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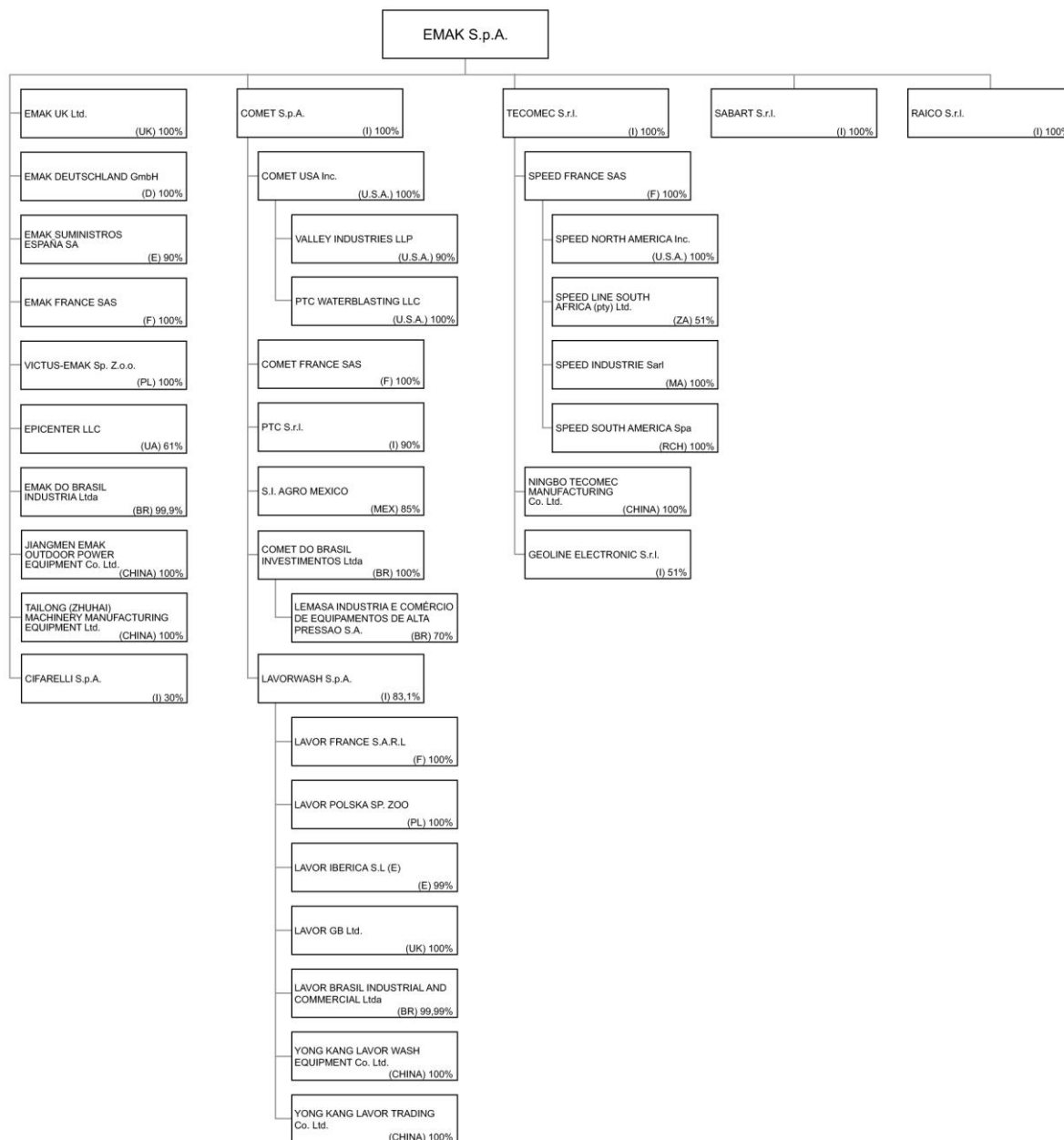


Interim report at 30.09.2017

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Organizational chart of Emak Group



1. Valley Industries LLP is consolidated at 100% as a results of the "Put and Call Option Agreement" that governs the purchase of the 10% remaining.
2. Lemasa is consolidated at 100% as a results of the "Put and Call Option Agreement" that governs the purchase of the 30% remaining.
3. P.T.C. S.r.l. is consolidated at 100% as a results of the "Put and Call Option Agreement" that governs the purchase of the 10% remaining.
4. Comet do Brasil Investimentos Ltda is owned for 99.63% by Comet S.p.A .and 0.37% by P.T.C. S.r.l
5. Lavorwash S.p.A is consolidated at 97.78% as a results of the "Put and Call Option Agreement" that governs the purchase of the 14.67% remaining.

Corporate Bodies of Emak S.p.A.

The Ordinary General Meeting of the Shareholders of the Parent Company, Emak S.p.A. on 22 April 2016 appointed the Board of Directors and the Board of Statutory Auditors for the financial years 2016-2018 and conferred also the engagement for the independent audit for the financial years 2016-2024.

