

Servizitalia

INTERIM REPORT AS AT 30TH SEPTEMBER 2015

SERVIZI ITALIA S.p.A.

Registered Office Via S. Pietro, 59/b

43019 Castellina di Soragna (PR)

Share Capital: € 30,699,266 fully paid-up

Tax code and Parma Business Register No.: 08531760158

Certified email: si-servizitalia@postacert.cedacri.it

Tel. +390524598511 Fax +390524598232

www.si-servizitalia.com

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COMPANY OFFICERS AND CORPORATE INFORMATION

Board of Directors (in office until approval of the Financial Statements as at 31st December 2017)

Name and Surname	Position
Roberto Olivi	Chairman
Enea Righi	Vice-Chairman and CEO
Ilaria Eugeniani	Director
Emil Anceschi	Director
Antonio Paglialonga	Director
Lino Zanichelli	Director
Vasco Salsi	Director
Marco Marchetti	Director
Paola Gina Maria Schwizer (1)-(2)- (3)	Independent Director
Romina Guglielmetti (1)-(2)	Independent Director
Paola Elisabetta Maria Galbiati (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 Financial Statements as at 31st December 2016)

Name and Surname	Position
Marco Elefanti	Chairman
Anna Maria Fellegara	Statutory Auditor
Andrea Spollero	Statutory Auditor
Ernestina Bosoni	Alternate Auditor
Lorenzo Keller	Alternate Auditor

Supervisory Body (in office until 2nd February 2016)

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

Independent Auditors (until approval of the Financial Statements as at 31st 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;

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Founded: 1986

Stock market listing: Borsa Italiana S.p.A. Mercato Telematico Azionario (MTA, electronic stock market), STAR segment

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

Investor Relations

Giovanni Manti – IR, Chiara Peterlini and Elena Abbati – IR assistants

email: investor@si-servizitalia.com – Tel. +390524598511, Fax +390524598232

2 GROUP STRUCTURE

GROUP STRUCTURE

Servizi Italia S.p.A., registered office in Castellina di Soragna (PR), listed in the STAR segment of the Borsa Italiana S.p.A. MTA stock exchange, is the main Italian operator in the supply of integrated services for the rental, washing and sterilisation of textiles and surgical instruments for hospital facilities. With a technologically advanced production platform broken down into laundry facilities, textile sterilisation centres, surgical instrument sterilisation centres and numerous wardrobes, the Company and its Italian and overseas subsidiaries forming the Servizi Italia Group, mainly provide their 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 India and in Turkey. As at 30th September 2015, the Servizi Italia Group included the following Companies:

Company Name Parent Company and Subsidiaries	Registered Offices	Share capital	% interest
Servizi Italia S.p.A.	Castellina di Soragna (Parma) - Italy	EUR 30,699,266	Parent Company
SRI Empreendimentos e Participações L.t.d.a.	São Paulo (SP) - Brazil	R\$ 102,639,052	100%
Servizi Italia Medical S.r.l.	Castellina di Soragna (PR) - Italy	EUR 200,000	100%
Se.Sa.Tre. S.c.r.l.	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 (SP) - Brazil	R\$ 550,000	100% ^(*)
Maxlav Lavanderia Especializada S.A.	Jaguariúna (SP) - Brazil	R\$ 2,825,060	50.1% ^(*)
Vida Lavanderias Especializada S.A.	Santana de Parnaíba (SP) - Brazil	R\$ 1,900,000	50.1% ^(*)

(*) Held through SRI Empreendimentos e Participações Ltda

Company Name Associates and Jointly-controlled Companies	Registered Offices	Share capital	% interest
Centro Italia Servizi S.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%
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% ^(*)
SE.STE.RO. S.r.l.	Castellina di Soragna (PR) - Italy	EUR 400,000	25%
CO.SE.S S.c.r.l.	Perugia - Italy	EUR 10,000	25%
SAS Sterilizasyon Servisleri A.Ş.	Istanbul - Turkey	TL 500,000	51%
Shubhram Hospital Solutions Private Limited	New Delhi - India	INR 85,200,000	51%

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

3 DIRECTORS' REPORT

This Interim Report as at 30th September 2015 includes the condensed consolidated financial statements as at 30th September 2015. The Group's main financial highlights as at 30th September 2015 are shown below along with the comparative information in compliance with IAS/IFRS.

The consolidated subsidiaries are San Martino 2000 S.c.r.l., Se.Sa.Tre. S.c.r.l., Servizi Italia Medical S.r.l., SRI Empreendimentos e Participações Ltda, Lavsim Higienização Têxtil S.A., Maxlav Lavanderia Especializada S.A. and Vida Lavanderias Especializada S.A.

The definitions of the "*Alternative performance indicators*" used in the income statement and the statement of financial position are provided below the tables along with the methods for calculating them.

Main consolidated income statement figures

The table below presents a comparison of the main consolidated income statement figures as at 30th September 2015 with the results as at 30th September 2014 (in thousands of euros).

(thousands of euros)	30th September 2015	30th September 2014	Change	Change %
Revenue	172,674	172,419	255	0.1%
EBITDA (a)	47,943	49,854	(1,911)	-3.8%
EBITDA %	27.8%	28.9%		
Operating profit (EBIT)	13,336	17,068	(3,732)	-21.9%
Operating profit (EBIT)%	7.7%	9.9%		
Net profit	7,967	9,464	(1,497)	-15.8%
Net profit %	4.6%	5.5%		

(a) EBITDA is not an accounting measurement under the IFRSs endorsed by the European Union. The Company management has defined EBITDA as the difference between the value of sales and services and operating costs before depreciation, amortisation and impairment.

Main consolidated statement of financial position figures

The table below presents a comparison of the main consolidated statement of financial position figures as at 30th September 2015 with the figures as at 31st December 2014 (in thousands of Euros):

(thousands of euros)	30th September 2015	31st December 2014	Change	Change %
Net operating working capital (a)	9,598	15,789	(6,191)	-39.2%
Other current assets/liabilities (b)	(7,591)	(25,208)	17,617	-69.9%
Net working capital	2,007	(9,419)	11,426	-121.3%
Non-current assets - medium/long-term provisions	169,717	179,086	(9,369)	-5.2%
Invested capital	171,724	169,667	2,057	1.2%
Shareholders' equity (B)	109,531	111,588	(2,057)	-1.8%
Net financial debt (d) (A)	62,193	58,079	4,114	7.1%
Invested capital (c)	171,724	169,667	2,057	1.2%
Gearing [A/(A+B)]	36.2%	34.2%		
Debt/Equity (A/B)	56.8%	52.0%		

- (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) Invested capital is not an accounting measurement under the IFRSs endorsed by the European Union. 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

Servizi Italia Group recorded an increase in consolidated turnover, with revenue from sales and services amounting to a total of Euro 172,674 thousand, up by 0.1% compared to the interim financial statements as at 30th September 2014.

