



Partner della sanità
Health Service Partner



Servizitalia

**INTERIM MANAGEMENT REPORT AS
AT 30 SEPTEMBER 2009**

SERVIZI ITALIA S.p.A.

Registered Office Via S. Pietro, 59/b

43019 Castellina di Soragna (PR), Italy

Share Capital : Euro 16.200.000 fully paid up

Taxpayers' code Parma Business Registry number: 08531760158

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www.si-servizitalia.com

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1. COMPANY BODIES AND COMPANY INFORMATION

Board of Directors

In office until approval of the Financial Statements for the financial year as at 31st December 2011.

Name and Surname	Office
Augusto Torreggiani	Chairperson
Luciano Facchini	Chief Executive Officer
Enea Righi	Director
Ilaria Eugeniani	Director
Stefano Ghidoni	Director
Bruno Giglio	Director
Mauro Paoloni	Independent Director
Mauro Pizzigati	Independent Director
Renzo Torchiani	Independent Director

Board of Statutory Auditors

In office until approval of the Financial Statements for the financial year as at 31st December 2010.

Name and Surname	Office
Marco Elefanti	Chairperson
Fabio Lancellotti	Statutory Auditor
Laura Verzellesi	Statutory Auditor
Davide David	Alternate Auditor
Fabrizio Maiocchi	Alternate Auditor

Remuneration Committee

In office until approval of the Financial Statements for the financial year as at 31st December 2011.

Name and Surname	Office
Stefano Ghidoni	Committee Chairperson
Mauro Paoloni	Committee member
Mauro Pizzigati	Committee member

Internal Control Committee

In office until approval of the Financial Statements for the financial year as at 31st December 2011.

Name and Surname	Office
[REDACTED]	
Stefano Ghidoni	Committee Chairperson
Mauro Paoloni	Committee member
Mauro Pizzigati	Committee member

Supervisory Body

In office until approval of the Financial Statements for the financial year as at 20th February 2010.

Name and Surname	Office
[REDACTED]	
Veronica Camellini	Chairperson
Laura Verzellesi	Member
Francesco Magrini	Member

Independent Auditors

In office until approval of the Financial Statements for the financial year as at 31st December 2014.

[REDACTED]
PricewaterhouseCoopers S.p.A.
via Monte Rosa, 91 - 20149 Milan

Registered Office and Company details

[REDACTED]
Servizi Italia S.p.A.
Via S. Pietro, 59/c - 43019 Castellina di Soragna (Parma), Italy
Phone:+39 0524598511, Fax+39 0524598232
Share Capital : Euro 16,200,000 fully paid-up.
Tax Payer's Code and Parma Business Registry No.: 08531760158
Year of establishment:1986
Listing Segment: STAR segment of Borsa Italiana S.p.A . Telematic Stock Exchange.
ISIN codes: IT 0003814537, BLOOMBERG: SRI IM, REUTERS: SRI.MI
www.si-servizitalia.com

Investor Relator

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Giovanni Manti
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2. GROUP'S ORGANISATION

The Servizi Italia Group is composed of the following Companies:



3. DIRECTORS' REMARKS ON MANAGEMENT PERFORMANCE

During the first nine months of 2009, the Group obtained positive results both in terms of turnover and overall profitability.

Consolidation areas include the subsidiaries San Martino 2000 S.c.r.l., Se.Sa.Tre. S.c.r.l. and Padana Everest S.r.l.. The consolidation scope changed compared to 30th September 2008 following the establishment of the syndicate company Se.Sa.Tre. S.c.r.l., 60% owned by Servizi Italia S.p.A., and the acquisition of 75% of Padana Everest S.r.l. shareholding on 16th October 2008. The comments to the tables below point out the impact of such change whenever significant.

The Group's main economic, asset and financial data as at 30th September 2009 is given below comparing it to the same period last year. The data has been prepared pursuant to IAS/IFRS International Accounting Standards. Where "alternative performance indicators" have been used in the economic and asset analysis, the relative definitions are given in footnotes to the tables.

Main consolidated economic figures

The main consolidated Profit and Loss Account figures as at 30th September 2009 compared to the consolidated Profit and Loss Account as at 30th September 2008, expressed in thousands of Euro, are as follows:

<i>(Euro thousands)</i>	30 September 2009	30 September 2008	Change
Revenues	136,151	111,461	24,690
EBITDA (a)	37,989	31,373	6,616
<i>EBITDA %</i>	<i>27.9%</i>	<i>28.1%</i>	
Operating result (EBIT)	12,297	11,237	1,060
<i>Operating result (EBIT) %</i>	<i>9.0%</i>	<i>10.1%</i>	
Profit before tax	10,690	9,052	1,638
<i>Profit before tax %</i>	<i>7.9%</i>	<i>8.1%</i>	
Net profit	6,209	5,026	1,183
<i>Net profit %</i>	<i>4.6%</i>	<i>4.5%</i>	
<i>ROE</i>	<i>10.4%</i>	<i>9.1%</i>	
<i>ROI</i>	<i>12.3%</i>	<i>12.5%</i>	

- (a) EBITDA has not been identified as an accounting measure according to the IFRS adopted by the EU. EBITDA has been defined by the Company's management as the difference between the value of sales and services and operating costs before depreciation and write-downs.

