HALF-YEAR FINANCIAL REPORT
AT 30 JUNE 2011

IMA SPA
Sharing Passions

HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2011

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INTERIM REPORT ON OPERATIONS

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

I.M.A. INDUSTRIA MACCHINE AUTOMATICHE S.P.A.
REGISTERED OFFICES : OZZANO DELL'EMILIA (BOLOGNA)
SHARE CAPITAL FULLY PAID-IN: € 19,150,560
REGISTERED WITH THE BOLOGNA COMPANIES REGISTER AT NO. 00307140376

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2011)

DIRECTOR AND HONORARY CHAIRMAN

Marco Vacchi

CHAIRMAN AND MANAGING DIRECTOR

Alberto Vacchi

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

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

DIRECTOR WITH POWERS

Andrea Malagoli

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

DIRECTORS

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

The Board of Directors of IMA S.p.A. has powers to resolve upon matters which cannot be delegated, and is entitled to resolve exclusively on the following:

- the strategic, business and financial plans of the Company and the Group, the corporate governance system of IMA S.p.A. and any decisions relating to the Group structure;
- the adequacy of the organizational, administrative and accounting arrangements of the Company and its subsidiaries, with special reference to the internal control system and management of conflicts of interest;
- the general conduct of operations;
- any transaction likely to have a significant impact on the Company's results, assets and liabilities or financial situation and, in any case, any transaction that exceeds a value of 10 million euros, except for the power to renew or extend the credit lines already granted to the Company, which can be delegated;
- any transactions in which even just one director has a personal interest or represents the interests of a third party and any transactions with related parties, including intercompany transactions, except for ordinary transactions carried out under standard terms and conditions;
- the size, composition and operation of the Board of Directors and its committees;
- decisions about future significant transactions by subsidiaries of IMA S.p.A. that will affect IMA S.p.A.

BOARD OF AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2012)

STANDING AUDITORS

Piero Aicardi - President
Giacomo Giovanardi
Riccardo Pinza

ALTERNATE AUDITORS

Vittorio Coraducci
Federico Ferracini
Fabio Porcellini

INTERNAL CONTROL AND REMUNERATION COMMITTEE

Giancarlo Folco - Independent director
Marco Galliani - Independent director
Maria Carla Schiavina - Non-executive director

MANAGER RESPONSIBLE FOR PREPARING FINANCIAL REPORTS

Sergio Marzo

LEAD INDEPENDENT DIRECTOR

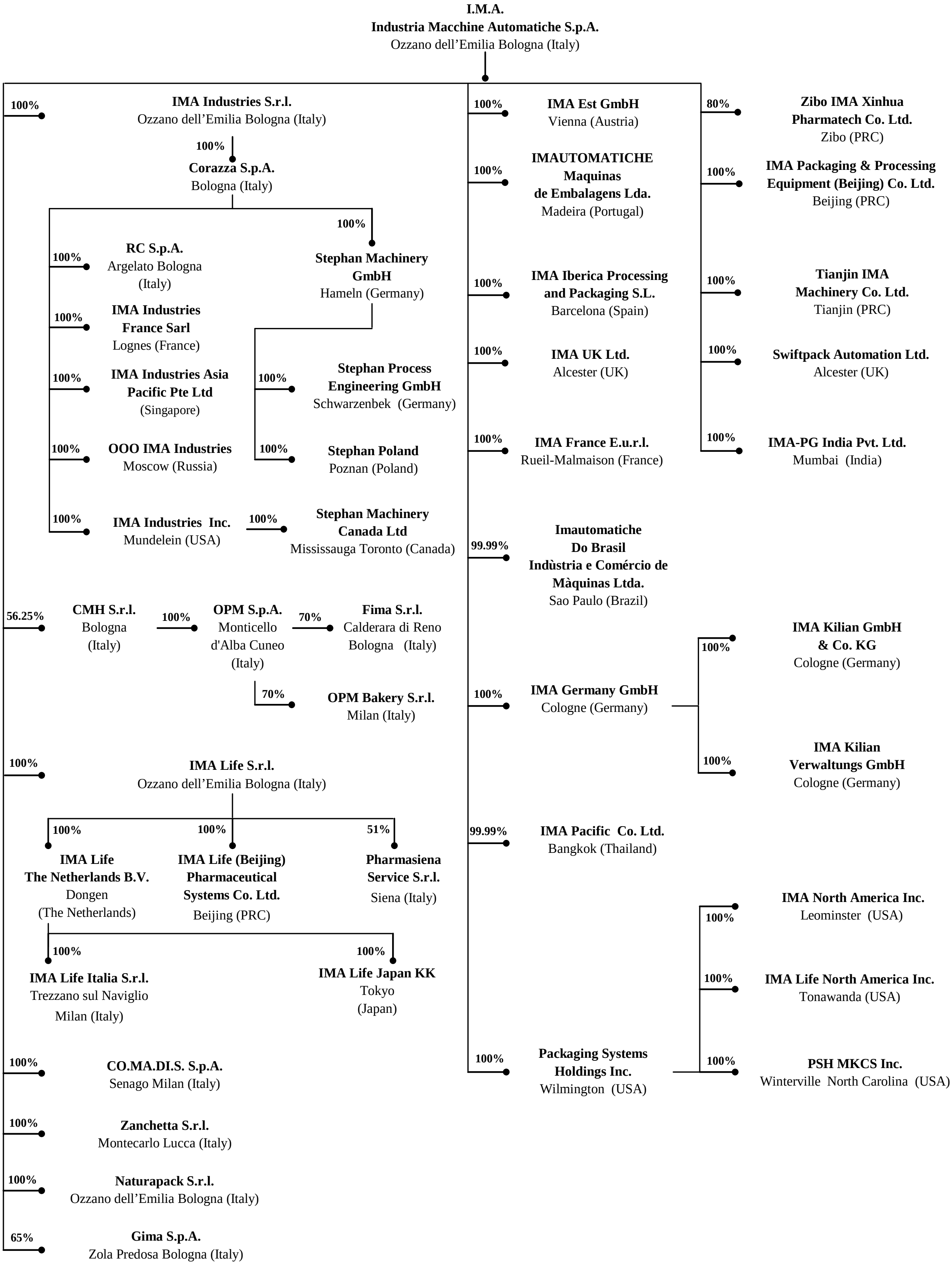
Giancarlo Folco

INDEPENDENT AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2012)

PricewaterhouseCoopers S.p.A.

GROUP STRUCTURE



GROUP PERFORMANCE

THE ECONOMIC SCENARIO

The economic scenario in the first few months of 2011 has been one of declining growth in global production marked by two particular features: the weakness of US domestic demand and the strength of the German economy. At the same time, there has been a deceleration in international raw material prices, as expected, which has helped reduce the inflationary pressures that characterise the world economy.

Emerging nations in particular have introduced restrictive measures to keep inflation under control in response to rapidly growing domestic demand. These measures have in turn strengthened their currencies. These efforts by authorities have stemmed an uncontrolled increase in prices, but at the cost of curbing production. As a result, growth forecasts in emerging nations are around 1.2 percentage points lower than the effective growth rate in 2010.

In the USA, the budget expansion measures approved at the end of 2010 have not managed to boost domestic demand as hoped, given that the employment level is hindering a recovery capable of generating disposable income for households.

In Europe, the political tensions caused by the situation in Greece are tending to overshadow the strong economic recovery in Germany, which is beating the recoveries of the '90s and '00s for intensity based on GDP, driven by exports, capital investment in production and construction. The positive effects of Germany's growth on the rest of the Euro-zone are limited, however, as they tend to be offset by the restrictive budget measures being applied in the other countries to bring their public finances to a more sustainable level.

In the first half of this year and in this general context, our Group has posted a strong and constant recovery in orders, above all in the pharmaceutical market, but also in the Tea, Food & Other segment, thanks in part to the contribution made by the newly acquired Corazza Group. This trend is reflected in the higher revenues posted by the Group in the first half of the year (due in part to the larger order book at the start of the year compared with the start of 2010), as well as in higher margins, which make us confident about the figures for the second half of the year. In the pharmaceutical market, sales in developing markets continue to rise, unlike in Western countries, which have to contend with reducing healthcare expenditures in order to cut public deficits. However, in a period of recession like the present one, the pharmaceutical market, as well as the food segment that we serve (Tea & Food), have again stood out as being among the most solid and anti-cyclical.

CONSOLIDATED INCOME STATEMENT

The following income statement classified by purpose was prepared in accordance with the following criteria:

- cost of sales: this represents costs incurred directly by the Group to generate revenues. These include, for example, the costs of materials and labour, the cost of technical offices for customizing products and production overheads;
- R&D costs: these include the costs involved in developing new products or maintaining existing products. They also include costs relating to technical personnel, materials used for experiments and the overheads of technical offices;

- selling 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 costs associated with general operations such as administrative offices in the broadest sense, the management of sectors or divisions, production planning, and all amortization and depreciation not connected directly with the business areas already mentioned above;
- gross operating profit: this corresponds to the sum of operating profit, depreciation and amortization for the period and writedowns of non-current assets.

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

During the first half of 2011, the IMA Group posted an operating profit of 9.0 million euros (after deducting non-recurring costs of 5.0 million of euros as explained below), compared with 1.7 million euros in the same period of 2010 (after non-recurring costs of 1.5 million euros), and a Group net profit of 1.0 million euros compared with a loss of 1.3 million euros at 30 June 2010.

The following is a summarized version of the consolidated income statement for the half-year under review, with comparative figures for the first half of 2010:

	1st half 2011		1st half 2010	
in millions of euros	**Amount**	**%**	**Amount**	**%**
Revenues	**278.0**		**196.1**	
Cost of sales	(168.1)	60.5	(116.8)	59.6
Gross industrial income	**109.9**	39.5	**79.3**	40.4
R&D costs	(15.1)		(13.7)	
Sales costs	(38.9)		(30.1)	
General and administrative costs	(41.9)		(32.3)	
Operating profit before non-recurring items (EBITA)	**14.0**	5.0	**3.2**	16
Non-recurring items	(5.0)		(1.5)	
Operating profit (EBIT)	**9.0**	3.2	**1.7**	0.9
Net financial income (expense)	(5.0)		(3.0)	
Profit (loss) from investments accounted for using the equity method	0.5		0.2	
Profit (loss) before tax	**4.5**	16	**(1.1)**	(0.6)
Income taxes	(3.2)		(0.2)	
Net profit (loss) for the period	**1.3**	0.5	**(1.3)**	(0.7)
Profit (loss) for the period pertaining to minority interests	(0.3)		–	
Group profit (loss)	**1.0**	0.4	**(1.3)**	(0.7)
Gross operating profit (EBITDA) before non-recurring items	**22.9**	8.2	**9.6**	4.9
Gross operating profit (EBITDA)	**17.9**	6.4	**8.1**	4.1
Order book	**391.4**		**235.6**	

Segment reporting has been changed, as mentioned in the interim report at 31 March 2011, following the acquisitions of GIMA S.p.A., Naturapack S.r.l. and the Corazza Group in July 2010 and February 2011, which operate in the non-pharmaceutical packaging and dairy & convenience food sectors. As a result of these acquisitions, and considering that it has the same customer base as the tea business, the non-pharmaceutical segment has grown to a significant size, with characteristics typical of those sectors. At the same time, the division between pharmaceutical packaging and pharmaceutical processing no longer reflects the real segmentation of the market; nor does it reflect the IMA Group's organisational structure, which as a result of these acquisitions now features two well-defined areas of business: the Pharmaceutical Business and the Tea, Food & Other Business.

REVENUES AND ORDERS

Consolidated revenues amounted to 278.0 million euros in the first half of 2011 compared with 196.1 million euros in the corresponding period of 2010.

The following table provides a breakdown of revenues by business segment during the period, compared with the corresponding period in 2010:

in millions of euros	1st half 2011	1st half 2010	Change	%
Tea, Food & Other	114.5	59.7	54.8	91.8
Pharmaceutical	163.5	136.4	27.1	19.9
Total	**278.0**	**196.1**	**81.9**	**41.8**

The increase in revenues is the result of the larger order book (up by around 70 million euros) at the end of 2010 compared with the end of the previous year, as well as the contribution made by the acquisitions of GIMA and Naturapack and of the Corazza Group, which entered the scope of consolidation in July 2010 and February 2011, respectively.

The following table provides a breakdown of revenues by geographical area:

in millions of euros	1st half 2011	1st half 2010	Change	%
European Union (excluding Italy)	103.6	74.0	29.6	40.0
Other European countries	16.7	12.1	4.6	38.0
North America	42.4	28.5	13.9	48.8
Asia	61.1	47.4	13.7	28.9
Other countries	25.0	15.3	9.7	63.4
Total exports	**248.8**	**177.3**	**71.5**	**40.3**
Italy	29.2	18.8	10.4	55.3
Total	**278.0**	**196.1**	**81.9**	**41.8**

This analysis of revenues shows a general increase in all geographical areas, reflecting the Group's good performance compared with the same period of the previous year, due in part to the contributions of the newly acquired companies. However, given the highly seasonal nature of our business, which will again have an effect this year, it is important to emphasise that this analysis is not particularly meaningful.

The following table compares new orders obtained in the first half of 2011 with those in the first half of the previous year:

in millions of euros	1st half 2011	1st half 2010	Change	%
Tea, Food & Other	129.5	36.6	92.9	253.8
Pharmaceutical	227.5	184.8	42.7	23.1
Total	**357.0**	**221.4**	**135.6**	**61.2**

The increase in orders during the first half of this year reflects the good performance of the pharmaceutical market, which grew by around 23% overall compared with the first half of 2010. While the contributions of GIMA, Naturapack and Corazza were important (75.3 million euros), the Tea, Food & Other segment still achieved good growth even based on the same scope of consolidation as last year (up 17.6 million euros compared with the first half of 2010, or 48%).

The following table gives a breakdown of the order book at 30 June 2011:

in millions of euros	30.06.2011	30.06.2010	Change	%
Tea, Food & Other	129.6	46.3	83.3	179.9
Pharmaceutical	261.8	189.3	72.5	38.3
Total	**391.4**	**235.6**	**155.8**	**66.1**

The order book reflects the comments made earlier regarding new orders. The visibility ensured by the order book in the pharmaceutical segment, together with the projects and negotiations currently under way, still allow us to be optimistic about achieving the volumes forecast for the whole of 2011. The same is true for the Tea, Food & Other segment, where the contribution of the newly acquired companies and the good performance of the Tea business mean that we should achieve the sales targets for the year.