Revenue from sales and services earned in Brazil amounted to Euro 16,585 thousand. In local currency, revenue rose by 13.2%, due entirely to organic growth. However, it was negatively impacted by the average exchange rate for the period, which was up 13.6% compared to the average rate used for the comparative period.

Domestic top-line growth was achieved in particular due to the surgical instrument sterilisation business line, which posted growth of 9.3% compared to the same period of last year.

Consolidated **EBITDA** decreased from Euro 49,854 thousand in 2014 to Euro 47,943 thousand in 2015. The growth in turnover in the surgical instrument sterilisation sector managed to contain the reduction in margins to 3.8%. In relative terms, margins fell slightly from 28.9% to 27.8% due to the increase, during the period, in personnel expense owing to the recognition of the two contractual instalments set forth in the last CCNL (national collective labour agreement) for the sector, the hiring of personnel for the start of new contracts and the costs relating to scheduled maintenance services in the Brazilian area and in the surgical instrument sterilisation sector. Note the positive trend in the reduction of the cost of raw materials already observed in the first half of 2015.

The consolidated **operating profit (EBIT)** decreased from Euro 17,068 thousand to Euro 13,336 thousand after recognising depreciation, amortisation and impairment of Euro 34,607 thousand (up 5.6% compared to the same period of the previous year). In relative terms, the ratio between EBIT and revenue from sales and services decreased by 2.2%. There was an increase of 1% in the impact of depreciation, amortisation and impairment on revenue in 2015 compared to the same period in 2014. In particular, this rise was realised in the Brazilian area, due to an increase in the depreciation of linen and new production lines, while in the Italian area, depreciation rose particularly with respect to surgical instruments, whose relative impact increased due to the ramp-up phases of the new sterilisation contracts. In addition, the amortisation of the intangible assets of the Parent Company should be noted, the effects of the accounting of the non-

complete agreement stipulated with the previous CEO and the customer portfolio deriving from the company Si.Gi. Servizi Ospedalieri S.r.l. incorporated in the second quarter of 2015.

The consolidated financial statements as at 30th September 2015 closed with a **net profit** of Euro 7,967 thousand, showing a significant recovery, with respect to operating profit, achieved due to the 32.5% reduction in gross financial expense, amounting to Euro 1,272 thousand, as a result of the decrease in the rates applied to credit facilities and the elimination of interest accrued on the debt relating to the put options exercised with the purchase of the remaining 50% of the company Lavsim Higienização Têxtil S.A.

Significant events and transactions

On 20th January 2015, the Company announced that the acquisition of the remaining 50% of the share capital of the company Lavsim Higienização Têxtil S.A. ("Lavsim") had been completed, already invested in as from 2nd July 2012 by Servizi Italia S.p.A. via the subsidiary SRI Empreendimentos e Participações Ltda.

On 26th February 2015, the Company disclosed that it had drawn up the deeds for the merger via incorporation of the wholly-owned subsidiaries Si.Gi. Servizi Ospedalieri S.r.l. (sole shareholder company) and Lavanderia Industriale Z.B.M. S.p.A. within Servizi Italia S.p.A. The statutory effectiveness of the merger will apply as from 1st April 2015. As from that date, the absorbing company (Servizi Italia S.p.A.) took over all the income and expense-generating legal relations relating to the absorbed companies, all the directors and officers of the absorbed companies fell from office and all the powers of attorney previously issued ceased.

On 22nd April 2015, the Shareholders' Meeting approved the financial statements as at 31st December 2014 and the distribution of a gross dividend of Euro 0.16 per share outstanding on the coupon date, excluding treasury shares. Payment took place on 29th April 2015, with a coupon payment on 27th April 2015.

At the same meeting, the Shareholders:

- resolved to engage the independent auditors Deloitte & Touche S.p.A. to audit the accounts for nine years, from 2015 to 2023;
- appointed the Board of Directors for the years 2015, 2016 and 2017.

The Shareholders' Meeting authorised the Board of Directors to purchase and sell treasury shares, subject to revocation of the resolution of 22nd April 2014.

The Shareholders' Meeting authorised the Board of Directors to purchase and sell treasury shares. The plan responds to the need to gain access to opportunities for the efficient investment of company liquidity and to have the possibility of using it for strategic transactions and/or to complete subsequent share purchase and sale transactions, to the extent allowed by permitted market practices. The authorisation is for a maximum

number of Servizi Italia S.p.A. ordinary shares equating to 20% of the share capital, taking into account the treasury shares already held, for a period of 18 months as of the Shareholders' Meeting resolution. The purchase transactions will be carried out on the market at a price of up to 20% more or less than the weighted average official prices in the 3 days preceding the individual transaction.

As announced on 1st April 2015, as of 22nd April 2015 Mr Luciano Facchini is no longer director of the Italian subsidiaries. In the interest of the Group, Servizi Italia S.p.A. entered into a non-compete and confidentiality agreement with Mr Facchini, under which he agreed not to carry out any activity and not to do business in competition with the activities carried out by Servizi Italia. The non-compete and confidentiality agreement became effective on 22nd April 2015 and will expire after 24 (twenty-four) months. Servizi Italia will pay Luciano Facchini the gross sum of Euro 1,000,000.00 (one million/00), with no interest, in two instalments.

On 22nd April, the Board of Directors:

- resolved to launch the programme for the purchase and sale of treasury shares, in accordance with the resolution adopted by the ordinary Shareholders' Meeting;
- set up the board committees, approved the relative regulations and assigned the roles set forth in the Corporate Governance Code.

On 13th May 2015, based on the criteria of the Borsa Italiana Corporate Governance Code, the Board of Statutory Auditors and the Board of Directors checked the independence of the directors and also carried out the annual check of the requirements for remaining in the STAR segment pursuant to the Borsa Italiana Issuers' Regulation and the instructions to the Issuers' Regulation. The Company sent the required information within the terms set forth by Borsa Italiana.

Notice was received on 26th May 2015 of the conclusion of the preliminary investigations of criminal proceedings for an alleged offence pursuant to Italian Legislative Decree 231 of 2001 with which a company director, a former director and the Company have been charged, relating to the awarding of a tender for the assignment of the nine-year contract of the AOU Policlinico of Modena, so-called "Global Service", which took place by means of resolution of 19th December 2008, to the RTI (temporary joint consortium) established by Coopservice Soc.Coop.p.A., in its capacity as lead contractor, and other companies including Servizi Italia S.p.A., Padana Everest S.r.l. and Lavanderia Industriale ZBM S.p.A. (companies actually merged by incorporation in Servizi Italia S.p.A.). The Company, which is only involved in said proceedings for the purposes of the administrative liability of the legal entities pursuant to Italian Legislative Decree 231 of 2001, confirms that it is completely uninvolved in the events contested and promptly appointed a defence counsel to undertake any necessary action to prove this.

