

30 September 2018

Interim Report



Registered Office: Via S. Pietro, 59/B

43019 Castellina di Soragna (PR) – ITALY

Share Capital: Euro 31,809,451 fully paid-up

Tax Code and Register of Companies no: 08531760158

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TABLE OF CONTENTS

1	COMPANY OFFICERS AND CORPORATE INFORMATION	3
2	GROUP STRUCTURE	4
3	INTERIM REPORT	5
4	ACCOUNTING SCHEDULES	11
5	EXPLANATORY NOTES	13
	5.1 INTRODUCTION.....	13
	5.2 PERFORMANCE BY BUSINESS SEGMENT AND GEOGRAPHICAL AREA.....	13
	5.3 NOTES ON THE MAIN CHANGES IN THE STATEMENT OF FINANCIAL POSITION	15
	5.4 NOTES ON THE MAIN CHANGES IN THE INCOME STATEMENT.....	19
	5.5 CONSOLIDATED NET FINANCIAL POSITION	22

1 COMPANY OFFICERS AND CORPORATE INFORMATION

Board of Directors (in office until approval of the Separate Financial Statements as at 31 December 2020)

Name and Surname	Position
Roberto Olivi	Chairman
Enea Righi	Vice-Chairman and CEO
Ilaria Eugeniani	Director
Michele Magagna	Director
Umberto Zuliani	Director
Antonio Paglialonga	Director
Lino Zanichelli	Director
Antonio Aristide Mastrangelo	Independent Director
Paola Schwizer (1)-(2)-(3)	Independent Director
Romina Guglielmetti (1)-(2)	Independent Director
Chiara Mio (1)-(2)	Independent Director

(1) Member of the Nomination and Remuneration Committee; (2) Member of the Control and Risks Committee; (3) Lead Independent Director

Board of Statutory Auditors (in office until approval of the Separate Financial Statements as at 31 December 2019)

Name and Surname	Position
Gianfranco Milanese	Chairman
Anna Maria Fellegara	Statutory auditor
Simone Caprari	Statutory auditor
Chiara Ferretti	Alternate auditor
Paolo Alberini	Alternate auditor

Supervisory Body (in office until 2 February 2019)

Name and Surname	Position
Veronica Camellini	Chairwoman
Laura Verzellesi	Member
Francesco Magrini	Member

Independent Auditors (in office until approval of the Separate Financial Statements as at 31 December 2023)

Deloitte & Touche S.p.A. - Via Tortona, 25 - 20144 Milan

Registered office and company information

Servizi Italia S.p.A. Via S. Pietro, 59/b – 43019 Castellina di Soragna (PR) – Italy

Tel. +390524598511, Fax +390524598232, website: www.si-servizitalia.com;

Share Capital: Euro 31,809,451 fully paid-up

Tax Code and Parma Register of Companies no.: 08531760158; Certified Email: si-servizitalia@postacert.cedacri.it

Founded: 1986

Stock market listing: Borsa Italiana S.p.A MTA, electronic stock market, STAR segment

Ordinary Share ISIN: IT0003814537, BLOOMBERG: SRI IM, REUTERS: SRI.MI

LEI Code: 815600C8F6D5ACBA9F86

Investor Relations

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2 GROUP STRUCTURE

Servizi Italia S.p.A., registered offices in Castellina di Soragna (PR), listed in the STAR segment of the Borsa Italiana S.p.A. MTA stock exchange, is the leading Italian operator in the supply of integrated services for the wash-hire and sterilisation of textile materials and surgical instruments for hospital facilities. With a technologically advanced production platform broken down into laundering facilities, linen sterilisation centres, surgical instrument sterilisation centres and numerous wardrobes, the Company and its Italian and overseas subsidiaries forming the Servizi Italia Group, mainly provide a broad and diversified range of services for public and private healthcare facilities in central and northern Italy, in the state of São Paulo in Brazil, in Turkey, India, Albania and Morocco.

As at 30 September 2018, the Servizi Italia Group included the following Companies:

Company Name Parent Company and Subsidiaries	Registered Office	Share Capital	Interest of equity investments
Servizi Italia S.p.A.	Castellina di Soragna (Parma) - Italy	EUR 31,809,451	Parent
SRI Empreendimentos e Participações L.t.d.a.	City of São Paulo, State of São Paulo - Brazil	BRL 154,769,102	100%
Steritek S.p.A.	Malagnino (CR) - Italy	EUR 134,500	70%
Se.Sa.Tre. S.c.r.l. in liquidation	Genoa - Italy	EUR 20,000	60%
San Martino 2000 S.c.r.l.	Genoa - Italy	EUR 10,000	60%
Lavsim Higienização Têxtil S.A.	São Roque, State of São Paulo - Brazil	BRL 550,000	100%(*)
Maxlav Lavanderia Especializada S.A.	Jaguariúna, State of São Paulo - Brazil	BRL 2,825,060	50.1%(*)
Vida Lavanderias Especializada S.A.	Santana de Parnaíba, State of São Paulo - Brazil	BRL 3,600,000	50.1%(*)
Aqualav Serviços De Higienização Ltda	Vila Idalina, Poá, State of São Paulo - Brazil	BRL 15,400,000	100%(*)
Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Ltd Şirketi	Ankara – Turkey	TRY 5,000,000	55%
Ergülteks Temizlik Tekstil Ltd. Sti.	Smirne - Turkey	TRY 1,700,000	57.5%**

(*) Held through SRI Empreendimentos e Participações Ltda

***) Held through Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Ltd Şirketi

Company Name Associates and Jointly-Controlled Companies	Registered Office	Share Capital	Interest of equity investments
Arezzo Servizi S.c.r.l.	Arezzo - Italy	EUR 10,000	50%
PSIS S.r.l.	Padua - Italy	EUR 10,000,000	50%
Ekolav S.r.l.	Lastra a Signa (FI) - Italy	EUR 100,000	50%
Steril Piemonte S.c.r.l.	Turin - Italy	EUR 4,000,000	50%
AMG S.r.l.	Busca (CN) - Italy	EUR 100,000	50%
Sanitary Cleaning Sh.p.k.	Tirana – Albania	ALL 2,798,800	40%
Iniziativa Produttive Piemontesi S.r.l.	Turin - Italy	EUR 2,500,000	37.625%
Piemonte Servizi Sanitari S.c.r.l.	Turin - Italy	EUR 10,000	30%(*)
CO.SE.S S.c.r.l. in liquidation	Perugia - Italy	EUR 10,000	25%
SAS Sterilizasyon Servisleri A.Ş.	Istanbul - Turkey	TRY 6,742,000	51%
Shubhram Hospital Solutions Private Ltd.	New Delhi - India	INR 305,171,720	51%
Finanza & Progetti S.p.A.	Vicenza - Italy	EUR 550,000	50%
Brixia S.r.l.	Milan - Italy	EUR 10,000	23%
Saniservice Sh.p.k.	Tirana – Albania	ALL 2,745,600	30%
Servizi Sanitari Integrati Marocco S.a.r.l.	Casablanca - Morocco	MAD 122,000	51%
Sia Lavanderias S.A.	Manaus, State of Amazonas - Brazil	BRL 5,000,000	51%**
Steriliza Serviços de Esterilização S.A.	São Paulo - Brazil	BRL 2,000,000	51%**
Idsmed Servizi Pte. Limited	Singapore – Singapore	SGD 1,000,000	30%

(*) Indirect shareholding of 15.05% through Iniziativa Produttive Piemontesi S.r.l.

