
**QUARTERLY REPORT
FOR THE FOURTH QUARTER OF 2007**

I . M . A .

INDUSTRIA MACCHINE AUTOMATICHE S.P.A.
HEAD OFFICE: OZZANO DELL'EMILIA (BOLOGNA)
SHARE CAPITAL FULLY PAID-IN: € 17,732,000
REGISTERED WITH THE BOLOGNA COMPANIES
REGISTER AT NO. 00307140376

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REPORT ON OPERATIONS

I.M.A.

INDUSTRIA MACCHINE AUTOMATICHE S.P.A.
AND SUBSIDIARIES

DIRECTORS AND OFFICERS

The directors and officers in office at the date of this quarterly report are as follows:

BOARD OF DIRECTORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2008)

DIRECTOR AND HONORARY CHAIRMAN

Marco Vacchi

Marco Vacchi resigned as Chairman of the Company on 26 June 2007, but remained as a Director; the Board of Directors appointed him Honorary Chairman on the same day.

CHAIRMAN AND MANAGING DIRECTOR

Alberto Vacchi

Alberto Vacchi was appointed Chairman on 26 June 2007.

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

- to transfer or receive for whatever purpose or reason, shares or quotas in companies, associations or entities, lines of business, businesses or combinations of businesses and real estate of any kind;
- 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;
- to concede real rights of enjoyment over the assets of the Company.

DIRECTOR AND CEO

Andrea Malagoli

DIRECTORS

Gino Benedetti, Giancarlo Folco (appointed on 27 April 2007), Italo Giorgio Minguzzi, Luca Poggi, Maria Carla Schiavina, Gianluca Vacchi, Stefano Visentini, Romano Volta.

In addition to the powers that cannot be delegated, the Board of Directors of IMA S.p.A. acting together has exclusive powers to approve:

- the Company's and the Group's strategic, business and financial plans and any decisions relating to the corporate governance of IMA S.p.A. and the Group structure;
- the adequacy of the way the Company and its subsidiaries are organised and administered, with particular reference to the system of internal control and the management of conflicts of interest;
- the results of operations;
- all transactions of economic or financial significance to the Company and, in any case, all transactions with a value in excess of 10 million euros, except for the renewal or extension of bank lines of credit already granted to the Company, the powers for which can be delegated;

- all transactions in which one or more directors have an interest on own account or on behalf of third parties, and all transactions with related parties, including intercompany transactions, unless they relate to routine operations carried out on market terms;
- the size, membership and functioning of the Board of Directors and its committees;
- the decisions about future significant transactions by subsidiaries of IMA S.p.A. that will affect IMA S.p.A.

BOARD OF STATUTORY AUDITORS

(In office until the Shareholders' Meeting called to approve the financial statements at 31 December 2009)

AUDITORS

Amedeo Cazzola - Chairman - Auditor

Piero Aicardi - Auditor

Giacomo Giovanardi - Auditor

ALTERNATE AUDITORS

Vittorio Coraducci - Auditor

Chiara Gallina - Auditor

Antonella Grassigli - Auditor

INTERNAL CONTROL AND REMUNERATION COMMITTEE

Romano Volta - Independent director - Chairman

Giancarlo Folco - Independent director

Maria Carla Schiavina - Non-executive director

MANAGER RESPONSIBLE FOR THE PREPARATION OF COMPANY ACCOUNTING DOCUMENTS

Sergio Marzo

Appointed by resolution of the Board of Directors on 26 June 2007.

LEAD INDEPENDENT DIRECTOR

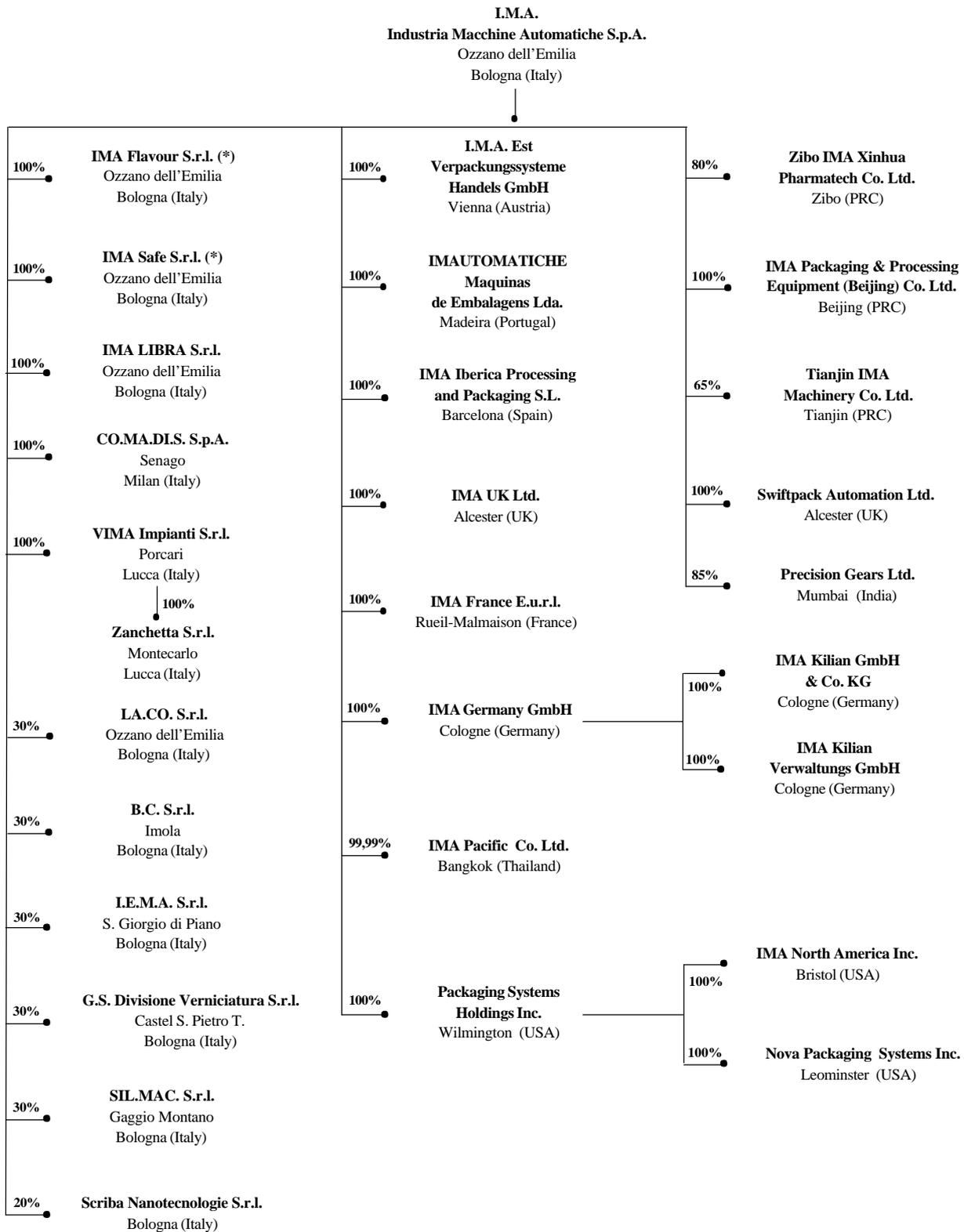
Romano Volta

INDEPENDENT AUDITORS

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

PricewaterhouseCoopers S.p.A.

GROUP STRUCTURE



(*) Name from 2 January 2008

GROUP COMPANIES BY BUSINESS ACTIVITY

**MANUFACTURING
ACTIVITIES**

**I.M.A.
Industria Macchine
Automatiche S.p.A.**
Ozzano dell'Emilia
Bologna (Italy)

IMA Libra S.r.l.
Ozzano dell'Emilia
Bologna (Italy)

IMA Flavour S.r.l.
Ozzano dell'Emilia
Bologna (Italy)

IMA Safe S.r.l.
Ozzano dell'Emilia
Bologna (Italy)

CO.MA.DI.S. S.p.A.
Senago – Milan (Italy)

VIMA Impianti S.r.l.
Porcari – Lucca (Italy)

Zanchetta S.r.l.
Montecarlo – Lucca (Italy)

LA.CO. S.r.l.
Ozzano dell'Emilia
Bologna (Italy)

B.C. S.r.l.
Imola – Bologna (Italy)

I.E.M.A. S.r.l.
S. Giorgio di Piano
Bologna (Italy)

G.S. Divisione Verniciatura S.r.l.
Castel S. Pietro Terme
Bologna (Italy)

SIL.MAC. S.r.l.
Gaggio Montano
Bologna (Italy)

IMA Kilian GmbH & Co. KG
Cologne (Germany)

Precision Gears Ltd.
Mumbai (India)

**Tianjin IMA
Machinery Co. Ltd.**
Tianjin (PRC)

**Zibo IMA
Xinhua Pharmatech Co. Ltd.**
Zibo (PRC)

**Nova Packaging
Systems Inc.**
Leominster (USA)

Swiftpack Automation Ltd.
Alcester (UK)

**COMMERCIAL
ACTIVITIES**

IMA Germany GmbH
Cologne (Germany)

**I.M.A. Est
Verpackungssysteme
Handels GmbH**
Vienna (Austria)

IMA France E.u.r.l.
Rueil-Malmaison (France)

IMA UK Ltd.
Alcester (UK)

**IMAUTOMATICHE
Maquinas de Embalagens Lda.**
Madeira (Portugal)

**IMA Iberica
Processing and Packaging S.L.**
Barcelona (Spain)

IMA North America Inc.
Bristol (USA)

**IMA Packaging and
Processing Equipment
(Beijing) Co. Ltd.**
Beijing (PRC)

IMA Pacific Co. Ltd.
Bangkok (Thailand)

**OTHER
ACTIVITIES**

IMA Kilian Verwaltungs GmbH
Cologne (Germany)

SCRIBA Nanotecnologie S.r.l.
Bologna (Italy)

**FINANCIAL
ACTIVITIES**

**Packaging Systems
Holdings Inc.**
Wilmington (USA)

GROUP PERFORMANCE

GENERAL PERFORMANCE

Fears of a recession in the United States are rising, fed by the deterioration in the residential property market and signs of weakness in the labour market.