As part of these criminal proceedings, the subsidiary Servizi Italia Medical S.r.l. was also investigated for an alleged offence, pursuant to Italian Legislative Decree 231 of 2001, with which a former director has been charged, in relation to the awarding of the supply, based on piecework contracts, of single procedure

kits, which took place by means of resolution dated 28th December 2009. The subsidiary, only involved in said proceedings for the purposes of the administrative liability of the legal entities pursuant to Italian Legislative Decree 231 of 2001, confirms that it is completely uninvolved in the events contested and promptly appointed a defence counsel to undertake any necessary action to prove this.

On 27th July, the Company announced the signing of the agreement for the purchase of a stake in Ankateks Turizm İnşaat Tekstil Temizleme San. Ve Tic. Ltd. Şti ("Ankateks" or "Ankateks Group"), a leading Turkish operator operating under the Ankara Laundry brand in the linen washing sector for healthcare structures, predominantly in the Ankara and Izmir areas. For more information, please refer to the press release available on the Company's website.

In the course of July 2015, production activities were launched at the industrial laundry facility in New Delhi, India, which has recorded increasing volumes of linen wash-hire services.

The main characteristics of the awarded contracts, 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)
AAS 1 Triestina – Trieste (awarded as part of a temporary joint consortium)	Linen wash-hire and linen store support services.	1.25	107
Azienda Provinciale per i Servizi Sanitari della Provincia di Trento (awarded as part of a temporary joint consortium)	Linen wash-hire service.	4.33	3,487
Azienda Ospedaliera della Provincia di Pavia (in compliance with the procedure fulfilled by Azienda Ospedaliera Mellino Mellini di Chiari Brescia)	Linen wash-hire service.	3.7	1,892
ASP Opera Pia Coianiz – Tarcento (UD)	Supply and reconditioning of sanitary linen.	4	129
Istituto Europeo di Oncologia S.r.l. - Milan (awarded as part of a temporary joint consortium)	Linen wash-hire service at Istituto Europeo di Oncologia (IEO) and Centro Cardiologico Monzino (CCM) in Milan.	5	843
Azienda Ospedaliera San Carlo di Milano	Integrated rental, reconditioning and logistics service relating to textile devices and mattresses.	3	1,046
ESTAR - Pisa	Linen wash-hire service.	5	280
Azienda Ospedaliera Ospedali Riuniti Marche Nord Pesaro	Linen wash-hire service, flat and packed linen, mattresses, cushions, mattress covers, wool blankets, sterile sets in trilaminate and microfibre fabric.	3	443
Azienda Ospedaliera Carlo Poma di Mantova	Integrated rental, reconditioning and logistics service relating to textile devices	4	3,156

ASL 4 Chiavarese	Linen wash-hire service.	1	1,080
Azienda Ospedaliera Ospedale di Circolo di Busto Arsizio*	Surgical instrument sterilisation, maintenance and rental service, inclusive of works to complete the sterilisation centre.	8	1,382
Azienda Ospedaliera Ospedale di Circolo di Busto Arsizio*	Linen wash-hire service.	6	1,304
Azienda Ospedaliera della Provincia di Lodi* (awarded as part of a temporary joint consortium)	Linen and packed linen wash-hire service.	6	106

*New Customer

Significant events after the end of the quarter

On 15th October 2015, the Company announced the closing for the purchase of a 40.0% stake in Ankateks Turizm İnşaat Tekstil Temizleme San. Ve Tic. Ltd. Şti, a leading Turkish operator operating under the "Ankara Laundry" brand in the linen washing sector for healthcare structures, predominantly in the areas of Ankara and - through the subsidiary Ergülteks Temizlik Tekstil Ltd. Şti - Izmir. The transaction, the signing of which was announced on 27th July, consisted of the purchase of a stake of 40.0% in Ankateks for a preliminary consideration fixed at 16.5 million Turkish Lira (around Euro 4.9 million at the EUR/TRY exchange rate of 3.3473 at 14th October 2015). The stake was purchased by making recourse to bank borrowing. A portion of the price was paid in cash and a portion was withheld by Servizi Italia as a guarantee. The final transaction price will be recalculated and will be based on the 2016 profit of Ankateks and of the subsidiary Ergülteks. On approval of the 2016 results, moreover, Servizi Italia will have the chance to obtain control of the Group through the acquisition of an additional 15.0% of Ankateks's share capital (rising to a stake of 55.0%) based on the same pricing criterion. With reference to Ankateks's governance, Servizi Italia appoints two of the five members of the Board of Directors, which may rise to three if Servizi Italia increases its stake to 55.0% in accordance with the procedure mentioned above. With reference to the provisions of art. 71 of the Issuers' Regulations, the transaction is deemed "not significant" in light of the parameters laid out under applicable regulations.

On 2nd November 2015, further to the closure of the Third and last Exercise Period (from 1st October 2015 until 30th October 2015) of the "Warrant Servizi Italia S.p.A. 2012 – 2015", the Company announced that 9,311,120 Warrants had been exercised and consequently 2,327,780 newly-issued ordinary Servizi Italia shares had been subscribed (at a ratio of 1 new share for each 4 warrants exercised) at a price of Euro 3.30 each, admitted for listing on the Borsa Italiana screen-based stock market (MTA), with a par value of Euro 1.00 each, with regular dividend rights and the same characteristics as the ordinary Servizi Italia shares in circulation as of the issue date (the "Conversion Shares"), for a total equivalent value of Euro 7,681,674. Due to the closure of the Third Exercise Period, the 2012-2015 Warrants are no longer exercisable or traded on the Regulated Market.

Further to the afore-mentioned subscriptions, the new share capital of Servizi Italia therefore amounted to Euro 30,699,266, represented by 30,699,266 ordinary shares with a par value of Euro 1.00 each. The related certification pursuant to Article 2444 of the Italian Civil Code was filed care of the Parma Business Register as of the same date.

Further to the exercise of the Warrants, the percentage of treasury shares held by the Company came to 0.72% of the new share capital.

On 9th November 2015, the Company announced that up until 6 November 2015 it had acquired 224,876 treasury shares on the market regulated and managed by Borsa Italiana, equal to 0.73% of the share capital.

Business outlook

The results achieved as at 30th September 2015 confirm the estimates and income statement and cash flow projections set forth in the plan despite the negative effects triggered by the average BRL/EUR exchange rate during the period. This year, the Group is committed to supporting international development and consolidating investments made, as well as meeting significant operating efficiency targets in order to maintain business margins and profitability, including with actions intended to simplify the investment chain and its management.

For the year under way, spending review measures promoted by the Government continue to impact the Italian healthcare market. Therefore, the management's strategic actions remain focused on optimisations in the current industrial segment while also achieving growth by making targeted investments in foreign countries, including Turkey, with appealing market characteristics for business development.

