

HALF-YEAR FINANCIAL REPORT
AT 30 JUNE 2010



HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2010

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INTERIM REPORT ON OPERATIONS

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

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

REGISTERED OFFICES : OZZANO DELL'EMILIA (BOLOGNA)

SHARE CAPITAL FULLY PAID-IN: € 17,732,000

REGISTERED WITH THE BOLOGNA COMPANIES REGISTER AT NO. 00307140376

DIRECTORS AND OFFICERS

BOARD OF DIRECTORS

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

DIRECTOR AND HONORARY CHAIRMAN

Marco Vacchi

CHAIRMAN AND MANAGING DIRECTOR

Alberto Vacchi

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

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

DIRECTOR WITH POWERS

Andrea Malagoli

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

DIRECTORS

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

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

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

**BOARD OF STATUTORY
AUDITORS**

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

STANDING AUDITORS

Piero Aicardi - Chairman

Giacomo Giovanardi

Riccardo Pinza

ALTERNATE AUDITORS

Vittorio Coraducci

Federico Ferracini

Fabio Porcellini

**INTERNAL CONTROL AND
REMUNERATION COMMITTEE**

Giancarlo Folco - Independent director

Marco Galliani - Independent director

Maria Carla Schiavina - Non-executive director

**MANAGER RESPONSIBLE
FOR PREPARING
FINANCIAL REPORTS**

Sergio Marzo

LEAD INDEPENDENT DIRECTOR

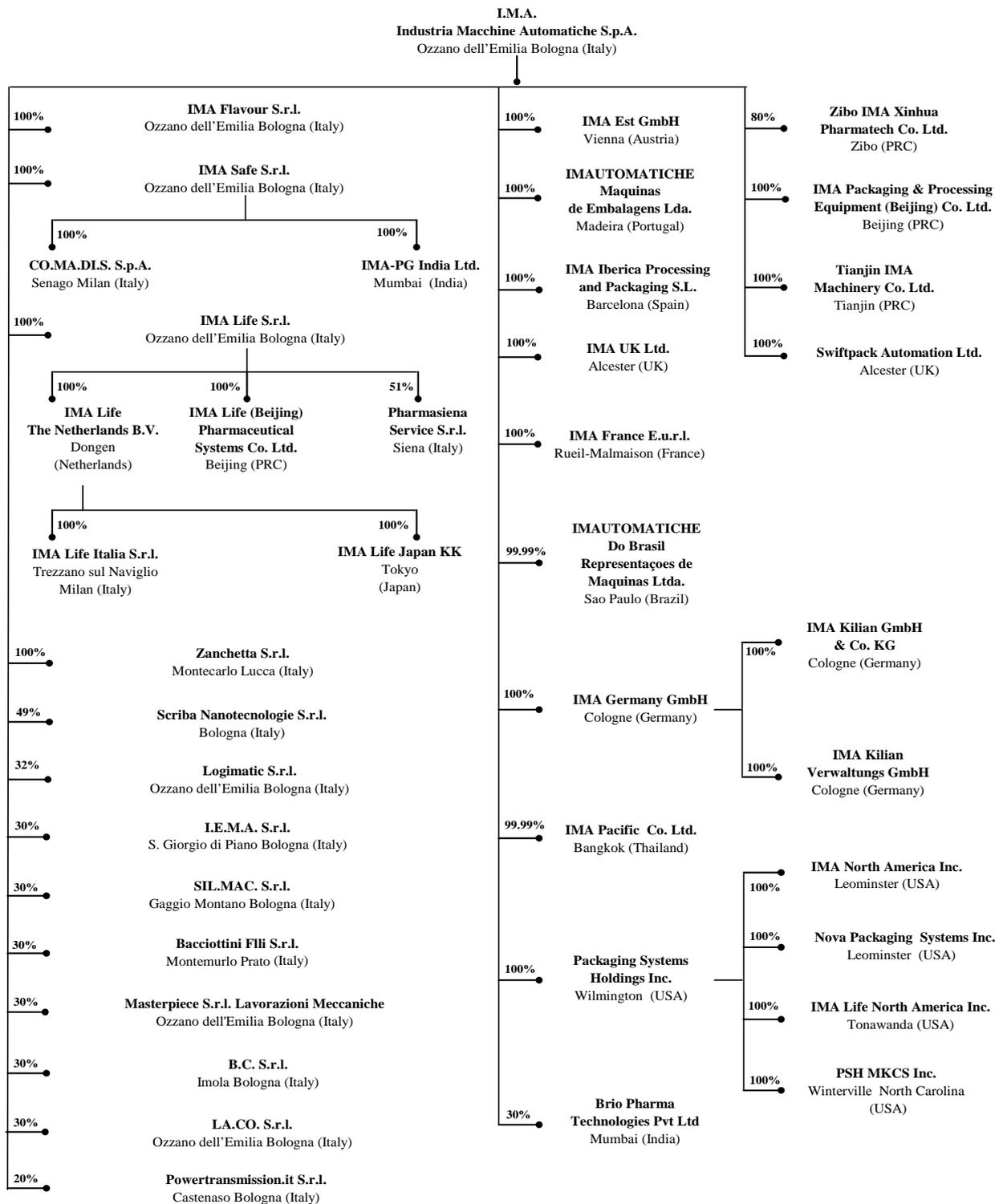
Giancarlo Folco

INDEPENDENT AUDITORS

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

PricewaterhouseCoopers S.p.A.

GROUP STRUCTURE



GROUP PERFORMANCE

ECONOMIC CONDITIONS

The first few months of 2010 have confirmed the two-speed recovery in the world economy.

The emerging economies are experiencing strong growth in domestic demand and trade. The industrialised countries are benefiting from rising foreign demand, but domestic demand remains weak.

The sovereign debt crisis that hit Europe between April and May generated significant changes in exchange rates on forex markets, while the process of normalisation in the interbank market came to a halt. The European countries then adopted more rigorous public finance measures in order to bring their state-sector budgets down to more sustainable levels by 2013.

Growth in the emerging countries is therefore the main engine driving the recovery, but it does not appear to be sufficient to counter the fragility of the more mature economies. These circumstances therefore point to a gradual exit from the worst crisis since the Second World War, although the recovery will remain vulnerable. In particular, the public debt of the industrialised countries is a destabilising factor and their exit strategies for monetary policy will have to be extremely cautious to avoid triggering new strains in the financial markets, the regulation of which is still evolving.

In the first half of the year, our Group saw developments in orders compared with the same period of the previous year (posting growth of 4.8%), confirming the macroeconomic analyses discussed above. This trend has not yet translated into higher Group revenues during the first half, as the opening order book, which was smaller than at the start of 2009, together with production lead times make it impossible to recoup revenues rapidly. However, we are confident that an upswing in the second half of the year will bring us back into line with last year's figures. The trend in the pharmaceutical market is still characterised by the steady increase in sales in developing countries, unlike the western countries, which also have to cope with the challenge of reducing health expenditure to cut budget deficits. However, even in a severe recession like the current one, the pharmaceutical market has stood out, yet again, as one of the most solid and anti-cyclical. The same also applies to the teabag market, except for the contraction in Russia due saturation after years of boom.

CONSOLIDATED INCOME STATEMENT

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

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

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

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

In the first half of 2010 the IMA Group made an operating profit of 1.7 million euros, compared with 29.6 million euros in the same period of 2009, while Group result was negative for 1.3 million euros, versus a profit of 13.9 million euros at 30 June 2009.

The following is a summarized version of the consolidated income statement for the half-year under review, with comparative figures for the first half of 2009:

in millions of euros	1st half 2010		1st half 2009	
	Amount	%	Amount	%
Revenues	196.1		237.4	
Cost of sales	(116.8)	59.6	(134.1)	56.5
Gross industrial income	79.3	40.4	103.3	43.5
R&D costs	(13.7)		(14.7)	
Sales costs	(30.1)		(30.8)	
General and administrative costs	(32.3)		(31.1)	
Operating profit before non-recurring items (EBITA)	3.2	1.6	26.7	11.2
Non-recurring items	(1.5)		2.9	
Operating profit (EBIT)	1.7	0.9	29.6	12.5
Net financial income (expense)	(3.0)		(6.9)	
Profit (loss) from investments accounted for using the equity method	0.2		-	
Profit (loss) before tax	(1.1)	(0.6)	22.7	9.6
Income taxes	(0.2)		(8.5)	
Net profit (loss) for the period	(1.3)	(0.7)	14.2	6.0
Profit (loss) for the period pertaining to minority interests	-		(0.3)	
Group profit (loss)	(1.3)	(0.7)	13.9	5.9
Gross operating profit (EBITDA)	8.1	4.1	36.8	15.5
Order book	235.6		225.7	

REVENUES AND ORDERS

Consolidated revenues amounted to 196.1 million euros in the first half of 2010 compared with 237.4 million euros in the corresponding period of 2009.

The following table provides a breakdown of revenues by business segment during the period, compared with the corresponding period in 2009:

in millions of euros	1st half 2010	1st half 2009	Change	%
Tea, coffee and herbal tea packaging	48.5	58.8	(10.3)	(17.5)
Pharmaceutical packaging	112.7	132.7	(20.0)	(15.1)
Pharmaceutical processing	34.0	45.4	(11.4)	(25.1)
Other	0.9	0.5	0.4	80.0
Total	196.1	237.4	(41.3)	(17.4)

The contraction in revenues was mainly due to the smaller the order book (down about 40 million euros) at the end of 2009 compared with the end of the previous year. Revenues in the first half of the year reflect the lower value of the opening order book at an individual sector level.

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

in millions of euros	1st half 2010	1st half 2009	Change	%
European Union (excluding Italy)	74.0	93.6	(19.6)	(20.9)
Other European countries	12.1	16.0	(3.9)	(24.4)
North America	28.5	31.3	(2.8)	(8.9)
Asia	47.4	57.5	(10.1)	(17.6)
Other countries	15.3	24.7	(9.4)	(38.1)
Total exports	177.3	223.1	(45.8)	(20.5)
Italy	18.8	14.3	4.5	31.5
Total	196.1	237.4	(41.3)	(17.4)

This analysis of revenues shows reductions in the European Union and in Asia, while business was essentially stable in the United States and showed slight growth in Italy. Given the highly seasonal nature of our business, which will have an even greater effect this year, it is important to emphasise that this analysis is not particularly meaningful.

The following table compares new orders obtained in the first half of 2010 with those in the first half of the previous year:

in millions of euros	1st half 2010	1st half 2009	Change	%
Tea, coffee and herbal tea packaging	20.4	38.0	(17.6)	(46.3)
Pharmaceutical packaging	145.7	127.1	18.6	14.6
Pharmaceutical processing	55.3	46.2	9.1	19.7
Total	221.4	211.3	10.1	4.8

The increase in orders during the first half of this year derives principally from the good performance of the pharmaceutical market, which grew by around 16% compared with the first half of 2009. The reduction in the tea segment was due to a decline in orders received from countries in Eastern Europe. As already mentioned, there was an overall 16% increase in the pharmaceuticals segment (+27.7 million euros) compared with the same period in the prior year.

