HALF-YEAR FINANCIAL REPORT
as at 30 June 2016

4 August 2016

MARR S.p.A.
Via Spagna, 20 – 47921 Rimini – Italy
Capital stock € 33.262.560 fully paid up
Tax code and Trade Register of Rimini 01836980365
R.E.A. Ufficio di Rimini n. 276618
Subject to the management and coordination of Cremonini S.p.A. – Castelvetro (MO)

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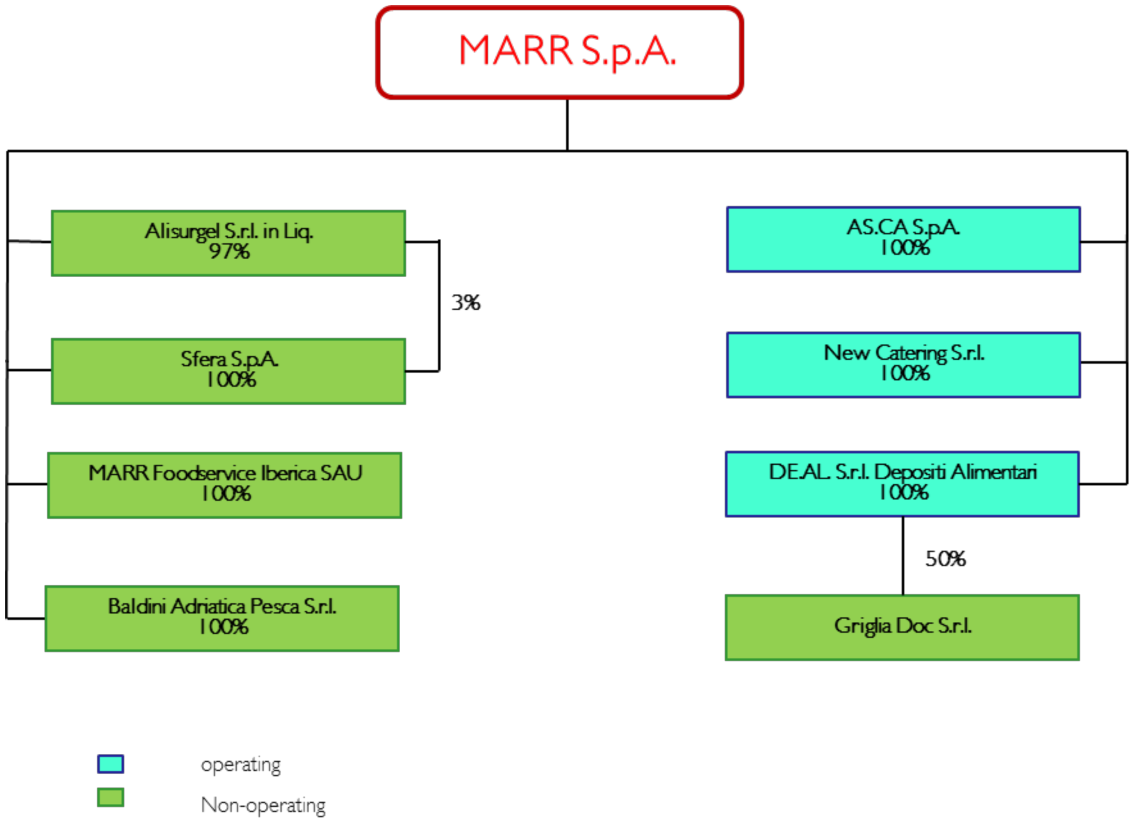
MARR GROUP ORGANISATION

as at 30 June 2016



As at 30 June 2016 the structure of the Group differs both from that at 31 December 2015 and from that at 30 June 2015 due to the purchase, finalised by MARR S.p.A. on 4 April 2016, of the 100% of the shares of the company DE.AL. S.r.l. (company in Abruzzo operating in the distribution of food products to the Foodservice sector under the brand "PAC Food") that hold a quota of 50% in the company Griglia Doc S.r.l..
Compared to the situation at 30 June 2015 we remember that, as of 1 December 2015, the subsidiary company Baldini Adriatica Pesca S.r.l. leased its own going concern to the Parent company MARR S.p.A. and is thus no longer operational.
Lastly, it must be pointed out that on 30 June 2016, the final financial statements for the liquidation of Alisurgel S.r.l. was prepared and filed on 28 July 2016 at the Chamber of Commerce, Industry, Handicraft and Agriculture of Rimini.

The MARR Group's activities are entirely dedicated to the foodservice distribution and are listed in the following table:

Company	Activity
MARR S.p.A. Via Spagna n. 20 – Rimini	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
AS.CA S.p.A. Via dell'Acero n. 1/A - Santarcangelo di Romagna. (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
NEW CATERING S.r.l. Via dell'Acero n.1/A - Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
DE.AL. S.r.l. Depositi Alimentari Via Tevere n. 125 – Elice (PE)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
Baldini Adriatica Pesca S.r.l. Via dell'Acero n. 1/A- Santarcangelo di Romagna (Rn)	Company no longer operational (since 1 December 2015); now leases going concerns.

Company	Activity
SFERA S.p.A. Via dell'Acero n. 1/A - Santarcangelo di Romagna (Rn)	Company no longer operational; now leases going concerns.
MARR FOODSERVICE IBERICA S.A.U. Calle Lagasca n. 106 1° centro - Madrid (Spagna)	Company no longer operational.
Alisurgel S.r.l. in liquidazione Via Giordano Bruno n. 13 - Rimini	Company no longer operational, the final financial statements for liquidation were filed on 28 July 2016.
Griglia Doc S.r.l. Via Tevere n. 125 – Elice (PE)	Company no operational.

All the controlled companies are consolidated on a line – by – line basis.
The related company Griglia Doc S.r.l. (50% owned) is valued at net equity.

CORPORATE BODIES OF MARR S.p.A.

Board of Directors

Chairman	Paolo Ferrari[(1)(2)]
Deputy Chairman	Illias Aratri
Chief Executive Office	Francesco Ospitali
Chief Executive Office	Pierpaolo Rossi
Directors	Giosué Boldrini
	Claudia Cremonini
	Vincenzo Cremonini
	Lucia Serra
	Antonio Tiso
Independent Directors	Giuseppe Lusignani[(1)(2)]
	Marinella Monterumisi[(1)(2)]

[(1)] Members of the Remuneration and Nomination committee

[(2)] Member of Control and Risk Committee

Board of Statutory Auditors

Chairman	Ezio Maria Simonelli
Auditors	Davide Muratori
	Simona Muratori
Alternate Auditors	Stella Fracassi
	Marco Frassini
Independent Auditors	PricewaterhouseCoopers S.p.A.

Manager responsible for the drafting of corporate accounting documents	Antonio Tiso

DIRECTORS' REPORT

Group performance and analysis of the results for the first half of 2016

As provided by the implementing regulation for Legislative Decree 58 dated 24 February 1998, concerning Issuers regulations, MARR has prepared this half-year financial report in accordance with the International Accounting Principle applicable for interim financial reporting, IAS 34 as approved by (EC) Regulation No. 1606/2002 of the European Parliament and Council dated 19 July 2002.

At the end of the first half year, the sales of the MARR Group amounted to 711.4 million Euros (685.6 million in 2015), while those in the second quarter reached 410.9 million (395.2 million in 2015).

As regards the sector of activity represented by "Distribution of food products to the Foodservice", the sales can be analysed in terms of client categories as follows.

The sales in the first half year to clients of the Street Market and National Account categories reached 586.1 million Euros (555.4 million in 2015), while those in the second quarter amounted to 347.5 million Euros (326.2 million in 2015).

In the main "Street Market" category (restaurants and hotels not belonging to Groups or Chains), sales in the first six months amounted to 443.0 million Euros (405.2 million in 2015), with a contribution of 18.1 million Euros due to the consolidation since 4 April last of DE.AL. and of 2.6 million Euros pertaining Sama (services for sale and distribution to the Bar segment), which became part of the MARR Group on 1 June last year.
The positive impact of the newly acquired DE.AL. benefitted from an acceleration in sales to those clients which were also served by MARR prior to the acquisition.
Sales in the Street Market category in the second quarter amounted to 274.0 million Euros (250.3 million in 2015).
The trend of the reference market for Street Market clients remains positive and, on the basis of the most recent survey by the Confcommercio Studies Office (July 2016), it shows an increase in consumption (by quantity) of +1.5% in "Hotels and out-of-home food consumption" in May; this increase had been +2.0% in the first quarter.

Sales in the "National Account" category (operators in Canteens and Chains and Groups) in the half-year amounted to 143.0 million Euros (150.3 million in 2015), while those in the second quarter reached 73.6 million Euros (75.9 million in 2015), with a reduction of 2.3 million, decreasing compared to that in the first quarter, in which sales of 69.4 million were recorded, compared to 74.4 million in 2015.

Sales to clients in the "Wholesale" segment in the half year amounted to 125.3 million Euros (130.2 million in 2015), while they reached 63.4 million in the second quarter, compared to 68.9 million in 2015.

In the following table we provide reconciliation between the revenues from sales by category and the revenues from sales and services indicated in the consolidated financial statements:

MARR Consolidated (€thousand)	*30.06.16 (6 months)*	*30.06.15 (6 months)*
Revenues from sales and services by customer category		
Street market	443,041	405,173
National Account	143,017	150,285
Wholesale	125,343	130,190
Total revenues form sales in Foodservice	711,401	685,648
(1) Discount and final year bonus to the customers	(8,807)	(7,275)
(2) Other services	1,312	1,303
(3) Other	81	83
Revenues from sales and services	703,987	679,759

Note

(1) Discount and final year bonus not attributable to any specific customer category

(2) Revenues for services (mainly transport) not referring to any specific customer category

(3) Other revenues for goods or services/adjustments to revenues not referring to any specific customer category

Below are the figures, re-classified according to current financial analysis procedures, with the income statement, statement of financial position and net financial position for the first half year of 2016 compared to the corresponding periods of the previous year.

Analysis of the re-classified Income Statement

MARR Consolidated (€thousand)	30.06.16 (6 months)	%	30.06.15 (6 months)	%	% Change
Revenues from sales and services	703,987	97.4%	679,759	97.4%	3.6
Other earnings and proceeds	18,772	2.6%	18,129	2.6%	3.5
Total revenues	**722,759**	**100.0%**	**697,888**	**100.0%**	**3.6**
Cost of raw and secondary materials, consumables and goods sold	(595,828)	-82.4%	(577,557)	-82.8%	3.2
Change in inventories	30,621	4.2%	27,793	4.0%	10.2
Services	(83,820)	-11.6%	(77,220)	-11.1%	8.5
Leases and rentals	(4,664)	-0.7%	(4,440)	-0.6%	5.0
Other operating costs	(802)	-0.1%	(1,086)	-0.1%	(26.2)
Value added	**68,266**	**9.4%**	**65,378**	**9.4%**	**4.4**
Personnel costs	(18,713)	-2.5%	(18,133)	-2.6%	3.2
Gross Operating result	**49,553**	**6.9%**	**47,245**	**6.8%**	**4.9**
Amortization and depreciation	(2,684)	-0.5%	(2,428)	-0.4%	10.5
Provisions and write-downs	(5,332)	-0.7%	(5,137)	-0.7%	3.8
Operating result	**41,537**	**5.7%**	**39,680**	**5.7%**	**4.7**
Financial income	730	0.1%	798	0.1%	(8.5)
Financial charges	(3,976)	-0.5%	(4,934)	-0.7%	(19.4)
Foreign exchange gains and losses	(54)	0.0%	(223)	0.0%	(75.8)
Value adjustments to financial assets	(40)	0.0%	0	0.0%	(100.0)
Result from recurrent activities	**38,197**	**5.3%**	**35,321**	**5.1%**	**8.1**
Non-recurring income	0	0.0%	0	0.0%	0.0
Non-recurring charges	0	0.0%	0	0.0%	0.0
Profit before taxes	**38,197**	**5.3%**	**35,321**	**5.1%**	**8.1**
Income taxes	(12,759)	-1.8%	(11,681)	-1.7%	9.2
Total net profit	**25,438**	**3.5%**	**23,640**	**3.4%**	**7.6**
(Profit)/loss attributable to minority interests	0	0.0%	0	0.0%	0.0
Net profit attributable to the MARR Group	**25,438**	**3.5%**	**23,640**	**3.4%**	**7.6**

The consolidated results in the first half of 2016 are the followings: total revenues for an amount of 722.8 million Euros (697.9 million Euros in 2015); EBITDA[1] amounting to 49.5 million Euros (47.2 million Euros in 2015) and EBIT of 41.5 million Euros (39.7 million Euros in 2015).

The trend in Revenues (+3.6% compared with the same period last year) is a consequence of the performance of sales in the individual client categories, as analysed previously and benefits from the consolidation, effective as of 4 April 2016, of the newly acquired DE.AL. S.r.l. Depositi Alimentari.

[1] The EBITDA (Gross Operating Margin) is an economic indicator not defined by the IFRS adopted by MARR for the financial statements from 31 December 2005.
The EBITDA is a measure used by the company's management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group's performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital used and the relevant amortization policies. Today (following the subsequent detailing of the development of the accounting procedures) the EBITDA (Earnings before interests, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write downs and financial income and charges and income tax.

The item "Other earnings and proceeds" is mainly represented by contributions from suppliers on purchases and includes (starting from the previous year) the logistics payments charged to suppliers; on the other hand, following the centralisation of deliveries from suppliers on logistical platforms, MARR has undertaken the costs for the internal distribution to the distribution centres.

