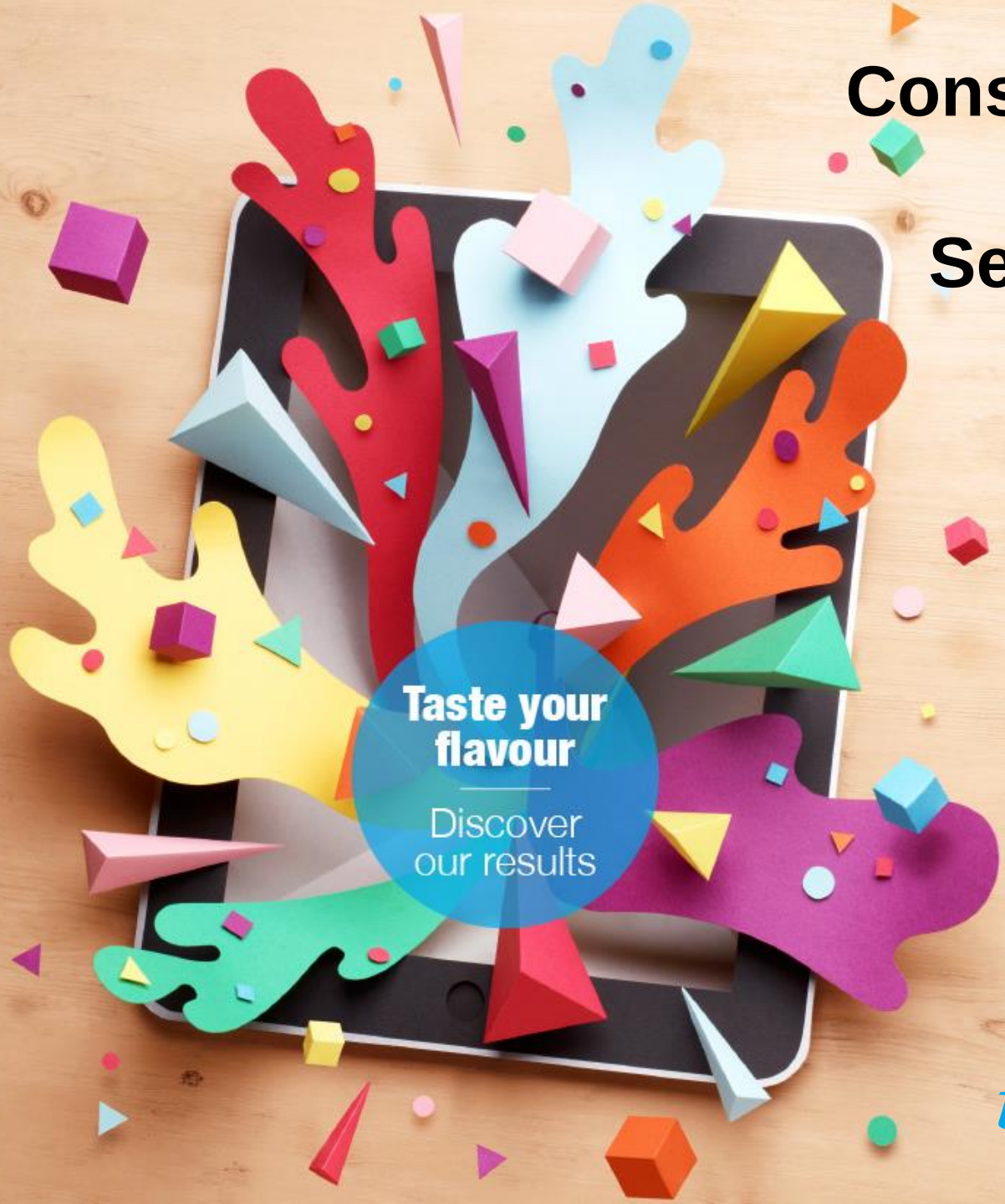
yourbestbreak.com

Consolidated Results September 2017

Nov 28th, 2017



ivsgroup®

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The information in this presentation could include forward-looking statements which are based on current expectations and projections about future events. These forward-looking statements are subject to risks, uncertainties and assumptions about the Company and its subsidiaries and investments. Including, among other things, the development of its business, trends in its operating industry, and future capital expenditures and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur. No one undertakes to publicly update or revise any such forward-looking statements.

In this document, we present certain measures, including EBITDA, EBITDA Adjusted, EBIT, EBIT Adjusted, Net Financial Indebtedness and Net Financial Position, Net profit/(loss) for the period Adjusted and Gross Margin. Certain of these financial measures are, or may be, considered Alternative Performance Measures ("APMs") as defined by ESMA Guidelines on Alternative Performance Measures and are better detailed in section "Alternative Performance Measures" of the Half-year Report 2017.
In addition the 2016 figures have been restated in order to reflect the finalization of Purchase Price Allocation provisionally accounted in previous Consolidation Financial Statements.

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Quality
Choice
Service
Renewing
The Pleasure
Of Your
Daily-Break

OUR MISSION

COMPANY OVERVIEW – IVS AT A GLANCE

IVS Group S.A. **is the market leader in the Italian vending machine operators market** (~13% Italian market share in value; 10% in volumes), and **the only Italian player with a nationwide presence**.
Second largest vending player in Europe (and the only public listed vending company).

Owned by its active managers and founding shareholders, which owns around ~ 65% of the share capital, while the rest is on the market (free float).

Italian **leader in vending**, second in Europe and third in Spain, **solid base for growth**

Around 2,700 employees, 80 branches in Italy, Spain, France and Switzerland of which 9 Coinservice Division (Italian leader in coins management)

Expected (brokers consensus) around 400 mln sales in 2017

183,900 Vending Machines installed (ca 120.6K Automatic + 63.4K OCS)

Target of around 800 million vends per year in 2017

Continuous investments in new services and models of Vending Machines

Value of European vending market: c.a. 10-12 billion, with > 10,000 players (mostly very small and family owned)

Leadership position in a highly fragmented European and Italian market (>10,000 players)

Pricing power track record: **Best in class logistic and operations**

Well-regarded management team with strong industry experience

Diversified customer portfolio (**contract renewal rates** in excess of 95%)

Proven success in the integration of >150 bolt-on acquisitions since 2007

Relatively **stable sector and high entry barriers**

COMPANY OFFICERS

BOARD OF DIRECTORS

Paolo Covre*
Chairman

Massimo Paravisi
Chief Executive Officer (co-CEO)

Antonio Tartaro
Chief Executive Officer (co-CEO)

Vito Alfonso Gamberale
Vice Chairman

Adriana Cerea
Director

Monica Cerea
Director

Maurizio Traglio
Non-executive director

Mariella Trapletti
Non-executive director

Luigi De Puppi
Independent non-executive director

Carlo Salvatori
Independent non-executive director

Relevant Managers

Alessandro Moro
Chief Financial Officer (CFO)