The following table shows a breakdown of the order book at 30 June 2010:

in millions of euros	30.06.2010	30.06.2009	Change	%
Tea, coffee and herbal tea packaging	30.8	47.2	(16.4)	(34.7)
Pharmaceutical packaging	147.8	133.6	14.2	10.6
Pharmaceutical processing	57.0	44.9	12.1	26.9
Total	235.6	225.7	9.9	4.4

The order book reflects the earlier comments regarding new orders. Within the pharmaceuticals market, there has been growth in both the packaging and process segments. Based on projects and negotiations under way, we remain optimistic about achieving the volumes forecast for the whole of 2010. The same holds for the tea segment, where certain projects were deferred to the second half, making it possible to achieve revenue objectives for the year as a whole.

OPERATING PROFIT

Gross industrial income amounted to 79.3 million euros compared with 103.3 million euros at 30 June 2009. The decrease in profitability with respect to revenues (40.4% compared with 43.5% in the prior year) was mainly due to a deterioration in revenues and in the mix between the tea segment and pharmaceuticals segment.

R&D costs amounted to 13.7 million euros, which was lower than in the prior year (14.7 million euros) since a number of projects were postponed; a realignment is expected during the second half of the year.

Marketing and selling expenses were essentially unchanged with respect to the prior year, with commission expense declining by 0.7 million euros.

General and administrative costs were substantially in line with the previous year, amounting to 32.3 million euros compared with 31.1 million euros in the first half of 2009. These costs are stated gross of non-recurring costs of 1.5 million euros, mainly related to the restructuring of the German subsidiary IMA Kilian GmbH & Co. KG. In 2009 the company had non-recurring income of 2.9 million euros.

PROFIT (LOSS) BEFORE TAX

Net financial expense amounted to 3.0 million euros compared with 6.9 million euros at 30 June 2009. This change was mainly due to lower average debt and the fact that the 2009 figures also reflected the writedown of the investment in Pierrel S.p.A. (2.3 million euros).

Therefore, result before tax shows a loss of 1.1 million euros compared with a profit of 22.7 million euros in the corresponding period of 2009.

NET PROFIT (LOSS) FOR THE PERIOD

The result for the period is therefore a loss of 1.3 million euros (compared with a profit of 13.9 million euros at 30 June 2009) after deducting income taxes of 0.2 million euros (8.5 million euros at 30 June 2009).

ANALYSIS OF PERFORMANCE BY SEGMENT

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

in millions of euros	Tea	Packaging	Processing	Other	Not allocated	Total
Revenues						
1st half 2010	48.5	112.7	34.0	0.9	–	196.1
1st half 2009	58.8	132.7	45.4	0.5	–	237.4
Operating profit						
1st half 2010	15.7	(3.4)	(10.6)	–	–	1.7
1st half 2009	24.4	8.7	(3.4)	(0.1)	–	29.6
Net capital employed (*)						
30 June 2010	22.5	130.7	82.2	17.6	(4.6)	248.4
30 June 2009	25.5	159.9	88.4	17.0	(14.1)	276.7
R&D costs						
1st half 2010	2.9	7.8	3.0	–	–	13.7
1st half 2009	2.9	8.7	3.1	–	–	14.7
Average personnel (**)						
1st half 2010	199	1,822	648	–	402	3,071
1st half 2009	201	1,874	634	–	417	3,126
Order book						
30 June 2010	30.8	147.8	57.0	–	–	235.6
30 June 2009	47.2	133.6	44.9	–	–	225.7

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

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

The tea segment contracted compared with the previous year as a result of lower sales volumes. The packaging segment reported lower revenues (-20 million euros) with respect to the comparative period in 2009, resulting in a decrease in operating profit. Lastly, the deterioration in the processing segment reflects lower sale volumes and the fact that the product mix during the period was not particularly favourable.

Net capital employed of 248.4 million euros (276.7 million euros at 30 June 2009) includes 79.4 million euros in goodwill, of which 48.7 million euros relates to the packaging segment and 30.7 million euros to the processing segment. The decrease in net capital employed was due to the decline in working capital in all segments and to the sale of buildings completed in the second half of 2009.

CONSOLIDATED FINANCIAL STRUCTURE

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

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

The following table summarizes the Group's financial structure at 30 June 2010, compared with 31 December 2009:

in millions of euros	30.06.2010	31.12.2009
Trade receivables	94.9	100.9
Inventories	165.1	140.0
Trade payables	(110.4)	(92.6)
Other, net	(45.6)	(49.4)
Working capital	104.0	98.9
Property, plant and equipment	28.5	28.0
Intangible assets	115.0	115.4
Investments	17.0	18.0
Non-current assets	160.5	161.4
Provision for severance indemnities and other provisions	(16.1)	(16.7)
Net capital employed	248.4	243.6
FINANCED BY:		
Net debt	150.2	113.4
Minority interests	1.9	3.4
Group equity	96.3	126.8
Total sources of financing	248.4	243.6

Net capital employed amounted to 248.4 million euros at the end of June 2010, up from 243.6 million euros at the end of 2009. This increase mainly reflects the rise in working capital. The lower level of Group equity is due to the payment of dividends in May, which has not yet been compensated by the result for the period.

Net debt is analyzed below:

in millions of euros	30.06.2010	31.12.2009	30.06.2009
A. Cash and cash equivalents	(63.7)	(100.2)	(66.8)
B. Other cash equivalents	-	-	-
C. Investments in securities	(1.0)	(0.9)	(0.9)
D. Liquidity (A) + (B) + (C)	(64.7)	(101.1)	(67.7)
E. Current financial receivables	-	-	(0.2)
F. Current payables to banks	90.1	88.7	123.7
G. Current portion of non-current bank payables	48.1	34.5	36.5
H. Other current financial payables	2.5	1.4	1.1
I. Current financial debt (F) + (G) + (H)	140.7	124.6	161.3
J. Net current financial debt (D)+(E)+(I)	76.0	23.5	93.4
K. Non-current portion of non-current bank payables	75.1	89.6	78.4
L. Non-current financial assets	(1.1)	(1.0)	(4.9)
M. Other non-current financial payables	0.2	1.3	1.8
N. Net non-current financial debt (K)+(L)+(M)	74.2	89.9	75.3
O. Net financial debt (J) + (N)	150.2	113.4	168.7

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

Net debt at the end of the period amounted to 150.2 million euros compared with 113.4 million euros at 31 December 2009. The increase is principally due to operating working capital, to dividends paid by the Parent Company IMA S.p.A. (30.7 million euros paid in May 2010) and to the acquisition of a minority interest in IMA Life S.r.l. and IMA Flavour S.r.l. for a total of 9 million euros. Considering the net financial position in the first half of 2010 with respect to that in the corresponding period of 2009 (168.7 million euros), the level of net debt has increased by about 1.5 million euros (after adjusting for the difference in the dividend, the sale of property and extraordinary transactions). This slight worsening was due to the increase in inventories needed to prepare for second-half deliveries and should be viewed as a temporary event associated with the seasonal nature of the business.

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

CAPITAL EXPENDITURE

Group capital expenditure on property, plant and equipment amounted to 2.2 million euros (2.7 million euros in the same period of 2009) 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 2.5 million euros (3.0 million euros in the first half of 2009) and mainly reflects the capitalization of development costs incurred on entirely new products for market segments not previously occupied.

Amortization and depreciation charges for the period came to 6.4 million euros (7.2 million euros in first half of 2009). The decrease with respect to the year-earlier period is essentially due to the sale of real estate in 2009.

OTHER INFORMATION

SIGNIFICANT SUBSEQUENT EVENTS

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

- on 1 July 2010 the Parent Company completed the acquisition of 100% of Naturapack S.r.l., a company based in Ozzano dell'Emilia (BO) that operates in the sale of used automatic machines after refurbishment and regeneration. This transaction is considered as being with related parties, as some of IMA S.p.A.'s directors and managers hold investments in the selling company. Reconta Ernst & Young S.p.A., in its role of independent expert, issued a fairness opinion confirming that the purchase price of 6 million euros was reasonable. Naturapack S.r.l. closed 2009 with sales of 3.8 million euros and a gross operating profit (EBITDA) of 0.75 million euros;
- on 27 July 2010, IMA S.p.A. completed the acquisition of 65% of GIMA, a packaging company based in Zola Predosa (BO) that operates mainly in the food and beverage sector and in the personal care sector. The investment amounted to around 7.3 million euros and took place through a reserved capital increase of 2.3 million euros and an interest-bearing loan of 5 million euros, all of which were paid at the closing date. In addition to the majority interest acquired by IMA, another stake, for a total of 21% of share capital, was acquired by a number of managers of IMA and GIMA. The deal allows IMA to expand its presence in niche food segments that have good growth prospects.

**OUTLOOK FOR THE
CURRENT YEAR**

Performance in the first half of 2010 reflects the lower level of the order book at the end of 2009 and, like every year, should not be considered representative of the trend that can be expected for the rest of the year. As regards order acquisition, the growth that we saw in the first half has continued in July, with a rise of 12% in the first seven months of the year compared with the same period 2009. Even though it does not provide visibility for the entire year, the growth does lead to optimism that the Group's targets will be achieved. The positive trend in orders for the pharmaceutical sector is a good sign, with further penetration of rapidly growing markets such as China and South America. Market activity, together with the number of potential projects, some of considerable value, enable us to be confident about the rest of the year. With regard to the packaging of tea and herbal tea, orders received were lower than in the first half of 2009 but the current size of the order book and certain major projects that will be acquired in the coming months ensure that 2010 will still be very positive, even if slightly down on last year.

Close attention is being paid to reducing costs and improving market share and in this connection the Group is completing steps to reorganise certain companies, which involves non-recurring charges for a total of around 4 million euros.

If these signs are confirmed over the next few months, a sales forecast of 515 million euros with a gross operating profit of around 80 million euro appears feasible.