***) Held through SRI Empreendimentos e Participações Ltda

3 INTERIM REPORT

This interim report as at 30 September 2018 includes the condensed consolidated financial statements as at 30 September 2018 drafted in compliance with IAS 34 on interim financial reporting, as approved by Regulation (EC) No. 1606/2002. Moreover, in order to allow a better evaluation of the economic and financial performance, the following summary tables show some “Alternative performance indicators”, not provided by the IFRS International Accounting Standards. The footnotes of said tables indicate the calculation method used and the composition of these ratios, in line with the guidelines of the European Securities and Market Authority (ESMA).

Main consolidated income statement figures

The table below presents a comparison of the main consolidated income statement figures as at 30 September 2018 with the results as at 30 September 2017 (in thousands of Euros):

<i>(thousands of Euros)</i>	30 September 2018	30 September 2017	Change	Chg %
Revenues	186,583	186,973	(390)	-0.2%
Ebitda (a)	50,236	52,057	(1,821)	-3.5%
<i>Ebitda %</i>	26.9%	27.8%		
Operating Profit (Ebit)	13,062	12,033	1,029	8.6%
<i>Operating Profit (Ebit)%</i>	7.0%	6.4%		
Net Profit	10,307	10,416	(109)	-1.0%
<i>Net Profit %</i>	5.5%	5.6%		

- (a) The company management has defined EBITDA as the difference between the value of sales and services and operating costs before depreciation, amortization, impairment and provisions.

Main consolidated statement of financial position figures

The table below presents a comparison of the main consolidated statement of financial position figures as at 30 September 2018 with the figures as at 31 December 2017:

<i>(thousands of Euros)</i>	30 September 2018	31 December 2017	Change	Chg %
Net operating working capital (a)	10,026	10,934	(908)	-8.3%
Other current assets/liabilities (b)	(13,040)	(12,000)	(1,040)	8.7%
Net working capital	(3,014)	(1,066)	(1,948)	182.7%
Non-current assets – Medium/Long term provisions	216,950	218,353	(1,403)	-0.6%
Invested capital	213,936	217,287	(3,351)	-1.5%
Shareholders' equity (B)	134,356	141,639	(7,283)	-5.1%
Net financial debt (d) (A)	79,580	75,648	3,932	5.2%
Invested capital (c)	213,936	217,287	(3,351)	-1.5%
Gearing [A/(A+B)]	37.2%	34.8%		
Debt/Equity (A/B)	59.2%	53.4%		

- (a) Net operating working capital is not an accounting measurement under the IFRSs endorsed by the European Union. The Company management has defined net operating working capital as the algebraic sum of inventories, trade receivables and trade payables.
- (b) Other current assets/liabilities are calculated as the difference between other current assets, current tax receivables, current tax payables and other current liabilities.
- (c) The Company management has defined invested capital as the sum of Shareholders' equity and net financial debt.
- (d) The management has defined net financial debt as the sum of amounts Due to banks and other lenders net of Cash and cash equivalents and Current financial receivables.

Company information and business performance

As regards the business performance, during the first nine months of 2018, the Servizi Italia Group recorded an almost stable consolidated **turnover** (-0.2%) compared to the Interim Report as at 30 September 2017 (+2.6% based on constant exchange rates), with revenues from sales and services totally amounting to Euro 186,583 thousand.

Please note the following as regards revenue from sales and services by sector as at 30 September 2018 and 2017:

- revenue from wash-hire passed from Euro 142,926 thousand in the first nine months of 2017 to Euro 136,125 thousand, with a decrease of 4.8% mainly due to the slowdown in turnover from wash-hire services in Italy and the unfavorable exchange rate effect on revenues generated in Brazil (an area which, however, recorded a natural positive organic growth in local currency);
- revenue from linen sterilization services (steril B) (which account for 8.6% of Group revenues in absolute terms) increased by 16.3% from Euro 13,800 thousand in the first nine months of 2017 to Euro 16,044 thousand in the first nine months of 2018;
- revenue from sterilization services for surgical instruments (steril C) (18.4% of Group revenues) increased by 13.8% from Euro 30,247 thousand in the first nine months of 2017 to Euro 34,414 thousand in the first nine months of 2018.

It is important to point out that revenue coming from the Brazilian area are characterized by positive growth in local currency, equal to 6.2%, which, however, was negatively impacted by a devaluation of the Brazilian Real against the Euro by 17.7% (on the whole, this area recorded a negative net change in turnover of 11.5%).

The consolidated **EBITDA** went from Euro 52,057 thousand in the first nine months 2017 to Euro 50,236 thousand, with an incidence on revenues down to 26.9%, compared to 27.8% of the previous year. Despite a considerable reduction in logistics and consortium operating costs on the Italian area, it is worth noticing increases in the cost of personnel owing to the hiring of new personnel (in particular at the surgical instruments sterilization centers which started production in the second half of 2017) and to the maintenance of surgical instruments by some customers in the North-Eastern area.

The consolidated operating profit (**EBIT**) increased by +8.6% (+11.9% based on a constant exchange rate) compared to the same period in 2017, up from Euro 12,033 thousand to Euro 13,062 thousand. In relation to turnover, the EBIT margin is 7.0%, marking an improvement of 0.6% compared to the EBIT margin of 6.4% in the third quarter of 2017. This progress is attributable to a decrease in amortization/depreciation and impairment (by 1.5% in relative terms and 7.1% in absolute terms compared to the same period of the previous year) determined in particular (i) by the reduction in amortization relating to customer portfolios, (ii) by the closure in 2017 of the non-competition agreement with previous Chief Executive Officer and (iii) the placement of Se.Sa.Tre. S.c.r.l. in liquidation and simultaneous transfer of ownership of the plants, machinery and surgical equipment to the ULSS n. 2 Marca Trevigiana Company, following the allocation and start from the month of January of the new contract.

The financial management has witnessed a drop in financial income related, in particular, to the fact that, in the period of comparison, exchange gains related to the calculation of the final price for the purchase of the Ankateks group had

been recorded. Financial expenses increased compared to the same period of the previous year mainly owing to the consolidation of the Turkish companies (whose line-by-line consolidation started in the second half of 2017).

Taxes for the period amount to Euro 1,421 thousand, with an incidence on the pre-tax result of 12.1%, down compared to 20.4% in 2017 period of comparison due mainly to the tax benefits deriving, in the Italian area, from the deduction of the so-called “super-amortization and hyper-amortization” from company income, as required by the 2017 Budget Law (Law no. 232/2016).

Therefore, the consolidated interim financial report as at 30 September 2018 closed with a **net profit** of Euro 10,307 thousand, stable compared to the same period of the previous year (Euro 10,416 thousand).