Main consolidated Balance Sheet figures

The main consolidated Balance Sheet figures as at 30th September 2009 compared to the consolidated Balance Sheet as at 31st December 2008, expressed in thousands of Euro, are as follows:

<i>(Euro thousand)</i>	30 September 2009	31 December 2008	Change
Net operating circulating capital (a)	24,699	34,235	(9,536)
Other short term assets/liabilities (b)	(28,645)	(26,315)	(2,330)
Net circulating capital	(3,946)	7,920	(11,866)
Fixed assets - medium/long term funds	104,065	92,531	11,534
Invested capital	100,119	100,451	(332)

Shareholders' Equity (B)	59,751	55,908	3,843
Net financial debt (A)	40,368	44,542	(4,174)
Invested capital (c)	100,119	100,451	(332)
Gearing (A/A+B)	40.3%	44.3%	-4.0%
Debt/Equity (A/B)	67.6%	79.7%	-12.1%

- (a) Net operating circulating capital has not been identified as an accounting measure according to the IFRS adopted by the EU. Net operating circulating capital has been defined by the Company's management as the algebraic sum of inventories, commercial receivables and commercial payables.
- (b) Other short-term assets/liabilities have been defined as the difference between other current assets, receivables and payables for current taxes and other current liabilities.
- (c) Invested capital has not been identified as an accounting measure according to the IFRS adopted by the EU. Invested capital has been defined by the Company's management as the sum of the Shareholders' equity and net financial debt.

The Company's situation and overall management performance

The management performance showed, in the period from January to September 2009, an increase in the consolidated turnover of the Servizi Italia Group with revenues from sales and services totalling Euro 136,151 thousand, with a 22.2% increase compared to the financial statement closed as at 30th September 2008. This increase resulted from the consolidation of the turnover of the subsidiary Padana Everest S.r.l. by Euro 16,186 thousand. Having the same consolidation scope, the net turnover would have grown by 5.4%. The Parent Company's increases in turnover are mainly due to the new award of contracts in tenders at better conditions and with expansion of the services offered (e.g. NHS Hospital of Careggi, Local Social/Health Agency no. 9 Treviso, Local NHS Agency no. 11 Vercelli, Local NHS Agency no. 5 La Spezia), to the full implementation in 2009 of agreements entered into in the previous financial years (such as with the Local NHS Agency of Viterbo, the NHS Hospital of S. Giovanni in Roma and the NHS Hospital and Agency of Padua) and to the contract price reviews following the Italian National Statistical Institute's adjustments.

The consolidated **EBIDTA** increased from Euro 31,373 thousand as at 30th September 2008 to Euro 37,989 thousand as at 30th September 2009 with a 21.1% increase. The increase, in absolute terms, in the gross operating margin was mainly due to Padana Everest S.r.l. consolidation.

The consolidated **operating profit (EBIT)** rose from Euro 11,237 thousand to Euro 12,297 thousand with a 9.4% increase vs. the previous year after provisions for depreciation and write-downs of Euro 25,691 thousand. The consolidation of Padana Everest S.r.l. business contributed by Euro 2,255 thousand; furthermore, compared with the same period of the previous year, depreciations relating to the intangible asset "Customer contract portfolio" were entered deriving from the acquisition of the same for Euro 786 thousand.

The **result before taxes** rose from Euro 9,052 thousand to Euro 10,690 thousand with a growth of 18.1% compared to the same period of the previous year. This financial management increase was due to a

reduction of gross financial costs resulting from the interest rate decrease, despite a higher financial exposure following investments and acquisitions made in 2009.

The interim Consolidated Financial Statement as at 30th September 2009, therefore, closed with a **net profit** amounting to Euro 6,209 thousand with a 23.5% increase compared to Euro 5,026 thousand as at 30th September 2008, the consolidation of the subsidiary Padana Everest S.r.l. contributed, net consolidation costs, to the profits for the period by Euro 456 thousand with profit pertaining to minority interests amounting to Euro 348 thousand.

Significant events and operations

On 25 February 2009, the Board of Directors of Servizi Italia S.p.A. decided to request that the Company's shares be listed on the Italian Mercato Telematico Azionario (Italy's Telematic Stock Exchange) organised and managed by Borsa Italiana S.p.A. ("MTA"), in the STAR segment (STAR: Italian acronym for "Segmento Titoli ad Alti Requisiti": a segment of the stock exchange dedicated to small and medium capitalization companies meeting stringent requirements in terms of transparency, liquidity and corporate governance). The passage to the STAR segment satisfies the objectives of better share liquidity, greater visibility of the company's activities and governance aligned with the best international standards: in this regard, Servizi Italia had already voluntarily adopted the Self-Regulatory Code of Listed Companies in matters of corporate governance at the time of its listing. The continuous trading of shares throughout the day will lead to greater access to the shares by institutional investors, both in Italy and abroad.

On 19th March 2009, within the scope of a framework contract signed with Credemfactor S.p.A., the Board of Directors resolved to proceed with new pro-soluto credit transfers continuing the operations performed in 2007 and 2008.