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

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

CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION

(MILLIONS OF EUROS)

ASSETS	Note	30 June 2010	31 December 2009
NON-CURRENT ASSETS			
<i>Property, plant and equipment</i>	2	28.5	28.0
<i>Intangible assets</i>	3	115.0	115.4
<i>Investments accounted for using the equity method</i>	4	10.5	10.2
<i>Financial assets</i>	5	7.7	8.8
<i>Receivables from others</i>	6	0.5	0.5
<i>Deferred tax assets</i>	8	14.6	14.4
TOTAL NON-CURRENT ASSETS		176.8	177.3
CURRENT ASSETS			
<i>Inventories</i>	9	165.1	140.0
<i>Trade and other receivables</i>	10	112.7	114.7
<i>Income tax receivables</i>		3.8	0.2
<i>Financial assets</i>	5	1.0	0.9
<i>Cash and cash equivalents</i>	11	63.7	100.2
TOTAL CURRENT ASSETS		346.3	356.0
TOTAL ASSETS		523.1	533.3
EQUITY AND LIABILITIES	Note	30 June 2010	31 December 2009
EQUITY			
<i>Share capital</i>	12	17.7	17.7
<i>Share premium reserve</i>		15.5	15.5
<i>Treasury shares</i>	12	–	(3.4)
<i>Translation reserve</i>		3.4	(3.7)
<i>Fair value reserve</i>	12	(2.3)	(0.4)
<i>Other reserves</i>		9.2	6.1
<i>Retained earnings</i>		54.1	58.1
<i>Net profit (loss) for the period</i>		(1.3)	36.9
Total capital and reserves pertaining to the Group		96.3	126.8
<i>Reserves pertaining to minority interests</i>		1.9	2.8
<i>Profit pertaining to minority interests</i>		–	0.6
Total minority interests		1.9	3.4
EQUITY PERTAINING TO THE GROUP AND MINORITY INTERESTS		98.2	130.2
NON-CURRENT LIABILITIES			
<i>Borrowings</i>	13	75.3	90.9
<i>Severance and pension obligations</i>	14	17.7	17.2
<i>Provisions for risks and charges</i>	15	1.6	1.6
<i>Derivative financial instruments</i>	7	0.9	0.6
<i>Deferred tax liabilities</i>	8	12.2	12.1
TOTAL NON-CURRENT LIABILITIES		107.7	122.4
CURRENT LIABILITIES			
<i>Borrowings</i>	13	140.7	124.6
<i>Trade and other payables</i>	16	151.0	127.9
<i>Income tax liabilities</i>		10.4	12.3
<i>Provisions for risks and charges</i>	15	13.9	15.9
<i>Derivative financial instruments</i>	7	1.2	–
TOTAL CURRENT LIABILITIES		317.2	280.7
TOTAL LIABILITIES		424.9	403.1
TOTAL EQUITY AND LIABILITIES		523.1	533.3

THE EFFECTS OF TRANSACTIONS WITH RELATED PARTIES ON THE ITEMS IN THE CONSOLIDATED BALANCE SHEET AND FINANCIAL POSITION ARE SHOWN IN NOTE 24 - RELATED-PARTY TRANSACTIONS.

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

INCOME STATEMENT	Note	1st half 2010	1st half 2009
REVENUES	1	196.1	237.4
<i>Other revenues</i>		3.4	5.3
<i>- of which: effect of non-recurring items</i>	25	0.4	2.9
OPERATING COSTS			
<i>Change in work in progress, semifinished and finished goods</i>		18.2	12.4
<i>Change in inventory of raw, ancillary and consumable materials</i>		3.5	1.3
<i>Cost of raw, ancillary and consumable materials and goods for resale</i>		(75.4)	(82.7)
<i>Services, rentals and leases</i>		(49.1)	(51.6)
<i>Personnel costs</i>	17	(87.4)	(83.5)
<i>- of which: effect of non-recurring items</i>	25	(1.9)	-
<i>Depreciation, amortization and impairment</i>	18	(6.4)	(7.2)
<i>Provisions for risks and charges</i>		0.3	(0.2)
<i>Other operating costs</i>		(1.5)	(1.6)
TOTAL OPERATING COSTS		(197.8)	(213.1)
OPERATING PROFIT	1	1.7	29.6
<i>- of which: effect of non-recurring items</i>	25	(1.5)	2.9
FINANCIAL INCOME AND EXPENSE			
<i>Financial income</i>	19	7.1	6.4
<i>Financial expense</i>	20	(10.1)	(13.3)
TOTAL FINANCIAL INCOME AND EXPENSE		(3.0)	(6.9)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD		0.2	-
PROFIT (LOSS) BEFORE TAX		(1.1)	22.7
INCOME TAXES FOR THE PERIOD	21	(0.2)	(8.5)
NET PROFIT (LOSS) FOR THE PERIOD		(1.3)	14.2
ATTRIBUTABLE TO:			
PARENT COMPANY SHAREHOLDERS		(1.3)	13.9
MINORITY INTERESTS		-	0.3
		(1.3)	14.2
EARNINGS PER SHARE (in euros)		(0.04)	0.42

THE EFFECTS OF TRANSACTIONS WITH RELATED PARTIES ON THE CONSOLIDATED INCOME STATEMENT ARE REPORTED IN NOTE 24 - RELATED-PARTY TRANSACTIONS.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(MILLIONS OF EUROS)

	Note	1st half 2010	1st half 2009
<i>Net profit (loss) for the period</i>		(1.3)	14.2
<i>Exchange rate gains (losses) on the translation of foreign currency financial statements</i>		7.4	0.5
<i>Gains (losses) on measurement at fair value of financial assets available for sale</i>	12	–	2.4
<i>Gains (losses) on cash flow hedges</i>	12	(1.9)	(0.6)
<i>Gains (losses) booked to equity</i>		5.5	2.3
Total comprehensive income for the period		4.2	16.5
Attributable to:			
Parent Company shareholders		3.9	16.3
Minority interests		0.3	0.2
		4.2	16.5

CHANGES IN CONSOLIDATED EQUITY

(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 01.01.2009	17.7	16.4	(2.7)	(3.4)	(1.8)	21.5	30.5	41.8	120.0	2.9	122.9
Distribution of dividends	-	(0.9)	-	-	-	(17.1)	(5.1)	(7.4)	(30.5)	(0.3)	(30.8)
Allocation of earnings for 2008	-	-	-	-	-	1.7	32.7	(34.4)	-	-	-
Purchase and sale of treasury shares	-	-	(0.6)	-	-	-	-	-	(0.6)	-	(0.6)
Total comprehensive income for the period	-	-	-	0.6	1.8	-	-	13.9	16.3	0.2	16.5
Balances at 30.06.2009	17.7	15.5	(3.3)	(2.8)	-	6.1	58.1	13.9	105.2	2.8	108.0
Purchase and sale of treasury shares	-	-	(0.1)	-	-	-	-	-	(0.1)	-	(0.1)
Change in scope of consolidation	-	-	-	-	-	-	-	-	-	0.2	0.2
Total comprehensive income for the period	-	-	-	(0.9)	(0.4)	-	-	23.0	21.7	0.4	22.1
Balances at 31.12.2009	17.7	15.5	(3.4)	(3.7)	(0.4)	6.1	58.1	36.9	126.8	3.4	130.2
Distribution of dividends	-	-	-	-	-	-	-	(30.7)	(30.7)	-	(30.7)
Allocation of earnings for 2009	-	-	-	-	-	3.1	3.1	(6.2)	-	-	-
Purchases & sales to/from third parties of shares of subsidiaries	-	-	-	-	-	-	(7.2)	-	(7.2)	(1.8)	(9.0)
Purchase and sale of treasury shares	-	-	3.4	-	-	-	0.1	-	3.5	-	3.5
Total comprehensive income for the period	-	-	-	7.1	(1.9)	-	-	(1.3)	3.9	0.3	4.2
Balances at 30.06.2010	17.7	15.5	-	3.4	(2.3)	9.2	54.1	(1.3)	96.3	1.9	98.2

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

CONSOLIDATED STATEMENT OF CASH FLOWS

(MILLIONS OF EUROS)

	Note	30 June 2010	30 June 2009
OPERATING ACTIVITIES			
Net profit (loss) for the period		(1.3)	13.9
Adjustments for:			
- Depreciation and amortization	18	6.4	7.2
- Changes in provisions for risks and charges and staff severance obligations		(2.1)	0.1
- Non-recurring items	25	1.5	(2.9)
- Unrealized losses (gains) on exchange rate differences	20	(0.3)	(1.1)
- Other non-monetary changes		(0.5)	-
- Adjustments to the value of financial assets	20	0.3	2.3
- Income taxes		0.2	8.5
- Minority interests		-	0.3
- Result from investments accounted for using the equity method		(0.2)	-
Operating profit (loss) before changes in working capital		4.0	28.3
(Increase) decrease in trade and other receivables		2.2	9.5
(Increase) decrease in inventories		(25.1)	(13.6)
Increase (decrease) in trade and other payables		21.3	(34.3)
Income taxes paid		(4.7)	(4.1)
CASH FLOW GENERATED (ABSORBED) BY OPERATING ACTIVITIES (A)		(2.3)	(14.2)
INVESTING ACTIVITIES			
Investments in property, plant and equipment	2	(2.2)	(2.7)
Investments in intangible assets	3	(2.5)	(2.4)
Acquisition business divisions/companies		-	(0.5)
Exchange rate differences on property, plant and equipment and intangible assets		(2.2)	(0.1)
Purchase of minority interests	24	(9.0)	-
Repayment of finance lease debts		(0.4)	(0.6)
Purchase of equity investments		(0.2)	(1.3)
Proceeds from sale of investments		-	0.4
Proceeds from sale of non-current assets		0.4	19.1
Net change in financial assets and other non-current receivables		0.7	(2.5)
Changes in reserves pertaining to minority interests		0.3	(0.1)
CASH FLOW GENERATED (ABSORBED) BY INVESTING ACTIVITIES (B)		(15.1)	9.3
FINANCING ACTIVITIES			
Granting of loans		18.0	0.5
Repayment of borrowings		(21.1)	(12.0)
Increase (decrease) in other payables to banks		6.3	42.3
Dividends paid	12	(30.7)	(30.8)
(Purchase) and sale of treasury shares	12	3.5	(0.6)
Translation of financial statements in foreign currency		7.1	0.6
Payment of interest		(2.3)	(4.9)
Receipt of interest		0.1	0.2
CASH FLOW GENERATED (ABSORBED) BY FINANCING ACTIVITIES (C)		(19.1)	(4.7)
NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)		(36.5)	(9.6)
CASH AND CASH EQUIVALENTS AT START OF PERIOD (E)	11	100.2	76.4
CASH AND CASH EQUIVALENTS AT END OF PERIOD (F=D+E)	11	63.7	66.8

NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

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

A) OVERVIEW

The half-year financial report at 30 June 2010 was approved by the Board of Directors on 6 August 2010.

The IMA Group designs, manufactures and sells machinery and plant mainly to the pharmaceutical, cosmetics and tea packaging industries. In the market segment in which the IMA Group operates, the first half of the year is generally not representative of the year as a whole, as activity tends to intensify in the second half. This seasonality, which also affects rival companies operating in the same segment, manifests itself in the distribution pattern of new orders and revenues, of which up to 60% of the annual total can be concentrated in the second six months of the year.

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

At 30 June 2010 IMA S.p.A. is 71.517% owned by SO.FI.MA. Società Finanziaria Macchine Automatiche S.p.A., in turn controlled by Lopam Fin S.p.A.

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

B) GENERAL BASIS OF PREPARATION

General principles

This half-year financial report at 30 June 2010 has been prepared pursuant to Art. 154-ter of Legislative Decree 58/98 and in compliance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission and, in particular, with IAS 34 "Interim Financial Reporting".

The condensed consolidated half-year financial statements have been prepared in summary form pursuant to IAS 34. Accordingly, these financial statements do not contain all the disclosures required for annual financial statements and must be read together with those prepared as of and for the year ended 31 December 2009.

Financial statements

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

All of the figures contained in the half-year report at 30 June 2010 are stated in millions of euros, unless otherwise indicated.

C) ACCOUNTING POLICIES AND STANDARDS

ACCOUNTING POLICIES AND STANDARDS

The condensed consolidated half-year financial statements have been prepared using the accounting policies adopted for the annual consolidated financial statements at 31 December 2009, to the extent compatible, except as described below in relation to taxation.

