
**QUARTERLY REPORT
FOR THE THIRD 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

DIRECTORS AND OFFICERS

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

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 as Honorary Chairman.

CHAIRMAN AND MANAGING DIRECTOR

Alberto Vacchi

Alberto Vacchi was appointed as 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 ACCOUNTING DOCUMENTS

Sergio Marzo

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

LEAD INDEPENDENT DIRECTOR

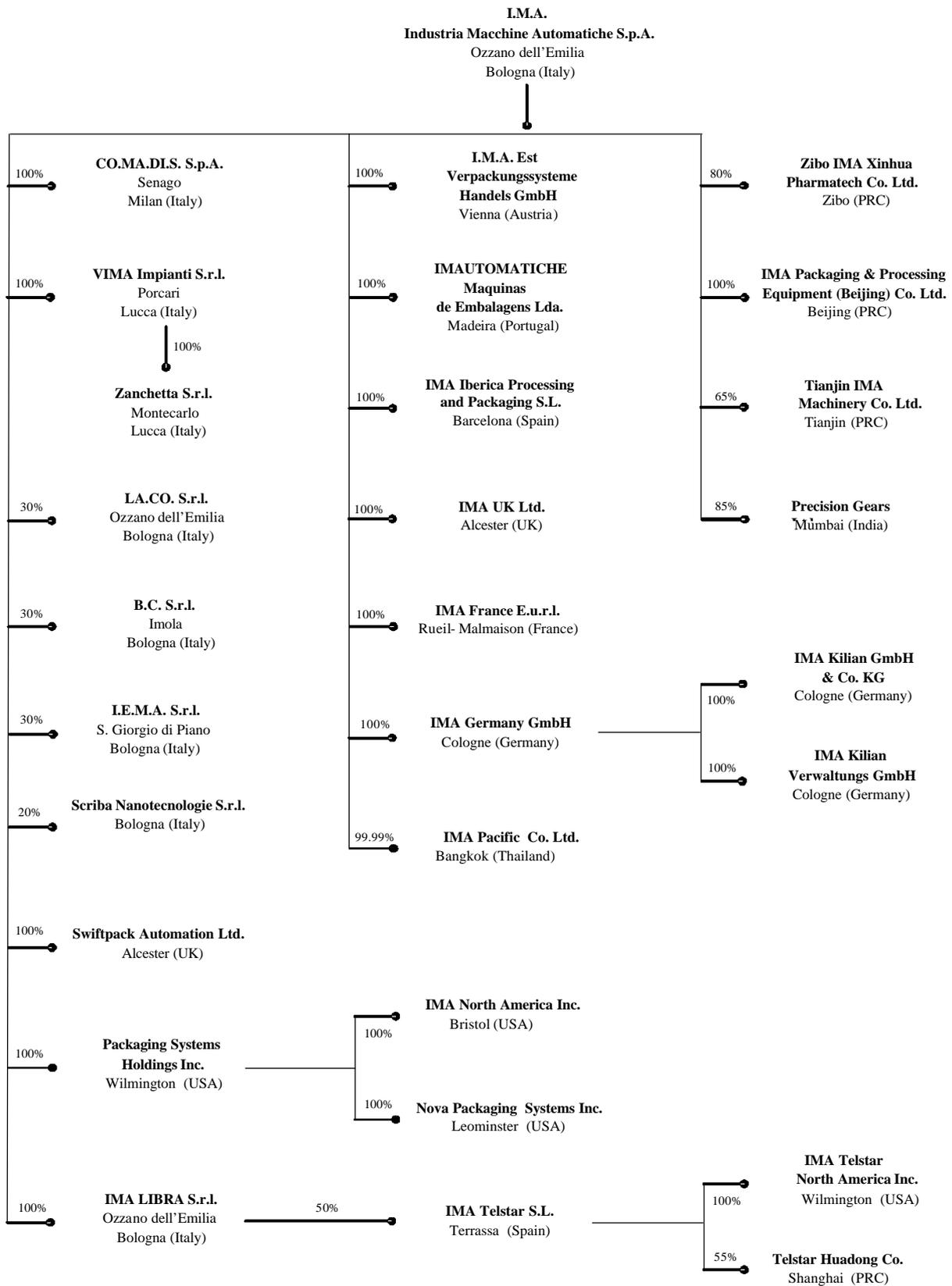
Romano Volta

INDEPENDENT AUDITORS

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

PricewaterhouseCoopers S.p.A.

GROUP STRUCTURE



GROUP COMPANIES BY BUSINESS ACTIVITY

MANUFACTURING
ACTIVITIES

IMA.
Industria Macchine
Automatiche S.p.A.
Ozzano dell'Emilia
Bologna (Italy)

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

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

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

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

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

B.C. S.r.l.
Imola – Bologna (Italy)

IMA Kilian GmbH & Co. KG
Cologne (Germany)

Precision Gears Ltd.
Bombay (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)

IMA-Telstar S.L.
Terrassa – Barcelona (Spain)

Telstar Huadong Co. Ltd.
Shanghai (PRC)

IMA-Telstar North America Inc.
Wilmington (USA)

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

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

Despite slower growth in the USA and the Euro area during the first half of the year, the expansion of world GDP remained virtually stable at close to 5% p.a. due to the contribution made by the emerging nations.

Nevertheless, there are some concerns for the immediate future about the continued growth of the world economy in general, and the European economy in particular. These uncertainties stem from the financial crisis caused by the sub-prime mortgage situation in the USA, the significantly higher cost of energy and the depreciation of the US dollar against the euro. The slowdown in the growth of world GDP over the coming year could be close to 0.7 percentage points, thus slowing expansion from the 4.9% expected for 2007 to about 4.3% in 2008. This growth will, once again, be led by the emerging economies, with China, India, Brazil and Russia at the forefront.

In this context, the pharmaceuticals market will close 2007 with growth of around 7%, at a time when the profile of demand is changing significantly. In particular, there is currently a shift from mature towards emerging markets, while the launch of new products is no longer keeping pace with the expiry of established patents. This means that future growth in the consumption of pharmaceuticals will come principally from the developing countries, with the producers of generic drugs being the main beneficiaries. Further change factors include the exponential growth in biotechnological products by 13-14% p.a. and the introduction of new anti-cancer drug. According to estimates made by IMS Health, the consumption of medicines is expected to grow over the coming year by around 6%.

CONSOLIDATED
INCOME STATEMENT

Consolidated revenues of the IMA Group in the first nine months of 2007 amounted to 311.1 million euros, compared with 271.3 million euros in the same period of 2006. Operating profit rose to 41.0 million euros (23.9 million euros in 2006).