On 19th March 2009, Servizi Italia S.p.A. opened the new surgical instruments sterilization centre for the NHS Hospital of Padua and for the Local NHS Unit No. 16 of Padua. The new production centre in Padua, the largest centre in Europe, a state-of-the-art facility from a technological standpoint, guaranteeing the high quality of the services supplied, covers a surface of about 2,850 square metres and has a full production capacity to cover over 200,000 surgical operations per year, extensible to meet the needs of other hospitals in the region. The temporary joint venture between Consorzio Polo di Sterilizzazione Integrata In Service (acronym CPSIS) and Servizi Italia S.p.A., on 26 July 2007, was awarded the contract tendered by the NHS Hospital of Padua and the Local NHS Agency U.L.S.S. No. 16 of Padua for the supply of in-service sterilization services for a period of 9 years through the completion and start up of the new dedicated surgical instruments sterilization centre, which is located in the province of Padua, to process surgical instruments and capable of guaranteeing the regular running of surgery activities.

On 27th April 2009 Servizi Italia S.p.A.'s Shareholder Meeting approved the consolidated Financial Statement for the year as at 31 December 2008.

The Meeting moreover resolved the appointment of the Directors who will be in office until the approval of the Financial Statement as at 31 December 2011.

The Meeting, in extraordinary call, moreover resolved to apply for the Company's shares to be listed on the Italian Mercato Telematico Azionario (Italy's telematic stock exchange) organized and managed by Borsa Italiana S.p.A. ("MTA") – STAR Segment and approved the concomitant proposal to exclude trading on Expandi S.p.A. market of Servizi Italia ordinary shares. Transfer to the MTA's STAR segment is subject to the acceptance of the application by Borsa Italiana S.p.A.

On 29th April 2009, the Company filed with Borsa Italiana S.p.A. the application for admission of Servizi Italia S.p.A. shares to the listing on the Italian Mercato Telematico Azionario (Italy's telematic stock exchange), STAR segment. The Company appointed Intermonte SIM S.p.A. as Sponsor of the operation.

On 12th June 2009, the Company received Borsa Italiana S.p.A.'s approval (with measure No. 6331) for the passage of the company's ordinary shares to the listing on the Italian Mercato Telematico Azionario (Italy's telematic stock exchange) and their concomitant exclusion from trading on Expandi Market.

Since 22 June 2009 Servizi Italia ordinary shares have been traded on the STAR Segment of the Italian Mercato Telematico Azionario (Italy's telematic stock exchange) (MTA), following the Star rating by Borsa Italiana S.p.A. attained on 18 June 2009.

With regards to the contracts signed with customers during the reference period, in addition to those already entered in the previous half-year report, the Parent Company was subcontracted, for two years and for an estimated yearly amount of Euro 1,000 thousand, the linen washing service and the management of part of the warehouse service of the Local Social/Health Agency no. 3 of Bassano del Grappa (Vicenza).

Significant Events Occurred after the Closing of the Quarter

On 9th October 2009, the new sterilization centre of Trieste started its activity with sterile medical articles and surgical instruments. The contract awarded amounts to approximately Euro 7,200 thousand for the overall contract duration of 6 years. This contract comes from the extension of contracted services under an earlier Global Service contract for the management of cleaning, wash-hire, and textile sterilization services with the same Hospital. The investments made for the completion of the new surgical instruments sterilization centre will be paid back to the Company by the Hospital throughout the duration of the contract.

Foreseeable Management Trend

The company expects to confirm the positive results obtained as at 30th September 2009 also for the last quarter of the year, given the same scope of business and excluding non-recurrent effects.

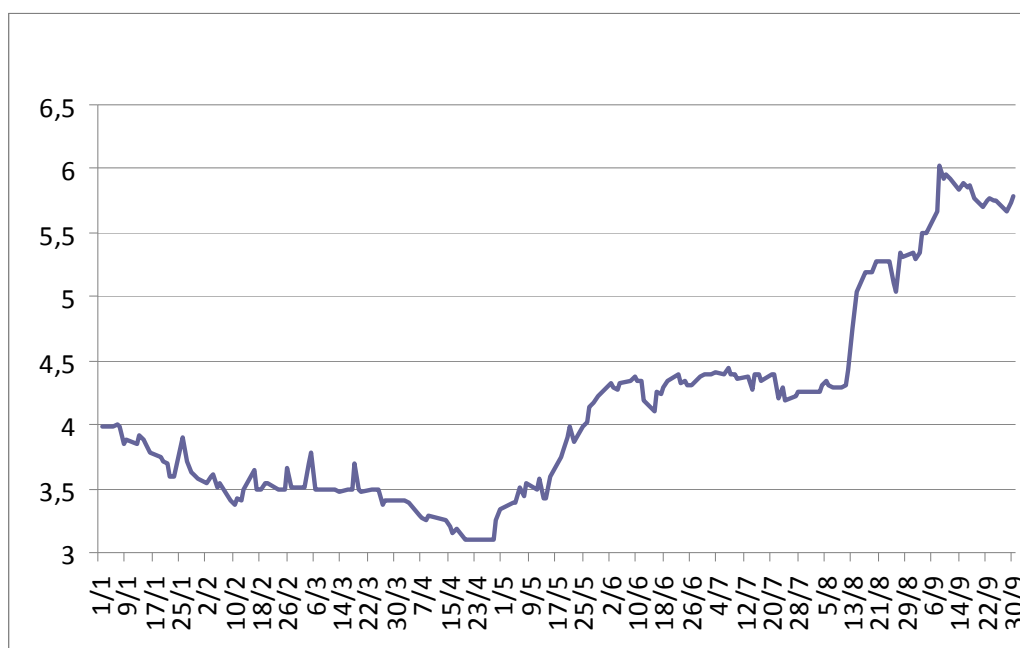
Thanks to the Group's financial soundness and possibility to recourse to credit, the investments in technology shall be made, as envisaged in the strategic plans for the years 2009 and 2010, which will involve the Group's main production platforms. To this end and considering the investments to be made, the Group shall be entitled also to the benefits envisaged by Legislative Decree no. 78 dated 1st July 2009, approved with amendments by Law no. 102 – article 5 dated 3rd August 2009.