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

Preparing interim reports requires the directors to make estimates and assumptions based on their best assessment at the time, which then have an effect on the figures shown in the financial statements and in the notes.

These estimates and assumptions are reviewed periodically and the effects of any changes are recognized immediately in the period when circumstances change.

TRANSLATION OF FOREIGN CURRENCY BALANCES

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

Currency	1st half 2010		31 December 2009	1st half 2009	
	Exchange rate end of period	Exchange rate average	Exchange rate end of period	Exchange rate end of period	Exchange rate average
US dollar	0.815	0.754	0.694	0.708	0.750
Pound sterling	1.223	1.149	1.126	1.174	1.119
Indian rupee	0.018	0.016	0.015	0.015	0.015
Thai Baht	0.025	0.023	0.021	0.021	0.021
Chinese Yuan	0.120	0.110	0.102	0.104	0.110

APPLICATION OF ACCOUNTING STANDARDS

The process of developing and approving international accounting standards means that certain documents are constantly being revised. The principal documents already endorsed by the EU legislator and applied by the Group with effect from 1 January 2010 are the updated version of IFRS 3 Business Combinations and the amendment to IAS 27 Consolidated and Separate Financial Statements.

The principal amendments to IFRS 3 concern the valuation of assets and liabilities in a business combination achieved in stages and the expensing of all other costs associated with the acquisition.

The amendment to IAS 27 establishes that changes in a minority shareholding that do not alter the control over the subsidiary have to be booked to equity.

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

D) CONSOLIDATION PRINCIPLES

Subsidiary companies

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

Under IFRS 3, the subsidiaries acquired by the Group are accounted for using the purchase method, which establishes that:

- the purchase cost is the fair value of the assets sold, taking into account equity instruments issued and liabilities assumed, plus any costs directly related to the purchase;
- the excess of purchase cost over the fair value of net assets attributable to the Group is accounted for as goodwill;
- should the purchase cost be lower than the fair value of the subsidiary's net assets attributable to the Group, such difference is directly recognized in the income statement.

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

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

Minority interests in equity and net profit are shown as separate items in the consolidated balance sheet and income statement, respectively.

Associated companies

Associates are companies over which the Group has a significant influence, but does not exercise operational control.

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

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

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

Joint ventures

IAS 31 defines a joint venture as a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, with proportionate consolidation as the method of accounting.

Under proportionate consolidation the venturer's share of each of the assets, liabilities, income and expenses of the jointly controlled entity is included in the financial statements of the joint venture partner. Companies acquired or sold during the period are consolidated for the period in which joint control was held.

E) SCOPE OF CONSOLIDATION

The condensed consolidated half-year financial statements at 30 June 2010 report the financial and operating information of I.M.A. - Industria Macchine Automatiche S.p.A. (Parent Company) and of all the companies over which its exercises direct or indirect control.

The following events involving changes in the Group structure took place during the first half of 2010:

- in January 2010 IMA Safe S.r.l. purchased the residual 10% of IMA-PG India Ltd. for 1.4 million euros;
- on 28 January 2010 the Parent Company completed the acquisition of 32% of Logimatic S.r.l., a company based in Ozzano dell'Emilia (BO) that operates in the marketing, distribution and testing of automatic machines, for 0.2 million euros. The purpose of the investment is to enable the Group to take a stake in suppliers that are important for its own manufacturing operations;
- on 23 February 2010 IMA S.p.A. completed the purchase of the residual 1.48% interest in IMA Flavour S.r.l. and 5.5% interest in IMA Life S.r.l. at a cost of 3.4 million euros and 5.6 million euros, respectively. See Note 5 for further information 24;
- in April the Boards of Directors of the various Group companies approved three distinct merger plans for IMA S.p.A. to absorb IMA Flavour S.r.l., IMA Life S.r.l. and IMA Safe S.r.l., all wholly-owned subsidiaries, with effect presumably from 1 January 2011. The mergers should help to optimise the Group's activities and resolve certain inefficiencies in the management of cash flows and in the debt structure;
- in April the subsidiaries IMA Edwards B.V., IMA Edwards S.r.l., IMA Edwards Japan KK, IMA Edwards Pharmaceutical Systems (Beijing) Co. Ltd., IMA Edwards Inc. and Precision Gears Ltd. changed their respective names to IMA Life The Netherlands B.V., IMA Life Italia S.r.l., IMA Life Japan KK, IMA Life (Beijing) Pharmaceutical Systems Co. Ltd., IMA Life North America Inc. and IMA-PG India Ltd.

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 office		Share capital at 30/06/2010	Direct investment	Indirect investment
Manufacturing and service companies:					
• I.M.A. Industria Macchine Automatiche S.p.A.	Ozzano E. (Bologna)	EUR	17,732,000	Parent Company	
• IMA Flavour S.r.l.	Ozzano E. (Bologna)	EUR	3,045,000	100%	–
• IMA Life S.r.l.	Ozzano E. (Bologna)	EUR	14,000,000	100%	–
• IMA Safe 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% (1)
• Pharmasienna Service S.r.l.	Siena (Siena)	EUR	100,000	–	70%(2)
• Zanchetta S.r.l.	Montecarlo (Lu)	EUR	363,940	100%	–
• IMA Kilian GmbH & Co. KG	Cologne (Germany)	EUR	3,600,000	–	100% (3)
• IMA Life The Netherlands B.V.	Dongen (Netherlands)	EUR	(*) 22,382,654	–	100% (2)
• IMA Life North America Inc.	Tonawanda (USA)	USD	100	–	100% (4)
• IMA Life (Beijing) Pharm. Systems Co. Ltd.	Beijing (PRC)	USD	400,000	–	100% (2)
• IMA-PG India Ltd.	Mumbai (India)	RS	(*) 17,852,100	–	100% (1)
• Nova Packaging Systems Inc.	Leominster (USA)	USD	8,050,000	–	100% (4)
• PSH MKCS Inc..	Winterville (USA)	USD	50,000	–	100% (4)
• Swiftpack Automation Ltd.	Alcester (GB)	GBP	1,403,895	100%	–
• Tianjin IMA Machinery Co.Ltd.	Tianjin (PRC)	USD	200,000	100%	–
• Zibo IMA Xinhua Pharm.Co.Ltd.	Zibo (PRC)	USD	6,419,868	80%	–
Commercial companies:					
• IMA Est GmbH	Vienna (Austria)	EUR	280,000	100%	–
• IMA France E.u.r.l.	Rueil-Malmaison (France)	EUR	45,735	100%	–
• IMA Germany GmbH	Cologne (Germany)	EUR	90,000	100%	–
• IMA Iberica Processing and Packaging S.L.	Barcelona (Spain)	EUR	590,000	100%	–
• IMA Life Italia S.r.l.	Trezzano Naviglio (Milan)	EUR	80,000	–	100% (5)
• IMA Life Japan KK	Tokyo (Japan)	YEN	40,000,000	–	100% (5)
• IMA North America Inc.	Leominster (USA)	USD	2,500	–	100% (4)
• 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%	–
• IMA UK Ltd.	Alcester (GB)	GBP	50,000	100%	–
• Imautomatiched Do Brasil Representacoes de Maquinas Ltda.	Sao Paulo (Brazil)	BRL	(*) 2,844,560	99.99%	–
• Imautomatiched Lda.	Madeira (Portugal)	EUR	5,000	100%	–
Other companies:					
• IMA Kilian Verwaltungs GmbH	Cologne (Germany)	EUR	25,000	–	100% (3)
Holding companies:					
• Packaging Systems Holdings Inc.	Wilmington (USA)	USD	1,000	100%	–

(*) The nominal share capital of IMA-PG India Ltd., IMA Life The Netherlands B.V., IMA Pacific Co. Ltd. and Imautomatiched Do Brasil Ltda. amounts to RS 20,000,000, EUR 45,400,000, THB 100,000,000 and BRL 3,909,560 respectively.

Notes (details of investments):

- (1) Held by IMA Safe S.r.l.
- (2) Held by IMA Life S.r.l.
- (3) Held by IMA Germany GmbH
- (4) Held by Packaging Systems Holdings Inc.
- (5) Held by IMA Life The Netherlands B.V.

**INVESTMENTS ACCOUNTED
FOR USING THE EQUITY METHOD**

	Registered office		Share capital at 30/06/2010	Direct investment	Indirect investment
• B.C. S.r.l.	Imola (Bologna)	EUR	36,400	30%	–
• Bacciottini F.lli S.r.l.	Oste/Montemurlo (Prato)	EUR	60,000	30%	–
• Brio Pharma Technol. Pvt. Ltd	Mumbai (India)	RS	1,000,000	30%	–
• I.E.M.A. S.r.l.	S.Giorgio di Piano (Bologna)	EUR	10,400	30%	–
• LA.CO. S.r.l.	Ozzano E. (Bologna)	EUR	30,000	30%	–
• Logimatic S.r.l.	Ozzano E. (Bologna)	EUR	12,500	32%	–
• Masterpiece S.r.l.	Ozzano E. (Bologna)	EUR	10,000	30%	–
• Powertransmission.it S.r.l.	Castenaso (Bologna)	EUR	50,000	20%	–
• Scriba Nanotecnologie S.r.l.	Bologna	EUR	25,556	49%	–
• SILMAC. S.r.l.	Ceggio Montano (Bologna)	EUR	90,000	30%	–
• Sirio S.p.A. Associazione in partecipazione (*)	Milan				

(*) Agreement signed in 2007 for the management of an aircraft.

F) NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The changes reported below have been determined with respect to the figures at 31 December 2009 for balance sheet items and the figures for the first half of 2009 for income statement items.

1. SEGMENT INFORMATION

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

The Group's activities comprise the following operating segments:

Tea, coffee and herbal tea packaging

Machines for the packaging of tea and herbal teas in filter bags and coffee in pods, and related services. Operations in this sector are mainly carried out by IMA Flavour S.r.l.

Pharmaceutical packaging

Machines for the packaging of pharmaceutical capsules and tablets in blisters and bottles, machines for filling bottles and vials with liquid and powdered products in sterile and non-sterile environments, machines for freeze-drying, machines for cartoning and end-of-line equipment, and related services.

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

- IMA S.p.A. manufactures end-of-line machines through IMA Safe line;
- IMA Life S.r.l. manufactures machines for the filling of bottles and vials with liquid products and powders, under both sterile and non-sterile conditions;
- IMA Safe S.r.l. manufactures blister-pack machines, machines for the packaging of gelcaps, capsules and tablets and cartoning machines;
- CO.MA.DI.S. S.p.A. manufactures tube-filling machines for the pharmaceutical, cosmetics, chemicals and food industries;
- IMA Life The Netherlands B.V., IMA Life North America Inc. and IMA Life (Beijing) Pharmaceutical Systems Co. Ltd. manufacture freeze-drying equipment for the pharmaceutical industry;
- Pharmasiena Service S.r.l. produces filling systems for vials and syringes under sterile conditions;
- IMA-PG India Ltd operates in the production of blister and cartoning machines, mainly for the emerging nations

- Swiftpack Automation Ltd. and Nova Packaging Systems Inc. manufacture machines for the bottling of capsules and tablets for the pharmaceutical industry.