As regards the operating costs, it must be noted that there was a reduction in the percentage incidence of the Cost of sales (Purchase cost of goods plus Changes in inventories) on the total revenues also by effect of the contribution of DE.AL. and its client mix. On the other hand, also be effect of the consolidation of DE.AL., there has been an increase in the service costs and their percentage incidence on the total revenues. The percentage incidence of the other operating cost items are substantially in line with those for the same period of the previous business year.

As regards employment costs, there has been an increase in absolute value mainly linked to the workforce of the newly acquired DE.AL. coming into the Group.

In addition, the effect deriving from the remuneration increases provided by the CCNL for employees of companies in the tertiary sector of distribution and services must be noted, as well as the purchase of the company Sama as of 1 June 2015; the CCNL was renewed in 2015 and provides for increases starting from April 2015 until 2017.
By effect of that described above and a careful management of the hours of leave/permits and overtime, and also seasonal employment, the percentage incidence of the cost of employment on the total revenues shows a slight reduction in any event.

As commented as at 31 December 2015, it must be pointed out that the increase in absolute value of the amortizations is attributable to the investments made starting from the previous year for the expansion and modernisation of some MARR distribution centres, in addition to those deriving form the purchase of the companies DE.AL. and Sama.

The item Provisions and write-downs amounted to 5.3 million Euros (5.1 million Euros in 2015) and is represented almost entirely by the provision for bad debts.

The result from recurrent activities, that at the end of the half-year amounted to 38.2 million Euros, has taken advantage of a decrease in the net financial charges (-0.9 million Euros), related partially to the reduction of interest rates which resulted in a lower cost of money.

As at 30 June 2016, the net consolidated result in the first half-year amounted to 25.4 million Euros, increasing of 7.6% compared to the same period of the previous business year.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	30.06.16	31.12.15*	30.06.15*
Net intangible assets	143,920	107,839	107,682
Net tangible assets	71,708	68,563	69,970
Equity Investments evaluated using the Net Equity method	960	0	0
Equity investments in other companies	367	304	304
Other fixed assets	28,467	29,585	27,092
Total fixed assets (A)	**245,422**	**206,291**	**205,048**
Net trade receivables from customers	434,539	377,437	433,664
Inventories	155,646	119,858	144,453
Suppliers	(370,627)	(276,706)	(357,740)
Trade net working capital (B)	**219,558**	**220,589**	**220,377**
Other current assets	45,625	50,807	39,267
Other current liabilities	(39,247)	(25,676)	(38,432)
Total current assets/liabilities (C)	**6,378**	**25,131**	**835**
Net working capital (D) = (B+C)	**225,936**	**245,720**	**221,212**
Other non current liabilities (E)	(563)	(599)	(942)
Staff Severance Provision (F)	(10,739)	(9,980)	(10,846)
Provisions for risks and charges (G)	(4,553)	(5,075)	(4,790)
Net invested capital (H) = (A+D+E+F+G)	**455,503**	**436,357**	**409,682**
Shareholders' equity attributable to the Group	(253,701)	(271,830)	(237,179)
Shareholders' equity attributable to minority interests	0	0	0
Consolidated shareholders' equity (I)	**(253,701)**	**(271,830)**	**(237,179)**
(Net short-term financial debt)/Cash	(29,347)	18,207	3,879
(Net medium/long-term financial debt)	(172,455)	(182,734)	(176,382)
Net financial debt (L)	**(201,802)**	**(164,527)**	**(172,503)**
Net equity and net financial debt (M) = (I+L)	**(455,503)**	**(436,357)**	**(409,682)**

* With regard to the balance sheet for the year 2015 it should be noted:
1) For a better representation of the dictates of IAS 12 "Income tax" in relation to the compensation of deferred taxes, the Group considered it appropriate to reclassify quotas of deferred tax assets and liabilities where there is a legally enforceable right to set off current tax assets with corresponding current tax liabilities, reclassifying consequently the comparative data. The effect of balance sheet reclassification was a reduction in deferred tax assets and liabilities, respectively, of 12.0 million Euros as at June 30, 2015 and of 10.3 million as at December 31, 2015.
2) The tax provision for interim financial statements consists of the counting of the half-year current taxes was reclassified to other current liabilities; this balance sheet reclassification on the comparative data as at June 30, 2015 was 12.3 million Euros.

Analysis of the Net Financial Position[ll]

The following represents the trend in Net Financial Position:

	MARR Consolidated (€thousand)	30.06.16	31.12.15	30.06.15
A.	Cash	8,263	7,368	7,872
	Cheques	0	4	40
	Bank accounts	68,582	82,039	85,266
	Postal accounts	88	451	335
B.	Cash equivalent	68,670	82,494	85,641
C.	**Liquidity (A) + (B)**	**76,933**	**89,862**	**93,513**
	Current financial receivable due to parent comany	838	2,771	1,807
	Current financial receivable due to related companies	0	0	0
	Others financial receivable	1,531	1,245	1,069
D.	Current financial receivable	2,369	4,016	2,876
E.	Current Bank debt	(54,566)	(31,503)	(34,562)
F.	Current portion of non current debt	(43,981)	(42,816)	(56,526)
	Financial debt due to parent company	0	0	0
	Financial debt due to related company	0	0	0
	Other financial debt	(10,102)	(1,352)	(1,422)
G.	Other current financial debt	(10,102)	(1,352)	(1,422)
H.	Current financial debt (E) + (F) + (G)	(108,649)	(75,671)	(92,510)
I.	Net current financial indebtedness (H) + (D) + (C)	(29,347)	18,207	3,879
J.	Non current bank loans	(124,112)	(143,523)	(138,313)
K.	Other non current loans	(48,343)	(39,211)	(38,069)
L.	Non current financial indebtedness (J) + (K)	(172,455)	(182,734)	(176,382)
M.	Net financial indebtedness (I) + (L)	(201,802)	(164,527)	(172,503)

The MARR's Group financial debt is affected by the business seasonality that requires higher net working capital during the summer period.

At the end of the first half year, the net financial indebtedness amounted to 201.8 million Euros (164.5 million as at 31 December 2015 and 172.5 million as at 30 June 2015).

As regard the movements of the first half year of 2016, in addition to the ordinary operating management and to the cash out related to the investments for the distribution centres of the Parent Company, we point out that:

- on 25 May 2016 dividends amounting to a total of 43.9 million Euros (41.2 million Euros in 2015) have been paid out;

[ll] The Net Financial Position used as a financial indicator of debts is represented by the total of the following positive and negative components of the Statement of financial position:
Positive short term components: cash and equivalents; items of net working capital collectables; financial assets.
Negative short and long term components: payables to banks; payables to other financiers, payables to leasing companies and factoring companies; payables to shareholders for loans..

- on 4 April 2016, the subscription by MARR S.p.A. of the contract for the purchase of the holdings in the company DE.AL. S.r.l., involved the payment of the first instalment of the price, amounting to 18 million Euros; the remaining quota has been accounted for in the financial debts: 9 million Euros as current debt with due date in April 2017 and further 9 million Euros as no-current debt, with due date in April 2018. The total price of the purchase, amounting to 36 million Euros, as well as the net financial indebtedness of DE.AL, affected the net financial position at the closing date for about 44.7 million Euros;
- on 1st June 2016 the company New Catering S.r.l. paid the second instalment of the price for the purchase of the holdings in the company Sama S.r.l. (finalized during the year 2015) for 594 thousand Euros.

As regards the structure of the sources of financing, it must be highlighted that in January the Parent Company signed a new loan with Cassa di Risparmio di Ravenna for a total amount of 10 million of Euros (with amortization plan ending in August 2018) while, in the month of June has reimbursed to the due date the ongoing financing in pool with *ICCREA Banca d'Impresa*, for a total amount of 22.8 million Euros.

The net financial position as at 30 June 2016 remains in line with the company objectives and with the financial covenants required by the ongoing loans, for the details of which see that illustrated in the Explanatory Notes to this Half-Year Financial Report.

Analysis of the Trade net working Capital

MARR Consolidated (€thousand)	*30.06.16*	*31.12.15*	*30.06.15*
Net trade receivables from customers	434,539	377,437	433,664
Inventories	155,646	119,858	144,453
Suppliers	(370,627)	(276,706)	(357,740)
Trade net working capital	219,558	220,589	220,377

As at 30 June 2016 the trade net working capital amounts to 219.6 million Euros an improvement compared to 220.4 million Euros of the same period of the previous year.

The value of the inventories has increased compared to both 31 December 2015, because of habitual seasonality, and 30 June 2015 by effect – in addition to the entry of DE.AL., which had inventories of 5.8 million Euros as at 30 June 2016 – of storage policies aimed at making the most of specific trade opportunities in the market of frozen seafood products.
The increase in trade payables compared to the same period last year is related to the dynamic in inventories; the trade receivables have increased slightly (+0.9 million Euros) compared to 30 June 2015, despite the increase in revenues and the impact of DE.AL, the trade receivables of which amounted to 18.3 million Euros as at 30 June.

The trade net working capital remains in line with the company objectives.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	*30.06.16*	*30.06.15**
Net profit before minority interests	25,438	23,640
Amortization and depreciation	2,684	2,428
Change in Staff Severance Provision	759	(114)
Operating cash-flow	28,881	25,954
(Increase) decrease in receivables from customers	(57,102)	(54,065)
(Increase) decrease in inventories	(35,788)	(28,087)
Increase (decrease) in payables to suppliers	93,921	83,297
(Increase) decrease in other items of the working capital	18,753	23,942
Change in working capital	19,784	25,087
Net (investments) in intangible assets	(36,178)	(1,496)
Net (investments) in tangible assets	(5,736)	(3,355)
Net change in financial assets and other fixed assets	95	(1,324)
Net change in other non current liabilities	(558)	53
Investments in other fixed assets	(42,377)	(6,122)
Free - cash flow before dividends	6,288	44,919
Distribution of dividends	(43,907)	(41,246)
Other changes, including those of minority interests	344	508
Casf-flow from (for) change in shareholders' equity	(43,563)	(40,738)
FREE - CASH FLOW	(37,275)	4,181
Opening net financial debt	(164,527)	(176,684)
Cash-flow for the period	(37,275)	4,181
Closing net financial debt	(201,802)	(172,503)

In the following table we provide reconciliation between the "free-cash flow" above showed and the "increase/decrease in cash flow" reported in the cash flow statement (indirect method):

MARR Consolidated (€thousand)	*30.06.16*	*30.06.15**
Free - cash flow	(37,275)	4,181
(Increase) / decrease in current financial receivables	1,647	2,549
Increase / (decrease) in non-current net financial debt	(10,279)	94,800
Increase / (decrease) in current financial debt	32,978	(45,550)
Increase (decrease) in cash-flow	(12,929)	55,980

* With regard to the balance sheet for the year 2015 it should be noted that for a better representation of the dictates of IAS 12 "Income tax" in relation to the compensation of deferred taxes, the Group considered it appropriate to reclassify quotas of deferred tax assets and liabilities where there is a legally enforceable right to set off current tax assets with corresponding current tax liabilities, reclassifying consequently the comparative data.

Investments

The following is a summary of the net investments made in the first half of 2016:

(€thousand)	30.06.16 (6 months)
Intangible assets	
Patents and intellectual property rights	239
Intangible assets under development and advances	76
Goodwill	35,863
Total intangible assets	36,178
Tangible assets	
Land and buildings	1,784
Plant and machinery	1,336
Industrial and business equipment	558
Other assets	1,843
Fixed assets under development and advances	211
Total tangible assets	5,732
Total	41,910

In particular it must be noted the purchase of the holdings of the company DE.AL. S.r.l. by MARR on 4 April 2016; this operation implied the accounting for of a goodwill amounting to 35,863 thousand Euros and of tangible fixed assets for a total net book value amounting to 617 thousand Euros and mainly relating to the categories "Industrial and business equipment" (for 313 thousand Euros) and "Other assets" (for 298 thousand Euros). Furthermore, it must be noted the entrance of intangible assets for 74 thousand Euros (in the category "Patents and intellectual properties").

The other investments made in the year, as illustrated below, mainly concern the plan for the expansion and modernisation of some distribution centres started in 2014.
It should be noted that among the increases those in the items "Land and buildings", "Plant and machinery" and "Industrial and business equipment" include the work made in the MARR Urbe distribution centre located in Rome (the former MARR Cater distribution centre, re-starting the operations from 1st June 2016) for a total amount of 1,800 thousand Euros.
The item "Land and buildings" includes also the expansion works of the building located in Anzola dell'Emilia where MARR Bologna distribution centre operates. These investments amounting to 583 thousand Euros are accounted for in the subsidiary Sfera S.p.A., which granted the lease of the "Lelli" going concern to MARR S.p.A., which manages it through the same branch. To the same works refer the investments exposed in the item "Fixed assets under development and advance".

With reference to the item "Other assets", it should be pointed out the purchase through a financial lease of a new hardware infrastructure for the Group ERP for a total amount of 1,112 thousand Euros.

Other information

The Company neither holds nor has ever held shares or quotas of parent companies, even through third party persons and/or companies; consequently during the 2016 the company never purchased or sold the above-mentioned shares and/or quotas.

As at 30 June 2016 the company don't owns own shares.

During the half-year, the Group did not carry out atypical or unusual operations.