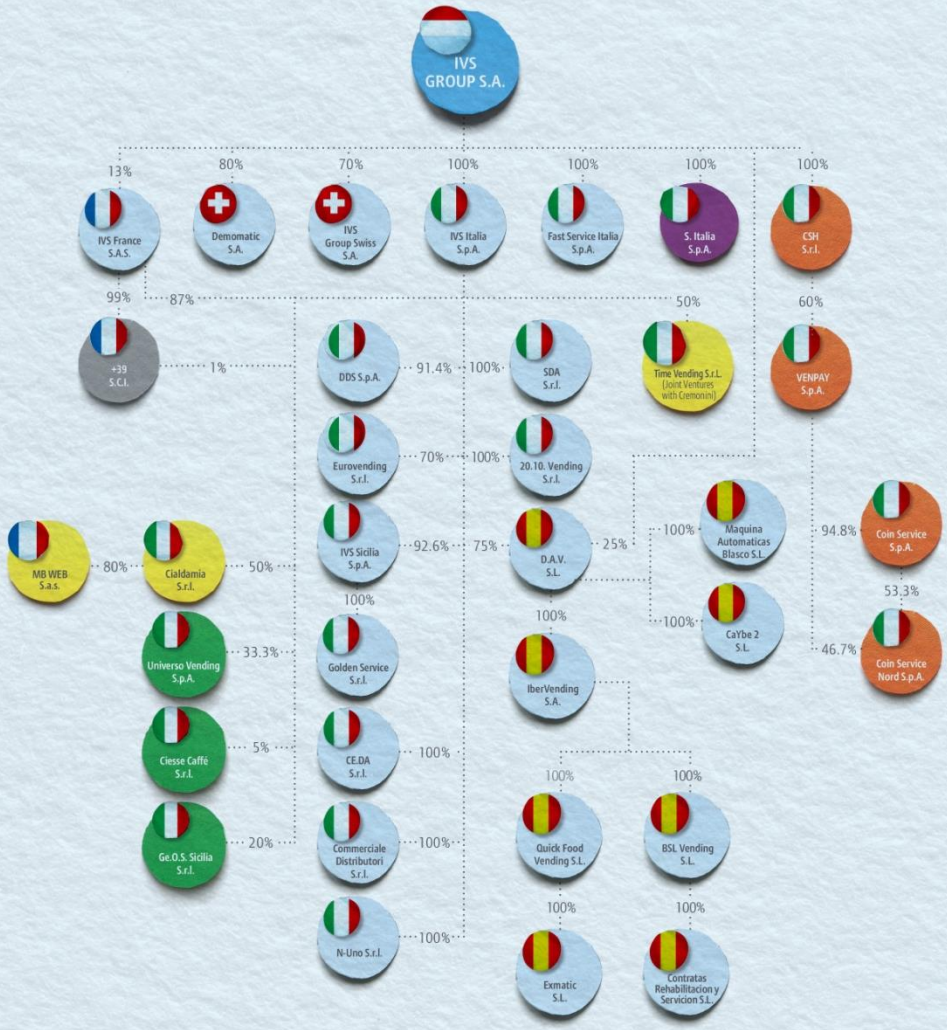
Independent Auditors

Ernst & Young S.A.
Luxembourg

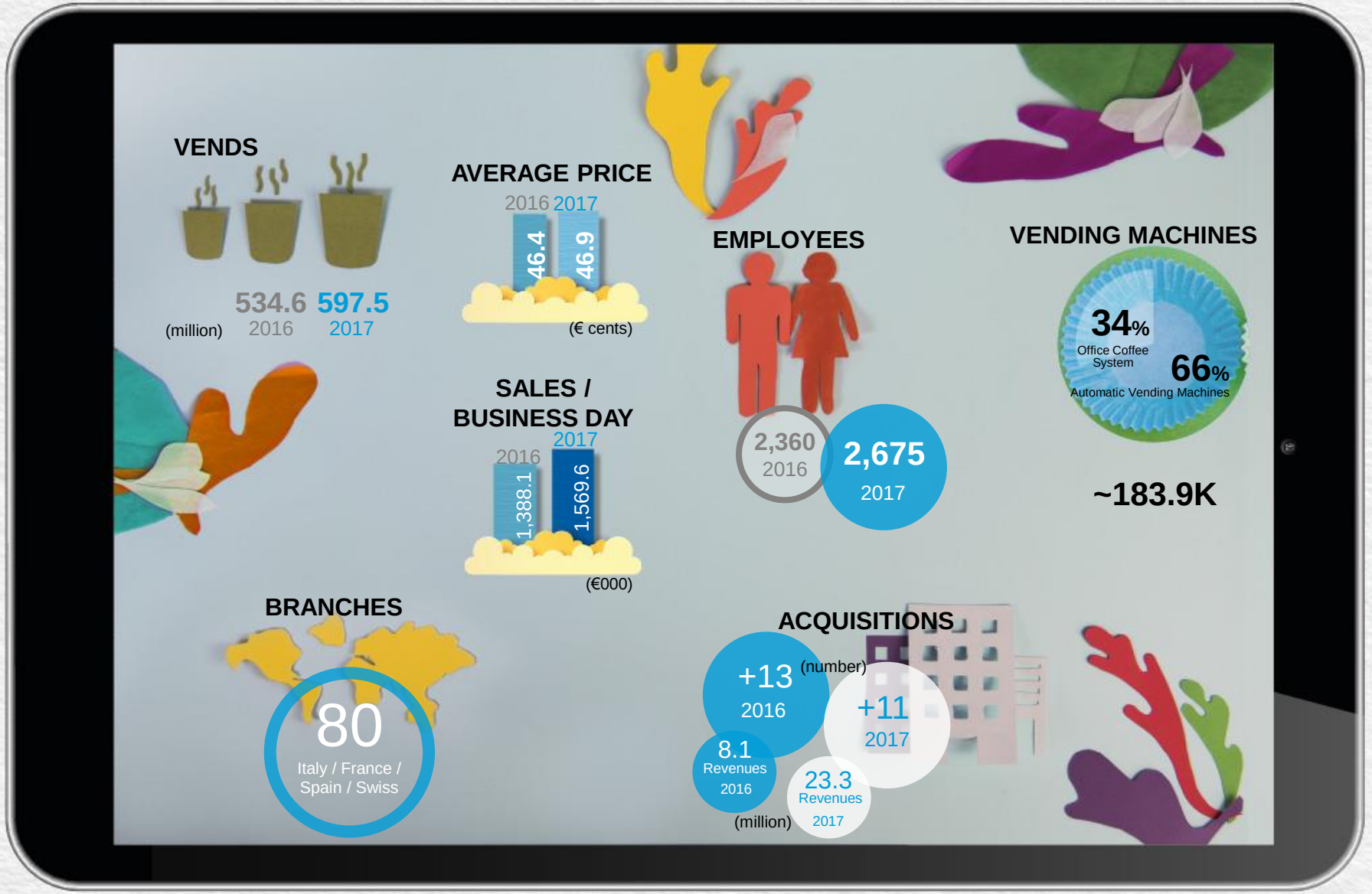
* Mr. Covre was appointed as Chairman by the board of director in the last meeting of August 29th, 2017 due to the untimely passed away of Mr. Cesare Cerea occurred on August 7th, 2017.

GROUP STRUCTURE

The IVS Group presents the following structure as of September 30th, 2017:



HIGHLIGHTS 3Q2017

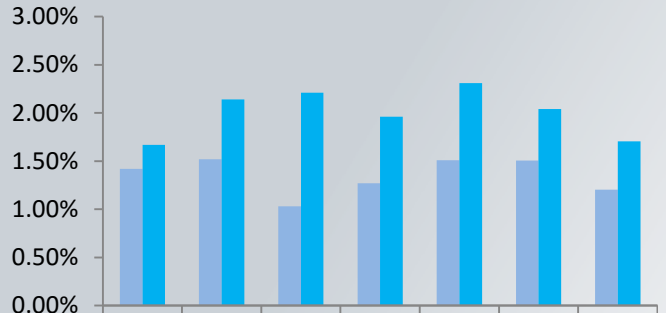


KPI 3Q2017

EBITDA ADJUSTED
(thousands) **68,732** 2017
62,034 2016

WORKING DAYS
178.9 2016 **178.5** 2017

EBITDA ADJUSTED per working day
(thousands) **385.1** 2017
346.8 2016



	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	2Q 2017	3Q 2017
Churn Rate	1.42%	1.52%	1.03%	1.27%	1.51%	1.51%	1.20%
Acquisition Rate	1.67%	2.14%	2.21%	1.96%	2.31%	2.04%	1.70%