Significant Events and Transactions

On 19 January 2018 and 31 January 2018 respectively, the Company provided information on the resignation presented by a Director and a Manager with strategic responsibilities. For further information, reference should be made to the documentation available on the Company's website.

On 29 March 2018, Servizi Italia S.p.A. communicated that it had set up a company under Brazilian law Sia Lavanderias S.A. to provide wash-hire services to public and private health facilities in the State of Amazonas, with the strategic goal of further consolidating the Group's presence in new geographic areas in Brazil. The company was set up as a joint venture with the Bringel Group, a local industrial partner operating diversified services on the Brazilian health market. Servizi Italia S.p.A. holds 51.0% of Sia Lavanderias S.A., despite not holding control of it, via its subsidiary SRI Empreendimentos e Participações L.t.d.a. For further information, reference should be made to the documentation available on the Company's website.

On 20 April 2018, the Shareholders' Meeting:

- Approved the financial statements as at 31 December 2017 and the distribution of a gross single dividend of Euro 0.17 per share outstanding on the coupon date, excluding treasury shares. The dividend was paid as from 3 May 2018, with ex-dividend date on 30 April 2018 (record date 2 May 2018) and was paid to the shares, which were in circulation as of the ex-dividend date;
- Appointed the members of the Board of Directors for the years 2018-2019-2020, and established the related remuneration;
- Authorised the Board of Directors to purchase and sell treasury shares, subject to revocation of the resolution dated 20 April 2017.

The Board of Directors' meeting, held on 20 April 2018, appointed the Vice President and CEO of the Company, as well as the members of the Control and Risk Committee and the Nomination and Remuneration Committee, the Lead Independent Director and the Director responsible for Internal control and risk management. The Board of Directors has further reached a resolution on the start, on 23 April 2018, of a programme of treasury share purchases that aim to set up a “security warehouse”, in order to implement the decision reached by the Ordinary Shareholder's Meeting.

On 19 June 2018, Servizi Italia S.p.A. reached an agreement with the Asian group IDS Medical Systems Group Ltd. for the establishment of a corporate vehicle with registered office in Singapore called IdsMED Servizi Pte Ltd, which will

have the objective of identifying and developing new business opportunities in sterilisation and wash-hire services for Healthcare in the Asia-Pacific area. Additional information on the event is available on the Company's website.

On 16 July 2018, the company announced that it purchased a 40.0% stake in Sanitary Cleaning Sh.p.k., an Albanian company that provides laundry and cleaning services for the public and private sector, hospitals and hotels in Albania. Additional information on the event is available on the Company's website.

On 3 September 2018, Servizi Italia announced to have signed a pre-agreement with the company Lavanderia Bolognini M&S S.r.l, a company active in the provision of washing and rental services for private hotel, restaurant and tourism facilities, mainly in north-western Italy, for the acquisition of a company branch. This operation will allow multiple benefits because of the presence of Servizi Italia in the Trentino Alto Adige region, in terms of social sustainability and diversification of the activities in the wash-hire sector for private hotel, restaurant and tourism facilities. Additional information on the event is available on the Company's website.

The main characteristics of the awarded contracts in Italy, which have an annual contract value of more than Euro 50 thousand, are provided below:

Customer	Service provided	Duration years	Contract value per year (thousands of Euros)
Kos Care Srl	Linen and professional garment rental wash-hire services	3.5	2,800
ASL ROMA 4 and 5	Supply of TTR sterile sets	1	812
Terme di Comano (TN) (awarded as part of a temporary joint consortium)	Laundry service	1	117
ULSS 7 Bassano del Grappa (awarded as part of a temporary joint consortium)	Rental of surgical instruments and sterilisation accessories, management and maintenance of medical devices and accessories	9	199
Ospedale San Raffaele (Milano)	Wash-hire service	1	1,600
ASL Viterbo (awarded as part of a temporary joint consortium)	Sterilization service with instruments renting and associated activities	3	573
ASL Novara – Borgomanero (awarded as part of a temporary joint consortium)	Laundry service and renting of Personal Protective Equipment	6	275
Azienda ospedaliera Ospedali riuniti Villa Sofia Cervello di Palermo	Sterilization and associated activities. Supply of sterile sets (non-woven textile or reusable technical textile) for operating theaters	1	435
A.S.C.A. Azienda Speciale Consortile Agordina	Wash-hire service	2	67
PO Prato (through GE.SAT. Scarl)	Wash-hire service	5	1,120
PO Prato (through GE.SAT. Scarl)	Sterilization service	5	700
PO Pistoia (through GE.SAT. Scarl)	Wash-hire service	5	846

Significant events after the end of the quarter

On 1 October 2018, Servizi Italia announces to have acquired a company branch from the company Lavanderia Bolognini M&S S.r.l, including in particular: customer portfolio, employees, payables to employees, linen and textiles, trolleys used for linen transport, brand and contracts with transport providers and goodwill. Through this operation, Servizi Italia will diversify its activity in the high quality wash-hire sector for private tourism facilities in North-Eastern Italy and estimates an increase of Euro 5.3 million (equal to the revenues registered in 2017 by the Business Branch) in its annual turnover. Additional information is available on Company's website.

On 9 October, the Company acquired an additional 15% of Maxlav Lavanderia Especializada S.A. and Vida Lavanderia Especializada S.A. for a total amount of Euro 1.34 million, according to the outstanding contractual agreements. For this reason, Servizi Italia's participation (through SRI Empreendimentos e Participações Ltda) is now equal to 65.1%.

As at 12 November 2018, the Company acquired a total of 249,880 treasury shares on the market regulated and managed by Borsa Italiana, equal to 0.786% of the share capital.

Business outlook

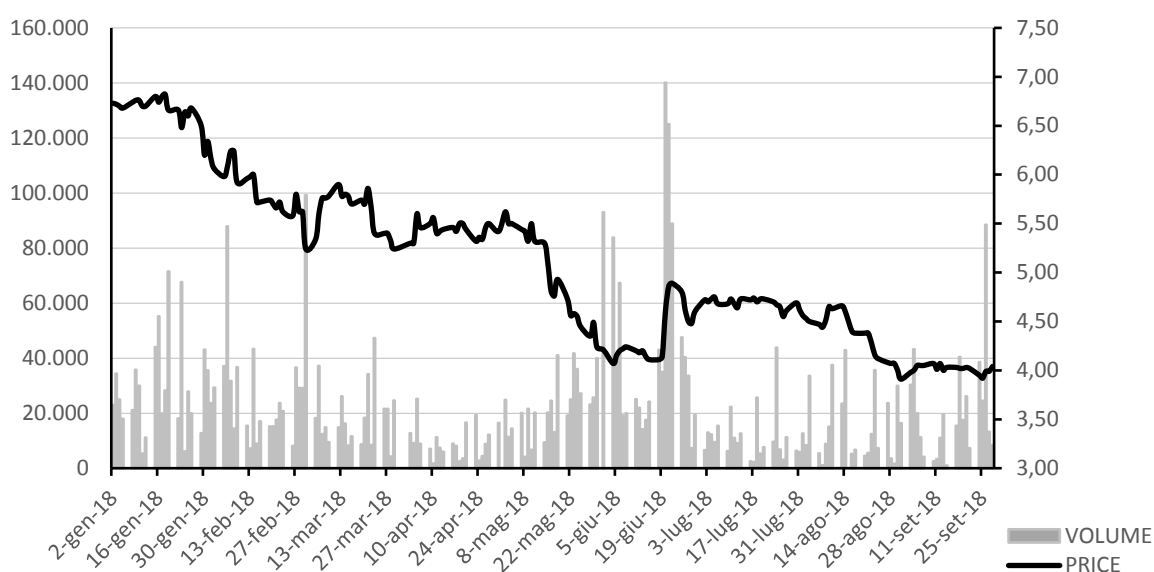
The results achieved in the third quarter of 2018 confirm the estimates and income statement and cash flow projections set forth in the plan. The Group, for the year 2018, expects to strengthen its positioning in Brazil and in other areas of the countries where it operates; as well as recording a favourable evolution of revenues and of the main profitability indicators. These objectives shall be achieved thanks to investments designed to increase production capacity, diversify business and to promote organic growth, continuing to focus on management and organisational execution.