Board of Directors

Chairman and Chief Executive Officer

Fausto Bellamico

Deputy Chairman

Aimone Burani

Executive Director

Stefano Slanzi

Lead Independent Director

Massimo Livatino

Independent Directors

Alessandra Lanza

Elena Iotti

Directors

Francesca Baldi

Ariello Bartoli

Luigi Bartoli

Paola Becchi

Giuliano Ferrari

Vilmo Spaggiari

Guerrino Zambelli

Marzia Salsapariglia

Audit Committee and Remuneration Committee

Chairman

Massimo Livatino

Components

Alessandra Lanza

Elena Iotti

Board of Statutory Auditors

Chairman

Paolo Caselli

Acting auditors

Gianluca Bartoli

Francesca Benassi

Alternate auditor

Maria Cristina Mescoli

Federico Cattini

Independent Auditor

Deloitte & Touche S.p.A.

Financial Reporting Officer

Aimone Burani

Supervisory Body as per Legislative Decree 231/01

Chairman

Sara Mandelli

Acting member

Roberto Bertuzzi

Main economic and financial figures for the Group

Income statement (€/000)

Year 2016		3 Q 2017	3 Q 2016	9 months 2017	9 months 2016
391,879	Revenues from sales	88,142	79,809	322,215	309,759
40,479	EBITDA before non ordinary expenses (*)	5,586	6,470	38,415	36,896
39,469	EBITDA (*)	4,700	6,087	37,199	36,314
21,869	EBIT	1,438	2,959	27,825	26,691
17,683	Net profit	(411)	767	15,753	16,559

Investment and free cash flow (€/000)

Year 2016		3 Q 2017	3 Q 2016	9 months 2017	9 months 2016
12,159	Investment in property, plant and equipment	3,167	1,728	9,473	7,744
2,386	Investment in intangible assets	621	321	1,674	1,321
35,283	Free cash flow from operations (*)	2,851	3,895	25,127	26,182

Statement of financial position (€/000)

31.12.2016		30.09.2017	30.09.2016
261,751	Net capital employed	307,876	266,631
(80,083)	Net debt	(120,637)	(87,790)
181,668	Total equity	187,239	178,841

Other statistics

Year 2016		3 Q 2017	3 Q 2016	9 months 2017	9 months 2016
10.1%	EBITDA / Revenues from sales (%)	5.3%	7.6%	11.5%	11.7%
5.6%	EBIT / Revenues from sales (%)	1.6%	3.7%	8.6%	8.6%
4.5%	Net profit / Revenues from sales (%)	-0.5%	1.0%	4.9%	5.3%
8.4%	EBIT / Net capital employed (%)			9.0%	10.0%
0.44	Net Debt / Equity			0.64	0.49
1,686	Number of employees at period end			2,038	1,683

Share information and prices

31.12.2016		30.09.2017	30.09.2016
0.108	Earnings per share (€)	0.095	0.101
163,934,835	Number of shares comprising share capital	163,934,835	163,934,835
163,537,602	Average number of outstanding shares	163,537,602	163,537,602

(*) See section "definitions of alternative performance indicators"

Directors' report

Scope of consolidation

Compared to 31 December 2016 and the previous interim reports, the Lavorwash Group, acquired on July 3, 2017, became part of the scope of consolidation. Its third quarter economic and financial figures as at 30 September 2017 are included in this interim report. For more information on the acquisition of the Lavorwash Group, please refer to the explanatory notes to this report.

Compared to September 30, 2016, the scope of consolidation of this interim report includes, in addition to the what is stated above, the economic and financial figures of PTC Waterblasting LLC.

Comments on economic figures

Revenues from sales

The turnover of third quarter 2017 Emak Group amounted to € 88,142 thousand, compared to € 79,809 thousand of last year, an increase of 10.4%. The change in scope of consolidation contributed to the increase in turnover in the amount of € 13,787 thousand.

In the first nine month 2017 Emak Group achieved a consolidated turnover of € 322,215 thousand, compared to € 309,759 thousand of last year, an increase of 4%. This improvement is due to the contribution of the change in the scope of consolidation by 4.4%, to the positive effect of the exchange rate by 0.2% and to an organic decrease of 0.6%.

EBITDA

EBITDA in the third quarter of 2017 amounted to € 4,700 thousand, down 22.8% compared to € 6,087 thousand in the corresponding quarter of last year. During the third quarter, non-ordinary expenses amounted to € 886 thousand compared to € 383 thousand in the same period of the previous year, while the contribution of the change in the scope of consolidation amounted to € 1,946 thousand.

EBITDA for the first nine months of 2017 amounted to € 37,199 thousand (11.5% of revenues) compared to € 36,314 thousand (11.7% of revenues) in the corresponding period of the previous year, an increase of 2.4%.

In the nine months, non-ordinary revenues for € 150 thousand and non-ordinary expenses of € 1.366 thousand, mainly related to the acquisition of the Lavorwash Group, were booked.

The increase in the result for the period is attributable to the growth in turnover, the favorable sales mix between the three segments of the Group and the effect of the change in the scope of consolidation in the quarter.

The average number of employees employed by the Group, for the same area, in the nine months was equal to 1,708, compared to 1,814 in the same period last year. The change in the area has determined the entry of 322 employees on July 3.