Servizi Italia S.p.A. and the financial markets

Starting from 22nd June 2009, the Company share has been traded on the STAR segment of the Italian Mercato Telematico Azionario (Italy's electronic equities market) (MTA) of Borsa Italiana S.p.A. The following table shows the main share and stock exchange figures relating to the first nine months of 2009 and the share price performance in Euro:

Share and stock exchange figures	30 September 2009
Placement price – Expandi market on 4 April 2007	8.50
Price as at 30 September 2009	5.79
Maximum price as at 30 September 2009	6.02
Minimum price as at 30 September 2009	3.10
Stock Exchange capitalization as at 30 September 2009	93,798,000
No. of shares making up the share capital	16,200,000
Traded volumes as at 30 September 2009	2,738,147

Share price performance as at 30 September 2009



4. ACCOUNTING STATEMENTS

CONSOLIDATED BALANCE SHEET

<i>(Euro thousand)</i>	As at 30 September 2009	As at 31 December 2008
ASSETS		
Non-current assets		
Tangible Fixed Assets	92,725	82,080
Intangible fixed assets	2,174	448
Goodwill	21,844	23,520
Equity investments valued at shareholders' equity	4,202	3,326
Equity investments in other companies	2,149	2,148
Financial receivables	2,122	1,949
Deferred tax assets	643	798
Other assets	573	259
Total non-current assets	126,432	114,528
Current assets		
Inventories	2,826	2,717
Commercial receivables	88,270	93,518
Current taxes receivables	-	-
Financial receivables	6,231	3,431
Other assets	7,187	5,711
Cash and valuables on hand and cash equivalents	4,682	3,712
Total current assets	109,196	109,089
TOTAL ASSETS	235,628	223,617
SHAREHOLDERS' EQUITY AND LIABILITIES		
Group's assets		
Share capital	15,771	15,682
Legal reserve and other reserves	28,838	28,491
Profits carried over and economic result for the period	14,782	11,723
Total shareholders' equity of the Group	59,391	55,896
Total shareholders' equity of minority interests	360	12
TOTAL SHAREHOLDERS' EQUITY	59,751	55,908
LIABILITIES		
Non-current liabilities		
Payables due to Banks and other lenders	13,653	11,509
Deferred tax liabilities	2,676	2,280
Provisions for termination benefits	9,596	9,907
Provisions for Risks and Charges	2	2
Other liabilities	10,092	9,808
Total non-current liabilities	36,020	33,506
Current liabilities		
Payables due to Banks and other lenders	37,628	40,177
Commercial payables	66,397	62,000
Payables for current taxes	3,586	1
Other liabilities	32,247	32,025
Total current liabilities	139,857	134,203
TOTAL LIABILITIES	175,877	167,709
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	235,628	223,617

CONSOLIDATED PROFIT AND LOSS ACCOUNT

<i>(Euro thousand)</i>	As at 30 September 2009	As at 30 September 2008
Revenue from sales	136,151	111,461
Other Income	2,363	2,822
Raw materials and consumables used	(13,807)	(12,301)
Cost of services	(47,249)	(38,162)
Cost of staff	(38,757)	(31,883)
Other costs	(712)	(564)
Depreciations and write-downs	(25,691)	(20,135)
Operating profit	12,297	11,237
Financial income	708	1,231
Financial costs	(2,510)	(3,528)
Income/costs from equity investments	131	41
Revaluation/write-downs of equity investments valued at shareholders' equity	64	69
Result before taxes	10,690	9,052
Current and deferred taxes	(4,481)	(4,026)
Economic result for the period	6,209	5,026
of which: Group's share	5,861	5,026
Minority interests' share	348	-

OVERALL CONSOLIDATED PROFIT AND LOSS ACCOUNT

<i>(Euro thousand)</i>	As at 30 September 2009	As at 30 September 2008
Economic result for the period	6,209	5,026
<i>Other items of the overall economic result</i>	-	-
Actuarial Profits (Losses)	-	-
Income taxes on the other items of the overall result	-	-
Total of other items of the overall economic result net of taxes	-	-
Total overall economic result for the period	6,209	5,026
of which Group's share	5,861	5,026
Minority interests' share	348	-

NET CONSOLIDATED FINANCIAL POSITION

<i>(Euro thousand)</i>	As at 30 September 2009	As at 31 December 2008	As at 30 September 2008
Cash and valuables on hand and cheques	34	22	27
Banks – available current accounts	4,648	3,690	3,277
Cash and valuables on hand and cash equivalents	4,682	3,712	3,304
Current financial receivables	6,231	3,431	4,476
Payables to banks and other current lenders	(37,628)	(40,177)	(39,061)
Net current financial debt	(31,396)	(36,746)	(34,585)
Payables to banks and other non-current lenders	(13,653)	(11,509)	(3,329)
Net non-current financial debt	(13,653)	(11,509)	(3,329)
Net financial debt	(40,368)	(44,542)	(34,610)

5. COMMENTS

5.1 INTRODUCTION

The interim management report as at 30th September 2009 was drawn up in compliance with the provisions of art. 154-ter of the Italian Consolidated Financial Act (TUF).