Servizi Italia and financial markets

The Company shares have been traded on the STAR segment of the Borsa Italiana S.p.A. electronic stock market since 22 June 2009. The main share and stock exchange data as at 30 September 2018 are reported below along with share volume and price trends (in Euros):

Share and stock exchange data	30 September 2018
No. of shares making up the share capital	31,809,451
Price at IPO: 4 april 2007	8.50
Price as at 30 september 2018	4.04
Maximum price during the period	6.82
Minimum price during the period	3.91
Average price during the period	5.10
Volumes traded during the period	4,337,846
Average volumes during the period	22,952

Share volumes and prices from up to 30 September 2018



During the period, the Investor Relations team held several individual and group meetings with analysts and investors and also organised guided tours of the production sites of sterilisation centres and industrial laundering sites for shareholders and potential investors who so requested. During the reference period, the Company met with investors at the “STAR Conference” event in Milan organised by Borsa Italiana. Servizi Italia appointed Midcap Partners (Appointed rep by Louis Capital Markets UK, LLP) to conduct a research study, published on the Company’s website together with that of Specialist Intermonte SIM.

Other information

The Directors acknowledge that the company took the necessary measures to ensuring the company’s compliance with the provisions of Regulation EU 2016/679 (“GDPR”) and the applicable national legislation governing personal data protection. In particular, given the company does not fall under the cases of mandatory appointment of a DPO indicated by GDPR, in order to guarantee proof of its accountability, Servizi Italia S.p.A. appointed a Chief Privacy Officer who, with the appropriate organisational model, will have the task of monitoring and providing support and consultancy to all company functions regarding the application and observance of the GDPR and the applicable legislation governing personal data protection.

Servizi Italia S.p.A, pursuant to article 3 of the Consob Resolution no. 18079 of 20 January 2012, decided to join the out-put regime set forth in article 70, paragraph 8, and 71, paragraph 1 bis, of the Consob Regulations n. 11971/99 (as amended), availing itself of the right to derogate from the obligation to publish the information documents as set forth in annex 3B of the above mentioned Consob Regulations when carrying out significant merging, demerging, share capital increases through contributions in kind, acquisitions and transfer operations.

With reference to the changes made in 2016 to the regulatory framework, Servizi Italia S.p.A. will publish the additional periodical information notwithstanding the obligations set forth for the issuers listed in the STAR segment, as specified in article 2.2.3, par. 3, of the Regulations of the Markets organised and managed by Borsa Italiana S.p.A. and in the notice no. 7578 issued by Borsa Italiana on 21 April 2016.

The Chairman of the Board of Directors
(Roberto Olivi)

4 ACCOUNTING SCHEDULES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(thousands of Euros)</i>	30 September 2018	31 December 2017
ASSETS		
Non-current assets		
Property, plant and equipment	125,620	124,172
Intangible assets	4,202	4,638
Goodwill	64,038	70,784
Equity-accounted investments	24,799	22,257
Equity investments in other companies	3,612	3,612
Financial receivables	7,189	6,987
Deferred tax assets	1,948	2,112
Other assets	6,379	5,281
Total non-current assets	237,787	239,843
Assets held for sale	-	334
Current assets		
Inventories	6,008	5,915
Trade receivables	77,117	74,539
Current tax receivables	1,519	1,972
Financial receivables	8,151	7,946
Other assets	9,613	10,703
Cash and cash equivalents	6,814	7,999
Total current assets	109,222	109,074
TOTAL ASSETS	347,009	349,251
SHAREHOLDERS' EQUITY AND LIABILITIES		
Group shareholders' equity		
Share capital	31,675	31,799
Other reserves and retained earnings	90,661	93,506
Profit (Loss) for the period	9,825	13,770
Total shareholders' equity attributable to shareholders of the parent	132,161	139,075
Total shareholders' equity attributable to non-controlling interests	2,195	2,564
TOTAL SHAREHOLDERS' EQUITY	134,356	141,639
LIABILITIES		
Non-current liabilities		
Due to banks and other lenders	33,202	40,210
Deferred taxes liabilities	1,864	2,645
Employee benefits	10,464	10,322
Provisions for risks and charges	2,946	2,447
Other financial liabilities	5,563	6,076
Total non-current liabilities	54,039	61,700
Current liabilities		
Due to banks and other lenders	61,343	51,383
Trade payables	73,099	69,854
Current tax payables	174	157
Employee benefits	-	877
Other financial liabilities	4,490	5,176
Other payables	19,508	18,465
Total current liabilities	158,614	145,912
TOTAL LIABILITIES	212,653	207,612
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	347,009	349,251

CONSOLIDATED INCOME STATEMENT

<i>(thousands of Euros)</i>	30 September 2018	30 September 2017
Sales revenues	186,583	186,973
Other income	3,902	3,148
Raw materials and consumables	(19,550)	(18,827)
Costs for services	(56,845)	(56,770)
Personnel expense	(62,700)	(61,217)
- of which non recurrent	-	(557)
Other costs	(1,154)	(1,250)
Depreciation, amortization, write-downs, impairment and provisions	(37,174)	(40,024)
Operating profit	13,062	12,033
Financial income	1,500	1,707
Financial expenses	(2,627)	(1,543)
Income/(Expense) from equity investments in other companies	143	711
Revaluation/Impairment of equity-accounted investments	(350)	184
Profit before tax	11,728	13,092
Current and deferred taxes	(1,421)	(2,676)
- of which non recurrent	-	(134)
Profit (Loss) of the period	10,307	10,416
of which: Attributable to shareholders of the parent	9,825	10,088
Attributable to non-controlling interests	482	328