% OF REPETITIVE FAILURES within 7 days
9.2% 2016 **9.5%** 2017

AVERAGE TIME OF FAILURES RESOLUTION (in hours)
3.31 2016 **3.45** 2017

% OF TECHNICAL CALLS RESOLVED WITHIN 4 HOURS
73.3% 2016 **72.5%** 2017

% OF TECHNICAL CALLS RESOLVED WITHIN 8 HOURS
93.3% 2016 **92.3%** 2017

KEY MESSAGES FOR 3Q2017 (1/3)

(Eur/1000)	2017	2016	Var.	Var.%
Revenues	303,712	269,753	33,959	12.6%
EBITDA Adjusted	**68,732**	**62,034**	**6,698**	**10.8%**
EBITDA	62,962	60,674	2,288	3.8%
Net Profit Adjusted	**17,683**	**17,541**	**142**	**0.8%**
Net Profit	15,174	13,183	1,991	15.1%
Net Financial Position	**(254,665)**	**(229,172)**	**(25,493)**	**11.1%**
Operative Capex	35,690	30,090	5,600	18.6%
Free Cash Flow	(10,512) (*)	14,296 (**)	(24,808)	(173.5%)

(*) After payment of EUR 34.9M related to M&A price paid in the period and 9.6M related to AGCM fine instalments.
(**) After payments of EUR 10.5M related to M&A price paid in the period and 8.9M related to last 7.125% Notes coupon.

SIGNIFICANT EVENTS OF THE FIRST NINE MONTHS OF 2017 (1/3)

- On July 2nd, 2017 the IVS Group, through its subsidiary IVS Italia S.p.A. has acquired the business of **Pronto Coffee**, agent for the distribution of the Professional Line of Nespresso^{tm} coffee pods in the provinces of Modena, Bologna, Ferrara and Rovigo. The value of the transaction is around **EUR 1,073 thousand**. This acquisition follows that occurred on January 17th, 2017, when IVS Group, through its subsidiary IVS Italia S.p.A., in order to accelerate the transfer of the service to all of the clients included in the agreement between the company and Nespresso Italiana S.p.A. signed the final acquisition agreement of the **Nespresso** business line of Gruppo Argenta S.p.A. (mostly active in the North of Italy) and of its controlled company Somed S.p.A. (mostly active in Puglia region). This two first Nespresso branches acquired generates a declared annual sales of around EUR 8.3 million. The provisional consideration transferred, is equal to **EUR 4,692 thousand** and it was partially paid for **EUR 3,461 thousand** at the signing of the agreement.

KEY MESSAGES FOR 3Q2017 (2/3)

SIGNIFICANT EVENTS OF THE FIRST NINE MONTHS OF 2017(2/3)

- On September 22nd, IVS Group, through its Switzerland subsidiary, has signed an agreement regarding the acquisition of the business of **Facchinetti Vending Distributori Automatici S.A.** operating in the vending sector in Switzerland, in the Italian speaking region of Canton Ticino. The business acquired generates annual sales of around CHF 1.2 million and was valued (provisional price), with a multiple of 4 times the EBITDA (net of financial debt and working capital). IVS Group has paid an advance of **CHF 2,100 thousand**. The acquisition has been finalized on October 2nd, 2017.
- On January 31st, 2017 IVS Group, through its Spanish subsidiary DAV S.L., has acquired the entire share of **Grup Ibervending S.A.**, that, jointly with its 4 subsidiaries, operates in the Spanish vending business, with consolidated sales of EUR 23 million and with an adjusted EBITDA of EUR 4.3 million. The enterprise value of the transaction is equal to **EUR 26,218 thousand** and it was partially paid for **EUR 23,079 thousand**; the residual amount will be paid during the year 2018.
- In addition to the above, since January 1st, 2017 the IVS Group, through its subsidiary IVS Italia S.p.A. has finalized n. **8 acquisition** of business units, located in Italian regions Calabria, Emilia Romagna, Sardegna, Campania, Lazio and Piemonte.
- On June 30th, 2016, the Italian Tax Authority (Agenzia delle Entrate) adopted the technical regulation for automated transmission of revenues data from the vending machines with effects from April 1st, 2017.
- The annual shareholders' meeting of IVS Group S.A., held on May 9th, 2017 resolved the **distribution of a dividend** of EUR 0.24 for each share, for a total amount of **EUR 9,438 thousand**. The payment of the dividend has been made July 12nd, 2017, with record date on July 11st, 2017 and the ex-dividend date July 10th, 2017.
- Sale of treasury shares: in the period IVS Group S.A. sold no. 236,393 of treasury shares (EUR 2,564 thousand) and no. 100,000 treasury shares for paid a part of the final price to the acquisition of the minority stake of CSH S.r.l.
- The conditions to release **class B2 and B3 shares** (no.1,250,000 for each class) were not matched within the fifth anniversary of the business combination between IVS Group Holding S.p.A. and Italy1 Investment S.A., occurred on May 16th, 2012. IVS Group exercise the option to acquire B2 and B3 shares at the option price of EUR 0.0093 each. On July 21st, 2017 IVS Group S.A. has acquired these shares for a total amount of EUR 23 thousand.

KEY MESSAGES FOR 3Q2017 (3/3)

SIGNIFICANT EVENTS OF THE FIRST NINE MONTHS OF 2017(3/3)

- IVS Group S.A. and IVS France S.A. signed a binding contract for the sale to Luigi Lavazza S.p.A. of their total 36.86% equity interest in the French company **Espresso Service Proximité S.A.**. The closing date has been September 12nd, 2017. The price for this sale is **EUR 5,489 thousand**.
- On July 27th, 2017, following the hearing held on June 7th, 2017 the Regional Administrative Court (TAR) of Lazio has decided on the appeal filed by IVS Italia S.p.A., other 13 Italian companies active in the vending industry and CONFIDA (the Italian association of operators in the vending industry) against the decision of the **Italian Antitrust Authority (IAA)** which held that the parties involved in the investigation (including IVS Italia S.p.A.) in the period 2011-2014 have made agreements aimed at restricting competition in the Italian vending sector. As regards IVS Italia, on July 28th, 2017 the TAR has confirmed the fine of EUR 31,918 thousand and has offset the legal expenses of either parties due to the novelty and difficulty of the issues dealt in the proceeding. Against the TAR decision IVS Italia S.p.A. filed an appeal in front of the State Council (Consiglio di Stato).
- Following a long lasting of either pillness Mr. Cesare Cerea, Chairman and founder of the company since 1972, passed away on August 7th, 2017. The Board of Directors of August 29th, 2017, unanimously resolved to appoint as Chairman of the Board of Directors of the Company the director Mr. Paolo Covre, member of the board since IVS establishment.

SUBSEQUENT EVENTS

- On October 31st, 2017 IVS Group finalized, through its subsidiary CSH S.r.l., a business combination with **Your Voice**, a company operating in the Coin Division. The enterprise value of the transaction is equal to **EUR 968 thousand** and it was partially paid for **EUR 793 thousand**; the residual amount will be paid during the years 2018 and 2019.

