

ADDITIONAL PERIODIC FINANCIAL INFORMATION

AT 30 SEPTEMBER 2017



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INTERIM REPORT ON OPERATION
AT 30 SEPTEMBER 2017

(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 2017)

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 quotas 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 assets of the Company.

CHIEF OPERATING OFFICERS

Andrea Malagoli

Delegated powers: the powers associated with responsibility for the Dairy & Food business.

Giovanni Pecchioli

Delegated powers: the powers associated with responsibility for the Pharmaceutical business.

DIRECTORS

Stefano Cataudella, Paolo Frugoni, Marco Galliani, Luca Poggi, Pierantonio Riello, Rita Rolli, Maria Carla Schiavina, Gianluca Vacchi, Valentina Volta.

BOARD OF AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2018)

STANDING AUDITORS

Francesco Schiavone Panni - Chairman

Roberta De Simone

Riccardo Pinza

ALTERNATE AUDITORS

Elean Spagnol

Giovanna Bolognese

Federico Ferracini

COMMITTEE (*)

Paolo Frugoni - Chairman - 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

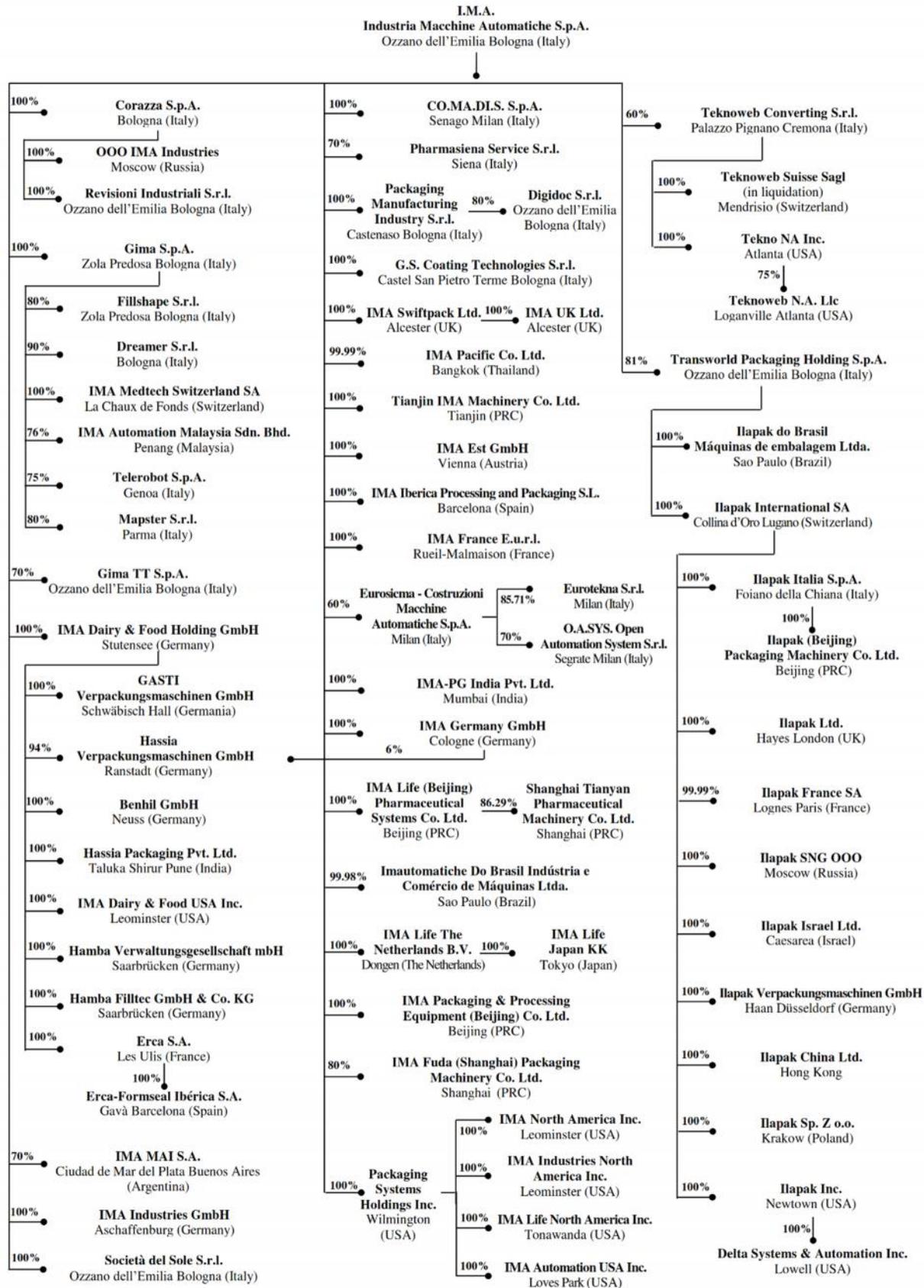
Paolo Frugoni

INDEPENDENT AUDITORS

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

EY S.p.A.

GROUP STRUCTURE AT 30 SEPTEMBER 2017



GROUP PERFORMANCE

GENERAL PERFORMANCE

The macroeconomic scenario of global recovery is consolidating faster than was expected at the beginning of the year, as reflected in world trade growth of over 4% in the first half of the year, more than twice the average for the period 2012-2016. Europe is also benefiting from this growth, thanks to higher consumption which is helping to boost exports and strengthen the cycle of investment in capital goods. However, there are geopolitical risks, especially related to the North Korean nuclear programme and the sustainability of this recovery over time.

Notwithstanding this background, 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 the uncertainties that we are currently facing, our key markets, pharmaceuticals, tobacco and food packaging, continue to stand out as being among the most solid and anti-cyclical.

CONSOLIDATED INCOME STATEMENT

Consolidated revenue of IMA Group for the first nine months of 2017 amounted to 953.6 million euros, compared with 875.2 million euros for the same period of 2016.

The following is a summarized version of the income statement for the period under review, with comparative figures for the corresponding period in 2016:

in millions of euros	1.1.2017-30.9.2017		1.1.2016-30.9.2016	
	Amount	%	Amount	%
Revenue	953.6		875.2	
Cost of sales	(593.4)	62.2	(556.0)	63.5
Industrial gross profit	360.2	37.8	319.2	36.5
R&D costs	(38.8)		(34.5)	
Commercial and sales costs	(103.6)		(92.4)	
General and administrative costs	(121.8)		(116.1)	
Operating profit before non-recurring items (EBITA)	96.0	10.1	76.2	8.7
Non-recurring items	(8.7)		(4.4)	
Operating profit (EBIT)	87.3	9.2	71.8	8.2
Net financial income (expense)	(12.0)		10.0	
Profit (loss) from investments accounted for using the equity method	1.9		1.7	
Profit before taxes	77.2	8.1	83.5	9.5
Taxes	(26.5)		(25.0)	
Profit for the period	50.7	5.3	58.5	6.7
Profit attributable to non-controlling interests	(8.3)		(4.0)	
Profit attributable to equity holders of the parent	42.4	4.4	54.5	6.2
Gross operating profit (EBITDA) before non-recurring items	125.4	13.2	103.6	11.8
Gross operating profit (EBITDA)	116.7	12.2	99.2	11.3
Backlog	923.3		877.1	

REVENUE AND ORDERS

From 30 June 2017, the Group decided to modify its segment information to highlight the Tobacco packaging segment, which was previously included in Tea, Food & Other. This decision derives from the fact that the Tobacco segment has achieved much greater importance and an independent organisational structure. In accordance with IFRS 8 Operating Segments, the information on prior periods has been appropriately restated to ensure full comparability.

Consolidated revenues for the first nine months of 2017 came to 953.6 million euros, an increase of 9.0% on the same prior year period.

This result is attributable to a higher backlog at the end of the 2016 financial year and to further 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 1,106.4 million euros versus 1,034.3 million euros in 2016, an increase of 7.0%. The backlog now totals 923.3 million euros, compared with 877.1 million euros of the prior year (up 5.3%).

OPERATING PROFIT (EBIT)

The industrial gross profit at the end of September came to 37.8% of revenues versus 36.5% in the same period of 2016, because of the different product mix that characterized the first nine months of the year.

Operating profit (EBIT) came to 87.3 million euros versus 71.8 million euros in the same period of 2016, after non-recurring expenses of 8.7 million euros incurred in the period; these relate to the costs incurred for certain loss-making contracts and reorganisation of the Dairy&Food business.

The increase in operating costs is mainly linked to the decline in personnel costs.

PROFIT BEFORE TAXES

The balance between net financial expense and income is negative for 12.0 million euros compared with a positive balance of 10.0 million euros at 30 September 2016 due to the gain of 18.7 million euros realised on exercising the option to acquire the remaining 20% of the Dairy&Food business. The change, net of last year's impact mentioned above, is related to the negative effect of exchange differences for 3.5 million euros. It follows that profit before taxes comes to 77.2 million euros compared with 83.5 million euros at 30 September 2016.

PROFIT FOR THE PERIOD

Profit for the period was 50.7 million euros compared with 58.5 million euros in the same period of last year, after taxes of 26.5 million euros compared with 25.0 million euros. The change is attributable to the factors mentioned under the previous headings.

ANALYSIS OF PERFORMANCE
BY SEGMENT

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

in millions of euros	Tea, Food & Other	Pharma- ceutical	Tobacco packaging	Not allocated	Total
Revenue					
1.1.2017-30.09.2017	439.4	406.9	107.3	–	953.6
1.1.2016-30.09.2016	407.5	406.2	61.5	–	875.2
Gross operating profit (EBITDA) before non-recurring items					
1.1.2017-30.09.2017	7.2	72.4	45.8	–	125.4
1.1.2016-30.09.2016	15.5	64.6	23.5	–	103.6
Gross operating profit (EBITDA)					
1.1.2017-30.09.2017	(1.5)	72.4	45.8	–	116.7
1.1.2016-30.09.2016	11.5	64.3	23.4	–	99.2
Operating profit (EBIT)					
1.1.2017-30.09.2017	(22.4)	64.3	45.4	–	87.3
1.1.2016-30.09.2016	(8.0)	56.8	23.0	–	71.8
Net invested capital (*)					
30 September 2017	374.3	143.4	14.2	1.5	533.4
30 September 2016	282.6	170.9	0.2	4.9	458.6
R&D costs					
1.1.2017-30.09.2017	17.3	19.8	1.7	–	38.8
1.1.2016-30.09.2016	14.1	18.9	1.5	–	34.5
Average personnel					
1.1.2017-30.09.2017	2,715	2,577	107	–	5,399
1.1.2016-30.09.2016	2,460	2,520	78	–	5,058
Backlog					
30 September 2017	342.3	488.9	92.1	–	923.3
30 September 2016	359.9	424.0	93.2	–	877.1

(*) Not allocated 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.

Tea, Food & Other Sector revenues have increased by 31.9 million euros compared with the previous year with a contribution of 7.4 million euros from the Maisa and Mapster businesses, acquired during the year. Gross operating profit (EBITDA) before non-recurring items have come in at 7.2 million euros, with a contribution of 1.1 million euros from the Maisa and Mapster businesses. Due to a different product mix, non-recurring expenses of 8.7 million euros and the poorer performance of the Dairy&Food business, following the reorganisation process, the operating profit decreased by 14.4 million euros. Compared with this time last year, the backlog is down slightly (17.6 million euros), with a contribution from the newly acquired businesses of 3.5 million euros. Orders acquired of 533.8 million euros are up by 6.7% with respect to 30 September 2016 (+33.5 million euros with a contribution from the newly acquired businesses of 6.7 million euros).

The revenues of the Pharmaceutical Sector are in line with the same period last year, thanks to a strong backlog at the beginning of the year and a continuous inflow of orders since then. Gross operating profit (EBITDA) increased to 72.4 million euros (64.3 million euros in the previous period) thanks to improved industrial performance and favourable product mix. Operating profit has risen to 64.3 million euros compared with 56.8 million euros in the same period of 2016. The backlog is up by 64.9 million euros (+15.3%) thanks to an increase in orders on the previous year (461.8 million euros on 436.7 million euros at 30 September 2016).

The revenues of the Tobacco Sector are up on the same period last year by 45.8 million euros, thanks to a strong backlog at the beginning of the year and a continuous inflow of orders since then. EBITDA consequently strongly increased to 45.8 million euros (23.4 million euros in the previous period) thanks to the higher volumes and the favourable mix of products. Operating profit has risen to 45.4 million euros compared with 23.0 million euros in the same period of 2016. The backlog is in line with the previous period, while the inflow of orders increased by 13.8% on the previous year (110.8 million euros on 97.4 million euros at 30 September 2016).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The following table summarises the Group's balance sheet at 30 September 2017:

in millions of euros	30.09.2017	31.12.2016
Trade receivables	304.6	308.9
Inventories	347.4	278.9
Trade payables	(433.0)	(476.8)
Other, net	(104.4)	(107.6)
Net working capital	114.6	3.4
Property, plant and equipment	90.0	88.2
Intangible assets	332.5	332.8
Investments	68.8	26.0
Non-current assets	491.3	447.0
Provision for severance indemnities and other provisions	(72.5)	(80.3)
Net invested capital	533.4	370.1
FINANCED BY:		
Net debt	292.4	99.9
Non-controlling interests	12.4	14.6
Group equity attributable to equity holders of the parent	228.6	255.6
Total sources of financing	533.4	370.1

Other payables, net, mainly includes the amounts due to employees, income tax payable and provisions for risks and charges.

The net invested capital at the end of third quarter of 2017 increased by 163.3 million euros compared with the end of 2016 because of the consolidation of the Maisa and Mapster businesses for 12.1 million euros and of the increase in working capital (mainly related to inventories and trade receivables) associated with the higher volume of sales and the deliveries scheduled for the last quarter, and by 74.8 million euros compared with the same period last year.

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	30.09.2017	31.12.2016	30.09.2016
A. Cash and cash equivalents	(111.6)	(201.1)	(118.9)
B. Other cash equivalents	(4.7)	(3.9)	(2.9)
C. Investments in securities	(5.0)	(3.5)	(3.0)
D. Liquidity (A)+(B)+(C)	(121.3)	(208.5)	(124.8)
E. Current financial receivables	(5.2)	(2.2)	(2.3)
F. Current payables to banks	167.9	35.5	63.2
G. Current portion of non-current payables	56.3	57.0	56.0
H. Other current financial payables	1.2	1.0	1.4
I. Current financial debt (F)+(G)+(H)	225.4	93.5	120.6
J. Net current financial debt (D)+(E)+(I)	98.9	(117.2)	(6.5)
K. Non-current portion of non-current bank payables	87.2	108.4	135.0
L. Bonds issued	105.5	110.5	110.5
M. Other non-current financial payables	2.2	2.3	2.4
N. Non-current financial assets	(1.4)	(4.1)	(4.1)
O. Net non-current financial debt (K)+(L)+(M)+(N)	193.5	217.1	243.8
P. Net financial debt (J)+(O)	292.4	99.9	237.3

The Group also has payables in respect of acquisitions totalling 19.1 million euros (19.9 million euros at 31 December 2016), essentially relating to the options agreed for the purchase of the minority interests in subsidiaries. The change with respect to the previous period is mainly due to payment of the earn-out for the Medtech business, net of the payables for the acquisition of MAI S.A. and Mapster S.r.l.

Net debt at the end of the period amounted to 292.4 million euros compared with 237.3 million euros at 30 September 2016 and 99.9 million euros at the end of 2016. The rise on the end of 2016 stems from the physiological growth due to the increase in working capital, dividends paid by the Parent Company (62.8 million euros paid in May 2017), the purchase of investments in MAI S.A., Mapster S.r.l., Atopbi S.p.A. and Eurosicma S.p.A. and the balance of the price due for Medtech, for a total of 55.0 million euros. Comparing the net financial position with the same period in 2016 (237.3 million euros), without extraordinary transactions and dividends paid, there has been an improvement of 77 million euros thanks to better management of net working capital.

CAPITAL EXPENDITURE

Expenditure on intangible assets amounted to 12.6 million euros (11.3 million euros in the same period of 2016) and mainly related to the capitalisation of development costs incurred on new products not previously available and aimed at new market segments.

The acquisitions carried out during the period involved taking on 10.9 million euros of property, plant and equipment and intangible assets on a provisional basis, as detailed in Note 24.

In the first nine months of 2017, Group capital expenditure in property, plant and equipment amounted to 14.1 million euros (13.2 million euros in the same period of 2016), mainly related to the extension and upgrading of existing buildings rented by IMA S.p.A., to the costs for the completion of a factory by Delta Systems & Automation Inc. in Arkansas (USA) and to the purchase of machinery and electronic equipment.

The depreciation and amortization charge for the period is 29.4 million euros (27.4 million euros in the first nine months of the previous year); the increase is mainly attributable to the amortization of development costs.

ALTERNATIVE PERFORMANCE INDICATORS

These comments on the results for the period also include some performance indicators to give a better picture of the Group's operations and financial position. We provide below the criteria used in preparing these indicators.

The income statement classified by purpose as and prepared according to 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;
-) commercial and sales costs: these include costs connected with commercial operations, such as staff, commissions paid to agents, promotional and advertising costs and associated 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 (EBITDA): this corresponds to the sum of operating profit, depreciation and amortisation for the period and writedowns. EBITDA is an indicator used as a financial target in internal and external presentations and is a useful measure for evaluating the Group's performance.

The following main items in the reclassified income statement are equivalent to the corresponding items in the consolidated income statement forming part of the "Consolidated financial statements": revenues, operating profit, financial income and expense, profit before tax, income taxes and net profit for the year.

The statement of financial position is structured so that assets and liabilities are classified to show the net invested capital. The following main items in the statement of financial position are equivalent to the corresponding items 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.

Lastly, 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. Total non-current financial assets differs from that reported in the balance sheet as it does not include equity interests in other companies.

OTHER INFORMATION

RELATED-PARTY TRANSACTIONS

The "Regulation 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 persons who are responsible for administration and management within IMA S.p.A., or entities 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.

Material related-party transactions are submitted for advance approval by the Board, which in turn has to obtain the consent of 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.

Note that during the period:

-) there were no significant transactions, as defined in the Consob regulation;
-) there were no individual related party transactions that have significantly impacted the balance sheets or results of Group companies;
-) there have been no changes or developments in related-party transactions as disclosed in the last annual report that have had a significant effect on Group companies' balance sheets or results;

Transactions with related parties are described more fully in Note 27, to which reference should be made for further information.

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 result achieved in the first nine months of 2017 reflects the higher backlog at the end of 2016, the increased order intake during the period and the consolidation of the businesses acquired in the first half of the year.

The steady trend in orders in all areas, also confirmed in October, together with the existing backlog, provides good visibility for the full year and allows us to be optimistic about achieving our targets.

On the basis of this trend and the signs mentioned earlier, a sales forecast of more than 1.4 billion euros with a gross operating profit of around 210 million euros could be feasible.

CONSOLIDATED FINANCIAL STATEMENTS
AT 30 SEPTEMBER 2017

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(MILLIONS OF EUROS)

ASSETS	Note	30 September 2017	31 December 2016
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2	90.0	88.2
<i>Intangible assets</i>	3	332.5	332.8
<i>Investments accounted for using the equity method</i>	4	39.6	23.0
<i>Investments in non-consolidated subsidiaries</i>	5	26.6	–
<i>Financial assets</i>	6	4.1	7.1
<i>Receivables from others</i>		3.3	3.2
<i>Deferred tax assets</i>	8	63.9	64.9
TOTAL NON-CURRENT ASSETS		560.0	519.2
CURRENT ASSETS			
<i>Inventories</i>	9	347.4	278.9
<i>Trade and other receivables</i>	10	373.2	359.4
<i>Income tax receivables</i>		12.3	8.0
<i>Financial assets</i>	6	14.9	9.6
<i>Derivative financial instruments</i>	7	0.2	0.2
<i>Cash and cash equivalents</i>	11	111.6	201.1
TOTAL CURRENT ASSETS		859.6	857.2
TOTAL ASSETS		1,419.6	1,376.4
EQUITY AND LIABILITIES			
EQUITY			
<i>Share capital</i>		20.4	20.4
<i>Reserves and retained earnings</i>		165.8	141.7
<i>Profit for the period</i>		42.4	93.5
Equity attributable to equity holders of the parent	12	228.6	255.6
Non-controlling interests	13	12.4	14.6
TOTAL EQUITY		241.0	270.2
NON-CURRENT LIABILITIES			
<i>Borrowings</i>	14	194.9	221.2
<i>Employee defined benefit liabilities</i>	15	55.4	57.9
<i>Provisions for risks and charges</i>	16	5.7	5.9
<i>Other payables</i>	17	18.4	20.1
<i>Derivative financial instruments</i>	7	2.4	2.3
<i>Deferred tax liabilities</i>	8	59.4	62.1
TOTAL NON-CURRENT LIABILITIES		336.2	369.5
CURRENT LIABILITIES			
<i>Borrowings</i>	14	225.4	93.5
<i>Trade and other payables</i>	17	561.0	596.8
<i>Income tax liabilities</i>		23.9	14.4
<i>Provisions for risks and charges</i>	16	32.0	30.9
<i>Derivative financial instruments</i>	7	0.1	1.1
TOTAL CURRENT LIABILITIES		842.4	736.7
TOTAL LIABILITIES		1,178.6	1,106.2
TOTAL EQUITY AND LIABILITIES		1,419.6	1,376.4

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

	Note	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016
REVENUE	1	953.6	875.2
OTHER REVENUE		16.0	14.3
OPERATING COSTS			
<i>Change in work in progress, semifinished and finished goods</i>		64.8	63.5
<i>Change in inventory of raw, ancillary and consumable materials</i>		5.9	5.7
<i>Cost of raw, ancillary and consumable materials and goods for resale</i>		(383.7)	(375.5)
<i>Services, rentals and leases</i>		(229.6)	(200.7)
<i>Personnel costs</i>	18	(301.4)	(273.1)
<i>Depreciation, amortization and write-downs</i>	19	(29.9)	(28.2)
<i>Provisions for risks and charges</i>		(1.0)	(3.2)
<i>Other operating costs</i>		(7.4)	(6.2)
TOTAL OPERATING COSTS		(882.3)	(817.7)
OPERATING PROFIT	1	87.3	71.8
<i>- of which: effect of non-recurring items</i>	28	(8.7)	(4.4)
FINANCIAL INCOME AND EXPENSE			
<i>Financial income</i>	20	22.7	30.0
<i>Financial expense</i>	21	(34.7)	(20.0)
TOTAL FINANCIAL INCOME AND EXPENSE		(12.0)	10.0
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		1.9	1.7
PROFIT BEFORE TAXES		77.2	83.5
TAXES	22	(26.5)	(25.0)
NET PROFIT FOR THE PERIOD		50.7	58.5
ATTRIBUTABLE TO:			
EQUITY HOLDERS OF THE PARENT		42.4	54.5
NON-CONTROLLING INTERESTS		8.3	4.0
		50.7	58.5
BASIC/DILUTED EARNINGS PER SHARE (in euros)	23	1.08	1.43

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MILLIONS OF EUROS)

	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016
Net profit for the period	50.7	58.5
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>	(8.6)	(4.0)
<i>Gains (losses) on cash flow hedges</i>	0.8	–
<i>Tax effect</i>	(0.2)	0.1
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	(8.0)	(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>	2.1	(8.7)
<i>Tax effect</i>	(0.6)	2.6
Net other comprehensive income not being reclassified to profit or loss in subsequent periods	1.5	(6.1)
Gains and losses recognized in equity	(6.5)	(10.0)
Total comprehensive income	44.2	48.5
Attributable to:		
Equity holders of the parent	35.8	44.7
Non-controlling interests	8.4	3.8
	44.2	48.5

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(MILLIONS OF EUROS)

	Share capital	Share premium reserve	Treasury shares	Translation reserve	Fair value reserve	Other reserves and retained earnings	Profit attributable to equity holders of the parent	Equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Balances at 01.01.2016	19.5	32.6	(0.1)	9.8	(1.7)	29.0	69.9	159.0	16.8	175.8
Distribution of dividends	-	-	-	-	-	-	(52.5)	(52.5)	(7.5)	(60.0)
Allocation of earnings for 2015	-	-	-	-	-	17.4	(17.4)	-	-	-
Capital increases	0.9	90.2	-	-	-	-	-	91.1	-	91.1
Purchase of non-controlling interests	-	-	-	-	-	(31.6)	-	(31.6)	(2.5)	(34.1)
Total comprehensive income	-	-	-	(3.9)	0.1	(6.0)	54.5	44.7	3.8	48.5
Balances at 30.09.2016	20.4	122.8	(0.1)	5.9	(1.6)	8.8	54.5	210.7	10.6	221.3
Balances at 01.01.2017	20.4	122.8	(0.1)	9.6	(2.2)	11.6	93.5	255.6	14.6	270.2
Distribution of dividends	-	-	-	-	-	-	(62.8)	(62.8)	(10.6)	(73.4)
Allocation of earnings for 2016	-	-	-	-	-	30.7	(30.7)	-	-	-
Total comprehensive income	-	-	-	(8.7)	0.6	1.5	42.4	35.8	8.4	44.2
Balances at 30.09.2017	20.4	122.8	(0.1)	0.9	(1.6)	43.8	42.4	228.6	12.4	241.0

CONSOLIDATED STATEMENT OF CASH FLOWS

(MILLIONS OF EUROS)

	30 September 2017	30 September 2016
OPERATING ACTIVITIES		
Profit attributable to equity holders of the parent	42.4	54.5
Adjustments for:		
- Depreciation and amortization	29.4	27.4
- Capital (gains) losses on disposal of non-current assets	(1.3)	(0.5)
- Proceed from exercise of option on non-controlling interests	-	(18.7)
- Changes in provisions for risks and charges and employee defined benefit liabilities	0.8	0.8
- Unrealized losses (gains) on exchange rate differences	2.7	(0.1)
- Other changes	(0.1)	0.3
- Change in value of financial assets	0.3	-
- Taxes	26.5	25.0
- Non-controlling interests	8.3	4.0
- Result from investments accounted for using the equity method	(1.9)	(1.7)
Operating profit before changes in working capital	107.1	91.0
(Increase) decrease in trade and other receivables	(10.7)	(44.0)
(Increase) decrease in inventories	(66.2)	(67.7)
Increase (decrease) in trade and other payables	(39.2)	26.7
Taxes paid	(24.4)	(19.9)
CASH FLOW USED IN OPERATING ACTIVITIES (A)	(33.4)	(13.9)
INVESTING ACTIVITIES		
Investments in property, plant and equipment	(14.1)	(13.2)
Investments in intangible assets	(12.6)	(11.3)
Acquisition business divisions/companies	(7.4)	(8.4)
Amounts paid as earn-out	(3.8)	-
Purchase of investments	(42.8)	(0.2)
Sale of non-current assets	2.7	0.8
Other changes	(3.0)	(2.4)
CASH FLOW USED IN INVESTING ACTIVITIES (B)	(81.0)	(34.7)
FINANCING ACTIVITIES		
Granting of loans	3.3	50.0
Repayment of borrowings	(22.2)	(17.4)
Bonds	(5.2)	-
Repayment of finance lease debts	(0.2)	(0.2)
Increase (decrease) in other financial payables	132.5	(5.9)
Capita increases	-	90.6
Purchase of non-controlling interests	-	(34.1)
Consideration for exercise of option on non-controlling interests	-	(4.0)
Net change in financial assets and other non current receivables	(2.7)	0.9
Dividends paid to equity holders of the parent	(62.8)	(52.5)
Dividends paid to non-controlling interests	(10.6)	(7.5)
Payment of interest	(7.3)	(8.6)
Receipt of interest	0.1	0.1
CASH FLOW PROVIDED BY FINANCING ACTIVITIES (C)	24.9	11.4
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	(89.5)	(37.2)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (E)	201.1	156.1
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (F=D+E)	111.6	118.9

A BREAKDOWN OF "CASH AND CASH EQUIVALENTS" IS PROVIDED IN NOTE 11.

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 additional periodic financial information (from here on "periodic financial information") at 30 September 2017 was approved by the Board of Directors on 14 November 2017 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, coffee, tobacco 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. (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 STAR segment.

At 30 September 2017, IMA S.p.A. is 57% held by SO.FI.M.A. Società Finanziaria Macchine Automatiche S.p.A., which is a subsidiary of Lopam Fin S.p.A.

B) GENERAL PREPARATION POLICIES

GENERAL PRINCIPLES

As an issuer trading on the STAR segment of the MTA market run by Borsa Italiana, IMA is subject to the aforementioned art. 2.2.3 of the Stock Exchange Regulations. As announced on 20 January 2017 and in continuity with the past, IMA will continue to publish quarterly periodic financial information within 45 days from the end of the first and third quarter of 2017.

This periodic financial information has been prepared using the measurement criteria envisaged in the IAS/IFRS endorsed by the European Union.

The accounting policies adopted to prepare the additional periodic financial information as of 30 September 2017 are consistent with those used to prepare the consolidated financial statements at 31 December 2016, to which the reader is referred for further information.

The amendments and interpretations of IAS/IFRS in force from 1 January 2017 govern circumstances and situations that are not relevant to or significant for the purposes of the consolidated financial statements. The Group is assessing the impact of the amendments to accounting standards that have been issued but not yet in force. The Group has continued to carry out the analysis started in 2016 of the potential impact that adoption of the new standards IFRS 15 Revenue from Contracts with Customers, IFRS 16 Leases and IFRS 9 Financial Instruments could have on the Group financial statements.

IFRS 15 was issued in May 2014 and introduces a new five-stage analysis model which will apply to revenue from contracts with customers.

IFRS 15 provides for the recognition of revenue for an amount that reflects the consideration to which the entity believes to be entitled in exchange for the transfer of goods or services to the customer. The new standard will replace all current requirements found in IFRS regarding the recognition of revenues and is effective for annual periods beginning on or after 1 January 2018. The Group expects to apply the new standard from the mandatory effective date.

During 2016 the Group carried out a preliminary assessment of the effects of IFRS 15, which is subject to amendments as a result of a more detailed analysis that is currently underway. This analysis considers the clarifications issued by the IASB in April 2016 and will assess any further development.

As part of the preliminary assessment of the accounting impact of adopting the new standards, we have identified the main revenue streams by analysing IMA S.p.A. and the subsidiaries of the Group:

-) machines and contracts in progress;
-) change parts;
-) spare parts and other materials;
-) technical assistance.

Based on a preliminary assessment, we do not expect any potentially significant impacts on the Group's assets and liabilities, results and financial position.

IFRS 16 was published in January 2016 and replaces IAS 17 Leases, IFRIC 4 Determining whether an arrangement contains a lease, SIC-15 Operating Leases - Incentives and SIC-27 Evaluating the substance of transactions in the legal form of a lease.

IFRS 16 defines the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize all leases on the balance sheet on the basis of a single model similar to the one used to account for finance leases under IAS 17. The standard will come into force for financial years beginning on or after 1 January 2019. We are not planning to apply the new standards in advance. Regarding the potential impact, please refer to the section on "Implementation of accounting standards" of the 2016 Annual Financial Report and to Note 26 Commitments of this report.

IFRS 9 was issued in its final version in July 2015 and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the project on accounting for financial instruments: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. The Group has begun to carry out an analysis of the potential impact that adoption of the new standard could have on the balance sheet, financial position, income statement and information contained in the Group financial statements and notes. We are not planning to apply the new standard in advance.

Use of estimates

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 recognized 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 flow from operating activities. The Group classifies interest paid and received and dividends as cash flows from financing activities.

Unless stated otherwise, the figures in the periodic financial information at 30 September 2017 are expressed 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, the following 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.

This periodic financial information 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 the annual report at 31 December 2016.

There have been no substantial changes in financial risk management nor 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 tables analyses the assets and liabilities measured at fair value at 30 September 2017 and 31 December 2016 by fair value hierarchy level:

in millions of euros	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	-	-	7.7	7.7
Derivative financial instruments	-	0.2	-	0.2
Total assets at 30.09.2017	-	0.2	7.7	7.9
Liabilities:				
Payables for acquisition	-	-	16.1	16.1
Derivative financial instruments	-	2.5	-	2.5
Total liabilities at 30.09.2017	-	2.5	16.1	18.6
in millions of euros				
	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	-	-	6.5	6.5
Derivative financial instruments	-	0.2	-	0.2
Total assets at 31.12.2016	-	0.2	6.5	6.7
Liabilities:				
Payables for acquisition	-	-	19.0	19.0
Derivative financial instruments	-	3.4	-	3.4
Total liabilities at 31.12.2016	-	3.4	19.0	22.4

Investments in other companies and investments in securities held as financial assets available for sale are measured at fair value and the related unrealized gains and losses are recognized as part of other comprehensive income, except as discussed in Note 6 in relation to Mint Street Holding S.p.A. (formerly InterMedia Holding S.p.A.).

During the first nine months of 2017, 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:

in millions of euros	Assets	Liabilities
Balance at 01.01.2016	4.5	32.3
Acquisition of Medtech business	–	7.4
Acquisition of Telerobot S.p.A.	–	2.6
Early exercise of the option purchase of 20% of Dairy&Food business	–	(22.9)
Increases / (decreases)	1.4	(0.5)
Balance at 30.09.2016	5.9	18.9
Balance at 01.01.2017	6.5	19.0
Profit / (losses) recognized in the income statement	(0.3)	0.2
Acquisition of MAI S.A.	–	2.6
Amount paid as earn out	–	(5.6)
Increases / (decreases)	1.5	(0.1)
Balance at 30.09.2017	7.7	16.1

The liabilities at 30 September 2017 consist of payables for the options subscribed in connection with the purchase of minority interests in subsidiaries.

D) SCOPE OF CONSOLIDATION

The periodic financial information at 30 September 2017 includes the financial and operating information of I.M.A. Industria Macchine Automatiche S.p.A. (the Parent Company) and all the companies in which it directly or indirectly holds a controlling interest.

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.

The following are the main events that took place in the first nine months of 2017:

-) On 4 January 2017 IMA SpA completed the closing for the purchase of a 70% stake in MAI S.A., based in Argentina, which manufactures and sells machines for the packaging of tea and herbal teas in filter bags;
-) On 20 April 2017, IMA, through its subsidiary GIMA S.p.A., completed the acquisition of 80% of Mapster S.r.l. This company, which is based in Parma, is an important player in the design, manufacture and marketing of automatic machines for the filling and packaging of single-serve coffee capsules.

See Note 24 "Business combinations" for further information.

It should be noted that on 28 June 2017, GIMA TT S.p.A., a 70% subsidiary of the Parent Company, submitted to Borsa Italiana S.p.A. a request for issuance of an opinion on its eligibility for listing of its shares on the MTA, pursuant to the Regulation of the markets organised and run by Borsa Italiana S.p.A.; together with IMA, it filed a request to the National Commission for Companies and the Stock Exchange for approval of its Registration Document, drawn up pursuant to art. 113 of Legislative Decree no. 58 of 24 February 1998 and art. 52 of the Regulation adopted by Consob with resolution no. 11971 of 14 May 1999. On 15 September 2017, GIMA TT S.p.A. received Consob's approval of the Prospectus for admission to trading of the ordinary shares of GIMA TT S.p.A. on the STAR segment of the Mercato Telematico

Azionario (MTA or screen-traded market). Consob's approval follows the measure of 14 September 2017 by which Borsa Italiana S.p.A. approved the admission to listing of the shares on the MTA.

The offering, which was addressed exclusively to institutional investors ("Institutional Placement") with a view to admission to trading of GIMA TT S.p.A.'s shares on the STAR segment of the MTA, was concluded successfully with the allocation of the maximum number of shares foreseen, i.e. 33,880,000, equal to 38.5% of the company's share capital.

On 2 October 2017, stock trading began on the MTA STAR segment, as discussed later in Note 30 Significant events occurring after the end of the third quarter.

On 25 July 2017, IMA reached closing for the purchase of 60% of Eurosicma S.p.A., based in Segrate (Milan), which manufactures and markets automatic machines and systems for horizontal flowpack and fold packaging for the food, cosmetics and pharmaceutical industries. For further information please read Note 5 Investments in non-consolidated subsidiaries.

E) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The changes shown below have been calculated with respect to the balances at 31 December 2016 for balance sheet items and the figures for the first nine months of 2016 for income statement items.

1. SEGMENT INFORMATION

Operating segments have been identified based on the internal reports used by senior management, in order to allocate resources by sector and evaluate the results. From 30 June 2017, the Group decided to modify its segment information to highlight the Tobacco packaging segment, which was previously included in Tea, Food & Other. This decision derives from the fact that the Tobacco segment has achieved much greater importance and an independent organisational structure. In accordance with IFRS 8 Operating Segments, the information on prior periods has been appropriately restated to ensure full comparability.

The following are the operating segments into which the Group's activities are divided:

-) Tea, Food & Other segment: it produces machines for the packaging of tea and herbal teas in filter bags and the packaging of 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 primary packaging in the food sector with the use of flexible material (horizontal and vertical flow packs) for assembling medical products, plus related services;
-) Pharmaceutical segment: it makes 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;
-) Tobacco packaging segment: it designs, manufactures and markets machines and plants for tobacco packaging and related services.

Segment information for the first nine months of 2017 and first nine month of 2016 is provided below:

from 01.01.2017 to 30.09.2017					
in millions of euros	Tea, Food & Other	Pharma- ceutical	Tobacco packaging	Not allocated (*)	Total
Revenue	439.4	406.9	107.3	–	953.6
Segment operating profit	(22.4)	64.3	45.4	–	87.3
Net financial income (expense) (**)					(12.0)
Profit (loss) from investments accounted for using the equity method	–	2.0	–	(0.1)	1.9
Profit before taxes					77.2
Taxes					(26.5)
Net profit for the period					50.7

from 01.01.2016 to 30.09.2016					
in millions of euros	Tea, Food & Other	Pharma- ceutical	Tobacco packaging	Not allocated (*)	Total
Revenue	407.5	406.2	61.5	–	875.2
Segment operating profit	(8.0)	56.8	23.0	–	71.8
Net financial income (expense) (**)					10.0
Profit (loss) from investments accounted for using the equity method	–	1.7	–	–	1.7
Profit before taxes					83.5
Taxes					(25.0)
Net profit for the period					58.5

(*) Not allocated amount relate to investments not directly attributable to the operating sectors.

(**) 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 2017 amounted to 953.6 million euros, an increase of 9.0% with respect to the same prior year period. This result is attributable to a higher backlog at the end of the 2016 financial year and to further orders acquired during the current year

A key feature of the business 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 towards the end of the year.

Tea, Food & Other segment revenues have increased on last year by 31.9 million euros with a contribution from MAI S.A. and Mapster S.r.l. , which were acquired during 2017, of 7.4 million euros. Due to a different product mix, non-recurring expenses and a lower performance by the Dairy&Food business due to its reorganisation, the operating profit has fallen by 14.4 million euros.

The revenues of the Pharmaceutical segment are in line with the same period last year, thanks to a strong backlog at the beginning of the year and a continuous inflow of orders since then. Operating profit has risen to 64.3 million euros compared with 56.8 million euros in the same period of 2016, thanks to the improvement in the industrial performance and to a favourable product mix.

The revenues of the Tobacco segment are up on the same period last year by 45.8 million euros, thanks to a strong backlog at the beginning of the year and a continuous inflow of orders since then. Operating profit has grown to 45.4 million euros compared with 23.0 million euros for the same period of 2016, due to the effect of higher sales volumes and a favourable product mix.

Total assets at 30 September 2017 and 31 December 2016 are as follows:

in millions of euros	Tea, Food & Other	Pharma- ceutical	Tobacco packaging	Not allocated (*)	Total
Total assets at 30 September 2017	708.4	428.2	69.5	213.5	1,419.6
Total assets at 31 December 2016	627.5	402.3	48.3	298.3	1,376.4

(*) Not allocated assets principally comprise financial assets, investments, current income tax credits and deferred tax assets, which are impossible to split by divisions reported.

Revenue earned during the period ended 30 September 2017 by the IMA Group are analysed by geographical area and line of business as follows:

REVENUE BY GEOGRAPHICAL AREA

in millions of euros	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016	Change
European Union (excluding Italy)	276.6	260.8	15.8
Other European countries	67.9	58.1	9.8
North America	169.9	156.8	13.1
Asia & Middle East	226.0	187.9	38.1
Other countries	98.6	89.4	9.2
Total exports	839.0	753.0	86.0
Italy	114.6	122.2	(7.6)
Total	953.6	875.2	78.4

REVENUE BY BUSINESS SEGMENT

in millions of euros	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016	Change
Machines and change parts	240.6	240.8	(0.2)
Construction contract	470.6	412.3	58.3
Spare parts and other materials	151.4	146.9	4.5
Technical assistance	75.7	63.0	12.7
Other services	15.3	12.2	3.1
Total	953.6	875.2	78.4

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment show a net increase of 1.8 million euros compared with 31 December 2016. Movements in property, plant and equipment during the period are analysed as follows:

in 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 01.01.17	13.1	38.5	14.1	5.5	9.1	7.9	88.2
Additions	0.1	3.8	2.6	1.5	2.9	3.2	14.1
Sales and eliminations	(0.8)	(0.3)	(0.1)	(0.1)	-	-	(1.3)
Change in scope of consolidation	-	-	0.9	-	0.1	-	1.0
Depreciation	-	(3.2)	(2.6)	(1.4)	(2.2)	-	(9.4)
Reclassifications	-	5.2	0.4	0.1	-	(5.7)	-
Exchange rate differences	(0.4)	(1.0)	(0.5)	(0.2)	(0.2)	(0.3)	(2.6)
Balances at 30.09.17	12.0	43.0	14.8	5.4	9.7	5.1	90.0

Leasehold improvements amount to 25.8 million euros (25.3 million euros at 31 December 2016).

Additions in the period mainly relate to costs incurred to extend and upgrade buildings leased by IMA S.p.A., to the completion of the new production site in Arkansas (USA) by Delta Systems & Automation Inc. and to the purchase of plant, machinery and electronic machines.

Disposals during the period included the sale by Ilapak Ltd. of the building in Hayes (UK). This transaction generated a gain of 1.0 million GB pounds sterling.

The change in the scope of consolidation reflects the acquisition of MAI S.A., as discussed in Note 24.

The reclassifications essentially reflect the completion of the above mentioned building in Arkansas (USA).

3. INTANGIBLE ASSETS

The movements in intangible assets during the period are analysed as follows:

in millions of euros	Development costs	Industrial patents rights	Software licences, trademarks and similar	Goodwill	Assets under dev. and advances	Total
Balances at 01.01.17	100.6	5.6	65.4	152.5	8.7	332.8
Additions	1.4	1.3	2.7	–	7.2	12.6
Sales and eliminations	–	(0.1)	–	–	–	(0.1)
Changes in scope of consolidation	0.2	–	–	–	–	0.2
Acquisition of MAI S.A.	–	–	–	7.2	–	7.2
Acquisition of Mapster S.r.l.	–	–	–	2.5	–	2.5
Amortization	(12.7)	(1.2)	(6.1)	–	–	(20.0)
Reclassifications and other changes	2.9	–	–	(1.7)	(2.9)	(1.7)
Exchange rate differences	–	–	(0.1)	(0.9)	–	(1.0)
Balances at 30.09.17	92.4	5.6	61.9	159.6	13.0	332.5

Development costs include the costs incurred for unpatented technology, the useful life of which has been estimated to be between 5 and 10 years and is attributable to the following acquisitions:

-)] the Medtech business, acquired in 2016, 3.0 million euros;
-)] the Dairy&Food business acquired in 2015, 40.9 million euros;
-)] DOSA S.r.l. and G.S. Coating Technologies S.r.l. businesses, purchased in 2014, for 0.3 million euros and 1.3 million euros respectively;
-)] Ilapak Group, which took place in 2013, for 9.8 million euros;
-)] Dairy & Convenience Food business of the Corazza Group, occurred in 2011, for 5.9 million euros.

In addition, this caption includes costs of 13.8 million euros incurred by the Parent Company on projects related to the Pharmaceutical sector and of 2.5 million euros on the development for the Tea sector.

Software, licences, trademarks and other rights primarily include operating and technical software applications and intangible assets linked to the "customer list" of 24.5 million euros, 6.6 million euros and 5.2 million euros respectively. They arose on the acquisition of the Dairy&Food business, the Ilapak Group and the Corazza Group. This caption also includes trademarks totalling 17.2 million euros that relate to the Dairy&Food business.

Goodwill comprises the following:

in millions of euros	30.09.2017	31.12.2016
Tea, Food & Other sector:		
CGU B.F.B. S.p.A.	1.8	1.8
CGU GIMA S.p.A.	1.7	1.7
CGU Corazza Group	18.9	18.9
CGU Dairy&Food Group	24.7	24.7
CGU Ilapak Group	4.1	4.1
CGU Teknoweb Group	13.3	13.3
CGU MAI S.A.	7.2	n.a.
CGU Mapster S.r.l.	2.5	n.a.
CGU Medtech	9.9	11.6
CGU Naturapack S.r.l.	8.7	8.7
CGU TEAMAC	0.7	0.7
CGU Telerobot S.p.A.	4.9	4.9
	98.4	90.4
Pharmaceutical sector:		
CGU CO.MA.DI.S. S.p.A.	3.8	3.8
CGU DOSA S.r.l.	0.8	0.8
CGU G.S. S.r.l. Coating System	7.4	7.4
CGU G.S. Coating Technologies S.r.l.	0.6	0.6
CGU Edwards Group	23.1	23.1
CGU Nova Group	13.4	14.3
CGU ICO OLEODINAMICI S.p.A.	1.6	1.6
CGU MKCS Inc.	0.6	0.6
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
	61.2	62.1
Total	159.6	152.5

The goodwill recognized on the acquisitions of MAI S.p.A. and Mapster S.r.l. is discussed in Note 24.

The reduction in the value of the Medtech CGU goodwill of 1.7 million euros refers to the definition of the consideration paid as earn-out and which took place during the valuation period of 12 months as established by IFRS 3.

The impairment tests performed on goodwill pursuant to IAS 36 did not identify the need for any write-downs, 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 (6.2 million euros), Ilapak Italia S.p.A (2.1 million euros) and GIMA S.p.A. (1.8 million euros).

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

This item comprises:

in millions of euros	30.09.2017	31.12.2016
Associates:		
Amherst Stainless Fabrication LLC	0.3	0.4
Atopbi S.p.A.	16.2	n.a.
B.C. S.r.l.	2.7	2.4
Bacciottini F.lli S.r.l.	0.8	0.6
Bolognesi S.r.l.	1.0	1.0
Brio Pharma Technologies Pvt. Ltd.	0.5	0.4
Doo Officina-Game East Vrsc	0.3	0.3
I.E.M.A. S.r.l.	1.2	1.0
L.A.CO. S.r.l.	0.5	0.5
Logimatic S.r.l.	0.9	0.7
Meccanica Sarti S.r.l.	1.2	1.2
MORC 2 S.r.l.	1.6	1.5
Petroncini Impianti S.p.A.	2.1	2.0
Plasticenter S.r.l.	0.6	0.6
SIL.MAC. S.r.l.	0.8	0.8
Sirio S.p.A. Associazione in partecipazione	4.0	4.6
Other associates	0.6	0.7
	35.3	18.7
Joint venture:		
CMRE S.r.l.	4.3	4.3
	4.3	4.3
Total	39.6	23.0

During the first half of the year, IMA, in partnership with the Charme III private equity fund, which will act as the controlling shareholder, acquired a minority stake in Atop S.p.A. The company is one of the world's leading manufacturers of innovative machines and automatic lines for manufacturing electric motors and rotors, and operates in the electric traction sectors for sustainable mobility as well as in the automotive sector, household appliances and power tools. Through a vehicle company controlled by the fund, IMA and Charme III acquired an 84% indirect stake in Atop S.p.A., while Atop's founding partners will continue to hold 16% of the capital. The transaction involves an investment of 15.8 million euros by IMA for a 25% stake in Atopbi S.p.A., the SPV controlled by Charme III.

5. INVESTMENTS IN NON-CONSOLIDATED SUBSIDIARIES

On 25 July 2017, IMA reached closing for the purchase of 60% of Eurosicma S.p.A., based in Segrate (Milan), which manufactures and markets automatic machines and systems for horizontal flowpack and fold packaging for the food, cosmetics and pharmaceutical industries. Eurosicma is a historical Italian packaging company, founded in 1965, with a long established leadership in certain market niches such as sweets, biscuits packed on edge and noodles in the food industry, sticking plasters and cotton buds in the pharmaceutical and personal care segments. The investment amounted to around 26 million euros all of which were paid at the closing date. IMA has signed put and call options for the other 40%, to be exercised by April 2027.

The company has been measured at cost in view of the time required for it to adopt the IMA Group's consolidation procedures.

6. FINANCIAL ASSETS

Non-current financial assets, 4.1 million euros, include investments in other companies of 2.7 million euros (3.0 million euros at 31 December 2016) and financial receivables of 1.4 million euros (4.1 million euros at 31 December 2016).

Investments in other companies mainly include the shares held in Mint Street Holding S.p.A. (formerly InterMedia Holding S.p.A.) for 1.0 million euros (1.3 million euros at 31 December 2016) and Continuus Pharmaceuticals Inc. for 1.4 million euros (1.4 million euros at 31 December 2016). Note that since 2014 the loss accumulated due to significant and prolonged reduction in the fair value of the investment in Mint Street Holding was recognized in the income statement. The change of the period, amounting to 0.3 million euros, reflects impairment adjustment recognised under financial charges.

Non-current financial receivables are essentially relate to Ilapak International SA, 0.5 million euros for loans to third parties, to a loan of 0.4 million euros granted by the Parent Company to Logimatic S.r.l. and to financial receivables of 0.5 million euros relating to Telerobot S.p.A.

Current financial assets, 14.9 million euros (9.6 million euros at 31 December 2016), essentially comprise loans granted by the Parent Company and Packaging Manufacturing Industry S.r.l. to CMRE S.r.l., a joint venture, and to associates, totalling 2.7 million euros, and other liquid assets consisting of the bank deposits of IMA-PG India Pvt Ltd., 4.7 million euros, financial receivables due to Ilapak International SA, 2.5 million euros, and the investments of IMA S.p.A. in mutual funds, 5.0 million euros.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments comprise:

in millions of euros	Assets	Liabilities	Assets	Liabilities
	30.09.2017	30.09.2017	31.12.2016	31.12.2016
Interest rate hedging instruments - cash flow hedges	-	2.4	-	2.3
Exchange rate hedging instruments - cash flow hedges	0.2	0.1	0.2	1.1
Total	0.2	2.5	0.2	3.4

INTEREST RATE DERIVATIVES

At 30 September 2017, the amount of 2.4 million euros in liabilities represents 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 2020, on a nominal value of 42.9 million US dollars and 101.6 million euros.

EXCHANGE RATE DERIVATIVES

At 30 September 2017, the amounts of 0.2 million euros in assets and 0.1 million euros in liabilities are the fair value of the forward currency purchase and sale contracts taken out by the Group to manage its exchange risk exposure based on a notional of 13.6 million US dollars, 11.6 million Chinese yuan, 0.7 million GB pounds sterling and 4.3 million Turkish Lire.

8. DEFERRED TAX ASSETS AND LIABILITIES

At 30 September 2017, the deferred tax asset of 63.9 million euros (64.9 million euros at 31 December 2016), mainly relates 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 2017 deferred tax liabilities amount to 59.4 million euros (62.1 million euros at 31 December 2016) and mainly relate to temporary differences between the book values of certain tangible and intangible assets and their values recognised for tax purposes.

9. INVENTORIES

This item comprises:

in millions of euros	30.09.2017			31.12.2016		
	Gross value	Impairment provision	Net value	Gross value	Impairment provision	Net value
Raw, ancillary and consumable materials	70.0	(14.1)	55.9	64.6	(14.3)	50.3
Work in progress and semifinished goods	306.8	(33.1)	273.7	244.7	(28.4)	216.3
Finished products and goods for resale	21.3	(3.5)	17.8	16.1	(3.8)	12.3
Total	398.1	(50.7)	347.4	325.4	(46.5)	278.9

The increase in inventories since 31 December 2016 reflects the preparation of machines for delivery to customers during the fourth quarter of the year and to the significant amount of the backlog already acquired at the end of September.

Movements in these provisions in the period were as follows:

in millions of euros	
Balances at 01.01.2016	47.7
Net provisions	3.9
Change in scope of consolidation	1.4
Exchange rate difference	(0.1)
Balances at 30.09.2016	52.9
Balances at 01.01.2017	46.5
Net provisions	4.7
Change in scope of consolidation	0.1
Exchange rate difference	(0.6)
Balances at 30.09.2017	50.7

10. TRADE AND OTHER RECEIVABLES

This item comprises:

in millions of euros	30.09.2017	31.12.2016
Trade receivables	304.6	308.9
Advances to suppliers	28.5	22.1
Tax receivables	28.0	16.3
Deferred costs	7.0	6.0
Other receivables	5.1	6.1
Total	373.2	359.4

TRADE RECEIVABLES

Trade receivables include amounts due from customers of 174.7 million euros (167.5 million euros at 31 December 2016), amounts due on contracts in progress of 122.4 million euros (130.7 million euros at 31 December 2016) and trade receivables from associates of 7.5 million euros (10.7 million euros at 31 December 2016).

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

Trade receivables are carried net of accumulated provisions amounting to 18.5 million euros (18.5 million euros at 31 December 2016).

Receivables assigned without recourse not yet due at 30 September 2017 amounted to around 7.4 million euros, of which 6.7 million euros assigned to factoring companies and 0.7 million euros to other financial institutions. 2017 saw the assignment without recourse of receivables with an overall nominal value of around 21.5 million euros.

ADVANCES TO SUPPLIERS

At 30 September 2017, these relate to advances for goods to be used in production and for services totalling, respectively, 22.2 million euros (16.5 million euros at 31 December 2016) and 6.3 million euros (5.6 million euros at 31 December 2016). This item includes advances to associates of 4.4 million euros (2.7 million euros at 31 December 2016).

11. CASH AND CASH EQUIVALENTS

This item comprises:

in millions of euros	30.09.2017	31.12.2016
Bank current accounts	109.3	196.7
Deposits	2.1	4.2
Cheques and cash	0.2	0.2
Total	111.6	201.1

For a better understanding of the trend in net financial indebtedness, reference should be made to Note 14.

12. EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

SHARE CAPITAL

The share capital at 30 September 2017 of 20.4 million euros represents the share capital issued (fully subscribed and paid up) by the Parent Company, IMA S.p.A. and is made up of 39,260,000 ordinary shares with a par value of 0.52 euros each.

TREASURY SHARES

The Parent Company did not carry out any transactions in its own shares during the first nine months of 2017, nor during the whole of 2016. At 30 September 2017 there were 5,500 treasury shares in portfolio (0.014% of share capital), with a total value of 0.1 million euros.

DIVIDENDS

In May 2017 the Parent Company paid a total dividend of 62.8 million euros, equal to a gross amount of 1.60 euros per outstanding ordinary share (52.5 million euros, equal to a gross amount of 1.40 euros in May 2016).

FAIR VALUE RESERVE

The changes in the fair value reserve are analysed as follows:

in millions of euros	
Balance at 01.01.2016	(1.7)
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	0.1
Realization recognized in income - revenues	(0.2)
Realization recognized in income - costs	0.1
Realization recognized in income - financial income and expense	0.1
Balance at 30.09.2016	(1.6)
Balance at 01.01.2017	(2.2)
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	0.1
Realization recognized in income - revenues	(1.8)
Realization recognized in income - costs	(0.1)
Realization recognized in income - financial income and expense	2.6
Tax effect - realization in income statement	(0.2)
Balance at 30.09.2017	(1.6)

OTHER RESERVES AND RETAINED EARNINGS

The changes during the period principally reflect the allocation to reserves of the net profit for the prior period. In addition, this item includes the reserve on the remeasurement of defined benefit plans, the movements of which during the period were as follows:

in millions of euros	
Balance at 01.01.2016	(8.2)
Change in scope of consolidation	(0.1)
Actuarial value	(8.6)
Tax effect	2.5
Balance at 30.09.2016	(14.4)
Balance at 01.01.2017	(12.6)
Actuarial value	2.1
Tax effect	(0.6)
Balance at 30.09.2017	(11.1)

13. NON-CONTROLLING INTERESTS

The direct and indirect investments held by IMA S.p.A. together with non-controlling interests are indicated below:

	Country	30 September 2017		31 December 2016	
		% held by the Group	% held by third parties	% held by the Group	% held by third parties
Direct investments:					
GIMA TT S.p.A.	Italy	70%	30%	70%	30%
IMA Fuda (Shanghai) Packaging Mach. Co. Ltd.	PRC	80%	20%	80%	20%
Pharmasiena S.r.l.	Italy	70%	30%	70%	30%
Transworld Packaging Holding B.V.	Italy	81%	19%	81%	19%
Indirect investments:					
Digidoc S.r.l.	Italy	80%	20%	80%	20%
Dreamer S.r.l.	Italy	90%	10%	90%	10%
Fillshape S.r.l.	Italy	80%	20%	80%	20%
Mapster S.r.l.	Italy	80%	20%	n.a.	n.a.
Shanghai Tianyan Ph. Mach. Co. Ltd.	PRC	86.29%	13.71%	86.29%	13.71%
Teknoweb N.A. LLC	USA	75%	25%	75%	25%

During June 2017, Transworld Packaging Holding BV, a Dutch company, completed the procedure for transferring its headquarters to Ozzano dell'Emilia (BO) and its transformation

into a joint stock company. Transworld Packaging Holding S.p.A. controls thirteen 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 2017, non-controlling interests total 12.4 million euros (14.6 million euros at 31 December 2016) and principally relate to GIMA TT S.p.A., 10.0 million euros and the Ilapak Group, 2.1 million euros.

The dividends paid to the minority shareholders in 2017 amount to 10.6 million euros and refer to GIMA TT S.p.A. for 8.1 million euros.

14. BORROWINGS

This includes amounts due to banks of 304.6 million euros (192.6 million euros at 31 December 2016), amounts due to other lenders of 3.8 million euros (3.8 million euros at 31 December 2016) and bonds of 111.9 million euros (118.3 million euros at 31 December 2016).

PAYABLES TO BANKS

Applied research and technological innovation loans

During the period, instalments of 0.5 million euros were paid regularly as they fell due and new loans of 1.2 million euros were received.

Other loans

The principal changes in Other loans relate to the Parent Company and comprise repayments of 21.6 million euros.

PAYABLES TO OTHER LENDERS

At 30 September 2017, this item includes payables to leasing companies for 1.0 million euros (1.0 million euros at 31 December 2016) mainly in relation to the Krakow (Poland) facility, payables to factoring companies for 0, 3 million euros (0.1 million euros at 31 December 2016) and financial payables to others for 2.5 million euros (2.7 million euros at 31 December 2016) attributable to Ilapak Italia S.p.A. for 1.9 million euros. There are no payables that fall due beyond 5 years.

BONDS

In 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 with 5 and 7 years to maturity, redeemable in lump sums on the respective maturity dates. These bonds bear interest at a fixed rate of 3.875% and 4.375% respectively.

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, starting from the fourth year. This bond incurs interest at a fixed rate of 6.25%. The first tranche was repaid in February 2017 for a total of 7.1 million US dollars.

The bonds are not guaranteed, but certain covenants must be met.

Bonds are analysed as follows:

in millions of euros	30.09.2017	31.12.2016
Non-current portion	105.5	110.5
Current portion	6.4	7.8
Total book value	111.9	118.3
Adjustment to fair value and measurement at amortized cost	4.4	9.1
Total nominal redemption value	116.3	127.4

NET DEBT

The breakdown of net debt is as follows:

in millions of euros	30.09.2017	31.12.2016
A. Cash and cash equivalents	(111.6)	(201.1)
B. Other cash equivalents	(4.7)	(3.9)
C. Investments in securities	(5.0)	(3.5)
D. Liquidity (A)+(B)+(C)	(121.3)	(208.5)
E. Current financial receivables	(5.2)	(2.2)
F. Current payables to banks	167.9	35.5
G. Current portion of non-current payables	56.3	57.0
H. Other current financial payables	1.2	1.0
I. Current financial debt (F) + (G) + (H)	225.4	93.5
J. Net current financial debt (D)+(E)+(I)	98.9	(117.2)
K. Non-current portion of non-current bank payables	87.2	108.4
L. Bonds issued	105.5	110.5
M. Other non-current financial payables	2.2	2.3
N. Non-current financial assets	(1.4)	(4.1)
O. Net non-current financial debt (K)+(L)+(M)+(N)	193.5	217.1
P. Net financial debt (J)+(O)	292.4	99.9

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.

Total non-current financial assets differs from that reported in the balance sheet as it does not include equity interests in other companies. For further information on the composition of net debt, see Notes 6 and 11.

The Group also has payables in respect of acquisitions totalling 19.1 million euros (19.9 million euros at 31 December 2016), essentially relating to the options agreed for the purchase of the minority interests in subsidiaries. The change with respect to the previous period is mainly due to payment of the earn-out for the Medtech business, net of the payables for the acquisition of MAI S.A. and Mapster S.r.l.

Net debt at the end of the period amounts to 292.4 million euros compared with 99.9 million euros at the end of 2016. The rise on the end of 2016 stems from the physiological growth due to the increase in working capital, dividends paid by the Parent Company (62.8 million euros paid in May 2017), the purchase of investments in MAI S.A., Mapster S.r.l., Atopbi S.p.A. and Eurosicma S.p.A. and the balance of the price due for Medtech, for a total of 55.0 million euros. Net financial indebtedness is expected to fall considerably in the latter part of the year.

15. EMPLOYEE DEFINED BENEFIT LIABILITIES

This item includes post-employment benefits valued actuarially by independent actuaries using the project unit credit method under IAS 19. It mainly comprises the pension funds belonging to the newly-acquired companies of the Dairy&Food business and severance indemnity provisions made by the Group's Italian companies.

The movements in these provisions in the period were as follows:

in millions of euros	
Balance at 01.01.2017	57.9
Current service cost	1.0
Financial charges	1.0
Net actuarial losses (gains) recognized during the period	(2.1)
Change in scope of consolidation	0.1
Benefit paid out during the period	(2.2)
Exchange rate difference	(0.3)
Balance at 30.09.2017	55.4

The employee defined benefit liabilities are analyzed below by geographical area:

in millions of euros	30.09.2017	31.12.2016
Italy	19.0	19.7
Germany	29.8	31.0
Switzerland	3.0	3.8
France	2.3	2.3
North America	0.5	0.3
Other countries	0.8	0.8
Total	55.4	57.9

16. PROVISIONS FOR RISKS AND CHARGES

These provisions are analysed as follows:

in millions of euros	Balance at 31.12.2016	Net increases	Net decreases	Exchange rate differences	Balance at 30.09.2017
Non-current:					
Agency termination indemnities	5.0	–	(0.3)	–	4.7
Other provisions	0.9	0.1	–	–	1.0
	5.9	0.1	(0.3)	–	5.7
Current:					
Product guarantee provision	25.7	4.4	(2.7)	(0.5)	26.9
Other provisions	5.2	1.3	(1.4)	–	5.1
	30.9	5.7	(4.1)	(0.5)	32.0
Total	36.8	5.8	(4.4)	(0.5)	37.7

The warranty provision was established on the basis of the estimated cost of work to be performed under guarantee subsequent to 30 September 2017.

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

17. TRADE AND OTHER PAYABLES

This item comprises:

in millions of euros	30.09.2017	31.12.2016
Trade payables	293.1	328.2
Advances from customers	168.5	170.7
Social security and defined-contribution plans payables	8.1	12.1
Tax payables	7.9	12.8
Due to employees	64.8	54.7
Payables in respect of acquisitions	19.1	19.9
Guarantee deposits	3.3	3.7
Other payables	14.6	14.8
Total	579.4	616.9

TRADE PAYABLES

These include payables to suppliers of 203.9 million euros (241.8 million euros at 31 December 2016), payables to agents of 11.7 million euros (11.5 million euros at 31 December 2016) and

trade payables to associated companies of 77.5 million euros (74.9 million euros at 31 December 2016).

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.

DUE TO EMPLOYEES

The increase in this caption since 31 December 2016 mainly reflects deferred payroll which will be paid during the last quarter of the year. This item includes 3.5 million euros classified among the non-current liabilities (0.4 million euros at 31 December 2016).

PAYABLES IN RESPECT OF ACQUISITIONS

At 30 September 2017 this item includes payables for the purchase of investments for the acquisition of the Teknoweb and Medtech businesses for 9.2 million euros and 1.7 million euros respectively and of the companies Telerobot S.p.A., G.S. Coating Technologies S.r.l., MAI S.A. and Mapster S.r.l. for a total of 8.2 million euros.

The total amount of payables for acquisitions classified under non-current liabilities comes to 14.9 million euros (13.8 million euros at 31 December 2016).

OTHER PAYABLES

At 30 September 2017, other payables include 8.2 million euros classified under current liabilities (5.9 million euros classified as non-current liabilities at 31 December 2016) related to the medium and long term variable component of payroll that can be earned by three directors on the achievement of pre-defined measurable targets over three years.

18. PERSONNEL COSTS

This item comprises:

in millions of euros	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016	Change
Wages and salaries	216.2	198.1	18.1
Social security contributions	48.8	44.5	4.3
Board of Directors' emoluments	7.2	6.6	0.6
Pensions - defined-benefit plans	0.9	0.9	-
Pensions - defined-contribution plans	9.4	8.0	1.4
Other personnel costs	18.9	15.0	3.9
Total	301.4	273.1	28.3

Personnel costs related to the companies of the Medtech and of Telerobot S.p.A. businesses (consolidated from April and May 2016 respectively) amounted to a total of 20.1 million euros (12.4 million euros at 30 September 2016). In addition, the item includes 2.8 million euros attributable to the newly acquired IMA MAI S.A. and Mapster S.r.l.

The increase in personnel costs also reflects the rise in the total number of employees during the period and non-recurring costs of 3.3 million euros, as illustrated in Note 28.

In the first nine months of 2017 the IMA Group employed an average of 5,399 persons (5,058 persons in the same prior year period). At the end of period employees are 5,487 (5,249 at 31 December 2016), of whom 100 of IMA MAI S.A. and Mapster S.r.l.

19. DEPRECIATION, AMORTIZATION AND WRITE-DOWNS

This caption includes the depreciation of property, plant and equipment of 9.4 million euros (8.6 million euros in the same prior year period), the amortization of intangible assets of 20.0 million euros (18.8 million euros in the first nine months of 2016) and the writedown of receivables of 0.5 million euros (0.8 million euros in the same prior year period).

The increase in amortization mainly refers to development costs.

20. FINANCIAL INCOME

This item comprises:

in millions of euros	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016	Change
Income from exercise of the option of Dairy&Food business	–	18.7	(18.7)
Interest income from banks	0.2	0.2	–
Income from derivative financial instruments	0.2	0.3	(0.1)
Other interest income and financial income	0.3	0.3	–
Exchange rate gains	22.0	10.5	11.5
Total	22.7	30.0	(7.3)

Note that during the first half of 2016 early exercise of the put & call option for the residual 20% of the Dairy&Food Group generated financial income of 18.7 million euros.

21. FINANCIAL EXPENSE

This item comprises:

in millions of euros	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016	Change
Interest expense on bank payables	2.9	3.4	(0.5)
Interest expense on bonds	4.2	4.4	(0.2)
Net financial expense on defined-benefit plans	0.9	0.7	0.2
Writedown of non-current assets available for sale	0.3	–	0.3
Bank guarantee expenses	0.5	0.6	(0.1)
Expense from derivative financial instruments	0.4	0.2	0.2
Other interest and financial expense	0.7	0.9	(0.2)
Exchange rate losses	24.8	9.8	15.0
Total	34.7	20.0	14.7

The decrease in interest expense reflects the lower level of borrowing during the period.

Exchange gains and losses in the period to 30 September 2017 included, respectively, unrealised gains of 10.7 million euros and unrealised losses of 13.4 million euros (4.2 million euros and 4.1 million euros, respectively, in the same period of the prior year).

22. TAXES

The following companies form part of the domestic tax group: IMA S.p.A., Corazza S.p.A., Packaging Manufacturing Industry S.r.l. and Revisioni Industriali S.r.l. as consolidated companies and SO.FI.MA. S.p.A. as the consolidating company. Furthermore, GIMA S.p.A. as consolidating company and Fillshape S.r.l. as consolidated company form part of the domestic tax group.

On 4 April 2017 a tax audit began on IMA S.p.A. for income tax, IRAP and VAT by the Revenue Agency, Emilia Romagna Regional Directorate, for the 2014 tax year and periods before and after 2014 for transactions linked to that year; note that the audit is still underway at the date of approval of this periodic financial information.

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

23. EARNINGS PER SHARE

Basic earnings per share are calculated as the ratio of Group net profit to the weighted average number of ordinary shares outstanding during the year, as follows:

	from 01.01.2017 to 30.09.2017	from 01.01.2016 to 30.09.2016
Net profit for the period (millions of euros)	42.4	54.5
Average number of outstanding ordinary shares (millions of shares)	39.3	38.2
Earning per share (in euros)	1.08	1.43

For the IMA Group, basic earnings per share and diluted earnings per share are the same, given the absence of instruments that might result in dilution.

24. BUSINESS COMBINATIONS

On 4 January 2017 IMA SpA completed the closing for the purchase of a 70% stake in MAI SA, based in Argentina, which manufactures and sells machines for the packaging of tea and herbal teas in filter bags. The financial outlay amounts to 7.9 million US dollars, of which 5.7 million US dollars paid at the closing and the balance in three annual tranches. IMA has also been granted an option to buy 100%, which can be exercised in April 2021.

The main provisional values for assets and liabilities at the acquisition date were as follows:

in millions of euros	Total book values	Fair value
Property, plant and equipment	0.9	0.9
Inventories	1.3	1.3
Trade and other receivables	1.6	1.6
Trade and other payables	(0.9)	(0.9)
Total	2.9	2.9
Purchase cost		10.1
Goodwill		7.2

The acquisition cost includes the amount paid (7.9 million US dollars) and the fair value of the option to purchase the residual 30% of the capital (2.6 million euros), discounted using the yield on a government security with the same maturity.

At 30 September 2017 the key figures of the newly acquired company, consolidated for 9 months, are as follows:

in millions of euros	
Property, plant and equipment	0.7
Goodwill	7.2
Inventories	1.6
Trade receivables	1.4
Trade payables and advances	(0.7)
Revenue	5.9
Gross operating profit (EBITDA) before non-recurring items	1.4
Personnel cost	(2.2)

On 20 April 2017, IMA, through its subsidiary GIMA S.p.A., completed the acquisition of 80% of Mapster S.r.l. This company, which is based in Parma, is an important player in the design, manufacture and marketing of automatic machines for the filling and packaging of single-serve coffee capsules. IMA's financial outlay for the equity value was 2.4 million euros.

The main provisional values for assets and liabilities at the acquisition date were as follows:

in millions of euros	Total book values	Fair value
Property, plant and equipment and intangible assets	0.3	0.3
Inventories	1.0	1.0
Trade receivables and other assets	1.9	1.9
Borrowings	(1.9)	(1.9)
Trade payables and other liabilities	(1.4)	(1.4)
Total	(0.1)	(0.1)
Purchase cost		2.4
Goodwill		2.5

At 30 September 2017 the key figures of the newly acquired company, consolidated for 5 months, are as follows:

in millions of euros	
Property, plant and equipment and intangible assets	0.3
Goodwill	2.5
Inventories	1.4
Trade receivables	1.8
Borrowings	(0.7)
Trade payables and advances	(1.4)
Revenue	1.5
Gross operating profit (EBITDA) before non-recurring items	(0.3)
Personnel cost	(0.6)

The initial values for the business combinations that took place during the period were determined on a provisional basis, as the fair value of the assets, liabilities, contingent liabilities and costs of the combinations have not yet been calculated on a definitive basis. As required by IFRS 3, any adjustments will be made within twelve months of the acquisition date.

Ancillary charges related to the acquisition were booked to the income statement under services, rentals and leases for 0.6 million euros.

At 30 September 2017 the amount of the purchase price that has been paid amounts to 7.4 million euros.

25. GUARANTEES GRANTED

At 30 September 2017, the Group has given sureties and other bank guarantees to customers totalling 35.0 million euros for the proper operation of machinery, bid bonds and advances not yet received, sureties to guarantee rental contracts for 7.0 million euros, sureties in favour of the Tax Authorities for VAT credits for 0.1 million euros, sureties associated with the sale of CMH S.r.l. for 3.5 million euros and sureties in favour of others for 3.2 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 300.3 million euros. Ilapak International SA has provided guarantees to third parties on behalf of Ilapak Verpackungsmaschinen GmbH for total 2.1 million euros.

Note that sureties were issued against advances received from customers for a total of 120.1 million euros (146.7 million euros at 31 December 2016), of which 56.3 million euros reflect the use of credit lines guaranteed by commitments on the part of the Parent Company.

26. COMMITMENTS

At 30 September 2017 there are commitments for the purchase of property, plant and equipment and intangible assets of 1.2 million euros relating principally to leasehold improvements, plant and machinery and software.

The Group also has commitments in respect of minimum lease payments for non-cancellable operating leases totalling 3.0 million euros (3.4 million euros at 31 December 2016) and for rentals totalling 145.9 million euros (143.9 million euros at 31 December 2016).

Fees paid during the first nine months of 2017 for operating lease contracts and rentals were 16.2 million euros (15.2 million euros in the same period of the previous year).

Other commitments in favour of third parties, 9.4 million euros, mainly consist of the Parent Company's agreement to buy further units of the mutual funds.

27. 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 2017 is owned 57% by SO.FI.M.A. 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 inter-company 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.

Note that during the first nine months there were no significant transactions, as defined in the Consob regulation, no individual related party transactions that could have had a significant impact on the companies' balance sheets or results and no changes or developments in related party transactions disclosed in the latest annual report that could have had a significant impact on Group companies' balance sheet or results.

The following table details the main transactions carried out with related parties:

in millions of euros	Receivables at 30.09.2017	Receivables at 31.12.2016	Payables at 30.09.2017	Payables at 31.12.2016
Associates and joint venture:				
Amherst Stainless LLC	1.1	0.8	0.2	–
Atopbi S.p.A.	16.2	n.a.	–	n.a.
B.C. S.r.l.	2.7	2.4	1.2	1.2
Bacciottini F.lli S.r.l.	0.9	0.7	5.4	5.8
Bolognesi S.r.l.	1.0	1.1	4.2	1.9
Brio Pharma Tech. Ltd.	0.5	0.5	0.5	0.8
CMRE S.r.l.	6.0	5.6	–	–
Doo Officina-Game East Vrsac	0.9	0.9	–	–
I.E.M.A. S.r.l.	3.1	3.7	18.2	17.0
LA.CO S.r.l.	0.9	0.8	3.7	4.0
Logimatic S.r.l.	8.7	7.1	21.0	22.7
Masterpiece S.r.l.	–	–	0.6	0.6
Meccanica Sarti S.r.l.	1.2	1.2	0.5	0.5
Me.Mo. S.r.l.	0.7	n.a.	–	n.a.
MORC 2 S.r.l.	1.6	1.6	0.6	1.3
Petroncini Impianti S.p.A.	2.1	2.0	–	–
Plasticenter S.r.l.	0.7	0.6	5.1	6.2
SIL.MAC S.r.l.	1.8	2.0	8.4	7.0
S.I.Me. S.r.l.	0.4	0.4	0.6	0.6
STA.MA. S.r.l.	0.1	0.1	1.6	1.4
Talea S.r.l.	2.0	3.6	5.2	3.3
Other associates	0.4	0.4	0.5	0.6
	53.0	35.5	77.5	74.9
Other related parties:				
Costal S.r.l.	–	–	1.2	0.8
EPSOL S.r.l.	0.6	0.3	4.3	4.2
Verniciatura Ozzanese S.r.l.	0.2	0.2	0.2	0.6
Other related parties	0.5	0.7	0.7	1.0
	1.3	1.2	6.4	6.6
Total	54.3	36.7	83.9	81.5

The following table details the main transactions carried out with related parties:

in millions of euros	Revenues from 01.01.2017 to 30.09.2017	Revenues from 01.01.2016 to 30.09.2016	Costs from 01.01.2017 to 30.09.2017	Costs from 01.01.2016 to 30.09.2016
Associates and joint venture:				
Amherst Stainless LLC	–	0.1	2.2	3.8
B.C. S.r.l.	0.3	0.3	4.0	3.8
Bacciottini F.lli S.r.l.	0.3	0.1	4.5	5.2
Bolognesi S.r.l.	0.1	0.1	3.8	3.8
Brio Pharma Technologies Ltd.	–	–	0.6	1.1
I.E.M.A. S.r.l.	2.4	2.7	14.4	11.6
LA.CO S.r.l.	0.2	0.2	2.8	3.1
Logimatic S.r.l.	4.1	4.3	18.5	14.2
MORC 2 S.r.l.	0.2	0.2	1.4	2.8
Plasticenter S.r.l.	0.2	0.1	3.6	3.6
Powertransmission.it S.r.l.	–	–	0.8	0.7
SIL.MAC S.r.l.	1.1	1.2	7.4	4.5
S.I.Me. S.r.l.	–	–	1.2	0.8
STA.MA. S.r.l.	0.1	0.1	1.4	1.0
Talea S.r.l.	0.3	–	4.1	1.0
Other associates	0.1	0.1	1.9	1.4
	9.4	9.5	72.6	62.4
Other related parties:				
Costal S.r.l.	–	–	1.8	1.0
EPSOL S.r.l.	0.7	0.6	3.4	3.3
Morosina S.p.A.	–	–	0.5	0.7
Nemo Investimenti S.r.l.	–	–	1.5	1.5
Other related parties	–	–	3.0	3.7
	0.7	0.6	10.2	10.2
Total	10.1	10.1	82.8	72.6

These balances and transactions relate primarily to the Group's Italian companies. Lastly, there are dealings with SO.FI.MA. S.p.A., the Parent Company, as a result of setting up the domestic tax group, as mentioned in Note 22.

Related party transactions do not represent a significant proportion of the totals reported in the financial statements.

28. SIGNIFICANT NON-RECURRING TRANSACTIONS AND EVENTS

During the first nine months of 2017, non-recurring charges classified under Personnel costs principally relate to the reorganisation of the Dairy&Food business and to ancillary charges on the acquisitions of the period. They are classified under Personnel costs for 3.3 million euros, Services, rentals and leases for 4.3 million euros and provisions for risks and charges for 1.1 million euros.

During the first nine months of 2016, non-recurring charges classified under Personnel costs and under Services, rentals and leases amounted to 2.2 million euros and 2.2 million euros respectively.

29. ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No positions or operations deriving from atypical and/or unusual transactions arose during the first nine months of 2017.

30. SIGNIFICANT EVENTS AFTER THE END OF THE THIRD QUARTER

Trading in GIMA TT S.p.A.'s ordinary shares began on the STAR segment of the MTA, organised and run by Borsa Italiana S.p.A., on 2 October 2017, as mentioned previously in paragraph D) Scope of Consolidation.

The offering price of the shares was set at Euro 12.5 per share and on this basis GIMA TT S.p.A. was capitalised at 1,100 million euros.

The total gross proceeds from IMA S.p.A.'s exclusive Institutional Placement amounted to approximately 109 million euros.

At the end of these operations, IMA S.p.A.'s holding in the share capital of GIMA TT S.p.A. has decreased from 70% to 60.084%.

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

Companies consolidated line-by-line	Registered office		Share capital	Currency	Direct investment	Indirect investment
Industrial and service companies:						
- I.M.A. Industria Macchine Automatiche S.p.A.	Ozzano dell'Emilia	Bologna - Italy	20,415,200	EUR	Parent company	-
- CO.MA.D.I.S. S.p.A.	Senago	Milan - Italy	1,540,000	EUR	100%	-
- Corazza S.p.A.	Bologna	Bologna - Italy	15,675,000	EUR	100%	-
- Fillshape S.r.l.	Zola Predosa	Bologna - Italy	100,000	EUR	-	80% (1)
- GIMA S.p.A.	Zola Predosa	Bologna - Italy	1,000,000	EUR	100%	-
- GIMA TT S.p.A.	Ozzano dell'Emilia	Bologna - Italy	440,000	EUR	70%	-
- G.S. Coating Technologies S.r.l.	Castel San Pietro T.	Bologna - Italy	100,000	EUR	100%	-
- Ilapak Italia S.p.A.	Foiano della Chiana	Arezzo - Italy	4,074,000	EUR	-	81% (2)
- Mapster S.r.l.	Parma	Parma - Italy	10,000	EUR	-	80% (1)
- Pharmasiena Service S.r.l.	Siena	Siena - Italy	100,000	EUR	70%	-
- Revisioni Industriali S.r.l.	Ozzano dell'Emilia	Bologna - Italy	100,000	EUR	-	100% (3)
- Teknoweb Converting S.r.l.	Palazzo Pignano	Cremona - Italy	1,000,000	EUR	100% (4)	-
- Telerobot S.p.A.	Genoa	Genoa - Italy	50,000	EUR	-	100% (1)
- Benhil GmbH	Neuss	Germany	5,500,000	EUR	-	100% (5)
- Delta Systems & Automation Inc.	Lowell	USA	1,000	USD	-	81% (6)
- Erca S.A.	Les Ulis	France	2,594,390	EUR	-	100% (5)
- Erca-Formseal Ibérica S.A.	Gavà Barcelona	Spain	60,101	EUR	-	100% (7)
- GASTI Verpackungsmaschinen GmbH	Schwäbisch Hall	Germany	25,000	EUR	-	100% (5)
- Hamba Filltec GmbH & Co. KG	Saarbrücken	Germany	1,700,000	EUR	-	100% (5)
- Hassia Packaging Pvt. Ltd.	Taluka Shirur Pune	India	42,000,000	INR	-	100% (5)
- Hassia Verpackungsmaschinen GmbH	Ranstadt	Germany	2,100,000	EUR	-	100% (8)
- Ilapak International SA	Collina d'Oro Lugano	Switzerland	4,000,000	CHF	-	81% (9)
- Ilapak (Beijing) Packaging Machinery Co. Ltd.	Beijing	PRC	3,000,000	USD	-	81% (10)
- IMA Automation Malaysia Sdn. Bhd.	Penang	Malaysia	3,000,000	MYR	-	100% (1)
- IMA Automation USA Inc.	Loves Park	USA	10,610,000	USD	-	100% (11)
- IMA Life (Beijing) Pharmaceutical Systems Co. Ltd.	Beijing	PRC	400,000	USD	100%	-
- IMA Life North America Inc.	Tonawanda	USA	100	USD	-	100% (11)
- IMA Life The Netherlands B.V.	Dongen	The Netherlands	22,382,654 (*)	EUR	100%	-
- IMA MAI S.A.	Mar del Plata	Argentina	632,980	ARS	100% (12)	-
- IMA Medtech Switzerland SA	La Chaux de Fonds	Switzerland	13,250,000	CHF	-	100% (1)
- IMA North America Inc.	Leominster	USA	8,052,500	USD	-	100% (11)
- IMA-PG India Pvt. Ltd.	Mumbai	India	17,852,100 (*)	INR	100%	-
- IMA Swiftpack Ltd.	Alcester	UK	1,403,895	GBP	100%	-
- Shanghai Tianyan Pharmaceutical Mach. Co. Ltd.	Shanghai	PRC	5,250,000	RMB	-	86.29% (13)
- Tianjin IMA Machinery Co. Ltd.	Tianjin	PRC	200,000	USD	100%	-
Commercial companies:						
- Ilapak do Brasil Maquinas de embalagem Ltda.	Sao Paulo	Brazil	6,609,215	BRL	-	81% (9)
- Ilapak France SA	Lognes Paris	France	105,130	EUR	-	81% (2)
- Ilapak Inc.	Newtown	USA	12,500	USD	-	81% (2)
- Ilapak Israel Ltd.	Caesarea	Israel	5,310,505	ILS	-	81% (2)
- Ilapak Ltd.	Hayes London	UK	795,536	GBP	-	81% (2)
- Ilapak SNG OOO	Moscow	Russia	1,785,700	RUB	-	81% (2)
- Ilapak Sp. Z o.o.	Krakow	Poland	3,740,400	PLN	-	81% (2)
- Ilapak Verpackungsmaschinen GmbH	Haan Düsseldorf	Germany	102,500	EUR	-	81% (2)
- IMA Dairy & Food USA Inc.	Leominster	USA	1	USD	-	100% (5)
- IMA Est GmbH	Vienna	Austria	280,000	EUR	100%	-
- IMA France E.u.r.l.	Rueil Malmaison	France	45,735	EUR	100%	-
- IMA Fuda (Shanghai) Packaging Machinery Co. Ltd.	Shanghai	PRC	6,000,000	RMB	80%	-
- IMA Germany GmbH	Cologne	Germany	90,000	EUR	100%	-
- IMA Iberica Processing and Packaging S.L.	Barcelona	Spain	590,000	EUR	100%	-
- IMA Industries GmbH	Aschaffenburg	Germany	100,000	EUR	100%	-
- IMA Industries North America Inc.	Leominster	USA	100,000	USD	-	100% (11)
- IMA Life Japan KK	Tokyo	Japan	40,000,000	YEN	-	100% (14)
- IMA Pacific Co. Ltd.	Bangkok	Thailand	132,720,000	THB	99.99%	-
- IMA Packaging & Processing Equip. (Beijing) Co. Ltd.	Beijing	PRC	2,350,000	USD	100%	-
- IMA UK Ltd.	Alcester	UK	1	GBP	-	100% (15)
- Imautomatiche Do Brasil Ltda.	Sao Paulo	Brazil	6,651,550	BRL	99.98%	-
- OOO IMA Industries	Moscow	Russia	12,000,000	RUB	-	100% (3)
- Teknoweb N.A. LLC	Loganville Atlanta	USA	56,000	USD	-	75% (16)
- Teknoweb Suisse Sagl (in liquidation)	Mendrisio	Switzerland	40,000	CHF	-	100% (17)

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

Companies consolidated line-by-line (continued)	Registered office		Share		Direct investment	Indirect investment
			capital	Currency		
Financial companies:						
- Packaging Systems Holdings Inc.	Wilmington	USA	1,000	USD	100%	-
- IMA Dairy & Food Holding GmbH	Stutensee	Germany	25,000	EUR	100%	-
- Tekno NA Inc	Atlanta	USA	50,000	USD	-	100% (17)
- Transworld Packaging Holding S.p.A.	Ozzano dell'Emilia	Bologna - Italy	64,833	EUR	81%	-
Other companies:						
- Digidoc S.r.l.	Ozzano dell'Emilia	Bologna - Italy	10,000	EUR	-	80% (18)
- Dreamer S.r.l.	Bologna	Bologna - Italy	100,000	EUR	-	90% (1)
- Hamba Verwaltungsgesellschaft mbH	Saarbrücken	Germany	25,000	EUR	-	100% (5)
- Ilapak China Ltd.	Hong Kong	PRC	13	USD	-	81% (2)
- Packaging Manufacturing Industry S.r.l.	Castenaso	Bologna - Italy	110,000	EUR	100%	-
- Società del Sole S.r.l.	Ozzano dell'Emilia	Bologna - Italy	10,000	EUR	100%	-

Notes:

- (1) Held by GIMA S.p.A. The percentage interest held in Telerobot S.p.A. and IMA Automation Malaysia Sdn. Bhd includes an option to purchase 25% and 24% of the quota capital respectively.
- (2) Held by Ilapak International SA at 100% except Ilapak France SA held at 99.99%
- (3) Held by Corazza S.p.A.
- (4) The percentage interest held in Teknoweb Converting S.r.l. includes an option to purchase 40% of the quota capital.
- (5) Held by IMA Dairy & Food Holding GmbH
- (6) Held by Ilapak Inc. at 100%
- (7) Held by Erca S.A.
- (8) Held by IMA Dairy & Food Holding GmbH at 94% and by IMA Germany GmbH at 6%
- (9) Held by Transworld Packaging Holding S.p.A. at 100%
- (10) Held by Ilapak Italia S.p.A. at 100%
- (11) Held by Packaging Systems Holdings Inc.
- (12) The percentage interest held in IMA MAI S.A. includes an option to purchase 30% of the quota capital.
- (13) Held by IMA Life (Beijing) Ph. Systems Co. Ltd.
- (14) Held by IMA Life The Netherlands B.V.
- (15) Held by IMA Swiftpack Ltd.
- (16) Held by Tekno NA Inc. at 75%
- (17) Held by Teknoweb Converting S.r.l. at 100%
- (18) Held by Packaging Manufacturing Industry S.r.l.

Investments accounted for using the equity method	Registered office		Share		Direct investment
			capital	Currency	
Industrial and service companies:					
- Amherst Stainless Fabrication LLC	Amherst NY	USA	1,100,000	USD	20% (1)
- Atopbi S.p.A.	Milan	Milan - Italy	249,400	EUR	25%
- B.C.S.r.l.	Imola	Bologna - Italy	36,400	EUR	30%
- Bacciottini F.lli S.r.l.	Oste Montemurlo	Prato - Italy	60,000	EUR	30% (2)
- Bolognesi S.r.l.	Dozza	Bologna - Italy	10,920	EUR	30% (2)
- Brio Pharma Technologies Pvt. Ltd.	Mumbai	India	1,000,000	INR	30%
- CAIMA S.r.l.	Monghidoro	Bologna - Italy	10,000	EUR	20%
- CMRE S.r.l.	Bologna	Bologna - Italy	50,000	EUR	50%
- Consorzio L.I.A.M.	Vignola	Modena - Italy	20,000 (3)	EUR	25%
- Doo Officina-Game East Vrsac	Vrsac	Serbia	130,474,863	RSD	49% (2)
- FID S.r.l. Impresa Sociale	Bologna	Bologna - Italy	20,000	EUR	30%
- I.E.M.A. S.r.l.	S.Giorgio di Piano	Bologna - Italy	100,000	EUR	30% (2)
- LA.CO S.r.l.	Ozzano dell'Emilia	Bologna - Italy	30,000	EUR	30% (2)
- Logimatic S.r.l.	Ozzano dell'Emilia	Bologna - Italy	100,000	EUR	35% (2)
- Masterpiece S.r.l.	Ozzano dell'Emilia	Bologna - Italy	10,000	EUR	30% (2)
- Meccanica Sarti S.r.l.	Bologna	Bologna - Italy	102,000	EUR	30% (2)
- Me.Mo S.r.l.	Gaggio Montano	Bologna - Italy	10,000	EUR	20% (2)
- MORC 2 S.r.l.	Faenza	Ravenna - Italy	20,800	EUR	20% (2)
- Petroncini Impianti S.p.A.	Modena	Modena - Italy	120,000	EUR	49% (4)
- Plasticenter S.r.l.	Granarolo dell'Emilia	Bologna - Italy	50,960	EUR	20% (2)
- Powertransmission.it S.r.l.	Castenaso	Bologna - Italy	50,000	EUR	20% (2)
- Scriba Nanotecnologie S.r.l.	Bologna	Bologna - Italy	25,556	EUR	24.9%
- SIL.MAC. S.r.l.	Gaggio Montano	Bologna - Italy	90,000	EUR	30% (2)
- S.I.Me. S.r.l.	Granarolo dell'Emilia	Bologna - Italy	100,000	EUR	49% (2)
- STA.MA. S.r.l.	Ozzano dell'Emilia	Bologna - Italy	10,400	EUR	30% (2)
- Talea S.r.l.	Castel Guelfo	Bologna - Italy	25,000	EUR	20% (2)
- Sirio S.p.A. Associazione in partecipazione (5)	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) Held by GIMA S.p.A.
- (5) Agreement signed in the last quarter of 2007 for the management of an aircraft

**G) DECLARATION OF THE MANAGER RESPONSIBLE FOR PREPARING FINANCIAL REPORTS
PURSUANT TO ART. 154 BIS, PARAGRAPH 2, OF LEGISLATIVE DECREE 58/1998.**

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 Periodic Financial Information at 30 September 2017 agrees with the books of account, the accounting entries and supporting documentation.