Pharmaceutical processing

Machines for the production of tablets and capsules, machines for coating and fluid bed granulators, and related services. Operations in this sector are mainly carried out by these companies:

- IMA S.p.A. manufactures tablet pressing machines, capsule filling machines, coating and granulating machines through the IMA Active division;
- Zanchetta S.r.l. manufactures machines for the movement of powders and the depowdering of tablets, and machines for the movement and granulation of pharmaceutical powders;
- IMA Kilian GmbH & Co. KG manufactures tablet pressing machines for the pharmaceutical and chemicals industries;
- Zibo IMA Xinhua Pharmatech Co. Ltd. produces machinery for the pharmaceutical processing industry, principally in emerging markets.

The information on operating segments for the first half of 2010 and the first half of 2009 is as follows (millions of euros):

1st half 2010	Tea, coffee and herbal tea packaging	Pharma- ceuticals packaging	Pharma- ceuticals processing	Other	Total
Revenues	48.5	112.7	34.0	0.9	196.1
Segment operating profit	15.7	(3.4)	(10.6)	-	1.7
Net financial income (expense) (*)				(0.3)	(3.0)
Profit (loss) from investments accounted for using the equity method	-	-	-	0.2	0.2
Profit (loss) before tax					(1.1)
Income tax for the period					(0.2)
Net profit (loss) for the period					(1.3)

1st half 2009	Tea, coffee and herbal tea packaging	Pharma- ceuticals packaging	Pharma- ceuticals processing	Other	Total
Revenues	58.8	132.7	45.4	0.5	237.4
Segment operating profit	24.4	8.7	(3.4)	(0.1)	29.6
Net financial income (expense) (*)				(2.3)	(6.9)
Profit (loss) from investments accounted for using the equity method	-	-	-	-	-
Profit (loss) before tax					22.7
Income tax for the period					(8.5)
Net profit (loss) for the period					14.2

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

Revenues came to 196.1 million euros in the first half of 2010 compared with 237.4 million euros in the corresponding period of 2009. The contraction in revenues is the result of the lower level of the order book (down by around 40 million euros) at the end of 2009 with respect to the corresponding figure the previous year. In fact, revenues in the first half-year reflect the lower value of the opening order book at an individual sector level.

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

The operating profit in the tea segment decreased compared with the previous year as a result of lower volumes sold. The packaging segment reported lower revenues (-20 million euros) with respect to the comparative period in 2009, with a consequent reduction in operating profits. Lastly, the deterioration in the operating profit of the processing segment reflects lower volumes and the fact that the relatively unfavourable product mix.

The projects and negotiations currently under way in the pharmaceuticals market still allow us to be optimistic about achieving the volumes forecast for the whole of 2010. The same holds for the tea segment, where a number of projects were deferred to the second half. Overall, the revenue objectives for the year should be achieved.

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

REVENUES BY GEOGRAPHICAL AREA

	1st half 2010	1st half 2009	Change
European Union (excluding Italy)	74.0	93.6	(19.6)
Other European countries	12.1	16.0	(3.9)
North America	28.5	31.3	(2.8)
Asia & Middle East	47.4	57.5	(10.1)
Other countries	15.3	24.7	(9.4)
Total exports	177.3	223.1	(45.8)
Italy	18.8	14.3	4.5
Total	196.1	237.4	(41.3)

REVENUES BY BUSINESS SEGMENT

	1st half 2010	1st half 2009	Change
Machines and change parts	93.9	120.3	(26.4)
Contract work	50.6	66.6	(16.0)
Spare parts	32.4	30.4	2.0
Technical assistance	15.0	14.9	0.1
Other services	4.2	5.2	(1.0)
Total	196.1	237.4	(41.3)

2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment shows a net increase of 0.5 million euros. The movements in the item during the period break down as follows (millions of euros):

	Land	Buildings and leasehold improvements	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	Total
Balances at 01.01.10	4.8	8.6	8.9	1.3	3.1	1.3	28.0
Increases in the period	–	1.2	0.1	0.2	0.6	0.1	2.2
Sales and disposals	–	–	(0.3)	–	(0.1)	–	(0.4)
Depreciation	–	(0.4)	(1.0)	(0.3)	(0.7)	–	(2.4)
Reclassifications	0.4	0.8	0.1	–	–	(1.3)	–
Translation differences	–	0.3	0.5	0.2	0.1	–	1.1
Balances at 30.06.10	5.2	10.5	8.3	1.4	3.0	0.1	28.5

Land includes 1.6 million euros in respect of the site in Ozzano dell'Emilia (Bologna) owned by the Parent Company and 3.2 million euros relating to the land in Calenzano (Florence) held under a finance lease.

Buildings and leasehold improvements mainly comprise the Parent Company's buildings located in Ozzano dell'Emilia and Calenzano, as well as buildings in France, the United Kingdom and India, which are owned by IMA France E.u.r.l., IMA UK Ltd. and IMA-PG India Ltd. respectively.

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

The reclassifications relate to two buildings of the Parent Company under construction in Via Nobel, Ozzano dell'Emilia (Bologna) which were completed during the first half of 2010.

"Other assets" comprise (millions of euros):

	30.06.2010	31.12.2009
Electronic office equipment	1.3	1.3
Office furniture and fittings	0.8	0.9
Vehicles	0.8	0.7
Other	0.1	0.2
Total	3.0	3.1

3. INTANGIBLE ASSETS

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

	Development costs	Industrial patents rights	Software licences, trademarks and similar	Goodwill	Assets under development and advances	Total
Balances at 01.01.10	19.5	4.4	8.4	78.3	4.8	115.4
Increases in the period	–	0.7	0.3	–	1.5	2.5
Amortization	(2.1)	(0.5)	(1.4)	–	–	(4.0)
Translation differences	–	–	–	1.1	–	1.1
Balances at 30.06.10	17.4	4.6	7.3	79.4	6.3	115.0

Development costs mainly include the costs incurred for new products that were not previously available and are targeted at new market segments. They relate principally to freeze-drying technologies for the pharmaceutical industry, which was recognised following the acquisition of the Edwards Group in 2008 and has an estimated useful life of 7 years. It also includes the costs capitalized in connection with the packaging machinery for CA1 filter-paper coffee pods, biotechnology compacts, coating systems based on Perfima perforated pans and the washing and powder handling systems used in the pharmaceuticals processing sector.

Software, licences, trademarks and other rights primarily include operating and technical software applications as well as the non-compete agreement entered into in 2008 by IMA Life S.r.l. in connection with the purchase of the equity interest in IMA Edwards Pharmaceutical Systems (Beijing) Co. Ltd, which is valued at 2.2 million euros and is being amortized over 4 years.

Goodwill comprises the following (millions of euros):

	30.06.2010	31.12.2009
Pharmaceutical packaging:		
CGU CO.MA.DI.S. S.p.A.	3.8	3.8
CGU B.F.B. S.p.A.	1.8	1.8
CGU Nova Group	13.4	12.4
CGU Precision Gears Ltd.	4.0	4.0
CGU Edwards Group	23.0	23.0
CGU MKCS Inc.	0.6	0.5
CGU Pharmasiena Service S.r.l.	2.1	2.1
	48.7	47.6
Pharmaceutical processing:		
CGU G.S. S.r.l. Coating System	7.4	7.4
CGU ICO OLEODINAMICI S.p.A.	3.1	3.1
CGU IMA: Kilian GmbH & Co. KG	14.8	14.8
CGU Zanchetta S.r.l.	5.4	5.4
	30.7	30.7
Total	79.4	78.3

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

Assets under development and advances relate to the capitalization of development costs incurred by the Parent Company (1.8 million euros), IMA Life S.r.l. (2.5 million euros), IMA Safe S.r.l. (0.9 million euros) and IMA Flavour S.r.l. (1.1 million euros).

4. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

These break down as follows (millions of euros):

	% holding	30.06.2010	31.12.2009
B.C. S.r.l.	30%	1.0	0.8
Bacciottini F.lli S.r.l.	30%	0.3	0.5
Brio Pharma Technologies Pvt. Ltd.	30%	0.4	0.4
I.E.M.A. S.r.l.	30%	0.5	0.5
Logimatic S.r.l.	32%	0.2	n.a.
LA.CO. S.r.l.	30%	0.3	0.3
Scriba Nanotecnologie S.r.l.	49%	0.8	0.7
SIL.MAC. S.r.l.	30%	0.3	0.3
Sirio S.p.A. Associazione in partecipazione (*)		6.7	6.7
Total		10.5	10.2

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

See the section on the scope of consolidation for a discussion of Logimatic S.r.l.

The carrying amount of investments accounted for using the equity method includes 1.8 million euros in goodwill.

The following table summarizes the key financial data of associated companies at 31 December 2009 (thousands of euros):

	Assets	Liabilities	Revenues	Net profit
B.C. S.r.l.	4.6	1.3	3.7	0.6
Bacciottini F.lli S.r.l.	2.7	1.4	2.9	0.1
Brio Pharma Technologies Pvt. Ltd. (*)	0.3	-	0.3	0.1
I.E.M.A. S.r.l.	2.5	2.0	3.9	-
LA.CO. S.r.l.	5.2	4.9	4.3	-
Logimatic S.r.l.	1.1	0.8	3.3	-
Masterpiece S.r.l.	1.2	1.3	0.4	(0.1)
Powertransmission.it S.r.l.	0.2	0.1	0.3	-
Scriba Nanotecnologie S.r.l.	0.5	0.2	0.4	-
SIL.MAC. S.r.l.	2.9	2.4	3.3	(0.1)

(*) Financial statements at 31 March 2009

5. FINANCIAL ASSETS

Non-current financial assets, equal to 7.7 million euros, include investments in other companies amounting to 6.6 million euros (7.8 million euros at 31 December 2009) and financial receivables totalling 1.1 million euros (1.0 million euros at 31 December 2009).

Investments in other companies include 2.4 million euros (3.7 million euros at 31 December 2009) in respect of the investment held in Pierrel S.p.A. based on the official stock market price at 30 June 2010. In March 2010, we sold 225,000 Pierrel S.p.A. shares for a total of 1.0 million euros at a price substantially in line with what they were worth at 31 December 2009. This means that the Group's holding in Pierrel S.p.A. is now below the key threshold of 5%; the Parent Company therefore promptly reported the development to Consob. In the fourth quarter of 2009, IMA S.p.A. commenced arbitration proceedings to safeguard its rights under the contract signed with P. Farmaceutici S.r.l. on 30 July 2007 regarding the purchase of shares in Pierrel S.p.A.

Investments in other companies include shares of InterMedia Holding S.p.A. (transferred to InterMedia Finance S.p.A. on 2 July 2010) and InterMedia Finance S.p.A. worth 3.0 million and 1.0 million euros respectively.

Current financial assets (1.0 million euros) include the Parent Company's investments in securities funds (0.9 million euros at 31 December 2009).

6. RECEIVABLES FROM OTHERS

These include various kinds of guarantee deposits.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments comprise (millions of euros):

	Assets 30.06.2010	Liabilities 30.06.2010	Assets 31.12.2009	Liabilities 31.12.2009
Interest rate swaps (non-current) - cash flow hedges	-	0.9	-	0.6
Exchange rate hedging instruments (current) - cash flow hedges	-	1.2	-	-
Total	-	2.1	-	0.6

INTEREST RATE DERIVATIVES

The amount of 0.9 million euros represents the fair value of the option contracts expiring in 2011 and 2015. They were arranged with leading banks to hedge the interest rate risk on certain medium-term loans.

EXCHANGE RATE DERIVATIVES

The amount of 1.2 million euros represents the fair value of contracts for the forward purchase and sale of currency arranged by the Group to hedge exchange rate risk. The notional value amounts to 21.8 million dollars

8. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets amounted to 14.6 million euros at 30 June 2010 (14.4 million euros at 31 December 2009). They mainly relate to temporary differences in respect of provisions made, as well as to the elimination of unrealized intercompany profits on the sale of finished products.

At 30 June 2010, deferred tax liabilities amounted to 12.2 million euros (12.1 million euros at 31 December 2009) and relate mainly to temporary differences between the book values of certain tangible and intangible assets and their values recognised for tax purposes.

9. INVENTORIES

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

	30.06.2010			31.12.2009		
	Gross value	Impairment provision	Net value	Gross value	Impairment provision	Net value
Raw, ancillary and consumable materials	31.2	(5.7)	25.5	25.8	(5.1)	20.7
Work in progress and semifinished goods	159.7	(21.4)	138.3	138.2	(19.4)	118.8
Finished products and goods for resale	3.0	(1.7)	1.3	2.3	(1.8)	0.5
Total	193.9	(28.8)	165.1	166.3	(26.3)	140.0

The increase in inventories since 31 December 2009 reflects the preparation of machines for delivery to customers during the second half of the year and purchasing in relation to the order book at the end of June.

10. TRADE AND OTHER RECEIVABLES

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

	30.06.2010	31.12.2009
Trade receivables	94.9	100.9
Advances to suppliers	7.5	4.8
Tax receivables	4.1	5.1
Deferrals	2.9	1.5
Other receivables	3.3	2.4
Total	112.7	114.7

TRADE RECEIVABLES

Trade receivables include amounts due from customers of 63.1 million euros (66.4 million euros at 31 December 2009), amounts due on contract work in progress of 31.1 million euros (34.2 million euros at 31 December 2009) and receivables from associates of 0.7 million euros (0.3 million euros at 31 December 2009).

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

Trade receivables from customers are carried net of accumulated provisions amounting to 4.9 million euros (4.9 million euros at 31 December 2009).

Receivables assigned without recourse not yet due at 30 June 2010 amounted to around 4.5 million euros, of which 1.9 million euros have been assigned to factoring companies and 2.6 million euros to other financial institutions. The first quarter of 2010 saw the assignment without recourse of receivables with an overall nominal value of around 2.3 million euros;

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

	30.06.2010	31.12.2009
Construction contracts (costs incurred plus recognized margins)	52.6	61.3
Advances received	(21.5)	(27.1)
Due from customers	31.1	34.2

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

	30.06.2010	31.12.2009
Advances received	(47.6)	(36.0)
Construction contracts (costs incurred plus recognized margins)	45.1	35.2
Due to customers	(2.5)	(0.8)

ADVANCES TO SUPPLIERS

At 30 June 2010 these relate to advances for goods to be used in production and for services of respectively 4.7 million euros (3.7 million euros at 31 December 2009) and 2.8 million euros (1.1 million euros at 31 December 2009). This balance includes 1.4 million euros in advances to associated companies (1.2 million euros at 31 December 2009).

TAX RECEIVABLES

Tax receivables mainly consist of VAT receivables.

11. CASH AND CASH EQUIVALENTS

This item comprises (millions of euros):

	30.06.2010	31.12.2009
Bank current accounts	59.9	94.7
Deposits	3.6	5.3
Cheques and cash	0.2	0.2
Total	63.7	100.2

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

12. EQUITY

SHARE CAPITAL

Share capital at 30 June 2010 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.

TREASURY SHARES

During first half of 2010 the Parent Company sold 255,243 of its own shares for a total of 3.5 million euros. As a result, at 30 June 2010 it did not hold any treasury shares.

In 2009 the Parent Company purchased 57,508 treasury shares for 0.7 million euros. These transactions were recognized directly in equity in accordance with IAS 32.

The table below shows the number of outstanding shares:

Thousands of shares	
Balance at 01.01.2009	33,903
Purchase of treasury shares	(45)
Sale of treasury shares	-
Balance at 30.06.2009	33,858
Purchase of treasury shares	(13)
Sale of treasury shares	-
Balance at 31.12.2009	33,845
Purchase of treasury shares	-
Sale of treasury shares	255
Balance at 30.06.2010	34,100

FAIR VALUE RESERVE

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

Balance at 01.01.2009	(1.8)
<i>Available for sale</i>	
Measurement at fair value	2.4
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	(0.1)
Realization recognized in income - revenues	-
Realization recognized in income - financial income and expense	(0.5)
Balance at 30.06.2009	-
Balance at 01.01.2010	(0.4)
<i>Available for sale</i>	
Measurement at fair value	-
<i>Cash flow hedges/hedging instruments</i>	
Measurement at fair value	(2.0)
Realization recognized in income - revenues	-
Realization recognized in income - financial income and expense	0.1
Balance at 30.06.2010	(2.3)

RETAINED EARNINGS

Changes in retained earnings during the year include 7.2 millions euros in respect of the allocation of the 2009 result pertaining to minority interests and the amount paid to buy the residual shareholdings in IMA Flavour S.r.l. and IMA Life S.r.l., as explained in Note 24.

A total dividend of 30.7 million euros was paid in May 2010, equal to 0.90 euros gross per ordinary share in circulation (30.5 million euros, equal to 0.90 euros gross, in May 2009).

13. BORROWINGS

These include payables to banks of 213.3 million euros (212.8 million euros at 31 December 2009), and payables to other lenders of 2.7 million euros (2.7 million euros at 31 December 2009).

PAYABLES TO BANKS

Payables to banks comprise (millions of euros):

	30.06.2010	31.12.2009
Non-current:		
· Applied research and technological innovation loans	5.2	6.5
· Other loans	69.9	83.1
	75.1	89.6
Current:		
· Current accounts	17.8	8.4
· Advances on domestic transactions (Italy)	0.2	0.1
· Advances on export transactions	67.1	75.2
· Advances on export transactions to be carried out	2.0	–
· Applied research and technological innovation loans	2.2	2.3
· Other loans	48.9	37.2
	138.2	123.2
Total	213.3	212.8

Certain loans and other borrowings are secured by compliance with financial covenants calculated on the basis of the figures reported in the annual financial statements of IMA S.p.A. and/or the annual consolidated financial statements of the IMA Group and the Group's half-year consolidated financial statements. All covenant requirements were met at 30 June 2010.

Applied research and technological innovation loans

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

Other loans

The main changes in "other loans" comprise the new loans obtained by the Parent Company (15.0 million euros) and IMA Kilian GmbH & Co KG (3.0 million euros) and contractual repayments made by IMA S.p.A. (11.6 million euros), IMA Life S.r.l. (1.8 million euros) and IMA Kilian GmbH & Co KG (5.9 million euros).

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

	30.06.2010	31.12.2009
Due within 1 year	138.2	123.2
Due from 1 to 5 years	72.2	79.4
Due after more than 5 years	2.9	10.2
Total	213.3	212.8

PAYABLES TO OTHER LENDERS

These break down as follows (millions of euros):

	30.06.2010	31.12.2009
Non-current:		
· Payables to leasing companies	0.1	1.3
· Other	0.1	–
	0.2	1.3
Current:		
· Payables to leasing companies	1.8	1.1
· Payables to factoring companies	0.6	0.3
· Other	0.1	–
	2.5	1.4
Total	2.7	2.7

At 30 June 2010 this item mainly included the liability for the finance lease on the Calenzano plant in the amount of 1.8 million euros (2.4 million euros at 31 December 2009).

NET DEBT

The composition of net debt at 30 June 2010 is as follows:

in millions of euros	30.06.2010	31.12.2009
A. Cash and cash equivalents	(63.7)	(100.2)
B. Other cash equivalents	-	-
C. Investments in securities	(1.0)	(0.9)
D. Liquidity (A) + (B) + (C)	(64.7)	(101.1)
E. Current financial receivables	-	-
F. Current payables to banks	90.1	88.7
G. Current portion of non-current bank payables	48.1	34.5
H. Other current financial payables	2.5	1.4
I. Current financial debt (F) + (G) + (H)	140.7	124.6
J. Net current financial debt (D)+(E)+(I)	76.0	23.5
K. Non-current portion of non-current bank payables	75.1	89.6
L. Non-current financial assets	(1.1)	(1.0)
M. Other non-current financial payables	0.2	1.3
N. Net non-current financial debt (K)+(L)+(M)	74.2	89.9
O. Net financial debt (J) + (N)	150.2	113.4

The increase is almost exclusively due to the normal rise in debt needed to finance the increase in working capital and the purchase of minority interests in IMA Life S.r.l. and IMA Flavour S.r.l. for 9 million euros.

In addition, the Parent Company paid dividends of 30.7 million euros in May (30.5 million euros in May 2009).

It is expected that net debt will fall considerably in the latter part of the year.

For further information on the composition of net debt, see Notes 5 and 11.

14. SEVERANCE AND PENSION PROVISIONS

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

The main demographic assumptions adopted by the actuary were:

- life expectancies: those determined by the State General Accounting Office (RG48 distinguished by gender);
- probability of disability: that in the INPS (National Social Security Institute) model for projections at 2010, distinguished by gender;
- pensionable age: the earliest retirement age requirement under the Compulsory General Insurance scheme;
- probability of leaving work for reasons other than death: annual frequency of 2.50%;
- probability of advance payments: an annual frequency of 5% for requests for advances of 60%.

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

	30.06.2010	31.12.2009
Annual discount rate	4.50%	5.00%
Annual inflation rate	2.00%	2.00%
Annual rate of increase of total compensation	3.50%	3.50%
Annual rate of increase of severance indemnity	3.00%	3.00%

The discount rate applicable to Italian companies was determined with reference to the iBoxx EUR Italy 10+ index.

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

Balance at 31.12.2009	17.2
Current service cost	0.1
Interest cost	0.4
Net actuarial losses (gains) recognized during the period	0.7
Severance payments made during period	(0.8)
Exchange rate difference	0.1
Balance at 30.06.2010	17.7

15. PROVISIONS FOR RISKS AND CHARGES

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

	Balance at 31.12.2009	Increases	Decreases	Exchange rate difference	Balance at 30.06.2010
Non-current:					
Agency termination indemnities	1.6	-	-	-	1.6
	1.6	-	-	-	1.6
Current:					
Product guarantee provision	12.1	0.6	(1.0)	0.6	12.3
Reorganization provision	3.8	-	(2.9)	-	0.9
Other provisions	-	0.7	-	-	0.7
	15.9	1.3	(3.9)	0.6	13.9
Total	17.5	1.3	(3.9)	0.6	15.5

The product guarantee provision was established on the basis of estimated expenses for work to be performed under guarantee after 30 June 2010.