ADJUSTED CONSOLIDATED INCOME STATEMENT

(in thousand of Euro)	30/09/2017 Adjusted	Inc.%	30/09/2016 Adjusted Restated	Inc.%	Variation	Var.%
Revenue from sales and services	292,334	96.3%	259,646	96.3%	32,688	12.6%
Other revenues and income	11,255	3.7%	10,107	3.7%	1,148	11.4%
Total revenues	**303,589**	**100.0%**	**269,753**	**100.0%**	**33,836**	**12.5%**
Cost of raw materials, supplies and consumables	(73,671)	(24.3%)	(62,912)	(23.3%)	(10,759)	17.1%
Cost of services	(32,260)	(10.6%)	(28,536)	(10.6%)	(3,724)	13.1%
Personnel costs	(80,260)	(26.4%)	(72,052)	(26.7%)	(8,208)	11.4%
Other operating income / (expenses), net	(48,467)	(16.0%)	(44,097)	(16.3%)	(4,370)	9.9%
Gains / (losses) from disposal of fixed assets, net	(199)	(0.1%)	(122)	(0.0%)	(77)	63.1%
EBITDA	**68,732**	**22.6%**	**62,034**	**23.0%**	**6,698**	**10.8%**
Depreciation and amortisation	(32,714)	(10.8%)	(30,266)	(11.2%)	(2,448)	8.1%
EBIT	**36,018**	**11.9%**	**31,768**	**11.8%**	**4,250**	**13.4%**
Financial income/(expenses), net	(10,272)	(3.4%)	(9,540)	(3.5%)	(732)	7.7%
Foreign exchange differences and variations in derivatives fair value, net	25	0.0%	-	0.0%	25	0.0%
Result of companies valued at net equity	18	0.0%	682	0.3%	(664)	(97.4%)
Profit / (loss) before tax	**25,789**	**8.5%**	**22,910**	**8.5%**	**2,879**	**12.6%**
Income taxes	(8,106)	(2.7%)	(5,369)	(2.0%)	(2,737)	51.0%
Net profit/(loss) for the period	**17,683**	**5.8%**	**17,541**	**6.5%**	**142**	**0.8%**
Net profit/(loss) attributable to non-controlling interests	1,212	0.4%	1,275	0.5%	(63)	(4.9%)
Net profit/(loss) attributable to owners of the parent	**16,471**	**5.4%**	**16,266**	**6.0%**	**205**	**1.3%**

ADJUSTED CONSOLIDATED INCOME STATEMENT

EXPLANATION OF VARIATIONS 1/2

- During the first nine months of 2017 the calendar registered **Half Working Day less** than the correspondent period of previous year.

- **Cost of raw material and supplies and consumables:** the cost of goods sold increase as percentage of revenues is mostly due to the Spanish CGU (effects of the acquisition of Grup Ibervending), and in Italy to the increase in OCS average purchase price (+19.1%) and volumes (+43.3%), which have an higher cost of goods sold (+30%) than the average of the other products sold. OCS volumes on total vends increased from 6.2% of 2016 to 7.8% of 2017.

- **Cost of services** (net of adjustments mentioned in slide 16) increased by **EUR 3,724 thousand** (+13.1%) compared with the same period of previous year (EUR 1,144 thousand attributable to Spanish and Swiss acquisitions), but with stable in percentage of revenues. The growth in service costs is due to the business units acquired in last twelve months: maintenance and utilities (EUR 404 thousand), insurance (EUR 173 thousand), shipping cost (EUR 1,115 thousand of which EUR 555 thousand on CGU Coin and the others on CGU Italy, in part related to the use of third part courier for the acquired Nespresso distribution). The increase in some advertising cost (EUR 487 thousand) is partially due to the advertising fee (equal to EUR 400 thousand for the year 2017) payed to NTV (Nuovo Trasporto Viaggiatori S.p.A.) to renew the contract of vending machine and trolley service aboard their trains until 2025, including their new 12 EVO trains expected to begin to run in December 2017.

ADJUSTED CONSOLIDATED INCOME STATEMENT

EXPLANATION OF VARIATIONS 2/2

- **Personnel costs** (net of adjustments mentioned in slide 16) increased by **EUR 8,208 thousand** (+11.4%) compared with the same period of 2016 (EUR 4,675 thousand related to the acquisition finalized during the first nine months), while we reported a slight decrease in percentage of revenues of 0.3 percentage point (p.p.). The increase is due to the personnel hired to setup our new Nespresso Business Centre close to Milano city (EUR 863 thousand), to the extension and renewal of the exclusive distribution agreement with Nespresso Italiana S.p.A. and to the personnel acquired within the acquisitions of Ibervending (EUR 3,693 thousand) and Demomatic SA (EUR 836 thousand). Other increases relate to CGU Italy (EUR 2,224 thousand) and CGU Coin (EUR 367 thousand) and to the personnel related to the acquisitions finalized during 2016 and the consequent increase in business volume.
- **Other Operating Expenses** (net of adjustments mentioned in slide 16) increased in the first nine months of 2017 by **EUR 4,370 thousand**, +9.9% with respect to the same period of 2016 (and decrease in percentage on revenues of 0.3 p.p.). Change was largely due to the increase of vending machines positioning fees (redevances) which passed from **EUR 32,660 thousand** of 2016 to **EUR 36,470 thousand** of 2017, partially due to the effects of 2017's acquisitions (EUR 1,301 thousand as reported in slides "Merger & Acquisitions"). We registered also an increase in fuel costs (EUR 821 thousand): EUR 329 thousand due to an increase in average price of fuel and EUR 492 thousand due to higher consumptions.
- **Financial cost** (net of adjustments mentioned in slide 16) increase in the first nine months of 2017 by **EUR 732 thousand** principally due to decrease in the income interest on bank (from EUR 636 thousand of 2016 to EUR 41 thousand of 2017) due to cash available in the first quarter of 2016.
- **Income taxes** (net of adjustments mentioned in slide 16) increase in the first nine months of 2017 by **EUR 2,737 thousand;** the increase is largely due to the change in Italian fiscal law causing a partial cancellation of an Italian tax facilitation named ACE ("Aiuto alla Crescita Economica").

CONSOLIDATED INCOME STATEMENT

(in thousand of Euro)	Notes Adjusted	Reported	30/09/2017 Adjustments	Adjusted	Reported Restated	30/09/2016 Adjustments	Adjusted Restated
Revenue from sales and services		292,334	-	292,334	259,646	-	259,646
Other revenues and income	(A)	11,378	123	11,255	10,107	-	10,107
Total revenues		**303,712**	**123**	**303,589**	**269,753**	**-**	**269,753**
Cost of raw materials, supplies and consumables		(73,671)	-	(73,671)	(62,912)	-	(62,912)
Cost of services	(B)	(33,398)	(1,138)	(32,260)	(28,940)	(404)	(28,536)
Personnel costs	(C)	(80,771)	(511)	(80,260)	(72,576)	(524)	(72,052)
Other operating income / (expenses), net	(D)	(52,595)	(4,128)	(48,467)	(44,529)	(432)	(44,097)
Gains / (losses) from disposal of fixed assets, net		(315)	(116)	(199)	(122)	-	(122)
EBITDA		**62,962**	**(5,770)**	**68,732**	**60,674**	**(1,360)**	**62,034**
Depreciation and amortisation		(32,714)	-	(32,714)	(30,266)	-	(30,266)
EBIT		**30,248**	**(5,770)**	**36,018**	**30,408**	**(1,360)**	**31,768**
Financial income/(expenses), net	(E)	(7,281)	2,991	(10,272)	(14,504)	(4,964)	(9,540)
Foreign exchange differences and variations in derivatives fair value, net		25	-	25	240	240	-
Result of companies valued at net equity		18	-	18	682	-	682
Profit / (loss) before tax		**23,010**	**(2,779)**	**25,789**	**16,826**	**(6,084)**	**22,910**
Income taxes	(F)	(7,836)	270	(8,106)	(3,643)	1,726	(5,369)
Net profit/(loss) for the period		**15,174**	**(2,509)**	**17,683**	**13,183**	**(4,358)**	**17,541**

ADJUSTMENTS EXPLANATION

NOTE: For complete and detailed explanation of the adjustments items, the present slide should be read in conjunction with the APMs caption included in the IVS Management Report of Half-year Report 2017.

The adjusted configuration of the Financial Statements excludes certain items considered by IVS management to be exceptional in nature.