The accounting principles and standards adopted for drawing up this Interim Management Report as at 30th September 2009, which is not subject to auditing, are in line with those used for drawing up the Annual Financial Statement. In compliance with CONSOB communication no. DEM/5073567 dated 4th November 2005, the Company has availed itself of the possibility of providing fewer details than those envisaged by International Accounting Standard 34 (Interim Financial Reporting).

The companies subject to consolidation using the full consolidation method are the subsidiaries S. Martino S.c.r.l., Se.Sa.Tre. S.c.r.l. and Padana Everest S.r.l..

For drawing up the Interim Report, no significant changes have been made to the estimate criteria used in drawing up the Annual Financial Statement. It is worth mentioning that, to guarantee the standardization of comparative figures, in the Profit and Loss Account as at 30th September 2008, positive and negative adjustments in item “Revenues from sales” have been reclassified, which were recorded upon communication from the relevant bodies of the final figures compared to advance invoicing; before, these figures were recorded in the item “Other revenues” and “Other costs” respectively.

This Interim Management Report is approved by the Board of Directors on 12th November 2009.

5.2 PERFORMANCE PER BUSINESS SECTOR AND GEOGRAPHICAL AREA

The revenues from sales and services of the Servizi Italia Group, subdivided by business sector and for the periods closed as at 30th September 2009 and 2008, showed the following figures and changes:

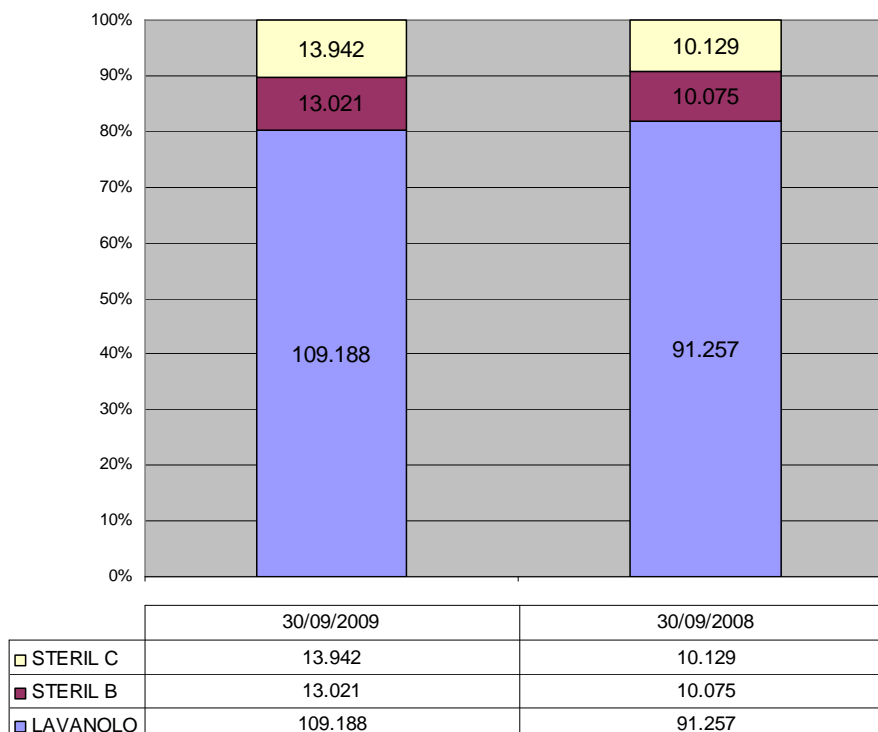
<i>(Euro thousand)</i>	30 September 2009	%	30 September 2008	%	Changes
Wash-hire	109,188	80.2%	91,257	81.9%	19.6%
Sterilization of linen (STERIL B)	13,021	9.6%	10,075	9.0%	29.2%
Surgical Instruments Sterilization (STERIL C)	13,942	10.2%	10,129	9.1%	37.6%
Revenue from sales	136,151	100.0%	111,461	100.0%	22.2%

The revenue from wash-hire services rose from Euro 91,257 thousand in the first nine months of 2008 to Euro 109,188 thousand in the first nine months of 2009, with a 19.6% increase mainly due to the consolidation of Padana Everest S.r.l., whose contribution in the wash-hire segment amounted to Euro 13,972 thousand. The remaining growth is partly due to ISTAT price adjustments and to the renewal of some contracts at better conditions. In relative terms, wash-hire as at 30th September 2009 accounted for 80.2% of total revenues from sales and services, down compared with 30th September 2008 (81.9%).