EBITDA before non-ordinary expenses would amount to € 38,415 thousand (equivalent to 11.9% of turnover) compared to € 36,896 thousand (equal to 11.9% of sales) in the same period of 2016.

EBIT

EBIT for the third quarter 2017 is € 1,438 thousand, compared to € 2,959 thousand for the same period of last year.

EBIT for the first nine month 2017 is € 27,825 thousand, as a percentage of sales stands at 8.6%, compared to € 26,691 (8.6% of sales) thousand for the same period of last year.

Depreciation and amortization are € 9,374 thousand, compared to € 9,623 thousand in the same period of the previous year.

Non-annualized EBIT as a percentage of net invested capital is 9% (9.4% net of non-ordinary effects), compared to 10% of the same period of the previous year (10.2% net of non-ordinary effects).

Net profit

Net profit for the third quarter of 2017 was negative for 411 thousand Euros, compared to an income of 767 thousand Euros in the same period of the previous year.

Net income for the first nine months of 2017 was 15,753 thousand Euros, compared to 16,559 thousand Euros in the same period of the previous year.

Financial management is improving compared to the same period last year for both lower average debt and lower related cost. In the same period of 2016, higher fees were booked for € 360 thousand relating to the price adjustment for the acquisition of S.I.Agro Mexico.

Currency management for the first nine months of 2017 was negative for € 3,455 thousand, compared to a positive balance of € 1,631 thousand of the same period. The result of the period is attributable to the devaluation of the US dollar against the Euro, in a negative assessment of currency positions of the Group at the end of the period. The positive balance recorded in the same period of 2016 had benefited from the performance of the Brazilian currency against the Euro and the US dollar, partially mitigated by the devaluation of the Mexican Pesos against the Euro and the US Dollar.

The tax rate amounted to 28.9%, decreased compared to 32.9% in the same period last year, influenced by the reduction to 24% of the IRES tax rate for Italian companies, in force from 2017.

Statement of financial position analysis

31.12.2016	€/000	30.09.2017	30.09.2016
116,128	Net non-current assets (*)	146,609	114,061
145,623	Net working capital (*)	161,267	152,570
261,751	Total net capital employed	307,876	266,631
180,173	Equity attributable to the Group	184,785	177,359
1,495	Equity attributable to non controlling interests	2,454	1,482
(80,083)	Net debt	(120,637)	(87,790)

(*) See section "definitions of alternative performance indicators"

Net non-current assets

During first nine months of 2017 Emak Group invested € 11,147 thousand in property, plant and equipment and intangible assets, as follows:

- € 2,626 thousand for product innovation;
- € 3,860 thousand for adjustment of production capacity and for process innovation;
- € 1,578 thousand for upgrading the computer network system;
- € 2,655 thousand for construction of the new parent company's R&D center and modernization of industrial buildings;
- € 428 thousand for other investments in operating activities.

Investments broken down by geographical area are as follows:

- € 7,268 thousand in Italy;
- € 1,730 thousand in Europe;
- € 1,173 thousand in the Americas;
- € 976 thousand in the Rest of the World.

Net working capital

Net working capital at 30 September 2017, compared to 31 December 2016, increases by € 15,644 thousand, from € 145,623 thousand to € 161,267 thousand (€ 152,570 thousand at 30 September 2016).

The following table shows the change in net working capital of nine month of 2017 compared with the same period last year:

€/000	9M 2017	9M 2016
Net working capital at 01 January	145,623	154,508
Increase/(decrease) in inventories	2,032	(12,798)
Increase/(decrease) in trade receivables	(9,557)	(9,869)
(Increase)/decrease in trade payables	6,618	23,204
Change in scope of consolidation	17,009	140
Other changes	(458)	(2,615)
Net working capital at 30 September	161,267	152,570

The increase in net working capital compared to both December 31, 2016 to September 30, 2016 is mainly due to the impact of the acquisition of Lavorwash Group.

Net financial position

The net financial position amounts to € 120,637 thousand at September 30, 2017 against € 80,083 thousand at December 31, 2016.

The change in scope of consolidation accounted for € 48,758 thousand on the net financial position at September 30, 2017.

Below are the movements in net debt in the first nine months 2017 compared with the same period last year:

€/000	9M 2017	9M 2016
Opening NFP	(80,083)	(99,383)
Ebitda	37,199	36,314
Financial income and expenses	(2,393)	(3,642)
Income from/(expenses on) equity investment	168	0
Exchange gains and losses	(3,455)	1,631
Income taxes	(6,392)	(8,121)
Cash flow from operations, excluding changes in operating assets and liabilities	25,127	26,182
Changes in operating assets and liabilities	(2,589)	3,181
Cash flow from operations	22,538	29,363
Changes in tangible and intangible assets	(10,333)	(8,828)
Other equity changes	(6,180)	(4,159)
Changes from exchange rates and translation reserve	2,179	(4,271)
Change in scope of consolidation	(48,758)	(512)
Closing NFP	(120,637)	(87,790)

Cash flow from operations net of taxes amounted to € 25,127 thousand, a decrease compared to € 26,182 thousand for the same period last year. Cash flow from operations was positive for € 22,538 thousand compared to a value of € 29,363 thousand in the same period of the previous financial year.