OPERATING PROFIT

Gross industrial profit amounted to 109.9 million euros compared with 79.3 million euros at 30 June 2010. The slight decrease in profitability with respect to revenues (39.5% versus 40.4% in the previous year) was due to a different and less favourable mix between the Tea, Food & Other segment and the Pharmaceutical segment.

R&D costs amounted to 15.1 million euros, higher than last year (13.7 million euros) essentially because of the consolidation of GIMA and Corazza (1.3 million euros)

Marketing and selling expenses came to 8.8 million euros, up on the prior year, and include commission expense of 5.2 million euros (4.4 million euros at 30 June 2010). The acquired companies contributed 6.3 million euros.

General and administrative costs increased by 9.6 million euros compared with the previous period, with the acquired companies contributing 7.9 million euros. These costs are stated gross of non-recurring costs of 5.0 million euros (1.5 million euros at 30 June 2010) and relate principally to expenses for the completion of the restructuring of the subsidiaries Zanchetta S.r.l., IMA France Eurl and IMA Kilian GmbH & Co. KG, costs relating to the acquisition of the Corazza Group and expenses relating to the 50th Anniversary of IMA S.p.A. For further information on non-recurring items, see Note 26 in the consolidated half-year financial statements.

PROFIT (LOSS) BEFORE TAX

Net financial expense amounted to 5.0 million euros compared with 3.0 million euros at 30 June 2010. The change is mainly due to the higher average debt following the purchase of the Corazza Group and the rise in interest rates.

Therefore, the pre-tax result amounted to a profit of 4.5 million euros compared with a loss of 1.1 million euros for the same period of 2010.

NET PROFIT (LOSS) FOR THE PERIOD

The Group result for the period is therefore is a profit of 1.0 million euros (compared with a loss of 1.3 million euros at 30 June 2010) after deducting income taxes of 3.2 million euros (0.2 million euros at 30 June 2010).

ANALYSIS OF PERFORMANCE BY SEGMENT

The following schedule summarizes the balance sheet and income statement for each operating segment:

in millions of euros	Tea, Food & Other	Pharma-ceutical	Not allocated	Total
Revenues				
1st half 2011	114.5	163.5	–	278.0
1st half 2010	59.7	136.4	–	196.1
Operating profit				
1st half 2011	10.4	(1.4)	–	9.0
1st half 2010	12.8	(11.1)	–	1.7
Net capital employed (*)				
30 June 2011	105.6	209.9	(7.1)	308.4
30 June 2010	27.5	225.5	(4.6)	248.4
R&D costs				
1st half 2011	5.1	10.0	–	15.1
1st half 2010	3.7	10.0	–	13.7
Average personnel				
1st half 2011	942	2,466	–	3,408
1st half 2010	481	2,590	–	3,071
Order book				
30 June 2011	129.6	261.8	–	391.4
30 June 2010	46.3	189.3	–	235.6

(*) Unallocated assets and liabilities mainly comprise current and deferred income taxes that cannot be allocated accurately to the above segments.

Revenues from the Tea, Food & Other segment increased by 54.8 million euros compared with the previous period, with a contribution by the acquired companies GIMA, Naturapack and Corazza of 58.8 million euros. This represents a slight reduction with respect to the original scope of consolidation due to a different distribution of sales over time, which will be reabsorbed during the second half of the year.

Revenues in the Pharmaceutical segment were 27.1 million euros higher than in the same period of last year. The operating profit, net of non-recurring charges of 2.9 million euros, still shows a slight loss of 1.4 million euros, although this is a strong improvement on the loss of 11.1 million euros at 30 June 2010, not only because of higher sales volumes, but also - and above all - thanks to the good performance of the business. The inflow of new orders was significantly higher than during the same period of 2010 (+23.1%), with the order book growing by around 72.5 million euros and the outlook for the current year is good.

The net capital employed of 308.4 million euros (248.4 million euros at 30 June 2010) increased mainly because of the acquisition of the Corazza Group; it includes 123.1 million euros in goodwill, of which 49.1 million euros relates to the Tea, Food & Other segment. The net capital employed by the Pharmaceutical segment fell compared with the same period of 2010 as a result of a decline in net working capital.

CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

The following main items in the balance sheet and financial position are equivalent to the corresponding items in the consolidated balance sheet included in the "Condensed consolidated half-year financial statements": inventories, property, plant and equipment and intangible assets, Group equity and minority interests.

“Other, net” mainly includes the amounts due to employees, income tax liabilities and provisions for risks and charges.

The following table summarizes the Group's balance sheet and financial position at 30 June 2011, compared with 31 December 2010:

in millions of euros	30.06.2011	31.12.2010
Trade receivables	135.0	115.6
Inventories	212.0	157.8
Trade payables	(203.0)	(158.7)
Other, net	(52.7)	(40.6)
Working capital	**91.3**	**74.1**
Property, plant and equipment	29.1	26.7
Intangible assets	192.0	122.8
Investments	18.4	17.4
Non-current assets	**239.5**	**166.9**
Provision for severance indemnities and other provisions	(22.4)	(11.6)
Net capital employed	**308.4**	**229.4**
FINANCED BY:		
Net debt	**190.6**	**113.5**
Minority interests	2.8	2.5
Group equity	**115.0**	**113.4**
Total sources of financing	**308.4**	**229.4**

Net capital employed at the end of June 2011 came to 308.4 million euros, up from 229.4 million euros at the end of 2010. The increase is mainly due to the consolidation of the Corazza Group (for 67.2 million euros) and to higher volumes.

Net debt is analysed below:

in millions of euros	30.06.2011	31.12.2010	30.06.2010
A. Cash and cash equivalents	(52.9)	(102.2)	(63.7)
B. Other cash equivalents	(1.2)	(0.9)	–
C. Investments in securities	(1.5)	(1.2)	(1.0)
D. Liquidity (A) + (B) + (C)	**(55.6)**	**(104.3)**	**(64.7)**
E. Current financial receivables	**(0.8)**	**–**	**–**
F. Current payables to banks	125.7	112.4	90.1
G. Current portion of non-current bank payables	44.0	44.7	48.1
H. Other current financial payables	2.6	2.6	2.5
I. Current financial debt (F) + (G) + (H)	**172.3**	**159.7**	**140.7**
J. Net current financial debt (D)+(E)+(I)	**115.9**	**55.4**	**76.0**
K. Non-current portion of non-current bank payables	76.2	60.1	75.1
L. Non-current financial assets	(2.3)	(2.2)	(1.1)
M. Other non-current financial payables	0.8	0.2	0.2
N. Net non-current financial debt (K)+(L)+(M)	**74.7**	**58.1**	**74.2**
O. Net financial debt (J) + (N)	**190.6**	**113.5**	**150.2**

The analysis of net debt takes account of the provisions of Consob Communication DEM/6064293 of 28 July 2006 and CESR Recommendation 05-054/B of 10 February 2005. Non-current financial assets are represented by financial receivables. The figure differs from that reported in the balance sheet in that it does not include equity investments in other companies.

Net debt at the end of the period amounted to 190.6 million euros, compared with 113.5 million euros at 31 December 2010. The increase is due to normal growth in working capital, the acquisition of the Corazza Group and the dividends paid by the Parent Company (33.1 million euros paid in May 2011), net of IMA S.p.A.'s capital increase. Comparing the net financial position in first half 2011 with that of the same period in 2010 (150.2 million euros), after adjusting for the difference in dividends paid and extraordinary transactions, net debt increased by around 8 million euros. This slight worsening is due to the increase in inventories needed to prepare for second-half deliveries and should be viewed as a temporary event associated with the seasonal nature of the business.

Net debt is expected to fall considerably in the latter part of the year.

CAPITAL EXPENDITURE

Group capital expenditure on property, plant and equipment amounted to 4.0 million euros (2.2 million euros in the same period of 2010) and mainly related to the extension and upgrading of existing buildings and plants, together with the purchase of electronic equipment.

Capital expenditure on intangible assets amounted to 2.9 million euros (2.5 million euros in the first half of 2010) and mainly reflects the capitalization of development costs incurred on entirely new products for market segments not previously occupied.

The acquisition of the Corazza Group involved recognizing on a temporary basis unpatented technology for 16.1 million euros, intangible assets pertaining to customers (the "customer list") for 15.7 million euros and goodwill for 39.6 million euros.

Amortization and depreciation charges for the period came to 8.9 million euros (6.4 million euros in first half of 2010), including 1.3 million euros of amortization for unpatented technology and the customer list.

OTHER INFORMATION

RELATED-PARTY TRANSACTIONS

The "Regulation containing instructions on related-party transactions", adopted with 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.

With a resolution passed on 1 December 2010, the Board adopted the procedure on related parties, which was drawn up taking into consideration the instructions subsequently provided by CONSOB on how to apply the new rules with communication DEM/10078683 of 24 September 2010. The procedure is published on the Company's website (www.ima.it).

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

More relevant 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 its opinion, this committee can also make use of outside experts, who also must be independent.

Note that during the period:

- there were no "transactions of greater importance", as defined in the CONSOB regulation;
- there were no individual transactions with related parties who could exert a significant influence over the companies' balance sheet or results;
- there have been no changes or developments in related-party transactions explained in the last annual report that have had a significant effect on the companies' balance sheet or results.

Transactions with related parties are described more fully in Note 25 to the condensed consolidated half-year financial statements.

SIGNIFICANT SUBSEQUENT EVENTS

On 20 and 21 July 2011 IMA S.p.A. sold 7.5% of CMH S.r.l. to Descaling S.à.r.l. for 75 thousand euros and 2.5% of the same company to Holding Partecipazioni Sacmi S.p.A. for 25 thousand euros.

On 28 July 2011 the Shareholders' Meeting of CMH S.r.l. decided to increase its share capital from 1 million euros to 1.3 million euros with an increase of 300 thousand euros and a share premium of 5.4 million euros reserved:

- in the amount of 150 thousand euros with a share premium of 2.7 million euros to the shareholder HPS S.p.A. in exchange for its 100% interests in “Carle e Montanari S.p.A.” and “Carle e Montanari Inc.”;
- in the amount of 150 thousand euros with a share premium of 2.7 million euros to the shareholder IMA S.p.A. to be paid in cash.

As a result, IMA S.p.A. now owns 47.115% of CMH S.r.l.

OUTLOOK FOR THE CURRENT YEAR

Performance in first half of 2011 reflects the higher order book at the end of 2010 and the consolidation of the Corazza Group following its acquisition in February. As regards order acquisition, there was growth during the period which provides good visibility for the entire year, and we are optimistic that we will be able to achieve our targets. The positive trend in orders for the Pharmaceutical and the Tea, Food & Other segments, together with the number of potential projects, allow us to be confident about the rest of the year.

Close attention is being paid to reducing costs and improving market share and in this regard the Group is completing steps undertaken in 2010 to reorganise certain companies, which involves non-recurring charges of around 2 million euros (out of a total of 5 million).

If these signs are confirmed over the next few months, a revenues forecast of around 640 million euros with a gross operating profit before non-recurring items of around 92 million euro could be feasible.

Condensed consolidated half-year financial statements

(The consolidated interim financial statements have been translated
from the original Italian into English solely for the convenience of international readers)

I.M.A.INDUSTRIA MACCHINE AUTOMATICHE S.P.A. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(MILLIONS OF EUROS)

ASSETS	Note	30 June 2011	31 December 2010
NON-CURRENT ASSETS			
Property, plant and equipment	2	29.1	26.7
Intangible assets	3	192.0	122.8
Investments accounted for using the equity method	4	12.3	11.1
Financial assets	5	8.5	8.5
Receivables from others	6	1.2	0.6
Derivative financial instruments	7	0.1	0.2
Deferred tax assets	8	23.0	20.6
TOTAL NON-CURRENT ASSETS		266.2	190.5
CURRENT ASSETS			
Inventories	9	212.0	157.8
Trade and other receivables	10	164.7	135.4
Income tax receivables		3.5	3.7
Financial assets	5	3.5	2.1
Derivative financial instruments	7	0.9	0.3
Cash and cash equivalents	11	52.9	102.2
TOTAL CURRENT ASSETS		437.5	401.5
TOTAL ASSETS		**703.7**	**592.0**

EQUITY AND LIABILITIES	Note	30 June 2011	31 December 2010
EQUITY			
Share capital	12	19.2	17.7
Share premium reserve	12	50.2	15.5
Translation reserve		(3.1)	0.4
Fair value reserve	12	0.5	(0.5)
Other reserves		14.2	9.2
Retained earnings		33.0	54.1
Net profit (loss) for the period		1.0	17.0
Total capital and reserves pertaining to the Group		115.0	113.4
Reserves pertaining to minority interests		2.5	2.1
Profit pertaining to minority interests		0.3	0.4
Total minority interests		2.8	2.5
EQUITY PERTAINING TO THE GROUP AND MINORITY INTERESTS		117.8	115.9
NON-CURRENT LIABILITIES			
Borrowings	13	77.0	60.3
Severance and pension obligations	14	24.9	17.9
Provisions for risks and charges	15	2.1	1.5
Derivative financial instruments	7	0.8	1.2
Deferred tax liabilities	8	19.4	11.6
TOTAL NON-CURRENT LIABILITIES		124.2	92.5
CURRENT LIABILITIES			
Borrowings	13	172.3	159.7
Trade and other payables	16	259.2	198.9
Income tax liabilities		12.5	10.0
Provisions for risks and charges	15	17.7	14.9
Derivative financial instruments	7	–	0.1
TOTAL CURRENT LIABILITIES		461.7	383.6
TOTAL LIABILITIES		585.9	476.1
TOTAL EQUITY AND LIABILITIES		**703.7**	**592.0**

THE EFFECTS OF TRANSACTIONS WITH RELATED PARTIES ON THE ITEMS IN THE CONSOLIDATED BALANCE SHEET ARE SHOWN IN NOTE 25 - RELATED-PARTY TRANSACTIONS.

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

INCOME STATEMENT	Note	1st half 2011	1st half 2010
REVENUES	1	278.0	196.1
Other revenues		5.2	3.4
- of which: effect of non-recurring items	26	–	*0.4*
OPERATING COSTS			
Change in work in progress, semifinished and finished goods		38.1	18.2
Change in inventory of raw, ancillary and consumable materials		5.0	3.5
Cost of raw, ancillary and consumable materials and goods for resale		(130.2)	(75.4)
Services, rentals and leases		(73.9)	(49.1)
- of which: effect of non-recurring items	26	*(3.0)*	–
Personnel costs	17	(101.7)	(87.4)
- of which: effect of non-recurring items	26	*(2.0)*	*(1.9)*
Depreciation, amortization and impairment	18	(9.2)	(6.4)
Provisions for risks and charges		0.3	0.3
Other operating costs		(2.6)	(1.5)
TOTAL OPERATING COSTS		(277.2)	(197.8)
OPERATING PROFIT	1	9.0	1.7
- of which: effect of non-recurring items	26	*(5.0)*	*(1.5)*
FINANCIAL INCOME AND EXPENSE			
Financial income	19	6.4	7.1
Financial expense	20	(11.4)	(10.1)
TOTAL FINANCIAL INCOME AND EXPENSE		(5.0)	(3.0)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		0.5	0.2
PROFIT (LOSS) BEFORE TAX		4.5	(1.1)
INCOME TAXES FOR THE PERIOD	21	(3.2)	(0.2)
NET PROFIT (LOSS) FOR THE PERIOD		**1.3**	**(1.3)**
ATTRIBUTABLE TO:			
PARENT COMPANY SHAREHOLDERS		1.0	(1.3)
MINORITY INTERESTS		0.3	–
		1.3	**(1.3)**
EARNINGS PER SHARE (in euros)		**0.03**	**(0.04)**

THE EFFECTS OF TRANSACTIONS WITH RELATED PARTIES ON THE CONSOLIDATED INCOME STATEMENT ARE REPORTED IN NOTE 25 - RELATED-PARTY TRANSACTIONS.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MILLIONS OF EUROS)

	Note	1st half 2011	1st half 2010
Net profit (loss) for the period		1.3	(1.3)
Exchange rate gains (losses) on the translation of foreign currency financial statements		(3.5)	7.4
Gains (losses) on cash flow hedges	12	1.0	(1.9)
Gains (losses) booked to equity		(2.5)	5.5
Total comprehensive income for the period		**(1.2)**	**4.2**
Attributable to:			
Parent Company shareholders		(1.5)	3.9
Minority interests		0.3	0.3
		(1.2)	**4.2**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(MILLIONS OF EUROS)

	Share capital	Share premium reserve	Treasury shares	Translation reserve	Fair value reserve	Other reserves	Retained earnings	Net profit of Group	Total Group equity	Minority interests	Total equity
Balances at 01.01.2010	**17.7**	**15.5**	**(3.4)**	**(3.7)**	**(0.4)**	**6.1**	**58.1**	**36.9**	**126.8**	**3.4**	**130.2**
Distribution of dividends	–	–	–	–	–	–	–	(30.7)	(30.7)	–	(30.7)
Allocation of earnings for 2009	–	–	–	–	–	3.1	3.1	(6.2)	–	–	–
Purchases & sales to/from third parties of shares of subsidiaries	–	–	–	–	–	–	(7.2)	–	(7.2)	(1.8)	(9.0)
Purchase and sale of treasury shares	–	–	3.4	–	–	–	0.1	–	3.5	–	3.5
Total comprehensive income for the period	–	–	–	7.1	(1.9)	–	–	(1.3)	3.9	0.3	4.2
Balances at 30.06.2010	**17.7**	**15.5**	**–**	**3.4**	**(2.3)**	**9.2**	**54.1**	**(1.3)**	**96.3**	**1.9**	**98.2**
Change in scope of consolidation	–	–	–	–	–	–	–	–	–	0.3	0.3
Total comprehensive income for the period	–	–	–	(3.0)	1.8	–	–	18.3	17.1	0.3	17.4
Balances at 31.12.2010	**17.7**	**15.5**	**–**	**0.4**	**(0.5)**	**9.2**	**54.1**	**17.0**	**113.4**	**2.5**	**115.9**
Distribution of dividends	–	–	–	–	–	(2.2)	(13.9)	(17.0)	(33.1)	–	(33.1)
Capital increase	1.5	34.7	–	–	–	–	–	–	36.2	–	36.2
Effect of merger of IMA Safe S.r.l.	–	–	–	–	–	7.2	(7.2)	–	–	–	–
Total comprehensive income for the period	–	–	–	(3.5)	1.0	–	–	1.0	(1.5)	0.3	(1.2)
Balances at 30.06.2011	**19.2**	**50.2**	**–**	**(3.1)**	**0.5**	**14.2**	**33.0**	**1.0**	**115.0**	**2.8**	**117.8**

AS REGARDS THE ITEMS IN CONSOLIDATED EQUITY, SEE NOTES 12.

CONSOLIDATED STATEMENT OF CASH FLOWS

(MILLIONS OF EUROS)

	Note	30 June 2011	30 June 2010
OPERATING ACTIVITIES			
Net profit (loss) for the period		1.0	(1.3)
Adjustments for:			
- Depreciation and amortization	18	8.9	6.4
- Changes in provisions for risks and charges and staff severance obligations		(1.5)	(2.1)
- Non-recurring items	26	5.0	1.5
- Unrealized losses (gains) on exchange rate differences	20	(0.5)	(0.3)
- Other non-monetary changes		–	(0.5)
- Adjustments to the value of financial assets	20	0.2	0.3
- Income taxes		3.2	0.2
- Minority interests		0.3	–
- Result from investments accounted for using the equity method		(0.5)	(0.2)
Operating profit (loss) before changes in working capital		16.1	4.0
(Increase) decrease in trade and other receivables		(9.7)	2.2
(Increase) decrease in inventories		(41.4)	(25.1)
Increase (decrease) in trade and other payables		28.0	21.3
Income taxes paid		(1.5)	(4.7)
CASH FLOW GENERATED (ABSORBED) BY OPERATING ACTIVITIES (A)		(8.5)	(2.3)
INVESTING ACTIVITIES			
Investments in property, plant and equipment	2	(4.0)	(2.2)
Investments in intangible assets	3	(2.9)	(2.5)
Acquisition business divisions/companies	22	(79.2)	–
Exchange rate differences on property, plant and equipment and intangible assets		1.0	(2.2)
Purchase of minority interests		–	(9.0)
Repayment of finance lease debts		–	(0.4)
Purchase of equity investments		–	(0.2)
Proceeds from sale of investments		6.5	–
Proceeds from sale of non-current assets		0.2	0.4
Net change in financial assets and other non-current receivables		(2.6)	0.7
Changes in reserves pertaining to minority interests		–	0.3
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES (B)		(81.0)	(15.1)
FINANCING ACTIVITIES			
Granting of loans		102.3	18.0
Repayment of borrowings		(14.8)	(21.1)
Increase (decrease) in other payables to banks		(54.8)	6.3
Capital increases	12	36.2	–
Dividends paid	12	(33.1)	(30.7)
(Purchase) and sale of treasury shares	12	–	3.5
Translation of financial statements in foreign currency		(3.3)	7.1
Payment of interest		(3.1)	(2.3)
Receipt of interest		0.2	0.1
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES (C)		29.6	(19.1)
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)		**(59.9)**	**(36.5)**
CASH AND CASH EQUIVALENTS AT START OF PERIOD (E)	11	**102.2**	**100.2**
CASH AND CASH EQUIVALENTS OF CORAZZA GROUP AT THE DATE OF ACQUISITION (F)	22	**10.6**	**–**
CASH AND CASH EQUIVALENTS AT END OF PERIOD (G=D+E+F)	11	**52.9**	**63.7**

Notes to the condensed consolidated half-year financial statements

(The consolidated interim financial statements have been translated from the original Italian into English solely for the convenience of international readers)

I.M.A.INDUSTRIA MACCHINE AUTOMATICHE S.P.A. AND SUBSIDIARIES

A) OVERVIEW

The half-year financial report at 30 June 2011 was approved by the Board of Directors on 5 August 2011.

The IMA Group designs, manufactures and sells automatic machines for processing and packaging pharmaceuticals, cosmetics, tea and coffee, and other food products

In the market segment in which the IMA Group operates, the first half of the year is generally not representative of the year as a whole, as activity tends to intensify in the second half. This seasonality, which also affects rival companies operating in the same segment, manifests itself in the distribution pattern of new orders and revenues, of which up to 60% of the annual total can be concentrated in the second six months 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 S.T.A.R. segment.

At 30 June 2011, IMA S.p.A. is 66.219% (71.517% at 31 December 2010) owned by SO.FI.MA. Società Finanziaria Macchine Automatiche S.p.A., in turn controlled by Lopam Fin S.p.A. The change in the percentage held follows the capital increase that took place in March 2011.

IMA S.p.A. has dealings with the Group's manufacturing companies that are mainly of a commercial nature, involving the purchase and sale of machines required for the assembly of complete product lines. It also provides these companies with services. IMA's dealings with the Group's marketing companies relate to the sale, distribution and related customer service activities in their respective territories of products manufactured by IMA's various divisions. IMA's manufacturing subsidiaries also have similar relationships with these marketing companies.

B) GENERAL BASIS OF PREPARATION

General principles

This half-year financial report at 30 June 2011 has been prepared pursuant to Art. 154-ter of Legislative Decree 58/98 and in compliance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission and, in particular, with IAS 34 "Interim Financial Reporting".

The condensed consolidated half-year financial statements have been prepared in summary form pursuant to IAS 34. Accordingly, these financial statements do not contain all the disclosures required for annual financial statements and must be read together with those prepared as of and for the year ended 31 December 2010.

Financial statements

The balance sheet has been classified on the basis of the operating cycle, distinguishing between current and non-current items. The costs and revenues for the period are presented in two statements: a consolidated income statement, which analyses costs according to their nature, and a consolidated statement of comprehensive income. The statement of cash flows has been prepared using the indirect method for determining cash flows from operating activities.

All of the figures contained in the half-year report at 30 June 2011 are stated million euros, unless otherwise indicated.

C) ACCOUNTING POLICIES AND STANDARDS

ACCOUNTING POLICIES AND STANDARDS

The condensed consolidated half-year financial statements have been prepared using the accounting policies adopted for the annual consolidated financial statements at 31 December 2010, to the extent compatible, except as described below in relation to taxation and to amendments and interpretation applied as from 1 January 2011.

The interim result is stated net of income taxes calculated using the best estimate of the weighted average tax rate expected for the full year. The amounts provided for tax in an interim period are adjusted if the estimated annual tax rate changes.

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 reported 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 in which circumstances change.

TRANSLATION OF FOREIGN CURRENCY BALANCES

The main exchange rates used to translate the financial statements of foreign companies into euros are presented below:

	1st half 2011		31 December 2010	1st half 2010	
Currency	Exchange rate end of period	Exchange rate average	Exchange rate end of period	Exchange rate end of period	Exchange rate average
US dollar	0.692	0.713	0.748	0.815	0.754
Pound sterling	1.108	1.152	1.162	1.223	1.149
Indian rupee	0.015	0.016	0.017	0.018	0.016
Thai Baht	0.023	0.023	0.025	0.025	0.023
Chinese Yuan	0.107	0.109	0.113	0.120	0.110

APPLICATION OF ACCOUNTING STANDARDS

The process of developing and approving international accounting standards means that certain documents are constantly being revised. In November 2009 the IASB issued a revised version of IAS 24 “Related Party Disclosures”, clarifying the definition of related parties. Adoption of this revised version, which is obligatory from 1 January 2011, will not have any impact on the valuation of items in the financial statements, nor are the effects likely to be significant in terms of disclosure. In May 2010, the IASB issued a series of amendments to certain IFRSs, including IAS 34 “Interim Financial Reporting”. Adoption of this improvement to IAS 34 has involved making a number of amendments and integrations to the disclosures provided in these condensed consolidated half-year financial statements.

Moreover, the effects of the standards and interpretations that have been approved but not yet endorsed by the EU have also been considered, without identifying any potential significant effects on the Group's performance or financial position.

D) FINANCIAL RISK MANAGEMENT

RISK FACTORS

The Group is exposed to various types of financial risk connected with its business activities, specifically:

- Credit risk, arising from commercial transactions or financing activities;

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

The half-year financial report does not include all of the disclosures on financial risk management that are required for annual financial statements. Therefore, it should be read together with our annual report at 31 December 2010.

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

FAIR VALUE

IFRS 7 establishes the following fair value hierarchy of inputs to be used in measuring the financial instruments shown in the balance sheet:

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

The following table shows the assets and liabilities measured at fair value at 30 June 2011 and 31 December 2010 by fair value hierarchy level (millions of euros):

	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	2.0	–	5.7	7.7
Derivative financial instruments	–	1.0	–	1.0
Total assets	**2.0**	**1.0**	**5.7**	**8.7**
Liabilities:				
Payables for acquisition	–	–	0.6	0.6
Derivative financial instruments	–	0.8	–	0.8
Total liabilities	**–**	**0.8**	**0.6**	**1.4**

	Level 1	Level 2	Level 3	Total
Assets:				
Financial assets available for sale	2.2	–	5.4	7.6
Derivative financial instruments	–	0.5	–	0.5
Total assets	**2.2**	**0.5**	**5.4**	**8.1**
Liabilities:				
Payables for acquisition	–	–	1.6	1.6
Derivative financial instruments	–	1.3	–	1.3
Total liabilities	**–**	**1.3**	**1.6**	**2.9**

During the first half of 2011, there were no transfers between the three levels of the fair value hierarchy laid down in IFRS 7.

There have not been any significant changes in the commercial or economic circumstances that affect the fair value of financial assets and liabilities.

E) CONSOLIDATION PRINCIPLES

The condensed consolidated half-year financial statements have been prepared using the consolidation policies adopted for the annual consolidated financial statements at 31 December 2010.

Subsidiary companies

Subsidiaries are companies for which the Parent Company has the direct or indirect power to govern their financial and operating policies so as to obtain benefits from their activities. Control is presumed to exist when the Group holds the majority of voting rights. When defining control, potential voting rights that can be exercised or converted are also taken into consideration. The financial statements of subsidiaries are consolidated on a line-by-line basis from the date on which control is acquired until the date such control ceases.

Under IFRS 3, the subsidiaries acquired by the Group are accounted for using the purchase method.

Payables, receivables, costs and revenues among the companies included in the scope of consolidation, as well as the effects of all significant transactions between them, have been eliminated.

Specifically, unrealized gains with third parties deriving from transactions between Group companies have been eliminated, including those from the valuation of inventories at the reporting date.

Minority (or "non-controlling") interests in equity and net profit are shown as separate items in the consolidated balance sheet and income statement, respectively.

Associated companies

Associates are companies over which the Group exercises significant influence, but does not have operational control.

Such influence is presumed to exist when the Group holds an interest of between 20% and 50% of voting rights. The consolidated financial statements include the share of the net profits and losses of associated companies, valued using the equity method, from the date on which significant influence begins until the date that it ends.

Profits and losses pertaining to the Group earned after the purchase of associates are recognized in the income statement.

Equity investments in associates are initially recorded at purchase cost. Any excess of purchase cost over the Group's proportional share of the fair value of the investee company’s net assets is included in the value of the investment.

Joint ventures

IAS 31 defines a joint venture as a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Each venturer shall use the proportionate consolidation or the equity method of accounting for its interest.

F) SCOPE OF CONSOLIDATION

The condensed consolidated half-year financial statements at 30 June 2011 report the financial and operating information of I.M.A. - Industria Macchine Automatiche S.p.A. (Parent Company) and of all the companies over which it exercises direct or indirect control.
The following events involving changes in the Group structure took place during the first half of 2011:

- the merger of IMA Safe S.r.l. into IMA S.p.A. with effect from 1 January 2011;
- the merger of Nova Packaging Systems Inc. into IMA North America Inc. with effect from 1 January 2011;
- in January 2011, CMH S.r.l. was formed with the purpose of creating a joint venture between I.M.A. S.p.A. and Holding Partecipazioni Sacmi S.p.A. ("HPS") for the production and sale of automatic machines for processing and packaging chocolate. At 30 June 2011 IMA S.p.A. held 56.25% of its share capital. Under the contractual agreements between the parties, CMH is subject to joint control. See Note 28 for an explanation of how the joint venture was set up.

  On 30 June 2011 CMH S.r.l. controlled OPM S.p.A., FIMA S.r.l. and OPM Bakery S.r.l., all of which operate in packaging for the chocolate & confectionery sector;
- on 10 February 2011, through IMA Industries S.r.l., a wholly-owned subsidiary, IMA S.p.A. acquired 100% of Sympak Corazza S.p.A., parent company of the Sympak Corazza Group, which operates in the dairy & convenience food sector, for 57.5 million euros, an amount fully paid upon transfer of ownership of the shares. Some 6 million euros of debt was also assumed at the time of the closing. This acquisition is part of the strategy to expand the range of machines designed and produced by the Group for the food industry. The Parent Company's financial statements for 2010 report revenues of around 90 million euros and an EBITDA of around 12 million euros. See Note 22 for further information.

The companies included in the scope of consolidation are listed below along with the consolidation method used:

COMPANIES CONSOLIDATED ON A LINE-BY-LINE BASIS

	Registered office		Share capital at 30/06/2011	Direct investment	Indirect investment
Manufacturing and service companies:					
• I.M.A. Industria Macchine Automatiche S.p.A	Ozzano E. (Bologna)	EUR	19,150,560	Parent Company	
• IMA Industries S.r.l. (*)	Ozzano E. (Bologna)	EUR	3,045,000	100%	–
• IMA Life S.r.l.	Ozzano E. (Bologna)	EUR	14,000,000	100%	–
• CO.MA.DI.S. S.p.A.	Senago (Milan)	EUR	1,540,000	100%	–
• Corazza S.p.A.	(Bologna)	EUR	15,675,000	–	100% (1)
• GIMA S.p.A.	Zola Predosa (Bologna)	EUR	1,000,000	65%	–
• Naturapack S.r.l.	Ozzano E. (Bologna)	EUR	100,000	100%	–
• Pharmasiena Service S.r.l.	(Siena)	EUR	100,000	–	70%(2)
• R.C. S.p.A.	Argelato (Bologna)	EUR	110,000	–	100%(3)
• Zanchetta S.r.l.	Montecarlo (Lucca)	EUR	1,800,000	100%	–
• IMA Kilian GmbH & Co. KG	Cologne (Germany)	EUR	3,600,000	–	100% (4)
• IMA Life The Netherlands B.V.	Dongen (The Netherlands)	EUR	(**) 22,382,654	–	100% (2)
• IMA Life North America Inc.	Tonawanda (USA)	USD	100	–	100% (5)
• IMA Life (Beijing) P. S. Co. Ltd.	Beijing (PRC)	USD	400,000	–	100% (2)
• IMA North America Inc.	Leominster (USA)	USD	8,052,500	–	100% (5)
• IMA-PG India Pvt Ltd.	Mumbai (India)	RS	(**) 17,852,100	100%	–
• PSH MKCS Inc.	Winterville (USA)	USD	50,000	–	100% (5)
• Stephan Machinery GmbH	Hameln (Germany)	EUR	25,000	–	100% (3)
• Stephan Process Eng. GmbH	Schwarzenbek (Germany)	EUR	25,000	–	100% (6)
• Swiftpack Automation Ltd.	Alcester (GB)	GBP	1,403,895	100%	–
• Tianjin IMA Machinery Co. Ltd.	Tianjin (PRC)	USD	200,000	100%	–
• Zibo IMA Xinhua Pharm.Co. Ltd.	Zibo (PRC)	USD	6,419,868	80%	–
Commercial companies:					
• IMA Est GmbH	Vienna (Austria)	EUR	280,000	100%	–
• IMA France E.u.r.l.	Rueil-Malmaison (France)	EUR	45,735	100%	–
• IMA Germany GmbH	Cologne (Germany)	EUR	90,000	100%	–
• IMA Iberica S.L.	Barcelona (Spain)	EUR	590,000	100%	–
• IMA Industries Asia Pacific Ltd.	(Singapore)	SGD	200,000	–	100% (3)
• IMA Industries France Sarl	Lognes (France)	EUR	300,000	–	100% (3)
• IMA Life Italia S.r.l.	Trezzano Naviglio (Milan)	EUR	80,000	–	100% (7)
• IMA Life Japan KK	Tokyo (Japan)	YEN	40,000,000	–	100% (7)
• IMA Pacific Co. Ltd.	Bangkok (Thailand)	THB	(**) 40,219,000	99.99%	–
• IMA P.&P. E. (Beijing) Co. Ltd.	Beijing (PRC)	USD	1,350,000	100%	–
• IMA UK Ltd.	Alcester (GB)	GBP	50,000	100%	–
• Imautomatiche Do Brasil Ltda.	Sao Paulo (Brazil)	BRL	(**) 6,301,410	99.99%	–
• Imautomatiche Lda.	Madeira (Portugal)	EUR	5,000	100%	–
• OOO IMA Industries	Moscow (Russia)	RUB	150,000	–	100% (3)
• IMA Industries Inc.	Mundelein (USA)	USD	1,856,106	–	100% (3)
• Stephan Machinery Canada Ltd.	Missisauga (Canada)	CAD	200,000	–	100% (8)
• Stephan Poland	Poznan (Poland)	PLN	50,000	–	100% (6)
Other companies:					
• IMA Kilian Verwaltungs GmbH	Cologne (Germany)	EUR	25,000	–	100% (4)
Holding companies:					
• Packaging Systems Holdings Inc.	Wilmington (USA)	USD	1,000	100%	–

(*) IMA Flavour S.r.l. changed its name to IMA Industries S.r.l. in February 2011.

(**) The nominal share capital of IMA-PG India Pvt Ltd., IMA Life The Netherlands B.V., IMA Pacific Co. Ltd. and Imautomatiche Do Brasil Ltda amounts to RS 20,000,000, EUR 45,400,000, THB 100,000,000 and BRL 6,644,560 respectively.

Notes (list of investments):

(1) Held by IMA Industries S.r.l.

(2) Held by IMA Life S.r.l. The percentage interest held in Pharmasiena Service S.r.l. includes an option to purchase 19% of the share capital.

(3) Held by Corazza S.p.A.

(4) Held by IMA Germany GmbH

(5) Held by Packaging Systems Holdings Inc.

(6) Held by Stephan Machinery GmbH

(7) Held by IMA Life The Netherlands B.V.

(8) Held by IMA Industries Inc.

INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Registered office		Share capital at 30/06/2011	Direct investment	Indirect investment
• Amherst Stainless Fabrication LLC	Amherst NY(USA)	USD	1,100,000	–	20% (1)
• B.C. S.r.l.	Imola (Bologna)	EUR	36,400	30%	–
• Bacciottini F.lli S.r.l.	Oste Montemurlo (Prato)	EUR	60,000	30%	–
• Bolognesi S.r.l.	Dozza (Bologna)	EUR	10,920	30%	–
• Brio Pharma Technol. Pvt. Ltd	Mumbai (India)	RS	1,000,000	30%	–
• CMH S.r.l.	(Bologna)	EUR	1,000,000	56.25%	–
• Consorzio L.I.A.M.	Vignola (Modena)	EUR	(2) 20,000	25%	–
• Consorzio Servizi	(Bologna)	EUR	(2) 50,000	50%	–
• FID S.r.l. Impresa Sociale	(Bologna)	EUR	20,000	30%	–
• I.E.M.A. S.r.l.	S.Giorgio di Piano (Bologna)	EUR	10,400	30%	–
• LA.CO. S.r.l.	Ozzano E. (Bologna)	EUR	30,000	30%	–
• Logimatic S.r.l.	Ozzano E. (Bologna)	EUR	12,500	32%	10.95%
• Masterpiece S.r.l.	Ozzano E. (Bologna)	EUR	10,000	30%	–
• Powertransmission.it S.r.l.	Castenaso (Bologna)	EUR	50,000	20%	–
• Scriba Nanotecnologie S.r.l.	(Bologna)	EUR	25,556	49%	–
• SIL.MAC. S.r.l.	Caggio Montano (Bologna)	EUR	90,000	30%	3.20%
• Stephan UK Ltd.	Chester (GB)	GBP	16,000	–	40% (3)
• Stephan Belgium B.V.B.A.	Nazareth (Belgium)	EUR	125,000	–	33% (3)
• Sirio S.p.A. Associazione in partecipazione (4)	Milan				

Notes:

(1) Held by IMA Life North America Inc.
(2) Shares of the consortium fund
(3) Held by Stephan Machinery GmbH
(4) Agreement signed in the final quarter of 2007 for the management of an aircraft.

CMH S.r.l. was set up with the purpose of creating a joint venture between I.M.A. Industria Macchine Automatiche S.p.A. and Holding Partecipazioni Sacmi S.p.A. ("HPS") for the production and sale of automatic machines for processing and packaging chocolate. Under the contractual agreements between the parties, CMH is subject to joint control. At 28 July 2011 IMA held 47.115% of the share capital of the company as a result of operations relating to its share capital.

G) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The changes reported below have been determined with respect to the figures at 31 December 2010 for balance sheet items and the figures for the first half of 2010 for income statement items.

1. SEGMENT INFORMATION

Operating segments have been identified based on the internal reporting used by senior management to allocate resources and evaluate the results of each business.

Segment reporting underwent changes following the acquisitions of GIMA S.p.A., Naturapack S.r.l. and the Sympak Corazza Group in July 2010 and February 2011, which operate in the non-pharmaceutical packaging and dairy & convenience food and sectors. As a result of these acquisitions and considering that they have the same customer base as the tea business, the non-pharmaceutical sector has grown to a significant size, with characteristics typical of those sectors. At the same time, the division between pharmaceutical packaging and pharmaceutical processing no longer reflects the real segmentation of the market; nor does it reflect the IMA Group's organisational structure, which as a result of these acquisitions now features two well-defined areas of business: the Pharmaceutical Business and the Tea, Food & Other Business. The comparative figures by segment have been duly reclassified.

The Group's activities comprise the following operating segments:

Tea, Food & Other

Machines for the packaging of teas and herbs in filter bags and coffee in pods for the food and beverage and personal care sectors, as well as end-of-line equipment and related services. Operations in this segment are mainly carried out by the following companies:

- IMA Industries S.r.l. and Naturapack S.r.l. produce machines for the packaging of teas and herbs in filter bags and the packaging of coffee in pods;
- Corazza S.p.A. produces machines and plant for the dosing and packaging of cheese portions and bouillon cubes;
- GIMA S.p.A. produces machines for the food and beverage and personal care sectors;
- IMA S.p.A. manufactures end-of-line machines through IMA BFB division;
- R.C. S.p.A. produces packaging lines for pressed bouillon cubes and refurbishes second-hand machines for bouillon cubes, cheese and butter;
- Stephan Machinery GmbH and Stephan Process Engineering GmbH build processing machines for cheese and bakery products.

Pharmaceutical

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. Operations in this sector are mainly carried out by the following companies:

- IMA S.p.A. manufactures blister-pack machines, machines for packaging gelcaps, capsules and tablets and cartoning machines through the IMA Safe division;
- IMA Life S.r.l. manufactures machines for the filling of bottles and vials with liquid products and powders under sterile and non-sterile conditions and freeze-drying systems;
- CO.MA.DI.S. S.p.A. manufactures tube-filling machines for the pharmaceutical, cosmetics, chemicals and food industries;
- IMA Life The Netherlands B.V., IMA Life North America Inc. and IMA Life (Beijing) Pharmaceutical Systems Co. Ltd. manufacture freeze-drying equipment for the pharmaceutical industry;
- Pharmasiena Service S.r.l. produces filling systems for vials and syringes under sterile conditions;
- IMA-PG India Pvt Ltd operates in the production of blister and cartoning machines, mainly for the emerging nations;
- Swiftpack Automation Ltd. and IMA North America Inc. manufacture machines for the bottling of capsules and tablets for the pharmaceutical industry;
- IMA S.p.A. manufactures tablet pressing machines, capsule filling machines, coating and granulating machines through the IMA Active division;
- Zanchetta S.r.l. manufactures machines for the movement of powders and depowdering of tablets and machines for the movement and granulation of pharmaceutical powders;
- IMA Kilian GmbH & Co. KG manufactures tablet pressing machines for the pharmaceutical and chemicals industries;
- Zibo IMA Xinhua Pharmatech Co. Ltd. produces machinery for the pharmaceuticals processing industry, principally in emerging markets.

The information on operating segments for the first half of 2011 and the first half of 2010 is as follows (millions of euros):

1st half 2011	Tea , Food & Other	Pharma-ceutical	Total
Revenues	114.5	163.5	278.0
Segment operating profit	10.4	(1.4)	9.0
Net financial income (expense) (*)		(0.2)	(5.0)
Profit (loss) from investments accounted for using the equity method		0.5	0.5
Profit (loss) before tax			4.5
Income tax for the period			(3.2)
Net profit (loss) for the period			1.3

1st half 2010	Tea , Food & Other	Pharma-ceutical	Total
Revenues	59.7	136.4	196.1
Segment operating profit	12.8	(11.1)	1.7
Net financial income (expense) (*)		(0.3)	(3.0)
Profit (loss) from investments accounted for using the equity method		0.2	0.2
Profit (loss) before tax			(1.1)
Income tax for the period			(0.2)
Net profit (loss) for the period			(1.3)

(*) Financial income and expense have not been allocated to the individual operating segments as it is not possible to indicate specific amounts for each segment; this breakdown is not used in internal reporting. The amount in the "Pharmaceutical" column relates to available-for-sale equity investments.

Revenues came to 278.0 million euros in the first half of 2011 compared with 196.1 million euros in the corresponding period of 2010. The increase in revenues is the result of the higher level of the order book (up by around 70 million euros) at the end of 2010 with respect to the corresponding figure for the previous year, as well as the contribution made by the acquisitions of GIMA S.p.A. and Naturapack S.r.l. and of the Corazza Group, which entered the scope of consolidation in July 2010 and February 2011, respectively.

The sector in which the Group operates is affected by the strong seasonality of deliveries, such that the first half of the year is never truly indicative of the results achievable for the full year. The period under review was especially affected by this seasonality.

Revenues from the Tea, Food & Other segment increased by 54.8 million euros compared with the previous period, with a contribution by the acquired companies GIMA, Naturapack and Corazza of 58.8 million euros. This represents a slight reduction with respect to the original scope of consolidation due to a different distribution of sales over time, which will be reabsorbed during the second half of the year.

Revenues in the Pharmaceutical sector were 27.1 million euros higher than in the same period last year. The operating profit, net of non-recurring charges of 2.9 million euros, still shows a slight loss of 1.4 million euros, although this is a strong improvement on the loss of 11.1 million euros at 30 June 2010, not only because of higher sales volumes, but also - and above all - thanks to the good performance of the business.

Total assets at 30 June 2011 and 31 December 2010 are as follows (millions of euros):

	Tea, Food & Other	Pharma	Not allocated (*)	Total
Total assets at 30 June 2011	232.8	385.6	85.3	703.7
Total assets at 31 December 2010	106.8	354.3	130.9	592.0

(*) Unallocated assets principally comprise financial assets, income tax receivables and deferred tax assets, which cannot be broken down by segment.

The increase in total assets with respect to 31 December 2010 for the Tea, Food & Other segment is substantially due to the consolidation of the Corazza Group, while for the Pharmaceutical segment it is linked to the performance and seasonality of the period.

The following is a breakdown of IMA Group revenues in the first half of 2011 by geographical area and business segment (millions of euros):

REVENUES BY GEOGRAPHICAL AREA

	1st half 2011	1st half 2010	Change
European Union (excluding Italy)	103.6	74.0	29.6
Other European countries	16.7	12.1	4.6
North America	42.4	28.5	13.9
Asia & Middle East	61.1	47.4	13.7
Other countries	25.0	15.3	9.7
Total exports	**248.8**	**177.3**	**71.5**
Italy	29.2	18.8	10.4
Total	**278.0**	**196.1**	**81.9**

REVENUES BY BUSINESS SEGMENT

	1st half 2011	1st half 2010	Change
Machines and change parts	106.1	93.9	12.2
Contract work	104.1	50.6	53.5
Spare parts	44.2	32.4	11.8
Technical assistance	18.1	15.0	3.1
Other services	5.5	4.2	1.3
Total	**278.0**	**196.1**	**81.9**

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment reports a net increase of 2.4 million euros. The movements in the item during the period are broken down as follows (millions of euros):

	Land	Buildings and leasehold improvements	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total
Balances at 01.01.11	**2.6**	**8.5**	**9.8**	**2.1**	**3.6**	**0.1**	**26.7**
Increases in the period	–	1.6	0.9	0.5	0.7	0.3	4.0
Sales and disposals	–	–	–	(0.1)	(0.1)	–	(0.2)
Change in scope of consolidation	–	0.5	0.4	0.4	0.4	–	1.7
Depreciation	–	(0.6)	(1.0)	(0.4)	(0.7)	–	(2.7)
Reclassifications	–	0.4	(0.4)	–	–	–	–
Translation differences	–	–	(0.2)	(0.1)	(0.1)	–	(0.4)
Balances at 30.06.11	**2.6**	**10.4**	**9.5**	**2.4**	**3.8**	**0.4**	**29.1**

“Land” includes land in Ozzano dell’Emilia and Zola Predosa (BO) owned by IMA S.p.A. and GIMA S.p.A., for 1.6 million euros and 0.6 million euros, respectively.

“Buildings and leasehold improvements” mainly comprise the buildings belonging to the Parent Company and to GIMA S.p.A., located in Italy, as well as buildings in France, the United Kingdom and India, which are owned by IMA France E.u.r.l., IMA UK Ltd. and IMA-PG Pvt. Ltd. Leasehold improvements amount to 6.4 million euros.

Increases during the period mainly relate to costs incurred to expand and upgrade buildings and plant, and to purchase electronic equipment.

The change in the scope of consolidation reflects the acquisition of the Corazza Group, as mentioned previously.

"Other assets" comprise (millions of euros):

	30.06.2011	31.12.2010
Electronic office equipment	1.4	1.3
Office furniture and fittings	0.9	0.8
Vehicles	0.7	0.8
Other	0.8	0.7
Total	**3.8**	**3.6**

3. INTANGIBLE ASSETS

Movements in intangible assets during the period break down as follows (millions of euros):

	Development costs	Industrial patents rights	Software licences, trademarks and similar	Goodwill	Assets under development and advances	Total
Balances at 01.01.11	**16.3**	**4.6**	**8.2**	**83.9**	**9.8**	**122.8**
Increases in the period	0.6	0.6	0.1	0.1	1.5	2.9
Acquisition of Corazza Group	16.1	–	15.7	39.6	–	71.4
Change in scope of consolidation	1.1	–	0.2	–	0.4	1.7
Amortization	(3.2)	(0.6)	(2.4)	–	–	(6.2)
Reclassifications	5.3	–	0.1	–	(5.4)	–
Translation differences	–	–	(0.1)	(0.5)	–	(0.6)
Balances at 30.06.11	**36.2**	**4.6**	**21.8**	**123.1**	**6.3**	**192.0**

The following separately-identifiable intangible assets were recognised while accounting for the acquisition of the Dairy & Convenience Food Division of the Corazza Group: unpatented technology for 16.1 million euros classified under development costs and an intangible asset linked to customers (“customer list”) for 15.7 million euros. The residual balance is attributable to goodwill of 39.6 million euros. The unpatented technology and customer list are amortized based on a useful life of 10 years. The initial accounting for the business combination has been carried out on a provisional basis and the above amounts, especially the unpatented technology, could be adjusted as a result of analyses currently under way. For further details, please read Note 22.

Development costs mainly include the costs incurred on new products that were not previously available and which are targeted at new market segments. These relate principally to freeze-drying technologies for the pharmaceuticals industry, compact biotechnology systems, coating systems based on Perfima perforated pans, Adapta capsule filling machines and Xtrema Series linear filling machines.

Software, licences, trademarks and other rights primarily include operating and technical software applications, as well as the cost of the non-compete agreements reached in connection with the acquisitions of IMA Life (Beijing) Pharmaceutical Systems Co. Ltd. and GIMA S.p.A., totalling 2.5 million euros.

Goodwill comprises the following (millions of euros):

	30.06.2011	31.12.2010
Tea, Food & Other segment:		
CGU B.F.B. S.p.A.	1.8	1.8
CGU GIMA S.p.A.	1.6	1.6
CGU Naturapack S.r.l.	6.1	6.0
CGU Corazza Group	39.6	n.a.
	49.1	**9.4**
Pharmaceutical segment:		
CGU CO.MA.DI.S. S.p.A.	3.8	3.8
CGU G.S. S.r.l. Coating System	7.4	7.4
CGU Edwards Group	23.1	23.1
CGU Nova Group	12.3	12.8
CGU ICO OLEODINAMICI S.p.A.	3.1	3.1
CGU IMA Kilian GmbH & Co. KG	14.8	14.8
CGU MKCS Inc.	0.5	0.5
CGU Pharmasiena Service S.r.l.	2.1	2.1
CGU Precision Gears Ltd.	4.0	4.0
CGU Zanchetta S.r.l.	2.9	2.9
	74.0	**74.5**
Total	**123.1**	**83.9**

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

In addition, during the years 2005, 2006 and 2010, the goodwills of IMA Kilian, Nova Group and Zanchetta CGUs were written down by 3.2 million euros, 0.8 million euros and 2.5 million euros, respectively.

Assets under development and advances relate to the capitalization of development costs incurred by the Parent Company (1.9 million euros), IMA Life S.r.l. (1.4 million euros), IMA Industries S.r.l. (1.8 million euros) and GIMA S.p.A. (0.6 million euros).

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

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

	% holding	30.06.2011	31.12.2010
Amherst Stainless Fabrication LLC	20%	0.2	0.2
B.C. S.r.l.	30%	1.1	1.0
Bacciottini F.lli S.r.l.	30%	0.5	0.3
Bolognesi S.r.l.	30%	0.6	0.4
Brio Pharma Technologies Pvt. Ltd.	30%	0.4	0.4
CMH S.r.l.	56.25%	0.6	n.a.
I.E.M.A. S.r.l.	30%	0.4	0.4
LA.CO. S.r.l.	30%	0.3	0.3
Logimatic S.r.l.	32%	0.3	0.2
Scriba Nanotecnologie S.r.l.	49%	0.8	0.8
SIL.MAC. S.r.l.	30%	0.3	0.3
Sirio S.p.A. Associazione in partecipazione (*)		6.7	6.7
Other investments		0.1	0.1
Total		**12.3**	**11.1**

(*) Amount paid in connection with the agreement signed in 2007 for the management of a aircraft.

The carrying amount of investments accounted for using the equity method includes 2.2 million euros in goodwill.

The following table summarizes the key financial data of associated companies at 31 December 2010 (millions of euros):

	Assets	Liabilities	Revenues	Net profit
B.C. S.r.l.	4.9	1.1	3.5	0.5
Bacciottini F.lli S.r.l.	5.4	4.2	5.2	0.7
Bolognesi S.r.l.	2.5	1.9	3.3	0.5
Brio Pharma Technologies Pvt. Ltd. (*)	0.4	–	0.4	–
I.E.M.A. S.r.l.	5.6	5.1	7.0	–
LA.CO. S.r.l.	5.4	5.0	4.9	0.1
Logimatic S.r.l.	9.0	8.7	7.4	0.2
Masterpiece S.r.l.	1.0	1.1	0.5	–
Powertransmission.it S.r.l.	0.4	0.2	0.7	0.1
Scriba Nanotecnologie S.r.l.	0.4	0.1	0.4	–
SIL.MAC. S.r.l.	3.7	3.2	5.1	0.1

(*) Financial statements at 31 March 2010

5. FINANCIAL ASSETS

Non-current financial assets, equal to 8.5 million euros, include investments in other companies amounting to 6.2 million euros (6.3 million euros at 31 December 2010) and financial receivables totalling 2.3 million euros (2.2 million euros at 31 December 2010).

Investments in other companies include 2.0 million euros (2.2 million euros at 31 December 2010) in respect of the shares held in Pierrel S.p.A. and the shares held in Intermedia Holding S.p.A. worth 4.0 million euros (4.0 million euros at 31 December 2010).

In 2009, IMA S.p.A. initiated arbitration proceedings against Mazzaro Holding S.r.l., to ascertain the latter's breach of the contract signed on 30 July 2007, which provided, among other things, that Mazzaro Holding would transfer 876,000 shares of Pierrel S.p.A., a listed company, to IMA upon exercise of its call option on those shares, an option IMA did indeed exercise. The arbitration found in IMA's favour and on 9 May 2011 IMA and Mazzaro Holding S.r.l. signed a settlement agreement whereby Mazzaro Holding agreed to pay IMA the sum of 0.6 million euros to end the dispute and to buy from IMA by 15 December 2011 a number of Pierrel shares equal to the lower of 300,000 and the number of Pierrel shares held by IMA as of 30 November 2011 at a price of 3.50 euros per share.

The value of the investment in Pierrel S.p.A. has therefore been adjusted to reflect the fair value resulting from the agreement and the amount of the award was recognized in the income statement at 30 June 2011.

Current financial assets amounting to 3.5 million euros (2.1 million euros at 31 December 2010) include 1.2 million euros in other cash equivalents made up of bank deposits of IMA-PG India Pvt Ltd., 1.5 million euros in investments in mutual funds belonging to IMA S.p.A. and 0.8 million euros in financial receivables due to the Parent Company from CMH S.r.l.

6. RECEIVABLES FROM OTHERS

These include various kinds of guarantee deposits.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments comprise (millions of euros):

	Assets 30.06.2011	Liabilities 30.06.2011	Assets 31.12.2010	Liabilities 31.12.2010
Interest rate swaps (non-current) - cash flow hedges	0.1	0.8	0.2	1.2
Exchange rate hedging instruments (current) - cash flow hedges	0.9	–	0.3	0.1
Total	**1.0**	**0.8**	**0.5**	**1.3**

INTEREST RATE DERIVATIVES

At 30 June 2011, the amounts of 0.1 million euros and 0.8 million euros represent the fair value of option contracts with leading banks to hedge interest rate risk on certain medium-term loans maturing between 2011 and 2015.

EXCHANGE RATE DERIVATIVES

At 30 June 2011, the amount of 0.9 million euros represents the fair value of contracts for the forward sale of currency arranged by the Group to hedge exchange rate risk exposure based on a notional value of 17.2 million US dollars.

8. DEFERRED TAX ASSETS AND LIABILITIES

At 30 June 2011, deferred tax assets amounted to 23.0 million euros (20.6 million euros at 31 December 2010), mainly relating to temporary differences in respect of provisions made, as well as to the elimination of unrealized intercompany profits on the sale of finished products and the tax benefit of losses carried forward.

Deferred tax liabilities amounted to 19.4 million euros at 30 June 2011 (11.6 million euros at 31 December 2010) and relate mainly to temporary differences between the book values of certain tangible and intangible assets and their values recognised for tax purposes.

9. INVENTORIES

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

	30.06.2011			31.12.2010		
	Gross value	Impairment provision	Net value	Gross value	Impairment provision	Net value
Raw, ancillary and consumable materials	43.9	(7.8)	36.1	35.6	(6.6)	29.0
Work in progress and semifinished goods	195.3	(24.0)	171.3	147.8	(19.8)	128.0
Finished products and goods for resale	7.4	(2.8)	4.6	2.5	(1.7)	0.8
Total	**246.6**	**(34.6)**	**212.0**	**185.9**	**(28.1)**	**157.8**

The increase in inventories since 31 December 2010 reflects the preparation of machines for delivery to customers during the second half of the year, and purchasing in relation to the order book at the end of June, as well as the inventories attributable to the Corazza Group of 14.4 million euros.

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

Balances at 31.12.2010	**28.1**
Net provisions	2.9
Change in scope of consolidation	3.9
Exchange rate difference	(0.3)
Balances at 30.06.2011	**34.6**

10. TRADE AND OTHER RECEIVABLES

This item comprises (millions of euros):

	30.06.2011	31.12.2010
Trade receivables	135.1	115.6
Advances to suppliers	12.5	7.2
Tax receivables	7.9	7.0
Deferrals	4.0	1.6
Other receivables	5.2	4.0
Total	**164.7**	**135.4**

TRADE RECEIVABLES

Trade receivables include amounts due from customers of 74.4 million euros (65.5 million euros at 31 December 2010), amounts due on contract work in progress of 57.2 million euros (48.3 million euros at 31 December 2010) and receivables from associates of 3.5 million euros (1.8 million euros at 31 December 2010).

Payment extensions granted to customers who reside in countries with particular risks are guaranteed by suitable financial instruments to secure collection.

Trade receivables from customers are carried net of accumulated provisions amounting to 8.9 million euros (6.7 million euros at 31 December 2010). The increase is mainly attributable to the Corazza Group.

Receivables assigned without recourse not yet due at 30 June 2011 amount to around 7.1 million euros, of which 2.4 million euros have been assigned to factoring companies and 4.7 million euros to other financial institutions. The first half of 2011 saw the assignment without recourse of receivables with an overall nominal value of around 4.3 million euros.

Amounts due from customers in respect of construction contracts, determined on a percentage-of-completion basis, are shown below net of advances (millions of euros):

	30.06.2011	31.12.2010
Construction contracts (costs incurred plus recognized margins)	109.2	82.0
Advances received	(52.0)	(33.7)
Due from customers	**57.2**	**48.3**

Amounts due from customers attributable to the Corazza Group came to 13.0 million euros.

Amounts due to customers (included in trade payables and other payables under advances) in respect of construction contracts, determined on a percentage-of-completion basis, are shown below net of the amounts due from customers (millions of euros):

	30.06.2011	31.12.2010
Advances received	(23.5)	(15.1)
Construction contracts (costs incurred plus recognized margins)	18.2	7.8
Due to customers	**(5.3)**	**(7.3)**

ADVANCES TO SUPPLIERS

At 30 June 2011, these relate to advances for goods to be used in production and for services of, respectively, 7.2 million euros (3.9 million euros at 31 December 2010) and 5.3 million euros (3.3 million euros at 31 December 2010). This balance includes 1.7 million euros in advances to associated companies (1.1 million euros at 31 December 2010).

TAX RECEIVABLES

Tax receivables mainly consist of VAT receivables.

11. Cash and cash equivalents

This item comprises (millions of euros):

	30.06.2011	31.12.2010
Bank current accounts	50.1	92.1
Deposits	2.6	9.9
Cheques and cash	0.2	0.2
Total	**52.9**	**102.2**

For a better understanding of developments in this item, see the comments in Note 13 on the composition of net debt.

12. Equity

SHARE CAPITAL AND SHARE PREMIUM RESERVE

The share capital at 30 June 2011 amounting to 19.2 million euros, is represented by the share capital issued (fully subscribed and paid up) by the Parent Company, IMA S.p.A., comprising 36,828,000 ordinary shares with a par value of 0.52 euros each.

On 21 March 2011 the Board of Directors of IMA S.p.A., based on the mandate given to it by the Extraordinary Shareholders' Meeting held on 28 January 2011, approved a capital increase for consideration for a total par value of 1,418,560 euros by issuing 2,728,000 new ordinary shares having a par value 0.52 euros each, excluding shareholders' option rights. The new shares were offered for subscription in a private placement through an accelerated bookbuild (ABB) at a price of 13.50 euros per share, for a total of 36,828,000 euros. The subscription of the capital increase was successfully concluded on 22 March 2011. This operation, intended to enlarge the shareholder base and increase the float, reinstated the minimum float to allow the Company to maintain its status on the S.T.A.R. segment of the market, as agreed with Borsa Italiana. The increase also made it possible to raise risk capital that can be used to take advantage of investment opportunities and to expand the IMA Group's activities.

At 30 June 2011 the share premium reserve amounted to 50.2 million euros. The increase of 34.7 million euros is attributable to the capital increase, net of the related costs.

TREASURY SHARES

No treasury shares were held at 30 June 2011, nor were any treasury shares bought or sold during the period. In 2010 the Parent Company sold 255,243 treasury shares for 3.5 million euros. These transactions were recognized directly in equity in accordance with IAS 32.

FAIR VALUE RESERVE

Changes in the fair value reserve break down as follows (millions of euros):

Balance at 01.01.2010	**(0.4)**
Available for sale	
Measurement at fair value	–
Cash flow hedges/hedging instruments	
Measurement at fair value	(2.0)
Realization recognized in income - revenues	–
Realization recognized in income - financial income and expense	0.1
Balance at 30.06.2010	**(2.3)**
Balance at 01.01.2011	**(0.5)**
Cash flow hedges/hedging instruments	
Measurement at fair value	1.1
Realization recognized in income - revenues	(1.3)
Realization recognized in income - financial income and expense	1.2
Balance at 30.06.2011	**0.5**

DIVIDENDS

A total dividend of 33.1 million euros was paid in May 2011, equal to 0.90 euros gross per ordinary share in circulation (30.7 million euros, equal to 0.90 euros gross in May 2010).

13. BORROWINGS

These include payables to banks of 245.9 million euros (217.2 million euros at 31 December 2010), and payables to other lenders of 3.4 million euros (2.8 million euros at 31 December 2010).

PAYABLES TO BANKS

Payables to banks comprise (millions of euros):

	30.06.2011	31.12.2010
Non-current:		
· Applied research and technological innovation loans	2.3	3.4
· Other loans	73.9	56.7
	76.2	**60.1**
Current:		
· Current accounts	14.7	19.9
· Advances on domestic transactions (Italy)	0.3	0.3
· Advances on export transactions	37.1	91.1
· Advances on export transactions to be carried out	2.0	0.8
· Applied research and technological innovation loans	2.2	2.1
· Other loans	113.4	42.9
	169.7	**157.1**
Total	**245.9**	**217.2**

Certain loans and other borrowings are secured by compliance with financial covenants calculated on the basis of the figures reported in the annual financial statements of IMA S.p.A. and the Group's consolidated half-year financial statements. All covenants were met at 30 June 2011.

Applied research and technological innovation loans

Repayments totalling 1.4 million euros were made by the Parent Company as they fell due during the period; no new loans were received.

Other loans

The main changes in "Other loans" comprise the new loans obtained by the Parent Company (100 million euros) and by IMA LIFE North America Inc. (1.0 million US dollars) and contractual repayments made by IMA S.p.A. (10.4 million euros), IMA Life S.r.l. (1.9 million euros) and by IMA Kilian GmbH & Co KG (0.8 million euros).

Payables to banks break down by maturity as follows (millions of euros):

	30.06.2011	31.12.2010
Due within 1 year	169.7	157.1
Due from 1 to 5 years	67.7	60.1
Due after more than 5 years	8.5	–
Total	**245.9**	**217.2**

Payables to other lenders

These break down as follows (millions of euros):

	30.06.2011	31.12.2010
Non-current:		
· Payables to leasing companies	0.1	0.1
· Other	0.7	0.1
	0.8	**0.2**
Current:		
· Payables to factoring companies	0.7	1.0
· Other	1.9	1.6
	2.6	**2.6**
Total	**3.4**	**2.8**

At 30 June 2011 this item reflects financial payables due from GIMA S.p.A. to FORUM S.p.A. for 1.5 million euros and from Corazza S.p.A. to OPM S.p.A. for 1.0 million euros.

Net debt

The composition of net debt at 30 June 2011 is as follows:

in millions of euros	30.06.2011	31.12.2010
A. Cash and cash equivalents	(52.9)	(102.2)
B. Other cash equivalents	(1.2)	(0.9)
C. Investments in securities	(1.5)	(1.2)
D. Liquidity (A) + (B) + (C)	**(55.6)**	**(104.3)**
E. Current financial receivables	**(0.8)**	**–**
F. Current payables to banks	125.7	112.4
G. Current portion of non-current bank payables	44.0	44.7
H. Other current financial payables	2.6	2.6
I. Current financial debt (F) + (G) + (H)	**172.3**	**159.7**
J. Net current financial debt (D)+(E)+(I)	**115.9**	**55.4**
K. Non-current portion of non-current bank payables	76.2	60.1
L. Non-current financial assets	(2.3)	(2.2)
M. Other non-current financial payables	0.8	0.2
N. Net non-current financial debt (K)+(L)+(M)	**74.7**	**58.1**
O. Net financial debt (J) + (N)	**190.6**	**113.5**

The figure for non-current financial assets differs from that reported in the balance sheet as it does not include equity investments in other companies.

Net debt at the end of the period amounted to 190.6 million euros (113.5 million euros at 31 December 2010). The increase is the result of the acquisition of the Corazza Group, the payment of dividends by the Parent Company amounting to 33.1 million euros (30.7 million euros in 2010) and a normal rise in debt needed to finance the increase in working capital, net of the capital increase for 35.9 million euros

As usual, it is expected that net debt will fall considerably in the latter part of the year. For further information on the composition of net debt, see Notes 5 and 11.

14. Severance and pension provisions

This item includes post-employment benefits valued actuarially by independent actuaries using the project unit credit method under IAS 19. It mainly comprises severance indemnity provisions recognized by the Group's Italian companies. The charge for the period has been accounted for under personnel costs.

The main demographic assumptions adopted by the actuary were:

- life expectancies: those determined by the State General Accounting Office (RG48 distinguished by gender);
- probability of disability: that in the INPS (National Social Security Institute) model for projections at 2010, distinguished by gender;
- pensionable age: the earliest retirement age requirement under the Compulsory General Insurance scheme;
- probability of leaving work for reasons other than death: annual frequency of 2.5%;
- probability of advance payments: an annual frequency of 5% for requests for advances of 60%.

Furthermore, the following financial assumptions were adopted in relation to the Italian companies:

	30.06.2011	31.12.2010
Annual discount rate	4.90%	4.80%
Annual inflation rate	2.00%	2.00%
Annual rate of increase of total compensation	3.50%	3.50%
Annual rate of increase of severance indemnity	3.00%	3.00%

The discount rate applicable to Italian companies was determined with reference to the iBoxx Eurozone Corporates AA 10+ index.

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

Balance at 31.12.2010	**17.9**
Current service cost	0.1
Interest cost	0.4
Net actuarial losses (gains) recognized during the period	0.1
Change in scope of consolidation	7.5
Severance payments made during the period	(1.1)
Balance at 30.06.2011	**24.9**

The change in the scope of consolidation includes the severance and pension obligations of Corazza S.p.A. (1.8 million euros), RC S.p.A. (0.3 million euros) and Stephan Machinery GmbH (5.4 million euros).

15. PROVISIONS FOR RISKS AND CHARGES

These provisions break down as follows (millions of euros):

	Balance at 31.12.2010	Increases	Decreases	Change in scope of consolidation	Exchange rate differences	Balance at 30.06.2011
Non-current:						
Agency termination indemnities	1.0	–	–	0.6	–	1.6
Other provisions	0.5	–	–	–	–	0.5
	1.5	**–**	**–**	**0.6**	**–**	**2.1**
Current:						
Product guarantee provision	11.6	0.6	(1.1)	0.6	(0.2)	11.5
Reorganization provision	1.2	1.4	(0.1)	–	–	2.5
Other provisions	2.1	1.5	(0.4)	0.5	–	3.7
	14.9	**3.5**	**(1.6)**	**1.1**	**(0.2)**	**17.7**
Total	**16.4**	**3.5**	**(1.6)**	**1.7**	**(0.2)**	**19.8**

The product guarantee provision was established on the basis of estimated expenses for work to be performed under guarantee after 30 June 2011. The reorganization provision relates essentially to Zanchetta S.r.l. Other provisions are made up of provisions for risks and charges made to cover tax liabilities or charges that might arise from contractual obligations.

The change in scope of consolidation is due to the newly acquired Corazza Group.

16. Trade and other payables

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

	30.06.2011	31.12.2010
Trade payables	151.5	114.5
Advances from customers	64.0	51.4
Social security payables	6.3	6.2
Tax payables	3.8	3.5
Employee payables	24.9	15.5
Payables in respect of acquisitions	0.6	1.8
Other payables	8.1	6.0
Total	**259.2**	**198.9**

Trade payables

This item includes trade payables to suppliers of 126.5 million euros (95.7 million euros at 31 December 2010), payables to agents of 7.0 million euros (6.2 million euros at 31 December 2010) and trade payables to associates of 18.0 million euros (12.6 million euros at 31 December 2010).

Advances from customers

The rise in advances received from customers for future supplies with respect to 31 December 2010 is the result of an increase in the order book at the reporting date, as well as to advances attributable to the Corazza Group of 6.2 million euros.

Information on the amount due to customers for construction contracts (5.3 million euros) can be found in Note 10.

Tax payables

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

Employee payables

The increase in this amount since 31 December 2010 mainly reflects deferred monthly wages and accrued holiday entitlement, most of which will be used in July and August.

Payables in respect of acquisitions

This item includes:

- the residual amount due (0.3 million US dollars) on the acquisition of MKCS Inc. business line. This amount is payable in April 2012;
- the estimated liability of 0.4 million euros for the purchase of an additional 19% interest in Pharmasiena Service S.r.l. The put option granted is exercisable in April 2013 or in April 2016.

Note that during the first quarter of 2011, we paid the amounts due for the acquisitions of Naturapack S.r.l. and Amherst Stainless Fabrication LLC of 1.1 million euros and 0.2 million US dollars, respectively.

17. Personnel costs

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

	1st half 2011	1st half 2010	Change
Wages and salaries	71.4	60.2	11.2
Social security contributions	18.1	15.1	3.0
Remuneration of directors	1.6	1.4	0.2
Pensions - defined-benefit plans	0.8	1.2	(0.4)
Pensions - defined-contribution plans	3.2	3.1	0.1
Reorganization charges	2.0	1.9	0.1
Other personnel costs	4.6	4.5	0.1
Total	**101.7**	**87.4**	**14.3**

Personnel costs in the first half of 2011 include 10.3 million euros that relate to the Corazza Group companies that were not consolidated in the first half of last year.
Personnel costs in the first half of 2011 include reorganization charges for rationalisation of the structures and the containment of operating costs involving certain Group companies, as discussed in Note 15.
In the first half of 2011, the IMA Group employed an average of 3,408 people as follows:

	1st half 2011	1st half 2010	Year 2010
Management	112	97	96
Office workers	2,265	2,004	2,058
Production workers	1,031	970	975
Total	**3,408**	**3,071**	**3,129**

At the end of period, Group employees totalled 3,471.

18. DEPRECIATION, AMORTIZATION AND IMPAIRMENT

This item includes the depreciation of property, plant and equipment, equal to 2.7 million euros (2.4 million euros in the first half of 2010), the amortisation of intangible assets, equal to 6.2 million euros (4.0 million euros in the first half of 2010) and writedowns of receivables, equal to 0.3 million euros. The increase in amortization is due, for 1.3 million euros, to the unpatented technology and customer list booked as a result of the consolidation of the Corazza Group, as mentioned in Note 3.

19. FINANCIAL INCOME

This item comprises (millions of euros):

	1st half 2011	1st half 2010	Change
Interest income from banks	0.4	0.3	0.1
Interest income from customers and other financial income	0.2	0.1	0.1
Exchange rate gains	5.8	6.7	(0.9)
Total	**6.4**	**7.1**	**(0.7)**

20. FINANCIAL EXPENSE

This item comprises (millions of euros):

	1st half 2011	1st half 2010	Change
Interest expense on bank payables	3.7	2.2	1.5
Writedown of non-current assets available for sale	0.2	0.3	(0.1)
Other interest and financial expense	1.0	0.4	0.6
Exchange rate losses	6.5	7.2	(0.7)
Total	**11.4**	**10.1**	**1.3**

The increase in interest expense on bank payables mainly reflects the rise in interest rates and the increase in net debt during the period.
The writedown of non-current assets available for sale relates to the investment in Pierrel S.p.A.
Other financial expense includes costs pertaining to exchange rate hedges (0.6 million euros).
Exchange gains and losses at 30 June 2011 include unrealized gains of 3.0 million euros (4.0 million euros in the first half of 2010), while exchange rate losses at this date include unrealized losses of 2.5 million euros (3.7 million euros in the first half of 2010).

21. INCOME TAXES FOR THE PERIOD

Income taxes for the period were calculated using the best estimate of the weighted average tax rate for the full year, as envisaged by IAS 34.

The following companies form part of the domestic consolidated taxation mechanism: IMA S.p.A., IMA Life S.r.l., IMA Industries S.r.l., Zanchetta S.r.l., CO.MA.DI.S. S.p.A. and GIMA S.p.A., as consolidated companies, and SO.FI.MA. S.p.A. as the consolidating company.

Corazza S.p.A. as consolidating company, and RC S.p.A. as consolidated company, also form part of the domestic consolidated tax mechanism.

During the first half of 2010, the Parent Company underwent an audit by the Emilia-Romagna Regional Tax Office that covered IRES, IRAP, VAT and other minor taxes for the year 2007, including the previous and subsequent tax years for transactions affecting that year. The audit was completed in June 2010 with a report that proposed add-backs for the tax periods 2005, 2006 and 2007. The Emilia-Romagna Regional Tax Office issued an assessment for 2005 in December 2010. IMA S.p.A. has appealed this assessment to the Provincial Tax Commission.

In January 2011 the Bologna Provincial Tax Office initiated an audit of IMA Life S.r.l. covering income taxes, VAT, IRAP and other minor taxes for the year 2008. The audit was completed in March 2011 with a report that the company has accepted by means of a communication sent to the Bologna Provincial Tax Office.

Income taxes for the period include the accrual made for estimated potential liabilities that could arise as a result of these audits.

22. BUSINESS COMBINATIONS

On 10 February 2011, IMA S.p.A. completed its acquisition of the Sympak Corazza Group's Dairy & Convenience Food division. This operation was carried out through IMA Industries S.r.l., a wholly-owned subsidiary. This acquisition forms part of the strategy to expand the range of machines designed and produced by the Group for the food industry. The companies in the dairy & convenience food sector included in the scope of consolidation are:

	Registered office	% holding
Sympak Corazza S.p.A.	Bologna	100% (1)
R.C. S.p.A.	Argelato (Bologna)	100% (2)
Sympak Inc.	Mundelein (USA)	100% (2)
Sympak Asia Pacific Pte Ltd.	Singapore	100% (2)
OOO Sympak	Moscow (Russia)	100% (2)
Sympak France Sarl	Lognes (France)	100% (2)
Stephan Machinery GmbH	Hameln (Germany)	100% (2)
Sympak Process Engineering GmbH	Schwarzenbek (Germany)	100% (3)
Stephan Food Service Equipment GmbH (5)	Hameln (Germany)	100% (3)
Stephan Poland	Poznan (Poland)	100% (3)
Stephan Machinery Canada Ltd.	Mississauga (Canada)	100% (4)

(1) Held by IMA Industries S.r.l.
(2) Held by Corazza S.p.A.
(3) Held by Stephan Machinery GmbH
(4) Held by Sympak Inc.
(5) Merged into Stephan Machinery GmbH with effect from 1 January 2011.

At the date of this half-year report, Sympak Corazza S.p.A., Sympak Asia Pacific Pte Ltd., OOO Sympak, Sympak France Sarl and Sympak Process Engineering GmbH, Sympak Inc. had changed their names to Corazza S.p.A., IMA Industries Asia Pacific Pte Ltd., OOO IMA Industries, IMA Industries France Sarl, Stephan Process Engineering GmbH and IMA Industries Inc., respectively.

The main provisional values for assets and liabilities at the acquisition date were as follows (millions of euros):

	Book values	Fair value
Intangible assets	28.0	33.5
Property, plant and equipment	1.7	1.7
Investments and non-current receivables from others	0.3	0.3
Net deferred tax assets	2.7	2.7
Inventories	12.8	12.8
Trade and other receivables	18.7	19.6
Net income tax receivables	0.5	0.5
Cash and cash equivalents	10.6	10.6
Assets held for sale	6.5	6.5
Financial payables	(21.7)	(21.7)
Severance and pension provisions	(7.5)	(7.5)
Deferred tax liabilities	(0.7)	(11.0)
Provision for risks and charges	(1.6)	(1.7)
Trade and other payables	(28.4)	(28.4)
Total	**21.9**	**17.9**
Purchase cost		57.5
Goodwill		**39.6**

The revenues and operating profit of the Corazza Group, which has been consolidated for five months, amounted to 37.1 million euros and 3.7 million euros, respectively. The size of its average workforce during the period was 285 employees.

The initial accounting for this business combination has been determined on a provisional basis because the fair value of the assets, liabilities or contingent liabilities and the cost of the combination have not yet been finalized. As required by IFRS 3, any adjustments will be made within twelve months of the acquisition date.

No additional writedown has been made on trade receivables as they are all considered recoverable.

The total financial outlay for the acquisition amounted to 68.6 million euros.

During the first half of 2011, 1.5 million euros of the ancillary expenses related to the acquisition were booked to the income statement under services, rentals and leases.

23. GUARANTEES GRANTED

At 30 June 2011, the Group has granted sureties and other bank guarantees to customers in the amount of 13.3 million euros for the proper operation of machinery, bid bonds and advances not yet received, sureties in favour of the municipality of Ozzano dell'Emilia (Bologna) for 0.2 million euros to secure the performance of contracts, a surety to the tax authorities for VAT rebates of 9.5 million euros and sureties to others for 7.5 million euros, mainly to guarantee leases.

In addition, the Parent Company has granted sureties and other guarantees (binding letters of patronage) to third parties on behalf of subsidiaries and associates, in relation to lines of credit and loans from banks and to the payment of lease instalments totalling 212.5 million euros and 12.5 million euros respectively.

Sureties granted against advances received from customers amount to about 49.3 million euros (36.1 million euros at 31 December 2010).

24. Commitments

At 30 June 2011 commitments to purchase of property, plant and equipment and intangible assets amounted to 0.5 million euros, mainly relating to leasehold improvements.

The Group has commitments of 1.5 million euros in respect of future minimum payments for non-cancellable operating leases, mainly relating to plant, machinery and vehicles (0.7 million euros due within one year and 0.8 million euros due from one to five years), and commitments of 109.5 million euros for rents (11.2 million euros due within one year, 41.8 million euros due from one to five years and 56.5 million euros due after more than five years). A total of 6.1 million euros in operating lease and rent payments were made during the first half of 2011 (4.7 million euros in the first half of 2010).

There are also other commitments in favour of third parties for 1.6 million euros, consisting mainly of the Parent Company's commitment to buy further units of the mutual funds reported under financial assets.

25. Related-party transactions

On 1 December 2010, IMA S.p.A. adopted compulsory procedures to be followed by IMA and its subsidiaries when carrying out transactions with parties related to IMA. These procedures have been adopted pursuant and consequent to Art. 2391-bis of the Italian Civil Code and to the "Regulation on related-party transactions" approved by Consob.

As mentioned previously, on 1 January 2011 the Group adopted the revised version of IAS 24 “Related Party Disclosures”, which clarifies the definition of related parties.

The parent company of the IMA Group is I.M.A. Industria Macchine Automatiche S.p.A., which at 30 June 2011 is 66.219% owned by SO.FI.MA. S.p.A., in turn controlled by Lopam Fin S.p.A.

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

Related-party transactions mainly relate to commercial and property operations (leased premises used by the Parent Company or Group companies), as well as to membership of the consolidated taxation mechanism. Related-party transactions are carried out on an arm's-length basis.

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

	Receivables at 30.06.2011	Receivables at 31.12.2010	Payables at 30.06.2011	Payables at 31.12.2010
Associates:				
Amherst Stainless LLC	0.8	0.2	0.2	–
B.C. S.r.l.	1.1	1.0	0.6	0.4
Bacciottini F.lli S.r.l.	0.6	0.3	2.7	3.0
Bolognesi S.r.l.	0.6	0.4	1.1	0.7
Brio Pharma Technologies Ltd.	0.4	0.4	0.4	0.1
CMH S.r.l.	1.4	n.a.	–	n.a.
FIMA S.r.l.	–	n.a.	0.1	n.a.
I.E.M.A. S.r.l.	0.4	0.4	3.9	2.3
LA.CO. S.r.l.	1.6	1.6	1.2	0.8
Logimatic S.r.l.	2.3	1.7	6.3	4.0
Masterpiece S.r.l.	0.1	–	0.2	0.1
OPM S.p.A.	0.5	n.a.	1.4	n.a.
Powertransission.it S.r.l.	–	–	0.3	0.3
Scriba Nanotenoligie S.r.l.	1.1	1.2	–	–
SIL.MAC. S.r.l.	0.4	0.4	1.0	0.9
Stephan Belgium BVBA	0.1	n.a.	–	n.a.
Stephan UK Ltd.	0.4	n.a.	–	n.a.
	11.8	**7.6**	**19.4**	**12.6**
Other related parties:				
Banca di Bologna	0.7	1.5	1.5	6.7
Datalogic Automation S.r.l.	–	–	0.1	0.1
Mandarin Capital Management SA	1.2	1.0	–	–
Poggi & Associati	–	0.3	0.1	0.2
Schiavina S.r.l.	0.1	–	0.1	–
	2.0	**2.8**	**1.8**	**7.0**
Total	**13.8**	**10.4**	**21.2**	**19.6**

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

	Revenues 1st half 2011	Revenues 1st half 2010	Costs 1st half 2011	Costs 1st half 2010
Associates:				
Amherst Stainless LLC	–	n.a.	0.8	n.a.
B.C. S.r.l.	–	–	1.6	1.6
Bacciottini F.lli S.r.l.	–	–	2.2	2.0
Bolognesi S.r.l.	–	n.a.	1.3	n.a.
Brio Pharma Technologies Ltd.	–	–	0.3	–
I.E.M.A. S.r.l.	–	–	3.2	1.1
LA.CO. S.r.l.	0.6	0.2	0.8	1.1
Logimatic S.r.l.	1.1	0.3	6.2	1.9
Masterpiece S.r.l.	–	–	0.3	0.2
OPM S.p.A.	0.4	n.a.	–	n.a.
Powertransmission.it S.r.l.	–	–	0.4	0.3
SIL.MAC. S.r.l.	–	–	0.9	0.5
	2.1	**0.5**	**18.0**	**8.7**
Other related parties:				
Datalogic Automation S.r.l.	–	–	0.1	0.1
Italbe S.p.A.	–	–	0.1	0.1
Lopam S.r.l.	–	–	0.3	0.2
Mandarin Capital Management SA	–	–	0.5	0.5
Morosina S.p.A.	–	–	0.1	0.1
Naturapack S.r.l.	n.a.	0.3	n.a.	0.8
Nemo Investimenti S.r.l.	–	–	0.8	0.7
Poggi & Associati	–	–	0.8	0.2
	–	**0.3**	**2.7**	**2.7**
Total	**2.1**	**0.8**	**20.7**	**11.4**

The above transactions primarily relate to Italian companies.

Transactions are also conducted with SO.FI.MA. S.p.A., the ultimate parent company, as a result of setting up the consolidated taxation mechanism, as mentioned in Note 21.

Brief information about transactions with associates is given below:

- Amherst Stainless Fabrication LLC operates in the field of mechanical engineering and industrial assembly;
- B.C. S.r.l. manufactures machine parts for the Group and third parties;
- Bacciottini F.lli S.r.l. processes sheet metal for pharmaceutical machinery;
- Bolognesi S.r.l. operates in the field of mechanical engineering and industrial assembly;
- Brio Pharma Technologies Pvt. Ltd. distributes certain product lines of the Group in India;
- I.E.M.A. S.r.l. designs and produces equipment for automated machinery;
- LA.CO. S.r.l. manufactures mechanical constructions and repairs machine tools;
- Logimatic S.r.l. operates in the marketing, distribution and testing of automatic machines;
- Masterpiece S.r.l. carries out engineering work;
- Powertransmission.it S.r.l. manufactures and sells mechanical components, assemblies and complete plant;

- Scriba Nanotecnologie S.r.l. specializes in the study of hi-tech solutions against food adulteration and for tracking pharmaceuticals;
- SIL.MAC. S.r.l. operates in the field of mechanical engineering, specializing in the construction of machines for third parties.

Transactions with associates are largely of a commercial nature. See Note 4 for further information.

In the first half of 2011, total fees paid to executives with strategic responsibilities amounted to 2.5 million euros. Executives with strategic responsibilities include two members of the Board of Directors of the Parent Company. The figure includes, among other things, the costs related to variable components linked to the achievement of targets by the IMA Group.

The following table provides a summary of those items in the balance sheet and income statement which include related-party transactions, together with the related percentage impact (millions of euros):

	Total at 30.06.2011	Of which related parties	% impact	Total at 31.12.2010	Of which related parties	% impact
Balance sheet:						
Non-current assets	266.2	5.9	2.2%	190.5	4.7	2.5%
Trade and other receivables	164.7	5.2	3.2%	135.4	3.2	2.4%
Other current assets	272.8	2.7	1.0%	266.1	2.5	0.9%
Current assets	437.5	7.9	1.8%	401.5	5.7	1.4%
Total assets	**703.7**	**13.8**	**2.0%**	**592.0**	**10.4**	**1.8%**
Equity	117.8			115.9		
Non-current liabilities	124.2	0.7	0.6%	92.5	–	0.0%
Trade and other payables	259.2	18.4	7.1%	198.9	12.9	6.5%
Other current liabilities	202.5	10.3	5.1%	184.7	13.1	7.1%
Current liabilities	461.7	28.7	6.2%	383.6	26.0	6.8%
Total liabilities and equity	**703.7**	**29.4**	**4.2%**	**592.0**	**26.0**	**4.4%**

	1st half 2011	Of which related parties	% impact	1st half 2010	Of which related parties	% impact
Income statement:						
Revenues and other income	283.2	2.1	0.7%	199.5	0.8	0.4%
Cost of raw materials and goods	(130.2)	(14.1)	10.8%	(75.4)	(7.0)	9.3%
Cost of services and leases	(73.9)	(6.6)	8.9%	(49.1)	(4.4)	9.0%
Other operating costs	(70.1)	–	0.0%	(73.3)	–	0.0%
Operating profit	**9.0**			**1.7**		
Net financial income (expense)	(5.0)	–	0.0%	(3.0)	–	0.0%
Other income statement items	(2.7)	–	0.0%	–	–	0.0%
Net profit (loss) for the period	**1.3**			**(1.3)**		

26. SIGNIFICANT NON-RECURRING TRANSACTIONS AND EVENTS

The following non-recurring items in the first half of 2011 are included in the operating profit for the period and classified as "personnel costs" and "services" (in millions of euros):

	1st half 2011	1st half 2010
Tax credits on R&D costs incurred	–	0.4
Restructuring costs	(2.0)	(1.9)
Interpack fair event to celebrate IMA's 50th Anniversary	(1.4)	–
Ancillary expenses for business combinations	(1.6)	–
Total	**(5.0)**	**(1.5)**

The restructuring costs relate to personnel costs involved in rationalizing structures and containing the operating costs of certain Group companies.

The non-recurring costs in connection with the Interpack Fair relate to the events held in Dusseldorf in May 2011 to celebrate IMA's 50th Anniversary.

27. Positions or operations deriving from atypical and/or unusual transactions

No positions or operations deriving from atypical and/or unusual transactions arose during the first half of the year.

28. Significant subsequent events

On 20 and 21 July 2011 IMA S.p.A. sold 7.5% of CMH S.r.l. to Descaling S.à.r.l. for 75 thousand euros and 2.5% of the same company to Holding Partecipazioni Sacmi S.p.A. for 25 thousand euros. On 28 July 2011 the Shareholders' Meeting of CMH S.r.l. decided to increase its share capital from 1 million euros to 1.3 million euro with an increase of 300 thousand euros and a share premium of 5.4 million euros reserved:

- in the amount of 150 thousand euros with a share premium of 2.7 million euros to the shareholder HPS S.p.A. in exchange for its 100% interests in Carle e Montanari S.p.A. and Carle e Montanari Inc.;
- in the amount of 150 thousand euros with a share premium of 2.7 million euros to the shareholder IMA S.p.A. to be paid in cash.

As a result, IMA S.p.A. now owns 47.115% of CMH S.r.l.

Appendices

(The consolidated interim financial statements have been translated from the original Italian into English solely for the convenience of international readers)

APPENDICES

The following section provides additional information for the second quarter of 2011:

- Consolidated income statement for the second quarter of 2011 and the second quarter of 2010;
- Consolidated statement of comprehensive income for the second quarter of 2011 and the second quarter of 2010;
- Net debt at 30 June 2011, at 31 March 2011 and at 31 December 2010.

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

INCOME STATEMENT	2nd quarter 2011 (*)	2nd quarter 2010 (*)	1st half 2011	1st half 2010
REVENUES	182.5	113.5	278.0	196.1
Other revenues	3.5	2.1	5.2	3.4
- of which: effect of non-recurring items	–	*0.4*	–	*0.4*
OPERATING COSTS				
Change in work in progress, semifinished and finished goods	13.6	4.2	38.1	18.2
Change in inventory of raw, ancillary and consumable materials	3.9	0.8	5.0	3.5
Cost of raw, ancillary and consumable materials and goods for resale	(79.8)	(40.4)	(130.2)	(75.4)
Services, rentals and leases	(46.7)	(26.6)	(73.9)	(49.1)
- of which: effect of non-recurring items	*(3.0)*	–	*(3.0)*	–
Personnel costs	(57.6)	(44.8)	(101.7)	(87.4)
- of which: effect of non-recurring items	*(2.0)*	*(1.9)*	*(2.0)*	*(1.9)*
Depreciation, amortization and impairment	(5.7)	(3.2)	(9.2)	(6.4)
Provisions for risks and charges	0.6	0.5	0.3	0.3
Other operating costs	(1.4)	(0.8)	(2.6)	(1.5)
TOTAL OPERATING COSTS	(173.1)	(110.3)	(274.2)	(197.8)
OPERATING PROFIT	12.9	5.3	9.0	1.7
- of which: effect of non-recurring items	*(5.0)*	*(1.5)*	*(5.0)*	*(1.5)*
FINANCIAL INCOME AND EXPENSE				
Financial income	3.5	3.9	6.4	7.1
Financial expense	(5.9)	(5.7)	(11.4)	(10.1)
TOTAL FINANCIAL INCOME AND EXPENSE	(2.4)	(1.8)	(5.0)	(3.0)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	0.5	0.2	0.5	0.2
PROFIT (LOSS) BEFORE TAX	11.0	3.7	4.5	(1.1)
INCOME TAXES FOR THE PERIOD	(5.8)	(2.0)	(3.2)	(0.2)
NET PROFIT (LOSS) FOR THE PERIOD	**5.2**	**1.7**	**1.3**	**(1.3)**
ATTRIBUTABLE TO:				
PARENT COMPANY SHAREHOLDERS	5.0	1.7	1.0	(1.3)
MINORITY INTERESTS	0.2	–	0.3	–
	5.2	**1.7**	**1.3**	**(1.3)**
EARNINGS PER SHARE (in euros)	**0.15**	**0.05**	**0.03**	**(0.04)**

(*) UNAUDITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MILLIONS OF EUROS)

	2nd quarter 2011 (*)	2nd quarter 2010 (*)	1st half 2011	1st half 2010
Net profit (loss) for the period	5.2	1.7	1.3	(1.3)
Exchange rate gains (losses) on the translation of foreign currency financial statements	(0.9)	4.5	(3.5)	7.4
Gains (losses) on financial assets available for sale	–	0.1	–	–
Gains (losses) on cash flow hedges	(0.9)	(1.4)	1.0	(1.9)
Gains (losses) booked to equity	(1.8)	3.2	(2.5)	5.5
Total comprehensive income for the period	**3.4**	**4.9**	**(1.2)**	**4.2**
Attributable to:				
Parent Company shareholders	3.2	4.7	(1.5)	3.9
Minority interests	0.2	0.2	0.3	0.3
	3.4	**4.9**	**(1.2)**	**4.2**

(*) UNAUDITED

NET DEBT

(MILLIONS OF EUROS)

	30.06.2011	31.03.2011 (*)	31.12.2010
A. Cash and cash equivalents	(52.9)	(98.0)	(102.2)
B. Other cash equivalents	(1.2)	(1.1)	(0.9)
C. Investments in securities	(1.5)	(1.5)	(1.2)
D. Liquidity (A) + (B) + (C)	**(55.6)**	**(100.6)**	**(104.3)**
E. Current financial receivables	**(0.8)**	**(21.5)**	**–**
F. Current payables to banks	125.7	166.1	112.4
G. Current portion of non-current bank payables	44.0	48.2	44.7
H. Other current financial payables	2.6	4.5	2.6
I. Current financial debt (F)+(G)+(H)	**172.3**	**218.8**	**159.7**
J. Net current financial debt (D)+(E)+(I)	**115.9**	**96.7**	**55.4**
K. Non-current portion of non-current bank payables	76.2	79.6	60.1
L. Non-current financial assets	(2.3)	(2.3)	(2.2)
M. Other non-current financial payables	0.8	0.1	0.2
N. Non-current financial debt (K)+(L)+(M)	**74.7**	**77.4**	**58.1**
O. Net financial debt (J)+(N)	**190.6**	**174.1**	**113.5**

(*) UNAUDITED

CERTIFICATION OF CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS AMENDED

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

Certification of the condensed consolidated half-year financial statements pursuant to Art. 81-ter of Consob Regulation no. 11971 of 14 May 1999, as amended

1. The undersigned, Alberto Vacchi, Chairman and Managing Director, and Sergio Marzo, the manager responsible for preparing the financial reports of IMA S.p.A., certify, also having regard to Art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998:

- the appropriateness with regard to the characteristics of the Company and
- the effective application of the administrative and accounting procedures in preparing the condensed consolidated half-year financial statements for the first half of 2011.

2. It is also certified that:

2.1 the condensed consolidated half-year financial statements at 30 June 2011:

a) have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Commission pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council of 19 July 2002;
b) correspond to the entries in the accounting books and records;
c) provide a true and fair view of the performance and financial position of the issuer and of the group of companies included in the scope of consolidation.

2.2 The interim report on operations contains references to important events that took place in the first six months of the year and to their impact on the condensed consolidated half-year financial statements, together with a description of the main risks and uncertainties in the remaining six months of the year.
The interim report on operations also contains a reliable analysis of the information on significant related-party transactions

Ozzano dell'Emilia (Bologna), 5 August 2011

Managing Director	Manager responsible for preparing financial reports
Alberto Vacchi	Sergio Marzo

REPORT OF THE INDEPENDENT AUDITORS ON THE LIMITED AUDIT OF THE HALF-YEAR REPORT

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

I.M.A. INDUSTRIA MACCHINE AUTOMATICHE S.P.A. AND SUBSIDIARIES pwc

AUDITORS' REPORT ON THE REVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
IMA – Industria Macchine Automatiche SpA

1 We have reviewed the consolidated condensed interim financial statements of IMA – Industria Macchine Automatiche SpA (hereinafter also "Company") and its subsidiaries (hereinafter also "IMA Group") as of 30 June 2011 and for the six months period then ended, comprising the balance sheet, the income statement and the statement of comprehensive income, the statements of changes in shareholders' equity, the statement of cash flows and the related selected explanatory notes. IMA – Industria Macchine Automatiche SpA's directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard (IAS 34) applicable to interim financial reporting, as adopted by the European Union. Our responsibility is to issue this report based on our review.

2 Our work was conducted in accordance with the criteria for a review recommended by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution no. 10867 of 31 July 1997. The review consisted principally of inquiries of Company personnel about the information reported in the consolidated condensed interim financial statements and about the consistency of the accounting principles utilized therein as well as the application of analytical review procedures on the data contained in the above mentioned consolidated financial statements. The review excluded certain auditing procedures such as compliance, verification and validation tests of assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike an audit on the annual consolidated financial statements, we do not express a professional audit opinion on the consolidated condensed interim financial statements.

Regarding the amounts of the consolidated financial statements of the prior year and the consolidated condensed interim financial statements of the prior year presented for comparative purposes, reference should be made to our reports dated 29 March 2011 and dated 6 August 2010, respectively.

PricewaterhouseCoopers SpA

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3 Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of IMA Group as at 30 June 2011 and for the six months period then ended have not been prepared, in all material respects, in accordance with the international accounting standard (IAS 34) applicable to interim financial reporting, as adopted by the European Union.

Bologna, 5 August 2011

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

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