The revenue from linen sterilization services shows a 29.2% growth mainly due to the supply of disposable articles to existing customers (Local NHS Agency no. 5 of La Spezia, Local Social/Health Agency no. 6 of Vicenza, NHS Hospital of Careggi) and to the extension of sterilization services with current customers (Local NHS Agency n. 3 of Genoa and Local Social/Health Agency no. 12 of Venice) and it amounts to Euro 13,021 thousand, of which 862 thousand generated by Padana Everest S.r.l.

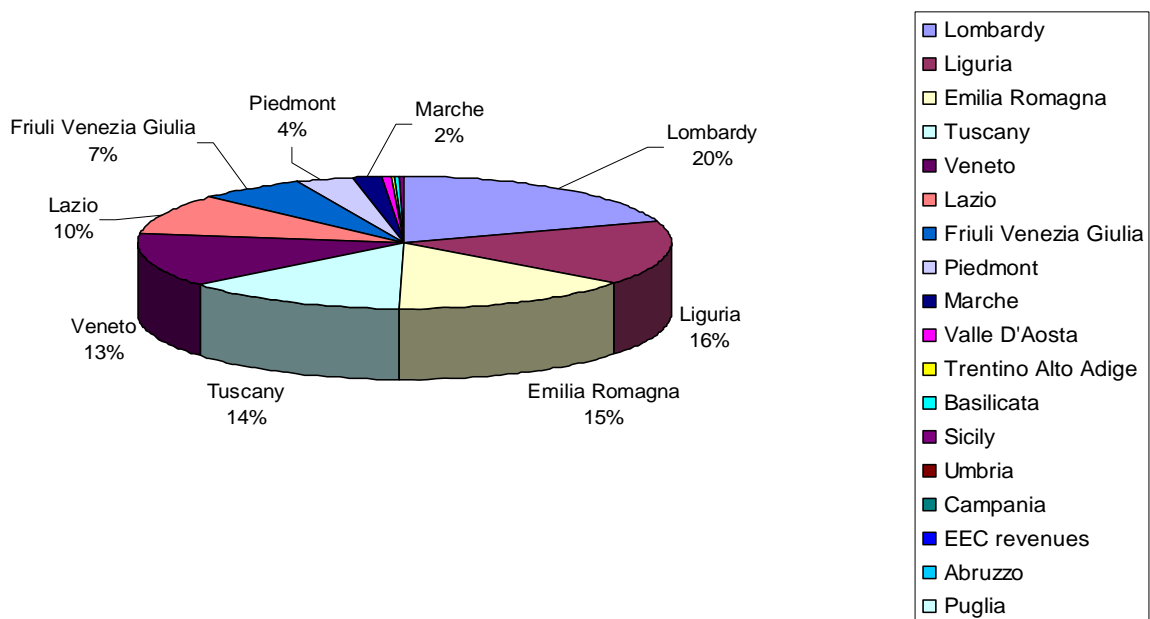
The turnover generated by surgical instruments sterilization shows a 37.6% growth compared to the same period of the previous year. The increase is ascribable to the consolidation of Padana Everest S.r.l. by Euro 1,169 thousand, whereas the internal growth is essentially due to the turnover of the Padua Centre, which started operating at the end of 2008 with a contribution of approximately Euro 2,279 thousand, and to the turnover for the new tender for the NHS Ospedale di Circolo and Fondazione Macchi of Varese, approximately Euro 334 thousand (since July 2009).

The linen and instruments sterilization services, which have higher added value and growth potential, increased their overall weight on total revenues from sales in relative terms rising from 18.1% as at 30th September 2008 to 19.8% during the first nine months of 2009, in line with the targets set in the growth plan.



The following table illustrates the revenue from sales and services for the Servizi Italia Group, subdivided by geographical area and listed alphabetically, for the periods closed as at 30th September 2009 and 2008:

<i>(Euro thousand)</i>	30 September 2009	%	30 September 2008	%	Changes
Abruzzo	-	-	401	0.4%	-100%
Basilicata	309	0.2%	316	0.3%	-2.2%
Campania	20	0.0%	-	-	0.0%
Emilia Romagna	20,008	14.7%	19,846	17.8%	0.8%
Friuli Venezia Giulia	8,880	6.5%	8,802	7.9%	0.9%
Lazio	12,990	9.5%	12,358	11.1%	5.1%
Liguria	21,564	15.8%	20,178	18.1%	6.9%
Lombardy	26,693	19.6%	10,773	9.7%	147.8%
Marche	2,253	1.7%	1,982	1.8%	13.7%
Piedmont	4,784	3.5%	4,180	3.8%	14.4%
Puglia	-	-	-	-	-
Sardinia	-	-	-	-	-
Sicily	117	0.1%	150	0.1%	-22.1%
Tuscany	18,772	13.8%	18,114	16.3%	3.6%
Trentino Alto Adige	379	0.3%	374	0.3%	1.3%
Umbria	111	0.1%	41	0.0%	170.0%
Val D'Aosta	1,032	0.8%	995	0.9%	3.7%
Veneto	18,229	13.4%	12,951	11.6%	40.8%
EEC revenues	11	0.0%	-	-	0.0%
Total	136,151	100.0%	111,461	100.0%	22.2%



5.3 COMMENTS ON THE MAIN ASSETS CHANGES

Tangible Fixed Assets

Investments in intangible fixed assets made during the first nine months of 2009 amount to Euro 35,199 thousand of which Euro 18,878 thousand in linen, whereas Euro 9,425 thousand of current fixed assets refer to transferable works still to be completed. Fixed assets amount to Euro 23,847 thousand.