Main events in the first half-year of 2016

On 4 April 2016 MARR S.p.A. signed for the acquisition of 100% of the holdings of DE.AL. S.r.l., a company in Abruzzo operating in the distribution of food products to the Foodservice sector under the brand "PAC Food".
DE.AL., with over 60 million Euros in sales in 2015, is a leader in its territory in the distribution of food products to independent operators in the sector of out-of-home food consumption (clients belonging to the Street Market segment of the MARR Group) and which will strengthen the presence of MARR in the mid-Adriatic area.
The transaction, which has been cleared by the Antitrust Authority and which will be valid with effect as of 4 April, provides for a price for the purchase of 100% of DE.AL. S.r.l. of 36 million Euros – 50% of which will be paid on closing and the balance in two instalments of an equal amount after 12 and 24 months – and for the availability of the distribution centre in Elice, through a specific lease contract with a duration of 6 years plus an additional 6, with the option of renewal for an additional 6 years.

On 28 April 2016 the Shareholders' Meeting approved the financial statements for the business year as at 31 December 2015 and the distribution of a gross dividend of 0.66 Euros per share (0.62 Euros the previous year) with "ex coupon" (no. 12) on 23 May, record date on 24 May and payment on 25 May.

In addition, the Shareholders' Meeting approved to confirm the appointment of Antonio Tiso (who have been co-opted by the Board of Directors meeting on 13 November 2015) to the post of Director which will remain in office until the date of the Shareholders' meeting called for the approval of the financial statements as at 31 December 2016.

Finally, as the mandate conferred upon Reconta Ernst & Young S.p.A. on 20 April 2007 came to an end with the approval of the financial statements as at 31 December 2015, the Shareholders' Meeting conferred the duty of auditing the accounts to the independent auditing firm PricewaterhouseCoopers S.p.A. for the business years from 2016 to 2024.

Events occurred after the closing of the first half-year

The final financial statements for the liquidation of the subsidiary Alisurgel S.r.l., and the relevant repartition plan, were filed on 28 July 2016, completing the liquidation procedure started on 17 October 2002.

Transactions with subsidiaries, associates, parent companies and affiliates

The following is some information on the shareholdings held, to supplement that already outlined in the introduction to this Directors' report.

With regard to the transactions with subsidiaries, associates, parents companies and affiliates, for which reference is made to the analyses contained in the explanatory notes to the interim condensed consolidated financial statements, it is pointed out that they are not atypical or unusual, being part of the normal course of activities of the companies in the Group. The following is a list of the types of ongoing relations:

Companies	Nature of Transactions
Subsidiaries	Trade and general services
Parent Company	Trade and general services
Associated Companies	General Services
Associated Companies - Cremonini Group's companies	Trade and general services

It must be pointed out that the value of the purchase of MARR Group consolidated goods by Cremonini S.p.A. and associates (identified in Appendix 2) represented 5.9% of the total consolidated purchases. All the commercial transactions and supply of services, etc. occurred at market values.

For more details of the incidence of the operations with these companies had on financial and economic situation in these consolidated financial statements, reference is made to Appendix 2 and to the Explanatory Notes.

Outlook

The performance of sales in July to clients of the Street Market and National Account segments puts sales in the first seven months in line with the growth objectives for the year.

The performance of DE.AL. sales remains positive and in line with the plans, and the process of coordination and integration of the newly acquired company in the MARR Group is continuing.

On the basis of the positive results in the first half year, company management has confirmed its guidelines of: increasing the market share, maintaining the levels of profitability achieved and keeping the absorption of the net trade working capital under control.

With regard to the risks and uncertainties there were no significant events during the course of the first six months such as to imply a different assessment with respect to that already highlighted in the Directors' Report on the financial statements as at 31 December 2015, which should be referred to for more details.

Interim Condensed Consolidated Financial Statements

MARR Group

30 June 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€thousand)	*Note*	30.06.16	31.12.15*
ASSETS			
Non-current assets			
Tangible assets	1	71,708	68,563
Goodwill	2	142,959	107,096
Other intangible assets	3	961	743
Investments in other companies	4	960	0
Equity Investments evaluated using the Net Equity method		367	304
Non-current financial receivables	5	2,255	2,674
Financial instruments/derivatives	6	4,736	5,095
Deferred tax assets	7	581	0
Other non-current assets	8	28,588	30,695
Total non-current assets		253,115	215,170
Current assets			
Inventories	9	155,646	119,858
Financial receivables	10	2,247	3,950
relating to related parties		*838*	*2,771*
Financial instruments / derivative	11	122	66
Trade receivables	12	426,846	368,558
relating to related parties		*10,635*	*4,607*
Tax assets	13	9,418	9,130
relating to related parties		*1,409*	*1,409*
Cash and cash equivalents	14	76,933	89,862
Other current assets	15	36,207	41,677
relating to related parties		*71*	*173*
Total current assets		707,419	633,101
TOTAL ASSETS		*960,534*	*848,271*
LIABILITIES			
Shareholders' Equity			
Shareholders' Equity attributable to the Group	16	253,701	271,830
Share capital		*33,263*	*33,263*
Reserves		*185,366*	*172,449*
Retained Earnings		*0*	*0*
Profit for the period attributable to the Group		*35,072*	*66,118*
Shareholders' Equity attributable to minority interests		0	0
Minority interests' capital and reserves		*0*	*0*
Profit for the period attributable to minority interests		*0*	*0*
Total Shareholders' Equity		253,701	271,830
Non-current liabilities			
Non-current financial payables	17	172,341	182,629
Financial instruments / derivative	18	114	105
Employee benefits	19	10,739	9,980
Provisions for risks and costs	20	4,553	4,259
Deferred tax liabilities	7	0	816
Other non-current liabilities	21	563	599
Total non-current liabilities		188,310	198,388
Current liabilities			
Current financial payables	22	108,649	75,671
relating to related parties		*0*	*0*
Financial instruments/derivatives		0	0
Current tax liabilities	23	15,926	2,365
relating to related parties		*11,579*	*824*
Current trade liabilities	24	370,627	276,706
relating to related parties		*13,053*	*3,205*
Other current liabilities	25	23,321	23,311
relating to related parties		*1*	*47*
Total current liabilities		518,523	378,053
TOTAL LIABILITIES		*960,534*	*848,271*

* As outlined in the Directors' Report and in the following Explanatory Notes, it should be noted that the comparative data as at 31 December 2015 have been restated in order to implement the changes aimed to a better representation of the dictates of IAS 12 "Income tax" in relation to the compensation of deferred taxes.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(€thousand)	*Note*	*30.06.16 (6 months)*	*30.06.15 (6 months)*
Revenues	26	703,987	679,759
relating to related parties		*19,228*	*13,662*
Other revenues	27	18,772	18,129
relating to related parties		*186*	*95*
Changes in inventories	9	30,621	27,793
Purchase of goods for resale and consumables	28	(595,828)	(577,557)
relating to related parties		*(35,156)*	*(29,364)*
Personnel costs	29	(18,713)	(18,133)
Amortization, depreciation and write-downs	30	(8,016)	(7,565)
Other operating costs	31	(89,286)	(82,746)
relating to related parties		*(1,484)*	*(1,346)*
Financial income and charges	32	(3,300)	(4,359)
relating to related parties		*13*	*35*
Revenues/(Losses) from investments evaluated using the Net Equity method	33	(40)	0
Pre-tax profits		***38,197***	***35,321***
Taxes	34	(12,759)	(11,681)
Profits for the period		***25,438***	***23,640***
Profit for the period atributable to:			
Shareholders of the parent company		25,438	23,640
Minority interests		0	0
		25,438	***23,640***
basic Earnings per Share (euro)	35	0.38	0.36
diluted Earnings per Share (euro)	35	0.38	0.36

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	*Note*	***30.06.16 (6 months)***	*30.06.15 (6 months)*
Profits for the period (A)		***25,438***	***23,640***
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		343	508
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		0	0
Total Other Profits/Losses, net of taxes (B)	36	***343***	***508***
Comprehensive Income (A) + (B)		***25,781***	***24,148***
Comprehensive Income attributable to:			
Shareholders of the parent company		25,781	24,148
Minority interests		0	0
		25,781	***24,148***

(note 16)

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDER'S EQUITY

Description	Share Capital	Other reserves															Profits carried over from consolidated	Business year profit (losses)	Total Group net equity	Total third party net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to Ias/Ifrs	Cash-flow hedge reserve	Reserve ex art. 55 (dpr 597-917)	Reserve IAS 19	Total Reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total Treasury Share				
Balance at 1 January 2015	33,263	63,348	6,652	13	36,496	46,406		1,475	7,290	(1,664)	1,486	(902)	160,600				60,417		254,280	
Allocation of 2014 profit						11,136							11,136				(11,136)			
Distribution of parent company dividends																	(41,246)		(41,246)	
Distribution of subsidiaries company dividends																				
Other minor variations											(3)		(3)						(3)	
Consolidated comprehensive income (1/1 - 30/06/2015):																				
- Profit for the period																	23,640		23,640	
- Other Profits/Losses, net of taxes										508			508						508	
Balance at 30 June 2015	33,263	63,348	6,652	13	36,496	57,542		1,475	7,290	(1,156)	1,483	(902)	172,241				31,675		237,179	
Other minor variations											(3)		(3)						(3)	
Consolidated comprehensive income (1/07-31/12/2015):																				
- Profit for the period																	34,443		34,443	
- Other Profits/Losses, net of taxes										40		171	211						211	
Balance at 31 December 2015	33,263	63,348	6,652	13	36,496	57,542		1,475	7,290	(1,116)	1,480	(731)	172,449				66,118		271,830	
Allocation of 2015 profit						12,577							12,577				(12,577)			
Distribution of parent company dividends																	(43,907)		(43,907)	
Other minor variations											(3)		(3)						(3)	
Consolidated comprehensive income (1/1 - 30/06/2015):																				
- Profit for the period																	25,438		25,438	
- Other Profits/Losses, net of taxes										343			343						343	
Balance at 30 June 2016	33,263	63,348	6,652	13	36,496	70,119		1,475	7,290	(773)	1,477	(731)	185,366				35,072		253,701	

CONSOLIDATED CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	*30.06.16*	*30.06.15**
Result for the Period	25,438	23,640
Adjustment:		
Amortization and write-downs	2,684	2,428
Allocation of provison for bad debts	5,190	4,992
Capital profit/losses on disposal of assets	30	18
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	3,245	4,136
relating to related parties	*(13)*	*(35)*
Foreign exchange evaluated (gains)/losses	(535)	202
	10,614	11,776
Net change in Staff Severance Provision	(315)	(183)
(Increase) decrease in trade receivables	(47,696)	(58,539)
relating to related parties	*(6,028)*	*(895)*
(Increase) decrease in inventories	(30,621)	(27,793)
Increase (decrease) in trade payables	80,743	83,297
relating to related parties	*9,848*	*1,731*
(Increase) decrease in other assets	8,054	10,945
relating to related parties	*102*	*(8)*
Increase (decrease) in other liabilities	(970)	997
relating to related parties	*(46)*	*1*
Net change in tax assets / liabilities	13,063	12,023
relating to related parties	*10,755*	*10,142*
Interest paid	(3,976)	(4,934)
relating to related parties	*(1)*	*(1)*
Interest received	731	798
relating to related parties	*14*	*36*
Foreign exchange gains	1,163	313
Foreign exchange losses	(627)	(515)
Cash-flow form operating activities	55,601	51,825
(Investments) in other intangible assets	(231)	(126)
(Investments) in tangible assets	(5,399)	(3,470)
Net disposal of tangible assets	254	303
Net (investments) in equity investments no consolidated on a line-by-line basis	30	0
Net (investments) in equity investments in other companies	(1)	0
Outgoing for (acquisition)/divestment of subsiaries or going concerns during the year (net of liquidity purchased)	(18,594)	(1,014)
Cash-flow from investment activities	(23,941)	(4,307)
Distribution of dividends	(43,907)	(41,246)
Other changes, including those of third parties	341	508
Net change in financial payables (excluding the new non-current loans received)	(14,450)	(33,549)
relating to related parties	*0*	*0*
New non-current loans received	11,002	82,800
relating to related parties	*0*	*0*
Net change in current financial receivables	1,647	2,548
relating to related parties	*1,933*	*2,294*
Net change in non-current financial receivables	778	(3,599)
Cash-flow from financing activities	(44,589)	7,462
Increase (decrease) in cash-flow	(12,929)	54,980
Opening cash and equivalents	89,862	37,533
Closing cash and equivalents	76,933	92,513

* It must be pointed out that the reclassification of the tax fund for interim financial statements (amounting to 12,281 thousand Euros as at 30 June 2015 and constituted by the total current taxes for the half-year) among the current liabilities has made necessary the restate of the changes concerning related parties as at 30 June 2015, as regards the IRES payables (amounting to 10,142 thousand Euros) transferred to the parent company Cremonini by effect of adhesion to the National Consolidated Fiscal system.

EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Structure and contents of the interim condensed consolidated financial statements

The interim condensed consolidated financial statements at 30 June 2016 have been prepared in accordance with the accounting policies and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002. In this case, IAS 34 (interim financial reporting) has been applied in the preparation of these interim condensed consolidated financial statements. These interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2015.
The interim condensed consolidated financial statements for the half-year closing as at 30 June 2016 were authorised for publication by the Board of Directors on 4 August 2016.

The section entitled "Accounting policies" contains the reference to international accounting principles used.

For the purposes of the application of IFRS 8 it is noted that the Group operates in the "Distribution of food products to non-domestic catering" sector only.

This sector is subject to seasonal dynamics mainly linked to the flows of the tourist season, which are more concentrated in the summer months and during which the increase in activities, and therefore in net working capital, historically implies greater cash flows and the consequent increase in the financial requirements.

With regard to performance levels in the first half of 2016, see what described in the Directors' Report.

The interim condensed consolidated financial statements at 30 June 2016 have been prepared on the basis of the cost method except for the derivative financial instruments, which are recorded at fair value.