The first half of the year saw the start of the procedures to reorganize IMA North America Inc., IMA Life The Netherlands B.V. and IMA Kilian GmbH & Co. KG. This reorganization, which will also involve transferring certain production activities, is designed to rationalise IMA's operations in Europe and the USA. The decrease in the reorganization provision during the period is the amount released to cover the expenses that certain Group companies incurred in 2010.

16. TRADE AND OTHER PAYABLES

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

	30.06.2010	31.12.2009
Trade payables	84.0	73.2
Advances from customers	33.9	24.0
Social security payables	3.9	6.0
Tax payables	2.8	4.1
Employee payables	21.7	14.8
Payables in respect of acquisitions	0.6	2.0
Other payables	4.1	3.8
Total	151.0	127.9

TRADE PAYABLES

This item includes trade payables to suppliers of 70.7 million euros (62.6 million euros at 31 December 2009), payables to agents of 5.6 million euros (6.5 million euros at 31 December 2009) and trade payables to associates of 7.7 million euros (4.1 million euros at 31 December 2009).

ADVANCES FROM CUSTOMERS

The rise in advances received from customers for future supplies with respect to 31 December 2009 is the result of an increase in the order book at the date of these financial statements.

Information on the amount due to customers for construction contracts (2.5 million euros) can be found in Note 10.

TAX PAYABLES

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

EMPLOYEE PAYABLES

The increase in this amount since 31 December 2009 mainly reflects deferred monthly wages and accrued holiday entitlement, most of which will be used in July and August.

PAYABLES IN RESPECT OF ACQUISITIONS

This item includes:

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

In January 2010 IMA Safe S.r.l. purchased the residual 10% of IMA-PG India Ltd. for 1.4 million euros.

17. PERSONNEL COSTS

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

	1st half 2010	1st half 2009	Change
Wages and salaries	60.2	60.1	0.1
Social security contributions	15.1	14.5	0.6
Remuneration of directors	1.4	1.3	0.1
Pensions - defined-benefit plans	1.2	0.5	0.7
Pensions - defined-contribution plans	3.1	3.1	-
Reorganization charges	1.9	-	1.9
Other personnel costs	4.5	4.0	0.5
Total	87.4	83.5	3.9

Personnel costs in the first half of 2010 include reorganization charges for rationalisation of structures and the containment of operating costs involving certain Group companies, as discussed in Note 15.

In the first half of 2010, the IMA Group employed an average of 3,071 people, as follows:

	1st half 2010	1st half 2009	Year 2009
Management	97	94	97
Office workers	2,004	2,027	2,025
Production workers	970	1,005	1,013
Total	3,071	3,126	3,135

**18. DEPRECIATION,
AMORTIZATION
AND IMPAIRMENT**

This caption includes the depreciation of property, plant and equipment, equal to 2.4 million euros (3.3 million euros in the same period of 2009), and the amortization of intangible assets, equal to 4.0 million euros (3.9 million euros in the same period of 2009).

The decrease in depreciation is partly due to the disposal of property carried out in 2009.

19. FINANCIAL INCOME

This item comprises (millions of euros):

	1st half 2010	1st half 2009	Change
Interest income from banks	0.3	0.3	–
Interest income from customers and other financial income	0.1	0.1	–
Income from derivative financial instruments	–	0.2	(0.2)
Exchange rate gains	6.7	5.8	0.9
Total	7.1	6.4	0.7

20. FINANCIAL EXPENSE

This item comprises (millions of euros):

	1st half 2010	1st half 2009	Change
Interest expense on bank payables	2.2	3.9	(1.7)
Interest expense on finance leases	–	0.1	(0.1)
Writedown of non-current assets available for sale	0.3	2.3	(2.0)
Other interest and financial expense	0.4	0.3	0.1
Exchange rate losses	7.2	6.7	0.5
Total	10.1	13.3	(3.2)

The decrease in bank interest expense was mainly due to the reduction in interest rates and the lower level of debt during the period.

The writedown of non-current assets available for sale relates to the investment in Pierrel S.p.A.

Exchange rate gains at 30 June 2010 include unrealized gains of 4.0 million euros (3.4 million euros in the first half of 2009), while exchange rate losses at this date include unrealized losses of 3.7 million euros (2.3 million euros in the first half of 2009).

**21. INCOME TAXES
FOR THE PERIOD**

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

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

During the first half of 2010, the Parent Company underwent an audit conducted by the Emilia Romagna Regional Tax Office that covered IRES, IRAP, VAT and other minor taxes for the year 2007, including the previous and subsequent tax years for transactions affecting that year.

The caption "Income tax for the period" includes a provision made on the basis of the audit report issued on 25 June 2010 for possible liabilities that could arise as a result of this audit. IMA S.p.A. decided that it was inadvisable to accept the report, and is assessing whether to file defence statements or have recourse to some settlement mechanism.

22. GUARANTEES GRANTED

At 30 June 2010, the Group has granted sureties and other bank guarantees to customers in the amount of 11.6 million euros for the proper operation of machinery, bid bonds and advances not yet received, sureties in favour of the municipality of Ozzano dell'Emilia (Bologna) for 0.2 million euros to secure the performance of contracts, a surety to the tax authorities for VAT rebates of 11.1 million euros and sureties to others for 5.3 million euros, mainly to guarantee leases.

In addition, the Parent Company has granted sureties and other guarantees (binding letters of patronage) to third parties on behalf of subsidiaries, in relation to lines of credit and loans from banks and to the payment of lease instalments totalling 213.0 million euros.

Sureties granted against advances received from customers amount to about 25.3 million euros (25.9 million euros at 31 December 2009).

23. COMMITMENTS

At 30 December 2010 commitments to purchase property, plant and equipment came to 0.4 million euros.

The Group has commitments of 1.6 million euros in respect of future minimum payments for non-cancellable operating leases, mainly relating to plant, machinery and vehicles (0.7 million euros due within one year and 0.9 million euros due from one to five years), and commitments of 93.2 million euros for rents (9.4 million euros due within one year, 30.8 million euros due from one to five years and 53.0 million euros due after more than five years). A total of 4.7 million euros in operating lease and rent payments were made during the first half of 2010 (2.9 million euros in the first half of 2009).

Other commitments in favour of third parties total 2.4 million euros, consisting mainly of the Parent Company's commitment to buy further units of the Mandarin Capital Partners S.C.A. private equity fund in the amount of 1.4 million euros.

24. RELATED-PARTY TRANSACTIONS

The parent company of the IMA Group is I.M.A. Industria Macchine Automatiche S.p.A., which at 30 June 2010 is 71.517% owned by SO.FI.MA. S.p.A., in turn controlled by Lopam Fin S.p.A.

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

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

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

	Receivables at 30.06.2010	Receivables at 31.12.2009	Payables at 30.06.2010	Payables at 31.12.2009
Associates:				
B.C. S.r.l.	–	–	0.7	0.6
Bacciottini F.lli S.r.l.	0.2	–	1.8	1.1
Brio Pharma Technologies Ltd.	–	–	–	0.1
I.E.M.A. S.r.l.	–	–	1.0	0.9
LA.CO. S.r.l.	1.2	1.3	1.1	0.8
Logimatic S.r.l.	0.6	n.a.	2.4	n.a.
Masterpiece S.r.l.	–	–	0.1	0.2
Powertransmission.it S.r.l.	–	–	0.1	0.1
SIL.MAC. S.r.l.	0.2	0.2	0.5	0.3
	2.2	1.5	7.7	4.1
Other related parties:				
Naturapack S.r.l.	0.2	0.7	0.1	0.1
Viaggi Nuova Era S.r.l.	–	–	1.8	1.4
	0.2	0.7	1.9	1.5
Total	2.4	2.2	9.6	5.6

	Revenues 1st half 2010	Revenues 1st half 2009	Costs 1st half 2010	Costs 1st half 2009
Associates:				
B.C. S.r.l.	–	–	1.6	1.7
Bacciottini F.lli S.r.l.	–	–	2.0	1.4
G.S. Divisione Verniciatura S.r.l.	n.a.	–	n.a.	0.1
I.E.M.A. S.r.l.	–	–	1.1	0.9
LA.CO. S.r.l.	0.2	0.2	1.1	1.2
Logimatic S.r.l.	0.3	n.a.	1.9	n.a.
Masterpiece S.r.l.	–	–	0.2	0.2
Powertransmission.it S.r.l.	–	–	0.3	0.1
SIL.MAC. S.r.l.	–	–	0.5	1.0
	0.5	0.2	8.7	6.6
Other related parties:				
Datalogic Automation S.r.l.	–	–	0.1	0.1
Italbe S.p.A.	–	–	0.1	0.1
Lopam S.r.l.	–	–	0.2	0.2
Morosina S.p.A.	–	–	0.1	0.1
Naturapack S.r.l.	0.3	0.7	0.8	–
Nemo Investimenti S.r.l.	–	n.a.	0.7	n.a.
Poggi & Associati	–	–	0.2	0.1
Sporting Club Gira S.r.l.	–	–	0.1	0.1
Viaggi Nuova Era S.r.l.	–	–	2.1	2.0
	0.3	0.7	4.4	2.7
Total	0.8	0.9	13.1	9.3

The above transactions relate primarily to Italian companies.

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

On 23 February 2010 IMA S.p.A. completed the purchase of the residual 1.48% interest in IMA Flavour S.r.l. and 5.5% interest in IMA Life S.r.l. at a cost of 3.4 million euros and 5.6 million euro, respectively. The counterparties in these transactions, Contura S.r.l. and Sape S.r.l., have to be considered related parties as they are controlled by two IMA managers who are both directors and, in one case, also an executive, of the two companies involved in the purchase and sale. IMA has received a fairness opinion on the financial terms of the transaction from Ernst & Young, an independent expert. These transactions form part of a process undertaken some time ago to optimise the Group's debt structure in the light of changed conditions in the financial market. They will allow the Parent Company to simplify the control structure of the Group and eliminate diseconomies in the management of financial flows.

Brief information about transactions with associates is given below:

- B.C. S.r.l. manufactures machine parts for the Group and third parties;
- Bacciottini F.Ili S.r.l. processes sheet metal for pharmaceutical machinery;
- Brio Pharma Technologies Pvt. Ltd. distributes certain product lines of the Group in India;
- I.E.M.A. S.r.l. designs and produces equipment for automated machinery;
- LA.CO. S.r.l. carries out engineering work and repairs machine tools;
- Logimatic S.r.l. operates in the marketing, distribution and testing of automatic machines;
- Masterpiece S.r.l. carries out engineering work;
- Powertransmission.it S.r.l. manufactures and sells engineering components, assemblies and complete plant;
- Scriba Nanotecnologie S.r.l. specializes in the study of hi-tech solutions against food adulteration and for tracking pharmaceuticals;
- SILMAC. S.r.l. operates in the field of mechanical engineering, specializing in the construction of machines for third parties.