Intangible fixed assets

The item shows an increase of Euro 1,726 thousand compared to 31st December 2008, which is due to the conclusion of the Purchase Price Allocation process for the acquisition of Padana Everest S.r.l.; this process led to the identification of the “Customer contract portfolio” as an intangible asset to be separated and identified, and thus enhanced.

Equity investments valued at shareholders' equity

The item shows an increase of Euro 877 thousand compared to 31st December 2008, which is due to the financing from shareholders for the future A.M.G. S.r.l.'s capital increase by Euro 500 thousand, to the subscription of the Iniziative Produttive Piemontesi S.r.l.'s share capital increase by Euro 495 thousand and to the profit/loss for the period made by affiliated companies.

Commercial receivables

As at 30th September 2009, commercial receivables amounted to Euro 88,270 thousand, with a decrease of Euro 5,247 thousand compared to 31st December 2008. This decrease was due to higher income flows recorded during the first nine months of 2009. On 26th March, 29th June and 28th September, commercial receivables were transferred pro soluto to Credem Factor for Euro 40,545 thousand for a total payment of Euro 40,245 thousand.

Current financial receivables

Current financial receivables show an increase of Euro 2,800 thousand due to the increase of the interest-bearing financing granted to the affiliate P.S.I.S. S.c.r.l. (rate equal to Euribor at 3 months, current month average + 1.5%) on 12th March and 24th July 2009 and to the loan granted to the affiliate AMG S.r.l. of Euro 500 thousand (rate equal to Euribor at 3 months, current month average + 0.5%).

Other current assets

The increase of the item, amounting to Euro 1,476 thousand, is mainly due to deferred costs for rents and insurance premiums whose recognition took place at the beginning of the year.

Shareholders' Equity

As at 30th September 2009 the shareholders' equity amounts to Euro 59,751 thousand (of which Euro 360 thousand pertaining to minority interests) compared to Euro 55,908 thousand (of which Euro 12 thousand pertaining to minority interest) as at 31st December 2008.

As at 30th September 2009, the Company holds 428,935 treasury shares equal to approximately 2.65% of the Share Capital. The value of the treasury shares, equal to Euro 2,160 thousand, has been classified as a reduction of the Share Capital for the nominal value of the same of Euro 429 thousand, and as a reduction in the Share Premium Reserve for surplus of the purchase value compared to the nominal value of Euro 1,731 thousand.

Payables to banks and other non-current lenders

Payables to banks and other non-current lenders show an increase from Euro 11,509 thousand as at 31st December 2008 to Euro 13,653 thousand as at 30th September 2009. This increase of Euro 2,144 thousand corresponds to the balance between the decrease resulting from the payment of loan and lease instalments matured during the period under consideration and the share of non-current debt, amounting to Euro 5,367 thousand, contracted by the subsidiary Se.Sa.Tre. S.c.r.l. with the Servizi Ospedalieri S.p.A. Company.

Payables to banks and other current lenders

Payables to banks and other current lenders show a decrease from Euro 40,177 thousand as at 31st December 2008 to Euro 37,628 thousand as at 30th September 2009. The decrease of the balance amounting to Euro 2,549 thousand was essentially determined by an increase in payments by agencies and hospitals during the period under consideration.

Commercial payables

Commercial payables rose from Euro 62,000 thousand as at 31st December 2008 to Euro 66,396 thousand as at 30th September 2009 relating to payment extensions granted by the main suppliers.

5.4 COMMENTS ON THE MAIN ECONOMIC CHANGES

Costs for services

The item in reference consists of the following:

<i>(Euro thousand)</i>	30 September 2009	30 September 2008
External laundry services and other industrial services	(13,884)	(11,614)
Travel and transport	(7,338)	(6,408)
Utilities	(8,668)	(7,724)
Administration costs	(2,740)	(2,042)
Co-operative and commercial costs	(6,076)	(2,911)
Staff costs	(713)	(601)
Maintenance	(2,594)	(2,036)
Costs for use of third parties' properties	(4,637)	(4,357)
Other services	(599)	(469)
Total	(47,249)	(38,162)

The variation in the scope of consolidation due to the acquisition of a 75% shareholding in Padana Everest S.r.l. impacted on the total costs for services by Euro 3,894 thousand, of which Euro 1,410 thousand for external collaborations and industrial services, Euro 936 thousand for utilities and Euro 468 thousand for travels and transport.

The laundry external services increased both due to the outsourcing of some services (for example the warehouse and laundry services of the Local NHS Agency 11 Vercelli, and the laundry service of the

Local NHS Agency 19 Asti), and to the starting up of services to new Customers (for example Salsomaggiore and Tabiano SPA).

Utilities show an increase of Euro 944 thousand. This increase is mainly due to a high cost of gas rate during the first half-year not fully offset by a reversal of the trend during the third quarter.