In observance of that provided by Consob, the figures in the Statement of profit or loss are provided for the 2016 half-year and the period between the start of the business year and the half-year end closing date (progressive); they are compared with the figures for the same periods of the previous business year. The figures in the Statement of financial position concerning the half-year end closing date are compared with the figures at the closing date of the previous business year. Therefore, the comments on the items on the Income Statement are made with reference to the same period for the previous year (30 June 2015) while those for the Statement of financial position are made comparing to the previous business year (31 December 2015).
With regard to the balance sheet for the year 2015 it should be noted that, for a better representation of the dictates of IAS 12 "Income tax" in relation to the compensation of deferred taxes, the Group considered it appropriate to reclassify quotas of deferred tax assets and liabilities where there is a legally enforceable right to set off current tax assets with corresponding current tax liabilities, reclassifying consequently the comparative data.
The effect of balance sheet reclassification as at 31 December 2015 is exposed in the paragraph 7 "Deferred tax assets and deferred tax liabilities".

The following classifications have been used:

- "Statement of financial position" by current/non current items
- "Statement of profit or loss" by nature
- "Cash flows statement" (indirect method)

These classifications are deemed to provide information which is better suited to represent the economic and financial situation of the Group.

The figures are expressed in Euros.

The statements and tables contained in this interim condensed consolidated financial statements are shown in thousand Euros.

This report has been prepared using the principles and accounting policies illustrated below.

Consolidation method

Consolidation is made by using the line-by-line method, which consists in recognizing all the items in the assets and liabilities in their entirety. The main consolidation criteria adopted to apply this method are the following:

- Subsidiaries have been consolidated as from the date when control was actually transferred to the Group, and are no longer consolidated as from the date when control was transferred outside the Group.
- Assets and liabilities, charges and income of the companies consolidated on a line-by-line basis, have been fully entered in the consolidated financial statements; the book value of equity investments has been written off against the corresponding portion of shareholders' equity of the related concerns, by assigning to each single item of the statement of financial position's assets and liabilities, the current value as at the date of acquisition of control (purchase method as defined by IFRS 3, "Business combinations"). Any residual difference, if positive, is entered under "*Goodwill*" in the assets; if negative, in the income statement.
- Mutual debt and credit, costs and revenues relationships, between consolidated companies, and the effects of all significant transactions between these companies, have been written off.
- The portions of shareholders' equity and of the results for the period of minority shareholders have been shown separately in the consolidated shareholders' equity and income statement: this holding is determined on the basis of the percentage held in the fair value of the assets and liabilities recorded at the date of original takeover and in the changes in shareholders' equity after this date.
- Subsequently, the profits and losses are attributed to the minority shareholders on the basis of the percentage they hold and the losses are attributed to minorities even if this implies that the minority holdings have a negative balance.
- Changes in the shareholding of the parent company in a subsidiary which do not imply loss of control are accounted as equity transactions.
- If the parent company loses control over a subsidiary, it:
  - derecognises the assets (including any goodwill) and liabilities of the subsidiary,
  - derecognises the carrying amount of any non-controlling interest,
  - derecognises the cumulative translation differences recorded in equity,
  - recognises the fair value of the consideration received,
  - recognises the fair value of any investment retained,
  - recognises any surplus or deficit in the profit and loss,
  - re-classifies the parent's share of components previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

Scope of consolidation

The interim condensed consolidated financial statements as at 30 June 2016 include the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls.

Control is achieved when the Group is exposed or has the right to variable performance levels, deriving from its own relations with the entity involved in the investment and, simultaneously, has the capacity to affect these performance levels by exercising its power over the entity. Specifically, the Group controls a subsidiary if, and only if, the Group has:
· the power over the entity involved in the investment (or has valid rights conferring upon it the current capacity to manage the significant activities of the entity being invested in);
· exposure or the right to variable performance levels deriving from relations with the entity being invested in;
· the capacity to exercise its own power over the entity being invested in terms of affecting the amount deriving from its performance.
There is a general assumption that the majority of voting rights implies control. In support of this assumption and when the Group possesses less than the majority of the voting (or similar) rights, the Group considers all the significant facts and circumstances to establish whether it controls the entity being invested in, including:
· contractual agreements with other owners of voting rights;
· rights deriving from contractual agreements;
· voting rights and potential voting rights of the Group.
The Group reconsiders whether it has control over a subsidiary or not if the facts and circumstances indicate that there have been changes in one or more of the significant elements defining control.

The complete list of subsidiaries included in the scope of consolidation as at 30 June 2016, with an indication of the method of consolidation, is reported in the Marr Group organisation. The consolidated financial statements have been prepared on the basis of the financial statements as at 30 June 2016 prepared by the subsidiaries included in the scope of consolidation and adjusted, if necessary, in order to align them to the accounting Group policies and classification criteria, in accordance with IFRS.

As at 30 June 2016 the scope of consolidation differs from that at 31 December 2015 due to the purchase, finalised by MARR S.p.A. on 4 April 2016, of the 100% of the shares of the company DE.AL. S.r.l. (company in Abruzzo operating in the distribution of food products to the Foodservice sector under the brand "PAC Food") that holds a quota of 50% in the company Griglia Doc S.r.l..
The effects of this acquisition are described in the following paragraph on "Business combinations realised during the first half-year" and commented on in the comments on the items in the Statement of financial position.
It must be noted that, as of 1 December 2015, the subsidiary company Baldini Adriatica Pesca S.r.l. leased its own going concern to the Parent Company MARR S.p.A. and is thus no longer operational.
Lastly, it must be pointed out that on 30 June 2016, the final financial statements for liquidation of Alisurgel S.r.l. were prepared and filed on 28 July 2016 at the Chamber of Commerce for Industry, Handicraft and Agriculture of Rimini.

Accounting policies

The criteria for assessment used for the purpose of predisposing the consolidated accounts up for the half year closed on 30 June 2016 do not differ from those used for the drafting of the consolidated financial statements as at 31 December 2015 (which see for a detailed description of them), with the exception of the accounting principles, amendments and interpretations applicable as from 1st January 2016, , listed below, that in any case are not affecting the current interim report of the Group.

- Improvements to the International Financial Reporting Standards (2012-2014), including modifications to the following existing International Accounting Standards:
  - IFRS 5 – Non-current assets owned for sale and operating assets terminated: changes to the disposal schedules. The change establishes guidelines to be followed in the event in which an entity reclassifies an asset (or a group being disposed of) in the held for sale category to the held for distribution category (or vice-versa), or when the requirements for the classification of an asset as held for distribution are no longer in place.
  - IFRS 7 – Financial instruments: additional information. The document disciplines the introduction of additional guidelines to clarify whether a so-called servicing contract constitutes a residual involvement of an asset transferred for the purposes of the required information. Also, as regards the compensation between financial assets and liabilities, the document clarifies that the information is not explicitly required for all interim financial statements. However, this information could be required to respect the requirements laid down by IAS 34, should it constitute significant information.
  - IAS 19 – Employee benefits: problems concerning the discount rate. The document introduces some changes to IAS 19 in order to clarify that the high quality corporate bonds, used to determine the discount rate for subsequent benefits, should be issued in the same currency as that use for the payment of the benefits. The changes specify that the range of the market of high quality corporate bonds to be considered is that at a currency level.
  - IAS 34 – Interim financial statements: allocation of the additional information. The document introduces some changes in order to clarify the requirements in the event that the required information is submitted in the interim report, but not in the financial statements. The change specifies that this information be included through cross references between the two documents, as long as both are available to the readers of the financial statements in the same way and at the same time.
- Changes to IFRS 13 – Evaluation at fair value: short-term trade receivables and payables. The change clarifies that the introduction of IFRS 13 does not alter the possibility of accounting short-term trade receivables and payables without actualising them, should the effects not be significant;
- Modifications to IFRS 11 - Joint control agreements: Purchase of a holding. These modifications require that a joint operator which records the acquisition of a holding in a joint control agreement in the accounts, the activities of which represent a business, must apply the significant principles of IFRS 3 concerning the accounting of corporate aggregations. The modifications also clarify that, in the case of joint control being maintained, the holding previously held in a joint control agreement shall not be the subject of re-measurement at the time at which an additional holding is purchased. Furthermore, an exclusion to the scope of IFRS 11 has been added, in order to clarify that the modifications shall not be applicable when all the parties sharing control, including the entity which draws up the financial statements, are subjected to the common control of the same controlling entity. The modifications are applicable to both the purchase of the initial holding in a joint control agreement and the purchase of any additional holdings in the same joint control agreement and must be applied prospectively.

- Modifications to IAS 16 and IAS 38: Clarification on the admissible methods of amortization. These modifications clarify the principle contained in IAS 16 and in IAS 38: the revenues reflect a model of economic benefits generated by the management of a business (of which the activity is part), rather than the economic benefits consumed by using the asset in question. It follows that a method based on revenues cannot be used for the amortization of buildings, plant and machinery and could only be used in very limited circumstances for the amortization of intangible assets. The modifications must be applied prospectively.
- Modifications to IAS 27: Net equity method in the separate financial statements. The modifications will enable the entity to use the net equity method to record the holdings in subsidiaries, joint ventures and associates in its own separate financial statements. The entities which are already applying the IFRS and decide to modify the criterion for recording in the accounts by changing to the net equity method in their own separate financial statements must apply the change retrospectively.
- Modifications to IAS 1: Initiative on the informative note to the financial statements. The modifications are aimed at introducing clarifications into IAS 1 in order to deal with some elements that are perceived as limitations to the use of judgement by those who draw up the financial statements.

Please also note that there are some accounting principles and interpretation which, as of the date of the preparation of the interim report, were already issued but not yet in force.

- IFRS 9 - Financial instruments. In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which reflects all the phases of the project concerning financial instruments and replaces IAS 39, Financial Instruments: Recording and assessment, and all previous versions of IFRS 9. The principle introduces new requirements for classification, assessment, loss of value and hedge accounting. IFRS 9 is effective for business years starting on 1st January 2018 or later.
- IFRS 15 - Revenues deriving from contracts with customers. This IFRS was issued in May 2014 and introduces a new five-phase model to be applied to revenues from customer contracts. IFRS 15 provides that revenues be recorded for an amount reflecting the payment the entity deems to have the right to in exchange for the transfer of goods or services to the customer. The principle gives a more structured approach for recording and assessing revenues, replacing all the current requirements in the other IFRS on the recognition of revenues. IFRS 15 is effective for business years starting on 1st January 2018 or later, with full or modified retrospective application. Advance application is also allowed. The Group does not expect any significant impact from the application of this principle.
- IFRS 16 – *Leases*. Standard published by the IASB on 13 January 2016, destined to replace standard IAS 17 – Leasing, and also the interpretations of IFRIC 4 – Determining whether an agreement involves leasing, SIC 15 – Operating leasing – Incentives and SIC 27 – The evaluation of the substance of operations in the legal form of leasing. The new standard provides a new definition of lease and introduces a criterion based on control (right of use) of an asset to distinguish leasing contracts from service contracts, identifying as discriminants: the identification of the asset, the right to replace it, the right to obtain substantially all of the economic benefits deriving from the use of the asset and the right to manage the use of the asset underlying the contract. Its application is provided as of 1 January 2019. Advance application is allowed for entities applying IFRS 15. The Group is evaluating the impacts of this new standard on its own consolidated financial statements.
- Modifications to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception: The modifications deal with the problems arising in the application of the exception concerning investment entities provided by IFRS 10. The modifications to IFRS 10 clarify that the exception to submitting consolidated financial statements is applicable to the Group leader which is a subsidiary of an investment entity, when the investment entity values all of its subsidiaries at fair value.
- Modifications to IAS 12 – Income taxes: The IASB clarifies how fiscal receivables deferred with respect to losses not realized on debit instruments measured at fair value are to be accounted.
- Modifications to IAS 7 – Financial Reporting: The improvements concern the information to be provided concerning the changes to the loans payable deriving from both the financial cash flows and from variations which do not derive from cash flows (for example profits and losses on exchange rates). The modifications will be effective from 1st January 2017.

The endorsement process at an EU level for the following standards and interpretations has been suspended until further notice:

- IFRS 14 – Regulatory deferral accounts. The standard enables only those who are adopting the IFRS for the first time to continue to record the amounts concerning the rate regulation according to the previous Accounting Standards adopted.

- Changes to IFRS 10 and IAS 28 – Sales or contribution of assets between an investor and its associate or joint venture. Document published by the IASB on 11 September 2014 in order to resolve a conflict between the two above standards in relation to the sale of an asset or of a subsidiary company to an associate company or joint venture.

As of the date of this interim financial report, the Accounting Standards, interpretations and changes to the Accounting Standards listed above should not have potentially significant impacts on the equity, economic and financial situation of the Group.

Main estimates adopted by management and discretional assessments

The preparation of the interim condensed consolidated financial statements requires that the directors carry out discretional assessments, estimates and hypotheses that influence the value of revenues, costs, assets and liabilities, and the indication of potential liabilities at the time of the financial statements. However, uncertainty as to these hypotheses and estimates may lead to outcomes that will require future significant adjustments on the accounting value of these assets and/or liabilities.

Estimates and hypotheses

Below is an outline of the key hypotheses concerning the future and other significant sources of uncertainty in estimates at the date of closure of the interim condensed consolidated financial statements that could be the cause of significant adjustment to the value of assets and liabilities in coming business years. The results achieved could differ from these estimates. The estimates and assumptions made are periodically revised and the effects of all changes are immediately reflected in the income statement.