In particular, the **2017** adjustments mainly includes the following:

(A) EUR 123 thousand incomes, related to the adjustment price on a business combination whose assessment of fair value was finalized in previous year

(B) EUR (1,138) thousand expenses related to M&A (DD expenses EUR 737 thousand), taxes, registration, notarial and legal fees (EUR 400 thousand)

(C) EUR (511) thousand expenses termination benefit and other personnel related cost

(D) EUR (4,128) thousand adjustment accrual related to Italian Antitrust Authority (EUR 3,343 thousand), accrual of provision for risk in connection to Italian tax on share purchase agreements “imposta di registro” (EUR 750 thousand), expenses related to cash shortfalls and losses, mainly due to theft and robberies incurred during the period (EUR 24 thousand)

(E) EUR 2,991 thousand mainly related capital gain for the sale of Espresso Service Proximité S.A. (EUR 3,044 thousand)

(F) EUR (270) thousand taxes, to reflect the tax effect of the above mentioned adjustments

The **2016** adjustments mainly includes the extraordinary operating items related to M&A, termination benefit and shortfalls (**EUR 1,360 thousand**) financial items (**EUR 339 thousand**) related to the call price paid on April 1st, 2016 for the entire redemption of 7.125% Senior Secured Notes due 2020, the related interest cost accrued (**EUR 4,453 thousand**) and the positive impact of changes of fair value of warrants (**EUR 240 thousand**).

CGU PERFORMANCE

September 30th, 2017 (thousands of Euro)	Italy	France	Spain	Switzerland	Coin	*Inter-sector eliminations*	Total
Total Revenues	241,948	19,168	35,093	2,233	14,401	(9,131)	303,712
Operating costs	(186,602)	(16,193)	(29,397)	(1,937)	(9,982)	9,131	(234,980)
EBITDA Adjusted[1]	**55,346**	**2,975**	**5,696**	**296**	**4,419**	**-**	**68,732**
Income/(expenses) non-recurr. and except. in nature	(4,844)	(67)	(832)	-	(27)	-	(5,770)
EBITDA	50,502	2,908	4,864	296	4,392	-	62,962
% EBITDA Adjusted /Total Revenues	23%	16%	16%	13%	31%	-	23%
Depreciation and amortisation	(26,241)	(1,905)	(3,482)	(255)	(831)	-	(32,714)
EBIT	24,261	1,003	1,382	41	3,561	-	30,248
%EBIT/ Total Revenues	10%	5%	4%	2%	25%	-	10%

September 30th, 2016 (thousands of Euro)	Italy	France	Spain	Switzerland	Coin	*Intra-sector eliminations*	Total
Total Revenues	226,084	19,544	18,336	332	14,512	(9,055)	269,753
Operating costs	(174,319)	(16,775)	(15,461)	(323)	(9,896)	9,055	(207,719)
EBITDA Adjusted[1]	**51,765**	**2,769**	**2,875**	**9**	**4,616**	**-**	**62,034**
Income/(expenses) non-recurr. and except. in nature	(1,086)	(103)	(17)	-	(154)	-	(1,360)
EBITDA	50,679	2,666	2,858	9	4,462	-	60,674
% EBITDA Adjusted /Total Revenues	23%	14%	16%	3%	32%	-	23%
Depreciation and amortisation	(25,892)	(1,797)	(1,818)	(34)	(725)	-	(30,266)
EBIT	24,787	869	1,040	(25)	3,737	-	30,408
%EBIT /Total Revenues	11%	4%	6%	(8%)	26%	-	11%

(1) Adjusted to remove income and expenses non-recurring and exceptional in nature detailed in slide 16 .

VENDING SECTOR – 3Q2017

	First Quarter						Second Quarter					
	2017		2016		Variation		2017		2016		Variation	
	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%	Thousands	%
Vends	204,718		179,148		25,570	14.3%	207,320		188,976		18,344	9.7%
Total revenues	97,268	100.0%	84,946	100.0%	12,322	14.5%	101,301	100.0%	90,845	100.0%	10,456	11.5%
Operating costs	(74,911)	(77.0%)	(65,473)	(77.1%)	(9,438)	14.4%	(77,712)	(76.7%)	(69,543)	(76.6%)	(8,169)	11.7%
Ebitda Adjusted	**22,357**	**23.0%**	**19,473**	**22.9%**	**2,884**	**14.8%**	**23,589**	**23.3%**	**21,302**	**23.4%**	**2,287**	**10.7%**
Other non-recurring income/(expenses)	(1,039)	(1.1%)	(359)	(0.4%)	(680)	189.5%	(4,310)	(4.3%)	(505)	(0.6%)	(3,805)	753.3%
Ebitda	21,318	21.9%	19,114	22.5%	2,204	11.5%	19,279	19.0%	20,797	22.9%	(1,518)	(7.3%)
Depreciation and amortisation	(10,384)	(10.7%)	(9,521)	(11.2%)	(863)	9.1%	(10,349)	(10.2%)	(9,769)	(10.8%)	(580)	5.9%
Ebit	10,934	11.2%	9,593	11.3%	1,341	14.0%	8,930	8.8%	11,028	12.1%	(2,098)	(19.0%)

	Third Quarter					
	2017		2016		Variation	
	Thousands	%	Thousands	%	Thousands	%
Vends	185,453		166,461		18,992	11.4%
Total revenues	92,862	100.0%	82,527	100.0%	10,335	12.5%
Operating costs	(74,495)	(80.2%)	(65,884)	(79.8%)	(8,611)	13.1%
Ebitda Adjusted	**18,367**	**19.8%**	**16,643**	**20.2%**	**1,724**	**10.4%**
Other non-recurring income/(expenses)	(394)	(0.4%)	(342)	(0.4%)	(52)	15.1%
Ebitda	17,973	19.4%	16,301	19.8%	1,672	10.3%
Depreciation and amortisation	(11,150)	(12.0%)	(10,251)	(12.4%)	(899)	8.8%
Ebit	6,823	7.3%	6,050	7.3%	773	12.8%

VENDING PERFORMANCE

SALES, VOLUMES, ASP and LFL analysis

Working Days	3Q2017	3Q2016
Italy	179.0	179.0
France	178.0	180.8
Spain	175.0	175.0
Switzerland	188.0	189.0
Total	**178.5**	**178.9**

3Q2017	Italy		France		Spain		Switzerland		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Sales (Euro thousand)	226,133	212,028	18,407	18,264	33,437	17,634	2,130	328	280,107	248,254
ASP (Euro cent)	46.97	46.46	47.90	47.82	44.52	44.61	82.85	71.93	46.88	46.44
Vends (Thousand)	481,393	456,400	38,425	38,195	75,102	39,533	2,571	456	597,491	534,584
Vends for working days (Thousand)	2,689	2,549	216	211	429	226	14	3	3,348	2,989

Δ% Sales	Italy	France	Spain	Switzerland	Total
Total	6.7%	0.8%	89.6%	549.4%	12.8%
LFL Basis	3.1%	(5.0%)	4.0%	(2.8%)	2.5%
LFL Basis per W.Days	3.1%	(3.5%)	4.0%	(2.3%)	2.6%

Δ% Vends	Italy	France	Sapin	Switzerland	Total
Total	5.5%	0.6%	90.0%	463.8%	11.8%
LFL Basis	1.6%	(6.7%)	(0.1%)	(27.2%)	0.9%
LFL Basis per W.Days	1.6%	(5.2%)	(0.1%)	(26.8%)	1.0%