The net financial position is made up as follows:

Net financial position	30/09/2017	31/12/2016	30/09/2016
A. Cash and cash equivalents	47,283	32,545	39,098
B. Other cash at bank and on hand (held-to-maturity investments)	-	-	-
C. Financial instruments held for trading	-	-	-
D. Liquidity funds (A+B+C)	47,283	32,545	39,098
E. Current financial receivables	8,633	545	691
F. Current payables to bank	(19,926)	(11,833)	(17,288)
G. Current portion of non current indebtedness	(31,154)	(32,862)	(33,272)
H. Other current financial debts	(7,961)	(2,469)	(3,507)
I. Current financial indebtedness (F+G+H)	(59,041)	(47,164)	(54,067)
J. Current financial indebtedness, net (I+E+D)	(3,125)	(14,074)	(14,278)
K. Non-current payables to banks	(100,385)	(63,249)	(66,033)
L. Bonds issued	-	-	-
M. Other non-current financial debts	(18,125)	(12,858)	(16,800)
N. Non-current financial indebtedness (K+L+M)	(118,510)	(76,107)	(82,833)
O. Net indebtedness (J+N)	(121,635)	(90,181)	(97,111)
P. Non current financial receivables	998	10,098	9,321
Q. Net financial position (O+P)	(120,637)	(80,083)	(87,790)

The net financial position includes financial liabilities for the purchase of the remaining shares of the minority investments and for the adjustment of acquisition transactions with deferred payment subject to contractual restrictions, in the amount of € 23,928 thousand related to the following companies:

- Valley LLP for € 1,391 thousand;
- P.T.C S.r.l for € 207 thousand;
- Lemasa for € 11,836 thousand;
- Company branch A1 Mist Sprayers Resources for € 85 thousand;
- Lavorwash for € 10,409 thousand.

Short-term financial payables mainly consist of:

- account payables and account advances and self-liquidating bank accounts;
- loan repayments falling due by 30.09.2018;
- amounts due to other providers of finance falling due by 30.09.2018;
- debt for equity investments in the amount of € 6,890 thousand.

Equity

Consolidated equity is € 187,239 thousand against € 181,668 thousand at December 31, 2016. Earnings per share at 30 September 2017 is equal to 0.095 Euro compared to Euro 0.101 Euro in the previous year.

On 31 December 2016 the company held 397,233 treasury shares in portfolio number for the equivalent of € 2,029 thousand Euro.

From 1 January 2017 to 30 September 2017 Emak S.p.A. did not buy or sell treasury shares, for which the inventory and value are unchanged from December 31, 2016.

Highlights of the consolidated financial statement broken down by operating segment for the first nine months 2017

	OUTDOOR POWER EQUIPMENT		PUMPS AND HIGH PRESSURE WATER JETTING		COMPONENTS AND ACCESSORIES		Other not allocated / Netting		Consolidated	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016
€/000										
Sales to third parties	133,503	143,101	97,620	80,453	91,092	86,205			322,215	309,759
Intersegment sales	1,517	1,228	1,239	1,220	6,161	5,312				
Revenues from sales	135,020	144,329	98,859	81,673	97,253	91,517	- 8,917	- 7,760	322,215	309,759
Ebitda	9,409	11,733	13,674	12,014	15,944	14,514	- 1,828	- 1,947	37,199	36,314
Ebitda/Total Revenues %	7.0%	8.1%	13.8%	14.7%	16.4%	15.9%			11.5%	11.7%
Operating profit	5,208	7,005	11,222	9,869	13,223	11,764	- 1,828	- 1,947	27,825	26,691
Operating profit/Total Revenues %	3.9%	4.9%	11.4%	12.1%	13.6%	12.9%			8.6%	8.6%
Net financial expenses									- 2,393	- 3,642
Profit before tax									22,145	24,680
Income taxes									6,392	8,121
Net profit									15,753	16,559
Net profit/Total Revenues%									4.9%	5.3%

STATEMENT OF FINANCIAL POSITION

Net debt	23,960	21,371	90,201	53,111	7,394	14,122	- 918	- 814	120,637	87,790
Shareholders' Equity	178,639	181,004	41,977	36,386	49,202	43,752	- 82,579	- 82,301	187,239	178,841
Total Shareholders' Equity and Net debt	202,599	202,375	132,178	89,497	56,596	57,874	- 83,497	- 83,115	307,876	266,631
Net non-current assets (*)	134,160	128,837	74,337	48,263	19,493	18,370	- 81,381	- 81,409	146,609	114,061
Net working capital	68,439	73,538	57,841	41,234	37,103	39,504	- 2,116	- 1,706	161,267	152,570
Total net capital employed	202,599	202,375	132,178	89,497	56,596	57,874	- 83,497	- 83,115	307,876	266,631

(*) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 81,150 thousand Euro

OTHER STATISTICS

Number of employees at period end	809	795	712	393	509	488	8	7	2,038	1,683
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OTHER INFORMATIONS

Amortization, depreciation and impairment losses	4,201	4,728	2,452	2,145	2,721	2,750			9,374	9,623
Investment in property, plant and equipment and in intangible assets	4,941	3,949	2,749	2,883	3,457	2,233			11,147	9,065

Note: Starting with the 2016 Annual Financial Report, the Group reports its results by analyzing data by business area. In order to make the comparison with the previous year homogeneous, revenues were reclassified on the basis of individual business units

Comments on interim results by operating segment

The table below shows the breakdown of "sales to third parties" in the third quarter and in first nine months in 2017 by business sector and geographic area, compared with the same period last year.