International energy and food prices have reached new highs and to a certain extent they have been passed on to domestic prices in individual countries.

Lastly, the crisis of confidence on the part of financial intermediaries triggered off by the sub-prime mortgage problem still requires massive interventions on the part of the central bank and will probably require considerable time before the situation comes back to normal, leaving tighter conditions on the credit market as a result.

This deterioration in expectations is not entirely confirmed by the latest figures for the world economy. World GDP in the third quarter of 2007 signalled an acceleration in the trend growth rate thanks to the contribution of the main industrialised economies, whereas the principal emerging nations are more or less holding firm.

All of these factors of uncertainty point to a reduction in GDP growth of almost one percentage point in 2008. However, it has to be said that there are also more pessimistic forecasts compared with this one, based on a more dramatic version of the American crisis. In any case, there are reasons to believe, at least for the time being, that this will not be the most likely outcome.

In this scenario of uncertainty and strong volatility, the pharmaceutical market has closed 2007 with an encouraging level of growth, around 7%. But this macro figure hides a profound change in demand and supply. As regards the former, there is a constant rise in demand from emerging nations to the detriment of that coming from more industrialised nations.

Moreover, delays in the replacement of products made under expiring patents with new formulations is exposing the pharmaceutical multinationals to the risk of lower profit margins, to the benefit of generic drug producers, which have been growing rapidly in recent years.

Supply continues to rise on the part of producers of vaccines, biotech and oncological drugs, which are showing double-figure growth rates.

And there is unlikely to be a substantial change in the growth of the world pharmaceutical market in 2008.

CONSOLIDATED INCOME STATEMENT

The consolidated revenues of the IMA Group for the year amounted to 454.5 million euros (425.2 million euros in 2006), while the operating profit came to 69.6 million euros, compared with 53.4 million euros in 2006.

The consolidated income statement for 2007 is summarized below, with comparative figures for 2006:

in millions of euros	2007		2006		Change %
	Amount	%	Amount	%	
Revenues	454.5		425.2		6.9
Cost of sales	(265.9)	58.5	(247.6)	58.2	
Industrial gross profit	188.6	41.5	177.6	41.8	6.2
R&D costs	(22.2)		(19.6)		
Selling costs	(53.5)		(53.3)		
General and administrative costs	(47.8)		(50.5)		
Operating profit before writedowns/ impairment/non recurring items (E.B.I.T.A.)	65.1	14.3	54.2	12.7	20.1
Writedowns/impairment of goodwill	–		(0.8)		
Non-recurring items	4.5		–		
Operating profit (E.B.I.T.)	69.6	15.3	53.4	12.6	30.3
Net financial income (expense)	(7.7)		(6.9)		
Profit before income taxes	61.9	13.6	46.5	10.9	33.1
Income taxes	(24.1)		(21.7)		
Net profit from continuing operations	37.8	8.3	24.8	5.8	52.4
Net profit from discontinued operations / disposal groups	1.8		–		
Profit for the period	39.6	8.7	24.8	5.8	59.7
Profit pertaining to minority interests	(0.2)		–		
Group profit	39.4	8.7	24.8	5.8	58.9
Gross operating profit (E.B.I.T.D.A.)	79.8	17.6	65.4	15.4	22.0
Order book	242.9		192.0		26.5

REVENUES AND ORDERS

Consolidated revenues in 2007 amounted to 454.5 million euros, an increase of 6.9% on the same period last year that was almost entirely achieved by organic growth.

This result was made possible by the size of the backlog at the end of last year and the strong inflow of orders received from the pharmaceutical sector and the tea industry during the current year.

The level of orders received during the fourth quarter of 2007 was also good, raising the backlog to 242.9 million euros, 26.5% up on the previous year (192.0 million euros).

Total orders acquired during the year amount to 509.2 million euros versus 453.3 million euros in 2006, an increase of 12.3%.

OPERATING PROFIT

Industrial gross profit was 41.5% of revenues, compared with 41.8% in 2006.

This slight reduction is due to a different mix between the tea and pharmaceutical sectors, as most of the growth in volumes and gross margin compared with the previous year was achieved in the pharmaceutical sector.

As a result, operating profit was 69.6 million euros, versus 53.4 million euros in 2006, due to a modest decrease in fixed costs.

Operating profit also benefited from a one-time reduction in personnel costs by 4.5 million euros following the change in the regulations governing severance indemnities. Net of this change, operating profit would have amounted to 65.1 million euros.

PROFIT BEFORE INCOME TAXES

Net financial expense amounted to 7.7 million euros compared with 6.9 million euros in the period to 31 December 2006. This rise was due to the higher cost of borrowing in euros.

Profit before tax therefore came to 61.9 million euros versus 46.5 million euros in 2006.

PROFIT FOR THE PERIOD

Profit for the period benefited from the net gain realised on the sale of Info Area s.r.l., which took place on 31 July 2007 for a total of 5.2 million euros, and of the Group's interest in Ima-Telstar, which took place on 5 December 2007 for a total of 2.2 million euros, bringing the net profit to 39.6 million euros compared with 24.8 million euros the previous year. The reasons for this difference have already been explained in the previous two sections.

**ANALYSIS OF PERFORMANCE
BY SECTOR**

The following table provides summary balance sheet and income statement figures for the various sectors comprising the Group's activities:

in millions of euros	Tea	Packaging	Processing	Other	Unallocated	Total
Revenues						
2007	77.1	247.0	128.9	1.5	–	454.5
2006	73.9	239.7	107.4	4.2	–	425.2
Operating profit						
2007	26.5	32.7	10.6	(0.2)	–	69.6
2006	24.1	23.5	5.6	0.2	–	53.4
Net capital employed (*)						
31 December 2007	12.8	95.3	85.2	14.3	(10.7)	196.9
31 December 2006	19.8	99.7	87.3	2.5	(6.1)	203.2
R&D costs						
2007	5.3	11.3	5.6	–	–	22.2
2006	4.6	10.8	4.2	–	–	19.6
Average personnel (**)						
2007	190	1,470	585	–	384	2,629
2006	200	1,556	543	–	392	2,691
Order book						
31 December 2007	61.7	119.1	62.1	–	–	242.9
31 December 2006	34.7	115.3	42.0	–	–	192.0

(*) *Unallocated assets and liabilities mainly comprise current and deferred income taxes and other equity investments, which cannot be allocated accurately to the above divisions.*

(**) *The personnel allocated to the various sectors are those directly employed there, while the figure reported in the "Unallocated" column reflects those employed by the sales organisations at branches and in the Group's administrative and central offices.*

Revenues from the tea sector were 4.3% higher than the already good results reported last year, confirming the Group's strong leadership position in this market. Operating profit was also higher at 26.5 million euros (34.4% of revenues) compared with 24.1 million euros in 2006 (32.6% of revenues). The order book has risen by 78% (to 61.7 million euros compared with 34.7 million euros in 2006), providing good visibility for the coming year.

Higher revenues in the packaging sector (+7.3 million euros) came from internal growth, given strong market demand for these products. Operating profit was considerably better than the previous year (32.7 million euros against 23.5 million euros), even net of the severance indemnities effect described earlier, which contributed 2.9 million euros to the results of this sector. This improvement was achieved thanks to higher volumes and the containment of fixed costs.

There was also significant improvement in the results of the sector that makes process machinery for the pharmaceutical industry. In fact, there was an increase in both revenues (128.9 million euros versus 107.4 million euros in 2006) and margins (10.6 million euros of operating profit with respect to 5.6 million euros in 2006), with a positive severance indemnities effect of 0.8 million euros. Product margins were considerably better thanks to careful planning of production costs and the healthy trend in orders.

The Group continues to work hard on cost rationalisation, by lowering production costs and re-engineering processes to eliminate duplications. The benefits of this change emerged during 2007, confirming the trend that had already begun the previous year.

CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

The following table summarizes the Group's balance sheet at 31 December 2007:

in millions of euros	31.12.2007	31.12.2006
Trade receivables	102.3	101.4
Inventories	135.8	122.2
Trade payables	(135.4)	(102.9)
Other, net	(31.1)	(29.2)
Working capital	71.6	91.5
Property, plant and equipment	67.9	72.7
Intangible assets	66.3	69.9
Investments	13.7	1.8
Non-current assets	147.9	144.4
Provision for severance indemnities and other provisions	(22.6)	(32.7)
Net capital employed	196.9	203.2
FINANCED BY:		
Net debt	86.6	104.2
Minority interests	1.1	1.0
Group Equity	109.2	98.0
Total sources of financing	196.9	203.2

The net capital employed at the end of the fourth quarter of 2007 was 6.3 million euros lower than at the end of 2006.

The decrease during the year took place despite an increase in investments as a result of buying 7.3 million euros of shares in Pierrel (net of the value adjustment) and making a lower provision for severance indemnities following the change in the law which reduced the provision by 4.5 million euros.

Analysing the changes in net working capital, the essential stability of trade receivables contrasts with the rise in inventories, which was more than offset by an increase in trade payables and the advances received from customers, partially thanks to the higher value of the order book at 31 December 2007 compared with the same date in 2006.

The change in fixed assets is mainly the result of the net effect of buying the shares in Pierrel S.p.A. and selling IMA's stake in the Telstar Group.

The following is a breakdown of net debt:

in millions of euros	31.12.2007	31.12.2006
A. Cash and cash equivalents	(71.0)	(60.2)
B. Other cash equivalents	–	–
C. Investment in securities	(0.2)	(0.2)
D. Liquidity (A)+(B)+(C)	(71.2)	(60.4)
E. Current financial receivables	(0.2)	–
F. Current payables to banks	60.6	52.1
G. Current portion of non-current bank debt	33.8	22.2
H. Other current financial payables	1.2	1.6
I. Current financial debt (F)+(G)+(H)	95.6	75.9
J. Net current financial debt (D)+(E)+(I)	24.2	15.5
K. Non-current portion of non-current bank debt	63.5	85.0
L. Non-current financial assets (*)	(4.6)	(3.4)
M. Other non-current financial payables	3.5	7.1
N. Non-current financial debt (K)+(L)+(M)	62.4	88.7
O. Total net financial debt (J)+(N)	86.6	104.2

(*) At 31 December 2007, non-current financial assets comprise investments in securities and financial receivables and differ from the corresponding balance sheet amount of 14.5 million euros due to the exclusion of investments in other companies.

Net debt at the end of the period amounts to 86.6 million euros (104.2 million euros at 31 December 2006). The reduction of 17.6 million euros despite the higher dividends paid in 2007 compared with 2006 (8.3 million euros) and the purchase of treasury shares (for 3.2 million euros).

The improvement compared with 31 December 2006 is principally due to the cash generation achieved by the Group's normal operations, as the extraordinary operations - consisting of payment of the second and third tranches for the acquisition of Precision Gears Ltd., the acquisition by VIMA S.r.l. of Zanchetta S.r.l., the acquisition of the shares in Pierrel S.p.A., the Info Area/Infracom deal and the sale of the interest in Ima/Telstar - had a zero sum.

CAPITAL EXPENDITURE

Group capital expenditure amounted to 6.4 million euros (7.6 million euros in 2006) and mainly related to the extension and upgrading of existing buildings and plant, together with the purchase of electronic equipment and motor vehicles.

Capital expenditure on intangible assets amounted to 4.5 million euros (3.2 million euros in 2006) and related mainly to the capitalisation of industrial patents, software and development costs incurred on totally new products for market segments not previously occupied. In addition, the acquisition of Zanchetta S.r.l. by VIMA S.r.l. during 2007 resulted in the recognition of 1.1 million euros of goodwill.

OTHER INFORMATION

**OUTLOOK FOR
THE CURRENT YEAR**

The outlook for the current year is that the Group will reinforce its leadership position in the design and construction of machines for the processing and packaging of pharmaceutical products, thanks to a very positive trend in the order book at the end of 2007 and external expansion. The tea sector is expected to repeat the excellent results achieved in 2007 in terms of both revenues and margins. The acquisition of the BOC Edwards Pharmaceutical Systems Group, which was completed on 31 January 2008, will allow IMA to reenter this extremely promising sector as a protagonist. This operation will contribute around 75 million euros to the IMA Group's revenues, which are expected to increase to around 560 million euros with a gross operating profit of around 87 million euros.

In conclusion, if there are no significant changes in the flow of orders or the level of exchange rates, and considering the measures currently being taken, 2008 has started in the best way possible, with further growth on 2007. The management of the Group is strongly motivated and committed to achieving all of the above results.

CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2007

THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS HAVE BEEN TRANSLATED FROM THOSE ISSUED IN ITALY,
FROM THE ITALIAN INTO THE ENGLISH LANGUAGE SOLELY FOR THE CONVENIENCE OF INTERNATIONAL READERS

CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2007 AND 31 DECEMBER 2006 (MILLIONS OF EUROS)

ASSETS	Note	31 December 2007	31 December 2006
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2	67.9	72.7
<i>Intangible assets</i>	3	66.3	69.9
<i>Companies valued using the equity method</i>	4	3.7	1.7
<i>Investments in non-consolidated subsidiaries</i>		–	0.1
<i>Financial assets</i>	5	14.5	3.4
<i>Receivables from others</i>		0.5	0.5
<i>Derivatives</i>	6	0.2	0.2
<i>Deferred tax assets</i>	7	12.8	14.8
TOTAL NON-CURRENT ASSETS		165.9	163.3
CURRENT ASSETS			
<i>Inventories</i>	8	135.8	122.2
<i>Trade and other receivables</i>	9	121.2	110.4
<i>Income tax receivables</i>		1.2	0.4
<i>Financial assets</i>	5	0.4	0.2
<i>Derivatives</i>	6	0.6	0.7
<i>Cash and cash equivalents</i>	10	71.0	60.2
TOTAL CURRENT ASSETS		330.2	294.1
TOTAL ASSETS		496.1	457.4
EQUITY AND LIABILITIES	Note	31 December 2007	31 December 2006
CAPITAL AND RESERVES			
<i>Share capital</i>	11	17.7	18.8
<i>Share premium reserve</i>		16.4	16.4
<i>Treasury shares</i>	11	(2.7)	(18.9)
<i>Translation reserve</i>		(2.8)	(0.7)
<i>Fair value reserve</i>	12	–	0.8
<i>Other reserves</i>		14.6	31.0
<i>Retained earnings</i>		26.6	25.8
<i>Profit (loss) for the period</i>		39.4	24.8
Total capital and reserves pertaining to the Group		109.2	98.0
<i>Reserves pertaining to minority interests</i>		0.9	1.0
<i>Profit pertaining to minority interests</i>		0.2	–
Total minority interests		1.1	1.0
EQUITY PERTAINING TO THE GROUP AND MINORITY INTERESTS		110.3	99.0
NON-CURRENT LIABILITIES			
<i>Borrowings</i>	13	67.0	92.1
<i>Severance and pension obligations</i>		18.0	25.5
<i>Provisions for risks and charges</i>	14	1.5	1.2
<i>Deferred tax liabilities</i>	7	16.4	17.4
TOTAL NON-CURRENT LIABILITIES		102.9	136.2
CURRENT LIABILITIES			
<i>Borrowings</i>	13	95.6	75.9
<i>Trade and other payables</i>	15	172.8	136.8
<i>Income tax liabilities</i>		8.3	4.0
<i>Provisions for risks and charges</i>	14	6.2	5.5
TOTAL CURRENT LIABILITIES		282.9	222.2
TOTAL LIABILITIES		385.8	358.4
TOTAL EQUITY AND LIABILITIES		496.1	457.4

CONSOLIDATED INCOME STATEMENT

FOR THE FOURTH QUARTER OF 2007 AND FOR THE PERIOD 01/01-31/12/2007 (MILLIONS OF EUROS)

INCOME STATEMENT	Note	4rd quarter 2007	4rd quarter 2006	from 01/01/2007 to 31/12/2007	from 01/01/2006 to 31/12/2006
REVENUES	1	147.4	153.9	454.5	425.2
<i>Other revenues</i>		3.5	2.7	6.7	6.8
OPERATING COSTS					
<i>Change in work in progress, semifinished and finished goods</i>		(11.8)	(21.8)	12.2	(0.2)
<i>Change in inventory of raw, ancillary and consumable materials</i>		0.3	(2.1)	4.3	(0.1)
<i>Cost of raw, ancillary and consumable materials</i>		(44.3)	(36.1)	(169.5)	(139.3)
<i>Services, rentals and leases</i>		(29.6)	(27.1)	(94.9)	(89.6)
<i>Personnel costs</i>	16	(35.5)	(35.4)	(128.6)	(132.6)
<i>Depreciation, amortization and writedowns</i>	17	(2.7)	(3.8)	(11.0)	(13.0)
<i>Provision for risks and charges</i>		0.5	-	(0.9)	(0.8)
<i>Other operating costs</i>		(0.8)	(0.8)	(3.2)	(3.0)
TOTAL OPERATING COSTS		(123.9)	(127.1)	(391.6)	(378.6)
OPERATING PROFIT	1	27.0	29.5	69.6	53.4
<i>- of which: effect of non-recurring items</i>	16	-	-	4.5	-
FINANCIAL INCOME AND EXPENSE					
<i>Financial income</i>	18	2.1	1.8	5.8	6.4
<i>Financial expense</i>	19	(4.1)	(4.3)	(13.5)	(13.3)
TOTAL FINANCIAL INCOME AND EXPENSE		(2.0)	(2.5)	(7.7)	(6.9)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		-	-	-	-
PROFIT BEFORE TAX		25.0	27.0	61.9	46.5
INCOME TAXES FOR THE PERIOD	20	(7.8)	(12.1)	(24.1)	(21.7)
NET PROFIT FROM CONTINUING OPERATIONS		17.2	14.9	37.8	24.8
NET PROFIT FROM DISCONTINUED OPERATIONS/ DISPOSAL GROUPS	21	(2.2)	-	1.8	-
PROFIT FOR THE PERIOD		15.0	14.9	39.6	24.8
ATTRIBUTABLE TO:					
PARENT COMPANY SHAREHOLDERS		14.9	14.8	39.4	24.8
MINORITY INTERESTS		0.1	0.1	0.2	-
		15.0	14.9	39.6	24.8
EARNINGS PER SHARE (in euros):		0.44	0.43	1.16	0.72
<i>- of which: from continuing operations</i>		0.50	0.43	1.10	0.72
<i>- of which: from discontinued operations/disposal groups</i>		(0.06)	-	0.06	-

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2007 AND 31 DECEMBER 2006 (MILLIONS OF EUROS)

Description	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 01.01.2006	18.8	16.4	(14.7)	1.3	(0.9)	30.5	27.6	12.5	91.5	3.6	95.1
Allocation of result for 2005:											
- dividends	-	-	-	-	-	-	-	(13.8)	(13.8)	(0.5)	(14.3)
- reserves	-	-	-	-	-	0.5	(1.8)	1.3	-	-	-
Purchase of 49% of Precision Gears Ltd.	-	-	-	-	-	-	-	-	-	(2.1)	(2.1)
Purchase and sale of treasury shares	-	-	(4.2)	-	-	-	-	-	(4.2)	-	(4.2)
Fair value of financial instruments	-	-	-	-	1.7	-	-	-	1.7	-	1.7
Exchange differences on translation of foreign currency financial statements	-	-	-	(2.0)	-	-	-	-	(2.0)	-	(2.0)
Result for the period	-	-	-	-	-	-	-	24.8	24.8	-	24.8
Balances at 31.12.2006	18.8	16.4	(18.9)	(0.7)	0.8	31.0	25.8	24.8	98.0	1.0	99.0
Allocation of result for 2006:											
- dividends	-	-	-	-	-	-	-	(22.1)	(22.1)	-	(22.1)
- reserves	-	-	-	-	-	2.4	0.3	(2.7)	-	-	-
Changes in minority interests	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)
Cancellation of treasury shares	(1.1)	-	19.9	-	-	(16.5)	(2.3)	-	-	-	-
Sale of Info Area S.r.l.	-	-	-	-	-	(2.3)	2.3	-	-	-	-
Purchase and sale of treasury shares	-	-	(3.7)	-	-	-	0.5	-	(3.2)	-	(3.2)
Fair value of financial instruments	-	-	-	-	(0.8)	-	-	-	(0.8)	-	(0.8)
Exchange differences on translation of foreign currency financial statements	-	-	-	(2.1)	-	-	-	-	(2.1)	-	(2.1)
Result for the period	-	-	-	-	-	-	-	39.4	39.4	0.2	39.6
Balances at 31.12.2007	17.7	16.4	(2.7)	(2.8)	-	14.6	26.6	39.4	109.2	1.1	110.3

CONSOLIDATED STATEMENT OF CASH FLOWS

AT 31 DECEMBER 2007 AND 31 DECEMBER 2006 (MILLIONS OF EUROS)

	31 December 2007	31 December 2006
OPERATING ACTIVITIES		
<i>Profit (loss) for the period</i>	39.4	24.8
<i>Adjustments for:</i>		
- <i>Depreciation and amortisation</i>	10.2	11.2
- <i>(Writebacks) or writedowns of non-current assets</i>	-	0.8
- <i>Capital (gains) losses on disposal of non-current assets</i>	(0.6)	-
- <i>Changes in provisions for risks and charges and staff severance obligations</i>	(3.2)	1.4
- <i>Non-recurring items</i>	(4.5)	-
- <i>Unrealised losses (gains) on exchange rate differences</i>	-	0.1
- <i>Income taxes</i>	24.0	21.7
- <i>Capital gains on the disposal of discontinued activities</i>	(3.2)	-
- <i>Minority interests</i>	0.2	-
Operating profit (loss) before changes in working capital	62.3	60.0
<i>(Increase) decrease in trade and other receivables</i>	(8.2)	(0.8)
<i>(Increase) decrease in inventories</i>	(12.0)	(0.1)
<i>Increase (decrease) in trade and other payables</i>	33.7	(18.2)
<i>Income taxes paid</i>	(19.6)	(17.6)
CASH FLOW GENERATED (ABSORBED) BY OPERATING ACTIVITIES (A)	56.2	23.3
INVESTING ACTIVITIES		
<i>Investments in property, plant and equipment</i>	(6.4)	(5.1)
<i>Investments in intangible assets</i>	(4.5)	(3.2)
<i>Exchange rate differences on property, plant and equipment and intangible assets</i>	0.9	0.8
<i>Company acquisitions</i>	(1.2)	(6.3)
<i>Purchase of equity investments</i>	(13.3)	(0.5)
<i>Repayment of finance lease debts</i>	(1.0)	(1.0)
<i>Net proceeds from sale of businesses</i>	10.9	-
<i>Proceeds from sale of non-current assets</i>	1.0	0.5
<i>Net change in financial receivables and other non-current receivables</i>	(0.5)	4.8
<i>Changes in reserves pertaining to minority interests</i>	(0.1)	(0.7)
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES (B)	(14.2)	(10.7)
FINANCING ACTIVITIES		
<i>New loans obtained</i>	13.1	49.3
<i>Borrowings repaid</i>	(22.6)	(41.0)
<i>Increase (decrease) in other payables to banks</i>	12.5	7.0
<i>Dividends paid</i>	(22.1)	(13.8)
<i>Purchase of treasury shares</i>	(3.2)	(4.2)
<i>Translation of foreign currency financial statements</i>	(2.1)	(2.0)
<i>Payment/collection of interest</i>	(6.8)	(5.5)
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES (C)	(31.2)	(10.2)
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	10.8	2.4
CASH AND CASH EQUIVALENTS AT START OF PERIOD (E)	60.2	57.8
CASH AND CASH EQUIVALENTS AT END OF PERIOD (F=D+E)	71.0	60.2

"CASH AND CASH EQUIVALENTS" ARE ANALYZED IN NOTE 10.

**EXPLANATORY NOTES
TO THE CONSOLIDATED FINANCIAL STATEMENTS**

A) OVERVIEW

The Report on Operations for the fourth quarter of 2007 was approved by the Board of Directors on 14 February 2008.

The IMA Group designs, manufactures and sells machinery and plant mainly to the pharmaceutical, cosmetics and tea packaging industries.

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

At 31 December 2007, IMA S.p.A. is 71.517% owned by SO.FI.MA. Società Finanziaria Macchine Automatiche S.p.A., which is a subsidiary of Lopam Fin S.p.A.

B) BASIS OF PREPARATION

General principles

This report on performance in the fourth quarter, prepared in accordance with IAS/IFRS and art. 82 of Consob Issuers' Regulation no. 11971/1999 and subsequent amendments, is presented in summary form as envisaged by IAS 34 Interim financial statements and, accordingly, must be read together with the financial statements at 31 December 2006.

Accounting schedules

The format of the consolidated income statement reflects an analysis of costs by nature, since this classification is considered the most meaningful in terms of understanding the Group's results.

The balance sheet is classified on the basis of the operating cycle, distinguishing between current and non-current items.

The statement of cash flows is prepared using the indirect method to identify the cash flows from operating activities.

All of the figures contained in the quarterly report as of 31 December 2007 are expressed in millions of euros, unless stated otherwise.

C) ACCOUNTING POLICIES

ACCOUNTING POLICIES

This quarterly report has been prepared using the accounting policies and consolidation principles adopted for the preparation of the consolidated financial statements at 31 December 2006, except as discussed below:

Discontinued activities/disposal groups

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered essentially via a disposal transaction rather than from continuous use by the Group. These assets are measured at the lower of their carrying amount or their fair value, net of selling costs.

Assets and liabilities held for sale are classified separately from the other assets and liabilities reported in the balance sheet.

The results from discontinued operations are classified separately in the income statement, net of tax effect.

Taxes

As required by IAS 34, 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 taxes shown for 2006 are definitive. The amounts provided for tax in an interim period are adjusted in subsequent interim periods of the same financial year if the estimated annual tax rate changes. Current and deferred taxes are debited or credited

directly to equity if they refer to items credited or debited directly to equity in the same or a different financial year.

APPLICATION OF ACCOUNTING POLICIES

The process of developing and approving international accounting standards means that certain documents are constantly under review.

The principal documents already endorsed by the EU legislator with a significant effect on the financial statement disclosures are the amendment to IAS 1 Presentation of financial statements, covering information about the strategies and objectives adopted for managing capital, and IFRS 7 Financial instruments: disclosures. The IMA Group will apply these standards with effect from the financial statements at 31 December 2007.

In addition, the Group has considered the effects of other approved standards and interpretations that have not yet been endorsed by the EU legislator, including IFRS 8 concerning segment information, which replaces IAS 14. These are not expected to have a significant impact on the economic and financial position of the Group.

D) SCOPE OF CONSOLIDATION

The quarterly report at 31 December 2007 includes the income statements and balance sheets of I.M.A. - Industria Macchine Automatiche S.p.A. (the parent company) and all the companies in which it directly or indirectly holds a controlling interest. The financial statements of Area S.r.l., IMA-Telstar S.L., Telstar Huadong Co. Ltd. and IMA Telstar North America Inc., all of which were sold during 2007, have been consolidated up to the date of sale.

The following changes in Group structure took place during 2007:

- the merger of Zibo IMA Xinhua Machinery Co. Ltd. with Zibo IMA Xinhua Pharmatech Co. Ltd. was completed on 28 February 2007. In addition, the share capital of Zibo IMA Xinhua Pharmatech Co. Ltd. was increased by a total of 1 million US dollars in May 2007. This increase was not taken up on a proportional basis and IMA S.p.A. now holds an 80% interest in the company (previously 82%);
- on 12 April, VIMA Impianti S.r.l. signed a contract to buy 100% of Zanchetta S.r.l., a company based in the province of Lucca that produces machines for the movement and granulation of pharmaceutical powders. The total investment was around 1.2 million euros. Zanchetta S.r.l. reported sales of 10 million euros in 2006, with an EBITDA of about 4% of revenues;
- the sale to Infracom Consulting S.r.l. of the investment held in Info Area S.r.l. was completed on 31 July 2007, involving the purchase at the same time of a minority interest in Infracom Consulting S.r.l. Considering the proceeds of 6.8 million euros, this sale by IMA S.p.A. generated a capital gain for the IMA Group of about 5.5 million euros. The cost of the interest acquired by IMA S.p.A. in Infracom Consulting S.r.l. was 2.5 million euros. The objective of Infracom Consulting, which is held 75% by Infracom S.p.A., with 12.5% interests each held by IMA S.p.A. and Sacmi S.C. (via a subsidiary), is to create a hub of excellence specialising in the production, development and marketing of products and services for the IT sector;
- the parent company acquired a 30% of I.E.M.A. S.r.l. for 0.4 million euros on 24 September 2007. This company, located in San Giorgio di Piano (Bologna), designs and produces equipment for automated machinery. The purpose of the investment is to enable the Group to take a stake in suppliers that are important for its own manufacturing operations;
- the parent company acquired 30% of G.S. Divisione Verniciatura S.r.l. for 0.7 million euros on 12 October 2007. This company, located in Castel San Pietro Terme (Bologna), makes painting plants and coating machines;

- two new companies, both wholly owned by IMA S.p.A., were set up on 12 November 2007. On 14 November 2007, the Board of Directors of IMA S.p.A. resolved to contribute the activities of the tea, herbal tea and coffee packaging sector to one of these two new companies and the pharmaceuticals packaging sector, including the investments in CO.MA.DI.S. S.p.A. and Precision Gears Ltd, to the other. As a result, from 2 January 2008, IMA Flavour S.r.l carries on the activities of the tea sector and IMA Safe S.r.l. those of the pharmaceutical packaging sector;
- on 29 November 2007 the parent company acquired 30% of SIL.MAC. S.r.l. for 0.3 million euros. It is located in Gaggio Montano (Bologna) and operates in the field of mechanical engineering, specialising in the construction of machines for third parties;
- 5 December 2007 saw completion of the sale by IMA Libra S.r.l. of its 50% interest in the IMA-Telstar S.L. joint-venture to Telstar S.A., already the holder of the other 50%, for 8 million euros. This Italo-Spanish joint venture, which produces lyophilization equipment for the pharmaceuticals industry, was established in 2005 with a view - from IMA's point of view - to entering one of the pharmaceutical segments with the highest potential. The IMA Group's interest in this segment remains.

In addition to the changes in Group structure discussed earlier, the following significant transactions took place during the year:

- the contribution by IMA S.p.A., at book value, of the activities of the Aseptic Processing & Filling sector (machines for the packaging of liquids under sterile and non-sterile conditions) to the newly-formed IMA Libra S.r.l., together with the interest held in IMA-Telstar S.L., an Italo-Spanish joint-venture (lyophilization machinery), took effect on 2 January 2007;
- the second and third (and last) tranches of the additional 34% interest in Precision Gears Ltd, acquired by the parent company in December 2006, were paid during the first few months of 2007, for a total of 2.8 million euros. With regard to the remaining shares, namely 15% of share capital, the parties have agreed reciprocal put & call rights on the same terms as those established for the purchase of the 34% interest. It will be possible to exercise them in two tranches, the definitive one by the end of January 2010. The first of these options, for 5% of the share capital, was exercised in January 2008, at the same time making a payment of 0.6 million euros;
- on 30 July 2007, the Board of Directors of IMA S.p.A. approved the purchase of 875,000 shares representing, at that time, around 8.5% of the share capital of Pierrel S.p.A., a pharmaceutical company that specialises in the research, development and production of medicines on a contract basis. The shares were transferred on 10 August 2007 by P Farmaceutici S.r.l., the majority shareholder of Pierrel S.p.A., at a price of 9.35 euros per share. In addition, P Farmaceutici S.r.l. has granted IMA S.p.A. a call option for an additional 876,000 shares in Pierrel, at a price equal to the simple average of the official share price during the 90 trading days prior to the exercise date, less 20%. This option allows the purchase of 438,000 shares in October 2008, while the residual 438,000 shares can be acquired in May 2009 or, indeed, all 876,000 shares if the October 2008 option is not exercised. Whether or not this option will be exercised will not depend on financial matters but, rather, solely on strategic considerations. IMA sees this acquisition as a way of drawing closer to the pharmaceuticals sector, with a view to becoming a truly global supplier.

The companies included in the consolidation are listed below, with an indication of the consolidation method used:

**COMPANIES CONSOLIDATED
ON A LINE-BY-LINE BASIS**

	Registered offices		Share capital at 31/12/2007	Direct investment	Indirect investment
Industrial companies:					
• I.M.A. Industria Macchine Automatiche S.p.A	Ozzano E. (Bologna)	EUR	17,732,000	Parent Company	
• IMA Libra S.r.l.	Ozzano E. (Bologna)	EUR	3,000,000	100%	–
• CO.MA.DI.S. S.p.A.	Senago (Milan)	EUR	1,540,000	100%	–
• VIMA Impianti S.r.l.	Porcari (Lucca)	EUR	363,940	100%	–
• Zanchetta S.r.l.	Montecarlo (Lucca)	EUR	100,000	–	100% (1)
• Zibo IMA Xinhua Pharmatech Co. Ltd.	Zibo (PRC)	USD	5,143,248	80%	–
• Tianjin IMA Machinery Co. Ltd.	Tianjin (PRC)	USD	200,000	65%	–
• Swiftpack Automation Ltd.	Alcester (GB)	GBP	1,403,895	100%	–
• Precision Gears Ltd.	Mumbai (India)	RS	(*) 17,852,100	100%	– (2)
• IMA Kilian GmbH & Co. KG	Cologne (Germany)	EUR	3,600,000	–	100% (3)
• Nova Packaging Systems Inc.	Leominster (USA)	USD	8,050,000	–	100% (4)
Commercial companies:					
• IMA UK Ltd.	Alcester (GB)	GBP	50,000	100%	–
• I.M.A. Est Verp. Handels GmbH	Vienna (Austria)	EUR	280,000	100%	–
• IMA Germany GmbH	Cologne (Germany)	EUR	90,000	100%	–
• IMA France E.u.r.l.	Rueil-Malmaison (France)	EUR	45,735	100%	–
• IMA Pacific Co. Ltd.	Bangkok (Thailand)	THB	(*) 40,219,000	99.99%	–
• IMA Packaging and Processing Equipment (Beijing) Co. Ltd.	Beijing (PRC)	USD	1,350,000	100%	–
• Imautomatiche Lda	Madeira (Portugal)	EUR	5,000	100%	–
• IMA Iberica Processing and Packaging S.L.	Barcelona (Spain)	EUR	590,000	100%	–
• IMA North America Inc.	Bristol (USA)	USD	2,500	–	100% (4)
Other companies:					
• IMA Kilian Verwaltungs GmbH	Cologne (Germany)	EUR	25,000	–	100% (3)
Financial companies:					
• Packaging Systems Holdings Inc.	Wilmington (USA)	USD	8,052,500	100%	–

(*) The nominal share capital of Precision Gears Ltd. and IMA Pacific Co. Ltd. totals Rs 20,000,000 and Thb 100,000,000 respectively.

Notes (list of investments):

(1) Held by VIMA Impianti S.r.l.

(2) The percentage interest includes an option to purchase 15% of the share capital which, in substance, represents a form of deferred payment

(3) Held by IMA Germany GmbH

(4) Held by Packaging Systems Holdings Inc.

**COMPANIES VALUED
USING THE EQUITY METHOD**

	Registered offices		Share capital at 31/12/2007	Direct investment	Indirect investment
B.C. S.r.l.	Imola (Bologna)	EUR	36,400	30%	–
G.S. Divisione Verniciatura S.r.l.	C.S.Pietro T. (Bologna)	EUR	11,000	30%	–
I.E.M.A. S.r.l.	S.G. Piano (Bologna)	EUR	10,400	30%	
LA.CO. S.r.l.	Ozzano E. (Bologna)	EUR	30,000	30%	–
Scriba Nanotecnologie S.r.l.	Bologna (Bologna)	EUR	18,750	40%	–
SIL.MAC. S.r.l.	Gaggio M.(Bologna)	EUR	90,000	30%	–
Sirio S.p.A. Ass. in participation (*)	Milan				

(*) Agreement signed in the last quarter of 2007 for the management of an aeroplane.

The consolidated financial statements at 31 December 2007 include the Group's share of the net profits and losses of companies valued using the equity method, from the date on which significant influence begins until the date when it ends.

INVESTMENTS VALUED AT COST

	Registered offices		Share capital at 31/12/2007	Direct investment	Indirect investment
IMA Flavour S.r.l.	Ozzano E. (Bologna)	EUR	10,000	100%	–
IMA Safe S.r.l.	Ozzano E. (Bologna)	EUR	10,000	100%	–

IMA Flavour S.r.l. and IMA Safe S.r.l., formed in November 2007, have been valued at cost since they were not operational at 31 December 2007 and the amounts concerned are not significant.

E) EXPLANATORY NOTES

The changes reported below have been determined with respect to the amounts at 31 December 2006 for balance sheet items and the amounts for 2006 for income statement items.

1. SEGMENT INFORMATION

The Group's primary reporting is analyzed by business segment, as follows:

- machines for the packaging of tea and herbal teas in filter bags and coffee in pods, and related services;
- pharmaceutical packaging sector: 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 lyophilization, machines for cartoning and end-of-line equipment, and related services;
- pharmaceutical process sector: machines for the production of tablets and capsules, machines for coating and fluid bed granulators, and related services.

The Group's secondary reporting is analyzed by geographical segment.

The next table gives a breakdown of revenues with comparative figures for the same period in 2006 (in millions of euros):

	2007	2006	Change
Tea, coffee and herbal tea packaging	77.1	73.9	3.2
Pharmaceutical packaging	247.0	239.7	7.3
Pharmaceutical processing	128.9	107.4	21.5
Other	1.5	4.2	(2.7)
Total	454.5	425.2	29.3

The increases reported for all sectors of Group activity are attributable both to the healthy state of the order book at the end of the previous year, and to the strength of orders received during 2007 from the pharmaceuticals and tea packaging sectors.

Revenues from the tea sector were 4.3% higher than the already good results reported last year, confirming the Group's strong leadership position in this market. Higher revenues in the packaging sector came from internal growth, given strong market demand for these products. Lastly, the process plant sector also improved its revenues considerably, with an increase of 20%.

The following table shows operating profit by sector (millions of euros):

	year 2007	year 2006	Change
Tea, coffee and herbal tea packaging	26.5	24.1	2.4
Pharmaceutical packaging	32.7	23.5	9.2
Pharmaceutical processing	10.6	5.6	5.0
Other	(0.2)	0.2	(0.4)
Total	69.6	53.4	16.2

This across-the-board improvement derives from the measures introduced in the prior year to lower product costs, which are having the desired effect.

Operating profit also benefited from a one-time reduction in personnel costs by 4.5 million euros following the change in the regulations governing severance indemnities.

There was further growth in the tea packaging sector; operating profit in the pharmaceutical packaging sector was well up on last year, due to higher volumes and the containment of fixed costs. The marked improvement in the pharmaceutical processing sector was due to the careful planning of production costs and the healthy level of orders.

The following is a breakdown of IMA Group revenues in 2007 by geographical and business segment (millions of euros):

REVENUES BY GEOGRAPHICAL SEGMENT

	year 2007	year 2006	Change
E.U. (excluding Italy)	183.9	168.3	15.6
Other European countries	42.0	22.5	19.5
North America	89.4	105.3	(15.9)
Asia	67.1	53.8	13.3
Other countries	36.7	42.3	(5.6)
Total exports	419.1	392.2	26.9
Italy	35.4	33.0	2.4
Total	454.5	425.2	29.3

REVENUES BY BUSINESS SEGMENT

	year 2007	year 2006	Change
Machines and formats	231.8	237.2	(5.4)
Contract work	124.4	95.8	28.6
Spare parts	60.3	55.7	4.6
Technical assistance	23.4	22.2	1.2
Other services	14.6	14.3	0.3
Total	454.5	425.2	29.3

2. PROPERTY, PLANT AND EQUIPMENT

There has been a net decrease in property, plant and equipment by 4.8 million euros. The movements in property, plant and equipment during the period are analyzed as follows (millions of euros):

	Land	Buildings leasehold improv.	Plant and machinery	Indust. and comm. equip.	Other assets	Assets under constr. and advances	Total
Balances at 01.01.07	17.1	35.3	13.7	1.7	3.4	1.5	72.7
Additions in the period	0.1	1.4	2.8	0.4	1.4	0.3	6.4
Sales and disposals	(0.1)	–	(0.2)	–	(0.1)	–	(0.4)
Change in cons. scope	–	–	–	–	0.1	–	0.1
Depreciation	–	(1.8)	(3.1)	(0.7)	(1.3)	–	(6.9)
Activities sold	(2.7)	(0.2)	(0.2)	–	(0.3)	(0.4)	(3.8)
Reclassifications	0.7	–	0.4	–	–	(1.1)	–
Exchange differences	–	(0.1)	–	–	(0.1)	–	(0.2)
Balances at 30.09.07	15.1	34.6	13.4	1.4	3.1	0.3	67.9

The additions during the period mainly reflect the costs of extending and upgrading existing buildings and plant and the purchase of electronic machines and motor vehicles.

The disposals relate to the sales to third parties of the Telstar Group and Info Area s.r.l., which took place during 2007. For further information, see the comments in the section entitled “Scope of consolidation”.

The reclassifications relate for 0.7 million euros to urbanisation costs incurred for the land in Via Tolara, Ozzano dell’Emilia, which is owned by the parent company. Land includes 11.4 million euros in respect of property in Ozzano dell’Emilia (Bologna) and Bentivoglio (Bologna) owned by the parent company; 3.2 million euros refers to land in Calenzano (Florence) held under a finance lease.

Buildings and leasehold improvements mainly regard buildings of the parent company located in Ozzano dell’Emilia, Bentivoglio, Calenzano and buildings in France, the United Kingdom and India, which are owned by IMA France E.u.r.l., IMA UK Ltd. and PG Bombay Ltd respectively.

3. INTANGIBLE ASSETS

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

	Development costs	Industrial patent rights	Software, lic., trademarks and similar	Goodwill	Assets under dev. and advances	Total
Balances at 01.01.07	8.7	1.7	2.5	55.9	1.1	69.9
Increases in the period	0.8	1.6	1.6	–	0.5	4.5
Acquisition of Zanchetta S.r.l.	–	–	–	1.1	–	1.1
Amortisation	(1.3)	(0.6)	(1.4)	–	–	(3.3)
Activities sold	(1.6)	–	(0.1)	(3.4)	(0.1)	(5.2)
Reclassifications	0.9	–	–	–	(0.9)	–
Exchange differences	–	–	–	(0.7)	–	(0.7)
Balances at 30.09.07	7.5	2.7	2.6	52.9	0.6	66.3

Development costs include the costs incurred by the parent company and by the subsidiary IMA Libra S.r.l. for totally new products for market segments not previously occupied and know-how recognized following the acquisition of VIMA Impianti S.r.l. in the field of washing and powder handling systems for the pharmaceutical processing sector.

Software, licences, trademarks and similar rights include applications, operating and technical software.

Goodwill comprises the following (millions of euros):

	31.12.2007	31.12.2006
Acquisition of G.S. S.r.l. Coating System division	7.4	7.4
Acquisition of ICO OLEODINAMICI S.p.A. division	3.1	3.1
Acquisition of CO.MA.DI.S. S.p.A.	3.8	3.8
B.F.B. S.p.A	1.8	1.8
IMA Kilian GmbH & Co. KG	14.8	14.8
Nova Group	12.6	13.3
Telstar Group	–	3.4
VIMA Impianti S.r.l.	4.3	4.3
Precision Gears Ltd.	4.0	4.0
Zanchetta S.r.l.	1.1	–
Total	52.9	55.9

The impairment tests carried out in accordance with the procedures outlined in IAS 36 did not identify the need to record any loss of value.

As regards the sale of the Telstar Group to third parties and the goodwill recognized following the acquisition of Zanchetta S.r.l., reference should be made to the comments in the section entitled “Scope of consolidation” and to Note 22.

4. COMPANIES VALUED USING THE EQUITY METHOD

This caption is analyzed as follows (millions of euros):

	%	31.12.2007	31.12.2006
	Holding		
B.C. S.r.l.	30%	0.6	0.6
G.S. Divisione Verniciatura S.r.l.	30%	0.7	–
I.E.M.A. S.r.l.	30%	0.4	–
IMA-Telstar North America Inc.	50%	–	0.2
LA.CO. S.r.l.	30%	0.4	0.5
Scriba Nanotecnologie S.r.l.	20%	0.2	0.4
SIL.MAC. S.r.l.	30%	0.3	–
Sirio S.p.A. Association in participation (*)		1.1	–
Total		3.7	1.7

(*) Amount paid in connection with the agreement signed in the last quarter of 2007 for the management of an aeroplane.

See the section on the scope of consolidation for a discussion about I.E.M.A. S.r.l., G.S. Divisione Verniciatura S.r.l. and SIL.MAC. S.r.l.

The consortium contract in force since July 2005 was terminated during the year. Under this contract, IT services were provided to the members of the consortium: IMA S.p.A. (25% interest), Info Area S.r.l. (25% interest) and a third party (50% interest); the consortium fund was repaid to the members in July 2007.

5. FINANCIAL ASSETS

Non-current financial assets, 14.5 million euros, include investments in securities totalling 3.0 million euros (3.0 million euros at 31 December 2006). These mainly

comprise listed bond funds pledged as collateral for non-current loans received. They also include financial receivables of 1.6 million euros (0.3 million euros at 31 December 2006) and investments in other companies of 9.9 million euros (0.1 million euros at 31 December 2006).

The increase in financial receivables essentially comprises the loan of 1 million euros granted by IMA S.p.A. to Infracom Consulting S.r.l. in July 2007; this loan on normal market terms is repayable in July 2010.

The increase in investments in other companies comprises the purchase, during the third quarter of 2007, of an 8.5% interest in Pierrel S.p.A. for 7.3 million euros and 12.5% of the quotas of Infracom Consulting S.r.l. for 2.5 million euro. In view of the strategic nature of these acquisitions for the IMA Group, these equity investments have been classified as financial assets available for sale and changes in their fair value are recognised in equity. The adjustment of the value of the interest in Pierrel S.p.A., -1.0 million euros, was determined with reference to the official stockmarket price on 28 December 2007; the investment in Infracom Consulting S.r.l., an unlisted company, is stated at cost.

Current financial assets, 0.4 million euros, include investments by the Parent company in listed bond funds of 0.2 million euros (0.2 million euros at 31 December 2006) and loans received of 0.2 million euros.

6. DERIVATIVES

Derivatives are analyzed as follows (millions of euros):

INTEREST RATE DERIVATIVES

	Assets 31.12.2007	Assets 31.12.2006
Interest rate swap (non-current) - cash flow hedges	0.2	0.2
Currency risk hedges (current) - cash flow hedges	0.6	0.7
Total	0.8	0.9

The amount of 0.2 million euros represents the fair value of two options, arranged with leading banks in 2005 and 2006, that hedge the interest rate risk on two long-term loans maturing in June and October 2011.

CURRENCY DERIVATIVES

The amount of 0.6 million euros represents the fair value of currency repurchase agreements arranged by the Group to hedge exchange risk. The notional value of currency risk hedges has decreased from 32.1 million US dollars at 31 December 2006 to 20.5 million US dollars at 31 December 2007.

7. DEFERRED TAX ASSETS AND LIABILITIES

At 31 December 2007, deferred tax assets of 12.8 million euros (14.8 million euros at 31 December 2006) mainly relate to temporary differences deriving from provisions recorded by the parent company, as well as to the elimination of unrealized intercompany profits on the sale of finished products and the tax benefit of tax losses carried forward.

At 31 December 2007, deferred tax liabilities of 16.4 million euros (17.4 million euros at 31 December 2007) mainly relate to temporary differences arising from the different book value of certain tangible and intangible fixed assets and contract work in progress with respect to their valuations for fiscal purposes.

8. INVENTORIES

This caption is analyzed as follows (millions of euros):

	Gross value	Writedown	Net value at 31.12.2007	Net value at 31.12.2006
Raw, ancillary and consumable materials	25.4	(5.1)	20.3	16.1
Work in progress and semifinished goods	135.0	(20.7)	114.3	102.6
Finished products and goods	2.8	(1.6)	1.2	3.5
Total	163.2	(27.4)	135.8	122.2

The increase in inventories since 31 December 2006 mainly reflects the substantial amount of the order book at the end of the year.

**9. TRADE AND
OTHER RECEIVABLES**

This caption is analysed as follows (millions of euros):

	31.12.2007	31.12.2006
Trade receivables	103.1	101.4
Advances to suppliers	6.6	3.8
Tax receivables	8.0	1.7
Prepayments	1.1	1.3
Other receivables	2.4	2.2
Total	121.2	110.4

TRADE RECEIVABLES

Trade receivables include amounts due from customers of 82.7 million euros (81.3 million euros at 31 December 2006), amounts due on contract work in progress of 19.6 million euros (19.1 million euros at 31 December 2006) and receivables from associates of 0.8 million euros (1.0 million euros at 31 December 2006).

The limited increase in trade receivables compared with 31 December 2006 reflects careful credit management on the part of the Group. Amounts due from customers beyond 12 months total 0.4 million euros. The deferred payment terms granted to customers resident in countries at risk are guaranteed by suitable financial instruments that assure collection. Trade receivables from customers are carried net of accumulated provisions amounting to 3.4 million euros (2.5 million euros at 31 December 2006).

2007 saw the without-recourse assignment of receivables with a total nominal value of around 11.7 million euros; assigned receivables not yet due at 31 December 2007 amounted to around 8.6 million euros, of which 6.9 million euros have been assigned to factoring companies and 1.7 million euros to other financial institutions.

**10. CASH AND CASH
EQUIVALENTS**

This item comprises (millions of euros):

	31.12.2007	31.12.2006
Bank current accounts	68.9	57.1
Demand deposits	1.2	2.6
Cheques and cash	0.9	0.5
Total	71.0	60.2

The increase in liquid assets since 31 December 2006, equal to 10.8 million euros, reflects the normal concentration of receipts during the month of December 2007.

Reference is made to Note 13 on the analysis of borrowing for a better understanding of the changes in this caption.

**11. SHARE CAPITAL
AND TREASURY SHARES**

Share capital at 31 December 2007 is represented by the share capital issued (fully subscribed and paid up) by the parent company, IMA S.p.A., comprising 34,100,000 ordinary shares with a par value of 0.52 euros each.

On 19 June 2007, the Extraordinary Shareholders' Meeting of IMA S.p.A. resolved to cancel 2,000,000 treasury shares held in portfolio, par value 0.52 euros each, with a consequent voluntary reduction in capital from 18.8 million euros to 17.7 million euros carried out on 12 November 2007.

During 2007, the parent company carried out transactions in treasury shares by buying 224,485 own shares for a total of 3.2 million euros. During 2006, the parent company bought 383,765 treasury shares for a total of 4.2 million euros.

These transactions were recognised directly in equity in accordance with IAS 32.

The table below shows the number of shares in circulation:

Thousands of shares	
Balance at 01.01.2006	34,509
Own shares acquired	(327)
Own shares sold	–
Balance at 30.09.2006	34,182
Own shares acquired	(57)
Own shares sold	–
Balance at 31.12.2006	34,125
Own shares acquired	(66)
Own shares sold	–
Balance at 30.09.2007	34,059
Own shares acquired	(158)
Own shares sold	–
Balance at 31.12.2007	33,901

12 November 2007 saw the start of a new share buy-back plan, implemented by BHV, with a view to stabilising the share price on the stock exchange in full compliance with current regulations. Over the period of this plan, which will terminate on 26 April 2008, it is reasonable to expect that no more than 600,000 shares will be purchased, for a maximum of 12 million euros. At 31 December 2007, 199,485 shares were held in the portfolio, with a total value of 2.7 million euros.

In May 2007, a total dividend of 22.1 million euros was paid, equal to 0.65 euros gross per ordinary share in circulation (13.8 million euros, equal to 0.40 euros gross in May 2006).

12. FAIR VALUE RESERVE

The changes in the fair value reserve are analyzed below (millions of euros):

Balance at 01.01.2006		(0.9)
<i>Cash flow hedges/hedging instruments</i>		
Valuation at fair value		1.0
Fair value - tax effect		(0.3)
Realisation recognised in income		1.5
Realisation recognised in income - tax effect		(0.5)
Balance at 31.12.2006		0.8
 <i>Available for sale</i>		
Valuation at fair value		(1.0)
Fair value - tax effect		0.1
<i>Cash flow hedges/hedging instruments</i>		
Valuation at fair value		0.7
Fair value - tax effect		-
Realisation recognised in income - revenues		(0.8)
Realisation recognised in income - financial income and expense		(0.1)
Realisation recognised in income - tax effect		0.3
Balance at 31.12.2007		-

The available for sale category includes the 1 million euros writedown of the investment in Pierrel S.p.A. to reflect its stockmarket price at 28 December 2007.

13. BORROWINGS

This caption mainly includes amounts due to banks, 157.9 million euros (159.3 million euros at 31 December 2006), and payables to other lenders of 4.7 million euros (8.7 million euros at 31 December 2006).

PAYABLES TO BANKS

The slight decrease in the amounts due to banks mainly reflects repayment of the current portions of non-current bank loans, though this was almost entirely offset by an increase in current bank loans needed to transfer part of the parent company's current debt to IMA Safe S.r.l. and IMA Flavour S.r.l. from 2008.

Applied research and technological innovation loans

Repayments totalling 5.0 million euros were made by the parent company as they fell due during the period; there were no new loans.

Other loans

The principal changes in other loans relate to new loans received by IMA Libra S.r.l., 10.0 million euros, and IMA Kilian GmbH & Co. KG, 3.1 million euros, and repayments made in accordance with the contractual terms, 16.2 million euros. In addition, during 2007, Nova Packaging Systems Inc. repaid early a loan of 2.0 million US dollars (about 1.4 million euros).

PAYABLES TO OTHER LENDERS

At 31 December 2007, this item mainly includes payables for finance leases relating to the Calenzano plant, 4.4 million euros (5.4 million euros at 31 December 2006). The non-current portion comprises payables due between 1 and 5 years totalling 3.4 million euros.

NET DEBT

Net debt at 31 December 2007 amounts to 86.6 million euros and is made up as follows:

in millions of euros	31.12.2007	30.09.2007	31.12.2006
A. Cash and cash equivalents	(71.0)	(29.8)	(60.2)
B. Other cash equivalents	–	(0.1)	–
C. Investment in securities	(0.2)	(0.2)	(0.2)
D. Liquidity (A)+(B)+(C)	(71.2)	(30.1)	(60.4)
E. Current financial receivables	(0.2)	(0.2)	–
F. Current payables to banks	60.6	54.6	52.1
G. Current portion of non-current bank debt	33.8	22.7	22.2
H. Other current financial payables	1.2	1.2	1.6
I. Current financial debt (F)+(G)+(H)	95.6	78.5	75.9
J. Net current financial debt (D)+(E)+(I)	24.2	48.2	15.5
K. Non-current portion of non-current bank debt	63.5	73.6	85.0
L. Non-current financial assets (*)	(4.6)	(4.5)	(3.4)
M. Other non-current financial payables	3.5	4.5	7.1
N. Non-current financial debt (K)+(L)+(M)	62.4	73.6	88.7
O. Total net financial debt (J)+(N)	86.6	121.8	104.2

(*) At 31 December 2007, non-current financial assets comprise investments in securities and financial receivables and differ from the corresponding balance sheet amount of 14.5 million euros due to the exclusion of investments in other companies.

For information on the composition of net debt, see Notes 5 and 10.

Net debt at the end of the period amounts to 86.6 million euros (104.2 million euros at 31 December 2006).

The change in net debt since 31 December 2006 is mainly attributable to:

- the purchase of treasury shares for 3.2 million euros;
- the purchase of holdings in Pierrel S.p.A., Sirio S.p.A., Precision Gears Ltd., Zanchetta S.r.l., Infracom S.p.A., I.E.M.A. S.r.l., G.S. S.r.l. and SIL.MAC. S.r.l. for 15.5 million euros;
- the sale of the investments in Info Area S.r.l. and IMA-Telstar S.L., and the disposal of the latter's finance leases, for a total of 16.0 million euros.

In addition, IMA S.p.A. paid a dividend of 22.1 million euros in May, which was 8.3 million euros more than that paid in May 2006.

Considering the net financial position at 31 December 2007 compared with what it was at 31 December 2006, after adjusting for the differential in dividend payments, non-recurring transactions and changes in the scope of consolidation, the level of net debt has improved by around 28.6 million euros.

With respect to 30 September 2007, the financial situation is showing an even greater improvement thanks to the positive cash flow differential in the fourth quarter.

14. PROVISIONS FOR RISKS AND CHARGES

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

	Balance at 31.12.2006	Provisions	Uses	Change in cons. scope and liabilities sold.	Balance at 31.12.2007
Non-current:					
• Agency termination indemnities	1.1	0.2	–	0.1	1.4
• Legal disputes	0.1	–	–	–	0.1
	1.2	0.2	–	0.1	1.5
Current:					
• Product guarantee provision	5.0	1.0	(0.3)	–	5.7
• Legal disputes	–	0.1	–	–	0.1
• Other	0.5	–	(0.6)	0.5	0.4
	5.5	1.1	(0.9)	0.5	6.2
Total	6.7	1.3	(0.9)	0.6	7.7

The product warranty provision reflects the estimated cost of work to be performed under warranty subsequent to 31 December 2007, in relation to machines sold prior to that date.

The other provisions for risks and charges mainly relate to the estimated cost of reorganising certain Group companies including, in particular, certain management roles.

15. TRADE AND OTHER PAYABLES

This caption is analysed as follows (millions of euros):

	31.12.2007	31.12.2006
Trade payables	98.1	77.6
Advances from customers	44.7	29.2
Social security payables	5.2	4.0
Tax payables	3.7	4.2
Employee payables	15.7	14.1
Acquisition payables	1.9	4.8
Other	3.5	2.9
Total	172.8	136.8

TRADE PAYABLES

This item includes trade payables of 89.6 million euros (70.8 million euros at 31 December 2006), payables to agents of 4.9 million euros (5.0 million euros at 31 December 2006) and trade payables to associates of 3.6 million euros (1.8 million euros at 31 December 2006).

ADVANCES FROM CUSTOMERS

The increase in advances from customers for future supplies compared with 31 December 2006 mainly reflects the substantial volume of orders acquired at the date of this quarterly report.

TAX PAYABLES

Tax payables mainly comprise the taxation withheld from employees.

ACQUISITION PAYABLES

This caption mainly includes the liability for the purchase of the remaining 15% interest in Precision Gears Ltd., in relation to which the parent company and third parties have agreed reciprocal put and call option rights. It will be possible to exercise them in two tranches, the definitive one by the end of January 2010.

The first of these options, for 5% of the Indian company, was exercised in January 2008, at the same time making a payment of 0.6 million euros.

16. PERSONNEL COSTS

Personnel costs comprise (millions of euros):

	2007	2006	Change
Wages and salaries	94.9	93.4	1.5
Social security contributions	23.9	24.1	(0.2)
Remuneration of directors	2.1	1.7	0.4
Pensions - defined-benefit plans	0.4	3.8	(3.4)
Pensions - defined-contribution plans	4.9	1.2	3.7
Other personnel costs	6.9	8.4	(1.5)
Effect of curtailment on provision for severance indemnities	(4.5)	-	(4.5)
Total	128.6	132.6	(4.0)

The figure for 2007 includes 1.9 million euros of personnel costs attributable to Zanchetta S.r.l., which has been consolidated from the second quarter of 2007.

Note that personnel costs for the year 2006 included 1.9 million euros of costs pertaining to the Telstar Group. In 2007 the equivalent costs have been classified in Net profit from discontinued activities/disposal groups.

During 2007, the IMA Group recorded the effect of the changes made to the regulations governing severance indemnities by Law 296 dated 27 December 2006 (2007 Finance Law), and by subsequent decrees and regulations issued in early 2007. This effect was recognised using curtailment methodology. The resulting adjustment of 4.5 million euros has been classified in the income statement as a non-recurring item.

17. DEPRECIATION, AMORTIZATION AND WRITEDOWNS

This item includes depreciation of property, plant and equipment of 6.9 million euros (7.6 million euros in 2006), amortization di intangible assets of 3.3 million euros (3.6 million euros in 2006) and writedowns of receivables of 0.8 million euros (0.1 million euros in 2006). For completeness, in 2006 this item also included the writedown of goodwill relating to the Nova Group by 0.8 million euros.

18. FINANCIAL INCOME

This item is made up as follows (millions of euros):

	2007	2006	Change
Interest income from banks	1.5	1.2	0.3
Interest income on amounts due from customers and other financial income	0.2	0.1	0.1
Other interest and financial income	0.1	0.4	(0.3)
Exchange gains	4.0	4.7	(0.7)
Total	5.8	6.4	(0.6)

19. FINANCIAL EXPENSE

This item is made up as follows (millions of euros):

	2007	2006	Change
Interest expense on bank payables	7.8	6.8	1.0
Interest expense on discounting	0.2	0.2	–
Interest expense on finance leases	0.2	0.3	(0.1)
Expense on derivatives	0.3	0.6	(0.3)
Other interest and financial expense	0.6	0.5	0.1
Exchange losses	4.4	4.9	(0.5)
Total	13.5	13.3	0.2

The increase in interest expense on bank payables reflects the higher cost of money incurred during 2007, especially on euro borrowings.

Exchange gains and losses in the period to 31 December 2007 included, respectively, unrealised gains of 1.3 million euros and unrealised losses of 1.3 million euros (0.9 million euros and 1.0 million euros respectively in the same period last year).

**20. INCOME TAX
FOR THE PERIOD**

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

The amount of tax that will actually be paid in March 2008, based on a definitive calculation, may well differ from this estimate given the complexity and constant evolution of tax regulations in the various countries.

During the year, VIMA Impianti S.r.l., IMA S.p.A, IMA Libra S.r.l. and Comadis S.p.A., as consolidated companies, and SO.FI.MA. S.p.A., as the consolidating company, elected to establish a domestic tax group for the three-year period 2007-2009.

**21. NET PROFIT FROM
DISCONTINUED/OPERATIONS
DISPOSAL GROUPS**

At 31 December 2007 this item includes the economic effects of selling the investments in Info Area S.r.l. and the Telstar Group.

Based on the proceeds, namely 6.8 million euros for Info Area S.r.l. and 8.0 million euros for the Telstar Group, these disposals led to a capital gain of 5.5 million euros and a capital loss of 2.3 million euros, respectively.

The principal amounts concerned are summarised below (millions of euros):

<i>Economic effect of discontinued operations/disposal groups (*):</i>	
Revenues and other income	10.1
Operating costs	(11.6)
Income taxes	0.4
<i>Economic effect on seller:</i>	
Capital gains on disposal of operations	3.2
Income taxes	(0.3)
Result deriving from discontinued operations/disposal groups	1.8

(*) Figures relating to the period of consolidation

22. BUSINESS COMBINATIONS

VIMA Impianti S.r.l. completed the acquisition of 100% of Zanchetta S.r.l. on 12 April 2007. This company produces machines for the movement and granulation of pharmaceutical powders, as already discussed in the "Scope of consolidation" section.

The main assets and liabilities at 31 March 2007, the valuation date of the company acquired, were as follows (in millions of euros):

	Book values	Fair value
Property, plant and equipment and intangible assets	0,1	0,1
Inventories	1,6	1,6
Trade and other receivables	3,1	3,1
Provision for employee termination indemnities	(0,5)	(0,5)
Due to banks	(0,3)	(0,3)
Trade and other payables	(3,2)	(3,2)
Other assets (liabilities)	(0,7)	(0,7)
Total	0,1	0,1
Carrying value of the investment		1,2
Goodwill		1,1

Zanchetta S.r.l. was consolidated for the period April-December 2007.

23. GUARANTEES GIVEN

At 31 December 2007, the Group has granted sureties to customers of 14.3 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 0.7 million euros to secure the performance of contracts, a surety to the Tax Authorities for VAT rebates of 1.9 million euros and sureties to others of 0.6 million euros, mainly to secure leases, sundry utilities and customs duties.

Sureties granted against advances received from customers amount to about 28.2 million euros (23.8 million euros at 31 December 2006).

24. COMMITMENTS

Note that at 31 December 2007 there are no significant commitments for the purchase of property, plant and equipment and intangible assets.

The Group has commitments in respect of minimum lease payments for non-cancellable operating leases for a total of 1.4 million euros (1.6 million euros at 31 December 2006) and rentals for a total of 26.9 million euros (28.4 million euros at 31 December 2006).

There are also other commitments in favour of third parties for 8.4 million Euro, consisting mainly of the commitment to the association in participation Sirio S.p.A. for 7.7 million USD.

25. RELATED-PARTY TRANSACTIONS

Intercompany transactions are carried in the ordinary course of business and on arm's-length terms. Relations 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, meeting together, must give advance approval 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 comprise commercial and property operations (leased premises used by the parent company or Group companies), together with

membership of the tax group discussed earlier. None of these transactions is particularly important to the Group in economic or strategic terms, since the receivables, payables, costs and revenues attributable to related parties do not represent a significant proportion of the totals reported in the financial statements. 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 31.12.2007	Receivables at 31.12.2006	Payables at 31.12.2007	Payables at 31.12.2006
Parent companies:				
SO.FI.MA. S.p.A.	–	–	6.0	–
	–	–	6.0	–
Associates:				
B.C. S.r.l.	0.2	–	0.7	0.4
Consorzio Info Area	n.a.	1.0	n.a.	0.7
I.E.M.A. S.r.l.	–	n.a.	0.5	n.a.
LA.CO. S.r.l.	0.3	0.1	1.1	0.7
SIL.MAC S.r.l.	0.3	n.a.	1.2	n.a.
	0.8	1.1	3.5	1.8
Other related parties:				
Info Area S.r.l.	1.9	n.a.	4.1	n.a.
Naturapack S.r.l.	1.1	0.6	–	–
Viaggi Nuova Era S.r.l.	–	–	1.6	1.3
	3.0	0.6	5.7	1.3
Total	3.8	1.7	15.2	3.1

	Revenues 2007	Revenues 2006	Costs 2007	Costs 2006
Associates:				
B.C. S.r.l.	–	–	2.6	2.4
Consorzio Info Area	1.5	3.0	1.4	2.8
I.E.M.A. S.r.l.	–	n.a.	0.4	n.a.
LA.CO. S.r.l.	0.5	–	1.8	1.1
	2.0	3.0	6.2	6.3
Other related parties:				
Info Area S.r.l. (*)	1.3	n.a.	2.6	n.a.
Lopam S.r.l.	–	–	0.3	0.3
Naturapack S.r.l.	2.5	1.1	1.3	0.2
Luca Poggi	–	–	0.3	0.3
Sporting Club Gira S.r.l.	–	–	0.2	0.3
Viaggi Nuova Era S.r.l.	–	–	3.9	3.4
	3.8	1.1	8.6	4.5
Total	5.8	4.1	14.8	10.8

(*) The amounts relate to the period August-December 2007.

The above transactions primarily relate to the parent company.

26. POSITIONS OR OPERATIONS DERIVING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

No positions or operations deriving from atypical and/or unusual transactions arose during 2007.

**27. SIGNIFICANT EVENTS
AFTER THE END OF THE
FOURTH QUARTER**

The principal events taking place subsequent to the end of the fourth quarter were:

- the merger of Zanchetta S.r.l. with VIMA S.r.l., with effect from 1 January 2008 and the simultaneous change in the latter's name to Zanchetta S.r.l.;
- 2 January 2008 was the effective date of the transfer by the parent company IMA S.p.A. to the newly-incorporated companies IMA Flavour S.r.l. and IMA Safe S.r.l. of the book values of the tea, herbal tea and coffee packaging sector and the pharmaceutical packaging sector, respectively; the investments in CO.MA.DI.S. S.p.A. and Precision Gears Ltd. were also transferred to IMA Safe S.r.l.;
- 31 January 2008 saw completion of the contracts with the Linde AG Group for the purchase of the business represented by the lyophilization plants of the BOC Edwards Pharmaceutical Systems Group, the indisputable leader in this sector. The price for this whole acquisition, net of the net financial position and the adjustment of the working capital, came to 36 million euros, all of which was paid at the time of signing the contract. The definitive price will be determined on the basis of a balance sheet prepared as of 31 January 2008, which will result in an adjustment of the price mentioned above. From 31 January 2008 Packaging Systems Holdings Inc. is therefore the owner of the entire share capital of BOC Edwards Pharmaceutical Systems Inc., whereas IMA Libra S.r.l. is the owner of 100% of the Dutch company BOC Edwards Pharmaceutical Systems B.V. and 50% of Edwards Tianli (Beijing) Pharmaceutical Systems Co. Ltd. It should also be noted that a binding agreement has been reached with the Chinese partner for the sale of the other 50% of the shares to IMA Libra S.r.l. for 9 million euros. Authorisation for the transfer of both these interests in the Chinese company is currently being awaited from the local authorities;
- in accordance with the plan mentioned in Note 11, 108,250 treasury shares were purchased during January 2008, as communicated to Consob on 4 February 2008. The treasury shares held as of 14 February 2008 represent 0.902% of the share capital.

The manager responsible for the preparation of the Company's accounting documents, Sergio Marzo, declares in accordance with article 154 bis paragraph 2 of the Consolidated Finance Act that the accounting information contained in this quarterly report agrees with the books of account, the accounting entries and supporting documentation.