MERGER & ACQUISITIONS

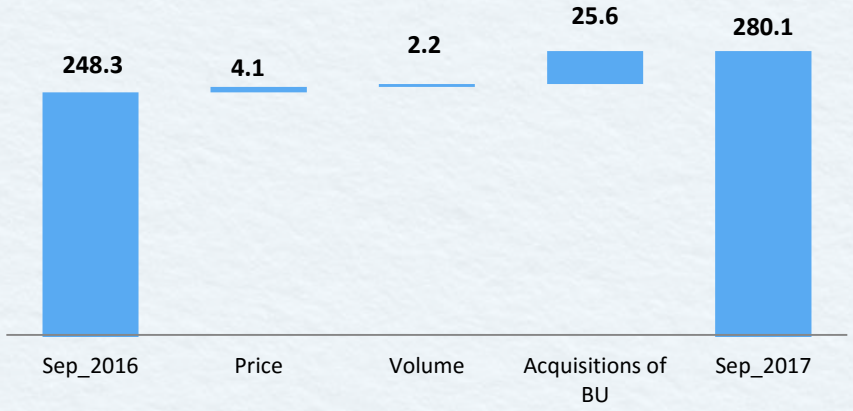
During the first nine months of the year 2017 the Group IVS finalized n. 11 acquisitions of business units and subsidiaries located in Italy and Spain, for a total enterprise value of **EUR 33,892 thousand**; their contribution to the Group revenues in the first nine months of the year 2017, from the date of acquisition, is equal to **EUR 23,266 thousand** (of which EUR 22,295 thousand related to vending revenues as showed in the table below);
The Group IVS during the first nine months of the year 2017 payed, net of the cash acquired, an amount of **EUR 34,854 thousand** (of which 31,009 thousand for current year acquisitions, mainly related to Grup Ibervending and Nespresso^{tm} business unit acquired from Gruppo Argenta).

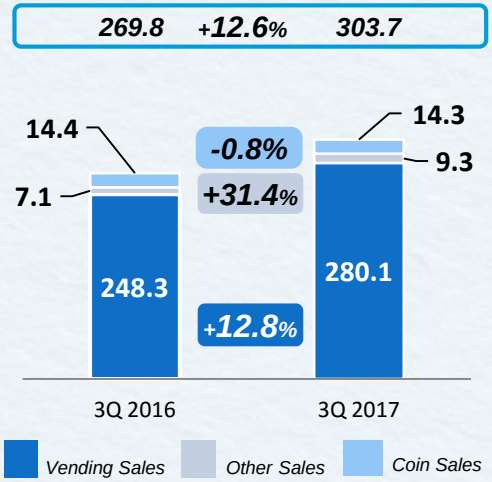
(in thousands of Euro)	Italy		Swizerland		Spain		Total	
Number of Vends (thousand)	**12,419**		**2,237**		**35,465**		**50,121**	
Vending Revenues	5,478	100%	1,812	100%	15,005	100%	22,295	100%
Cost of sales	(2,153)	(39%)	(383)	(21%)	(6,094)	(41%)	(8,630)	(39%)
Gross margin	**3,325**	**61%**	**1,429**	**79%**	**8,911**	**59%**	**13,665**	**61%**
Personnel Cost	(147)	(3%)	(836)	(46%)	(3,693)	(25%)	(4,676)	(21%)
Redevances	(33)	(1%)	(153)	(8%)	(1,115)	(7%)	(1,301)	(6%)
Total	**3,145**	**57%**	**440**	**24%**	**4,103**	**27%**	**7,688**	**34%**

>90
since 2012
(with a total Cash payed ~161M)

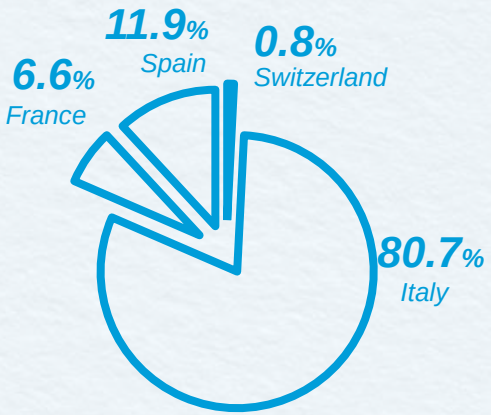
SALES

Price/Volume Vending sales trend (€ millions)





Ytd Sept '17 Vending Sales



New Contracts in 3Q 2017

amazon web services™

LEONARDO

valtur

SANTA CATERINA VILLAGE

Raggruppamento Autonomo del Ministero della Difesa

SALOV

BRICOMAN
PIU' PROFESSIONALE, MENO CARO

MACROECONOMIC TREND

Data	Update as	IVS view	Comment	Source
Hours worked	2Q 2017		The number of hours worked in Italy during the 2nd quarter of 2017 increased by 0.52%, if compared to the first quarter of 2017, and increased by 1.69%, if compared to the 2nd quarter of 2016 (offsetting the change on IVS working days the variation is respectively +2.2% and +4.2%).	ISTAT
People employed	3Q 2017		The number of people employed in Italy in 3rd quarter 2017 increased by 1.46% in comparison with 3rd quarter 2016 and increased about 0.70% compared to the previous one.	ISTAT
Employment rate	3Q 2017		The average employment rate in the 3rd quarter 2017 in Italy was 58.13%, which is higher than in 3rd quarter 2016 (57.32%). It seems to continue a slight upturn.	ISTAT
Confidence index on firms	3Q 2017		The value of the index in Sep. 2017 is much higher than in Sep. 2016 (110.4 vs 102.3) and the trend in the quarter is constantly increasing.	ISTAT
Prices	3Q 2017		General prices trend remains static in the quarter (+0.0% from July 2017 to Sep. 2017). Prices of food increased of 0.97% compared to the 3rd quarter 2016 as well as the prices of transport (+3.43%).	ISTAT
Climate	3Q 2017		All the analized highest daily temperature in the 3rd quarter 2017 in Italy are higer to the ones in the 3rd 2016 as well as the avarage daily temperature. The rain trend is lower than in 2016.	www.wunderground.com

- Positive index for the Italian economy and for IVS business
- Light positive/negative index for the Italian economy and for IVS business
- Negative index for the Italian economy and/or for IVS business

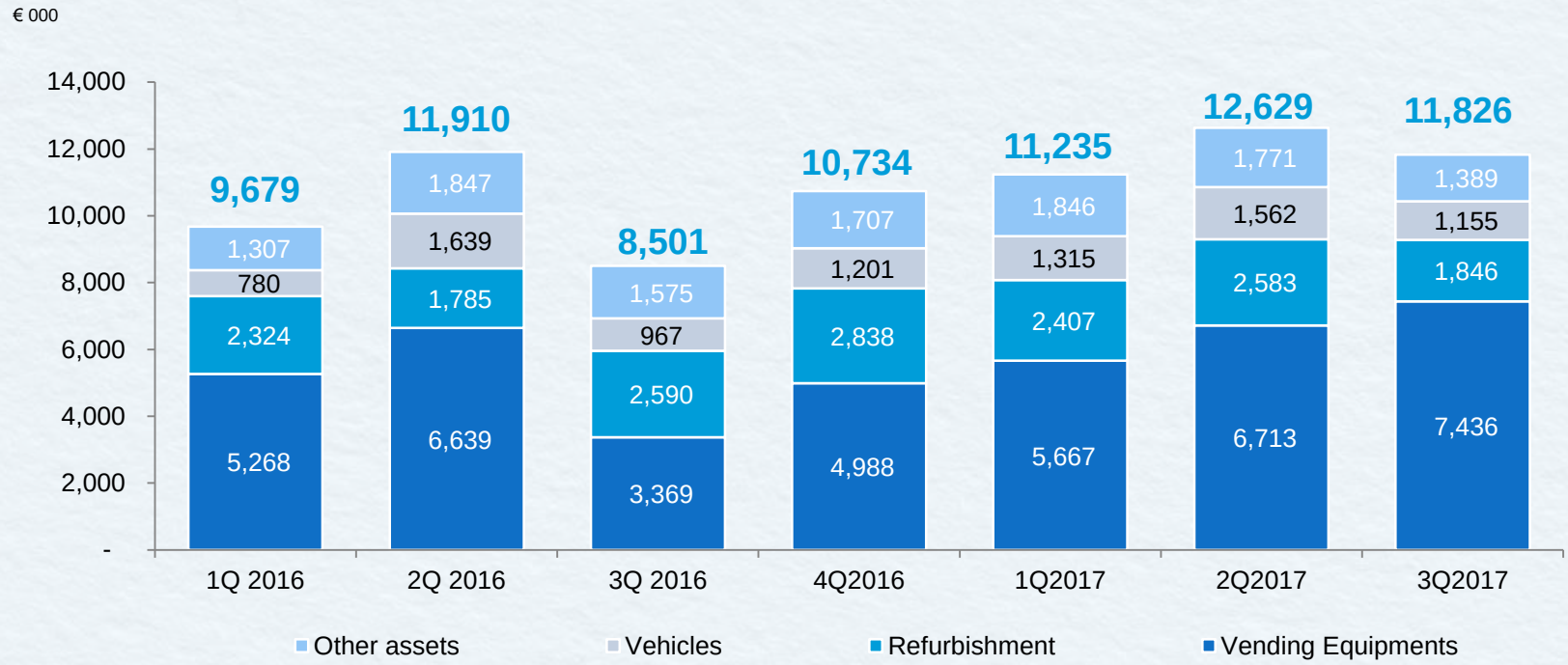
COIN DIVISION – 3Q2017

Coin Division (in thousands of Euro)	First Quarter		Second Quarter		Third Quarter		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Total revenues	4,498	4,347	5,038	5,080	4,865	5,085	14,401	14,512
Operating costs	(3,225)	(3,050)	(3,368)	(3,529)	(3,389)	(3,317)	(9,982)	(9,896)
Ebitda Adjusted [1]	**1,273**	**1,297**	**1,670**	**1,551**	**1,476**	**1,768**	**4,419**	**4,616**
Income/(expenses) non-recurr. and except. in nature	-	(44)	-	(85)	(27)	(25)	(27)	(154)
EBITDA	**1,273**	**1,253**	**1,670**	**1,466**	**1,449**	**1,743**	**4,392**	**4,462**
% Ebitda Adj /Total Revenues	28.3%	29.8%	33.1%	30.5%	30.3%	34.8%	30.7%	31.8%
Depreciation and amortisation	(265)	(238)	(276)	(240)	(290)	(247)	(831)	(725)
Ebit	**1,008**	**1,015**	**1,394**	**1,226**	**1,159**	**1,496**	**3,561**	**3,737**
%Ebit/ Total Revenues	22.4%	23.3%	27.7%	24.1%	23.8%	29.4%	24.7%	25.8%

In the first nine months of 2017, Coin Service CGU (coin management business) sales were almost stable (EUR 14,401 thousand vs EUR 14,512 thousand) compared to the corresponding period of 2016, which however included also some non recurring revenues. EBITDA margin remains at a very high level, 30.7% on sales, although a less favourable mix of services provided to the clients during the third quarter slightly influenced the total EBITDA (EUR 4,419 thousand from EUR 4,616 thousand, but stable if considered net of 2016 extraordinary revenues). On the other side, a strongly positive cash position during the period generated better financial income, and the lower corporate tax rate (IRES) applied to Coin Service legal entities also contributed positively to its net profits. The overall free cash flow significantly improved, considering that during 2016 Coin Service CGU made quite significant investments (new branch opening, related machinery and equipment).

CAPEX

The analysis does not include extraordinary capex (from M&A and real estate activities) and payments for capex of previous years



In the second and third quarter 2017 capex in vending equipment are higher in comparison to the first quarter due to the purchases of new vending machine models, with Table Top, touch screen and vacuum system. They complete the range of our most efficient models on which we focus our commercial efforts. The capex trend of the first three quarters of 2017 will continue until the end of the year in order to obtain the maximum benefit provided for by the Italian Tax Authority with the rule called Industry 4.0.

NET FINANCIAL POSITION

(in thousands of Euro)	September 30th, 2017	December 31st, 2016
Current Securities	1,542	1,112
Cash and cash equivalents	105,740 (1)	118,601
Cash and current financial assets	**107,282**	**119,713**
Short-term loans payable	(73,413) (1)	(63,968)
Liabilities towards bond holders	(8,785)	(710)
Current financial debt	**(82,198)**	**(64,678)**
Medium/long term loans payable	(44,333)	(47,298)
Liabilities towards bond holders	(236,728)	(236,206)
Non-current financial debt	**(281,061)**	**(283,504)**
Net financial indebtedness (*)	**(255,977)**	**(228,469)**
Held-to-maturity investments	65	71
Non-current loans and receivables	888	2,514
Other non-current assets - from others	359	271
Net financial position	**(254,665)**	**(225,613)**

The variation of EUR 29M in NFP is principally due to the following items: cash flow for M&A activities of the group in 2017 (EUR 34.9M), the installments paid by the subsidiary IVS Italia S.p.A. in 2017 for AGCM fine (EUR 9.6M), the dividends paid by the IVS Group during the third quarter of 2017 (EUR 9.0M), the accrued financial interest related to the bond (EUR 8.1M) and the price charged by the group for the sale of its equity interest in the French company Espresso Service Proximitè S.A. (EUR 5.5M).

(1) of which EUR 53,996 thousand related to Coin Division (i.e. cash on banks and coins stored, corresponding to the coins collected from clients, whose value has to be paid in the short term)

(*) Pursuant to ESMA update of the CESR recommendations "The consistent implementation of Commission Regulation (EC) No 809/2004 implementing Prospectus Directive"

ANNEX CONSOLIDATED FINANCIAL SCHEDULE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - ASSETS

(in thousands of Euro)		September 30th, 2017	December 31st, 2016 Restated(*)
ASSETS			
Non-current assets			
Intangible assets		47,186	41,765
Goodwill		376,801	356,531
Property, plant and equipment		177,293	166,067
Equity Investments		2,314	4,920
Non-current financial assets		953	2,585
Deferred tax assets		12,233	12,713
Other non-current assets		1,514	1,389
TOTAL NON-CURRENT ASSETS	**A**	**618,294**	**585,970**
Current assets			
Inventories		27,396	25,732
Trade receivables		27,031	22,302
Tax assets		1,125	1,846
Other current assets		23,054	26,469
Current financial assets		1,542	1,112
Cash and cash equivalents		105,740	118,601
TOTAL CURRENT ASSETS	**B**	**185,888**	**196,062**
TOTAL ASSETS	**A+B**	**804,182**	**782,032**

(*) Some amounts reported in this column do not match those of the 2016 Financial Statements as described in Disclaimer slide

ANNEX CONSOLIDATED FINANCIAL SCHEDULE

SHAREHOLDERS' EQUITY AND LIABILITIES

(in thousands of Euro)		September 30th, 2017	December 31st, 2016 Restated(*)
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		387	387
Share premium reserve		337,109	344,272
Other reserves		9,401	9,401
Treasury shares		(20,918)	(24,195)
Retained earnings / (losses)		(50,511)	(65,754)
Net profit (loss) for the year		13,962	16,874
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT		**289,430**	**280,985**
Share capital and reserves attributable to non-controlling interests		7,244	7,319
Net profit/(loss) for the year attributable to non-controlling interests		1,212	1,626
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**8,456**	**8,945**
TOTAL SHAREHOLDERS' EQUITY	**C**	**297,886**	**289,930**
Non-current liabilities		-	-
Due to Bond holders		236,728	236,206
Non-current financial liabilities		44,333	47,298
Employee benefits		8,357	8,724
Provisions for risks and charges		1,695	14,377
Deferred tax liabilities		19,736	18,741
Other non-current liabilities		6,396	-
TOTAL NON-CURRENT LIABILITIES	**D**	**317,245**	**325,346**
Current liabilities		-	-
Due to Bond holders		8,785	710
Current financial liabilities		73,413	63,968
Derivative financial instruments		-	-
Trade payables		63,093	59,942
Tax liabilities		5,730	648
Provisions for risks and charges		124	13,149
Other current liabilities		37,906	28,339
TOTAL CURRENT LIABILITIES	**E**	**189,051**	**166,756**
TOTAL LIABILITIES	**F=D+E**	**506,296**	**492,102**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**C+F**	**804,182**	**782,032**