The following is a summarised version of the consolidated income statement for the period under review, with comparative figures for the corresponding period in 2006:

in millions of euros	1.1.2007-30.9.2007		1.1.2006-30.9.2006		Change %
	Amount	%	Amount	%	
Revenues	311.1		271.3		14.7
Cost of sales	(183.2)	58.9	(158.3)	58.3	
Industrial gross profit	127.9	41.1	113.0	41.7	13.2
R&D costs	(16.2)		(14.3)		
Selling costs	(38.3)		(37.0)		
General and administrative costs	(36.9)		(37.0)		
Operating profit before writedowns /impairment/non recurring items (E.B.I.T.A.)	36.5	11.7	24.7	9.1	47.8
Writedowns/impairment of goodwill	–		(0.8)		
Non-recurring items	4.5		–		
Operating profit (E.B.I.T.)	41.0	13.2	23.9	8.8	71.5
Net financial income (expense)	(5.7)		(4.4)		
Profit before income taxes	35.3	11.3	19.5	7.2	81.0
Incombe taxes	(15.9)		(9.6)		
Net profit from continuing operations	19.4	6.2	9.9	3.6	96.0
Net profit from discontinued operations / disposal groups	5.2		–		
Profit for the period	24.6	7.9	9.9	3.6	n.s.
Profit/(Loss) pertaining to minority interests	(0.1)		0.1		
Group profit	24.5	7.9	10.0	3.7	n.s.
Gross operating profit (E.B.I.T.D.A.)	48.9	15.7	33.1	12.2	47.7
Order book	253.8		212.4		19.5

REVENUES AND ORDERS

Consolidated revenues in the first nine months of 2007 amounted to 311.1 million euros, an increase of 14.7% 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 pharmaceuticals sector and the tea industry during the current year. This was unusual, since the interim results of the IMA Group are generally not entirely representative of those expected for the full year, because revenues and new orders tend to be concentrated towards year end.

The level of orders received during the third quarter of 2007 was also good, raising the backlog to 253.8 million euros, up 19.5% on the previous year (212.4 million euros).

Total orders acquired during the year amount to 368.9 million euros versus 319.7 million euros in 2006, an increase of 15.7%.

OPERATING PROFIT

Industrial gross profit was 41.1% of revenues in the period to 30 September 2007, compared with 41.7% in the same period of 2006.

This slight reduction was due to the different mix in revenues from the tea and pharmaceuticals sectors, as well as to an adverse combination of machines, size parts and spare parts, which will tend to balance out over the full year.

In addition, the strength of demand since the end of 2005 has resulted in the generation of good margins from the contracts acquired.

As a result, operating profit was 41.0 million euros, versus 23.9 million euros in the same period of 2006, after taking account of a modest increase 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 36.5 million euros.

PROFIT BEFORE INCOME TAXES

Net financial expense amounted to 5.7 million euros compared with 4.4 million euros in the period to 30 September 2006. This rise was due to the higher cost of borrowing in euros.

Profit before tax therefore totaled 35.3 million euros versus 19.5 million euros at the end of September 2006.

PROFIT FOR THE PERIOD

The profit for the period benefited from the disposal of Info Area S.r.l. on 31 July 2007 for 5.2 million euros. The total, 24.6 million euros, compares with 9.9 million euros in the comparative period of the prior 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						
1.1.2007 - 30.9.2007	56.2	177.2	76.5	1.2	–	311.1
1.1.2006 - 30.9.2006	54.8	150.2	63.7	2.6	–	271.3
Operating profit						
1.1.2007 - 30.9.2007	20.3	20.5	0.2	–	–	41.0
1.1.2006 - 30.9.2006	18.5	6.6	(1.2)	–	–	23.9
Net capital employed (*)						
30 September 2007	19.0	118.6	86.8	2.4	(5.4)	221.4
30 September 2006	24.7	107.0	89.2	3.1	(5.2)	218.8
R&D costs						
1.1.2007 - 30.9.2007	3.5	8.5	4.2	–	–	16.2
1.1.2006 - 30.9.2006	3.5	7.7	3.1	–	–	14.3
Average personnel (**)						
1.1.2007 - 30.9.2007	194	1,573	586	–	376	2,729
1.1.2006 - 30.9.2006	200	1,553	537	–	392	2,682
Order book						
30 September 2007	50.2	136.3	67.3	–	–	253.8
30 September 2006	27.9	127.9	56.6	–	–	212.4

(*) *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 2.6% higher than the good results reported last year, confirming the Group's strong leadership position in this market. Operating profit was also higher. With regard to revenues for the full year, the tea sector will repeat the results reported in the prior year, which were the best ever. The order book has risen by 80% (to 50.2 million euros compared with 27.9 million euros at 30 September 2006), providing good visibility for the coming year.

Higher revenues in the packaging sector (+27 million euro) came from internal growth, given strong market demand for these products. Operating profit was much greater than in the comparative period, even after eliminating the severance indemnities effect described earlier, which contributed 2.9 million euro to the results of this sector. This improvement was achieved as a consequence of higher volume and the containment of overheads.

There was also significant improvement in the results of the sector that makes process machinery for the pharmaceuticals industry. In particular, both revenues and profitability were higher, although a loss was still reported after eliminating the severance indemnity effect described earlier of 0.8 million euros. Product margins were considerably higher due to the careful planning of production costs and the healthy level of orders.

The Group continues to work hard on cost rationalisation, both by lowering production costs and by the re-engineering of processes to eliminate duplications. The benefits of this effort are already clear, while an even greater impact is expected in 2008.

CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

This table summarises the Group's balance sheet at 30 September 2007:

in millions of euros	30.09.2007	31.12.2006	30.09.2006
Trade receivables	103.9	101.4	89.4
Inventories	151.9	122.2	146.6
Trade payables	(127.5)	(102.9)	(103.8)
Other, net	(36.5)	(29.2)	(31.6)
Working capital	91.8	91.5	100.6
Property, plant and equipment	69.0	72.7	73.5
Intangible assets	71.1	69.9	65.8
Investments	12.5	1.8	2.2
Non-current assets	152.6	144.4	141.5
Provision for severance indemnities and other provisions	(23.0)	(32.7)	(23.3)
Net capital employed	221.4	203.2	218.8
FINANCED BY:			
Net debt	121.8	104.2	131.5
Minority interests	1.3	1.0	3.0
Group Equity	98.3	98.0	84.3
Total sources of financing	221.4	203.2	218.8

Net capital employed at the end of third quarter 2007 is 18.2 million euros higher than at the end of 2006 and essentially unchanged with respect to the end of the third quarter last year.

The change during the year mainly reflects the increase in equity investments, following the acquisition of shares in Pierrel on 10 August 2007 for 8.2 million euros, and the reduction in severance indemnities by 4.5 million euros as a result of the related legislative changes.

Analysing the changes in net working capital, the essential stability of trade receivables contrasts with the rise in inventories, as offset by an increase in trade payables and the advances received from customers.

The changes in fixed assets largely reflect the purchase of shares in Pierrel S.p.A.

The following is a breakdown of net debt:

in millions of euros	30.09.2007	31.12.2006	30.09.2006
A. Cash and cash equivalents	(29.8)	(60.2)	(24.0)
B. Other cash equivalents	(0.1)	–	(4.0)
C. Investment in securities	(0.2)	(0.2)	(0.7)
D. Liquidity (A)+(B)+(C)	(30.1)	(60.4)	(28.7)
E. Current financial receivables	(0.2)	–	–
F. Current payables to banks	54.6	52.1	52.7
G. Current portion of non-current bank debt	22.7	22.2	40.8
H. Other current financial payables	1.2	1.6	1.6
I. Current financial debt (F)+(G)+(H)	78.5	75.9	95.1
J. Net current financial debt (D)+(E)+(I)	48.2	15.5	66.4
K. Non-current portion of non-current bank debt	73.6	85.0	61.0
L. Non-current financial assets (*)	(4.5)	(3.4)	(3.4)
M. Other non-current financial payables	4.5	7.1	7.5
N. Non-current financial debt (K)+(L)+(M)	73.6	88.7	65.1
O. Total Net financial debt (J)+(N)	121.8	104.2	131.5

(*) At 30 September 2007, non-current financial assets comprise investments in securities and financial receivables and differ from the corresponding balance sheet amount of 15.2 million euros due to the exclusion of investments in other companies.