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(thousands of Euros)</i>	30 September 2018	30 September 2017
Profit (Loss) of the period	10,307	10,416
<i>Other comprehensive income that will not be reclassified to the Income Statement</i>		
Actuarial gains (losses) on defined benefit plans	-	-
Income taxes on other comprehensive income	-	-
<i>Other comprehensive income that may be reclassified to the Income Statement</i>		
Gains (losses) from translation of foreign financial statements	(11,020)	(3,195)
Portion of comprehensive income of the investments measured using the equity method	(232)	-
Income taxes on other comprehensive income	-	-
Total other comprehensive income after taxes	(11,252)	(3,195)
Total comprehensive income for the period	(946)	7,221
of which: Attributable to shareholders of the parent	(852)	6,997
Attributable to non-controlling interests	(94)	224

CONSOLIDATED NET FINANCIAL POSITION

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017	as at 30 September 2017
Cash and cash equivalents in hand	51	49	43
Cash at bank	6,763	7,950	8,095
Cash and cash equivalents	6,814	7,999	8,138
Current financial liabilities	8,151	7,946	7,898
Current liabilities to banks and other lenders	(61,343)	(51,383)	(59,294)
Current net financial debt	(53,192)	(43,437)	(51,396)
Non-current liabilities to banks and other lenders	(33,202)	(40,210)	(37,958)
Non-current net financial debt	(33,202)	(40,210)	(37,958)
Net financial debt	(79,580)	(75,648)	(81,216)

5 EXPLANATORY NOTES

5.1 Introduction

The Interim Report as at 30 September 2018 has been drafted in compliance with Art. 154-ter of the Consolidated Law on Finance.

The accounting principles and criteria adopted to prepare this Interim Report as at 30 September 2018, which has not been audited, are the same as those used to prepare the annual financial statements, except for accounting principles, amendments and IFRS interpretations applied by the Group for the first time from 1 January 2018, as already described in the Half-Year Financial Report as at 30 June 2018. As required by Consob Communication No. DEM/5073567 of 4 November 2005, the Company has exercised the option to provide less detail than required under IAS 34 (Interim Financial Reporting).

The subsidiaries San Martino 2000 S.c.r.l, Se.Sa.Tre. S.c.r.l. in liquidation, Steritek S.p.A, SRI Empreendimentos e Participações Ltda (parent company of: Lavsim Higienização Têxtil S.A., Maxlav Lavanderia Especializada S.A., Vida Lavanderias Especializada S.A. and Aqualav Serviços De Higienização Ltda) are all consolidated line-by-line, as well as Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Ltd Şirketi (parent company of Ergülteks Temizlik Tekstil Ltd. Sti).

The estimation criteria used to prepare the Interim Report are basically the same as those applied in the Annual Financial Statements.

This Interim Report is approved by the Board of Directors on 14 November 2018.

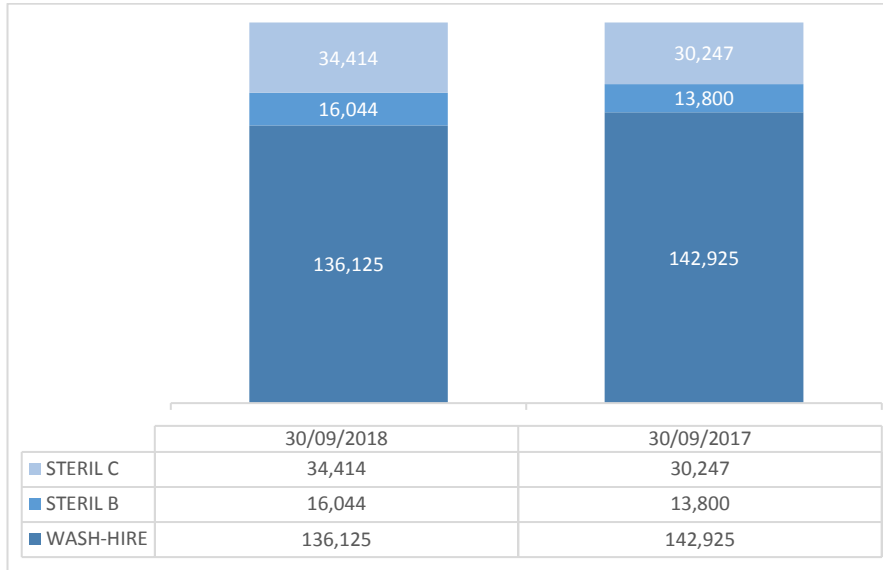
5.2 Performance by business segment and geographical area

Revenues from sales and services of Servizi Italia Group are shown below divided by business line for periods ending on 30 September 2018 and 30 September 2017.

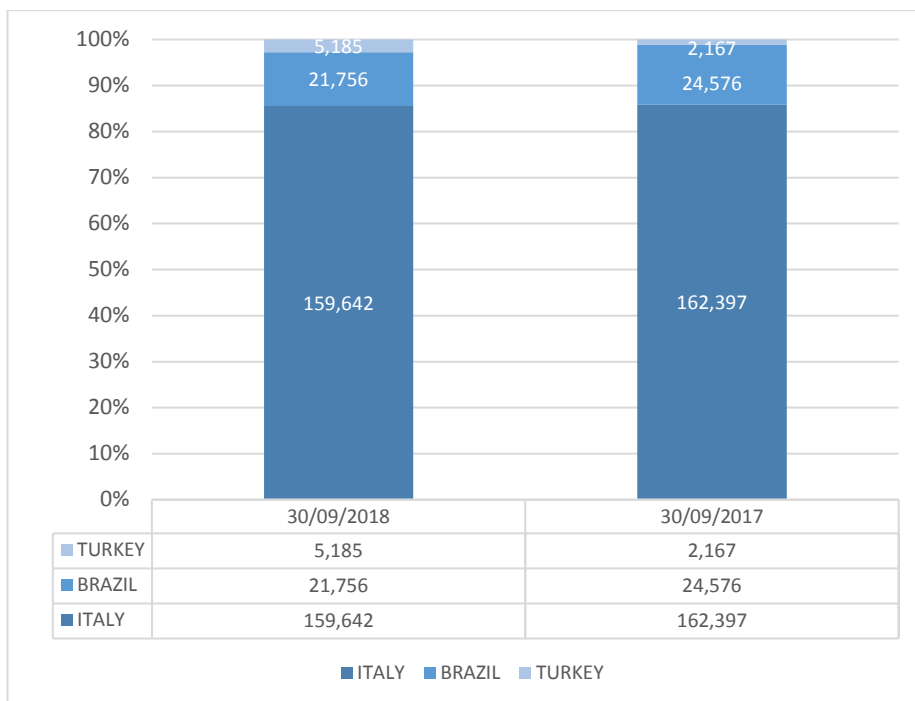
<i>(thousands of Euros)</i>	30 September 2018	%	30 September 2017	%	Changes
Wash-hire	136,125	73.0%	142,926	76.4%	-4.8%
Linen Sterilization (STERIL B)	16,044	8.6%	13,800	7.4%	16.3%
Surgical instrument sterilization (STERIL C)	34,414	18.4%	30,247	16.2%	13.8%
Sales revenue	186,583	100.0%	186,973	100.0%	-0.2%

- revenue from wash-hire passed from Euro 142,926 thousand in the first nine months of 2017 to Euro 136,125 thousand, with a decrease of 4.8% mainly due to the slowdown in turnover from wash-hire services in Italy and the unfavorable exchange rate effect on revenues generated in Brazil (however, the area recorded a natural positive organic growth in local currency);
- revenue from linen sterilization services (steril B) (which account for 8.6% of Group revenues in absolute terms) increased by 16.3% from Euro 13,800 thousand in the first nine months of 2017 to Euro 16,044 thousand in the first nine months of 2018;
- revenue from sterilization services for surgical instruments (steril C) (18.4% of Group revenues) increased by 13.8% from Euro 30,247 thousand in the first nine months of 2017 to Euro 34,414 thousand in the first nine months of 2018.

The graph below shows the details of revenue by business line:



The table below shows revenue from sales and services of the Group by region, broken down by geographical area, for the periods ending on 30 September 2018 and 2017:



5.3 Notes on the main changes in the statement of financial position

Property, plant and equipment

Changes in property, plant and equipment and the associated accumulated depreciation are shown in the table below.

<i>(thousands of Euros)</i>	Land and buildings	Plant and machinery	Returnable assets	Equipment	Other assets	Assets under construction	Total
Historical cost	7,088	131,312	32,137	62,106	136,051	2,298	370,992
Accumulated depreciation	(2,148)	(85,906)	(20,111)	(46,009)	(92,646)	-	(246,820)
Balance as at 31 December 2017	4,940	45,406	12,026	16,097	43,405	2,298	124,172
Translation differences	(226)	(1,953)	(221)	(63)	(948)	(35)	(3,446)
Increases	34	3,676	557	2,219	29,430	6,499	42,415
Decreases	(1)	(178)	-	(103)	(1,120)	(215)	(1,617)
Amortization	(149)	(5,581)	(1,732)	(3,802)	(24,640)	-	(35,904)
Write-downs (reinstatements)	-	-	-	-	-	-	-
Reclassifications	4	862	23	17	91	(997)	-
Balance as at 30 September 2018	4,602	42,232	10,653	14,365	46,218	7,550	125,620
Historical cost	6,864	131,250	32,361	63,059	158,968	7,550	400,052
Accumulated depreciation	(2,262)	(89,018)	(21,708)	(48,694)	(112,749)	-	(274,431)
Balance as at 30 September 2018	4,602	42,232	10,653	14,365	46,218	7,550	125,620

Concerning the first nine months of 2018, the increase in item "Other assets" mainly refers to investments in linen (Euro 28,477 thousand), to ensure increasingly more efficient inventory management, both for partial renewal of contracts and for the first supply relating to contracts acquired during the period in question.

The increase in item "Assets under construction" (Euro 6,499 thousand) refers to investments under way for:

- construction or restructuring of surgical instruments sterilization centers (Euro 1,690 thousand) and, in particular, construction of a new CSSD at ASST Valle Olona for the hospital facility of Busto Arsizio and refurbishment of the new CSSD at Columbus Private Hospital in Milan;
- supply and adjustment of machineries and plants for washing lines (Euro 1,085 thousand by Servizi Italia, Euro 1,380 thousand by Aqualav Serviços De Higienização Ltda and Euro 1,707 thousand by Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Anonim Şirketi).

The increase in item "Plant and Machinery", equal to Euro 3,676 thousand, mainly concern investments made by Servizi Italia S.p.A. (Euro 2,051 thousand) and Aqualav Serviços De Higienização Ltda (Euro 914 thousand).

Intangible assets

This item changed as follows:

<i>(thousands of Euros)</i>	Trademarks, Software and Patent and intellectual property rights	Customer contracts portfolio	Other intangible assets	Assets under construction and payments on account	Total
Historical cost	4,662	7,435	1,016	48	13,161
Accumulated depreciation	(3,986)	(3,521)	(1,016)	-	(8,523)
Balance as at 31 December 2017	676	3,914	-	48	4,638
Translation differences	(43)	-	-	-	(43)
Increases	310	-	-	137	447
Decreases	-	-	-	(3)	(3)
Depreciation	(324)	(513)	-	-	(837)
Write-downs (reinstatements)	-	-	-	-	-

Reclassifications	2	-	-	(2)	-
Balance as at 30 June 2018	621	3,401	-	180	4,202
Historical cost	4,852	7,466	-	180	12,498
Accumulated depreciation	(4,231)	(4,065)	-	-	(8,296)
Balance as at 30 September 2018	621	3,401	-	180	4,202

The increase in intangible assets mainly concerns software investments (Euro 310 thousand, of which Euro 271 thousand in Italy and Euro 24 thousand in Brazil).

Goodwill

Goodwill is allocated to the Servizi Italia Group's cash generating units identified on the basis of geographical area, which reflects the areas of operation of the companies acquired over the years.

Goodwill is allocated by geographical area as follows:

<i>(Thousands of Euros)</i>	as at 31 December 2017	Increases/ (Decreases)	Translation differences	as at 30 September 2018
CGU Italy	45,364	-	-	45,364
CGU Turkey	15,066	-	(5,232)	9,834
CGU Brazil	10,354	-	(1,514)	8,840
Total	70,784	-	(6,746)	64,038

The change in the period is entirely attributable to exchange differences from the translation into Euros of goodwill arising from acquisitions in Brazil and Turkey. At the date of approval of this interim report, no facts or events have taken place that may indicate an impairment loss in the goodwill recognized and tested for impairment at the end of 2017.

Equity-accounted investments

This item changed as follows:

<i>(thousands of Euros)</i>	Changes as at 30 september 2018					
	1 January 2018	Increases	Decreases	Revaluations	Impairment	30 September 2018
Associates and jointly-controlled companies						
Saniservice Sh.p.k.	(45)	-	-	714	-	669
Finanza & Progetti S.p.A.	9,250	-	(232)	-	(21)	8,997
Brixia S.r.l.	2,990	-	-	-	(106)	2,884
Arezzo Servizi S.c.r.l.	5	-	-	-	-	5
CO.SE.S S.c.r.l.in liquidation	3	-	-	-	-	3
PSIS S.r.l.	3,898	-	-	11	-	3,909
Ekolav S.r.l.	115	-	-	40	-	155
Steril Piemonte S.c.r.l.	1,973	-	-	-	-	1,973
AMG S.r.l.	2,395	-	(121)	110	-	2,384
Iniziativa Produttive Piemontesi S.r.l.	1,154	-	-	-	(25)	1,129
SE.STE.RO. S.r.l. in liquidation	114	-	(100)	-	(14)	-
Piemonte Servizi Sanitari S.c.r.l.	3	-	-	-	-	3
Servizi Sanitari Integrati Marocco S.a.r.l.	84	-	-	1	-	85
SAS Sterilizasyon Servisleri A.Ş.	466	306	-	-	(219)	553
Shubhram Hospital Solutions Private Ltd	(148)	228	-	-	(787)	(707)
Sia Lavanderias S.A.	-	550	-	-	(32)	518
Steriliza Serviços de Esterilização S.A.	-	65	-	-	(21)	45

Idsmed Serviziplus Pte. Ltd	-	188	-	-	(13)	175
Sanitary Cleaning Sh.p.k.	-	1,300	-	12	-	1,312
Total	22,257	2,638	(453)	888	(1,238)	24,092
of which provisions for risk and charges						(707)
of which equity investments in associates and jointly controlled companies						24,799

The increase in investments mainly comes from: acquisition of 40.0% of Sanitary Cleaning Sh.p.k, an Albanian company offering cleaning and wash-hire services in public and private healthcare and hotel sectors in Albania; conversion of shareholders' loan to share capital in company SAS Sterilizasyon Servisleri A.Ş. for Euro 306 thousand; share capital increase of Shubhram Hospital Solutions Private Limited; share capital payment for the establishment of the two new Brazilian companies Sia Lavanderias S.A. and Steriliza Serviços de Esterilização S.A.