The administration costs rise from Euro 2,042 thousand to Euro 2,740 thousand; this increase is partly ascribable to the change in the scope of consolidation for Euro 306 thousand and, partly, to the ancillary costs linked to the Company shares' being traded on the Italian Mercato Telematico Azionario (Italy's telematic stock exchange) organized and managed by Borsa Italiana S.p.A. – STAR Segment (costs relating to the activities of Intermonte SIM S.p.A., sponsor for the operation, to the Investor Relations activity and to various communications).

Co-operative and commercial costs rise from Euro 2,911 thousand as at 30th September 2008 to Euro 6,076 thousand as at 30th September 2009. This increase compared to the same period of the previous financial year is mainly due to the reversal of the costs charged by the company in which shares are held P.S.I.S. S.c.r.l. relating to the activities of the surgical instruments sterilization centre of Padua and to the recovery by Servizi Ospedalieri S.p.A. of the costs of utilization of the Treviso plant by Servizi Italia S.p.A. for providing services outside the scope of the contract with Local Social/Health Agency no 9 of the Veneto Region.

Staff costs

The item in reference consists of the following:

<i>(Euro thousand)</i>	30 September 2009	30 September 2008
Costs for directors' compensations	(633)	(309)
Wages and salaries	(26,009)	(21,745)
Stock option fair value	135	(88)
Temporary jobs	(2,010)	(876)
Welfare costs	(8,657)	(7,437)
Employee termination benefits	(1,487)	(1,393)
Other costs	(96)	(35)
Total	(38,757)	(31,883)

The expansion of the consolidation scope to the subsidiary Padana Everest S.r.l. impacted for Euro 6,808 thousand.

The staff cost was reduced by the portion consisting of the options' *fair value* (no. 810,000) on the assignment date, recorded in the Profit and Loss Account as at 31st December 2008, since the probability of achieving the company targets related to the maturity of the options on shares, as in the plan resolved on 21st April 2008, was considered non-existent.

The following table shows the staff average composition of the Group:

	30 September 2009	30 September 2008
Executives	9	4
Managers	14	12
Office staff	134	116
Workers	1,534	1,309
Total	1,691	1,441

As at 30th September 2009 the average number of the Parent Company's employees decreased by 43 units following the re-organization carried out in the period under consideration, whereas the workforce was increased by the average number of Padana Everest S.r.l.'s employees, (293 in number) not included in the comparison between the two years.

Depreciations and write-downs

Tangible and intangible asset depreciations and write-downs were 27.6% higher compared with the figures as at 30th September 2009; this increase is mainly ascribable to the change in the consolidation area of Se.Sa.Tre. S.c.r.l and Padana Everest S.r.l., impacting on depreciations for Euro 1,483 thousand and Euro 1,917 thousand respectively.

With reference to the increase in intangible fixed asset depreciation, the depreciation of the fixed asset "Customer contract portfolio" of Padana Everest S.r.l., amounting to Euro 786 thousand, gave a significant contribution.

Furthermore, the fund for credit write-down was updated with provisions amounting to Euro 334 thousand.

5.5 NET FINANCIAL POSITION

<i>(Euro thousand)</i>	As at 30 September 2009	As at 31 December 2008	As at 30 September 2008
Cash and valuables on hand and cheques	34	22	27
Banks – available current accounts	4,648	3,690	3,277
Cash and valuables on hand and cash equivalents	4,682	3,712	3,304
Current financial receivables	6,231	3,431	4,476
Payables to banks and other current lenders	(37,628)	(40,177)	(39,061)
Net current financial debt	(31,396)	(36,746)	(34,585)
Payables to banks and other non-current lenders	(13,653)	(11,509)	(3,329)
Net non-current financial debt	(13,653)	(11,509)	(3,329)
Net financial debt	(40,368)	(44,542)	(34,610)

The decrease in the net financial debt was essentially determined by an increase in income flows recorded in the first nine months of 2009 and by a reduction in payment terms following new agreements signed with the main suppliers.

In particular, the analysis of individual items shows an increase in cash and valuables on bank current accounts resulting from more payments made by customers mainly in Lombardy and Lazio.

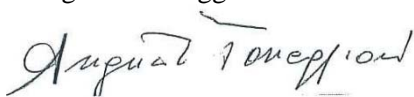
Financial receivables increased by more than 80% compared to 31st December 2008 as a result of the loan of Euro 500 thousand granted to the affiliate AMG S.r.l. and of the loan increase granted to the affiliate P.S.I.S. S.c.r.l. amounting to Euro 2,300 thousand.

Payables to banks and other current lenders are decreasing as a consequence of the higher income flows recorded in the first nine months of the year.

Payables to banks and other non-current lenders are increasing as a consequence of the consolidation of the debt contracted by the subsidiary Se.Sa.Tre. S.c.r.l. with the Servizi Ospedalieri S.p.A. company.

The Chairperson of the Board of Directors

Augusto Torreggiani



The Manager responsible for the preparation of the company accounting documentation, Ilaria Eugeniani, stated, pursuant to paragraph 2 of article 154 bis of the Consolidated Text of Finance Laws, that the accounting disclosure contained in this document corresponds to the documentary outcome, accounting records and books.

The Manager responsible for the preparation of the Company accounting documentation.

Ilaria Eugeniani