(*) Some amounts reported in this column do not match those of the 2016 Financial Statements as described in Disclaimer slide

ANNEX CONSOLIDATED FINANCIAL SCHEDULE

CONSOLIDATED INCOME STATEMENT

(in thousands of Euro)	September 30th, 2017	September 30th, 2016 Restated (*)
Revenue from sales and services	292,334	259,646
Other revenues and income	11,378	10,107
Total revenues	**303,712**	**269,753**
Cost of raw materials, supplies and consumables	(73,671)	(62,912)
Cost of services	(33,398)	(28,940)
Personnel costs	(80,771)	(72,576)
Other operating income / (expenses), net	(52,595)	(44,529)
Gains / (losses) from disposal of fixed assets, net	(315)	(122)
Depreciation and amortisation	(32,714)	(30,266)
Operating profit / (loss)	**30,248**	**30,408**
Financial expenses	(10,612)	(15,385)
Financial income	3,331	881
Foreign exchange differences and variations in derivatives fair value, net	25	240
Result of companies valued at net equity	18	682
Profit / (loss) before tax	**23,010**	**16,826**
Income taxes	(7,836)	(3,643)
Net profit/(loss) for the period	**15,174**	**13,183**
Net profit/(loss) for the period attributable to non-controlling interests	1,212	1,275
Net profit/(loss) for the year attributable to owners of the parent	**13,962**	**11,908**

(*) Some amounts reported in this column do not match those of the 2016 Financial Statements as described in Disclaimer slide

ANNEX CONSOLIDATED FINANCIAL SCHEDULE

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of Euro)	September 30th, 2017	September 30th, 2016 Restated (*)
Net profit/(loss) for the period	**15,174**	**13,183**
	-	-
Items of other comprehensive income that will be reclassified in profit and loss	-	-
Net (loss)/gain on cashflow hedge	-	-
Tax impact	-	-
Exchanges differences on translation of foreign operations	(182)	-
Total income (loss) in the statement of comprehensive income, net of taxes that will be reclassified in profit and loss	**(182)**	**-**
Items of other comprehensive income that will not be reclassified in profit and loss	-	-
Actuarial Gain/(Losses) on defined benefit plan	398	(842)
Tax impact	(96)	232
Total income (loss) in the statement of comprehensive income, net of taxes that will not be reclassified in profit and loss	**302**	**(610)**
	-	-
Total income (loss) in the statement of comprehensive income, net of taxes	**15,294**	**12,573**
Attributable to non-controlling interests	**1,249**	**1,220**
Attributable to owners of the parent	**14,045**	**11,353**

(*) Some amounts reported in this column do not match those of the 2016 Financial Statements as described in Disclaimer slide

ANNEX CONSOLIDATED FINANCIAL SCHEDULE - CONSOLIDATED STATEMENT OF CASH FLOW

(in thousands of Euro)		September 30th, 2017	September 30th, 2016 Restated (*)
A) Cash flows from operating activities			
Profit (Loss) before tax		23,010	16,826
Adjustments for:			
Undistributed (profit) loss of equity-accounted investees		607	(682)
Amortisation, depreciation and impairment losses		37,032	30,576
(Gains)/losses on disposal of non-current assets		315	122
Changes in employee benefits and other provisions		(10,722)	(273)
Reversal of financial expense		7,280	14,264
Cash flows from operating activities before tax, financial income/expenses and change in working capital:		*57,522*	*60,833*
Changes in working capital (**)		(2,716)	(3,102)
Cash flows from operating activities before tax, financial income/expenses:		*54,806*	*57,731*
Net financial expense paid (**)		(1,193)	(8,951)
Tax paid		(1,908)	(1,267)
	Total A)	**51,705**	**47,513**
B) Cash flows from investing activities:			
Investments in non-current assets:			
Intangible assets		(517)	(276)
Property, plant and equipment		(36,322)	(29,724)
Change in unpaid capital expenditure		2,029	(847)
Acquisition of subsidiaries and business units, net of cash		(34,854)	(10,458)
	Total investments	**(69,664)**	**(41,305)**
Proceeds from disposal of net non-current assets		1,410	1,163
Changes in financial assets		6,037	6,925
	Total B)	**(62,217)**	**(33,217)**
C) Cash flows from financing activities:			
Proceeds from non-current loan		10,300	63,281
Repayment of non-current loan liabilities		(13,897)	(278,938)
Changes in current financial liabilities		10,254	8,266
Acquisitions of non-controlling interests		(2,814)	(16)
Acquisition buy-back/Sold treasury shares		2,795	-
Dividend distribution		(8,987)	(481)
	Total C)	**(2,349)**	**(207,888)**
D) Exchange rate differences and other changes:		**-**	**-**
E) Change in cash and cash equivalents (A+B+C+D):		**(12,861)**	**(193,592)**
F) Opening cash and cash equivalents:		**118,601**	**338,329**
Closing cash and cash equivalents (E+F)		**105,740**	**144,737**

(*) Some amounts reported in this column do not match those of the 2016 Financial Statements as described in Disclaimer slide

ANNEX CONSOLIDATED FINANCIAL SCHEDULE

CONSOLIDATED STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Shareholders'equity of the IVS Group S.A.								
(in thousands of Euro)	Share capital	Share premium reserve	Treasury shares	Other capital reserves	Retained earnings/(losses brought forward)	Net income/(loss) for the period	Total	Attributable to non-controlling interests	Total Shareholders' equity
December 31st, 2016	**387**	**344,272**	**(24,195)**	**9,401**	**(65,766)**	**16,884**	**280,983**	**8,953**	**289,936**
Effect of adjustments detailed in Note 2 of Explanatory Notes	-	-	-	-	2	-	2	(8)	(6)
January 1st, 2017	**387**	**344,272**	**(24,195)**	**9,401**	**(65,764)**	**16,884**	**280,985**	**8,945**	**289,930**
Allocation of net income (loss)	**-**	**-**	**-**	**-**	**16,884**	**(16,884)**	**-**	**-**	**-**
Net result for the period	-	-	-	-	-	13,962	13,962	1,212	15,174
Other comprehensive income	-	-	-	-	83	-	83	37	120
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**83**	**13,962**	**14,045**	**1,249**	**15,294**
Treasury shares:									
-treasury shares B2 and B3	-	-	(23)	-	1,454	-	1,431	-	1,431
-treasury shares sold	-	297	3,300	-	-	-	3,597	-	3,597
Total effect of Treasury shares	**-**	**297**	**3,277**	**-**	**1,454**	**-**	**5,028**	**-**	**5,028**
Acquisition of non-controlling interests Coin division	-	-	-	-	(1,201)	-	(1,201)	(1,577)	(2,778)
Acquisition of non-controlling interests Auto-bar S.r.l.	-	-	-	-	10	-	10	(12)	(2)
Total other movements	**-**	**-**	**-**	**-**	**(1,191)**	**-**	**(1,191)**	**(1,589)**	**(2,780)**
Dividends	-	(7,460)	-	-	(1,978)	-	(9,438)	(149)	(9,587)
Rounding	-	-	-	-	-	-	-	-	-
September 30th, 2017	**387**	**337,109**	**(20,918)**	**9,401**	**(50,511)**	**13,962**	**289,430**	**8,456**	**297,886**

ivsgroup