltd.	Alcester	UK	GBP 1,403,895	100%	-
- Tianjin IMA Machinery Co. Ltd.	Tianjin	PRC	USD 200,000	100%	-
Commercial companies:					
- Ilapak.AT Services GmbH	Vienna	Austria	EUR 17,500 (*)	-	81% (3)
- Ilapak do Brasil Maquinas de embalagem Ltda.	Sao Paulo	Brazil	BRL 3,794,214	-	81% (7)
- Ilapak France SA	Lognes Paris	France	EUR 105,130	-	81% (3)
- Ilapak Inc.	Newtown	USA	USD 12,500	-	81% (3)
- Ilapak Israel Ltd.	Caesarea	Israel	ILS 1	-	81% (3)
- Ilapak Ltd.	Hayes London	UK	GBP 795,536	-	81% (3)
- Ilapak SNG OOO	Moscow	Russia	RUB 1,785,700	-	81% (3)
- Ilapak Sp. Z o.o.	Krakow	Poland	PLN 3,740,400	-	81% (7)
- Ilapak Verpackungsmaschinen GmbH	Haan	Germany	EUR 102,500	-	81% (3)
- IMA Est GmbH	Vienna	Austria	EUR 280,000	100%	-
- IMA France E.u.r.l.	Rueil Malmaison	France	EUR 45,735	100%	-
- IMA Germany GmbH	Cologne	Germany	EUR 90,000	100%	-
- IMA Iberica Processing and Packaging S.L.	Barcelona	Spain	EUR 590,000	100%	-
- IMA Industries GmbH	Großostheim	Germany	EUR 100,000	-	100% (1)
- IMA Industries Inc.	Mundelein	USA	USD 1,856,106	-	100% (5)
- IMA Industries India Pvt. Ltd.	Mumbai	India	INR 5,000,100 (*)	-	99.99% (1)
- IMA Industries North America Inc.	Leominster	USA	USD 100,000	-	100% (1)
- IMA Life Italia S.r.l.	Trezzano Naviglio	Milan - Italy	EUR 80,000	-	100% (11)
- IMA Life Japan KK	Tokyo	Japan	YEN 40,000,000	-	100% (11)
- IMA Pacific Co. Ltd.	Bangkok	Thailand	THB 132,720,000	99.99%	-
- IMA Packaging & Processing Co. Ltd.	Beijing	PRC	USD 2,350,000	100%	-
- IMA UK Ltd.	Alcester	UK	GBP 50,000	100%	-
- Imautomatiche Do Brasil Ltda.	Sao Paulo	Brazil	BRL 6,651,550	99.98%	-
- OOO IMA Industries	Moscow	Russia	RUB 12,000,000	-	100% (5)
Financial companies:					
- Packaging Systems Holdings Inc.	Wilmington	USA	USD 1,000	100%	-
- Transworld Packaging Holding B.V.	Amsterdam	The Netherlands	EUR 3,241,661	81%	-
Other companies:					
- Dreamer S.r.l.	Bologna	Bologna - Italy	EUR 100,000	-	66.15% (2)
- II Canada Ltd. (in liquidation)	Mississauga Toronto	Canada	CAD -	-	100% (12)
- Ilapak China Ltd.	Hong Kong	PRC	USD 13	-	81% (3)
- Packaging Manufacturing Industry S.r.l.	Castenaso	Bologna - Italy	EUR 110,000	100%	-
- Società del Sole S.r.l.	Bologna	Bologna - Italy	EUR 10,000	100%	-

(*) The nominal share capital of IMA-PG India Pvt Ltd., IMA Industries India Ltd., IMA Life The Netherlands B.V. and Ilapak.AT Services GmbH amounts to Inr 20,000,000, Inr 10,000,000, Eur 45,400,000 and Eur 35,000 respectively.

Notes:

- (1) Held by IMA Industries S.r.l.
- (2) Held by GIMA S.p.A.: GIMA TT S.r.l. at 81.82%, Dreamer S.r.l. at 90%, Fillshape S.r.l. at 60%
- (3) Held by Ilapak International SA at 100% except Ilapak France SA held at 99.99%
- (4) The percentage interest held in Pharmasiena Service S.r.l. includes an option to purchase 19% of the quota capital.
- (5) Held by Corazza S.p.A.
- (6) Held by Ilapak Inc. at 100%
- (7) Held by Transworld Packaging Holding B.V. at 100%
- (8) Held by Ilapak Italia S.p.A. at 100%
- (9) Held by Packaging Systems Holdings Inc.
- (10) Held by IMA Life (Beijing) Ph. Systems Co. Ltd.
- (11) Held by IMA Life The Netherlands B.V.
- (12) Held by IMA Industries Inc.

Investments accounted for using the equity method	Registered office			Share capital	Direct investment
Industrial and service companies:					
- Amherst Stainless Fabrication LLC	Amherst NY	USA	USD	1,100,000	20% (1)
- B.C.S.r.l.	Imola	Bologna - Italy	EUR	36,400	30%
- Bacciottini F.lli S.r.l.	Oste Montemurlo	Prato - Italy	EUR	60,000	30% (2)
- Bognesi S.r.l.	Dozza	Bologna - Italy	EUR	10,920	30% (2)
- Brio Pharma Technologies Pvt. Ltd.	Mumbai	India	INR	1,000,000	30%
- CMH S.r.l.	Bologna	Bologna - Italy	EUR	2,500,000	50%
- CMRE S.r.l.	Bologna	Bologna - Italy	EUR	50,000	50%
- Consorzio L.I.A.M.	Vignola	Modena - Italy	EUR	20,000 (3)	25%
- Consorzio Servizi	Bologna	Bologna - Italy	EUR	50,000 (3)	50%
- Doo Officina-Game East Vrsac	Vrsac	Serbia	RSD	117,494,863	34.5% (2)
- FID S.r.l. Impresa Sociale	Bologna	Bologna - Italy	EUR	20,000	30%
- I.E.M.A. S.r.l.	S.Giorgio di Piano	Bologna - Italy	EUR	100,000	30% (2)
- LA.CO S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR	30,000	30% (2)
- Logimatic S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR	100,000	32% (2)
- Masterpiece S.r.l.	Ozzano dell'Emilia	Bologna - Italy	EUR	10,000	30% (2)
- Meccanica Sarti S.r.l.	Bologna	Bologna - Italy	EUR	102,000	30% (2)
- Plasticenter S.r.l.	Granarolo dell'Emilia	Bologna - Italy	EUR	50,960	20% (2)
- Powertransmission.it S.r.l.	Castenaso	Bologna - Italy	EUR	50,000	20% (2)
- Scriba Nanotecnologie S.r.l.	Bologna	Bologna - Italy	EUR	25,556	24.9%
- SIL.MAC. S.r.l.	Gaggio Montano	Bologna - Italy	EUR	90,000	30% (2)
- Sirio S.p.A. Associazione in partecipazione (4)	Milan	Milan - Italy			

Notes:

(1) Held by IMA Life North America Inc.

(2) Held by Packaging Manufacturing Industry S.r.l.

(3) Shares in the consortium fund

(4) Agreement signed in the last quarter of 2007 for the management of an aircraft

The manager responsible for preparing financial reports, Sergio Marzo, declares in accordance with article 154 bis paragraph 2 of the Consolidated Finance Act that the accounting information contained in this Interim Report on Operations agrees with the books of account, the accounting entries and supporting documentation.