- Estimates adopted in the actuarial calculation in order to determine the benefit plans defined in the context of post-employment obligations:

  – The expected inflation rate is equal to: 1.5% for the year 2016, 1.8% for the year 2017, 1.7% for the years 2018 1.6% for the year 2019 and 2% for the year 2020 and the subsequents;
  – The discounting rate[III] used is equal to 1.39% for the companies MARR, AS.CA and DE.AL S.r.l. while is equal to 2.03% for the company New Catering;
  – The annual rate of increase of the severance plan is expected to be equal to: 1.95% for the year 2015, 2.4% for the year 2016, 2.625% for the years 2017 and 2018, 3.0% for the year 2019 and the subsequents;

– A 6.5% turnover of employees is expected.

- Estimates adopted in the actuarial calculation in order to determine the provision for supplementary clientele severance indemnity:

  – The rate of voluntary turnover is expected to be 13% for MARR and DE.AL.., 7% for AS.CA, 5% for New Catering.;
  – The rate of corporate turnover is expected to be 2% for MARR. and DE.AL., 10% for AS.CA, 7% for New Catering;
  – The discounting rate used is 0.98% for MARR, AS.CA and New Catering and 0.57% for DE.AL. S.r.l..

- Estimates used in calculating deferred taxes

A significant discretional assessment is required by the directors in order to determine the total amount of deferred taxes assets to be accounted. They must estimate the probable occurrence in time and the total value of future fiscally chargeable profits.

- Other

Other elements in the financial statements that were the object of estimate and assumptions by Management are inventory write-down, the determination of amortizations and evaluation of receivables and other assets.
These estimates, although supported by well defined corporate procedures, require hypotheses to be made mainly concerning the future realisable nature of the value of inventories, the probability of collecting receivables and the solvency

[III] Average performance curve deriving from the IBOXX Eurozone Corporates AA (duration "7-10 years" for MARR and AS.CA e "+10 years" for New Catering).

of creditors as well as the remaining useful lifetime of assets that may be influenced by both market performance and the information available to Management.

The non-financial instruments with an indefinite useful life are not amortized but subjected to impairment tests annually or whenever there is an indication of impairment. As at 30 June 2016, there was no indication of impairment of any of these instruments.

Financial Risks Management

The financial risks to which the Group is exposed in the performance of its business activities are as follows:

- market risk (including currency risk, interest rate risk and price risk);
- credit risk;
- liquidity risk.

It is noted that at the time of drafting of this half-year financial report, no significant variations had occurred with regard to the management of these risks, with respect to that already illustrated in the financial statements as at 31 December 2015.

Classes of financial instruments

The following items are reported in keeping with the accounting rules relative to financial instruments:

(€thousand)	30 June 2016		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Non current derivative/financial instruments	0	4,736	4,736
Non Current financial receivables	2,255	0	2,255
Other non-current assets	28,588	0	28,588
Current financial receivables	2,247	0	2,247
Current derivative/financial instruments	0	122	122
Current trade receivables	426,846	0	426,846
Cash and cash equivalents	76,933	0	76,933
Other current receivables	36,207	0	36,207
Total	573,076	4,858	577,934
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	172,341	0	172,341
Non current derivative/financial instruments	0	114	114
Current financial payables	108,649	0	108,649
Current derivative financial instruments	0	0	0
Total	280,990	114	281,104

(€thousand)	31 December 2015		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Non current derivative/financial instruments	0	5,095	5,095
Non Current financial receivables	2,674	0	2,674
Other non-current assets	30,695	0	30,695
Current financial receivables	3,950	0	3,950
Current derivative/financial instruments	0	66	66
Current trade receivables	368,558	0	368,558
Cash and cash equivalents	89,862	0	89,862
Other current receivables	41,677	0	41,677
Total	537,416	5,161	542,577
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	182,629	0	182,629
Non current derivative/financial instruments	0	105	105
Current financial payables	75,671	0	75,671
Current derivative financial instruments	0	0	0
Total	258,300	105	258,405

In compliance with that required by IFRS 13, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchange and interest rates, are classifiable as "Level 2" financial assets, in as much as the inputs which have a significant effect on the fair value registered are market figures observable directly (exchange and interest rate market).[IV]

Similarly, as regards the non-current financial debts, are also classifiable as "Level 2" financial assets, in as much as the inputs influencing their fair value are market data which is directly observable.

As regards the other current and non-current assets, see that stated in paragraphs 8 and 15 of these explanatory notes.

[IV] The Group identifies as "Level 1" financial assets and liabilities those for which the input which has a significant effect on the fair value registered are represented by prices listed on an active market for similar assets or liabilities and as "Level 3" financial assets and liabilities those for which the input is not based on observable market figures.

Transactions with subsidiaries, associates, parent companies and affiliates

With regard to the nature of relationship with subsidiary, associated, holding and affiliated companies, refer to that illustrated in the following Appendix 2.

It is noted that the operations with related parties were conducted in respect of the dispositions of the laws in force, on the basis of reciprocal economic convenience.

Significant events in the first half of 2016 and events subsequent to the closing of the first half of 2016

With regard to the significant events which occurred during the half-year and events subsequent to the closing of the first half of 2016, refer to that illustrated in the Directors' report.

Comments to the main items included in the consolidated statement of financial position

ASSETS

Non-current assets

1. Tangible assets

(€thousand)	Balance at 30.06.16	Purchases / other movements	Net decreases	Change in consolidation	Depreciation	Balance at 31.12.15
Land and buildings	56,648	2,270	(4)	0	(897)	55,278
Plant and machinery	9,096	1,379	0	6	(1,064)	8,775
Industrial and business equipment	1,862	253	(8)	313	(164)	1,468
Other assets	3,699	1,817	(272)	298	(463)	2,319
Fixed assets under development and advances	403	(320)	0	0	0	723
Total tangible assets	71,708	5,399	(284)	617	(2,588)	68,563

With regard to the variation exposed in the table we point out the followings.

The purchase of the holdings of the company DE.AL. S.r.l. by MARR on 4 April 2016 implied an increase of tangible fixed assets for a total net book value amounting to 617 thousand Euros, mainly concentrated in the categories "Industrial and business equipment" and "Other assets".

The changes exposed in the column "Purchases/other movements" mainly represent the investments related to the plan for the expansion and modernisation of some distribution centres of the Parent Company started in the year 2014.

In particular, it should be noted that the increases in the items "Land and buildings", "Plant and machinery" and "Industrial and business equipment" include the expansion works made in the distribution centre MARR Urbe, located in Rome (the former MARR Cater distribution centre, re-starting operations from 1st June 2016), for a total amount of 1,800 thousand Euro.
The item "Land and buildings" includes also the expansion work to the building located in Anzola dell'Emilia where MARR Bologna distribution centre operates. These investments amounting to 583 thousand Euros are accounted for in the subsidiary Sfera S.p.A., which granted the lease of the "Lelli" going concern to MARR S.p.A., which manages it through the same branch).
As at 30 June 2016, to the Bologna distribution centre refer the investments exposed in the item "Fixed assets under development and advance" also.

As regard the item "Other assets", it should be noted the purchase through a financial lease of a new hardware infrastructure for the Group ERP for a total amount of 1,112 thousand Euros.

With reference to the decreases in the item "Other assets", amounting to 272 thousand Euros, we point out that they refer almost totally to the sale of industrial vehicles.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 40,000 thousand Euros in favour of credit institutes registered to cover the mortgages granted on the properties in Uta (CA) – Macchiareddu locality, Santarcangelo di Romagna (RN) – Via dell'Acero 2 and 4 and Via del Carpino 4, San Michele al Tagliamento (VE) - Via Plerote 6, Bottegone (PT) – Via Francesco Toni 285 and 297, Portoferraio (LI)- Via Degli Altiforni 29 and 31 and Bologna (BO) – Via Fantoni 31 (the value of which in the item Land and Buildings totally amounts to 28.9 million of Euros as at June 30, 2016).

Tangible Asset Leasing:

Below are the summary details of the operation concerning the purchase of an hardware infrastructure for the Group ERP, as it is deemed to be the most significant:

- Start of the financial lease: 1 March 2016
- Duration of the contract: 5 years
- Number of instalments: 20
- Value of the asset financed: 1.1 million Euros
- Amount of the monthly instalments: 60 thousand Euros
- Annual periodical rate: 3.31%
- Redemption price: 11 thousand Euros (plus VAT)
- Total of the instalments paid during the first half-year 2016: 119 thousand Euros
- Net book value of the asset at 30 June 2016: 1,038 thousand Euros
- Remainder of leases at 30 June 2016: 1,072 thousand Euros.

2. Goodwill

(€thousand)	Balance at 30.06.16	Purchases / other movements	Balance at 31.12.15
Marr S.p.A. - Sfera S.p.A. - Baldini Adriatica Pesca S.r.l. (*)	93,380	0	93,380
AS.CA S.p.a.	8,634	0	8,634
New Catering s.r.l. e Sama S.r.l.	5,082	0	5,082
DE.AL. S.r.l. Depositi Alimentari	35,863	35,863	0
Total Goodwill	142,959	35,863	107,096

(*) Goodwill related to the subsidiaries Sfera S.p.A. and Baldini Adriatica Pesca S.r.l. (amounting 18.9 million Euros and 2.6 million of Euros) are indicated together with the one of MARR S.p.A. because the companies have leased the going concerns that has generated the goodwill to the parent company.

Goodwill is not subject to amortization; the recoverability of its book value is determined at least each year and, in any case, whenever in the presence of events implying an impairment. Verification is made on the smallest aggregate upon which Management, either directly or indirectly, assesses the return on the investment, including the goodwill itself (*cash generating unit*); as concern the main hypothesis used for the determination of the recoverable value, refer to that explained in the notes to the financial statements as at 31 December 2015.

On the basis of the stability of the results of the MARR Group in the first half-year of 2016 there are no indications of loss of value of the assets.

With regard to the increase in the period, we point out that it is related to the purchase, finalized by the Parent Company on 4 April 2016, of 100% of the shares of DE.AL. S.r.l., operating in the distribution of food products to the Foodservice sector.

Business combinations realised during the first half-year

On 4 April 2016 has been purchased by MARR S.p.A. the 100% of the holdings of DE.AL. S.r.l. Depositi Alimentari, a company in Abruzzo operating in the distribution of food products to the Foodservice sector under the brand "PAC Food", located in Elice (PE).

Temporarily, the cost of aggregation, awaiting the punctual determination at the date of closing (together with selling party) of the classes of assets, liabilities and potential liabilities acquired, has been determined on the basis of the accounting values as at 3 April 2016 (still being verified by the parties) determined in compliance with the IFRS of the company acquired.

The goodwill provisionally attributed to the purchase is justified by the strategic importance of DE.AL., in as much as it will enable MARR to strengthen its presence in the mid-Adriatic area.

The operation implied the following effects:

Purchase consideration	*(€thousand)*
Total purchase consideration	36,000
- Fair value of the net assets identifiable	137
Goodwill	**35,863**

The accounting values, determined provisionally in compliance with the IFRS on the basis of the financial statements as at 3 April 2016 of the company acquired, and the amounts at the same date for each class of assets, liabilities and potential liabilities of the acquisition are illustrated below:

(€thousand)	*Book value of acquired company*	*Fair value of the acquired assets and liabilities*
Tangible and intangible assets	511	1,691
Investments in other companies	62	62
Other non-current assets	1,187	1,187
Inventories	5,166	5,166
Trade receivables	15,782	15,782
Other current assets	493	478
Employee benefits	(974)	(1,074)
Provision for risks and costs	(693)	(388)
Net financial indebtedbess	(8,560)	(8,741)
Current trade liabilities	(13,178)	(13,178)
Other current liabilities	(536)	(848)
Fair value of net identifiable assets acquired	**(740)**	**137**

The cash out generated by the acquisition during the half-years amounted to 26,741 thousand Euros, as specified below:

	(€thousand)
Price of the acquisition paid in the half-year	(18,000)
Net financial indebtedness of the acquired company	(8,741)
Cash out of the buiness combination	**(26,741)**

3. Other intangible assets

Below there are the movements of the item in the half year:

(€thousand)	Balance at 30.06.16	Purchases / other movements	Net decreases	Change in consolidation	Depreciation	Balance at 31.12.15
Patents	589	155	0	84	(97)	447
Concessions, licenses, trademarks and similar rights	18	0	0	0	0	18
Intangible assets under development and advances	354	76	0	0	0	278
Other intangible assets	0	0	0	0	0	0
Total Other Intangible Fixed Assets	961	231	0	84	(97)	743

The increases in the half-year are related to the purchase of new software, in addition to the consolidation of DE.AL., still partly being implemented as at 30 June 2016 and therefore recorded under the item "Intangible assets under development and advances".

4. Equity investments evaluated using the Net Equity Method

As at 30 June 2016, the item represent the evaluation to Net Equity of the investment in the company Griglia Doc S.r.l..
The company was incorporated on 4 April 2016 and is 50% owned by the subsidiary DE.AL. S.r.l., which subscribed its own holding in the share capital through patent conferment.

5. Non-current financial receivables

As at 30 June 2016, this item amounted to 2,255 thousand Euros and includes 490 thousand Euros for the quota beyond the year (of which 3 thousand Euros expiring beyond 5 years) of interest-bearing financial receivables from Adria Market and other trade partners and the quota beyond the year (totalling 1,642 thousand Euros) of receivables from transporters for the sale of the transport vehicles used to move MARR goods.

6. Financial instruments / derivatives

The amount as at 30 June 2016, amounting to 4,736 thousand Euros (5,095 thousand Euros as at 31 December 2015), represents the positive fair value of the Cross Currency Swap contracts stipulated by the Parent Company to hedge the risk of changes to the Dollar-Euro exchange rate, with reference to the bond private placement in US dollars finalised in July 2013.
The change compared to the end of the previous business year is linked to the performance during the period of the US dollar-Euro exchange rate.
It should be noted that this amount, for 3,510 thousand Euros, expires beyond 5 years.