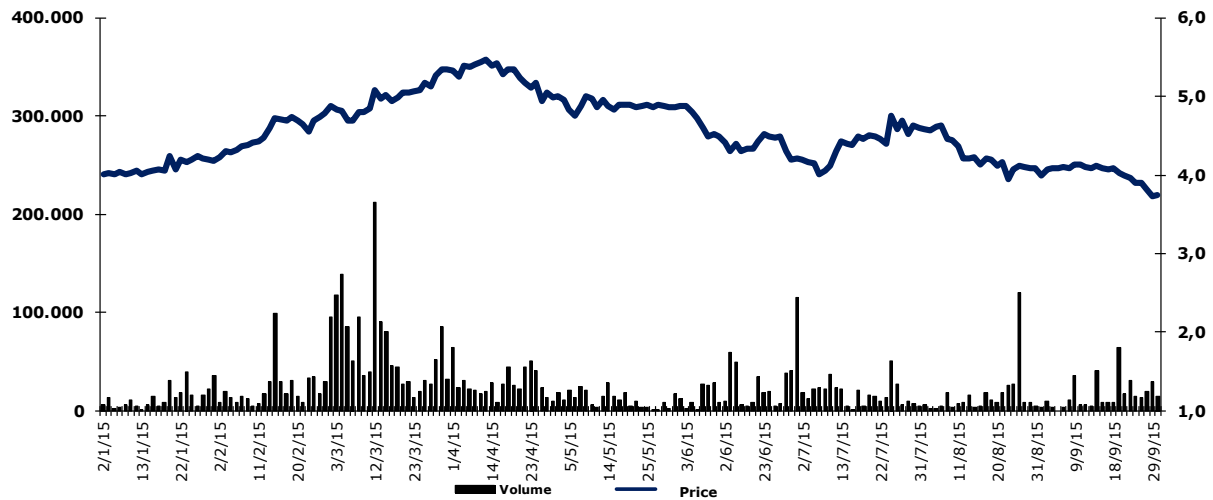
Servizi Italia and the financial markets

The Company shares have been traded in the STAR segment of the Borsa Italiana S.p.A. screen-based stock market (MTA) since 22nd June 2009. The main share and stock exchange data as at 30th September 2015 is disclosed below along with share volume and price trends (in euros) during the period:

Share and stock exchange data	30th September 2015
No. of shares making up the share capital	28,371,486(**)
Price at IPO: 4th April 2007	8.50
Price as at 30th September 2015	3.7540
Maximum price during the period	5.4800
Minimum price during the period	3.3732
Average price during the period	4.5460
Volumes traded during the period	4,549,191
Average volumes during the period	23,818

(**) Further to the closure of the Third and last Exercise Period for the "Warrant Servizi Italia 2012-2015", on 2nd November 2015, the share capital rose to Euro 30,699,266.

Share volumes and prices from 1st January 2015 to 30th September 2015



During the period, the investor relations team held several individual and group meetings with analysts and investors and also organised guided tours of the 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 and London organised by Borsa Italiana.

The Chairman of the Board of Directors
(Roberto Olivi)

4 ACCOUNTING SCHEDULES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(thousands of euros)</i>	30th September 2015	31st December 2014
ASSETS		
Non-current assets		
Property, plant and equipment	120,780	129,724
Intangible assets	3,782	3,471
Goodwill	39,886	42,602
Equity-accounted investments	9,761	9,966
Equity investments in other companies	3,551	3,551
Financial receivables	3,046	2,714
Deferred tax assets	1,508	1,382
Other assets	4,416	4,067
Total non-current assets	186,730	197,477
Current assets		
Inventories	4,181	4,295
Trade receivables	72,150	76,169
Current tax receivables	85	286
Financial receivables	8,241	7,791
Other assets	10,677	6,397
Cash and cash equivalents	4,402	5,178
Total current assets	99,736	100,116
TOTAL ASSETS	286,466	297,593
SHAREHOLDERS' EQUITY AND LIABILITIES		
Group shareholders' equity		
Share capital	28,174	27,906
Other reserves and retained earnings	72,784	68,903
Profit (loss) for the period	8,154	13,077
Total shareholders' equity attributable to shareholders of the parent	109,112	109,886
Total shareholders' equity attributable to non-controlling interests	419	1,702
TOTAL SHAREHOLDERS' EQUITY	109,531	111,588
LIABILITIES		
Non-current liabilities		
Due to banks and other lenders	26,115	28,258
Deferred tax liabilities	2,129	2,265
Employee benefits	10,039	9,805
Provisions for risks and charges	76	126
Other financial liabilities	4,769	6,194
Total non-current liabilities	43,128	46,648
Current liabilities		
Due to banks and other lenders	48,721	42,791
Trade payables	66,732	64,675
Current tax payables	760	1,023
Employee benefits	-	1,050
Other financial liabilities	55	5,799
Other payables	17,539	24,019
Total current liabilities	133,807	139,357
TOTAL LIABILITIES	176,935	186,005
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	286,466	297,593

CONSOLIDATED INCOME STATEMENT

<i>(thousands of euros)</i>	30th September 2015	30th September 2014
Revenue from sales	172,674	172,419
Other income	3,700	4,113
Raw materials and consumables	(18,156)	(18,495)
Costs for services	(54,209)	(53,567)
Personnel expense	(55,070)	(53,284)
Other costs	(996)	(1,332)
Depreciation, amortisation, impairment and provisions	(34,607)	(32,786)
Operating profit	13,336	17,068
Financial income	819	1,257
Financial expense	(2,640)	(3,912)
Income/(expense) from equity investments in other companies	118	123
Revaluation/impairment of equity-accounted investments	(238)	(38)
Profit before tax	11,395	14,498
Income taxes	(3,428)	(5,034)
Profit (loss) for the period	7,967	9,464
of which: Attributable to shareholders of the parent	8,154	9,160
Attributable to non-controlling interests	(187)	304

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(thousands of euros)</i>	30th September 2015	30th September 2014
Profit (loss) for the period	7,967	9,464
<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	(6,685)	457
Income taxes on other comprehensive income	-	-
Total other comprehensive income after taxes	(6,685)	457
Total comprehensive income for the period	1,282	9,921
of which: Attributable to shareholders of the parent	1,551	9,537
Attributable to non-controlling interests	(269)	384

CONSOLIDATED NET FINANCIAL POSITION

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014	as at 30th September 2014
Cash and cash equivalents in hand	36	68	49
Cash at bank	4,366	5,110	4,670
Cash and cash equivalents	4,402	5,178	4,719
Current financial receivables	8,241	7,791	8,250
Current liabilities to banks and other lenders	(48,721)	(42,791)	(53,022)
Current net financial debt	(40,480)	(35,000)	(44,772)
Non-current liabilities to banks and other lenders	(26,115)	(28,257)	(19,621)
Non-current net financial debt	(26,115)	(28,257)	(19,621)
Net financial debt	(62,193)	(58,079)	(59,674)

5 NOTES

5.1 Introduction

The Interim Report as at 30th September 2015 has been prepared 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 30th September 2015, which has not been audited, are the same as those used to prepare the annual financial statements. As required by Consob Communication No. DEM/5073567 of 4 November 2005, the Company has exercised the option to provide less detail than is required under IAS 34 (Interim Financial Reporting).