Third quarter turnover:

	OUTDOOR POWER EQUIPMENT			PUMPS AND			COMPONENTS AND			TOTAL		
	3Q 2017	3Q 2016	Var. %	3Q 2017	3Q 2016	Var. %	3Q 2017	3Q 2016	Var. %	3Q 2017	3Q 2016	Var. %
Europe	25,134	30,638	(18.0)	17,985	8,731	106.0	14,075	14,643	(3.9)	57,194	54,012	5.9
Americas	1,518	1,523	(0.3)	12,920	10,770	20.0	4,466	4,762	(6.2)	18,904	17,055	10.8
Asia, Africa and Oceania	4,102	4,182	(1.9)	4,902	2,205	122.3	3,040	2,355	29.1	12,044	8,742	37.8
Total	30,754	36,343	(15.4)	35,807	21,706	65.0	21,581	21,760	(0.8)	88,142	79,809	10.4

Turnover of the first nine months:

	OUTDOOR POWER EQUIPMENT			PUMPS AND HIGH PRESSURE WATER JETTING			COMPONENTS AND ACCESSORIES			TOTAL		
	9M 2017	9M 2016	Var. %	9M 2017	9M 2016	Var. %	9M 2017	9M 2016	Var. %	9M 2017	9M 2016	Var. %
Europe	111,740	120,447	(7.2)	44,927	34,888	28.8	61,559	57,992	6.2	218,226	213,327	2.3
Americas	6,213	5,578	11.4	42,051	37,536	12.0	19,554	19,511	0.2	67,818	62,625	8.3
Asia, Africa and Oceania	15,550	17,076	(8.9)	10,642	8,029	32.5	9,979	8,702	14.7	36,171	33,807	7.0
Total	133,503	143,101	(6.7)	97,620	80,453	21.3	91,092	86,205	5.7	322,215	309,759	4.0

Outdoor Power Equipment

Sales in the European market, despite the good performance of Eastern European countries, were downward mainly due to the slowdown recorded in the western markets and the Mediterranean area, mainly due to unfavorable weather conditions. Growth in the Americas area was driven by markets in Latin America. The result recorded in Asia, Africa and Oceania is affected by lower sales in the Middle East markets.

EBITDA was mainly driven by lower sales volumes that generated a negative leverage effect.

Pumps and High Pressure Water Jetting

The segment's sales benefited from the Lavorwash Group's contribution, starting on July 3, 2017, for a total of € 13,787 thousand.

Sales growth in Europe is mainly attributable to the new consolidation scope. Sales in the Americas area benefited partly from the good results achieved on the Brazilian and Mexican markets and partly on the consolidation of Lavorwash Group sales. In the Asia, Africa and Oceania, sales registered a good recovery in organic growth during the third quarter to which is added the contribution of the new scope of consolidation.

EBITDA benefited from higher sales and a more favorable product mix and expansion of the scope of consolidation. The Ebitda of the period includes additional costs for the acquisition of the Lavorwash Group for a total of € 1,162 thousand.

Components and Accessories

Growth in Europe has been widespread and distributed over a large number of countries, with very positive performance especially in Western European markets. Growth in the Americas area is entirely attributable to South America, where there is a generalized increase in all product lines. In Asia, Africa and Oceania there is a very good performance in the Far East and an increase in Australia and South Africa.

The EBITDA improvement in the segment is mainly attributable to the operating leverage resulting from the increase in turnover. Worth noting is the increase in the cost of raw materials in the third quarter.

Business outlook

The *Outdoor Power Equipment* segment was affected during the year by unfavorable weather conditions, especially drought which affected the season of gardening products. For this business, an investment plan is planned to support a wider and more competitive product offering and a cost-cutting program. The acquisition of the Lavorwash Group, which is included in the scope of consolidation from July 2017, opens up interesting development prospects of the *Pumps and High Pressure Water Jetting* business, particularly in the cleaning sector, thanks to the expansion of the product range, to the more competitive offering, and transversal synergies to the entire Emak Group. The good results achieved in the *Component and Accessories* segment confirm the Group's strength in this business, future investments will continue in innovation and completion of the product range.

On the basis of the results obtained so far, the Group estimates for the current year a turnover, at unchanged perimeter, in line with the previous year, in spite of the beginning of the year estimates of an organic growth in the order of 3% -4%. In addition, the Group will count on the positive contribution of the Lavorwash Group.

Subsequent events

No significant events occur.

Others informations

Significant operations: derogation from disclosure obligations

The Company has resolved to make use, with effect from 31 January 2013, of the right to derogate from the obligation to publish the informative documents prescribed in the event of significant merger, demerger, share capital increase through the transfer of goods in kind, acquisition and disposal operations, pursuant to art. 70, paragraph 8, and art. 71, paragraph 1-bis of Consob Issuers Regulations, approved with resolution no. 11971 of 4/5/1999 and subsequent modifications and integrations.

Sale of Emak S.p.A.'s shares by Yama S.p.A

On May 23, 2017, the major shareholder Yama S.p.A. has completed the placement of a stake of approximately 10% of Emak S.p.A.'s share capital. Following this operation currently holds 65.185% of Emak's share capital.

Definitions of alternative performance indicators

Below are reported, in accordance with recommendation CESR/05-178b published on November 3, 2005, the criteria used for the construction of key performance indicators that management considers necessary to the monitoring the Group performance.

- EBITDA before non ordinary expenses: is obtained by deducting at EBITDA the impact of charges for litigation, expenses related to M&A transaction, and revenue for government grants and restructuring charges.
- EBITDA: calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses".
- FREE CASH FLOW FROM OPERATIONS: calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses".
- NET WORKING CAPITAL: include items "Trade receivables", "Inventories", current non financial "other receivables" net of "Trade payables" and current non financial "other payables".
- NET NON-CURRENT ASSETS: include non-financial "Non current assets" net of non-financial "Non-current liabilities"

Consolidated Financial Statements

Consolidated Income Statement

Thousand of Euro

Year 2016	CONSOLIDATED INCOME STATEMENT	3 Q 2017	3 Q 2016	9 months 2017	9 months 2016
391,879	Revenues from sales	88,142	79,809	322,215	309,759
2,589	Other operating incomes	984	519	2,401	1,665
(12,116)	Change in inventories	2,509	(7,126)	5,160	(12,355)
(198,172)	Raw materials, consumables and goods	(48,203)	(36,248)	(173,880)	(153,340)
(73,039)	Personnel expenses	(18,900)	(15,984)	(58,209)	(55,148)
(71,672)	Other operating costs and provisions	(19,832)	(14,883)	(60,488)	(54,267)
(17,600)	Amortization, depreciation and impairment losses	(3,262)	(3,128)	(9,374)	(9,623)
21,869	Operating profit	1,438	2,959	27,825	26,691
7,105	Financial income	262	427	1,161	1,084
(6,056)	Financial expenses	(1,216)	(1,352)	(3,554)	(4,726)
3,407	Exchange gains and losses	(740)	(374)	(3,455)	1,631
205	Income from/(expenses on) equity investment	67	0	168	0
26,530	Profit before taxes	(189)	1,660	22,145	24,680
(8,847)	Income taxes	(222)	(893)	(6,392)	(8,121)
17,683	Net profit (A)	(411)	767	15,753	16,559
(88)	(Profit)/loss attributable to non controlling interests	(48)	13	(266)	(108)
17,595	Net profit attributable to the Group	(459)	780	15,487	16,451
0.108	Basic earnings per share	(0.003)	0.005	0.095	0.101
0.108	Diluted earnings per share	(0.003)	0.005	0.095	0.101
Year 2016	CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME			9 months 2017	9 months 2016
17,683	Net profit (A)			15,753	16,559
(190)	Profits/(losses) deriving from the conversion of foreign company accounts			(4,931)	(2,055)
(137)	Actuarial profits/(losses) deriving from defined benefit plans (*)			-	-
1	Income taxes on OCI (*)			-	-
(326)	Total other components to be included in the comprehensive income statement (B)			(4,931)	(2,055)
17,357	Total comprehensive income for the period (A)+(B)			10,822	14,504
(88)	Comprehensive net profit attributable to non controlling interests			(170)	(75)
17,269	Comprehensive net profit attributable to the Group			10,652	14,429

(*) Items will not be classified in the income statement

Statement of consolidated financial position

Thousand of Euro

31.12.2016	ASSETS	30.09.2017	30.09.2016
	Non-current assets		
61,651	Property, plant and equipment	69,944	59,841
8,380	Intangible assets	7,643	7,859
52,241	Goodwill	75,454	56,039
230	Equity investments in other companies	230	230
3,955	Equity investments in associates	4,062	-
7,370	Deferred tax assets	8,881	7,194
10,098	Other financial assets	998	9,321
63	Other assets	72	64
143,988	Total non-current assets	167,284	140,548
	Current assets		
127,362	Inventories	147,496	125,845
96,940	Trade and other receivables	106,592	88,409
4,791	Current tax receivables	4,723	3,498
468	Other financial assets	8,517	522
77	Derivative financial instruments	116	169
32,545	Cash and cash equivalents	47,283	39,098
262,183	Total current assets	314,727	257,541
406,171	TOTAL ASSETS	482,011	398,089

31.12.2016	SHAREHOLDERS' EQUITY AND LIABILITIES	30.09.2017	30.09.2016
	Shareholders' Equity		
180,173	Shareholders' Equity of the Group	184,785	177,359
1,495	Non-controlling interest	2,454	1,482
181,668	Total Shareholders' Equity	187,239	178,841
	Non-current liabilities		
76,107	Loans and borrowings due to banks and others lenders	118,510	82,833
6,391	Deferred tax liabilities	6,008	5,866
9,137	Employee benefits	10,667	8,970
1,566	Provisions for risks and charges	2,404	1,568
668	Other non-current liabilities	598	762
93,869	Total non-current liabilities	138,187	99,999
	Current liabilities		
77,849	Trade and other payables	89,360	58,994
4,184	Current tax liabilities	6,446	4,504
46,770	Loans and borrowings due to banks and others lenders	58,646	53,614
394	Derivative financial instruments	395	453
1,437	Provisions for risks and charges	1,738	1,684
130,634	Total current liabilities	156,585	119,249
406,171	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	482,011	398,089

Statement of change in consolidated equity between 31st December 2016 and 30th September 2017.

Thousand of Euro	SHARE CAPITAL	SHARE PREMIUM	OTHER RESERVES					RETAINED EARNINGS		TOTAL GROUP	EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL
			Legal reserve	Revaluation reserve	Cumulative translation adjustment	Reserve IAS 19	Other reserves	Retained earnings	Net profit of the period			
Balance at 31.12.2015	42,519	40,529	2,361	1,138	6,882	(832)	30,900	34,649	8,846	166,992	1,496	168,488
Profit reclassification			348					4,410	(8,846)	(4,088)	(89)	(4,177)
Net profit for the period					(190)	(136)			17,595	17,269	88	17,357
Balance at 31.12.2016	42,519	40,529	2,709	1,138	6,692	(968)	30,900	39,059	17,595	180,173	1,495	181,668
Profit reclassification			351					11,520	(17,595)	(5,724)	(139)	(5,863)
Other changes								(316)		(316)	928	612
Net profit for the period					(4,835)				15,487	10,652	170	10,822
Balance at 30.09.2017	42,519	40,529	3,060	1,138	1,857	(968)	30,900	50,263	15,487	184,785	2,454	187,239

The share capital is shown net of the nominal value of treasury shares in the portfolio amounting to € 104 thousand

The share premium reserve is stated net of the premium value of treasury shares amounting to € 1,925 thousand

Comments on the financial statements

This interim report has been prepared under disclosure continuity, comparability, international best practice and transparency to the market. Despite the lack of legal obligation, the Board of Directors of Emak S.p.A. has in fact decided, also because of his membership in the STAR segment of the MTA, to continue in drafting and systematic publication of quarterly reports, in compliance with art. 2.2.3, paragraph 3, letter. a) of the Regulation of Markets organized and managed by Borsa Italiana S.p.A. . The reports are made available to the public in the usual forms of deposit at the registered office, the company website and the "eMarket Storage storage mechanism". What above as of now complies with the imminent entry into force of the provisions laid down in the amended Article. 82-ter of CONSOB Regulation for Issuers resolutions No. 11971/1999 and No. 19770/2016.

In relation to the above, it is confirmed that the accounting principles and policies adopted by the Group in preparing the quarterly consolidated financial statements are consistent with those adopted in the consolidated financial statements at 31 December 2016, with the particularities described below.

In this interim report IAS 19 is not applied as far as the quantification of changes in actuarial gains accrued in the period is concerned. In addition, in the context of disclosure of synthetic and essential character, are not observed all the detailed requirements of IAS 34, whenever it is assessed that its application does not bring meaningful information.

It should be noted that:

- when it has not been possible to obtain invoices from suppliers for the provision of consulting and other services, a reasonable estimate of these costs has been made on the basis of the stage of completion of the work;
- current and deferred taxes have been calculated using the tax rates applied in the current year in the individual countries of operation;
- the quarterly report is not subject to audit;
- all amounts are expressed in thousands of euros, unless otherwise specified.

Exchange rates used to translation of financial statements in foreign currencies:

31.12.2016	Amount of foreign for 1 Euro	Average 9 M 2017	30.09.2017	Average 9 M 2016	30.09.2016
0.86	GB Pounds (UK)	0.87	0.88	0.80	0.86
7.32	Renminbi (China)	7.58	7.85	7.35	7.45
4.41	Zloty (Poland)	4.27	4.30	4.36	4.32
1.05	Dollar (Usa)	1.11	1.18	1.12	1.12
14.46	Zar (South Africa)	14.71	15.94	16.68	15.52
28.74	Uah (Ukraine)	29.47	31.40	28.40	28.94
3.43	Real (Brazil)	3.54	3.76	3.96	3.62
10.66	Dirham (Morocco)	10.89	11.12	10.88	10.87
21.77	Mexican Pesos (Mexico)	21.01	21.46	20.43	21.74
704.95	Chilean Pesos (Chile)	728.20	751.64	758.70	734.35

Significant, non-recurring transactions or atypical, unusual transactions

Acquisition of A1 Mist Sprayers Resources Inc. activities

On January 27, the US subsidiary Valley Industries LLP (segment Pumps and High Pressure Water Jetting) acquired assets, brand and client portfolio of A1 Mist Sprayers Resources for a consideration of \$ 2 million. The acquired business generated in 2016 about \$ 3 million in revenue with an EBITDA of around 20%. The expected contribution of the new business will be lower on the Group's revenues, considering the fact that Valley was already a major supplier of A1 Mist Sprayers Resources. Most significant will be the estimated intake on profitability.