The revaluations and write-downs include the portions of profits and losses recorded by the investees in the period.

With reference to the equity investment in Shubhram Hospital Solutions Private Limited, in consideration of the commitments assumed with the local Indian partner, the portion of losses exceeding the value of the equity investment was booked to the item "Provisions for risks and charges".

Other non-current assets

The item is broken down as follows:

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
Substitute Italian tax D.L. 185/2008 subsequent years	4,106	2,885
Receivables for IRES reimbursement request pursuant to Art. 2 par. 1-quater Italian D.L. n. 201	175	175
Aqualav receivable, in escrow account	1,724	2,019
Other non-current assets	374	202
Total	6,379	5,281

The variation of this item mainly comes from payment of Euro 1,648 thousand of the substitute Italian tax according to art. 15, co. 10-12 of D.L. 185/08, in order to obtain the tax recognition of the goodwill values of former Tintoria Lombarda Divisione Sanitaria Srl. This substitute tax was recognized as an advance on current taxes and will be released to the income statement over the period in which the company will benefit from the tax deductions related to the aforementioned goodwill.

Trade receivables

Trade receivables amount to Euro 77,117 as at 30 September 2018, up by Euro 2,578 thousand compared to the same period in 2017. During the first nine months of 2018, the Servizi Italia Group carried out some transactions involving the disposal of receivables, as described below:

- transfer without recourse to Credemfactor S.p.A of Euro 40,418 in trade receivables for consideration of Euro 40,328 thousand;
- transfer without recourse to Unicredit Factoring S.p.A of Euro 28,491 in trade receivables for consideration of Euro 28,440 thousand.

Other current assets

The item is broken down as follows:

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
Due from others	7,348	9,623
Prepayments	2,050	956
Guarantee deposits receivable	183	120
Accrued income	32	4
Total	9,613	10,703

The item “due from others” is composed of the receivables of the subsidiaries Se.Sa.Tre. S.c.r.l. in liquidation and San Martino 2000 S.c.r.l. from the consortium company Servizi Ospedalieri S.p.A. in the amount of Euro 1,554 thousand, the VAT receivable for Euro 4,609 thousand (Euro 4,509 as at 31 December 2017) and, for the remaining part, mainly by advances and receivables from social security and welfare institutions, all collectable within the year. Prepayments increased primarily as a result of rentals and insurance premiums that were recognized at the beginning of the year. The item “guarantee deposits receivable” refers to energy utilities and rentals.

SHAREHOLDERS' EQUITY

As at 30 September 2018, shareholders' equity totaled Euro 134,356 thousand (including Euro 2,195 thousand attributable to third parties) compared to Euro 141,639 thousand (including Euro 2,564 thousand attributable to third parties) as at 31 December 2017.

As at 30 September 2018, the fully subscribed and paid-up share capital of Servizi Italia S.p.A. is broken down into 31,809,451 ordinary shares with a nominal amount of Euro 1 each. In the period, the Group distributed dividends for a total amount equal to Euro 5,681 thousand. In addition, note should be taken of the negative impact, for Euro 11,020 thousand, on the translation reserves of the equity of the companies as a result of the devaluation of the Brazilian Real/Euro (for Euro 4,893 thousand) and the Turkish Lira/Euro (for Euro 6,127 thousand).

As at 30 September 2018, the Company holds 134,684 treasury shares, equal to 0.42% of the share capital, with an average book value of Euro 4.39 per share, for a countervalue of Euro 591 thousand. The value of treasury shares was classified as a decrease in share capital for the nominal value of the same, for Euro 135 thousand, and as a reduction of the share premium reserve for the excess of the purchase value compared to the nominal value, equal to Euro 456 thousand.

Non-current liabilities to banks and other lenders

Non-current payables to banks and other lenders show a decrease from Euro 40,210 thousand as at 31 December 2017 to Euro 33,202 thousand as at 30 September 2018. This decrease, equal to Euro 7,008 thousand, is linked to the repayment of overdue mortgage installments in progress for the period, the early termination of the loan signed on 2 November 2015 with Banca Popolare di Milano S.Coop. at r.l. (residual debt of Euro 9,094 thousand) and with natural maturity on 31 March 2021 and the signing of a new unsecured loan with Banco BPM S.p.A. worth Euro 20,000 thousand (debt remaining over 12 months equal to Euro 14,444 thousand), aimed at maintaining a balance between short- and medium-term debt.

Current liabilities to banks and other lenders

Payables to banks and other current lenders increased from Euro 51,383 thousand at 31 December 2017 to Euro 61,343 thousand at 30 September 2018. The increase in the balance of Euro 9,960 thousand was determined by greater recourse to self-liquidating credit lines.

Trade payables

The item is broken down as follows:

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
Due to suppliers	64,022	62,051
Due to associates	2,676	2,877
Due to parent company	5,215	4,013
Payables to companies under the control of the parent companies	1,186	913
Total	73,099	69,854

Other current payables

The table below provides a breakdown of other current liabilities:

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
Accrued liabilities	125	202
Deferred income	389	435
Social security contributions	4,670	5,359
Other payables	14,324	12,469
Total	19,508	18,465

Other payables

The item is broken down as follows:

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
Due to employees	12,008	9,457
Employee/professional IRPEF (personal income tax) payable	1,442	2,219
Other payables	874	793
Total	14,324	12,469

5.4 Notes on the main changes in the income statement

Raw materials and consumables

As at 30 September 2018, the consumption of raw materials, equal to Euro 19,550 thousand, up by Euro 723 thousand compared to the same period of the previous year, is mainly due to washing products, chemical products, packaging, consumables, spare parts, disposables and procedural kits for new customers acquired in 2018 and the start-up of new sterilization plants.

Costs for services

The item is broken down as follows:

<i>(thousands of Euros)</i>	From 1 January to 30 September	
	2018	2017
External laundering and other industrial services	(17,077)	(16,593)

Travel and transport	(9,621)	(10,657)
Utilities	(8,375)	(8,598)
Administrative costs	(1,886)	(1,736)
Consortium and sales costs	(5,646)	(6,436)
Personnel expense	(2,135)	(1,817)
Maintenance	(5,573)	(4,314)
Use of third-party assets	(5,425)	(5,401)
Other services	(1,107)	(1,218)
Total	(56,845)	(56,770)

The item “Costs for services” remains quite stable within the period (Euro +75 thousand compared to the same period of the previous year), however, highlighting some differences between the various items.