The subsidiaries San Martino 2000 S.c.r.l., Se.Sa.Tre S.c.r.l., Servizi Italia Medical S.r.l., SRI Empreendimentos e Participações L.t.d.a., Lavsim Higienização Têxtil S.A., Maxlav Lavanderia Especializada S.A. and Vida Lavanderias Especializada S.A. are all consolidated line-by-line.

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

This Interim Report will be approved by the Board of Directors on 13th November 2015.

5.2 Performance by business segment and geographical area

The revenue from sales and services of Servizi Italia Group is shown below divided by business line for the periods ending 30th September 2015 and 30th September 2014.

<i>(thousands of euros)</i>	30th September 2015	%	30th September 2014	%	Change
Wash-hire	130,613	75.6%	131,437	76.2%	-0.6%
Linen sterilisation (STERIL B)	14,145	8.2%	15,435	9.0%	-8.4%
Surgical instrument sterilisation (STERIL C)	27,916	16.2%	25,547	14.8%	9.3%
Revenue from sales	172,674	100.0%	172,419	100.0%	0.1%

- Revenue from wash-hire services decreased slightly by 0.6% from Euro 131,437 thousand as at 30th September 2014 to Euro 130,613 thousand as at 30th September 2015. In relative terms, wash-hire represented 75.6% of total revenue from sales and services at 30th September 2015. The approximately 14% average exchange loss of the BRL as at 30th September 2015 with respect to the average exchange as at 30th September 2014 significantly impacted the turnover of the wash-hire line. In Brazil, at constant exchange rates revenue would have risen by Euro 2,260 thousand, an increase in absolute terms of 1.1% for that line. New contracts such as ASL (LHA) Frosinone, ASL Torino 3, I.N.M.I. - Lazzaro Spallanzani, Istituto Europeo di Oncologia S.r.l., Centro Cardiologico Monzino S.p.A. and AUSL (Local Health Authority) of Piacenza had a positive impact on wash-hire segment turnover.

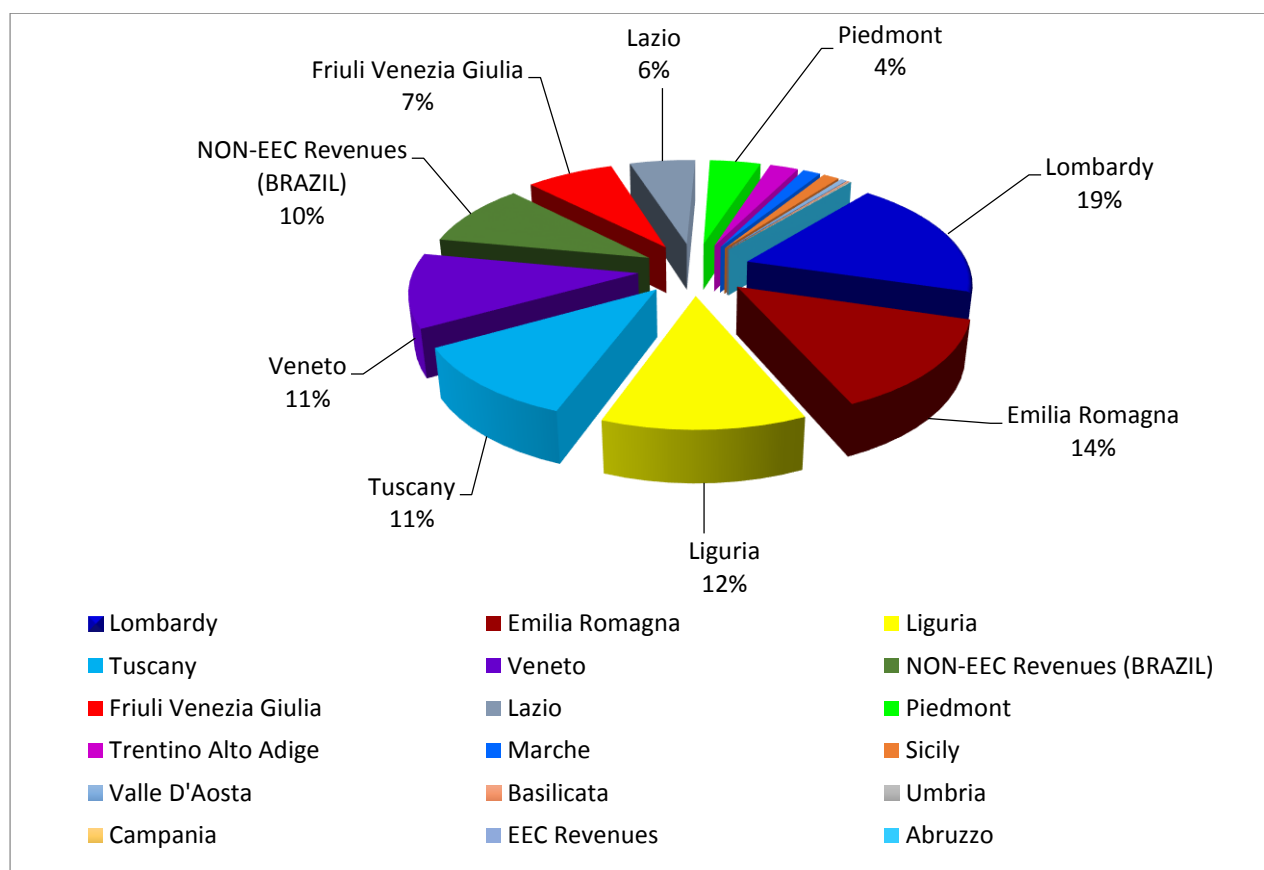
- Revenue from linen sterilisation services decreased by 8.4% to Euro 14,145 thousand, accounting for 8.2% of total sales. The fall in line revenue is linked to the end of the contract with the Legnano Hospital and the reduction in the turnover of the customer Careggi Hospital of Florence (in the latter case, the use of sterilised technical textile for the operating theatre decreased since the entity has opted for the single-use product) despite the increase in the turnover of customers such as ESTAV Centro, Udine Hospital and the San Paolo Hospital of Milan.
- Turnover in the surgical instrument sterilisation segment grew by 9.3% compared to the first half of the previous year. This increase is mainly attributable to the gradual increase in turnover from customers such as the Udine University Hospital, Trieste Hospital and Careggi Hospital in Florence and the new contract for the Spedali Civili Hospital in Brescia.

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



The table below shows revenue from sales and services of the Servizi Italia Group by region, listed in alphabetical order, for the periods ending on 30th September 2015 and 2014:

(thousands of euros)	30th September 2015	%	30th September 2014	%	Change
Abruzzo	10	-	8	-	-
Basilicata	292	0.2%	308	0.2%	-5.2%
Campania	33	-	30	-	-
Emilia Romagna	23,909	13.8%	22,602	13.1%	5.8%
Friuli Venezia Giulia	12,862	7.4%	11,071	6.4%	16.2%
Lazio	9,630	5.6%	9,967	5.8%	-3.4%
Liguria	20,937	12.1%	22,259	12.9%	-5.9%
Lombardy	31,971	18.6%	32,791	19.1%	-2.5%
Marche	2,611	1.5%	2,580	1.5%	1.2%
Piedmont	7,489	4.3%	7,356	4.3%	1.8%
Sicily	2,360	1.4%	2,317	1.3%	1.9%
Tuscany	19,437	11.3%	19,724	11.4%	-1.5%
Trentino Alto Adige	4,189	2.4%	3,970	2.3%	5.5%
Umbria	192	0.1%	195	0.1%	-1.5%
Valle D'Aosta	895	0.5%	942	0.5%	-5.0%
Veneto	19,258	11.2%	19,628	11.4%	-1.9%
EEC Revenue	14	-	20	-	-30.0%
Non-EEC Revenue (BRAZIL)	16,585	9.6%	16,651	9.7%	-0.4%
Total	172,674	100.0%	172,419	100.0%	0.1%



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	Freely transferable assets	Equipment	Other assets	Construction in progress	Total
Historical cost	2,308	117,113	37,834	56,335	91,098	2,362	307,050
Accumulated depreciation	(1,022)	(65,437)	(21,378)	(34,141)	(55,348)	-	(177,326)
Balance as at 1 January 2015	1,286	51,676	16,456	22,194	35,750	2,362	129,724
Translation difference	(21)	(2,273)	(397)	(17)	(991)	(8)	(3,707)
Increases	16	2,403	387	2,214	22,100	1,760	28,880
Decreases	-	(247)	-	(2)	(123)	(406)	(778)
Depreciation	(86)	(5,924)	(2,251)	(4,381)	(20,697)	-	(33,339)
Reclassifications	-	287	5	913	93	(1,298)	-
Balance as at 30th September 2015	1,195	45,922	14,200	20,921	36,132	2,410	120,780
Historical cost	2,297	116,531	35,316	59,420	108,579	2,410	324,553
Accumulated depreciation	(1,102)	(70,609)	(21,116)	(38,499)	(72,447)	-	(203,773)
Balance as at 30th September 2015	1,195	45,922	14,200	20,921	36,132	2,410	120,780

Investments in property, plant and equipment in the first nine months of 2015 amount to Euro 28,880 thousand, including Euro 2,403 thousand for plant and machinery (of this, Euro 1,521 thousand is investments made in the various facilities and sterilisation centres located throughout Italy), Euro 2,214 thousand for equipment, Euro 21,488 thousand for linens and Euro 1,760 thousand for assets under construction relating to investments still under way at the end of the quarter (of this, Euro 1,087 thousand is for the new sterilisation centre at the University Hospital of Messina and Euro 253 thousand is for investments in machinery installed at the Brazilian laundry facility in Jaguariuna of Maxlav Lavanderia Especializada S.A.).

Reclassifications totalled Euro 1,298 thousand, and regard primarily the start of use of surgical instruments for the sterilisation centre at "Santa Maria della Misericordia" University Hospital in Udine and for the Baggiovara centre (Euro 839 thousand).

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. The change in the period is entirely attributable to differences from the translation into euros of goodwill arising from acquisitions in Brazil.

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 recognised and tested for impairment at the end of 2014.

Non-current financial receivables

Non-current financial receivables amount to Euro 3,046 thousand as at 30th September 2015, up by Euro 332 thousand compared to 31st December 2014. The change in this item compared to 31st December 2014 was caused by the reduction in the loan granted to Prosa S.p.A. by Euro 53 thousand, the reduction in the loan granted to Ospedale Irmandade de Santa Casa de Misericordia de São Paulo by Euro 186 thousand, the increase in the loan granted to Arena Sanità S.p.A. by Euro 344 thousand and the new loan granted to Synchron S.p.A. for Euro 227 thousand.

Other non-current assets

The increase in the item relates mainly to Euro 569 thousand of receivables due from the customers of the subsidiary Lavsim Higienização Têxtil S.A, classified as non-current in line with the expected collection times.

Trade receivables

Trade receivables amount to Euro 72,150 thousand as at 30th September 2015, down by Euro 4,019 thousand compared to 31st December 2014. During the first nine months of 2015, the Servizi Italia Group transferred the receivables described below:

- transfer without recourse to Credemfactor S.p.A. of Euro 34,545 thousand in trade receivables for consideration of Euro 34,380 thousand;
- transfer without recourse to Mediofactoring S.p.A. of Euro 10,393 thousand in trade receivables for consideration of Euro 10,336 thousand;
- participation in the transfer without recourse to Unicredit Factoring S.p.A. of Euro 6,846 thousand in trade receivables due from Lazio Region local health units and hospitals for consideration of Euro 6,802 thousand;
- trade receivables were factored without recourse to Unicredit Factoring S.p.A. for Euro 5,493 thousand, for a consideration of Euro 5,465 thousand.

Current financial receivables

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014
Asolo Hospital Service S.p.A.	1,758	1,648
P.S.I.S. S.r.l.	3,843	3,800
Ekolav S.r.l.	172	170
AMG S.r.l.	502	500
Steril Piemonte S.c.r.l.	1,154	1,150
Iniziative Produttive Piemontesi S.r.l.	91	90
Gesteam S.r.l.	324	300
Ospedale Irmandade de Santa Casa de Misericordia de São Paulo	101	133
Sesamo S.p.A.	129	-
Saniservice Sh.p.k.	35	-
Other	132	-
Total	8,241	7,791

The change in this item compared to 31st December 2014 was caused by the partial repayment of the loan granted to Ospedale Irmandade de Santa Casa de Misericordia de São Paulo for Euro 32 thousand, the total amount of interest invoiced on individual loans and not yet collected and the new Euro 35 thousand loan granted to Saniservice Sh.p.k., a company formed in order to submit a bid for a ten-year concession for sterilisation services for the entire Republic of Albania, of which Servizi Italia S.p.A. holds 30% of the share capital.

Other current assets

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014
Due from others	8,706	5,502
Prepayments	1,822	826
Guarantee deposits receivable	117	69
Accrued income	32	-
Total	10,677	6,397

Other current assets increased from Euro 6,397 thousand as at 31st December 2014 to Euro 10,677 thousand as at 30th September 2015. The majority of amounts due from others are for charge-backs of consortium costs to the non-controlling shareholder of the subsidiaries Se.Sa.Tre. S.c.r.l. and San Martino 2000 S.c.r.l. Prepayments increased primarily as a result of rentals and insurance premiums that will fall due in the last quarter. The item "Guarantee deposits receivable" includes security deposits for energy utilities and rentals.

Cash and cash equivalents

This item decreased by Euro 776 thousand compared to 31st December 2014. The decrease was essentially linked to the proper management of liquidity meant to reduce the use of bank credit facilities.

Shareholders' equity

As at 30th September 2015, shareholders' equity totalled Euro 109,531 thousand (including Euro 419 thousand attributable to non-controlling interests) compared to Euro 111,588 thousand (including Euro 1,702 thousand attributable to non-controlling interests) as at 31st December 2014. Shareholders' equity was down due to the reduction in the reserve for translation differences relating to the Brazilian companies as a result of the depreciation of the BRL with respect to the EUR.