Net debt at the end of the period amounts to 121.8 million euros (131.5 million euros at 30 September 2006). This represents an improvement of more than 24 million euros, after adjusting for the differential in dividend payments, non-recurring transactions, the disposal of the finance lease arranged by IMA Telstar S.L., the purchase of treasury shares and changes in the scope of consolidation.

The increase in net debt at 30 September 2007 with respect to 31 December 2006 was principally due to the physiological rise in inventories ahead of the deliveries planned for the final quarter, as well as to the total effect of about 6.5 million euros deriving from payment of the second and third installments due on the acquisition of Precision Gears Ltd., the acquisition by VIMA S.r.l. of Zanchetta S.r.l., the acquisition of shares in Pierrel S.p.A. and the Info Area / Infracom transaction. 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.

The level of net debt is expected to improve over the next quarter thanks to normal business flows, consistent with experience in previous years.

CAPITAL EXPENDITURE

Group capital expenditure amounted to 4.6 million euros during the first nine months of 2007 (6.4 million euros in the same period of 2006) and mainly related to the extension and upgrading of existing buildings and plant, together with the purchase of electronic equipment and furniture. Capital expenditure on intangible assets amounted to 3.2 million euros (1.7 million euros in the same period of 2006) and mainly related to the capitalisation of industrial patents and development costs incurred on totally new products for the packaging and pharmaceutical processing sectors. In addition, the acquisition of Zanchetta S.r.l. by VIMA S.r.l. during 2007 resulted in the recognition of goodwill totaling 1.1 million euros.

OTHER INFORMATION

OUTLOOK FOR THE REST OF THE YEAR

The excellent performance achieved by the Group to date provides reasonable certainty that the results for 2007 will be much improved with respect to 2006. Revenues from sales are forecast to total around 460 million euros (up about 8% on 2006), while operating profit should be about 14.9% of revenues (12.6% in 2006). This outcome will enable the Group to confirm the improvement in profitability seen since the end of 2005, with the steady improvement of results in the absence of changes in market conditions.

CONSOLIDATED FINANCIAL STATEMENTS
AT 30 SEPTEMBER 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 30 SEPTEMBER 2007 AND 31 DECEMBER 2006 (MILLIONS OF EUROS)

ASSETS	Note	30 September 2007	31 December 2006
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2	69.0	72.7
<i>Intangible assets</i>	3	71.1	69.9
<i>Companies valued using the equity method</i>	4	1.8	1.7
<i>Investments in non-consolidated subsidiaries</i>		–	0.1
<i>Financial assets</i>	5	15.2	3.4
<i>Receivables from others</i>		0.6	0.5
<i>Derivatives</i>	6	0.2	0.2
<i>Deferred tax assets</i>	7	15.7	14.8
TOTAL NON-CURRENT ASSETS		173.6	163.3
CURRENT ASSETS			
<i>Inventories</i>	8	151.9	122.2
<i>Trade and other receivables</i>	9	122.4	110.4
<i>Income tax receivables</i>		1.6	0.4
<i>Financial assets</i>	5	0.5	0.2
<i>Derivatives</i>	6	0.9	0.7
<i>Cash and cash equivalents</i>	10	29.8	60.2
TOTAL CURRENT ASSETS		307.1	294.1
TOTAL ASSETS		480.7	457.4
EQUITY AND LIABILITIES	Note	30 September 2007	31 December 2006
CAPITAL AND RESERVES			
<i>Share capital</i>	11	18.8	18.8
<i>Share premium reserve</i>		16.4	16.4
<i>Treasury shares</i>	11	(19.7)	(18.9)
<i>Translation reserve</i>		(2.0)	(0.7)
<i>Fair value reserve</i>	12	0.8	0.8
<i>Other reserves</i>		31.0	31.0
<i>Retained</i>		28.5	25.8
<i>Profit (loss) for the period</i>		24.5	24.8
Total capital and reserves pertaining to the Group		98.3	98.0
<i>Reserves pertaining to minority interests</i>		1.2	1.0
<i>Profit pertaining to minority interests</i>		0.1	–
Total minority interests		1.3	1.0
EQUITY PERTAINING TO THE GROUP AND MINORITY INTERESTS		99.6	99.0
NON-CURRENT LIABILITIES			
<i>Borrowings</i>	13	78.1	92.1
<i>Severance and pension obligations</i>		19.3	25.5
<i>Provisions for risks and charges</i>	14	1.3	1.2
<i>Deferred tax liabilities</i>	7	18.1	17.4
TOTAL NON-CURRENT LIABILITIES		116.8	136.2
CURRENT LIABILITIES			
<i>Borrowings</i>	13	78.5	75.9
<i>Trade and other payables</i>	15	163.4	136.8
<i>Income tax liabilities</i>		15.3	4.0
<i>Provisions for risks and charges</i>	14	7.1	5.5
TOTAL CURRENT LIABILITIES		264.3	222.2
TOTAL LIABILITIES		381.1	358.4
TOTAL EQUITY AND LIABILITIES		480.7	457.4

CONSOLIDATED INCOME STATEMENT

FOR THE THIRD QUARTER OF 2007 AND FOR THE PERIOD 01/01-30/09/2007 (MILLIONS OF EUROS)

INCOME STATEMENT	Note	3rd quarter 2007	3rd quarter 2006	from 01/01/2007 to 30/09/2007	from 01/01/2006 to 30/09/2006
REVENUES	1	102.8	90.6	311.1	271.3
<i>Other revenues</i>		0.9	1.0	3.2	4.1
OPERATING COSTS					
<i>Change in work in progress, semifinished and finished goods</i>		4.8	0.4	25.2	21.6
<i>Change in inventory of raw, ancillary and consumable materials</i>		0.1	1.5	4.0	2.0
<i>Cost of raw, ancillary and consumable materials</i>		(39.1)	(30.8)	(128.5)	(103.2)
<i>Services, rentals and leases</i>		(21.7)	(19.8)	(66.7)	(62.5)
<i>Personnel costs</i>	16	(26.7)	(31.2)	(94.8)	(97.2)
<i>Depreciation, amortization and writedowns</i>	17	(3.2)	(2.8)	(8.6)	(9.2)
<i>Provision for risks and charges</i>		(0.4)	(0.6)	(1.4)	(0.8)
<i>Other operating costs</i>		(0.6)	(0.4)	(2.5)	(2.2)
TOTAL OPERATING COSTS		(86.8)	(83.7)	(273.3)	(251.5)
OPERATING PROFIT	1	16.9	7.9	41.0	23.9
<i>- of which: effect of non-recurring items</i>	16	4.5	-	4.5	-
FINANCIAL INCOME AND EXPENSE					
<i>Financial income</i>	18	1.7	0.6	3.9	4.6
<i>Financial expense</i>	19	(3.7)	(2.4)	(9.6)	(9.0)
TOTAL FINANCIAL INCOME AND EXPENSE		(2.0)	(1.8)	(5.7)	(4.4)
PROFIT (LOSS) FROM INVESTMENTS					
CARRIED AT EQUITY		-	(0.1)	-	-
PROFIT BEFORE TAX		14.9	6.0	35.3	19.5
INCOME TAXES FOR THE PERIOD	20	(6.8)	(2.9)	(15.9)	(9.6)
NET PROFIT FROM CONTINUING OPERATIONS		8.1	3.1	19.4	9.9
NET PROFIT FROM DISCONTINUED OPERATIONS/ DISPOSAL GROUPS	21	5.1	-	5.2	-
PROFIT FOR THE PERIOD		13.2	3.1	24.6	9.9
ATTRIBUTABLE TO:					
PARENT COMPANY SHAREHOLDERS		13.2	3.1	24.5	10.0
MINORITY INTERESTS		-	-	0.1	(0.1)
		13.2	3.1	24.6	9.9
EARNINGS PER SHARE (in euros):		0.39	0.09	0.72	0.29
<i>- of which: from continuing operations</i>		0.24	0.09	0.57	0.29
<i>- of which: from discontinued operations/disposal groups</i>		0.15	-	0.15	-

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

FOR THE PERIODS ENDED 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006 (MILLIONS OF EUROS)

Description	Share capital	Share premium reserve	Treasury shares	Translation reserve	Fair value reserve	Other reserves	Retained earnings	Group share of net profit	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)	(0.3)	(14.1)
- reserves	-	-	-	-	-	0.5	(1.8)	1.3	-	-	-
Purchase and sale of treasury shares	-	-	(3.5)	-	-	-	-	-	(3.5)	-	(3.5)
Fair value of financial instruments	-	-	-	-	1.3	-	-	-	1.3	-	1.3
Exchange differences on translation of foreign currency financial statements	-	-	-	(1.2)	-	-	-	-	(1.2)	(0.2)	(1.4)
Result for the period	-	-	-	-	-	-	-	10.0	10.0	(0.1)	9.9
Balances at 30.09.2006	18.8	16.4	(18.2)	0.1	0.4	31.0	25.8	10.0	84.3	3.0	87.3

Balances at 01.01.2007	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)	-	-	-
Increases in capital	-	-	-	-	-	-	-	-	-	0.2	0.2
Sale of Info Area S.r.l.	-	-	-	-	-	(2.4)	2.4	-	-	-	-
Purchase and sale of treasury shares	-	-	(0.8)	-	-	-	-	-	(0.8)	-	(0.8)
Fair value of financial instruments	-	-	-	-	-	-	-	-	-	-	-
Exchange differences on translation of foreign currency financial statements	-	-	-	(1.3)	-	-	-	-	(1.3)	-	(1.3)
Result for the period	-	-	-	-	-	-	-	24.5	24.5	0.1	24.6
Balances at 30.09.2007	18.8	16.4	(19.7)	(2.0)	0.8	31.0	28.5	24.5	98.3	1.3	99.6

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 SEPTEMBER 2007 AND 30 SEPTEMBER 2006 (MILLIONS OF EUROS)

	30 September 2007	30 September 2006
OPERATIONS		
<i>Profit (loss) for the period</i>	24.5	10.0
<i>Adjustments for:</i>		
- <i>Depreciation and amortisation</i>	7.9	8.3
- <i>(Writebacks) or writedowns of non-current assets</i>	-	0.8
- <i>Capital (gains) losses on disposal of non-current assets</i>	(0.1)	-
- <i>Changes in provisions for risks and charges and staff severance obligations</i>	(1.2)	0.8
- <i>Non-recurring items</i>	(4.5)	-
- <i>Unrealised losses (gains) on exchange rate differences</i>	-	(0.2)
- <i>Income taxes</i>	15.9	9.6
- <i>Capital gains on the disposal of discontinued activities</i>	(5.5)	-
- <i>Minority interests</i>	0.1	(0.1)
- <i>Share of results of companies valued using the equity method</i>	-	(0.1)
Operating profit (loss) before changes in working capital	37.1	29.1
<i>(Increase) decrease in trade and other receivables</i>	(8.5)	9.1
<i>(Increase) decrease in inventories</i>	(28.1)	(24.5)
<i>Increase (decrease) in trade and other payables</i>	24.1	(17.8)
<i>Income taxes paid</i>	(7.3)	(5.8)
CASH FLOW GENERATED BY OPERATIONS (A)	17.3	(9.9)
INVESTMENT ACTIVITY		
<i>Investments in property, plant and equipment</i>	(4.6)	(3.9)
<i>Investments in intangible assets</i>	(3.2)	(1.7)
<i>Exchange rate differences on property, plant and equipment and intangible assets</i>	0.6	0.6
<i>Company acquisitions</i>	(1.2)	(5.2)
<i>Purchase of equity investments</i>	(11.1)	(0.2)
<i>Repayment of finance lease debts</i>	(0.8)	(0.7)
<i>Net proceeds from sale of businesses</i>	6.4	-
<i>Proceeds from sale of non-current assets</i>	0.4	0.5
<i>Net change in financial receivables and other non-current receivables</i>	(1.7)	0.2
<i>Changes in reserves pertaining to minority interests</i>	0.2	(0.5)
CASH FLOW ABSORBED BY INVESTMENT ACTIVITY (B)	(15.0)	(10.9)
FINANCE ACTIVITY		
<i>New loans obtained</i>	7.2	16.9
<i>Borrowings repaid</i>	(17.8)	(14.4)
<i>Increase (decrease) in other payables to banks</i>	7.0	6.6
<i>Dividends paid</i>	(22.1)	(13.8)
<i>Purchase of treasury shares</i>	(0.8)	(3.5)
<i>Translation of foreign currency financial statements</i>	(1.3)	(1.2)
<i>Payment/collection of interest</i>	(4.9)	(3.6)
CASH FLOW ABSORBED BY FINANCE ACTIVITY (C)	(32.7)	(13.0)
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)	(30.4)	(33.8)
CASH AND CASH EQUIVALENTS AT START OF PERIOD (E)	60.2	57.8
CASH AND CASH EQUIVALENTS AT END OF PERIOD (F=D+E)	29.8	24.0

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

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL
STATEMENTS

A) OVERVIEW

The Report on Operations for the third quarter of 2007 was approved by the Board of Directors on 14 November 2007.

The IMA Group designs, manufactures and sells machinery and plant mainly to the pharmaceuticals, cosmetics and tea packaging industries. The interim results from the market segment in which the IMA Group operates are generally not fully representative of those expected for the year as a whole, since there is a concentration of business during the last part of the year.

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 30 September 2007, IMA S.p.A. is 67.55% 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 third 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 amounts contained in the quarterly report at 30 September 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. In order to report fairly the results for third quarter 2007,

the income statement for 1st half 2007 has been reclassified. The prior year comparative amounts have not been reclassified since they are not significant.

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 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. Certain of these revisions do not apply to the IMA Group.

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 30 September 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 following changes in Group structure took place during 2007:

- 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 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. This acquisition reflects a continuation of Group policy to broaden the range of products offered to the pharmaceuticals industry and to expand through targeted acquisitions;
- 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 euro on 24 September 2007. This company, located in San Giorgio di Piano (Bologna), designs and produces equipment for automated machinery. This investment enables the Group to take a stake in a supplier considered important for its own manufacturing operations.

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

- on 4 July 2007, 1.5 million euros was paid for the third tranche of shares (12%) in Precision Gears Ltd. Previously, on 20 December 2006, IMA had signed a contract to purchase a further 34% of the share capital of this Indian company, which was already 51% held. This 34% interest was acquired in three tranches: the consideration for the first two tranches, each amounting to 1.3 million euros for 11% of the share capital, was paid in December 2006 and March 2007. With regard to the remaining interest, representing 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. These options can be exercised in two tranches by January 2010 at the latest;
- 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 pharmaceuticals company that specialises in the research, development and production of medicines on a contract basis. The shares were transferred directly by P Farmaceutici S.r.l., the majority shareholder of Pierrel S.p.A., at a price of 9.35 euros per share. The transfer took place on 10 August 2007 in accordance with a purchase and sale contract signed on 30 July 2007. 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 428,000 shares can be acquired in May 2008 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. Collaboration with Pierrel may well be extremely important for the strategic development of the IMA Group, since this company is well established in the sector and as a key partner for several leading pharmaceutical groups

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 30/09/2007	Direct investment	Indirect investment
Industrial companies:					
• I.M.A. Industria Macchine Automatiche S.p.A	Ozzano E. (Bologna)	EUR	18,772,000	Parent Company	
• IMA Libra S.r.l.	Ozzano E. (Bologna)	EUR	3,000,000	100%	–
• CO.MA.D.I.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 CONSOLIDATED
ON A PROPORTIONAL BASIS**

	Registered offices		Share capital at 30/09/2007	Direct investment	Indirect investment
IMA-Telstar S.L.	Terrassa (Spain)	EUR	4,946,400	–	50% (5)
Telstar Huadong Co. Ltd.	Shanghai (PRC)	RMB	17,370,000	–	27.5% (6)
IMA-Telstar North America Inc.	Wilmington (USA)	USD	500,000	–	50% (7)

Notes (list of investments):

- (5) Held by IMA Libra S.r.l.
 (6) 55% held by IMA-Telstar S.L.
 (7) 100% held by IMA-Telstar S.L.

The financial statements at 30 September 2007 include the Group share of the assets, liabilities, revenues and costs of the IMA-Telstar S.L. Group, Telstar Huadong Co. Ltd. and IMA-Telstar North America Inc..

**COMPANIES VALUED
USING THE
EQUITY METHOD**

	Registered offices		Share capital at 30/09/2007	Direct investment	Indirect investmen
B.C. S.r.l.	Imola (Bologna)	EUR	36,400	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%	– (8)

Notes (list of indirect investments):

(8) *The ownership percentage includes an agreement for the purchase of 20% of share capital.*

The consolidated financial statements at 30 September 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.

E) EXPLANATORY NOTES

The changes reported below were determined with respect to the amounts at 31 December 2006 for balance sheet items and to the amounts for the first nine months of 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):

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Tea, coffee and herbal tea packaging	56.2	54.8	1.4
Pharmaceutical packaging	177.2	150.2	27.0
Pharmaceutical processing	76.5	63.7	12.8
Other	1.2	2.6	(1.4)
Total	311.1	271.3	39.8

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 2.6% higher than the 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 close to 20%.

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

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Tea, coffee and herbal tea packaging	20.3	18.5	1.8
Pharmaceutical packaging	20.5	6.6	13.9
Pharmaceutical processing	0.2	(1.2)	1.4
Total	41.0	23.9	17.1

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.

Revenues earned during the period ended 30 September 2007 by the IMA Group are analyzed by geographical area and line of business as follows (millions of euros):

REVENUES BY GEOGRAPHICAL SEGMENT

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
E.U. (excluding Italy)	126.6	112.2	14.4
Other European countries	28.3	14.7	13.6
North America	64.8	67.0	(2.2)
Asia	43.5	30.9	12.6
Other countries	23.6	27.3	(3.7)
Total exports	286.8	252.1	34.7
Italy	24.3	19.2	5.1
Total	311.1	271.3	39.8

REVENUES BY BUSINESS SEGMENT

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Machines and formats	153.1	151.3	1.8
Contract work	90.2	56.1	34.1
Spare parts	44.0	39.6	4.4
Technical assistance	16.0	15.4	0.6
Other services	7.8	8.9	(1.1)
Total	311.1	271.3	39.8

**2. PROPERTY, PLANT
AND EQUIPMENT**

The net reduction in property, plant and equipment is 3.7 million euros. The movements in property, plant and equipment during the period are analysed 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	–	0.8	2.1	0.3	1.0	0.4	4.6
Sales and disposals	(2.6)	–	(0.1)	–	(0.1)	–	(2.8)
Change in cons. scope	–	–	–	–	0.1	–	0.1
Depreciation	–	(1.4)	(2.4)	(0.5)	(1.0)	–	(5.3)
Activities sold	–	–	–	–	(0.2)	–	(0.2)
Reclassifications	(0.2)	0.9	–	–	–	(0.7)	–
Exchange differences	–	(0.1)	–	–	–	–	(0.1)
Balances at 30.09.07	14.3	35.5	13.3	1.5	3.2	1.2	69.0

The additions during the period mainly related to costs incurred to extend and upgrade existing buildings and plant and to purchase electronic machines and furniture.

Sales and disposals mainly relate to the transfer to third parties, in July 2007, of the financial lease contract arranged by IMA-Telstar S.L. in relation to building land. See Note 13 for further information.

Reclassifications comprise 0.7 million euros relating to the completion of the industrial building used by Telstar Huadong Co. Ltd.

Land includes 10.6 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.

Assets under construction and advances, mainly relating to the parent company, principally comprise urbanisation costs incurred for the land in Via Tolara, Ozzano dell'Emilia, and the capitalisation of equipment produced internally for use in the production process.

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	–	1.4	0.3	–	1.5	3.2
Acquisition of Zanchetta S.r.l.	–	–	–	1.1	–	1.1
Amortisation	(1.2)	(0.4)	(1.0)	–	–	(2.6)
Exchange differences	–	–	–	(0.5)	–	(0.5)
Balances at 30.09.07	7.5	2.7	1.8	56.5	2.6	71.1

Development costs principally include the costs incurred by the parent company for new products not previously available and developed for entry into new market segments. In addition, following the acquisition of the Telstar group, this caption includes know how for the production of freeze-drying plant used by the

pharmaceuticals industry and of pharmaceuticals deriving from biotechnological research. Lastly, following the acquisition of VIMA S.r.l., development costs also comprise know how about washing and powder handling systems for the pharmaceuticals processing sector.

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

Goodwill comprises the following (millions of euros):

	30.09.2007	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	12.8	13.3
Telstar Group	3.4	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	56.5	55.9

The impairment testing procedures adopted in relation to goodwill did not identify, based on current forecasts, the need to recognise any loss of value.

Performance in the last quarter will provide a clearer picture of the future prospects for the various CGUs, as this period traditionally makes a very important contribution to the result for the year and the acquisition of orders for the coming year.

See Note 22 for comments on the goodwill of Zanchetta S.r.l.

Assets under development and advances relate to the capitalisation of development costs incurred by the Parent Company and IMA Libra S.r.l., amounting to 0.4 million euros and 1.5 million euros respectively.

4. COMPANIES VALUED USING THE EQUITY METHOD

This item comprises (in millions of euros):

	%	30.09.2007	31.12.2006
	Holding		
B.C. S.r.l.	30%	0.6	0.6
I.E.M.A. S.r.l.	30%	0.4	–
LA.CO. S.r.l.	30%	0.4	0.5
Scriba Nanotecnologie S.r.l.	40%	0.4	0.4
IMA-Telstar North America Inc.	50%	–	0.2
Total		1.8	1.7

The investment in IMA Telstar North America Inc. has been consolidated on a proportional basis in 2007.

See the section on the scope of consolidation for a discussion about I.E.M.A. S.r.l.

The consortium contract in force since July 2005 has been terminated. 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, 15.2 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 obtained. They also include financial receivables of 1.5 million euros (0.3 million euros at 31 December 2006) and investments in other companies of 10.7 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 8.0 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., -0.2 million euros, was determined with reference to the official stockmarket price on 28 September 2007; the investment in Infracom Consulting S.r.l., which is not listed, is stated at cost, which is deemed to represent its fair value at 30 September 2007.

Current financial assets, 0.5 million euros, include the parent company's investment in listed bond funds, 0.2 million euros (0.2 million euros at 31 December 2006), loans receivable, 0.2 million euros, and other financial assets held by IMA Telstar S.L., 0.1 million euros.

6. DERIVATIVES

Derivatives comprise (millions of euros):

	Assets 30.09.2007	Assets 31.12.2006
Interest rate swap (non-current) - cash flow hedges	0.2	0.2
Currency risk hedges (current) - cash flow hedges	0.9	0.7
Total	1.1	0.9

INTEREST RATE DERIVATIVES

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 0.9 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 24.2 million US dollars at 30 September 2007.

7. DEFERRED TAX ASSETS AND LIABILITIES

At 30 September 2007, deferred tax assets of 15.7 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 30 September 2007, deferred tax liabilities amount to 18.1 million euros (17.4 million euros at 31 December 2006) and relate mainly to temporary differences between the book values of certain tangible and intangible assets and contract work in progress and their values recognised for tax purposes.

8. INVENTORIES

This item comprises (in millions of euros):

	Gross value	Writedown	Net value at 30.09.2007	Net value at 31.12.2006
Raw, ancillary and consumable materials	25.9	(5.6)	20.3	16.1
Work in progress and semifinished goods	148.5	(19.4)	129.1	102.6
Finished products and goods	4.4	(1.9)	2.5	3.5
Total	178.8	(26.9)	151.9	122.2

The increase in inventories since 31 December 2006 reflects the preparation of machines for delivery to customers during the fourth quarter, as confirmed by the substantial order backlog at the end of September. The inventories of Zanchetta S.r.l. at 30 September 2007 amount to 1.2 million euro.

9. TRADE AND OTHER RECEIVABLES

This item comprises (millions of euros):

	30.09.2007	31.12.2006
Trade receivables	104.4	101.4
Advances to suppliers	5.4	3.8
Tax receivables	7.4	1.7
Prepayments	2.0	1.3
Other receivables	3.2	2.2
Total	122.4	110.4

TRADE RECEIVABLES

Trade receivables include amounts due from customers, 74.1 million euros (81.3 million euros at 31 December 2006), amounts due on contract work in progress, 29.8 million euros (19.1 million euros at 31 December 2006), and receivables from associates and non-consolidated subsidiaries, 0.5 million euros (1.0 million euros at 31 December 2006).

Amounts due from customers have decreased by 7.2 million euros as a result of collections during the period and the Group's careful management of customer credit. Amounts due from customers beyond 12 months total 1.3 million euros. The deferred payment terms granted to customers resident in countries at risk are guaranteed by suitable financial instruments that assure collection. Amounts due from customers are stated net of accumulated provisions amounting to 3.3 million euros (2.5 million euros at 31 December 2006).

Receivables with a total nominal value of around 3.3 million euros were assigned without recourse during 2007; assigned receivables not yet due at 30 September 2007 amount to around 0.6 million euros, of which 0.1 million euros assigned to factoring companies and 0.5 million euros to other financial institutions.

TAX RECEIVABLES

Tax receivables mainly consist of VAT recoverable.

PREPAYMENTS

This caption mainly includes prepaid insurance premiums, maintenance fees and consultancy.

10. CASH AND CASH EQUIVALENTS

This item comprises (millions of euros):

	30.09.2007	31.12.2006
Bank current accounts	24.9	57.1
Demand deposits	4.6	2.6
Cheques and cash	0.3	0.5
Total	29.8	60.2

Cash and cash equivalents have decreased by 30.4 million euros as the level of collections is traditionally lower during the period compared with the standard at the end of the year; this reduction also reflects the increase in inventories since 31 December 2006. 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 30 September 2007 is represented by the share capital issued (fully subscribed and paid up) by the Parent Company, IMA S.p.A., comprising 36,100,000 ordinary shares with a par value of 0.52 euros each.

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).

During the first nine months of 2007, the Parent Company carried out transactions in treasury shares, buying 66,235 own shares for a total of 0.8 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

The programme for the purchase of own shares finished on 6 March 2007. The purpose of this programme, authorised at the Shareholders' Meeting held on 27 April

2006 and implemented by UBM S.p.A., was to stabilise the share price on the stock exchange in full compliance with current regulations. The total cost of the 450,000 own shares acquired under the programme was about 5 million euros.

At 30 September 2007, 2,041,235 own shares are held in portfolio with a total value of 20.3 million euros.

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

Pursuant to art. 2445 of the Italian Civil Code, this voluntary capital reduction was completed on 12 November 2007, being 90 effective days after filing the related shareholders' resolution with the companies' register on 25 June 2007 (taking account of the suspension for the holiday period from 1 August to 15 September 2007).

12. FAIR VALUE RESERVE

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

Balance at 01.01.2006	(0.9)
<i>Cash flow hedges/hedging instruments</i>	
Valuation at fair value	0.6
Fair value - tax effect	(0.2)
Realisation recognised in income	1.3
Realisation recognised in income - tax effect	(0.4)
Balance at 30.09.2006	0.4
Balance at 01.01.2007	0.8
<i>Available for sale</i>	
Valuation at fair value	(0.2)
Fair value - tax effect	0.1
<i>Cash flow hedges/hedging instruments</i>	
Valuation at fair value	1.0
Fair value - tax effect	(0.3)
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 30.09.2007	0.8

The Available for sale category includes the adjustment directly in equity of the investment in Pierrel S.p.A. to reflect the related stockmarket price at 28 September 2007.

13. BORROWINGS

This item mainly includes amounts due to banks, 150.9 million euros (159.3 million euros at 31 December 2006), and amounts due to other lenders, 5.7 million euros (8.7 million euros at 31 December 2006).

PAYABLES TO BANKS

The decrease in amounts due to banks mainly reflects repayment of the current portion of bank loans, involving a reduction in the level of liquid assets.

Applied research and technological innovation loans

Repayments totalling 4.4 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 related to new loans received by IMA Libra S.r.l., 7.0 million euros, and repayments made in accordance with the contractual terms, 11.7 million euros. In addition, during 2007, Nova Packaging Systems Inc. repaid early a loan of 2.0 million US dollars (about 1.5 million euros).

PAYABLES TO OTHER LENDERS

At 30 September 2007, this item mainly includes payables for finance leases relating to the Calenzano plant, 4.7 million euros (5.4 million euros at 31 December 2006). The non-current portion comprises payables due between 1 and 5 years totalling 3.7 million euros.

The financial lease contract arranged by IMA-Telstar S.L. in relation to building land was sold to Tacra S.L., a third party, in July 2007. This transaction reduced net debt by 2.5 million euros. On 19 July 2007, Tacra S.L. and IMA-Telstar S.L. signed an agreement for the rental of the above land and the building that will occupy it.

NET DEBT

The composition of net debt at 30 September 2007, 121.8 million euros, is analysed as follows:

in millions of euros	30.09.2007	30.06.2007	31.12.2006	30.09.2006
A. Cash and cash equivalents	(29.8)	(40.0)	(60.2)	(24.0)
B. Other cash equivalents	(0.1)	(1.2)	–	(4.0)
C. Investments in securities	(0.2)	(0.2)	(0.2)	(0.7)
D. Liquidity (A)+(B)+(C)	(30.1)	(41.4)	(60.4)	(28.7)
E. Current financial receivables	(0.2)	(0.2)	–	–
F. Current payables to bank	54.6	47.7	52.1	52.7
G. Current portion of non-current bank debt	22.7	21.3	22.2	40.8
H. Other current financial payables	1.2	1.4	1.6	1.6
I. Current financial debt (F)+(G)+(H)	78.5	70.4	75.9	95.1
J. Net current financial debt (D)+(E)+(I)	48.2	28.8	15.5	66.4
K. Non-current portion of non-current bank debt	73.6	78.9	85.0	61.0
L. Non-current financial assets (*)	(4.5)	(3.5)	(3.4)	(3.4)
M. Other non-current financial payables	4.5	7.1	7.1	7.5
N. Non-current financial debt (K)+(L)+(M)	73.6	82.5	88.7	65.1
O. Net financial debt (J)+(N)	121.8	111.3	104.2	131.5
P. Cash and cash equivalents for sale	–	(2.3)	–	–
Q. Total net financial debt (O)+(P)	121.8	109.0	104.2	131.5

(*) At 30 September 2007, non-current financial assets comprise investments in securities and financial receivables and differ from the corresponding balance sheet amount of 15.2 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 121.8 million euros (104.2 million euros at 31 December 2006). The increase was principally due to the physiological

rise in inventories ahead of the deliveries planned for the final quarter, as well as to the total effect of about 6.5 million euros deriving from payment of the second and third installments due on the acquisition of Precision Gears Ltd., the acquisition by VIMA S.r.l. of Zanchetta S.r.l., the acquisition of shares in Pierrel S.p.A. and the Info Area / Infracom transaction described earlier. 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 position at 30 September 2007 with respect to that at 30 September 2007 (131.5 million euros), the level of net debt has improved by more than 24 million euros, after adjusting for the differential in dividend payments, non-recurring transactions, the disposal of the finance lease arranged by IMA Telstar S.L., the purchase of treasury shares and changes in the scope of consolidation.

With respect to 30 June 2007, the change in net debt was due to the purchase/sale transactions described earlier (3.3 million euro), the effect of tax payments (about 6 million euros), the summer-period reduction in collections and the increase in inventories.

14. PROVISIONS FOR RISKS AND CHARGES

These provisions comprise (millions of euros):

	Balance at 31.12.2006	Provisions	Uses	Change in scope of consolidation	Balance at 30.09.2007
Non-current:					
• Agency termination indemnities	1.1	-	-	0.1	1.2
• Legal disputes	0.1	-	-	-	0.1
	1.2	-	-	0.1	1.3
Current:					
• Product guarantee provision	5.0	1.4	(0.2)	0.1	6.3
• Other	0.5	-	(0.2)	0.5	0.8
	5.5	1.4	(0.4)	0.6	7.1
Total	6.7	1.4	(0.4)	0.7	8.4

The product guarantee provision reflects the estimated cost of work to be performed under warranty subsequent to 30 September 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 item comprises (millions of euros):

	30.09.2007	31.12.2006
Trade payables	83.5	77.6
Advances from customers	49.9	29.2
Social security payables	3.4	4.0
Tax payables	2.9	4.2
Employee payables	18.1	14.1
Acquisition payables	2.1	4.8
Other	3.5	2.9
Total	163.4	136.8

TRADE PAYABLES

This item includes trade payables, 77.2 million euros (70.8 million euros at 31 December 2006), payables to agents, 4.2 million euros (5.0 million euros at 31 December 2006), and trade payables to associates, 2.1 million euros (1.8 million euros at 31 December 2006).

ADVANCES FROM CUSTOMERS

The increase since 31 December 2006 in advances from customers for future supplies mainly reflects the substantial volume of orders to be completed during the coming quarter.

TAX PAYABLES

Tax payables mainly comprise the taxation withheld from employees.

EMPLOYEE PAYABLES

The increase in this caption since 31 December 2006 mainly reflects deferred payroll which will be paid during the last quarter of the year.

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&call option rights. These options can be exercised in two tranches, by January 2010 at the latest.

The second and third tranches, totalling 2.8 million euro, of the additional 34% interest in Precision Gears Ltd. acquired by the Parent Company in December 2006 were paid in March and July 2007.

16. PERSONNEL COSTS

Personnel costs comprise (millions of euros):

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Wages and salaries	71.4	69.2	2.2
Social security contributions	17.9	17.8	0.1
Remuneration of directors	1.6	1.0	0.6
Pensions - defined-benefit plans	0.2	3.1	(2.9)
Pensions - defined-contribution plans	3.2	0.8	2.4
Other personnel costs	5.0	5.3	(0.3)
Effect of curtailment on provision for severance indemnities	(4.5)	-	(4.5)
Total	94.8	97.2	(2.4)

Note that the amount at 30 September 2007 includes 1.2 million euros of personnel costs attributable to Zanchetta S.r.l., which was not included in the scope of consolidation this time last year.

During the third quarter of 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 euro has been classified in the income statement as a non-recurring item.

**17. DEPRECIATION,
AMORTIZATION
AND WRITEDOWNS**

This caption includes the depreciation of property, plant and equipment, 5.3 million euros (5.7 million euros in the same period of 2006), the amortization of intangible assets, 2.6 million euros (2.6 million euros in the first nine months of 2006), and the writedown of receivables, 0.7 million euros (0.1 million euros in the same period of last year). 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 comprises (millions of euros):

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Interest income from banks	1.1	0.9	0.2
Interest income on amounts due from customers and other financial income	0.2	0.1	0.1
Income on derivatives	–	0.1	(0.1)
Exchange gains	2.6	3.5	(0.9)
Total	3.9	4.6	(0.7)

19. FINANCIAL EXPENSE

This item comprises (in millions of euros):

	from 01.01.2007 to 30.09.2007	from 01.01.2006 to 30.09.2006	Change
Interest expense on bank payables	5.7	4.9	0.8
Interest expense on finance leases	0.2	0.2	–
Expense on derivatives	0.3	0.5	(0.2)
Other financial expense	0.4	0.3	0.1
Exchange losses	3.0	3.1	(0.1)
Total	9.6	9.0	0.6

The increase in interest expense on bank payables reflects both the higher cost of money incurred during the first nine months of 2007 (particularly on the Euro exposure) and the higher average debt compared with the same period of the previous year.

Exchange gains and losses in the period to 30 September 2007 included, respectively, unrealised gains of 0.9 million euros and unrealised losses of 0.9 million euros (0.9 million euros and 0.7 million euros respectively in the same period of 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. 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. The creation of a tax group means that, in each accounting period, the tax losses generated by certain group companies can be offset against the taxable income earned by other group companies. In addition, the group tax election provides access to other potential benefits envisaged by current legislation, such as the tax-free distribution of

dividends within the group, the deduction of financial charges incurred on the investments in consolidated companies, and the opportunity to make intercompany transfers on a tax-neutral basis.

21. NET PROFIT FROM DISCONTINUED OPERATIONS/ DISPOSAL GROUPS

At 30 September 2007, this item includes the net profit deriving from the disposal of Info Area S.r.l. The agreement for the sale of this company was signed on 28 June 2007 and the transaction was completed on 31 July 2007. Considering the proceeds of 6.8 million euros, this sale generated a capital gain for the IMA Group of about 5.5 million euros.

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

<i><u>Economic effect of discontinued operations/disposal groups (*):</u></i>	
Revenues and other income	5.0
Operating costs	(5.0)
<i><u>Economic effect on seller:</u></i>	
Capital gains on disposal of operations	5.5
Income taxes	(0.3)
Result deriving from discontinued operations/disposal groups	5.2

(*) Amounts relate to the period January-July 2007.

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 in the second and third quarters of 2007.

23. GUARANTEES GRANTED

At 30 September 2007, the Group has given sureties to customers totalling 13.4 million euros for the proper operation of machinery, bid bonds and advances not yet received, as well as sureties to the municipality of Ozzano dell'Emilia (Bologna) for 0.7 million euros to secure the performance of contracts, and sureties to others

totalling 1.1 million euros, mainly to secure leases, sundry utilities, customs duties and the payment of interest on VAT recoverable.

Sureties given against advances from customers amount to about 29.0 million euros (23.8 million euros at 31 December 2006).

24. COMMITMENTS

At 30 September 2007, commitments for the purchase of intangible assets, 0.1 million euros, relate essentially to industrial patent rights, while commitments for the purchase of property, plant and equipment, 0.4 million euros, relate principally to charges to be incurred for the expansion and upgrading of existing buildings and plant.

The Group also has commitments in respect of minimum lease payments for non-cancellable operating leases totalling 1.4 million euros (1.6 million euros at 31 December 2006) and rentals totalling 28.2 million euros (28.4 million euros at 31 December 2006).

25. RELATED-PARTY TRANSACTIONS

Intercompany transactions are carried in the ordinary course of business and on arms'-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 arms'-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 30.09.2007	Receivables 31.12.2006	Receivables 30.09.2007	Receivables 31.12.2006
Parent companies:				
SO.FI.MA. S.p.A.	–	–	1.5	–
	–	–	1.5	–
Associates:				
B.C. S.r.l.	0.2	–	0.6	0.4
I.E.M.A. S.r.l.	–	n.a.	0.5	n.a.
LA.CO. S.r.l.	0.3	0.1	1.0	0.7
Consorzio Info Area	n.a.	1.0	n.a.	0.7
	0.5	1.1	2.1	1.8
Other related parties:				
Datasensor S.p.A.	–	–	0.1	0.1
Info Area S.r.l.	1.6	n.a.	2.6	n.a.
Morosina S.p.A.	–	–	0.1	–
Naturapack S.r.l.	1.1	0.6	–	–
Poggi Luca	–	–	0.1	0.1
Sporting Club Gira S.r.l.	–	–	0.1	–
Viaggi Nuova Era S.r.l.	–	–	1.5	1.3
	2.7	0.6	4.5	1.5
Total	3.2	1.7	8.1	3.3

	Revenues from 01.01.2007 to 30.09.2007	Revenues from 01.01.2006 to 30.09.2006	Costs from 01.01.2007 to 30.09.2007	Costs from 01.01.2006 to 30.09.2006
Associates:				
B.C. S.r.l.	–	–	1.9	2.0
LA.CO. S.r.l.	0.3	–	1.3	0.9
Consorzio Info Area	1.5	2.2	1.4	2.1
	1.8	2.2	4.6	5.0
Other related parties:				
Datasensor S.p.A.	–	–	0.2	0.2
Info Area S.r.l. (*)	–	n.a.	0.8	n.a.
Italbe S.r.l.	–	–	0.1	0.1
Lopam S.r.l.	–	–	0.2	0.2
Morosina S.p.A.	–	–	0.1	0.1
Naturapack S.r.l.	1.8	0.9	1.3	0.2
Poggi Luca	–	–	0.2	0.2
Sporting Club Gira S.r.l.	–	–	0.1	0.1
Viaggi Nuova Era S.r.l.	–	–	2.8	2.6
	1.8	0.9	5.8	3.7
Total	3.6	3.1	10.4	8.7

(*) These amounts relate to August and September 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 the first nine months of 2007.

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

The principal events taking place subsequent to period end were:

- purchase by the Parent Company of 30% of G.S. divisione verniciatura S.r.l. for 0.7 million euros. This company, based in Castel San Pietro Terme (Bologna), produces plant for painting and coating machines;
- formalisation on 8 November 2007 of an agreement whereby IMA Libra S.r.l. will sell its 50% interest in IMA-Telstar S.L. to Telstar S.A., which already owns the other 50%. The agreed selling price is 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. Lyophilization plants are part of the pharmaceuticals packaging sector;
- voluntary reduction of share capital on 12 November 2007, as discussed in Note 11;
- start, on 12 November 2007, of a new programme for the purchase of treasury shares, 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 programme, 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;

- formation on 12 November 2007 of two new companies, IMA TE' S.r.l. and IMA Packaging S.r.l., which are wholly owned by IMA S.p.A. On 14 November 2007, the Board of Directors of IMA S.p.A. resolved to contribute to these two newly-formed companies the activities of, respectively, the tea, herbal tea and coffee packaging sector and the pharmaceuticals packaging sector, including the investments in CO.MA.DI.S. S.p.A. and Precision Gears Ltd. The decision to concentrate these activities in new companies comes from the desire both to make them more competitive, by intensifying the synergies between the various businesses, and to evaluate the potential for growth via acquisitions.