With this transaction, Valley will expand its product offering with a new range of sprayers to apply to quad, and pick up the third point of small tractors. The company will also expand its distribution network from a territorial point of view and distribution channels as well as its technical expertise on the use of the sprayer.

The fair value of assets and liabilities subject to business combination with effect of 27 January 2017, the price paid and the financial cost are detailed below:

€/000	Book values	Fair Value adjustments	Fair value of acquired assets
Non-current assets			
Tangible fixed assets	334	-	334
Intangible fixed assets	10	-	10
Current assets			
Inventories	94	-	94
Current liabilities			
Trade and other payables	(36)	-	(36)
Total net assets acquired	402	-	402
% interest held			100%
Net assets acquired			402
Goodwill			1,472
Post closing acquisition price			1,873
Purchase price paid			1,780
Deferred price			93

Based on the provisions of IFRS 3, the difference between the price paid and the corresponding share of equity has been allocated as goodwill given the coincidence between the fair value and book value of the merged company.

Put&Call Option extension minority purchase Valley Industries LLP

On May 5, 2017 has been extended for 12 months, the agreement with the minority shareholders "Savage Investments" for the deferment of the exercise of the put and call options on the remaining minority stake of 10%, due in the first half of 2017.

P.T.C. Waterblasting LLC capital increase

During the first half of 2017, Comet USA fully paid the share capital of the subsidiary P.T.C. Waterblasting LLC, for \$ 285 thousand (of which 185 thousand through conversion of intercompany loan).

Acquisition of the 83.1% of Lavorwash Group

On July 3, 2017 the controlled company Comet S.p.A. finalized the closing of the acquisition of the 83.1% of the Lavorwash Group headquartered in Pegognaga (MN), active in the design, production and marketing of a wide

range of both hobby and professional machines for the cleaning sector. Lavorwash Group has manufacturing facilities in Italy, China and Brazil, and distributing subsidiaries in Spain, France, Great Britain, Poland and China.

The provisional price paid by Emak amounts to € 54.8 million, and will be subject to next adjustment on the basis of the results achieved on 30 June 2017. A further 14.7% stake is ruled by a Put&Call option agreement to be exercised in 2020, at a price calculated on the basis of the results obtained in the period 2018-2019

Lavorwash's offer is a perfect complement to the Emak Group's activities in the Pump and High Pressure Water Jetting segment. In particular, with the acquisition of Lavorwash, Emak enriches its product line for cleaning sector, ranking among the first players in the industry.

The Lavorwash Group closed the fiscal year 2016 with a consolidated turnover of € 69,949 thousand and a net profit of € 5,804 thousand, while the net financial position at December 31, 2016 was positive for a total of € 17,450 thousand.

The fair value of assets and liabilities subject to business combination with effect of 3 July 2017, the price paid and the deferred financial cost are detailed below:

€/000	Book values	Fair Value adjustments	*Fair value of acquired assets
Non-current assets			
Property, plant and equipment	7,703	-	7,703
Intangible fixed assets	82	-	82
Goodwill	253	-	253
Deferred tax assets	1,247	-	1,247
Other non current financial assets	42	-	42
Other receivables	13	-	13
Current assets			
Inventories	18,007	-	18,007
Trade and other receivables	18,970	-	18,970
Current tax assets	342	-	342
Other financial assets	1	-	1
Cash and cash equivalents	18,245	-	18,245
Non-current liabilities			
Loans and borrowings due to banks and other lenders	(4)	-	(4)
Deferred tax liabilities	(148)	-	(148)
Employee benefits	(1,840)	-	(1,840)
Provisions for risks and charges	(738)	-	(738)
Current liabilities			
Trade and other payables	(17,156)	-	(17,156)
Current tax liabilities	(2,184)	-	(2,184)
Loans and borrowings due to banks and other lenders	(7)	-	(7)
Provisions for risks and charges	(1,028)	-	(1,028)
Total net assets acquired	41,800	-	41,800
% interest held			97.78%
Equity of the Group acquired			40,872
Goodwill			24,290
Post closing acquisition price			65,162
Purchase price paid			54,795
Deferred price			10,367
Cash and cash equivalents			18,245
Net cash outflow			36,550

* Based on the provisions of IFRS 3, the difference between the price paid and the corresponding share of equity has been provisionally allocated as goodwill. The determination of the fair value of the assets and liabilities of the acquired Group will be carried out with the support of an expert who started its activities in October.

Bagnolo in Piano (RE), November 10, 2017

On behalf of the Board of Directors

The Chairman

Fausto Bellamico

Declaration of the executive in charge of preparing the accounting statements pursuant to the rules of Article 154-bis, paragraph 2 of Legislative Decree no. 58/1998

The executive in charge of preparing corporate accounting statements of EMAK S.p.A. Aimone Burani, based on his own knowledge,

certifies,

in accordance with the second paragraph of Art. 154-bis, of Italian Legislative Decree No. 58 of 24 February 1998, that the accounting information contained in the Quarterly Report at 30 September 2017, examined and approved today by the Board of Directors of the company, corresponds with the accounting documents, ledgers and records.

Faithfully,
Bagnolo in Piano (RE), November 10, 2017

Aimone Burani
Executive in charge
of preparing the accounting statements