As at 30th September 2015, the Company held 197,776 treasury shares with a value of Euro 879 thousand, equivalent to 0.70% of the share capital, at the average carrying amount of Euro 4.44 per share. The nominal value of treasury shares, of Euro 198 thousand, was classified as a decrease to share capital, and the value exceeding the nominal amount, totalling Euro 681 thousand, was recognised as a reduction in the share premium reserve.

As of 2nd November 2015, further to the closure of the Third and last Exercise Period for the "Warrant Servizi Italia 2012-2015", the new share capital (subscribed and paid-up) of the Company was Euro 30,699,266, broken down into 30,699,266 ordinary shares with a par value of Euro 1 each. The related certification pursuant to Article 2444 of the Italian Civil Code was filed care of the Parma Business Register as of the same date.

The breakdown of the new share capital and the quantities of warrants outstanding are reported below:

	Current share capital			Previous share capital		
	Euro	no. shares	Unit par value	Euro	no. shares	Unit par value
Total	30,699,266	30,699,266	Euro 1.00	28,371,486	28,371,486	Euro 1.00
of which: Ordinary shares Regular dividend rights: 01/01/2015 Current coupon no.: 10	30,699,266	30,699,266	Euro 1.00	28,371,486	28,371,486	Euro 1.00

	No. securities converted/exercised	No. residual securities not exercised
Warrant	9,311,120	16,649

Non-current liabilities to banks and other lenders

Non-current liabilities to banks and other lenders decreased from Euro 28,258 thousand as at 31st December 2014 to Euro 26,115 thousand as at 30th September 2015. This decrease of Euro 2,143 thousand is due to the payment of mortgage instalments that fell due during the period, the early repayment of Euro 6,500 thousand on the mortgage taken out from Banca Popolare dell'Emilia Romagna and of Euro 7,560 thousand on the loan from Banca del Mezzogiorno – MedioCredito Centrale S.p.A., and the subscription of a new mortgage with the bank Carige Italia S.p.A. in the amount of Euro 10,000 thousand on 31st March 2015 and with Cassa di Risparmio di Parma e Piacenza SpA in the amount of Euro 10,000 thousand on 27th April 2015.

Other non-current financial liabilities

The item decreased by Euro 1,425 thousand from Euro 6,194 thousand to Euro 4,769 thousand. This fall was due to the depreciation of the BRL with respect to the EUR, which impacted the value of financial liabilities from the put options recognised to the non-controlling shareholders of Maxlav Lavanderia Especializada S.A. and Vida Lavanderias Especializada S.A. with reference to the remaining non-controlling interests.

Current liabilities to banks and other lenders

Current liabilities to banks and other lenders increased from Euro 42,791 thousand as at 31st December 2014 to Euro 48,721 thousand as at 30th September 2015. The increase of Euro 5,930 thousand was caused by greater recourse to self-liquidating credit lines for the payment of suppliers.

Trade payables

Trade payables increased from Euro 64,675 thousand as at 31st December 2014 to Euro 66,732 thousand as at 30th September 2015 due to payment extensions obtained from the main suppliers.

Other current financial liabilities

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014
Liability for put options and earn-out on Lavsim Higienização Têxtil S.A.	-	5,722
Liability for earn-out on Maxlav Lavanderia Especializada S.A. and Vida Lavanderias Especializada S.A.	55	77
Total	55	5,799

The change in this item arose from the payment on 16 January 2015 of the amount due for the exercising of the put option relating to the acquisition of the remaining 50% of the share capital of the company Lavsim Higienização Têxtil S.A., in which Servizi Italia S.p.A. has held an equity investment since 2 July 2012 through the subsidiary SRI Empreendimentos e Participações Ltda.

Other current payables

The table below provides a breakdown of other current liabilities.

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014
Accrued liabilities	52	12
Deferred income	881	964
Due to social security and welfare institutions	4,088	4,937
Other payables	12,518	18,106
Total	17,539	24,019

The item decreased by Euro 6,480 thousand from Euro 24,019 thousand as at 31st December 2014 to Euro 17,539 thousand as at 30th September 2015. This difference was caused mainly by the decrease in the VAT payable for invoices issued to the public administration due to the application as of 1st January 2015 of the split payment regulation introduced in Italy with the 2015 Stability Law.

5.4 Notes on the main changes in the income statement

Raw materials and consumables

Acquisitions of raw materials and consumables decreased from Euro 18,495 thousand at 30th September 2014 to Euro 18,156 thousand at 30th September 2015, as a result of the reduction in the acquisition of packaging, detergents and consumables in addition to improved inventory management.

Costs for services

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 30th September 2014
External laundering and other industrial services	(14,872)	(15,064)
Travel and transport	(9,128)	(8,998)
Utilities	(8,943)	(8,939)

Administrative costs	(2,100)	(2,269)
Consortium and sales costs	(6,754)	(6,548)
Personnel expense	(1,487)	(1,438)
Maintenance	(4,359)	(3,730)
Use of third-party assets	(5,772)	(5,775)
Other services	(794)	(806)
Total	(54,209)	(53,567)

External laundering and other industrial services fell by Euro 192 thousand compared to the same period of 2014. The reduction in this item is attributable essentially to lower use of the external laundering service, partially offset by the increase in the linen store service at new customers such as Istituto Europeo di Oncologia S.r.l. and Centro Cardiologico Monzino S.p.A., and the increase in the service at existing customers like the Reggio Emilia Hospital, Local Health Unit no. 3 Alto - Collinare - Medio Friuli and Niguarda Ca' Granda Hospital in Milan.

Travel and transport costs increased by Euro 130 thousand as a result of the redefinition of the Group's production logistics and new services provided for the customers ASL (LHA) Frosinone, I.N.M.I. - Lazzaro Spallanzani, Istituto Europeo di Oncologia S.r.l. and Centro Cardiologico Monzino S.p.A., while in Brazil transport costs declined by Euro 40 thousand.

Administrative costs dropped from Euro 2,269 thousand as at 30th September 2014 to Euro 2,100 thousand as at 30th September 2015 due basically to lower legal expenses linked to consulting regarding extraordinary transactions for the period.

Consortium and sales costs increased from Euro 6,548 thousand as at 30th September 2014 to Euro 6,754 thousand as at 30th September 2015. The lower charge-backs of costs received for the temporary joint consortia of the customers LHA AL of Alessandria, San Giovanni Addolorata Hospital in Rome and LHA 8 Arezzo are in contrast to the higher sales consultancy costs.

The rise in the cost for maintenance services by Euro 629 thousand was basically due to higher maintenance expenses at the surgical instrument sterilisation centres (in particular the surgical instrument maintenance expense rose by Euro 342 thousand) and for machinery. The cost for maintenance services planned in Brazil was up by Euro 163 thousand compared to the same period of last year.