7. Deferred tax assets and deferred tax liabilities

As outlined in the premises of these Explanatory Notes, it should be noted that, for a better representation of the dictates of IAS 12 "Income tax" in relation to the compensation of deferred taxes, the Group considered to be appropriate to reclassify quotas of deferred tax assets and liabilities where there is a legally enforceable right to set off current tax assets with corresponding current tax liabilities, reclassifying consequently the comparative data.
As at 30 June 2016, this item amounted to 581 thousand Euros (-816 thousand Euros as at 31 December 2015, amount restated in the column "31.12.2015" to the item "Deferred tax liabilities"). The table below shows the details of the items and the reclassification effects:

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
On taxed provisions	11,238	9,320
On costs deductible in cash	116	87
On costs deductible in subsequent years	735	856
On other changes	2	4
Deferred tax assets	12,091	10,267
On goodwill amortisation reversal	(6,684)	(6,353)
On funds subject to suspended taxation	(412)	(413)
On leasing recalculation as per IAS 17	(447)	(449)
On actuarial calc. of customers supplemen	200	176
On fair value revaluation of land and build	(3,533)	(3,541)
On allocation of acquired companies' goo	(704)	(708)
On Cash Flow Hedge	242	350
Others	(172)	(145)
Deferred tax liabilities	**(11,510)**	**(11,083)**
Deferred Tax Assets	581	(816)

8. Other non-current assets

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Non-current trade receivables	7,693	8,879
Accrued income and prepaid expenses	1,777	2,025
Other non-current receivables	19,118	19,791
Total Other non-current assets	28,588	30,695

The "Non-current trade receivables", amounting to 7,693 thousand Euros (of which 2,360 thousand Euros was with an expiry date of over 5 years) mainly concerns agreements and delays in payment defined with the customers.
The prepaid expenses are mainly linked to promotional contributions with clients of a multi-annual nature and have an expiry date within 5 years.
The item "Other non-current receivables" includes, in addition to receivables from State coffers for loss of clients of 5,714 thousand Euros, receivables from suppliers for 12,689 thousand Euros (12,991 thousand Euros as at 31 December 2015) of which 335 thousand Euros was with an expiry date of over 5 years.

There are no other assets with expiry dates over 5 years.

Current assets

9. Inventories

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Finished goods and goods for resale		
Foodstuff	42,087	32,173
Meat	16,699	12,428
Seafood	88,892	66,814
Fruit and vegetables	204	47
Hotel equipment	2,316	1,775
	150,198	113,237
provision for write-down of inventories	(769)	(762)
Goods in transit	4,838	6,328
Packaging	1,379	1,055
Total Inventories	155,646	119,858

The inventories are not conditioned by obligations or other property rights restrictions.
The increase in inventories compared to 31 December 2015 is the effect, in addition to the business seasonality and to the consolidation of DE.AL., which inventories value as at 30 June 2016 amounted to 5.8 million Euros – of stocking policies aimed at making the most of specific trade opportunities in the market of frozen seafood products.

With reference to the changes in the half-year, as detailed below, the amount indicated in the item "Change in consolidation" represent the goods acquired with the purchase of the shares of the new subsidiary DE.AL. S.r.l..

(€thousand)	Balance at 30.06.16	Change in consolidation	Other Change	Balance at 31.12.15
Finished goods and goods for resale	150,198	5,139	31,821	113,237
Goods in transit	4,838	27	(1,517)	6,328
Packaging	1,379	0	324	1,055
	156,415	5,166	30,628	120,620
Provision for write-down of inventories	(769)	0	(7)	(762)
Total Inventories	155,646	5,166	30,621	119,858

10. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Financial receivables from parent companies	838	2,771
Receivables from loans granted to third parties	1,409	1,179
Total Current financial receivables	2,247	3,950

The Receivables for loans granted to third parties, all of which are interest-bearing, refer mainly to receivables towards truck drivers (amounting to 1,304 thousand Euros) consequent to the sale to the latter of the trucks used by them to transport MARR products and service-supplying partners (55 thousand Euros).

11. Financial instruments / derivatives

The total as at 30 June 2016, amounting to 122 thousand Euros (66 thousand Euros as at 31 December 2015), concerns term exchange purchase transactions undertaken by the Parent Company and the subsidiary AS.CA to hedge the purchases of goods. These operations were recorded in the accounts as the hedging of financial flows.

12. Current trade receivables

This item is composed of:

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Receivables from customers	466,572	400,901
Trade receivables from parent companies	53	207
Total current trade receivables from customers	466,625	401,108
Bad debt provision	(39,779)	(32,550)
Total current trade receivables from customers	426,846	368,558

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Trade receivables from customers	455,993	396,501
Receivables from Affiliated Consolidated Companies by the Cremonini Group	10,563	4,391
Receivables from Affiliated not Consolidated Companies by the Cremonini Group	16	9
Total current trade receivables	466,572	400,901

The receivables from customers due within the year, deriving in part from normal sales operations and in part from the supply of services, have been valued on the basis of that indicated above. Receivables are shown net of bad debt provision of 39,779 thousand Euros, as highlighted in the table below.

The receivables "from affiliated companies consolidated by the Cremonini Group" (10,563 thousand Euros) and "from affiliated companies not consolidated by the Cremonini Group" (16 thousand Euros), are analytically outlined, together with the corresponding payable items, in the table exposed in the Directors' Report. These receivables are all of a commercial nature.

Receivables in foreign currencies have been adjusted to the exchange rate valid on 30 June 2016.

The provision for bad debt as at 30 June 2016 is broken down as follows and the determination of the allocation for the period reflects the recording of the receivables – net of the bad debt provision – at their presumable realisation value.

(€thousand)	Balance at 30.06.16	Increases	Consolidation change	Decreases	Balance at 31.12.15
- Tax-deductible provision	1,908	1,212	98	(1,496)	2,094
- Taxed provision	37,039	3,961	4,040	(586)	29,624
- Provision for interest for late payments	832	0	0	0	832
Total Provision for write-down of Receivables from customers	39,779	5,173	4,138	(2,082)	32,550

13. Tax assets

This item amount to 9,418 thousand Euros and include mainly the following:

- *Irpeg litigation* (for 6,040 thousand Euros): with regard to this item, refer to what contained in the paragraph "Provisions for non-current risks and charges".
- *Receivables from the parent company for transferred Ires benefits* for 1,409 thousand Euros for the years from 2007 to 2011 calculated on the Irap paid for the cost of employment and collaborators not deducted for said purpose, as per reimbursement claims sent in February 2013.
- *Receivables from State coffers* for 2015 IRAP balance for a total amount of 596 thousand Euros.
- *Receivables from State coffers for tax reimbursement claims* for a total amount of 238 thousand Euros, of which 104 thousand Euros related to DE.AL. S.r.l..
- *Receivables for VAT* for 99 thousand Euros.

14. Cash and cash equivalents

The balance represents the liquid assets available and the existence of ready cash and values on closure of the period.

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Cash and Cheques	8,263	7,372
Bank and postal accounts	68,670	82,490
Total Cash and cash equivalents	76,933	89,862

With regard to the changes to the net financial position, refer to the cash flows statement for the first half of 2016, and for its composition, refer to the comments in the paragraph "Analysis of the Net Financial Position" in Directors' Report.

15. Other current assets

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Accrued income and prepaid expenses	2,145	720
Other receivables	34,062	40,957
Total Other current assets	36,207	41,677

The item "Other receivables" is composed as follow.

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Guarantee deposits	158	137
Other sundry receivables	888	990
Provision for write-down of receivables from others	(4,908)	(4,228)
Receivables from social security institutions	235	169
Receivables from agents	2,941	2,254
Receivables from employees	124	24
Receivables from insurance companies	134	362
Advances to suppliers and supplier credit balances	34,422	41,076
Advances to suppliers and supplier credit balances from Associates	68	173
Total Other current receivables	34,062	40,957

The item *Advances to suppliers and supplier credit balances* includes, in addition to the payments made to foreign suppliers (non-EU) for the purchase of goods with "f.o.b. clause" or advance payment on next fishing campaigns, also

receivables for contributions to be received from suppliers totalling 14.5 million Euros (see the comments made in paragraph 27 "Other revenues") and that amounted to 23.2 million Euros as at 31 December 2015.
Receivables from foreign suppliers in foreign currencies have been adjusted, if necessary, to the exchange rate valid on 30 June 2016.

The "Provision for write-down of receivables from others" mainly refers to receivables relating to suppliers and agents and during the period shown the following changes:

(€thousand)	Balance at 30.06.16	Increases	Consolidation change	Decreases	Balance at 31.12.15
- Provision for write-down of receivables from others	4,908	17	663	0	4,228
Provision for write-down of other receivables	4,908	17	663	0	4,228

LIABILITIES

16. Shareholders' Equity

As regards the changes within the Shareholders' Equity, refer to the statement of changes in the shareholders' equity...

Share Capital
The Share Capital as at 30 June 2016, amounting to 33,262,560 Euros, is represented by 66,525,120 MARR S.p.A. ordinary shares, entirely subscribed and paid up, with regular benefit, of a nominal value of 0.50 Euros.

Share premium reserve
As at 30 June 2016 this reserve amounts to 63,348 thousand Euros and does not appear to have changed since 31 December 2015.

Legal reserve
This Reserve amounts to 6,652 thousand Euros and does not appear to have changed since 31 December 2015.

Shareholders' contributions on account of capital
This Reserve did not change in 2016 and amounts to 36,496 thousand Euros.

Reserve for transition to IAS/IFRS
This is the reserve (amounting to 7,290 thousand Euros) set up following the first time adoption of the international accounting standards.

Extraordinary Reserve
As at 30 June 2016, the increase of 12,577 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2015, as per shareholder meeting's decision made on 28 April 2016.

Cash flow hedge reserve
As at 30 June 2016, this item amounted to a negative value of 773 thousand Euros and is linked to the stipulation of hedging contracts for interest and exchange rates undertaken for the specific hedging of certain loans, with variable rates and in foreign currency respectively.
As regards the movements in this reserve and the other profits/losses in the Statement of Comprehensive Income, see that described in the Consolidated Statement of Changes in the Shareholders' Equity and in paragraph 36 "Other profits/losses" in these explanatory notes.

Reserve for exercised stock option
This reserve has not changed during the course of the year, as the plan was concluded in April 2007 and amounted to 1,475 thousand Euros.

Reserve IAS19
As at 30 June 2016, this reserve amounts to a negative value of 731 thousand Euros and is composed of the value, net of the theoretical tax effect, of actuarial losses and gains regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 "Employee Benefits", effective for the business years starting on 1st January 2013. According to the IFRS these profits/losses have been entered in the net equity and their variation is highlighted (according to IAS 1 revised, in force from 1st January 2009) in the consolidated comprehensive income statement.

Whit regard to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amounting to 1,477 thousand Euros as at 30 June 2016, the relevant deferred tax liabilities have been accounted for.

On 28 April 2016 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2015 and consequently decided upon allocation of the business year profits, and the approval of a dividend of 0.66 Euros for each ordinary share with the right to vote.

Non-current liabilities

17. Non-current financial payables

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Payables to banks - non-current portion	123,998	143,418
Payables to other financial institutions - non-current portion	39,343	39,126
Payables for the purchase of quotas or shares	9,000	85
Total non-current financial payables	172,341	182,629

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Payables to banks (1-5 years)	123,998	143,418
Payables to banks (over 5 years)	0	0
Total payables to banks - non-current portion	123,998	143,418

The decrease of non-current payables to banks is related to ordinary advancement of the repayment plan of the ongoing loans and to the payment of the relevant installments due.

As outlined in the Directors' Report, it should be noted that in the month of January the Parent Company signed a new loan with Cassa di Risparmio di Ravenna for a total amount of 10 million Euros, classified in the long term debts for an amount of 5,033 thousand Euros and with amortization plan ending in August 2018.

Finally, it should be recalled that, to fully hedge the interest rate risk on the loan from the Banca Popolare Commercio e Industria, MARR has a derivative Interest Rate Swap contract ongoing, with a notional value of 3.4 million Euros as at 30 June 2016, for the effects of which see paragraph 18 "Financial instruments / derivatives".

Below is the break-down of the security on mortgages on the Group's real estate:

Credit institutes	Guarantee	Amount	Property
Cassa di Risparmio di Pescia e Pistoia	mortgage	10,000	Via Francesco Toni 285/297 - Bottegone (PT)
Centrobanca	mortgage	20,000	Via dell'Acero 2/4 e Voa del Carpino 4 - Sanatarcangelo di R. (RN); Via Degli Altifomi n. 29/31 - Portoferraio (LI); locality Macchiareddu - Uta (CA)
Banca Popolare del Commericio e Industria	mortgage	10,000	Via Fantoni n. 31 - Bologna (BO)
Total		40,000	

It is pointed out that the ongoing loans with Centrobanca S.p.A., with Banca Intesa San Paolo S.p.A., with Unicredit, with Banca Popolare Commercio e Industria, the loan in pool with BNP Paribas and the private placement in bond, provide for financial covenants that are calculated punctually on the basis of the MARR Group consolidated figures at the end of each business year (or half-yearly on the figures for the previous twelve months). For a detailed description of these covenants, please refer to the financial statement as at 31 December 2015.