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

Brief information about transactions with other related parties is given below:

- Naturapack S.r.l. sells used automatic machines after refurbishing and regenerating them; on 1 July 2010 IMA S.p.A. completed the acquisition of the entire share capital of this company, as discussed in Note 27;
- Viaggi Nuova Era S.r.l., a travel agency owned by Lopam Fin S.p.A., provides services to Group companies at market prices;
- transactions with Italbe S.r.l. and Lopam S.r.l. and Nemo Investimenti S.r.l. mainly relate to rental expenses.

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

	Total at 30.06.2010	Of which related parties	% impact	Total at 31.12.2009	Of which related parties	% impact
Balance sheet:						
<u>Non-current assets</u>	176.8	0.4	0.2%	177.3	0.4	0.2%
Trade and other receivables	112.7	2.4	2.1%	114.7	2.2	1.9%
Other current assets	233.6	–	0.0%	241.3	–	0.0%
<u>Current assets</u>	346.3	2.4	0.7%	356.0	2.2	0.6%
Total assets	523.1	2.8	0.5%	533.3	2.6	0.5%
<u>Equity</u>	98.2	–	–	130.2	–	–
<u>Non-current liabilities</u>	107.7	–	0.0%	122.4	–	0.0%
Trade and other payables	151.0	9.6	6.4%	127.9	5.6	4.4%
Other current liabilities	166.2	5.8	3.5%	152.8	8.7	5.7%
<u>Current liabilities</u>	317.2	15.4	4.9%	280.7	14.3	5.1%
Total liabilities and equity	523.1	15.4	2.9%	533.3	14.3	2.7%

	1st half 2010	Of which related parties	% impact	1st half 2009	Of which related parties	% impact
Income statement:						
Revenues and other income	199.5	0.8	0.4%	242.7	0.9	0.4%
Cost of raw materials and goods	(75.4)	(7.0)	9.3%	(82.7)	(5.0)	6.0%
Cost of services and leases	(49.1)	(6.1)	2.4%	(51.6)	(4.3)	8.3%
Other operating costs	(73.3)	–	0.0%	(78.8)	–	0.0%
Operating profit	1.7			29.6		
Net financial income (expense)	(3.0)	–	0.0%	(6.9)	–	0.0%
Other income statement items	–	–	0.0%	(8.5)	–	0.0%
Net profit (loss) for the period	(1.3)			14.2		

25. SIGNIFICANT NON-RECURRING TRANSACTIONS AND EVENTS

The following non-recurring items, included in the operating profit for the period, are classified under "other revenues" and "personnel costs" (millions of euros):

	1st half 2010	1st half 2009
Gain on sale of factory complex in Ozzano Emilia	–	2.4
Tax credits on R&D costs incurred	0.4	0.5
Reorganisation costs	(1.9)	–
Total	(1.5)	2.9

The tax credits were booked by the Parent Company and certain Italian companies for the research and development costs incurred in 2009 and 2008, pursuant to Art. 1 of Law 296 of 27 December 2006 as amended.

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

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 half of the year.

**27. SIGNIFICANT SUBSEQUENT
EVENTS**

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

- on 1 July 2010 the Parent Company completed the acquisition of 100% of Naturapack S.r.l., a company based in Ozzano dell'Emilia (BO) that operates in the sale of used automatic machines after refurbishment and regeneration. This transaction is considered as being with related parties, as some of IMA S.p.A.'s directors and managers hold investments in the selling company. Reconta Ernst & Young S.p.A., in its role of independent expert, issued a fairness opinion confirming that the purchase price of 6 million euros was reasonable. Naturapack S.r.l. closed 2009 with sales of 3.8 million euros and a gross operating profit (EBITDA) of 0.75 million euros;
- on 27 July 2010, IMA S.p.A. completed the acquisition of 65% of GIMA, a packaging company based in Zola Predosa (BO) that operates mainly in the food and beverage sector and in the personal care sector. The investment amounted to around 7.3 million euros and took place through a reserved capital increase of 2.3 million euros and an interest-bearing loan of 5 million euros, all of which were paid at the closing date. In addition to the majority interest acquired by IMA, another stake, for a total of 21% of the share capital, was acquired by a number of managers of IMA and of GIMA. The deal allows IMA to expand its presence in niche food segments that have good growth prospects.

APPENDICES

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

APPENDICES

The following section provides additional information for the second quarter of 2010:

- consolidated income statement for the second quarter of 2010 and the second quarter of 2009;
- net debt at 30 June 2010, at 31 March 2010 and at 31 December 2009.

CONSOLIDATED INCOME STATEMENT

(MILLIONS OF EUROS)

INCOME STATEMENT	2nd quarter 2010 (*)	2nd quarter 2009 (*)	1st half 2010	1st half 2009
REVENUES	113.5	130.4	196.1	237.4
Other revenues	2.1	4.5	3.4	5.3
- of which: effect of non-recurring items	0.4	2.9	0.4	2.9
OPERATING COSTS				
Change in work in progress, semifinished and finished goods	4.2	(3.2)	18.2	12.4
Change in inventory of raw, ancillary and consumable materials	0.8	-	3.5	1.3
Cost of raw, ancillary and consumable materials and goods for resale	(40.4)	(39.9)	(75.4)	(82.7)
Services, rentals and leases	(26.6)	(26.2)	(49.1)	(51.6)
Personnel costs	(44.8)	(41.5)	(87.4)	(83.5)
- of which: effect of non-recurring items	(1.9)	-	(1.9)	-
Depreciation, amortization and impairment	(3.2)	(3.4)	(6.4)	(7.2)
Provisions for risks and charges	0.5	0.2	0.3	(0.2)
Other operating costs	(0.8)	(0.8)	(1.5)	(1.6)
TOTAL OPERATING COSTS	(110.3)	(114.8)	(197.8)	(213.1)
OPERATING PROFIT	5.3	20.1	1.7	29.6
- of which: effect of non-recurring items	(1.5)	2.9	(1.5)	2.9
FINANCIAL INCOME AND EXPENSE				
Financial income	3.9	1.0	7.1	6.4
Financial expense	(5.7)	(5.5)	(10.1)	(13.3)
TOTAL FINANCIAL INCOME AND EXPENSE	(1.8)	(4.5)	(3.0)	(6.9)
PROFIT (LOSS) FROM INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	0.2	-	0.2	-
PROFIT (LOSS) BEFORE TAX	3.7	15.6	(1.1)	22.7
INCOME TAXES FOR THE PERIOD	(2.0)	(5.8)	(0.2)	(8.5)
NET PROFIT (LOSS) FOR THE PERIOD	1.7	9.8	(1.3)	14.2
ATTRIBUTABLE TO:				
PARENT COMPANY SHAREHOLDERS	1.7	9.6	(1.3)	13.9
MINORITY INTERESTS	-	0.2	-	0.3
	1.7	9.8	(1.3)	14.2
EARNINGS PER SHARE (in euros)	0.05	0.29	(0.04)	0.42

(*) UNAUDITED

NET DEBT

(MILLIONS OF EUROS)

	30.06.2010	31.03.2010 (*)	31.12.2009
A. Cash and cash equivalents	(63.7)	(73.2)	(100.2)
B. Other cash equivalents	-	-	-
C. Investments in securities	(1.0)	(0.9)	(0.9)
D. Liquidity (A) + (B) + (C)	(64.7)	(74.1)	(101.1)
E. Current financial receivables	-	-	-
F. Current payables to banks	90.1	80.6	88.7
G. Current portion of non-current bank payables	48.1	33.1	34.5
H. Other current financial payables	2.5	4.0	1.4
I. Current financial debt (F)+(G)+(H)	140.7	117.7	124.6
J. Net current financial debt (D)+(E)+(I)	76.0	43.6	23.5
K. Non-current portion of non-current bank payables	75.1	82.9	89.6
L. Non-current financial assets	(1.1)	(1.1)	(1.0)
M. Other non-current financial payables	0.2	1.2	1.3
N. Non-current financial debt (K)+(L)+(M)	74.2	83.0	89.9
O. Net financial debt (J)+(N)	150.2	126.6	113.4

(*) UNAUDITED

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

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

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

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

- the appropriateness with regard to the characteristics of the Company and
- the effective application of the administrative and accounting procedures in preparing the condensed consolidated half-year financial statements for the first half of 2010.

2. It is also certified that:

2.1 the condensed consolidated half-year financial statements at 30 June 2010:

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

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

The interim report on operations also contains a reliable analysis of the information on significant related-party transactions

Ozzano dell'Emilia (Bologna), 6 August 2010

Managing Director

Manager responsible for preparing financial reports

Alberto Vacchi

Sergio Marzo

**REPORT OF THE INDEPENDENT AUDITORS ON THE REVIEW OF THE
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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



PricewaterhouseCoopers SpA

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

To the Shareholders of
IMA – Industria Macchine Automatiche SpA

- 1 We have reviewed the consolidated condensed interim financial statements of IMA – Industria Macchine Automatiche SpA and its subsidiaries (hereinafter also “IMA Group”) as of 30 June 2010 and for the six months then ended, comprising the balance sheet, the income statement and the statement of comprehensive income, the statements of changes in shareholders' equity and cash flows and the related selected explanatory notes. IMA – Industria Macchine Automatiche SpA's Directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard (IAS 34), applicable to interim financial reporting, as adopted by the European Union. Our responsibility is to issue this report based on our review.
- 2 Our work was conducted in accordance with the criteria for a review recommended by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution no. 10867 of 31 July 1997. The review consisted principally of inquiries of company personnel about the information reported in the consolidated condensed interim financial statements and about the consistency of the accounting principles utilised therein as well as the application of analytical review procedures on the data contained in the above mentioned consolidated financial statements. The review excluded certain auditing procedures such as compliance testing and verification and validation tests of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike an audit on the annual consolidated financial statements, we do not express a professional audit opinion on the consolidated condensed interim financial statements.

Regarding the amounts of the consolidated financial statements of the prior year and the consolidated condensed interim financial statements of the prior year presented for comparative purposes, reference should be made to our reports dated 14 April 2010 and dated 7 August 2009, respectively.

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. 3.754.400,00 Euro i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n. 43 dell'Albo Consob – Altri Uffici: **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 – **Bologna** Zola Predosa 40069 Via Tevere 18 Tel. 0516186211 – **Brescia** 25123 Via Borgo Pietro Wuhler 23 Tel. 0303697501 – **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 – **Genova** 16121 Piazza Dante 7 Tel. 01029041 – **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 – **Padova** 35138 Via Vicenza 4 Tel. 049873481 – **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 – **Parma** 43100 Viale Tanara 20/A Tel. 0521242848 – **Roma** 00154 Largo Fochetti 29 Tel. 06570251 – **Torino** 10129 Corso Montevecchio 37 Tel. 011556771 – **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 – **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 – **Verona** 37122 Corso Porta Nuova 125 Tel.0458002561



- 3 Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of IMA Group as at 30 June 2010 have not been prepared, in all material respects, in accordance with the international accounting standard (IAS 34), applicable to interim financial reporting, as adopted by the European Union.

Bologna, 6 August 2010

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated into the English language solely for the convenience of international readers.

(2)