Costs for external laundry services and other industrial services passed from Euro 16,593 thousand as at 30 September 2017 to Euro 17,077 thousand as at 30 September 2018. This item is affected by the increase of costs for third party services such as consultancy and technical services.

Costs for travel and transport showed a reduction of Euro 1,036 thousand compared to 30 September 2017. This reduction is particularly evident in the Italian area where the contracts of some customers have changed after the awarding of new contracts by the Liguria Region.

Consortium and commercial costs dropped from Euro 6,436 thousand as at 30 September 2017 to Euro 5,646 thousand as at 30 September 2018. The reduction in the item is mainly due to lower consortium costs referring to IRCCS AOU San Martino of Genoa and the Azienda Ospedaliera San Giovanni in Rome.

The item “maintenance” mainly reflects increases on maintenance of surgical instruments, for Euro 1,259 thousand, in North-Eastern Italy.

Personnel expense

The item is broken down as follows:

<i>(thousands of Euros)</i>	From 1 January to 30 September	
	2018	2017
Costs for directors' fees	(1,152)	(1,185)
Salaries and wages	(43,347)	(42,091)
Temporary work	(1,667)	(1,955)
Social security charges	(13,814)	(13,427)
Employee severance indemnity	(2,542)	(2,381)
Other costs	(178)	(178)
Total	(62,700)	(61,217)

Personnel costs increased from Euro 61,217 thousand as at 30 September 2017 to Euro 62,700 thousand as at 30 September 2018. The period was affected by the consolidation of Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Anonim Şirketi for Euro 918 thousand and of Steritek S.p.A. for Euro 685 thousand. Furthermore, the Italian area is affected by increases in personnel costs for the recruitment of new employees, in particular for the CSSDs in Bergamo, Florence and Varese, starting from the second half of 2017, as well as for hiring new staff. On the other side, the Brazilian area registers a reduction in personnel costs, equal to Euro 1,388 thousand, mainly due to the effect of the devaluation of the average Real/Euro exchange rate compared to the same period of the previous year.

The table below shows the average breakdown of personnel:

	as at 30 September 2018	as at 30 September 2017
Executives	15	17
Middle managers	37	24
White-collar staff	232	230
Blue-collar staff	3,247	3,213
Total	3,531	3,484

Depreciation and amortization

The item is broken down as follows:

<i>(thousands of Euros)</i>	From 1 January to 30 September	
	2018	2017
Amortization of intangible assets	(837)	(1,280)
Depreciation of property, plant and equipment	(35,904)	(38,091)
Write-down of receivables	(433)	(653)
Total	(37,174)	(40,024)

The decrease in amortization of intangible assets is due to less amortization relating to the customer portfolios and closing in 2017 of the non-competition clause of the previous Chief Executive Officer. The depreciation of property, plant and equipment decreased from Euro 38,091 thousand to Euro 35,904 thousand. The decrease was mainly determined by the placement into liquidation of the consortium company Se.Sa.Tre. S.c.r.l. and the simultaneous transfer of ownership of plants, machinery and surgical equipment to the ULSS n. 2 Marca Trevigiana.

The reduction in the item “write-downs and provisions” is due to a lower impairment of receivables set at 30 September 2018 compared to 30 September 2017.

Financial income

The item is broken down as follows:

<i>(thousands of Euros)</i>	From 1 January to 30 September	
	2018	2017
Bank interest income	264	233
Default interest	557	568
Interest income on loans to third party companies	508	498
Exchange rate earnings and losses	171	285
Other financial income	-	123
Total	1,500	1,707

Financial expenses are composed as follows:

<i>(thousands of Euros)</i>	From 1 January to 30 September	
	2018	2017
Interest expense and bank commission	(1,284)	(840)
Interest and expense to other lenders	(152)	(184)
Financial expense on employee benefits	(61)	(65)
Exchange rate losses	(532)	-
Other financial expenses	(598)	(454)
Total	(2,627)	(1,543)

The increase in interest expenses and bank commissions is connected to a significant increase of interest indexes of Turkish financial market. Exchange rate losses are the result of the devaluation of the Euro/Real and the Euro/Turkish Lira exchange rates.

5.5 Consolidated net financial position

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017	as at 30 September 2017
Cash and cash equivalents in hand	51	49	43
Cash at bank	6,763	7,950	8,095
Cash and cash equivalents	6,814	7,999	8,138
Current financial receivables	8,151	7,946	7,898
Current liabilities to banks and other lenders	(61,343)	(51,383)	(59,294)
Current net financial debt	(53,192)	(43,437)	(51,396)
Non-current liabilities to banks and other lenders	(33,202)	(40,210)	(37,958)
Non-current net financial debt	(33,202)	(40,210)	(37,958)
Net financial debt	(79,580)	(75,648)	(81,216)

The reduction in availability in bank current accounts (equal to Euro 1,185 thousand compared to 31 December 2017) is essentially due to the decrease in cash on the Turkish subsidiary Ankateks Turizm İnşaat Tekstil Temizleme Sanayi ve Ticaret Anonim Şirketi, whose resources have been used to finance the Group growth in Turkey.

It should be noted that item “current payables to banks and other lenders” is up by Euro 9,960 thousand compared to 31 December 2017 as a result of a wider use of self-liquidating credit lines.

Item “Non-current payables to banks and other lenders” shows a decrease of Euro 7,008 thousand as a result of the mortgage repayments for the period, of the early repayment of the loan signed with Banca Popolare di Milano S.Coop.a r.l. and the signing of a new unsecured loan with Banco BPM S.p.A. as already specified in the dedicated paragraph.

The net financial position below has been prepared in accordance with CESR, now ESMA, recommendation of 10 February 2005, and also reports the value of “Other current financial liabilities” in “Other current financial payables” and the value of “Other non-current financial liabilities” in “Other non-current payables”.

<i>(thousands of Euros)</i>	as at 30 September 2018	as at 31 December 2017
A. Cash	51	49
B. Other cash equivalents	3,763	7,950
C. Securities held for trading	-	-
D. Cash and cash equivalents (A)+(B)+(C)	6,814	7,999
E. Current financial receivables	8,151	7,946
F. Current bank borrowings	(32,676)	(18,856)
G. Current portion of non-current borrowings	(28,667)	(32,527)
H. Other current financial payables	(4,490)	(5,176)
I. Current financial debt (F)+(G)+(H)	(65,833)	(56,559)
J. Current net financial debt (I)-(E)-(D)	(50,868)	(40,614)
K. Non-current bank borrowings	(33,202)	(40,210)
L. Bonds issued	-	-
M Other non-current payables	(5,563)	(6,076)
N. Non-current financial debt (K)+(L)+(M)	(38,765)	(46,286)
O. Net financial debt (J)+(N)	(89,633)	(86,900)

The Chairman of the Board of Directors
(Roberto Olivi)

The financial Reporting Manager Ilaria Eugeniani states pursuant to paragraph 2, Article 154 bis of the Consolidated Law on Finance that the accounting information presented in this document corresponds to the documented results, books and accounting entries.

The Financial Reporting Manager
(Ilaria Eugeniani)