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Payables to other financial institution (1-5 years)	9,724	8,944
Payables to other financial institution (over 5 years)	29,619	30,182
Total payables to other financial institutions - non-current portion	39,343	39,126

The value of payables to other financial institution is represented, for 38,389 thousand Euros (39,126 thousand Euro as at 31 December 2015) by the bond private placement in US dollars, finalised in July 2013. The bond placement amounts to 43 million dollars (originally 30.6 million Euros), of which 10 million dollars expires in 2020 and the remaining 33 million dollars in 2023 and involves an average coupon of about 5.1%. The decrease in its value is attributable to variations in the Dollar/Euro exchange rate.

It should be noted that, as at 30 June 2016, the item includes also, for 952 thousand Euros, the payable accounted due to the ongoing financial leasing contracts; in particular it should be highlighted the new financial leasing contract finalized in the month of January by MARR S.p.A. for the purchase of hardware infrastructure for the Group ERP, in addition to the leasing contracts entered in the Group subsequently to the purchase of the holdings of DE.AL.

To hedge the risk of oscillations in the Euro-Dollar exchange rate specific Cross Currency Swap contracts are ongoing, for the effects of which see paragraph 6 "Financial instruments / derivatives".

The item "Payables for the purchase of quotas or shares" refers to the debt for the purchase of the holding of the company DE.AL. S.r.l., which have maturity date in the month of April 2018.

The comparison of the book values and related fair values of the non-current financial payables is as follows:

(€thousand)	Book Value		Fair Value	
	2016	2015	**2016**	2015
Payables to banks - non-current portion	123,998	143,418	122,781	140,208
Payables to other financial institutions - non-current portion	48,343	39,211	47,460	43,294
	172,341	**182,629**	**170,241**	**183,502**

The difference between the fair value and the book value lies in the fact that the fair value is obtained by discounting back future cash flows, while the book value is determined by the amortised cost method.

18. Financial instruments / derivatives

The amount as at 30 June 2016, amounting to a total of 114 thousand Euros (105 thousand Euros as at 31 December 2015), represents fair value of the Interest Rate Swap contracts stipulated by the Parent Company to specifically hedge the interest rate risk on the variable rate loan of Banca Popolare Commercio e Industria.

19. Employee benefits

The employment contract applied is that of companies operating in the "Tertiary, Distribution and Services" sector.
As at 30 June 2016 this item amounts to 10,739 thousand Euros (9,980 thousand Euros as at 31 December 2015) and its increase is mainly due to the consolidation of the new subsidiary DE.AL., which provision amounted to 991 thousand Euros at the end of the half-year.

20. Provisions for non-current risks and charges

(€thousand)	**Balance at 30.06.16**	Provisions	Consolidation change	Uses	Balance at 31.12.15
Provision for supplementary clients severance indemnity	3,344	78	126	(234)	3,374
Provision for specific risk	1,209	300	200	(176)	885
Total Provisions for non-current risks and charges	**4,553**	**378**	**326**	**(410)**	**4,259**

The provision for supplementary clients severance indemnity has been allocated on the basis of a reasonable estimate of probable future liabilities, considering the available elements.

The "Provision for specific risks" covers probable liabilities connected to certain ongoing legal disputes.

It should be highlighted that the item "Consolidation change" exposes the provision for supplementary clients severance indemnity and the provision for specific risks entered in the Group due to the purchase of the holdings of the company DE.AL. S.r.l..

With regard to the ongoing fiscal dispute following from the assessment by the Guardia di Finanza IV Group of San Lazzaro di Savena – BO (because of presumed breaches in terms of direct tax for the fiscal years 1993-1999 and VAT for the fiscal years 1998 and 1999; verification finalised in the month of June of the year 2000 and which main inspection is known as "C.R.C.") highlighted in the financial statement as of 31 December 2015, it should be pointed out that no developments occurred in the first half of the year.
In this regard it should be pointed that, on 10 February 2014, the Supreme Court of Cassation, in sentence 20055/14 (filed on 24 September 2014), accepted the appeal by the Company, repealing the impugned sentence no. 23/2007 by the Regional Taxation Commission for Emilia Romagna, submitting for the second degree judge (in another proceeding) the decision regarding the claim, stating the need for the decision to be taken by proceeding with an "adequate assessment of the expert findings", consistently described by the same Court as "extremely favourable to the taxpayer". On 16 December 2014, the Company filed the claim again with the above-mentioned Taxation Commission; the date for the discussion of the dispute has yet to be established.

As concerns the ongoing dispute with Customs and Excise Office (arose during the course of 2007, concerning the payment of preferential customs duties on certain imports of fish products and for which, despite the appeals made by the Company being rejected, the judges in the initial proceedings ascertained the complete extraneousness of the Company as regards the claimed irregularities, as they are exclusively attributable to its own suppliers), it should be noted that in May 2013, the Company submitted an appeal to the Supreme Court of Cassation.

For more details regarding these disputes, refer to that disclosed in the explanatory notes to the financial statements as at 31 December 2015.

As at 30 June 2016 MARR S.p.A. had paid out 6,040 thousand Euros as redemption while awaiting judgement for taxes; the amount was classified as tax assets.

21. Other non-current liabilities

(€thousand)	**Balance at 30.06.16**	Balance at 31.12.15
Other liabilities	471	389
Other non-current accrued expenses and deferred income	92	210
Total other non-current payables	**563**	**599**

The item "other liabilities" is represented by security deposits paid by transporters.
This item "other non-current accrued expenses and deferred income" represents the quota over the year for deferred financial income from customers.
There is no accrued income and prepaid expenses with expiry date over 5 years.

Current liabilities

22. Current financial payables

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Payables to banks	98,547	74,319
Payables to other financial institutions	1,017	758
Payables for the purchase of quotas or shares	9,085	594
Total Current financial payables	108,649	75,671

For more details regarding the variation compared to the previous business year, see that outlined in the Directors' Report on management performance and on paragraph 17 "Non current financial payables".

It should be noted that in the month of June MARR repaid at maturity the ongoing financing in pool with ICCREA Banca d'Impresa, for a total amount of 22.8 million Euros.

It must also be noted that the increase in the short-term payables to banks is also related, in addition to the everyday management and financial outgoings as described in the Directors' report, to the financial indebtedness acquired through the consolidation of DE.AL. S.r.l.. in this regard, the liabilities acquired include an unsecured loan with Unicredit, classified as short-term, for a residual amount of 802 thousand Euros at the end of the half-year.

The balance of the payables to other financial institutions includes:
- the payables for interest accrued concerning the bond private placement operation finalised in July 2013, amounting to 808 thousand Euros,
- the current quota of the payables for the the ongoing financial leasing contracts (as detailed in the paragraph 17), amounting to total 263 thousand Euros.

The book value of the short-term loans is the same as the fair value, as the impact of discounting back is not significant.

With reference to the payables for the purchase of quotas or shares, we point out that the item relates for 9,000 thousand Euros to the payables for the purchase of the quotas of the company DE.AL. S.r.l. and for 85 thousand Euros to the payable for the purchase of the quotas of the company Sama S.r.l. by the subsidiary New Catering S.r.l..
With reference to this latter operation, it should be noted that on 1st June 2016 the company New Catering S.r.l. paid the second installment of the price, amounting to 594 thousand Euros.

23. Current tax liabilities

The item, amounting to 15,926 thousand Euros (2,365 thousand Euros as at 31 December 2015) and mainly refers to the calculation of current taxes as at 30 June.

As regards MARR S.p.A., the 2011 and following business years can still be verifiable by the fiscal authorities, by reason of the ordinary verification deadlines and excluding currently pending fiscal litigations.

The items includes the following:
- payables for Ires and Irap accrued taxes in the half-year for total 13,341 thousand Euros (of which, 10,757 thousand Euros to the parent company Cremonini in the scope of adhesion to the National Consolidated Fiscal system);
- payables to the parent company for 2015 IRES costs transferred in the scope of adhesion to the National Consolidated Fiscal system for 822 thousand Euros;
- payables for IRPEF for dependent employees and external collaborators, for a total amount of 1,364 thousand Euros.

There are also payables charged to the Group following the consolidation of DE.AL., including:
- payables to the State for IRES charges for 2015 amounting to 87 thousand Euros,
- payables to the State for the balance of the VAT payment for June for 33 thousand Euros.

24. Current trade liabilities

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Payables to suppliers	357,574	273,501
Payables to associated Companies consolidated by the Cremonini Group	10,906	2,774
Payables to other Associated Companies	206	136
Trade payables to Parent Companies	1,941	295
Total current trade liabilities	370,627	276,706

The liabilities refer mainly to payables for the purchase of goods for sale and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 10,906 thousand Euros and "Payables to Parent Companies" for 1.941 thousand Euros the details and analysis of which are reported in Directors' Report and "Payables to other Correlated Companies" for 206 thousand Euros.

25. Other current liabilities

(€thousand)	Balance at 30.06.16	Balance at 31.12.15
Accrued income and prepaid expenses due	1,424	1,426
Other payables	21,897	21,885
Total other current liabilities	23,321	23,311

The item "*Accrued income and prepaid expenses due*" mainly includes, in addition to the item "Deferred income for interests from clients" for 310 thousand Euros, the item "*Accrued income for emoluments to employees*" including the allocations concerning leave accrued and not taken and the relevant costs amounting to 1,043 thousand Euros.

The item "Other payables" mainly includes the following items:

- Advance payments from clients amounting to 11,361 thousand Euros;
- Payables to personnel for emoluments amounting to 6,309 thousand Euros, including the current remuneration to be paid as at 30 June 2016;
- Payables to social security institutes for 2,899 thousand Euros;
- cautionary deposits for 614 thousand Euros.

Guarantees, securities and commitments

These are guarantees granted by both third parties and our companies for debts and other obligations.

Guarantees (totalling 35,218 thousand Euros).

These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 25,543 thousand Euros) and are guarantees granted on our request by credit institutions to guarantee the correct and punctual execution of tender and other contracts of a duration of either within the year or over the year;
- guarantees issued by the subsidiaries of MARR S.p.A. to public entities and financial institutes for a total of 5 thousand Euros, referable to the subsidiary Baldini Adriatica Pesca S.r.l.;
- guarantees issued by MARR S.p.A. in favour of financial institutes in the interest of subsidiary companies. This item amounted to a total of 9,670 thousand Euros as at 30 June 2016 and refers to credit lines granted to subsidiaries.

On closure of the period, the guarantees had been granted in favour of the following subsidiary companies:

(€thousand)	**Balance at 30.06.16**	Balance at 31.12.15
Guarantees		
Sfera S.p.A.	0	5,900
AS.Ca S.p.A.	5,600	5,600
Baldini Adriatica Pesca S.r.l.	4,070	4,070
Total Guarantees	9,670	15,570

Collaterals

Collaterals in favour of third parties refer mainly to mortgages on properties owned and are analysed in detail in the comment on the items "Non-current financial payables" and "Tangible Assets".

Other risks and commitments

This item, amounting to 20,066 thousand Euros, refers to credit letters issued by certain credit institutes to guarantee obligations undertaken by the Group with our foreign suppliers.

Comments to the main items included in the consolidated statement of profit or loss

26. Revenues

Revenues are composed of:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Net revenues from sales - Goods	702,595	678,376
Revenues from Services	92	99
Other revenues from sales	5	4
Advisory services to third parties	48	43
Manufacturing on behalf of third parties	12	12
Rent income (typical management)	15	21
Other services	1,220	1,204
Total revenues	703,987	679,759

For a comment on the trend of the revenues from sales see the Directors' Report on management performance.

The breakdown of the revenues from sales of goods and from services by geographical area is as follows:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Italy	655,165	619,548
European Union	30,740	45,565
Extra-EU countries	18,082	14,646
Total	703,987	679,759

27. Other revenues

The Other revenues are broken down as follows:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Contributions from suppliers and others	17,519	16,969
Other Sundry earnings and proceeds	307	442
Reimbursement for damages suffered	286	228
Reimbursement of expenses incurred	562	428
Recovery of legal taxes	17	19
Capital gains on disposal of assets	81	43
Total other revenues	18,772	18,129

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers.
Their increase is also linked, in addition to the entry of DE.AL. into the Group, to the reconfirmed capacity of the company in managing relations with its suppliers and the increase recorded in the second half of the previous business year of the logistical payments charged to the suppliers, given that MARR had undertaken the costs for internal distribution from the logistical platforms to the branches, following the process of centralisation of supplier deliveries onto the logistical platforms rather than to the MARR branches, as was previously the case.

28. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Purchase of goods	593,073	574,943
Purchase of packages and packing material	2,025	1,931
Purchase of stationery and printed paper	425	412
Purchase of promotional and sales materials and catalogues	105	112
Purchase of various materials	299	206
Discounts and rebates from suppliers	(238)	(187)
Fuel for industrial motor vehicles and cars	139	140
Total purchase of goods for resale and consumables	**595,828**	**577,557**

As regards the performance of the purchase cost of goods destined for commercialisation, see the Directors' Report and the relevant comments on the gross margin.

29. Personnel costs

As at 30 June 2016 the item amounts to 18,713 thousand Euros (18,133 thousand Euros as at 30 June 2015) and includes all expenses for employed personnel, including holiday and additional monthly salaries as well as related social security charges, in addition to the severance provision and other costs provided contractually.

The performance of the cost of employment as highlighted above, following the outsourcing of some operating activities already implemented in 2015, is mainly attributable to the increase in the workforce of the Group following the acquisition of the holdings in DE.AL. (for which the cost of employment from 4 April 2016 amounts to 630 thousand Euros).
In addition, the effect deriving from the remuneration increases provided by the CCNL for employees of companies in the tertiary sector of distribution and services, which was renewed in 2015 and provides for increases starting from April 2015 and until 2017, must also be stressed, in addition to that of the acquisition of Sama as of 1 June 2015.
Furthermore, the maintenance of a careful resource management policy has been confirmed, with specific reference to the management of leave and permits and overtime work.