Personnel expense

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 30th September 2014
Salaries and wages	(38,144)	(36,629)
Costs for directors' fees	(868)	(810)
Temporary work	(1,228)	(1,815)
Social security charges	(12,542)	(12,098)
Employee severance indemnity	(2,148)	(1,901)
Other costs	(140)	(31)
Total	(55,070)	(53,284)

Personnel expense increased from Euro 53,284 thousand as at 30th September 2014 to Euro 55,070 thousand as at 30th September 2015. The rise in personnel expense compared to the same period in the previous year is essentially related to the increase in wages and salaries as established in the national collective labour agreement in two contractual instalments: the first in January 2015 and the second in June 2015. These increases were augmented by the hiring of new personnel at the surgical instrument sterilisation centres in Brescia and Udine and the decrease of Euro 328 thousand in the personnel expense of the Brazilian companies.

The table below shows the average breakdown of personnel:

	as at 30th September 2015	as at 30th September 2014
Executives	12	11
Middle managers	19	21
White-collar staff	176	176
Blue-collar staff	2,770	2,764
Total	2,977	2,972

Other costs

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 30th September 2014
Tax-related expense	(133)	(129)
Contingent liabilities	(197)	(440)
Membership fees	(157)	(150)
Gifts to customers and employees	(6)	(3)
Other	(503)	(610)
Total	(996)	(1,332)

Depreciation, amortisation and impairment

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 30th September 2014
Amortisation of intangible assets	(920)	(569)
Depreciation of property, plant and equipment	(33,339)	(31,020)
Provisions for Bad Debt	(381)	(382)
(Allocations)/Uses of provision for sundry risks	33	(815)
Total	(34,607)	(32,786)

The increase of 61.9% in the amortisation of intangible assets refers mainly to the effects of the recognition of the non-compete agreement stipulated with the previous CEO and the impact of the amortisation of the customer portfolio of the incorporated company Si.Gi. Servizi Ospedalieri S.r.l.

The 7.5% increase in the depreciation of property, plant and equipment was linked mainly to investments in linens (in particular, in the Brazilian area the depreciation of linen amounted to Euro 682 thousand) and the increase of surgical instrument depreciation in the Italian area, whose relative impact increased due to the ramp-up phases of the new sterilisation contracts.

The item "provisions for risks" as at 30th September 2014 reflected the allocation of Euro 815 thousand to the provision for risks, relating to a dispute with the Genoa Port Authority, subsequently released on the basis of the opinion of its legal representatives.

Financial expense

The item is broken down as follows:

<i>(thousands of euros)</i>	as at 30th September 2015	as at 30th September 2014
Interest expense and bank commission	(1,586)	(1,982)
Interest and expense to other lenders	(322)	(675)
Financial expense on employee benefits	(113)	(213)
Foreign exchange gains and losses	(119)	-
Other financial expense	(500)	(1,042)
Total	(2,640)	(3,912)

The fall in the item "Interest expense and bank commission" is essentially linked to the reduction in the rates applied by banks to the credit facilities used. The decrease in the item "Interest and expense to other lenders" decreased as a result of the reduction in both the spreads renegotiated with the banks and the total amount transferred as part of without recourse factoring transactions. Other financial expense fell due to the decrease in expenses accrued on the payable relating to the put options associated with the acquisition of the remaining 50.0% of the Brazilian company Lavsim Higienização Têxtil S.A., given said entity was acquired on 16th January 2015. The effect of the depreciation of the BRL with respect to the EUR also triggered a fall in other financial expense from the put options recognised to the non-controlling shareholders of Maxlav Lavanderia Especializada S.A. and Vida Lavanderias Especializada S.A. with reference to the remaining non-controlling interests.

5.5 Consolidated net financial position

<i>(thousands of euros)</i>	as at 30th September 2015	as at 31st December 2014	as at 30th September 2014
Cash and cash equivalents in hand	36	68	49
Cash at bank	4,366	5,110	4,670
Cash and cash equivalents	4,402	5,178	4,719
Current financial receivables	8,241	7,791	8,250
Current liabilities to banks and other lenders	(48,721)	(42,791)	(53,022)
Current net financial debt	(40,480)	(35,000)	(44,772)
Non-current liabilities to banks and other lenders	(26,115)	(28,257)	(19,621)
Non-current net financial debt	(26,115)	(28,257)	(19,621)
Net financial debt	(62,193)	(58,079)	(59,674)

The increase of Euro 4,114 thousand in net financial debt as at 30th September 2015 compared to 31st December 2014 resulted from the payment made for the acquisition of the remaining 50% of the share capital of Lavsim Higienização Têxtil S.A., amounting to Euro 6,094 thousand, calculated based on the exchange rate of 3.0357 at the payment date of 16 January 2015.

In particular, an analysis of the individual items demonstrates the decrease in available funds in bank current accounts as a result of payments to suppliers.

The change in financial receivables compared to 31st December 2014 was basically caused by interest accrued on individual loans and not yet collected, the new loan granted to Saniservice Sh.p.k. for Euro 35 thousand and the partial repayment of the loan granted to Ospedale Irmandade de Santa Casa de Misericordia de São Paulo for Euro 32 thousand.

Current liabilities to banks and other lenders increased due to the payment of the price for the acquisition of the remaining 50% of the share capital of Lavsim Higienização Têxtil S.A.

Non-current liabilities to banks and other lenders decreased by Euro 2.143 thousand, due to the payment of mortgage instalments that fell due during the period, the early repayment of Euro 6,500 thousand on the mortgage taken out from Banca Popolare dell'Emilia Romagna and of Euro 7,560 thousand on the loan from Banca del Mezzogiorno – MedioCredito Centrale S.p.A., and the subscription of a new mortgage with the bank Carige Italia S.p.A. in the amount of Euro 10,000 thousand on 31st March 2015 and with Cassa di Risparmio di Parma e Piacenza SpA in the amount of Euro 10,000 thousand on 27th April 2015.

The net financial position below has been prepared in accordance with CESR, now ESMA, recommendation of 10th 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 30th September 2015	<i>of which with related parties</i>	as at 31st December 2014	<i>of which with related parties</i>
A. Cash	36	-	68	-
B. Other cash equivalents	4,366	-	5,110	-
C. Securities held for trading	-	-	-	-
D. Cash and cash equivalents (A) + (B) + (C)	4,402		5,178	
E. Current financial receivables	8,241	5,745	7,791	5,710
F. Current bank borrowings	(36,058)	-	(26,391)	-
G. Current portion of non-current borrowings	(12,663)	-	(16,400)	-
H. Other current financial payables	(55)	-	(5,799)	-
I. Current financial debt (F) + (G) + (H)	(48,776)		(48,590)	
J. Current net financial debt (I) - (E) - (D)	(36,133)		(35,621)	
K. Non-current bank borrowings	(26,115)	-	(28,258)	-
L. Bonds issued	-	-	-	-
M. Other non-current payables	(4,769)	-	(6,194)	-
N. Non-current financial debt (K) + (L) + (M)	(30,884)		(34,452)	
O. Net financial debt (J) + (N)	(67,017)		(70,073)	

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)