30. Amortizations, depreciations and write-downs

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Depreciation of tangible assets	2,587	2,344
Amortization of intangible assets	97	84
Provisions and write-downs	5,332	5,137
Total amortization and depreciation and write-downs	**8,016**	**7,565**

The Provisions and write-downs can be broken down as follows:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Taxable provisions for bad debts	3,978	3,663
Non-taxable provisions for bad debts	1,212	1,329
Provision for risk and loss fund	300	0
Provision / (decrease) for supplementary clientele severance indemnity	(158)	145
Total provisions and write-downs	**5,332**	**5,137**

31. Other operating costs

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Operating costs for services	83,820	77,220
Operating costs for leases and rentals	4,664	4,440
Operating costs for other operating charges	802	1,086
Total other operating costs	89,286	82,746

The operating costs for services mainly include the following items: sale expenses, distribution and logistic costs of our products for 69,735 thousand Euros (64,093 thousand Euros in the first half of 2015), costs for utilities for 4,592 thousand Euros (4,517 thousand Euros in the first half of 2015), porterage fees and other charges for handling goods for 1,744 thousand Euros (1,568 thousand Euros in the first half of 2015), processing by third parties for 1,616 thousand Euros (1,332 thousand Euros in the first half of 2015) and maintenance costs for 2,038 thousand Euros (1,844 thousand Euros as at 30 June 2015).
Their increase is related to that one in sales and is also due, for 3,293 thousand Euros, to the consolidation of the new company DE.AL..

Costs for leases and rentals mainly concern the rental fees for industrial buildings that amount to a total of 4,433 thousand Euros (4,203 thousand Euros as at 30 June 2015). Their increase compared to the same period of the previous year is related, in addition to the rents of the building in Zola Predosa starting on 1st June 2015 (subsequent to the purchase of the company Sama S.r.l., later merged in New Catering), also to the rent fees for the building in Elice, where the company DE.AL. carries out its activities.

Furthermore, it should be pointed out that the item "Lease of industrial buildings" includes, for 334 thousand Euros, the rental fees paid to the associate companies Le Cupole S.r.l. of Castelvetro (MO) for the rental of the property in which the branch MARR Uno carries out its activities (Via Spagna 20 – Rimini).

The operating costs for other operating charges mainly include the following items: "other indirect duties, taxes and similar costs" for 340 thousand Euros, "expenses for credit recovery" for 192 thousand Euros and "local council duties and taxes" for 136 thousand Euros.

32. Financial income and charges

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Financial charges	3,976	4,934
Financial income	(731)	(798)
Foreign exchange (gains)/losses	55	223
Total financial (income) and charges	3,300	4,359

The decrease in financial charges, as well as in the Report of the Directors, has benefited from a positive trend in interest rates which led to a reduction in the cost of money.

The net effect of foreign exchange mainly reflects the performance of the Euro compared to the US dollar, which is the currency for imports from non-EU countries.

33. Revenues / (Losses) from investments evaluated using the Net Equity method

This item, that shows a loss of 40 thousand Euros, represent the evaluation of the investment in the company Griglia Doc S.r.l., that is 50% owned by DE.AL. S.r.l.. For further details refer to paragraph 4.

34. Taxes

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Ires-Ires charge transferred to Parent Company	11,132	10,399
Irap	2,024	1,886
Taxes of previouse years	(15)	0
Net provision for deferred tax liabilities	(382)	(604)
Total taxes	12,759	11,681

35. Earnings per share

The following table is the calculation of the basic and diluted Earnings:

(Euros)	30.06.16 (6 months)	30.06.15 (6 months)
Basic Earnings Per Share	0.38	0.36
Diluted Earnings Per Share	0.38	0.36

It must be pointed out that the calculation is based on the following data:

Earnings:

(€thousand)	30.06.16 (6 months)	30.06.15 (6 months)
Profit for the period	25,438	23,640
Minority interests	0	0
Profit used to determine basic and diluted earnings per share	**25,438**	**23,640**

Number of shares:

(number of shares)	30.06.16 (6 months)	30.06.15 (6 months)
Weighted average number of ordinary shares used to determine basic earning per share	66,525,120	66,525,120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	**66,525,120**	**66,525,120**

36. Other profits/losses

The other profits/losses accounted for in the consolidated statement of other comprehensive income consist of the effects produced and reflected in the period with reference to the following items:
- effective part of the operations for: hedging interest rates related to variable rate loans existing at the date; hedging exchange risk rate related to the bond in US dollars closed with an operation of private placement in the month of July 2013; effective part of the term exchange purchase transactions carried out to hedge the underlying goods purchasing operations. The value indicated, amounting to a total profit of 343 thousand Euros in the first half-year of 2016 (+508

thousand Euros in the same period of the previous year), is shown net of the taxation effect (that amounts to approximately -161 thousand Euros as at 30 June 2016).

According to the IFRS these profits/losses have been entered in the net equity and highlighted (according to IAS 1 revised, in force from 1st January 2009) in the consolidated comprehensive income statement.

Net financial position

The following table represents the trend in Net Financial Position:

MARR Consolidated (€thousand)		30.06.16	31.12.15	30.06.15
A.	Cash	8,263	7,368	7,872
	Cheques	0	4	40
	Bank accounts	68,582	82,039	85,266
	Postal accounts	88	451	335
B.	Cash equivalent	68,670	82,494	85,641
C.	**Liquidity (A) + (B)**	**76,933**	**89,862**	**93,513**
	Current financial receivable due to parent comany	838	2,771	1,807
	Current financial receivable due to related companies	0	0	0
	Others financial receivable	1,531	1,245	1,069
D.	**Current financial receivable**	**2,369**	**4,016**	**2,876**
E.	Current Bank debt	(54,566)	(31,503)	(34,562)
F.	Current portion of non current debt	(43,981)	(42,816)	(56,526)
	Financial debt due to parent company	0	0	0
	Financial debt due to related company	0	0	0
	Other financial debt	(10,102)	(1,352)	(1,422)
G.	Other current financial debt	(10,102)	(1,352)	(1,422)
H.	Current financial debt (E) + (F) + (G)	(108,649)	(75,671)	(92,510)
I.	Net current financial indebtedness (H) + (D) + (C)	(29,347)	18,207	3,879
J.	Non current bank loans	(124,112)	(143,523)	(138,313)
K.	Other non current loans	(48,343)	(39,211)	(38,069)
L.	Non current financial indebtedness (J) + (K)	(172,455)	(182,734)	(176,382)
M.	Net financial indebtedness (I) + (L)	(201,802)	(164,527)	(172,503)

The net financial position as at 30 June 2016 remained in line with the company objectives.

° ° °

Rimini, 4 August 2016

The Chairman of the Board of Directors

Paolo Ferrari

Appendices

These appendices contain additional information compared to that reported in the Notes, of which they constitute an integral part.

- Appendix 1 – List of equity investments, including those falling within the scope of consolidation as at 30 June 2016.
- Appendix 2 – List of receivables/payables and revenues/costs to correlated companies as at 30 June 2016.

MARR S.p.A. GROUP
LIST OF EQUITY INVESTMENTS INCLUDING THOSE FALLING WITHIN THE SCOPE OF CONSOLIDATION AT 30 JUNE 2016

Company	Headquarters	Share capital (€thousand)	Direct control Marr S.p.A.	Indirect control Company	Indirect control Share held
COMPANIES CONSOLIDATED ON A LINE-BY-LINE BASIS:					
- Parent Company:					
MARR S.p.A.	Rimini	33,263			
- Subsidiaries:					
Alisurgel S.r.l. in liq.	Rimini	10	97.0%	Sfera S.p.A.	3.0%
Sfera S.p.A.	Santarcangelo di R. (RN)	220	100.0%		
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u.	Madrid (Spain)	600	100.0%		
New Catering S.r.l.	Santarcangelo di R. (RN)	34	100.0%		
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R. (RN)	10	100.0%		
De.Al. S.r.l. Depositi Alimentari	Elice (PE)	3,000	100.0%		
INVESTMENTS VALUED AT EQUITY:					
Griglia DOC S.r.l.	Elice (PE)	2,000	50.0%	De.Al. S.r.l. Depositi Alimentari	50.0%
EQUITY INVESTMENTS VALUED AT COST:					
- Other companies:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11,798	1.66%		

Appendix 2

LIST OF RECEIVABLES/PAYABLES AND REVENUES/COSTS TO RELATED COMPANIES AS AT 30 JUNE 2016

(€thousand)	FINANCIAL RELATIONS						ECONOMIC RELATIONS								
COMPANY	RECEIVABLES			PAYABLES			REVENUES				COSTS				
	Trade	Other	Financial	Trade	Other	Financial	Sale of goods	Services	Other revenues	Financial Income	Purchase of goods	Services	Leases and rentals	Other operating charges	Financial charges
From parent companies															
Cremonini Spa (*)	53	1,409	838	1,941	822		2			14		578			1
Total	53	1,409	838	1,941	822	0	2	0	0	14	0	578	0	0	1
From non-consolidated subsidiaries															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From associated companies															
Total	0	0	0	0	0	0	0		0	0	0	0	0	0	0
From affiliated companies (**)															
Consolidated by Cremonini Group															
Bell Carni S.r.l.															
Chef Express S.p.A.	2,263			2	1		3,760					26			
Fiorani & C. S.p.a.		18		345					17		858				
Ges.Car. S.r.l.															
Global Service Logistics S.r.l.															
Global Service S.r.l.	1	1		507								463		1	
Guardamiglio S.r.l.	16			4			79								
Inalca Algerie S.a r l.	11														
Inter Inalca Angola ltda	187														
Inalca Brazzaville Sarl															
Inalca Kinshasa S.a.r.l.	299														
Inalca Food and Beverage	1,331						1,784	38							
Inalca S.p.a.	163	23		9,222			224		108		32,436	11			
Interjet S.r.l.															
Marr Russia llc															
Italia Alimentari S.p.A.	40	18		799					50		1,835				
Real Beef S.r.l.															
Roadhouse Grill Roma S.r.l.	459						912								
Roadhouse Grill Italia S.r.l.	5,792			27			12,381	17			27	1			
Tecno-Star Due S.r.l.															
Avirail Italia S.p.a.															
Time Vending S.r.l.		11							11						
Pappabuona.com S.r.l.															
Not consolidated by Cremonini Group															
Farmservice S.r.l.	14						27								
Food & Co S.r.l.	2														
Frimo S.A.M.															
Le Cupole S.r.l.													334		
Prometex Sam															
Total	10,578	71	0	10,906	1	0	19,167	55	186	0	35,156	501	334	1	0

(*) The item in the Other Payables column relates to the IRES charge transferred from MARR and from its subsidiaries within the scope of the National Consolidated tax base, for the receivables for for reimbursement claims for the years from 2007 to 2011 calculated on the cost of employment not deducted by Irap and for the balance of IRES payable of the current year, respectively. The item in Trade receivables and payables includes the net amount of VAT transferred to Cremonini within the scope of the Group VAT liquidation.

(**) The total amount of trade receivables and payables are reclassified under "Receivables from customer" and "Suppliers" respectively

STATEMENT OF CONDENSED CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO ART. 154-BIS OF LEGISLATIVE DECREE 58 DATED 24 FEBRUARY 1998

1. The undersigned Pierpaolo Rossi in the quality of Chief Executive Officer, and Antonio Tiso, in the quality of Manager responsible for the drafting of the corporate accounting documents of MARR S.p.A., hereby certify, also taking into account that provided by art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998:
- the adequacy in relation to the characteristics of the company and
- the effective application,
of the management and accounting procedures for the drafting of the interim condensed consolidated financial statement, during the first half-year 2016.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the interim condensed consolidated financial statement as at 30 June 2016 was based on a process defined by MARR S.p.A. in coherence with the Internal Control – Integrated Framework model issued by the Committee of Sponsoring Organizations of the Treadway Commission, which is an internationally accepted general reference framework.

3. It is also certified that:

a) the interim condensed consolidated financial statements:
- are prepared in conformity with the internationally applicable accounting principles recognised in the European Community pursuant to regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;
- correspond to the findings in the accounts books and documents;
- are suited to providing a truthful and correct representation of the equity, economic and financial situation of the author and the group of companies included in the scope of consolidation;

b) the interim directors' report on management includes a reliable analysis of the significant events occurred in the first half of 2016 business year and of their effect on the interim condensed consolidated financial statement, together with a description of the main risks and uncertainties to which they are exposed for the remaining six months of the business year. The intermediate report on management also includes a credible analysis of the information on the significant operations with related parties.

Rimini, 4 August 2016

Pierpaolo Rossi	Antonio Tiso
Chief Executive Officer	Manager responsible for the drafting of corporate accounting documents

MARR SPA

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of
Marr SpA

Foreword

We have reviewed the accompanying consolidated condensed interim financial statements of Marr SpA and its subsidiaries (the “Marr Group”) as of June 30, 2016, comprising the statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, cashflow statement and related notes. The directors of Marr SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated condensed interim financial statements of Marr Group as of June 30, 2016 are not prepared, in all material respects, in accordance with International Accounting Standard 34 applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Other aspects

The consolidated financial statements as of and for the year ended December 31, 2015 and the consolidated condensed interim financial statements for the period ended June 30, 2015 were audited and reviewed, respectively, by other auditors, who on March 29, 2016 expressed an unqualified opinion on the consolidated financial statements, and on August 3, 2015 expressed an unqualified conclusion on the consolidated condensed interim financial statements.

Bologna, August 4, 2016

PricewaterhouseCoopers SpA

SIGNED BY

Edoardo Orlandoni
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers