Annual Report
as at December 31, 2012

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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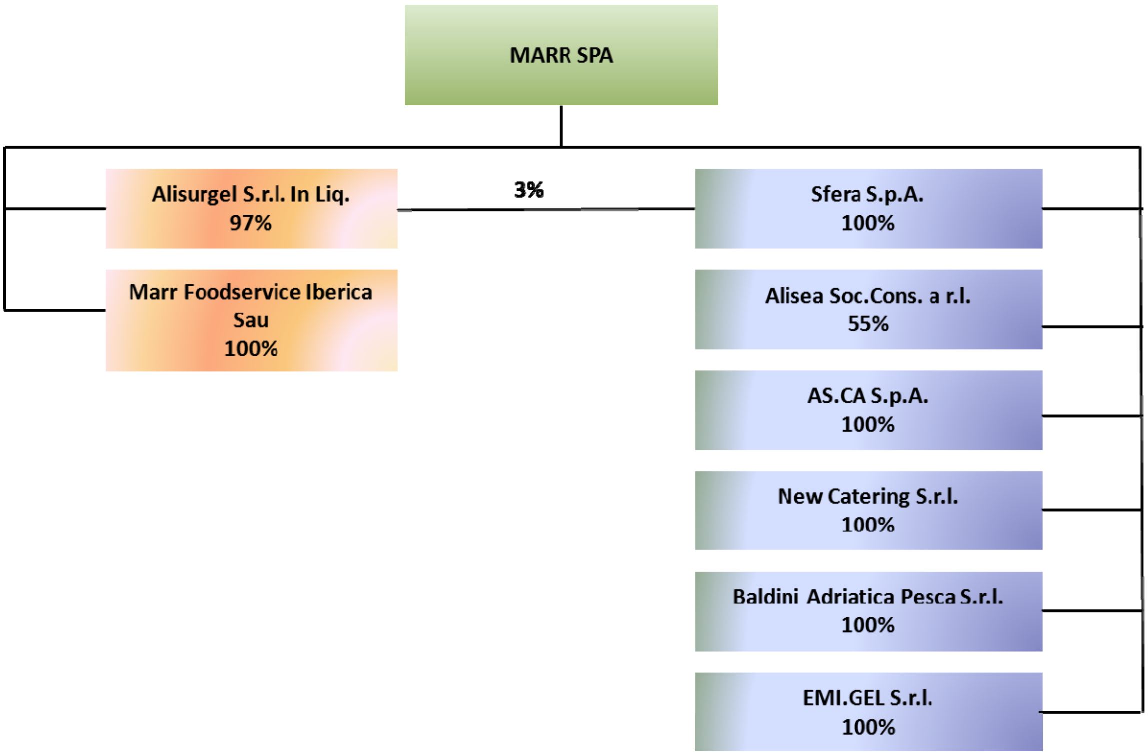
MARR GROUP ORGANIZATION

Situation as at 31 December 2012



The structure of the Group as at 31 December 2012 does not differ from that at 31 December 2011.

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

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 del Carpino n. 4 Santarcangelo di Romagna (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
ALISEA soc. cons. a r.l. – Via Imprunetana per Tavarnuzze n. 231/b, Tavarnuzze – Impruneta (Fi)	Hospital catering.
NEW CATERING S.r.l. Via del Carpino n. 4 – Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
BALDINI ADRIATICA PESCA S.r.l. Via del Carpino n. 4 – Santarcangelo di Romagna (Rn)	Marketing and distribution of fresh and frozen seafood products.
EMI.GEL. S.R.L. Via del Carpino n. 4 – Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
SFERA S.p.A. - Via del Carpino n. 4 Santarcangelo di Romagna (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators, by the going concern of "Lelli".
MARR FOODSERVICE IBERICA S.A.U. Calle Goya n. 99 - Madrid (Spagna)	Non-operating company.

ALISURGEL S.r.l. in liquidation Via Giordano Bruno n. 13 - Rimini	Non-operating company now being liquidated.

All the subsidiaries are consolidated on a line – by – line basis.

CORPORATE BODIES OF MARR S.p.A.

Board of Directors

Chairman	Ugo Ravanelli
Chief Executive Officer	Pierpaolo Rossi
Directors	Illias Aratri
	Giosué Boldrini
	Claudia Cremonini
	Vincenzo Cremonini
Independent Directors	Alfredo Aureli(1)(2)
	Paolo Ferrari(1)(2)
	Giuseppe Lusignani(1)(2)

(1) Members of the Remuneration committee pursuant to the self-regulatory code

(2) Member of Control and Risk Committee

Board of Statutory Auditors

Chairman	Ezio Maria Simonelli
Auditors	Marinella Monterumisi
	Davide Muratori
Alternate Auditors	Simona Muratori
	Stella Fracassi

Independent Auditors	Reconta Ernst & Young 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 business year 2012

As provided by Legislative Decree 38 dated 28 February 2005, in accordance with regulation no. 1606/2002 approved by the European Parliament, MARR has adopted the International Accounting Standards for the consolidated and MARR S.p.A. financial statements.

In a difficult 2012 year, in which the value of expenditure for "Hotels and meals and out of home consumption" decreased by 3.2% (Confcommercio Studies Office, March 2013), sales of the MARR Group to clients in the Street Market and National Account categories recorded an increase of 2.1%.

The operating solidity of the MARR Group, the flexibility of its business model and capacity to adjust its offer and improve its service are therefore reconfirmed, thus strengthening its leadership of the Italian market for the commercialisation and distribution of fresh, dried and frozen food products destined for operators in non-domestic catering and the Foodservice sector.

In particular, the total consolidated revenues reached 1,260.0 million Euros in 2012, an increase of approximately 11 million (+0.9%) compared to 1,249.2 million Euros in 2011.

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.

Sales to clients in the Street Market and National Accounts sectors reached 1,005.7 million Euros, an increase of over 20 million Euros compared to 985.2 million in 2011.

Sales to the "Street Market" category (restaurants and hotels not belonging to Chains or Groups) amounted to 774.8 million Euros (764.8 million in 2011), while those in the "National Account" category (operators in Chains and Groups and Canteens) reached 230.9 million Euros (220.4 million in 2011).

Sales to clients in the "Wholesale" category (sales to wholesalers) reached 233.7 million Euros, compared to 245.4 million in 2011.

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

MARR Consolidated (€thousand)	31.12.12	31.12.11
Revenues from sales and services by customer category		
Street market	774,837	764,791
National Account	230,910	220,373
Wholesale	233,704	245,380
Total revenues form sales in Foodservice	1,239,451	1,230,544
(1) Discount and final year bonus to the customers	(13,332)	(14,561)
(2) Other services	2,712	4,109
(3) Other	(55)	(454)
Revenues from sales and services	1,228,776	1,219,638

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

Organisation and logistics

The organisational structure and logistics of the MARR Group as at 31 December 2012, indicating the availability of properties, is as follows

Branches and Subsidiaries

Branches		
Marr Uno	Rimini, Santarcangelo di Romagna (RN) e Costermano (VR)	Leasehold by parent company Cremonini S.p.A.
Marr Romagna	San Vito di Rimini	Leasehold by a company where Marr S.p.A. is stakeholder
Marr Supercash&carry	Rimini	Leasehold by third party
Marr Elba	Portoferraio (LI)	Property
Marr Genova	Carasco (GE)	Leasehold by third party
Marr Napoli	Casoria (NA)	Leasehold by third party
Marr Roma	Capena (Roma)	Leasehold by third party
Marr Milano	Opera (MI)	Property
Marr Puglia	Monopoli (BA)	Leasehold by third party
Marr Sanremo	Taggia (IM)	Leasehold by third party
Marr Venezia	S. Michele al Tagliamento (VE)	Property
Marr Sardegna	Uta (CA)	Property
Marr Sicilia	Cinisi (PA)	Leasehold by third party
Emiliani (Fish and Seafood products branch)	Santarcangelo di R. (RN)	Property
Carnemilia (Meat-processing branch catering)	Bologna	Leasehold by a company where Cremonini S.p.A. is stakeholder
Marr Battistini	Cesenatico (FC)	Leasehold by third party
Marr Torino	Torino	Leasehold by third party
Marr Dolomiti	Pieve di Cadore (BL)	Leasehold by third party
Marr Sfera	Riccione (RN)	Leasehold by third party
Marr Calabria	Spezzano Albanese (CS)	Property
Marr Toscana	Bottegone (PT)	Property
Marr Cater	Roma	Leasehold by third party
Marr Arco	Arco (TN)	Leasehold by third party
Marr Valdagno	Valdagno (VI)	Leasehold by third party

Subsidiaries		
Alisea Soc. Consortile a r.l.	Different Localities	Gratuitous bail by third party
AS.CA S.p.A.	Castenaso (BO)	Property
New Catering S.r.l.	Forlì (FC) e Rimini (RN)	Leasehold by third party
Baldini Adriatica Pesca S.r.l.	Riccione (RN)	Leasehold by third party
EMI.GEL S.r.l.	Bentivoglio (BO)	Leasehold by third party
Sfera S.p.A.	Anzola dell'Emilia (Bo)	Leasehold by third party

Below are the figures, re-classified according to current financial analysis procedures, with the income statement, statement of financial position and financial data for 2012, compared to the previous year.

Analysis of the re-classified Income Statement

MARR Consolidated (€thousand)	31.12.12	%	31.12.11	%	% Change
Revenues from sales and services	1,228,776	97.5%	1,219,638	97.6%	0.7
Other earnings and proceeds	31,192	2.5%	29,538	2.4%	5.6
Total revenues	**1,259,968**	**100.0%**	**1,249,176**	**100.0%**	**0.9**
Cost of raw materials, consumables and goods for resale	(981,575)	-77.9%	(960,871)	-76.9%	2.2
Change in inventories	2,573	0.2%	(3,422)	-0.3%	(175.2)
Services	(143,315)	-11.4%	(146,598)	-11.7%	(2.2)
Leases and rentals	(7,970)	-0.6%	(7,420)	-0.6%	7.4
Other operating costs	(2,517)	-0.2%	(2,210)	-0.2%	13.9
Value added	**127,164**	**10.1%**	**128,655**	**10.3%**	**(1.2)**
Personnel costs	(37,023)	-2.9%	(36,874)	-3.0%	0.4
Gross Operating result	**90,141**	**7.2%**	**91,781**	**7.3%**	**(1.8)**
Amortization and depreciation	(4,252)	-0.4%	(4,546)	-0.4%	(6.5)
Provisions and write-downs	(8,951)	-0.7%	(7,937)	-0.6%	12.8
Operating result	**76,938**	**6.1%**	**79,298**	**6.3%**	**(3.0)**
Financial income	2,288	0.2%	2,833	0.2%	(19.2)
Financial charges	(7,809)	-0.6%	(7,026)	-0.5%	11.1
Foreign exchange gains and losses	(108)	0.0%	125	0.0%	(186.4)
Value adjustments to financial assets	0	0.0%	0	0.0%	0.0
Result from recurrent activities	**71,309**	**5.7%**	**75,230**	**6.0%**	**(5.2)**
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	**71,309**	**5.7%**	**75,230**	**6.0%**	**(5.2)**
Income taxes	(23,957)	-1.9%	(25,622)	-2.0%	(6.5)
Reimbursement for taxes of previous years	1,550	0.1%	0	0.0%	100.0
Total net profit	**48,902**	**3.9%**	**49,608**	**4.0%**	**(1.4)**
(Profit)/loss attributable to minority interests	(603)	-0.1%	(565)	-0.1%	6.7
Net profit attributable to the MARR Group	**48,299**	**3.8%**	**49,043**	**3.9%**	**(1.5)**

As at 31 December 2012 the consolidated operating economic results are as follows: total revenues of 1,260.0 million Euros (1,249.2 thousand Euros in 2011); EBITDA[1] of 90.1 million Euros (91.8 million Euros in 2011); EBIT of 76.9 million Euros (79.3 million Euros in 2011).

The % of incidence of the gross margin (Total Revenues net of the purchase costs for goods and change in inventories) on total revenues amount to 22.3% compared to 22.8% in 2011.

[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.

As concerns the operating costs, in terms of value and in terms of incidence on total revenues, it should be pointed out the decrease of the cost for services, obtained thanks to a careful management; costs for leases and rentals and other operating charges are substantially in line with the previous year.

As regards the personnnel costs, it should be noted that its incidence on the total revenues remains in line with that of the previous business year, despite the effect of the lease of the going concern "Lelli" by the subsidiary Sfera S.p.A., which involved the employment of new dependent personnel as of 3 September 2012, and the effect of the salary increases provided by the renewal of the National Collective Labour Contract for employees of companies in the tertiary sector of distribution and services in 2011.
This was achieved thanks to a careful policy of personnel management, aimed at favouring the use of leave and permits and also minimising overtime hours and seasonal employment.

The item Depreciation and write-downs include for 8.5 million Euros the provision for bad debts (7.6 million Euros as at December 31, 2011) and for the remainder refers to the provision to supplementary clientele severance indemnity.

The result from recurrent activities as at 31 December 2012 amounted to 71.3 million Euros and is affected by the increase in the financial charges (+1.6 million Euros), due to the increase in interest rates.

The total net profit for 2012 benefitted from a non-recurrent income of 1,550 thousand Euros, concerning the allocation of an Ires reimbursement for the years from 2007 to 2011.
The reimbursement claims concerning all the companies in the Group were submitted in February 2013, in compliance with that defined in the measure emanated by the Director of the Inland Revenue Service on 17 December 2012. As also highlighted by Assonime Circular no. 1/2013, the right to reimbursement originates from the regulation contained in art. 2 of Law Decree 201/11, which admitted the analytical deduction from corporate and autonomous work income of the IRAP for the cost of employment.

The total net profit result as at 31 December 2012 amounted to 48.9 million Euros (49.6 million Euros in 2011), while the net Group profits, net of the profit attributable to third parties, amounted to 48.3 million Euros (49.0 million Euros in 2011).

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	31.12.12	31.12.11
Net intangible assets	100,050	100,116
Net tangible assets	52,573	54,264
Equity investments in other companies	296	296
Other fixed assets	31,262	25,308
Total fixed assets (A)	184,181	179,984
Net trade receivables from customers	380,511	368,326
Inventories	98,736	96,163
Suppliers	(270,373)	(259,722)
Trade net working capital (B)	208,874	204,767
Other current assets	48,056	41,778
Other current liabilities	(20,172)	(22,349)
Total current assets/liabilities (C)	27,884	19,429
Net working capital (D) = (B+C)	236,758	224,196
Other non current liabilities (E)	(337)	(241)
Staff Severance Provision (F)	(10,219)	(9,539)
Provisions for risks and charges (G)	(15,102)	(14,538)
Net invested capital (H) = (A+D+E+F+G)	395,281	379,862
Shareholders' equity attributable to the Group	(228,858)	(222,732)
Shareholders' equity attributable to minority interests	(1,199)	(1,142)
Consolidated shareholders' equity (I)	(230,057)	(223,874)
(Net short-term financial debt)/Cash	(111,755)	(99,087)
(Net medium/long-term financial debt)	(53,469)	(56,901)
Net financial debt (L)	(165,224)	(155,988)
Net equity and net financial debt (M) = (I+L)	(395,281)	(379,862)

Analysis of the Net Financial Position [II]

The following table represents the trend in Net Financial Position.

	MARR Consolidated (€thousand)	31.12.12	31.12.11
A.	Cash	9,354	6,313
	Cheques	20	41
	Bank accounts	43,035	30,615
	Postal accounts	186	165
B.	Cash equivalent	43,241	30,821
C.	Liquidity (A) + (B)	52,595	37,134
	Current financial receivable due to Parent Company	13,277	1,725
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	2,354	1,795
D.	Current financial receivable	15,631	3,520
E.	Current Bank debt	(129,299)	(89,569)
F.	Current portion of non current debt	(50,672)	(49,019)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(10)	(1,153)
G.	Other current financial debt	(10)	(1,153)
H.	Current financial debt (E) + (F) + (G)	(179,981)	(139,741)
I.	Net current financial indebtedness (H) + (D) + (C)	(111,755)	(99,087)
J.	Non current bank loans	(53,469)	(56,901)
K.	Other non current loans	0	0
L.	Non current financial indebtedness (J) + (K)	(53,469)	(56,901)
M.	Net financial indebtedness (I) + (L)	(165,224)	(155,988)

As at 31 December 2012, the net financial indebtedness amounted to 165.2 million Euros, compared to 156.0 million Euros of the previous year; the ratio of net financial position on EBITDA amounted to 1.83 (1.70 as at 31 December 2011 and 1.88 at the 31 December 2010).

The above-mentioned variation is mainly linked to the performance of ordinary management.

The financial movements included:

[II] The Net Financial Position used as a financial indicator of indebtedness 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.

- In the months of May and July dividends (including the one-off amount exceptionally paid for the 40th anniversary of the Company activity) for a total amount of 42.1 million Euros was paid out (32.9 million Euros paid out in the 2011 business year).
- In the month of April, a new loan totalling 25 million expiring in March 2015 was paid out to the Parent Company by the Cooperatieve Centrale Raiffeisen – Boerenleenbank B.A. (Rabobank Group).
- In the month of August MARR S.p.A. signed off a new loan with Banca Nazionale del lavoro for 22.5 million Euros with due date in January 2014.

In addition, we point out that, during the year, the Parent Company totally repaid at maturity the loan dispensed in 2010 by the Banca Nazionale del Lavoro for an amount of 25 million Euros and repaid the first instalment of the loan in pool with Banca IMI (dispensed in August 2010) for an amount of 21.7 million Euros.

Finally, it should be pointed out that free-cash flow before dividends reached 33.5 million Euros, confirming the previous year level (33.8 million Euros as at 31 December 2011) and remaining, therefore, in line with company objectives.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	*31.12.12*	*31.12.11*
Net profit before minority interests	48,902	49,608
Amortization and depreciation	4,252	4,546
Change in Staff Severance Provision	680	(496)
Operating cash-flow	53,834	53,658
(Increase) decrease in receivables from customers	(12,185)	(17,743)
(Increase) decrease in inventories	(2,573)	3,422
Increase (decrease) in payables to suppliers	10,651	(298)
(Increase) decrease in other items of the working capital	(8,455)	6,949
Change in working capital	(12,562)	(7,670)
Net (investments) in intangible assets	(188)	(162)
Net (investments) in tangible assets	(2,313)	(2,620)
Net change in financial assets and other fixed assets	(5,954)	(10,573)
Net change in other non current liabilities	660	1,172
Investments in other fixed assets and other change in non current items	(7,795)	(12,183)
Free - cash flow before dividends	33,477	33,805
Distribution of dividends	(42,124)	(32,910)
Capital increase	0	0
Other changes, including those of minority interests	(589)	(528)
Cash-flow from (for) change in shareholders' equity	(42,713)	(33,438)
FREE - CASH FLOW	(9,236)	367
Opening net financial debt	(155,988)	(156,355)
Cash-flow for the period	(9,236)	367
Closing net financial debt	(165,224)	(155,988)

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

MARR Consolidated (€thousand)	*31.12.12*	*31.12.11*
Free - cash flow	(9,236)	367
Increase in current financial receivables	(12,111)	2,245
Decrease in non-current net financial debt	(3,432)	(50,169)
Increase in current financial debt	40,240	29,214
Increase (decrease) in cash-flow	15,461	(18,343)

Analysis of the Trade Net Working Capital

MARR Consolidated (€thousand)	*31.12.12*	*31.12.11*
Net trade receivables from customers	380,511	368,326
Inventories	98,736	96,163
Suppliers	(270,373)	(259,722)
Trade net working capital	208,874	204,767

As at 31 December 2012 the trade net working capital amounts to 208.9 million Euros, increasing by 4.1 million Euros compared to at 31 December 2011 but improving compared to the same variation of the previous year (+14.6 million Euros in 2011).

The increase in Inventories, amounting to 2,6 million Euros, for 1.8 million Euros is due to the subsidiary Sfera S.p.A., which started business operations on 3 September 2012 following the leasing of the going concern "Lelli".
Lastly, it should be pointed out that the payables to suppliers increased by 10.7 million Euros, with an increase in trade receivables of 12.2 million Euros.

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

Investments

The investments in 2012 were of an ordinary nature, mainly referring to the categories of "Plant and machinery" and "Other assets" for the purchase of motor vehicles and electronic equipment.

The following is a summary of the net investments made in the 2012:

(€thousand)	*31.12.12*
Intangible assets	
Patents and intellectual property rights	216
Concessions, licenses, trademarks and similar rights	1
Goodwill	(28)
Total intangible assets	189
Tangible assets	
Land and buildings	144
Plant and machinery	1,241
Industrial and business equipment	223
Other assets	463
Fixed assets under development and advances	242
Total tangible assets	2,313
Total	2,502

Research and development activities

The main research and development activities concerned the expansion of the private labels product line.

Transactions with subsidiary, associated, holding and affiliated companies

In addition to that already reported in the "Group Structure" section, the following is a summary of the principal data concerning subsidiary companies:

(€ thousand)	*Annual report*	*Value of production*	*Cost of production*	*Profit (loss) for the year*	*Investments*	*Employees (number)*	*Net Equity*
Foodservice Companies							
Alisea Soc. cons. a rl	31/12/2012	15,136	13,105	1,373	0	170	2,551
Sfera S.p.A.	31/12/2012	6,028	5,767	185	43	33	938
AS.CA S.p.A.	31/12/2012	42,653	40,708	1,751	152	34	5,333
New Catering S.r.l.	31/12/2012	12,859	11,894	700	119	18	1,078
Baldini Adriatica Pesca S.r.l.	31/12/2012	19,024	18,658	143	24	20	162
EMI.GEL S.r.l.	31/12/2012	11,528	11,040	341	159	20	2,753
Marr Foodservice Ibérica S.A.U.	31/12/2012	0	11	(4)	0	0	428
Other Companies							
Alisurgel S.r.l. in Liq.	31/12/2012	5	19	4	0	0	188

It must be pointed out that the value of MARR's consolidated purchase of goods by Cremonini S.p.A. and affiliated companies (as in the following table) represented 4.0% of the total consolidated purchases. All the commercial transactions and supply of services occurred at market value.

The economic and financial data for the 2012 business year is showed in the following table, classified by nature and by company:

COMPANY	FINANCIAL RELATIONS						ECONOMIC RELATIONS								
	RECEIVEBLES			PAYABLES			REVENUES				COSTS				
	Trade	Other	Financial	Trade	Other	Financial	Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods	Services	Leases and rental	Other operating charges	Financial charges
From Parent Companies:															
Cremonini Spa (*)	195	2,552	13,277	201			4		23	259		1,007			2
Totale	195	2,552	13,277	201	0	0	4	0	23	259	0	1,007	0	0	2
From unconsolidated subsidiaries:															
Totale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies															
Totale	0	0	0	0	0	0	0		0	0	0	0	0	0	0
From Affiliated Companies (**)															
Cremonini Group															
Buffet di Arezzo S.r.l.(merged in Chef Express S.p.a. since 11/10/10)															
Bell Carni S.r.l. (ex Italbeef Srl)				1											
Chef Express S.p.A. (ex Moto S.p.A.)	1,642			2	0		6,029		21			16		0	
Consorzio Centro Commerc.Ingrosso Carni S.r.l.				36								154	1,105		
Fiorani & C. S.p.a.	0	1		24					1		57				
Frimo S.a.m.											27				
Ges.Car. S.r.l.															
Global Service Logistics S.r.l.															
Global Service S.r.l.				247					1			749			
Guardamiglio S.r.l.							1								
Ibis S.p.a (merged in Italia Alimentari since 01/12/12)															
Inalca Algerie S.a r l.	9														
Inter Inalca Angola ltda	158														
Inalca Brazzaville Sarl															
Inalca Kinshasa S.a.r.l.	252														
Inalca S.p.a.	66	63		6,411			384		1		34,876	628			
Interjet S.r.l.															
Marr Russia llc	30						176								
Italia Alimentari (ex Montana Alimentari S.p.a.)	73	3		1,067			0	1	153		4,537				
Real Beef S.r.l.															
Roadhouse Grill Roma S.r.l.	73				0		194								
Roadhouse Grill Italia S.r.l.	809				0		4,477								
Salumi D'Emilia S.r.l.															
Tecno-Star Due S.r.l.															
Avirail Italia S.p.a.	10						15								
Time Vending S.r.l.	24								20						
From Affiliated Companies															
Farmservice S.r.l.	24						88								
Food & Co S.r.l.	2														
Le Cupole S.r.l.													668		
Prometex Sam															
Totale	3,172	67	0	7,788	0	0	11,364	1	197	0	39,497	1,547	1,773	0	0

(*) The item in the Other Receivables column mainly relates to the IRES charge transferred from MARR and its subsidiaries within the scope of the National Consolidated tax base (including the receivable for requestes of reimbusement regarding to the personnel cost not deducted to Irap in the years 2007-2011), while the item in Trade receivables and payables include 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.

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 the company never purchased or sold the above-mentioned shares and/or quotas.

In the context of the *"buy back"* programme, in 2012 no ordinary MARR shares have been purchased or sold; as at today the company holds a total of 705,647 of its own shares, amounting about to 1.061% of the share capital, for a total amount of 3,820 thousand Euros.

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

As regards to the report on the reconciliation between the result for the period and the net Equity of the group, and the same values for the parent company, refer to Appendix 3 of the consolidated financial statements.

Report on corporate governance and the ownership structure

As regards the information required by art. 123 bis of the Legislative Decree 58/198 (Testo Unico della Finanza), see that contained in the "Annual Report on Corporate Governance and the Ownership Structure", drawn up in compliance with the regulations in force and filed together with this report on the website www.marr.it, Corporate Governance section and also available at the Company headquarters.

It should be pointed out that MARR S.p.A. adheres and conforms to the new Self-Regulatory Code published by the Italian Stock Exchange in March 2006 and modified in March 2010 and in December 2011.

Significant events during 2012

In January 2012, the Company stipulated an agreement with the Regional Agency Intercent-ER for the supply of food products, including organic products, and non-food products to Public Administrations in the Emilia-Romagna region.
The agreement has a duration of 2 years and can be renewed for an additional 12 months, should the adhering structures not have used the maximum expendable amount, totalling 38.3 million Euros, on expiry.

On 24 February last, during its participation in "Sapore 2012", an international event dedicated to Non Domestic Food Consumption held during the Rimini Trade Fair, MARR celebrated 40 years of business activities and unveiled expanded and renewed versions of the *Delicatessen* line of products under the *Tavola Reale* brand name (products with a high service content, including roast chicken and turkey ready for garnishing and slicing) and gluten-free products.
The new MARR website (www.marr.it) has also been launched with new graphics, which is easier to surf and has been improved with new contents, such as a Customer Area hosting the MARR portal, which has also been renewed and built to measure for customer's needs for MARR services which are also online.

In the month of March 2012 Marr signed a contract with the company Ciga Gestioni S.r.l., which is part of the "Starwood Hotel & Resorts Worldwide Inc." Group, for the supply of food products to hotels of Starwood Italy. The three-years agreement qualifies Marr as "Preferred Supplier" and involves supplying about fifteen structures, including hotels and resorts managed by Starwood Group with important brands such as "S. Regis", "Westin", "Le Mèridien", "The Luxury Collection" and "Sheraton" in the major tourist locations such as Milan, Venice, Florence, Rome and Costa Smeralda, Sardinia.

On 28 April 2012 the Shareholders' Meeting approved the financial statements for the business year as at 31 December 2011 and the distribution to Shareholders of a gross dividend of 0.64 Euros per share: 0.54 Euro with payment on 31 May and "ex coupon" (no. 7) on 28 May and 0.10 Euro – as a one-off payment on the occasion of the 40th anniversary of business activity - with payment on 5 July and "ex coupon" (n. 8) on 2 July.

The Assembly confirmed Claudia Cremonini as Director, who had already been co-opted by the Board of Directors following the resignation of Vincenzo Cremonini on 1 July 2011.

The Shareholders' Meeting also decided on the increase of the number of Directors form seven to nine and simultaneously appointed Vincenzo Cremonini and Pierpaolo Rossi to the position of Director.

Following the resignation last October of the Standing Auditor Mario Lugli and his replacement as Standing Auditor by Davide Muratori, the Assembly meeting called upon to integrate the Board of Statutory Auditors, pursuant to art. 2401 of the Civil Code, appointed Davide Muratori to the position of Standing Auditor and Stella Fracassi as Alternate Auditor.
The Directors and Statutory Auditors will remain in office until the date of the Shareholders' meeting called for the approval of the financial statements as at 31 December 2013.

Finally the Shareholders' Meeting authorised the purchase and sale of treasury shares pursuant to and by effect of art. 2357 of the Civil Code and of art. 132 of the Legislative Decree 58/1998, delegating the Board of Directors for the purpose.
The Board of Directors meeting held at the end of the Shareholders' Meeting, in order to make the Assembly decision operative, approved the start-up of the plan for the purchase of own shares, conferring executive proxy upon the Chairman of Board of Directors.

On 27 June 2012 the Board of Directors of MARR S.p.A. appointed Pierpaolo Rossi as Chief Executive Officer with effect as of 1 July 2012, following the resignation of Ugo Ravanelli which maintains the position of Chairman of the Board of Directors that had been reassigned to him in June 2011.

The Board of Directors also appointed Antonio Tiso as "Manager responsible for preparing the company's financial reports" and Loris Piscaglia "Person responsible for the Organizational Model".

Under the terms of the Preliminary Agreement signed on 18 July 2012, the contracts for the leasing of the going concern of Lelli Lino e figli srl ("Lelli") and the leasing of the relevant buildings, located in Anzola dell'Emilia (Bologna), where the distribution of food products of the foodservice sector and Cash and Carry activities are carried out, entered into force on 3 September.

Last 16 October MARR S.p.A. has been awarded 8 of 11 lots of the Consip (Public Body for the rationalisation of Expenditure) tender concerning the supply contract for food products to Public Administrations.
The contract awarded to MARR has a duration of 12 months, renewable for an additional 12, is authorised for up to a maximum expenditure limit of 62.5 million Euros and will be to the benefit of the Public Administration structures belonging to the regions in the following lots:
Lotto 1: Valle d'Aosta, Piedmont and Liguria, for up to a maximum amount of 11.0 million Euros;
Lotto 2: Lombardy, for up to a maximum amount of 4.5 million Euros;
Lotto 3: Friuli Venezia Giulia, Veneto and Trentino Alto Adige, for up to a maximum amount of 13.0 million Euros;
Lotto 4: Emilia-Romagna, for up to a maximum amount of 5.0 million Euros;
Lotto 5: Toscana and Umbria, for up to a maximum amount of 6.5 million Euros;
Lotto 6: Marche and Abruzzo, for up to a maximum amount of 7.0 million Euros;
Lotto 7: Lazio, for up to a maximum amount of 6.5 million Euros;
Lotto 9: Basilicata, Puglia and northern provinces of Calabria (Cosenza and Crotone), for up to a maximum amount of 9.0 million Euros.

Events after the closure of the year

As of 23 February 2013, the contract for the leasing of the going concern of Scapa Italia S.p.A. ("Scapa") will become effective. This contract, which is included in the framework of a "*concordato preventivo*" (agreement among creditors enabling the continuity of the business) initiated by Scapa, was authorised – following clearance from the Antitrust Authority - by the Milan Law Courts on 12 February.
Before incurring in the current managerial and financial difficulties, Scapa was a primary operator in Italy in the distribution of food products to foodservice and is among the leaders in the segment of supplies to Canteens with a portfolio of customers that also includes major international operators.
Through the lease of the going concern, MARR will take over the management of the distribution centres in Marzano (Pavia) and Pomezia (Rome), two major structures that are modern and well located. The centre in Marzano (opened in 2009) has a total surface area of 22,000 m^2, of which 11,700 are at controlled temperature, while the warehouse in Pomezia has a surface area of 11,000 m^2, of which 4,800 are at controlled temperature.
MARR will be able to concentrate the logistical and distribution activities of its National Account customers (operators in Canteens and in Chains and Groups) on these structures, thereby further rationalising the activities in the Street Market segment carried out by its other distribution centres.
The Scapa operation will also enable MARR to access a significant portfolio of customers in the Canteens and Chains and Groups segments, strengthening its leadership position. The management of the Scapa activities is expected to add approximately 80 million Euros of revenues from sales in 2013. These revenues will be in the order of approximately 100 million Euros in 2014, with a positive contribution in terms of EBITDA, if the expected logistical synergies actually occur.

The lease of the going concern, with a duration of 12 months, involves the takeover of the active and passive contracts identified as instrumental in carrying out the activities, including the rental of the two warehouses, in addition to the acquisition of the inventories.
The contract also involves the acquisition of the going concern by MARR S.p.A., subject to the filing of the homologation by the Milan Law Courts of the "concordato preventivo".
The purchase price, inclusive of equipment with an accounting value of approximately 1.7 million Euros, has been fixed at 3.5 million Euros, from which the leasing fees of 300 thousand Euros annually will be deducted.

Outlook

The results of the Group in the first two months of 2013, although not significant in terms of their contribution in the entire business year, are positive, and in particular sales to clients in Street Market and National Account categories recorded better rates of increase compared to those in 2012.

In 2013, the eating out of home market will again be characterised by a weakness in terms of demand and an ever increasing demand for services by the clients. This difficult context is in any event rewarding for the best equipped operators, and therefore MARR as market leader, which are able to guarantee continuity in terms of products and services.
In 2013, the Group will also be involved in the process of integration of the business activities of Scapa and the development of the relevant synergies, as part of a strategic plan to strengthen its leadership position.
Company management has therefore confirmed its orientations towards strengthening its market presence, keeping the management of the trade net networking capital under control and guiding its own business model in order to combine its service offer and maintain the profitability levels achieved.

Main risks and uncertainties

In carrying out its activities, the Company is affected by risks of a financial nature, as described in more details in the Explanatory notes to the financial statement, these risks being intended as: market risks (as a combination of the risk concerning foreign currencies for purchases abroad, the exchange rate risk and price risk), credit risks and liquidity risks.

It should also be considered that although the company operates in the food distribution sector, which is characterised by its mainly stable nature, it is affected by the general state of the economy and is therefore exposed to the uncertainty of the current macro-economic scenario, albeit to a lesser extent than other sectors.

The 2012 business year, so as 2011, has been characterised by a volatility of the financial markets and difficulties in accessing credit, together with a reduction in consumption; this has led the management to maintain its focus on the dynamics of credit management and policies for the containment of costs aimed at preserving the trade margin.

As regards the development of the financial situation of the Group, this depends upon numerous conditions, including the performance of the banking and monetary segments, which are also affected by the current economic situation, in addition to the achievement of the pre-established objectives in terms of management of the trade net working capital.

As regards the specific risks and uncertainties involved in the activities of MARR and the Group, please refer to what described in detail in the paragraph entitled "provision for non-current risks and charges" in the Explanatory notes to the financial statements.
It should be noted that as of the date of closure of these financial statements, there are still disputes ongoing with the Inland Revenue Service following a contestation made by the Finance Police, IV Group, San Lazzaro di Savena Sections – BO and the Customs Authorities, which is also described in the financial statements as at 31 December 2011.

With reference to the first of these disputes, which is also the most significant in terms of entity, in confirmation of that already stated in the report for the last business year, in consideration of the technical consultancies, which are completely in agreement with each other, drawn up by four authoritative professionals, of whom three were appointed by the Tax Commission itself, who expressed themselves in no uncertain terms in favour of MARR S.p.A. and considering the opinion of the lawyers assisting the Company before the Court of Cassation, it is deemed reasonable in any event to expect a positive outcome to the dispute.

Lastly, it should be pointed out that, also as regards the other disputes, the Directors, supported by the opinion of the consultants engaged by the Company, believe that it is reasonable to expect that the disputes will be resolved in favour of the Company.

Human Resources

In December 2012, there were 986 employees of the MARR Group (including 8 Directors, 30 Managers, 438 Employees and 510 Workers), with a stable workforce overall compared to the end of 2011. The average number of employees was higher (1,1012.0) in 2012 compared to December, mainly due to the effect of the trends consequent to the use of workers with seasonal contracts, aimed at dealing with peaks in business activities, but lower that the average number of employees for the previous year, due to the increasingly careful management of resources.
In addition to dependent personnel, the Group also uses more than 650 sales agents and a network of transporters with over 700 vehicles, through agency and service contracts.

Training
The principal characteristics constituting the basis of the competitive advantage of MARR are: a wide-ranging offer (MARR commercialises a range of over 10,000 food products), the capacities of the commercial structure, the efficiency of the logistical system and capacity for innovation in its products.
This is why the MARR Group focuses specifically on the valorisation and training of its human resources through periodical training programmes (ForMARR) oriented towards training the internal personnel and sales workforce.
In 2012, significant attention was given to the training of new agents, which was reviewed in 2011 and is based on information technology systems dedicated to commercial activities.
Significant efforts were also made in terms of training personnel performing activities influencing the quality of products, services and processes, to such an extent that in 2012, the training initiatives involving food health and safety were attended by nearly 600 employees.

The focus on training on health and safety in the workplace (Legislative Decree 81/08 and subsequent amendments and integration) was of primary importance, with over 250 employees being trained in this regard, as provided by the State-Regions Agreement of 21/12/2011, in addition to the training of first aid and fire prevention personnel, training in the use of load-raising trolleys and the use of vertical aerial platforms and periodical training for the Workers' Safety Representatives.

Health and safety in the workplace
The number of injuries remained substantially in line with 2011, a year in which a significant reduction was recorded, remaining very low (it must also be highlighted that there were no fatal injuries), a testimony to the constant commitment of MARR from the viewpoint of continuously improving the health and safety conditions in the workplace through training and informative initiatives, structural improvements and the dynamic management of documentary support for the prevention of risks arising.

Cost of employment
Due to an increasingly careful management system, the cost of employment sustained in 2012 was substantially in line with that for 2011, recording a slight increase of approximately 0.4%, despite the inclusion of the personnel of the "Lelli" going concern leased by Sfera S.p.A. on 3 September 2012 and the salary increases provided by the renewal of the National Collective Labour Contract for the employees of companies in the tertiary sector of distribution and services at the beginning of 2011, but with increases established until 2013 (approximately 6% overall).
This result was achieved primarily through a careful policy of resource management, also aimed at favouring the fruition of leave and reducing the recourse to overtime work and the use of seasonal personnel.

Environmental information

There are no pending or sanctioning procedures ongoing for the Group as regards damage caused to the environment.

In this regard, it should be pointed out that the quality of waste water discharged through the sewers or on the surface is monitored through periodical analyses conducted under self-control to verify the respect of the limits provided by the Law and that our operating units are in possession of discharge authorisations as provided by Legislative Decree 152/06.
As regards atmospheric emissions, these are insignificant, given that there are no production / cooking procedures carried out.
The waste produced by our activities, constituted by leftover packaging such as paper, plastic and glass, and sub-products of animal origin deriving from the processing carried out in some local units, is disposed of in compliance with the

dispositions of the Law concerning environmental and sanitary matters, almost totally through public utilities and partly through private disposal firms.

Fulfilments ex art. 37 of Regulation 16191/2007 (Market Regulation)

The Board of Directors certifies the non applicability of the conditions inhibiting flotation on the stock market pursuant to art. 37 of Market Regulation 16191/2007 concerning companies subject to the management and coordination of others.

MARR S.P.A. – Parent Company

Below are the results of the Parent Company MARR S.p.A. drawn up according to the International Accounting Standards.

Re-classified Income Statement of the parent company MARR

MARR S.p.A. (€thousand)	31.12.12	%	31.12.11	%	% Change
Revenues from sales and services	1,131,515	97.5%	1,123,426	97.6%	0.7
Other earnings and proceeds	28,775	2.5%	27,242	2.4%	5.6
Total revenues	**1,160,290**	**100.0%**	**1,150,668**	**100.0%**	**0.8**
Raw and secondary materials, consumables and goods for resale	(914,138)	-78.8%	(891,546)	-77.5%	2.5
Change in inventories	3,157	0.3%	(5,220)	-0.5%	(160.5)
Services	(127,908)	-11.0%	(132,374)	-11.5%	(3.4)
Leases and rentals	(7,826)	-0.7%	(7,640)	-0.7%	2.4
Other operating costs	(2,358)	-0.2%	(1,997)	-0.1%	18.1
Value added	**111,217**	**9.6%**	**111,891**	**9.7%**	**(0.6)**
Personnel costs	(28,916)	-2.5%	(29,447)	-2.5%	(1.8)
Gross Operating result	**82,301**	**7.1%**	**82,444**	**7.2%**	**(0.2)**
Amortization and depreciation	(3,431)	-0.3%	(3,642)	-0.3%	(5.8)
Provisions and write-downs	(8,206)	-0.7%	(7,292)	-0.7%	12.5
Operating result	**70,664**	**6.1%**	**71,510**	**6.2%**	**(1.2)**
Financial income	6,361	0.5%	5,830	0.5%	9.1
Financial charges	(7,605)	-0.6%	(6,816)	-0.6%	11.6
Foreign exchange gains and losses	(121)	0.0%	74	0.0%	(263.5)
Value adjustments to financial assets	(4)	0.0%	(5)	0.0%	(20.0)
Result from recurrent activities	**69,295**	**6.0%**	**70,593**	**6.1%**	**(1.8)**
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	**69,295**	**6.0%**	**70,593**	**6.1%**	**(1.8)**
Income taxes	(21,831)	-1.9%	(22,999)	-2.0%	(5.1)
Recovery for tax relating previous years	1,301	0.1%	0	0.0%	100.0
Total net profit	**48,765**	**4.2%**	**47,594**	**4.1%**	**2.5**

Re-classified Balance Sheet of the parent company MARR

MARR S.p.A. (€thousand)	*31.12.12*	*31.12.11*
Net intangible assets	71,320	71,310
Net tangible assets	46,201	47,611
Equity investments in other companies	33,500	33,532
Other fixed assets	30,814	24,931
Total fixed assets (A)	181,835	177,384
Net trade receivables from customers	354,148	342,604
Inventories	90,997	87,840
Suppliers	(251,977)	(241,577)
Trade net working capital (B)	193,168	188,867
Other current assets	44,401	40,114
Other current liabilities	(17,051)	(19,576)
Total current assets/liabilities (C)	27,350	20,538
Net working capital (D) = (B+C)	220,518	209,405
Other non current liabilities (E)	(337)	(241)
Staff Severance Provision (F)	(7,922)	(7,808)
Provisions for risks and charges (G)	(12,199)	(11,438)
Net invested capital (H) = (A+D+E+F+G)	381,895	367,302
Shareholders' equity	(223,981)	(217,379)
Shareholders' equity (I)	(223,981)	(217,379)
(Net short-term financial debt)/Cash	(104,445)	(93,022)
(Net medium/long-term financial debt)	(53,469)	(56,901)
Net financial debt (L)	(157,914)	(149,923)
Net equity and net financial debt (M) = (I+L)	(381,895)	(367,302)

Net financial position of the Parent Company MARR S.p.A.

	(€thousand)	31.12.12	31.12.11
A.	Cash	9,042	6,234
	Cheques	0	0
	Bank accounts	38,293	25,977
	Postal accounts	186	165
B.	Cash equivalent	38,479	26,142
D.	Liquidity (A) + (B)	47,521	32,376
	Current financial receivable due to Subsidiaries	8,236	6,494
	Current financial receivable due to Parent Company	13,277	1,725
	Others financial receivable	2,354	1,787
E.	Current financial receivable	23,867	10,006
F.	Current Bank debt	(123,557)	(84,016)
G.	Current portion of non current debt	(50,672)	(49,019)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(1,600)	(1,242)
	Financial debt due to Related Companies	0	0
	Other financial debt	(4)	(1,127)
H.	Other current financial debt	(1,604)	(2,369)
I.	Current financial debt (F) + (G) + (H)	(175,833)	(135,404)
J.	Net current financial indebtedness (I) + (E) + (D)	(104,445)	(93,022)
K.	Non current bank loans	(53,469)	(56,901)
M.	Other non current loans	0	0
N.	Non current financial indebtedness (K) + (M)	(53,469)	(56,901)
O.	Net financial indebtedness (J) + (N)	(157,914)	(149,923)

Re-classified Cash Flows Statement of the parent company MARR S.p.A.

MARR S.p.A. (€thousand)	31.12.12	31.12.11
Net profit before minority interests	48,765	47,594
Amortization and depreciation	3,431	3,642
Change in Staff Severance Provision	114	(617)
Operating cash-flow	52,310	50,619
(Increase) decrease in receivables from customers	(11,544)	(17,806)
(Increase) decrease in inventories	(3,157)	5,220
Increase (decrease) in payables to suppliers	10,400	(318)
(Increase) decrease in other items of the working capital	(6,812)	7,030
Change in working capital	(11,113)	(5,874)
Net (investments) in intangible assets	(190)	(159)
Net (investments) in tangible assets	(1,847)	(2,192)
Net change in financial assets and other fixed assets	(5,851)	(10,506)
Net change in other non current liabilities	857	895
Investments in other fixed assets and other change in non current items	(7,031)	(11,962)
Free - cash flow before dividends	34,166	32,783
Distribution of dividends	(42,124)	(32,910)
Capital increase	0	0
Other changes, including those of minority interests	(33)	18
Cash-flow from (for) change in shareholders' equity	(42,157)	(32,892)
FREE - CASH FLOW	(7,991)	(109)
Opening net financial debt	(149,923)	(149,814)
Cash-flow for the period	(7,991)	(109)
Closing net financial debt	(157,914)	(149,923)

Nature of proxies conferred on Directors

With reference to the Self-Regulatory Code and Consob Recommendation dated 20 February 1997, the proxies conferred on individual Directors are detailed below:

- the Chairman has powers of legal representation as per art. 20 of the by Laws,
- the Chief Executive Officer, in addition to the powers of legal representation as per art. 20 of the by Laws, has also been conferred all the powers required to carry out all deeds concerning company activities, to be exercised with free and individual powers of signature, in the context of the proxies conferred by decision of the Board of Directors on 27 June 2012.

In the current structure of the Corporate Bodies, there is no Executive Committee.

During the course of the year, Mr. Ugo Ravanelli and Mr. Pierpaolo Rossi, Chairman who both filled the role of Chief Executive Officer during the course of 2012, used the powers conferred on them only for the ordinary management of company affairs, while significant operations, by type, quality and value, are submitted to the Board of Directors for approval.

Transactions with subsidiary, associated, parent and affiliated companies

As regards the relations with subsidiary, associated, parent and affiliated companies, for which refer to the analyses contained in the note to the financial statements, as required by Civil Code art. 2497-bis, the following is a list of the types of ongoing relations:

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

It must be pointed out that the value of the purchase of goods of MARR S.p.A. by Cremonini S.p.A. and affiliated companies (as in the following table) represented 4.46% of the total purchases made by MARR itself. All the commercial transactions and supply of services, etc. occurred at market value.

The following table reports economical and financial data of the 2012 business year, classified by nature and by company:

COMPANY	FINANCIAL RELATION						ECONOMIC RELATIONS								
	RECEIVABLES			PAYABLES			RICAVI				COSTI				
	Trade	Other	Financial	Trade	Other*	Financial	Sale of goods	Performance of services	Other revenues	Financial Income	Purchase of goods	Services	Leases and rental	Other operating charges	Financial charges
From Parent Companies:															
Cremonini Spa (*)	0	2,299	13,277	62			4		23	259		1,007			0
Totale	0	2,299	13,277	62	0	0	4	0	23	259	0	1,007	0	0	0
From unconsolidated subsidiaries:															
Totale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies															
Totale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Affiliated Companies (**)															
Cremonini Group															
Avirail	10						15								
Buffet di Arezzo S.r.l.(merged in Chef Express S.p.a. since 11/10/10)															
Bell Carni S.r.l. (ex Italbeef Srl)				1											
Chef Express S.p.A. (ex Moto S.p.A.)	1,642			2			6,029		21			16			
Consorzio Centro Commerc.Ingrosso Carni S.r.l.				36								154	1,105		
Cremonini Sec S.r.l.															
Fiorani & C. S.p.a.		1		24					1		56				
Frimo S.a.m.															
Ges.Car. S.r.l.															
Global Service Logistics S.r.l.															
Global Service S.r.l.				241					1			733			
Guardamiglio S.r.l.							1								
Ibis S.p.a (merged in Italia Alimentari since 01/12/12)															
Inalca Algeria S.a r.l.	9														
Inter Inalca Angola ltda	158														
Inalca Brazzaville Sarl															
Inalca Kinshasa S.a.r.l.	252														
Inalca S.p.a.	66	62		6,320			384		1		34,476	627			
Interjet S.r.l.															
Italia Alimentari (ex Montana Alimentari S.p.a.)	65	2		1,020			0	1	144		4,280				
Marr Russia llc	30						177								
Real Beef S.r.l.															
Roadhouse Grill Italia S.r.l.	809						4,476								
Roadhouse Grill Roma S.r.l.	73						194								
Salumi D'Emilia S.r.l.															
Tecno-Star Due S.r.l.															
Time Vending S.r.l.	24								20						
From not Affiliated Companies															
Farmservice S.r.l.	24						88								
Food & Co S.r.l.	2														
Le Cupole S.r.l.													668		
Prometex Sam															
Totale	3,164	65	0	7,644	0	0	11,364	1	188	0	38,812	1,530	1,773	0	0

(*) The item in the Other Receivables column relates to the IRES charge transferred from MARR within the scope of the National Consolidated tax base (including the receivable for requestes of reimbusement regarding to the personnel cost not deducted to Irap in the years 2007-2011), while the item in Trade receivales and payables includes the net amoun of VAT tranfered 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.

From Affiliated Companies															
Alisea Soc.Cons.a.r.l.	153						774	83							
Asca S.p.a.	619		4,867	122			980	330	5	105	549				
Baldini Adriatica Pesca S.r.l.	103			94		341	700	90	2		1,391				3
Emigel S.r.l.	79			4		140		69	1						1
Alisurgel S.r.l. in liquidazione						780		3							20
Marr Foodservice Iberica S.a.U.				86		339									7
New Catering S.r.l.	114		227	8			435	77	10	5		8			
Stera S.p.a.	85		3,142	392			543	62		39			1,290		
	1,153	0	8,236	706	0	1,600	3,432	714	18	149	1,940	8	1,290	0	31

Proposal for the distribution of the 2012 profits and distribution of dividends

Dear Shareholders,

before concluding and deciding on this matter, we would like to confirm that the draft financial statements closed on 31 December 2012 submitted for your examination and approval in this meeting, have been drafted in respect of the legislation in force.

In submitting the 2012 financial statements for approval, we propose to:

a) distribute the profits amounting to 48,764,955 Euros as follows:

- to dividend of 0.58 Euros for each ordinary share with rights, excluding the treasury shares at the ex-coupon date;

- allocation of the remaining amount to the extraordinary reserve.

b) to pay the dividend on 30 May 2013 with ex coupon (No. 9) on 27 May 2013, in accordance with the Italian Stock Exchange regulations;

The Board of Directors would like to express its sincere thanks to all employees and collaborators who contributed in 2012 to the achievement of the Company's objectives through their commitment.

Rimini, 14 March 2013

The Board of Directors
The Chairman
Ugo Ravanelli

MARR GROUP

Consolidated Financial Statements

as at December 31, 2012

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	Notes	31.12.12	31.12.11
ASSETS			
Non-current assets			
Tangible assets	1	52,573	54,264
Goodwill	2	99,630	99,658
Other intangible assets	3	420	458
Investments in other companies		296	296
Non-current financial receivables	4	3,504	4,453
Deferred tax assets	5	9,512	8,400
Other non-current assets	6	24,204	18,790
Total non-current assets		190,139	186,319
Current assets			
Inventories	7	98,736	96,163
Financial receivables	8	15,631	3,469
relating to related parties		*13,277*	*1,725*
Financial instruments / derivative		0	51
Trade receivables	9	374,553	361,991
relating to related parties		*3,367*	*3,948*
Tax assets	10	10,721	6,051
relating to related parties		*2,518*	*0*
Cash and cash equivalents	11	52,595	37,134
Other current assets	12	37,335	35,727
relating to related parties		*101*	*270*
Total current assets		589,571	540,586
TOTAL ASSETS		*779,710*	*726,905*
LIABILITIES			
Shareholders' Equity			
Shareholders' Equity attributable to the Group	13	228,858	222,732
Share capital		*32,910*	*32,910*
Reserves		*141,245*	*135,824*
Retained Earnings		*(3,477)*	*(3,477)*
Profit for the period attributable to the Group		*58,180*	*57,475*
Shareholders' Equity attributable to minority interests		1,199	1,142
Minority interests' capital and reserves		*596*	*577*
Profit for the period attributable to minority interests		*603*	*565*
Total Shareholders' Equity		230,057	223,874
Non-current liabilities			
Non-current financial payables	14	53,469	56,901
Employee benefits	15	10,219	9,539
Provisions for risks and costs	16	3,849	3,544
Deferred tax liabilities	17	11,253	10,994
Other non-current liabilities	18	337	241
Total non-current liabilities		79,127	81,219
Current liabilities			
Current financial payables	19	179,973	139,741
relating to related parties		*0*	*0*
Financial instruments/derivatives	20	8	0
Current tax liabilities	21	1,480	4,319
relating to related parties		*0*	*2,410*
Current trade liabilities	22	270,373	259,722
relating to related parties		*8,253*	*9,104*
Other current liabilities	23	18,692	18,030
relating to related parties		*0*	*0*
Total current liabilities		470,526	421,812
TOTAL LIABILITIES		*779,710*	*726,905*

CONSOLIDATED INCOME STATEMENT

(€thousand)	*Notes*	31.12.12	31.12.11
Revenues	24	1,228,776	1,219,638
relating to related parties		*11,395*	*11,802*
Other revenues	25	31,192	29,538
relating to related parties		*221*	*295*
Changes in inventories	7	2,573	(3,422)
Purchase of goods for resale and consumables	26	(981,575)	(960,871)
relating to related parties		*(39,497)*	*(36,244)*
Personnel costs	27	(37,023)	(36,874)
Amortization, depreciation and write-downs	28	(13,203)	(12,483)
Other operating costs	29	(153,802)	(156,228)
relating to related parties		*(4,462)*	*(4,877)*
Financial income and charges	30	(5,629)	(4,068)
relating to related parties		*257*	*39*
Pre-tax profits		71,309	75,230
Taxes	31	(22,407)	(25,622)
Profits for the period		48,902	49,608
Atributable to:			
Shareholders of the parent company		48,299	49,043
Minority interests		603	565
		48,902	*49,608*
basic Earnings Per Share (euro)	32	0.73	0.75
diluted Earnings Per Share (euro)	32	0.73	0.75

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€thousand)	*Notes*	*31.12.12*	*31.12.11*
Profits for the period (A)		48,902	49,608
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(42)	25
Total Other Profits/Losses, net of taxes (B)	*33*	(42)	25
Comprehensive Income (A + B)		48,860	49,633
Atributable to:			
Shareholders of the parent company		48,257	49,068
Minority interests		603	565
		48,860	*49,633*

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY
(note 13)

Description	Share Capital	Other Reserves														Profits carried over from consolidated	Business year profits (losses)	Total Group net equity	Total third party net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares				
Balance at 1st January 2011	32,910	60,192	6,652	13	36,496	9,960		1,475	7,296	11	1,511	123,606	(3,467)	(10)	(3,477)	53,540		206,579	1,131
Allocation of 2010 profit						12,199						12,199				(12,199)			
Distribution of parent company dividends																(32,910)		(32,910)	
Distribution of subsidiaries company dividends																			(554)
Other minor variations											(6)	(6)				1		(5)	
Consolidated comprehensive income 2011:																			
- Profit for the period																49,043		49,043	565
- Other Profits/Losses, net of taxes										25		25						25	
Balance at 31 December 2011	32,910	60,192	6,652	13	36,496	22,159		1,475	7,296	36	1,504	135,824	(3,467)	(10)	(3,477)	57,475		222,732	1,142
Allocation of 2011 profit						5,470						5,470				(5,470)			
Distribution of parent company dividends																(42,124)		(42,124)	
Distribution of subsidiaries company dividends																			(546)
Other minor variations											(6)	(6)						(6)	
Consolidated comprehensive income 2012:																			
- Profit for the period																48,299		48,299	603
- Other Profits/Losses, net of taxes										(42)		(42)						(42)	
Balance at 31 December 2012	32,910	60,192	6,652	13	36,496	27,629		1,475	7,296	(6)	1,498	141,245	(3,467)	(10)	(3,477)	58,180		228,858	1,199

CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	31.12.12	31.12.11
Profit for the Period	48,902	49,608
Adjustment:		
Amortization / Depreciation	4,256	4,546
Allocation of provison for bad debts	8,548	7,557
Allocation of provision for inventories	0	100
Capital profit/losses on disposal of assets	(124)	(157)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	5,521	4,193
relating to related parties	*(257)*	*(39)*
Foreign exchange evaluated (gains)/losses	24	(255)
	18,225	15,984
Net change in Staff Severance Provision	680	(496)
(Increase) decrease in trade receivables	(21,110)	(22,457)
relating to related parties	*581*	*863*
(Increase) decrease in inventories	(2,573)	3,422
Increase (decrease) in trade payables	10,651	(298)
relating to related parties	*(851)*	*276*
(Increase) decrease in other assets	(7,022)	(6,596)
relating to related parties	*169*	*(201)*
Increase (decrease) in other liabilities	1,063	691
relating to related parties	*0*	*(6)*
Net change in tax assets / liabilities	20,683	26,048
relating to related parties	*18,207*	*20,850*
Interest paid	(7,809)	(7,026)
relating to related parties	*258*	*(8)*
Interest received	2,288	2,833
relating to related parties	*(1)*	*47*
Foreign exchange gains	(565)	586
Foreign exchange losses	541	(331)
Income tax paid	(29,045)	(25,765)
relating to related parties	*(23,135)*	*(20,227)*
Cash-flow from operating activities	34,909	36,203
(Investments) in other intangible assets	(216)	(162)
Goodwill write-off	28	0
(Investments) in tangible assets	(3,215)	(4,045)
Net disposal of tangible assets	1,026	1,582
Net (investments) in equity investments in other companies	0	1
Cash-flow from investment activities	(2,377)	(2,624)
Distribution of dividends	(42,124)	(32,910)
Other changes, including those of third parties	(593)	(528)
Net change in financial payables (excluding the new non-current loans received)	(10,692)	(20,955)
relating to related parties	*0*	*0*
New non-current loans received	47,500	0
relating to related parties	*0*	*0*
Net change in current financial receivables	(12,111)	2,245
relating to related parties	*(11,552)*	*1,373*
Net change in non-current financial receivables	949	226
Cash-flow from financing activities	(17,071)	(51,922)
Increase (decrease) in cash-flow	15,461	(18,343)
Opening cash and equivalents	37,134	55,477
Closing cash and equivalents	52,595	37,134

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate information

MARR Group operates entirely in the commercialisation and distribution of food products to the Foodservice sector.

In particular, the parent company MARR S.p.A., with headquarters in Via Spagna 20, Rimini, operates in the commercialisation and distribution of fresh, dried and frozen food products to the Foodservice.

The consolidated financial statements for the business year closing as at 31 December 2012 were authorised for publication by the Board of Directors on 14 March 2013.

Structure and contents of the consolidated financial statements

The consolidated financial statements as at 31 December 2012 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 as acknowledged by Legislative Decree 38 dated 28 February 2005 and subsequent CONSOB amendments, communications and decisions.

Reference to the international accounting standards, adopted in the preparation of the consolidated financial statements as at 31 December 2012, is indicated in the "Accounting policies" section.

For the purposes of the application of IFRS 8 it is noted that the Group operates in the "Distribution of food products to the Foodservice" sector only; as regards performance levels in 2012, see that described in the Directors' Report on management performance.

The consolidated financial statements as at 31 December 2012 include, for comparative purposes, the figures for the year ended on 31 December 2011. The following classifications have been used:

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

It is believed that these classifications provide information which better represent the economic and financial situation of the company.

Appendix 2 contains the Statement of financial position, Income statement, Statement of Comprehensive Income, Cash Flows Statement and the Statement of changes in the MARR S.p.A. shareholders equity. This report omits the explanatory notes concerning the accounting situation of the Parent Company, as this does not contain significant additional information compared to that contained in the MARR Group Consolidated Financial Statements, as highlighted in the table below, illustrating the impact of the parent company MARR S.p.A. on the Group consolidated data.

(€thousand)	31.12.12 MARR Consolidated	31.12.12 MARR S.p.A.	Impact %
Revenues from sales and services	1,228,776	1,131,515	92.1%
Total assets	779,710	742,770	95.3%
Net profit for the period	48,299	48,765	101.0%

All amounts are indicated in Euros.

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

These financial statements have 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 carring 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 consolidated financial statements as at 31 December 2012 include the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls. The complete list of subsidiaries included in the scope of consolidation as at 31 December 2012, with an indication of the method of consolidation, are attached in Appendix 1.

The scope of consolidation as at 31 December 2012 does not differ from that at 31 December 2011.

We would also point out, as already highlighted in the Directors' Report, that on 3 September 2012, through the subsidiary Sfera S.p.A., the contract was finalised for the lease of the going concern located in Anzola dell'Emilia (BO) carrying out activities in the distribution of food products to foodservice and Cash and Carry, owned by Lelli Lino e Figli S.r.l..

Accounting policies

The most significant Accounting policies adopted for the preparation of the consolidated financial statements as at 31 December 2012 are indicated below:

Tangible assets

Tangible assets are entered at their purchase cost or production cost, inclusive of directly allocated additional charges required to make the assets available for use. As permitted by IFRS 1, in the context of the first time adoption of the International Accounting Standards, the Company has measured certain land and buildings owned at fair value, and has adopted such fair value as the new cost subject to depreciation.
No revaluations are permitted, even if pursuant to specific laws. Assets subject to capital lease are entered under tangible assets against a financial payable to the lessor, and depreciated in accordance with the criteria below.
Tangible assets are systematically depreciated on a straight-line basis over their expected useful life, based on the estimate of the period over which the assets will be used by the Company. When the tangible asset is made up of a number of significant components, each with a different useful life, depreciation is made for each single component. The depreciation value is represented by the book value minus the presumable net transfer value at the end of its useful life, if material and reasonably determinable. Land is not depreciated, even if purchased together with a building, and neither are tangible assets held for sale, measured at the lower between the book value and fair value after transfer charges.
Costs for improvement, upgrading and transformation increasing tangible assets are entered in the statement of financial position, in compliance with the requirements of the IAS 16.

The recoverability of the book value of tangible assets is determined by adopting the criteria indicated in the section "Impairment of non-financial assets".
The rates applied are the following:

- Buildings	3% - 4%
- Plant and machinery	7.50%-15%
- Industrial and business equipment	15%- 20%
- Other assets:	
- Electronic office equipment	20%
- Office furniture and fittings	12%
- Motor vehicles and means of internal transport	20%
- Cars	25%
- Other minor assets	10%-30% / contract term

The remaining accounting value, useful lifetime and amortization criteria are reviewed on closure of each business year and the tables adjusted if required.
An asset is removed from the financial statements when it is sold or when there are no longer any future economic benefits expected from its use or disposal. Any losses or profits (calculated as the difference between the net income from its sale and its accounting value) are included in the profit and loss account when it is removed.

Goodwill and other intangible assets

Intangible assets are assets that lack physical substance, controlled by the Company and capable of generating future economic benefits, as well as goodwill, whenever purchased for a financial consideration.
Intangible assets are entered at cost, measured in accordance with the criteria established for tangible assets. No revaluations are permitted, even if pursuant to specific laws.
Intangible assets with a definite useful life are systematically amortized over their useful life, based on the estimate of the period over which the assets will be used by the Company; the recoverability of their book value is determined by adopting the criteria indicated in the section "Impairment of non-financial assets".
Goodwill and other intangible assets, if any, with an indefinite useful life are not subject to amortization; the recoverability of their book value is determined at least each year and, in any case, whenever in the presence of events implying a loss of value. As far as goodwill is concerned, 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). Write-downs are not subject to value restoration.
Other intangible assets have been amortized by adopting the following criteria:

- Patents and intellectual property rights	5 years
- Concessions, licenses, trademarks and similar rights	5 years / 20 years
- Other assets	5 years / contract term

The period of amortization and amortization criteria for intangible assets with a definite lifetime are reviewed at least on closure of each business year and adjusted if necessary.

Investments in related companies and other companies

Investments in related companies are evaluated using the Net Equity method and the shareholdings in other companies are evaluated as the purchase, subscription or conferment cost, as indicated in Appendix I and the following explanatory notes.
The recoverability of their recorded value is verified by adopting the criteria indicated in the subsection "Losses of value of non-financial assets" as regards investments in related companies and in the subsection "losses in value of financial assets" as regards investments in other companies.

Inventories

These are entered at the lower of purchase or production cost, calculated by the FIFO method and the presumed realizable value in consideration of the market trend.

Receivables and other current assets

The trade receivables and other short-term receivables are initially recorded at their nominal value, which represents their fair value, and subsequently evaluated at their amortized cost, net of any depreciations. When they are recorded, the nominal value of the receivables is representative of their fair value on said date. By virtue of the high rotation of receivables, the application of the amortized cost does not have any significant effect. The Provision for write-down of receivables represents the difference between the recorded value of receivables and the reasonable forecast of financial flows expected from their cashing-in.

Financial assets

The financial assets within the scope of IAS 39 are classified as receivables, financial assets available for sale or as derivatives designated as hedging instruments for effective hedging, according to the circumstances in question. The Group determines the classification of its own financial assets at initial recognition.

Financial assets are initially recorded at their fair value plus transaction costs directly attributable to their purchase, except in the case of financial assets recorded at fair value in the profit or loss. The Group's financial assets include cash and short-term deposits, trade and other short-term receivables, loans, non listed financial instruments and derivatives financial instruments.
The subsequent measurement of the financial assets depends on their classification as follows:
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that have not been floated on the stock exchange. After initial measurement, such financial assets are subsequently measured at their amortized cost using the effective interest rate criterion (EIR), less impairment. The amortized cost is calculated by recording any discounts, purchase premiums, fees or costs that are an integral part of the effective interest rate. The amortization of the effective interest rate is included in financial income in the income statement. The losses arising from any impairment are recognised in the income statement as financial costs.

A financial asset (or, if applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised from the financial statements when:

- the right to receive cash flows from the asset have expired;
- the Group has transferred the right to receive cash flows from the asset or has assumed an obligation to pay them fully and without delay to a third party and either (a) has substantially transferred all the risks and rewards of ownership of the financial asset or (b) has neither transferred nor substantially withheld all the risks and rewards of the asset but has transferred control of it.

In cases in which the Group has transferred the right to receive cash flows from an asset and has not either transferred or substantially withheld all the risks and rewards or has not lost control of it, the asset is recorded in the financial statements of the Group in the remainder measure in which is involved in the asset in question. In this case, the Group also recognises an associated liability. The asset transferred and the associated liabilities are measured on a basis to reflect the rights and obligations that the Group has retained.

Losses in value of financial assets

At each reporting date, the Group assesses whether a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as result of one ore more events that have occurred after the initial recognition of the asset (when a "loss event" occurs) and this loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets in question that can be reliably estimated. Evidence of impairment may be represented by indicators such as financial difficulties, the incapacity to deal with the obligations undertaken, insolvency in the payment of interest or significant payments that are affecting the debtors or a group of debtors; the probability that it will enter bankruptcy or other form of financial reorganisation, and where observable data indicate that there is a measurable decrease in expected future cash flows, such as changes in context or in the economic conditions related to the obligations undertaken.
As regards the financial assets carried at amortized cost, the Group firstly assesses whether objective evidence of impairment exists for each financial asset that is individually significant, or collectively in the case of financial assets that are not individually significant. If the Group determines that there is no evidence of impairment for a financial asset evaluated individually, whether significant or not, then the asset in question is included in a group of financial assets with similar credit risk characteristics and these are assessed collectively for impairment. The assets that are evaluated individually in terms of impairment and for which a loss in value has been recorded or continues to be recorded are not included in any collective assessments of impairment.

If there is objective evidence of an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet incurred). The present value of the cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for the measurement of any impairment loss is the current effective interest rate.
The carrying amount of the asset is reduced directly and the amount of the loss will be recognised in the income statement. The interest income continues to be accrued on the reduced carrying amount and is accrued using the interest rate used to discount the future cash flows to measures the impairment loss. The interest income is recorded as part of the financial income in the income statement. Loans and their relevant allowance are written off when there is no realistic prospect of their future recovery and all the collateral have been realised or transferred to the Group. If during a subsequent business year the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced and the allowance account is adjusted. If a future write-off is subsequently recovered, the value recovered is credited to finance costs in the income statement.
For available-for-sale financial assets, the Group assesses whether there is objective evidence that an asset or group of assets is impaired at each reporting date.

In the case of equity investments classified as available for sale, the objective evidence would include a significant or prolonged reduction in the fair value of the investment below its cost. The "Significance" is evaluated with respect to the original cost of the instrument and "prolonged effect" with respect to the (duration of the) period in which the fair value has been below the original cost. Should there be evidence of impairment, the cumulative losses – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from the other comprehensive income and recognised in the income statement.

Losses in value of non-financial assets

When events occur that would lead to assume a reduction in the value of asset, its recoverability is assessed by comparing the recorded value with the relevant recoverable value, represented by the greater of the fair value, net of the discharge costs, and its value

in use.
In the absence of a binding sales agreement, the fair value is estimated on the basis of the values expressed by an active market, by recent transactions or on the basis of the best information available to reflect the amount that the business would receive by selling the asset.
The value in use is determined by actualising the expected cash flows deriving from the use of the asset and, if significant and reasonably determinable, from its sale at the end of its useful lifetime. The cash flows are determined on the basis of reasonable and documented assumptions representative of the best estimate of the future economic conditions that may occur during the remaining lifetime of the asset, giving more importance to indications from outside. Actualisation is carried out at a rate which takes into account the market assessments of the current value of cash and specific risks of the asset, in addition to the inherent risk to the sector of business in question.
Assessment is conducted on each individual asset or the smallest identifiable group of assets which generates autonomous incoming cash flows deriving from continuous use (so-called *cash generating unit*). When the reasons for the depreciations made are no longer in place, the assets, except for goodwill, are revalued and the adjustment attributed to the profit and loss account as readjustment (restoration of value). Readjustment is carried out at the lesser of the recoverable value and recorded value gross of depreciations carried out previously and reduced by the amortization quotas that would have been allocated had impairment not been carried out.
Goodwill is tested for impairment at least once every year (on the date of the financial statements, 31 December) and more frequently should circumstances indicate that the carrying value may be impaired.

Impairment of goodwill is assessed by evaluating the recoverable amount of each cash generating unit (or the group of cash generating units) to which the goodwill relates. Should the recoverable amount of the cash generating unit be less than the carrying amount of the cash generating unit for which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating goodwill cannot be reversed in future business years.
Any losses due to impairment of instruments representative of capital may not be reversed with the effects recorded in the profit and loss account; any increases in their fair value subsequent to an impairment loss are recorded directly in the other comprehensive income.

Employee benefits

As provided by IAS 19, staff severance provisions are part of the so-called defined benefit plans forming post-employment benefits. The accounting treatment established for such forms of benefit requires an actuarial calculation, which allows for a future estimate of the amount of Staff Severance Provision already accrued and for discounting it back, in order to consider the time elapsing before actual payment. The actuarial calculation weighs variables such as average staff employment period, inflation levels and expected interest rates. Liabilities are valued by an independent actuary. The profits and losses deriving from carrying out the actuarial calculation are attributed in the income statement as cost or income if the net value accumulated by the "actuarial" profits and losses, which are not relevant for each plan on closure of the previous year, exceeds by more than 10% the higher value between the obligations concerning defined benefit plans and the fair value of the assets concerning the plans at that date.

Following the recent revision of the pertinent national regulations, for companies with more than 50 employees, the Staff Severance Provision accrued from 1st January 2007 onwards is classified as a defined contributions plan, the payments relative to which are entered directly in the income statement, as expenses, when recorded The Staff Severance Provision accrued up to 31.12.2006 continues to be a defined benefits plan, but without the future contributions. Accordingly, it is now valued by the independent actuaries solely on the basis of the expected average residual working life of the employees, without further consideration of the remuneration received by them over a predetermined employment period. The Staff Severance Provision "accrued" before 1st January 2007 thus undergoes a change in calculation, due to the elimination of the previously foreseen actuarial hypotheses linked to pay increments. In particular, the liability relative to "accrued Staff Severance Provision" is actuarially valued as at 1st January 2007 without applying the pro-rata (years already worked/total years worked), as the employees' benefits relating to the entire period up to 31st December 2006 can be considered almost entirely accrued (with the sole exception of revaluation) in application of paragraph 67 (b) of IAS 19. Therefore for the purposes of this calculation, the "current service costs" relating to the future services of employees are to be considered null insofar as represented by the contribution payments into the supplementary pension scheme fund or the INPS Treasury Fund.

Provisions for risks and charges

Provisions for risks and charges involve specific costs and charges, considered definite or probable, for which the amount or due date could not yet be determined at the end of the year. Provisions are recognized when: (i) the existence of a current, legal or implied obligation is probable, arising from a previous event; (ii) the discharge of the obligation may likely involve charges; (iii) the amount of the obligation may be reliably estimated. Provisions are entered at the value representing the best estimate of the amount the Company would reasonably pay to redeem the obligation or to transfer it to third parties at the end of the period. When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provision is discounted back; the increase in the provision associated with the passage of time, is entered in the income statement under "Financial income (charges)". The supplementary clientele severance indemnity, as all other provisions for risks and charges, has been appropriated, based on a reasonable estimate of probable future liabilities, and taking the elements available into consideration.

Financial liabilities

Financial liabilities are initially recognised at their fair value, which is equal to the amounts received by the date in question. They are subsequently measured with the amortized cost criterion using the effective interest rate method.

The financial liabilities of the Group include trade payables and other payables, loans and derivative financial instruments.

The financial liabilities within the scope of application of IAS 39 are classified as payables and loans, or as derivatives designated as hedging instruments, according to the case in question. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are initially recorded at their fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The profits and losses are accounted in the income statement when the liability is extinguished, as well as through the amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the income statement.
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

In cases in which an existing financial liability is replaced by another from the same lender, on substantially different conditions, or the terms of an existing liability are substantially modified, this swap or modification is treated as the derecognition of the original liability and the recording of the new liability, with any differences between the respective carrying amounts recognised in the income statement.

Income taxes

Current income taxes are calculated on the basis of the estimated taxable income. Tax assets and liabilities for current taxes are recognized at the value expected to be paid/recovered to/from the Tax Authorities, by applying the rates and tax regulations in force or basically approved as at the end of the period, and considering the involvement of some companies to the national consolidated tax base.
Deferred taxes and deferred tax assets are calculated on the provisional differences between the value of assets and liabilities entered in the financial statements and the corresponding values recognized for tax purposes. Deferred tax assets are recorded when their recovery is probable. Deferred tax assets and liabilities for deferred taxes are classified under non-current assets and liabilities and are offset if referring to taxes which may themselves be offset. The offsetting balance, if an asset, is entered under "deferred tax assets"; if a liability, it is entered under "Liabilities for deferred taxes". When the

results of the operations are directly recognized in the shareholders' equity, current taxes, assets for prepaid taxes and liabilities for deferred taxes are also recorded in the shareholders' equity.
Deferred tax assets and deferred taxes are calculated on the basis of the tax rates expected to be applied in the year said assets will realize or said liabilities will extinguish.

Criteria for conversion of items in foreign currency

Transactions in foreign currency are initially recorded in the functional currency, applying the currency spot rate the transaction first qualifies for recognition. The monetary assets and liabilities denominated in foreign currency are retranslated at the functional currency spot rate at the reporting date.
Any differences are recorded in the income statement.

Business combinations

The business combinations occurred prior to 1 January 2010 are accounted through the application of the so-called *purchase method* (purchase methods defined by IFRS 3 as "Business combinations"). The purchase method requires that, after having identified the buyer involved in the business combination and having determined the purchase cost all the assets and liabilities purchased (including the so-called contingent liabilities) must be valued at fair value. For this purpose, the company is required to value any intangible assets purchased in specifically. Any goodwill is to be calculated in a residual manner, as the difference between the cost of the business combination (including additional charges and any contingent considerations) and the share pertaining to the company of the difference between the assets and liabilities purchased, valued at their fair value.
The business combinations occurred subsequently to 1 January 2010 are accounted for using the acquisition method (IFRS 3R). The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value acquisition date and the amount of any non-controlling interest in the acquired. For each business combination, the acquirer measures the no controlling interest in the acquired either at fair value or at the proportionate share of the acquired identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.
If business combinations are achieved in stages, the fair value of the shareholding previously held is remeasured to fair value at the acquisition date, recording any resulting profits or losses in the profit and loss account.
Each contingent consideration to be transferred to the acquirer will be recognised by the acquired at the fair value at the acquisition date. Changes to the fair value of the contingent consideration classified as a financial asset or liability will be recorded in accordance with IAS 39 either in the profit and loss or as a change to comprehensive income. If it das not fall within the scope of IAS 39, it will be recognised in accordance with IAS 37 or the most appropriate IFRS.
If the contingent consideration is classified as equity, it should not remeasured until it is finally settled within equity.
Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed.
If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recording, goodwill is measured at the cost less any accumulated impairment losses in value. For the purpose of the impairment testing, the goodwill acquired in a business combination must, from the acquisition date, be allocated to each Group's cash generating unit which is expected to benefit from the combination synergy, independently of the fact that other assets or liabilities of the entity acquired are assigned to such units.
If goodwill has been allocated to a cash generating unit and the entity disuses part of the assets of this unit, the goodwill associated to the disused asset must be included in the accounting value of the asset should any profits or losses derive from its disuse. The goodwill associated to the disused asset must be measured on the basis of the relative values of the disused asset and the portion of the cash-generating unit retained.

Revenue and cost recognition

Revenues from sales of goods are recognized upon transfer of all the risks and charges deriving from ownership of the goods transferred, which is generally their shipment or delivery date.
Financial income and revenues from services are recognized on an accrual basis.
Costs are recognized when related to goods and services acquired and/or received over

the period to which they refer.

Accounting treatment of financial assets/instruments

The Group uses derivative financial instruments to hedge its exposure to foreign currency risks on purchases in currency other than the functional one.
These derivative financial instruments are initially recognised at their fair value on stipulation; subsequently, this fair value is remeasured periodically; they are carried as assets when the fair value is positive and liabilities when the fair value is negative.

The fair value of the derivative financial instruments used is determined on the basis of market value when it is possible to identify the market to which they actively belong. However, if the market value of a financial instrument is not easily calculable, but its components or those of a similar instrument are calculable, the market value is determined through the evaluation of the individual components of the instrument or of the similar instrument. Furthermore, for those instruments for which an active market is not easily identifiable, the evaluation is carried out by using the value resulting from generally accepted evaluation models and techniques which ensure a reasonable approximation of the market value.

Derivatives are classified as coverage instruments when the relation between the derivative and the object of the coverage is formally documented and the coverage, assessed periodically, is highly effective. If derivatives cover a risk concerning the cash flow variations of the instruments covered (cash flow hedge; for example coverage of cash flow variability of assets/liabilities by effect of oscillations in exchange rates), the variations in the fair value of derivatives are initially recorded at net equity and subsequently attributed to the income statement coherently with the economic effect produced by the operation covered. The variations in fair value of the derivatives which do not satisfy the conditions required in order to be classified as coverage are recorded in the income statement for the business year.

Own shares

The own shares of the company are registered in the net equity. The original cost of own shares and the income deriving from subsequent sale are recorded as changes in net equity.

Main estimates adopted by management and discretional assessments

The preparation of the Group 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 used

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 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 profit and loss account.

- Estimates adopted to evaluate the impairment of non-financial assets

In order to measure any impairment of goodwill and the consolidation differences entered in the financial statements, the Company has adopted the method previously illustrated in the section on "Losses in value of non-financial assets".
The recoverable value has been determined on the value in use basis.
For 2013 cash-flows generating units attributable to each goodwill/consolidation derive from the Budget approved by the Board of Directors, for subsequent years, an extremely prudent conduct was maintained, estimating a substantially flat performance in terms of revenues for 2014 and 2015 and an increase of 1% for 2016 and 2017; for 2018 and for the calculation of the terminal value, an increase rate of 1% was hypothesised. The Weighted Average Cost of Capital (WACC) has been adopted as the discount rate, which is 6.56% (calculated punctually in coherence with previous years).

Sensitivity analyses have also been conducted on this rate and the sustainability of the goodwill value recorded in the financial statements verified with WACC values aligned to the forecasts by financial analysts.
The measurement of any impairment of assets (Goodwill), for the results of which refer to the paragraph 2 "*Goodwill*", was made by referring to the situation as at 31 December 2012.

- 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 2%;
- The discounting rate used is 2.4%[iii];
- The annual rate of increase of the severance plan is expected to be 3%;
- A 9% 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 S.p.A., 7% for AS.CA S.p.A., 5% for New Catering S.r.l., 6% for EMI.GEL S.r.l. and 11% for Sfera S.p.A.;
- The rate of corporate turnover is expected to be 2% for MARR. S.p.A. and for EMI.GEL S.r.l., 10% for AS.CA S.p.A., 7% for New Catering S.r.l. and 4% for Sfera S.p.A.;
- The discounting rate used is 1.8%.

- Estimates used in calculating deferred taxes

A significant discretional assessment is required by the directors in order to determine the total amount of deferred tax 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 in receivables and the solvency 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.

Accounting principles, amendments and interpretations applicable as at 1 January 2012

- *IAS 12 – "Deferred taxes – Recoverability of the underlying assets",* issued in December 2010 and applicable from 1 January 2012, concerning the evaluation of the deferred taxes deriving from an ongoing asset. This amendment to IAS 12 introduces the rebuttable presumption that the accountable value of an investment property, measured using the fair value model in IAS 40, will be recovered through its sale and that, consequently, the relevant deferred tax asset should be measured on a sale the basis. This presumption is rebuttable if the investment property in question is held with the objective of using over time substantially all of the benefits deriving from the investment property in question, rather than realising these benefits through its sale. In particular, IAS 12 requires that the deferred tax asset deriving from the sale of a non-amortizable asset evaluated using the readjustment model provided by IAS 16 should always reflect the fiscal effects of the recovery of the accounting value of the underlying asset through its sale. This amendment is not applicable to these financial statements.

[iii] The annual rate of actualisation used for the determination of the current value of this obligation was determined, in compliance with paragraph 78 of IAS 19, with reference to the average performance curve deriving from the IBOXX Eurozone Corporates A index with a duration of 7-10 years in December 2012, considering the level of indebtedness of the Group as more representative.

- *IFRS 7 - "Additional information* – Transfers of financial assets", issued in October 2010 and applicable to business years starting after 1 July 2011, is aimed at improving the understanding of the transactions involved in transferring financial assets. The informative note refers to the assets transferred (as defined in IAS 39). If the assets transferred are not completely derecognised from the financial statements, the company must provide the information to enable the users of the financial statements to understand the relationship between the assets that are not derecognised and their associated liabilities. If the assets are completely derecognised, but the company retains a continuing involvement, information must be provided to enable the users of the financial statements to assess the nature of the residual involvement of the entity in the assets derecognised and the associated risks. These cases are not applicable to this Annual Report.
- *IFRS 1 – "First-Time adoption of the International Financial Reporting Standards (IFRS)" - "Severe hyperinflation and removal of fixed dates for first-time adopter",* issued in December 2010 and applicable from 1 July 2011 or later. The IASB has provided guidelines on how an entity should resume presenting IFRS financial statements when its functional currency ceases to be subject to hyperinflation. This amendment is not applicable to the Group financial statements.

Accounting principles, amendments and interpretations applicable to the further financial statements

Lastly, some amendments were made that will enter into force in subsequent business years:

- IAS 1 – *"Financial Statement Presentation – Presentation of Items of Other Comprehensive Income",* aimed at changing the grouping of the other components in the statement of comprehensive income. The change only concerns the methods of presentation and does not impact on the financial position of the Group or its results and will enter into force in business years starting on 1 July 2012 or later.
- IFRS 10 *"Consolidated financial statements"* and IAS 27 *"Separate financial statements (revised in 2011)".* IFRS 10 replaces part of IAS 27 "Consolidated and separate financial statements" and also includes the problems raised in SIC 12 "Consolidation – Companies with specific destination". IFRS 10 establishes a single model of control applicable to all companies, including those with specific destination, and will require discretional assessments to determine which are the subsidiary companies and which must be consolidated by the parent company. This principle will be applicable for business years starting on 1 January 2013 or later. Following the introduction of this new principle, IAS 27 will be limited to the accounting of subsidiary, jointly controlled and affiliate companies in the separate financial statements and will enter into force for business years starting on 1 January 2013 or later.
- IAS 28 *"Investment in associated companies (revised in 2011)".* As consequence of the new IFRS 11 and IFRS 12, this principle has been renamed "Investments in Associates and Joint Ventures" and describes the application of the net equity method to investments in joint venture in addition to associated companies. The changes will enter into force for business years starting on 1 January 2013 or later. This principle is not applicable to the Group financial statements.
- IFRS 11 *"Joint Arrangements"* – this principle replaces IAS 31 "Interest in joint ventures" and SIC 13 "Jointtly-controlled Entities – non monetary contributions by venturers" IFRS 11 removes the option of accounting jointly controlled entities using proportionate consolidation but establishes the use of the net equity method. This principle is applicable to business years starting on 1 January 2013 or later. This principle is not applicable to the Group financial statements.
- IFRS 12 "*Disclosures of Involvement with Other Entities"* – this principle includes all the dispositions concerning disclosures previously included in IAS 27 concerning the consolidated financial statements as well as all of the disclosures that were included in IAS 31 and IAS 28 concerning the shareholdings of a company in subsidiary, jointly controlled or associated companies and in structured vehicles and also provides new information examples. This principle is applicable to business years starting on 1 January 2013 or later and will not have any impact on the financial position or results of the Group.
- IFRS 13 "*Fair Value Measurement*" – this principle establishes a single source of guidance in the context of the IFRS for all fair value measurements. This emanation does not change the cases in which it is required to use the fair value, but rather provides a guideline as to how to assess the fair value in the framework of the IFRS when the application of fair value is required or allowed. This principle is applicable to business years starting on 1 January 2013 or later.
- IFRS 1 *"Government Loans _ Amendments to IFRS 1".* This amendment requires that entities adopting the IFRS for the first time must apply prospectively the dispositions of IAS 20 "*Accounting for Government Grants and disclosure of Government Assistance*" to the existing government loans on the date of transition to the IFRS. This amendment is applicable to business years starting on 1 January 2013 or later and is not applicable to the Group financial statements.
- IAS 19 *"Employee benefits"* – the IASB has issued numerous changes to this principle, these changes will enter into force for business years starting on 1 January 2013 or later and concern the elimination of the corridor method and the concept of expected performance from the plan, in addition to

simple clarifications and terminology. The Group is assessing how to comply with these amendments, but believes that the effect on the business year profits and net equity as at 31 December 2012 is not significant.

- IAS 32 *"Offsetting Financial Assets and Financial Liabilities"*. These amendments clarify the meaning of "currently has a legally enforceable right to set-off", beyond the application of the IAS32 offsetting criteria in the case of regulatory systems (such as central clearing house systems for example) which apply gross non simultaneous settlement mechanisms. These amendments will enter into force for business years starting on 1 January 2014 or later and will not have any impact on the financial position or results of the Group.
- IFRS 7 *"Disclosures – Offsetting financial assets and financial liabilities"*. These amendments require the entity to disclose information about rights to set-off and relating arrangements. This disclosure will provide the readers of the financial statements with useful information in evaluating the effect of the netting arrangements on the financial position of the entity. This principle is applicable to business years starting on 1 January 2013 or later and it will not affect net financial position and results of the Group.

We would highlight some improvements to the IFRS issued in May 2012, which will be effective for business years starting on 1 January 2013 or later. We would point out that we do not believe they will have an impact on the Group financial statements.

- *IFRS 1 "First-time adoption of the International Financial Reporting Standards"* – this improvement clarifies that an entity that stopped applying IFRS in the past and then decides, or is required, to apply the IFRS again, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, the entity must retrospectively restate its financial statements, as if it had never stopped applying IFRS.
- *IAS 1* "Presentation of financial statements" – this improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is for the previous period.
- *IAS 16 "Property, plant and machinery"* – this improvement clarifies that major spare parts and machinery dedicated to maintenance, which meet the definition of property, plant and machinery, are not inventory.
- *IAS 32 "Financial Instruments: presentation"* – this improvement clarifies that income taxes arising from distribution to shareholders are accounted for in accordance with IAS 12 *"Income taxes"*.
- *IAS 34 "Interim financial reporting"* – this improvement aligns the disclosure requirements for total segmemt assets with total segment liabilities in the interim financial statements. The clarification is also aimed at ensuring that the interim disclosures is in line with the annual disclosures.

Capital management policy

As regards the management of capital, the Group's priority is to maintain an appropriate level of its equity in relation to debts accrued (Net debt/Equity or "gearing" ratio), so as to guarantee solidity in terms of equity and its adequacy to the management of cash flows.

Taking into account the fact that the financial requirements, because of the characteristics of the Company's core business, are calculated in terms of trade net working capital, the main indicator for cash flow management is summarily represented by the performance of the ratio between trade net working capital and revenues ("Trade NWC on total Revenues").
Still in relation to the seasonal nature characterising its business, the Company also monitors the performance of the single components of trade net working capital (trade receivables and payables and inventories) in terms of both absolute value and days of outstanding.
The management of capital is also measured in terms of the principal indicators of financial best practice, such as ROS, ROCE, ROE, Net debt / Equity and Net debt / EBITDA.

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.

The Group employs derivative financial instruments solely for the purpose of covering some non-functional currency exposures.

Market risk

(i) Currency risk: The Group operates at an international level and is consequently exposed to currency risk above all with regard to trade transactions denominated in US dollars. The currency risk arises when reported assets and liabilities are expressed in a currency other than the enterprise's functional currency. The manner of handling this risk in the Group is to enter into forward contracts to purchase/sell the foreign currency, specifically designed to hedge the individual trade transactions, if the forward rate is favourable compared to the rate at the date of the operation.

As at 31 December 2012, a 5% appreciation in the exchange rate in relation to the US dollar, all else being equal, would have given rise to a decrease in pre-tax profit of 66 thousand Euros (+24 thousand Euros in 2011), due to exchange rate gains (losses) on trade payables and receivables denominated in dollars (because of the change in the fair value of current assets and liabilities).
The other equity items would have shown a downward variation of 50 thousand Euros (60 thousand Euros in 2011) ascribable to variation in the amount of the cash flow hedge fund (due to the variation in the fair value of forward contracts on exchange rates).
On the other hand, at the same date, a 5% drop in the exchange rate in relation to the US dollar, all else being equal, would have been reflected by a pre-tax profit increase of 73 thousand Euros (69 thousand Euros in 2011).
The other equity items would have shown an upward variation of 37 thousand Euros (66 thousand Euros in 2011) ascribable to variation in the amount of the cash flow hedge fund (due to the variation in the fair value of forward contracts on exchange rates).

(ii) Interest rate risks: risks concerning changes to interest rates affect loans Almost of the long terms loans are floating and variable rate financing exposes the Group to the risk of cash flow variations due to interest rates. Fixed rate financing exposes the Group to the risk of changes to the fair value of the finances themselves.

In 2012 business year, a hypothetical upward or downward fluctuation of 10% in the interest rate, all else being equal, would have produced a pre-tax cost increase or decrease (with corresponding equity variation) of approximately 392 thousand Euros on a yearly basis (372 thousand Euros as at 31 December 2011).

As regards the use of the other short-term credit lines, management is focusing on safeguarding and consolidating relations with the credit institutes in order to stabilise the spread applied rather than Euribor as much as possible.

The Group did not make use of derivative financial instruments for the purpose of hedging interest rate risks in 2012.

(iii) Price risks: the Group makes purchases and sales worldwide and is therefore exposed to the normal risk of price oscillations typical of the sector.

Credit risk

The Group deals only with known and reliable customers. It is a matter of Group policy to subject customers who request deferred terms of payment to creditworthiness ascertainment procedures. In addition, credit balance monitoring is performed during the year to ensure that the amount of the overdue is not significant.

The credit quality of non-overdue financial assets that have not undergone impairments of value can be evaluated with reference to the internal credit management procedures.

The customer monitoring process consists essentially of a preliminary phase in which data and information is collected on new customers, and a post-activation phase featuring the granting of a credit line and supervision of the customer's credit position.
The preliminary phase consists of acquiring the essential administrative/fiscal data necessary to be able to carry out a complete and accurate assessment of the risks entailed by the new customer. Activation of the customer is dependent on the completeness of the aforementioned data and approval, possibly following more detailed investigations, by the Customers Office.
Every new customer is given a credit line: its granting depends on some additional items of information (years in business, terms of payment, reputation) that are indispensable so as to be able to assess the customer's solvency level. Once the overall picture has been put together, the documentation on the potential customer is submitted for approval to the various organizational levels.

Overdue management is differentiated on the basis of length of time overdue (overdue bands).

For overdue bands up to 60 days, reminder procedures are activated at branch level or directly by the Customers Office; for accounts that are over 15 days overdue or that have exceeded the amount of the credit line granted, an IT control blocks the supply to the non-performing customer. For credits in the "over 90 days" band, legal actions are taken when necessary.
Receivables comprised in the "not yet due" band, which total 199,389 thousand Euros as at 31 December 2012, represent about 53.23% of the receivable accounts reported in the financial statements.

This procedure defines the operating rules and mechanisms that are guaranteed to generate a cash flow by assuring the Company of the customer's solvency and the profitability of the commercial relationship.

At the reference date of the financial statements, the maximum exposure to credit risk for each of the following categories of receivables was as shown below:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Current trade receivables	374,553	361,991
Other non-current receivables	24,204	18,790
Other current receivables	37,335	35,727
Total	436,092	416,508

For the comments on the various categories, please refer to note 6 on "Other non-current receivables", note 9 on "Trade receivables" and note 12 on "Other current receivables".

The fair value of the above categories is not shown, as the book value constitutes a reasonable approximation of the former.

As at 31 December 2012, overdue trade receivables, net of bad debt provision, amounted to 175.164 thousand Euros (144,278 thousand Euros in 2011). The breakdown of these receivables by due date is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Overdue:		
Less than 30 days	63,330	49,980
betweeen 31 and 60 days	22,283	21,814
betweeen 61 and 90 days	23,504	19,980
Over 90 days	66,047	52,504
Total overdue trade receivables	175,164	144,278

The amounts shown above refer to overdue debts calculated on the basis of the nominal terms agreed[IV] with the customer at the time of first assessment. This table also includes the "overdue" exposure of the particularly important customers most closely loyal to the Group, with whom special terms of payment are agreed yearly. As at 31 December 2012, this particular category of customers accounted for 26,355 thousand Euros (13,532 thousand Euros at 31 December 2011), of which 12,040 thousand Euros were in the "Over 90 days" band (9,329 thousand Euros at 31 December 2011).

At 31 December 2012, the nominal amount of the disputed trade receivables (all classified in the category of expired "over 90 days"), which had undergone a write-down, amounted to 30,368 thousand Euros (27,909 thousand Euros in 2011). Those receivables were mainly related to clients in economic difficulties.
The quota of these receivables that is not recoverable is specifically covered by the bad debt reserve, which amounts to a total of 28,807 thousand Euros (25,647 thousand Euros in 2011).

[IV] As of 24 October 2012, paragraph 3 of art. 62 of Decree Law 1 dated 24/1/2012 established that the payment of perishable food products must be made within 30 days of the last day of the month in which the invoice is received and that of non perishable food products within 60 days of the last day of the month in which the invoice is received. The full application of the regulation can only be assessed when the expiries for the sale of food products prior to 24 October have been paid, for which a trend of extension of the deadline is observed.

Liquidity risk

The Group manages liquidity risk with a view to maintaining a liquidity level sufficient for its operational management. Its management of this risk is based mainly on constant central treasury monitoring of the collection and payment flows of all the member companies. This makes it possible, in particular, to monitor the resource flows generated and absorbed by its normal business activity.
Given the dynamic nature of the sector concerned, to meet the requirements of the business's routine management and seasonal trends preference is given to funding requirements by availing adequate lines of credit.

For the management of resources absorbed by investment activities, preference is generally given to funding through specific long-term loans.

The following table shows the breakdown of financial liabilities and derivative financial liabilities on the basis of contractual expiry dates at the reference date of the financial statements. It is noted that the amounts shown do not reflect the book values in as much as they consider the future expected cash flows. Given the highly volatile nature of the reference rates, which has led to a significant reduction in interest rates in recent years, the financial flows of floating loans have been estimated using a rate determined by the IRS over five years increased by the average spread applied to our medium-long term loans.

(€ thousand)

At 31 december 2012	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
Borrowings	182,504	21,010	30,786	3,651
Derivative financial instruments	8	0	0	0
Trade and other payables	270,373	0	0	0
	452,885	21,010	30,786	3,651
At 31 december 2011				
Borrowings	141,660	47,110	6,600	5,452
Derivative financial instruments	(51)	0	0	0
Trade and other payables	259,722	0	0	0
	401,331	47,110	6,600	5,452

As regards the changes to the long-term quota, see that already described in the Director's Report and on paragraph 14 "Non current financial debts" in the explanatory notes.

Classes of financial instruments

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

(€thousand)	31 December 2012		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Derivative financial instruments	0	0	0
Non Current financial receivables	3,504	0	3,504
Other non-current assets	24,204	0	24,204
Current financial receivables	15,631	0	15,631
Current trade receivables	374,553	0	374,553
Cash and cash equivalents	52,595	0	52,595
Other current receivables	37,335	0	37,335
Total	507,822	0	507,822
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	53,469	0	53,469
Current financial payables	179,973	0	179,973
Derivative financial instruments	0	8	8
Total	233,442	8	233,450

(€thousand)	31 December 2011		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Derivative financial instruments	0	51	51
Non Current financial receivables	4,453	0	4,453
Other non-current assets	18,790	0	18,790
Current financial receivables	3,469	0	3,469
Current trade receivables	361,991	0	361,991
Cash and cash equivalents	37,134	0	37,134
Other current receivables	35,727	0	35,727
Total	461,564	51	461,615
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	56,901	0	56,901
Current financial payables	139,741	0	139,741
Derivative financial instruments	0	0	0
Total	196,642	0	196,642

In compliance with that required by the modifications introduced to IFRS 7 with validity from 1 January 2009, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchanges, 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 market).[V]
As regards the other current and non current assets, see that stated in paragraphs 6 and 12 of these explanatory notes.

[V] 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.

Comments on the main items of the consolidated statement of financial position

ASSETS

Non-current assets

1. Tangible assets

(€thousand)	Balance at 31.12.11	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.10
Land and buildings	46,474	219	0	(1,615)	47,870
Plant and machinery	4,510	1,302	(14)	(1,504)	4,726
Industrial and business equipment	911	214	(20)	(228)	945
Other assets	2,361	2,320	(1,409)	(826)	2,276
Fixed assets under development and advances	8	8	0	0	0
Total tangible assets	54,264	4,063	(1,443)	(4,173)	55,817

(€thousand)	Balance at 31.12.12	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.11
Land and buildings	44,996	148	(4)	(1,622)	46,474
Plant and machinery	4,311	1,253	(4)	(1,448)	4,510
Industrial and business equipment	895	225	(2)	(239)	911
Other assets	2,129	1,270	(807)	(695)	2,361
Fixed assets under development and advances	242	319	(85)	0	8
Total tangible assets	52,573	3,215	(902)	(4,004)	54,264

The investments made in the item "Plant and machinery" mainly refers to investments made in the distribution centres of the parent company, especially in those locaded in Milano, Genova, Sanremo and Rimini.

The investments made in the item "Other assets" mainly refer to the purchase of motor vehicles for 980 thousand Euros and of electrical/electronic machineries for 207 thousand Euros. The decreases amounting to 807 thousand Euros for the business year refer mainly to the sale of motor vehicles.

Lastly, in the item "Fixed assets under development and advances", the increase linked to the payment of the confirmatory deposit for the purchase by the Parent Company of a portion of the building in Santarcangelo di Romagna, Via Del Carpino 2 and 4, should be noted; this purchase, with a total value of 1,740 thousand Euros, was finalised by deed of the Notary Di Mauro on 1 February 2013.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 47,614 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, Spezzano Albanese (CS) Coscile locality, Bottegone (PT), Francesco Toni 285/297 Street and Portoferraio (LI) via Degli Altifoni 29/31.

For details of the changes in tangible assets please refer to the information provided in Appendix 5.

The following table shows the effects of revaluations of land and buildings at the date of transition to the international accounting standards (1st January 2004).

1 January 2004	CONSOLIDATED STATUTORY FINANCIAL STATEMENTS	APPRAISAL	DIFFERENCE
(€thousands)			Totale
Land located at Via Emilia Vecchia 75-San Vito (RN) c/o CAAR	3,396	7,066	3,670
Property located at Via Cesare Pavese-Opera (MI); (under lease-back in 2004 - at which the property was transferred to the leasing company)	5,561	7,000	1,439
Property located at Macchiareddu-Uta (CA) Industrial Zone	4,564	5,401	837
Property located at Via del Carpino 4-Santarcangelo di Romagna (RN)	925	2,724	1,799
Property located at Via dell'Acero 2 e 4- Santarcangelo di Romagna (RN)	4,557	7,252	2,695
Property located in Loc. Antiche Saline -Portoferraio (LI)	601	2,430	1,829
Property located at Via Plerote 6-San Michele al Tagliamento (VE)	3,650	4,500	850
Total	23,254	36,374	13,120

As highlighted above, application of the fair value to the item Land and Buildings compared to the values in the MARR S.p.A. Financial Statements as at 1 January 2004 (gross of taxation) implies a difference of 13,120 thousand Euros.

Tangible Asset Leasing

The Group had no ongoing financial leasing operations as at 31 December 2012.
In this regard, it should be highlighted that the lease-back operation carried out in 2004 concerning the building in via Cesare Pavese Opera (MI) terminated during the course of 2012 and concluded with the purchase of the building by the Parent Company in October. It should be pointed out that the building, in compliance with that established in IAS 17, was already recorded among the Group assets, and the operation did not imply any changes in equity.

2. Goodwill

Below is the detail of the item "Goodwill":

(€thousand)	Balance at 31.12.12	Purchases / other movements	Balance at 31.12.11
Marr S.p.A. and Sfera S.p.A.(*)	84,720	0	84,720
AS.CA S.p.a.	8,634	0	8,634
New Catering s.r.l.	2,217	0	2,217
Baldini Adriatica Pesca s.r.l.	2,570	0	2,570
EMI.GEL S.r.l.	1,489	(28)	1,517
Total Goodwill	99,630	(28)	99,658

(*) Goodwill related to the subsidiary Sfera S.p.A. (amounting 14.9 million Euros) is indicated together with that of MARR S.p.A., because the company has leased the going concern that has generated the goodwill to the parent company. The situation is not affected by the leasing of the going concern of "Lelli" (effective from 3 September 2012) .

We point out, as indicated in the notes to the financial statements of the previous year, that the management considers MARR S.p.A. and the individual subsidiaries as the smallest aggregates on the basis of which Management has evaluated the return of the investment, including goodwill (Cash Generating Unit).

We would highlight that on the basis of the impairment test conducted according to the principles and hypotheses described analytically in the section "Principal estimates made by management and discretional assessments", the goodwill items listed above, with a total value of 99,630 thousand Euros, are completely recoverable.
As regards this evaluation, management believes that, also given the prudential viewpoint used in the definition of the key hypotheses used, is not be reasonable to expect to be changes in them such as to determine a recoverable value in unit terms less than their accounting value.

Business combinations realised during the

No further aggregations combinations occurred during the year.

Business combinations realised after closure of the financial statements

No further aggregations were realised after the date of closure of the financial statements.

3. Other intangible assets

Below there are the movements of the item in 2012 and in the previous year:

(€thousand)	Balance at 31.12.11	Purchases / other	Net decreases	Depreciation	Balance at 31.12.10
Patents	408	161	0	(373)	620
Concessions, licenses, trademarks and similar rights	9	1	0	(2)	10
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	5	0	0	(4)	9
Total Other Intangible Assets	458	162	0	(379)	675

(€thousand)	Balance at 31.12.12	Purchases / other	Net decreases	Depreciation	Balance at 31.12.11
Patents	375	216	0	(249)	408
Concessions, licenses, trademarks and similar rights	9	1	0	(1)	9
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	0	(1)	0	(4)	5
Total Other Intangible Assets	420	216	0	(254)	458

The increase in the item "Patents" is mainly due to the purchase of software.

4. Non-current financial receivables

As at 31 December 2012 this item amounted to 3,504 thousand Euros (4,453 thousand Euros as at December 31, 2011). The item includes the quota, beyond the business year, of interest-bearing financial receivables of the parent company toward the following companies: La Cascina Soc. Coop. a r.l. (1,300 thousand Euros), Adria Market (140 thousand Euros), and the quota, outside of the year, of receivables from transporters following the sale to the latter of the transport vehicles with which MARR goods are transported (for a total amount of 2,064 thousand Euros).

5. Deferred tax assets

As at 31 December 2012, this amount refers almost totally to the taxation effect (Ires and Irap) calculated on the taxed provisions allocated by the Company and to the amortizations deductible in future business years, as illustrated below:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
On taxed provisions	8,745	7,854
On costs deductible in cash	79	17
On costs deductible in subsequent years	685	526
On other changes	3	3
Pre-paid taxes	9,512	8,400

6. Other non-current assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Non-current trade receivables	5,958	6,335
Accrued income and prepaid expenses	20	61
Other non-current receivables	18,226	12,394
Total Other non-current assets	24,204	18,790

The "non-current trade receivables" show a decrease to the previous year mainly related to the effect of the re-definition of certain contractual expiries.

In addition to receivables from the State coffers for VAT on customer losses for 3,385 thousand Euros, the item "Other non-current receivables" includes receivables from suppliers for 14,790 thousand Euros (9,000 thousand Euros as at 31 December 2011).

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

Current assets

7. Inventories

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Finished goods and goods for resale		
Foodstuff	26,162	22,421
Meat	14,111	13,910
Seafood	53,626	54,210
Fruit and vegetables	25	21
Hotel equipment	1,215	1,444
	95,139	92,006
provision for write-down of inventories	(750)	(750)
Goods in transit	3,723	4,334
Packaging	624	573
Total Inventories	98,736	96,163

The inventories are not conditioned by obligations or other property rights restrictions.

As regards the increase in this item compared to 31 December 2011 (+2.6 million Euros), it should be noted that for 1.8 million Euros is due to the inventories of the subsidiary Sfera S.p.A., which is now operational, through the leasing of the going concern Lelli on 3 September 2012.

8. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Financial receivables from parent companies	13,277	1,725
Receivables from loans granted to third parties	2,354	1,744
Total Current financial receivables	15,631	3,469

The Receivables for loans granted to third parties, all of which are interest-bearing, refer to financial debts owed by truck drivers (amounting to 710 thousand Euros) consequent to the sale to the latter of the trucks used by them to transport MARR products, by service-supplying partners (60 thousand Euros), by other companies (1,550 thousand Euros) in order to strengthen the commercial relationships and to increase sales, and for loans granted to the agents (34 thousand Euros).

9. Current trade receivables

This item is composed of:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Trade receivables from customers	403,165	387,604
Trade receivables from parent companies	195	34
Total current receivables	403,360	387,638
Provision for write-down of receivables from customers	(28,807)	(25,647)
Total current net receivables	374,553	361,991

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Trade receivables from customers	399,993	383,690
Receivables from Associated Companies Consolidated by the Cremonini Group	3,146	3,877
Receivables from Associated Companies not Consolidated by the Cremonini Group	26	37
Total current trade receivables from customers	403,165	387,604

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 28,807 thousand Euros, as highlighted in the table below.

The "receivables from parent companies" (195 thousand Euros), "from associated companies consolidated by the Cremonini Group" (3,146 thousand Euros) and "from associated companies not consolidated by the Cremonini Group" (26 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 31 December 2012.

The provision for bad debt as at 31 December 2012 is broken down as follows:

(€thousand)	Balance at 31.12.12	increases	decreases	Balance at 31.12.11
- Tax-deductible provision	2,373	2,059	1,882	2,196
- Taxed provision	25,567	6,489	3,505	22,583
- Provision for interest for late payments	867	0	1	868
Total Provision for write-down of Receivables from customers	28,807	8,548	5,388	25,647

10. Tax assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Ires/Irap tax advances /withholdings on interest	9	12
VAT carried forward	492	254
Irpeg litigation	6,042	5,590
Ires transferred to the Controlling Company	2,518	0
Ires/Irap	299	0
Other	1,361	195
Total Tax assets	10,721	6,051

As regard the item "Irpeg litigation", refer to that contained in the paragraph 16 "Provisions for non-current risks and charges".

As regards the Receivables for Ires transferred to the Controlling Company and Receivables for Irap balance, it should be highlighted that as at 31 December 2011, these items showed a balance payable of 2,410 thousand Euros for Ires within the sphere of fiscal consolidation and 518 thousand Euros for Ires not transferred to the Controlling Company and Irap respectively.
The receivables from the parent company for Ires benefits transferred includes receivables of 1,550 thousand Euros for Ires reimbursements allocated with reference to 2007 and 2011 and calculated with regard to the Irap paid by the companies in the Group for the cost of employment and collaborators not deducted for the same purposes. For more details in this regard, see the commentary in paragraph 31 "Taxes".

11. Cash and cash equivalents

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Cash and Cheques	9,374	6,354
Bank and postal accounts	43,221	30,780
Total Cash and cash equivalents	52,595	37,134

The balance represents the liquid assets available and the existence of ready cash and values on closure of the period.
In regard to the changes of the net financial position, refer to the cash flows statement of 2012.

12. Other current assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Accrued income and prepaid expenses	1,042	687
Other receivables	36,293	35,040
Total Other current assets	37,335	35,727

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Other accrued income (from loans)	0	145
Prepaid expenses		
Leases on buildings and other assets	218	137
Maintenance fees	43	43
Commercial and advertising costs	48	72
Other prepaid expenses	699	237
Other prepaid expenses from Parent Companies	34	53
	1,042	542
Totale Current accrued income and prepaid expenses	1,042	687

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Guarantee deposits	134	134
Other sundry receivables	1,801	921
Provision for write-down of receivables from others	(2,290)	(2,290)
Receivables from social security institutions	177	201
Receivables from agents	2,363	2,827
Receivables from employees	46	30
Receivables from insurance companies	446	1,565
Advances to suppliers and supplier credit balances	33,549	31,435
Advances to suppliers and supplier credit balances from Associates	67	217
Total Other current receivables	36,293	35,040

The item Advances to suppliers and supplier credit balances includes payments made to foreign suppliers (non-EU) for the purchase of goods with "f.o.b. clause" or advance payment on next fishing campaigns. Receivables from foreign suppliers in foreign currencies have been adjusted to the exchange rate valid on 31 December 2012.
The "Provision for write-down of receivables from others" mainly refers to receivables relating to suppliers and agents.

The decrease in *Receivables from insurance companies* is mainly due to the receipt of the insurance reimbursement for the maritime accident which occurred in 2011.

Breakdown of receivables by geographical area

The breakdown of receivables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial receivables	3,504	0	0	3,504
Deferred tax assets	9,512	0	0	9,512
Other non-current assets	9,414	300	14,490	24,204
Financial receivables	15,631	0	0	15,631
Financial instruments / derivative	0	0	0	0
Trade receivables	356,466	13,906	4,181	374,553
Tax assets	9,690	1,031	0	10,721
Cash and cash equivalents	52,026	569	0	52,595
Other current assets	22,418	3,497	11,420	37,335
Total receivables by geographical area	478,661	19,303	30,091	528,055

LIABILITIES

13. 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 31 December 2012, amounting to 33,263 thousand 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. The indicated value of 32,910 thousand Euros, unchanged with respect to the amount as of 31 December 2011, is net of the nominal value (equal to 353 thousand Euros) of n. 705.647 own shares held by the parent company as of December 31, 2012.

Share premium reserve
The total reserve as at 31 December 2012 amounted to 60,192 thousand Euros and does not appear to have changed since 31 December 2011. It is pointed out that part of this reserve, amounting to 3,477 thousand Euros, is to be considered as unavailable ex art. 2357-ter of the Civil Code to cover the purchase of its treasury shares of which in the following paragraphs.

Treasury shares
This item amounted to 3,477 thousand Euros and is equal to the difference between the cost of its treasury shares and their nominal value, highlighted in the table of movements in net equity under the items "exceeding of nominal value of treasury shares" and "reserve for profits/losses on treasury shares". This item is unchanged with respect to the amount as of 31 December 2011 as no further purchases or sales of treasury shares occurred during the year.

Legal reserve
This Reserve amounts to 6,652 thousand Euros, unchanged compared to 31 December 2011.

Shareholders' contributions on account of capital
This Reserve did not change in 2012 and amounts to 36,496 thousand Euros.

Reserve for transition to IAS/IFRS
This is the reserve (amounting to 7,296 thousand Euros) set up following the first time adoption of the international accounting standards.

Extraordinary Reserve
The increase as at 31 December 2012, amounting to 5,470 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2011, as per shareholder meeting's decision made on 28 April 2012.

Cash Flow Hedge Reserve
This reserve is related to the stipulation of hedging contracts on exchange rates and on the performance of the US Dollar against the Euro.
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 33 "Other profits/losses" in these explanatory notes.

Reserve for 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.

As regards to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amount to 1,498 thousand Euros as at 31 December 2012, the relevant deferred tax liabilities have been accounted for.

On 28 April 2012 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2011 and consequently decided upon allocation of the business year profits, and the approval of a gross dividend of 0.64 Euros (of which 0.10 Euros as a one-off payment for the 40th anniversary of MARR) for each ordinary share with the right to vote, excluding own shares at the ex-coupon date.

Non-current liabilities

14. Non-current financial payables

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to banks - non-current portion	53,469	56,901
Payables to other financial institutions - non-current portion	0	0
Total non-current financial payables	53,469	56,901

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to banks (1-5 years)	49,947	51,711
Payables to banks (over 5 years)	3,522	5,190
Total payables to banks - non-current portion	53,469	56,901

As highlighted in the Directors' Report, the variation in non-current Payables to banks is attributable to the combined effect of the classification among current payables of the loan instalments expiring in 2013 and the sign-off of the following new loans:

- in the month of April the Cooperatieve Centrale Raiffeisen – Boerenleenbank B.A. (Rabobank Group) granted to MARR S.p.A. a new loan amounting to 25 million Euros with due date in March 2015;
- In the month of August the Company signed off a new loan with Banca Nazionale del lavoro for 22.5 million Euros with due date in January 2014; in this regard, it should be noted that the previous loan had been entirely reimbursed in June at the maturity, for a total of 25 million Euros.

Below is the breakdown of the medium and long-term portion of the payables to banks, including the interest rates applied:

Credit institutes	Interest rate	Expiry	Portion from 2 to 5 years	Portion beyond 5 years	Balance at 31.12.12
Pop.Crotone-nr. 64058	Euribor 6m+1%	14/01/2015	495	0	495
Pop.Crotone-nr. 64057	Euribor 6m+1%	14/01/2015	410	0	410
Carim - n. 410086	Euribor 6m+1,05%	30/06/2014	174	0	174
Carisp Pistoia	Euribor 6m+0,48%	31/01/2020	2,035	1,307	3,342
Centrobanca	Euribor 3m+1,4%	31/12/2019	4,432	2,215	6,647
Financing in pool - Ra.bo Bank	Euribor 6m+1,6%	30/03/2015	24,909	0	24,909
Financing BNL	Euribor 3m+2,5%	29/01/2014	17,492	0	17,492
			49,947	3,522	53,469

Below is the breakdown of the security on mortgages concerning the Group's real estate:

Credit institutes	Guarantee	Amount	Property
Pop.Crotone-nr. 64058	mortgage	7,172	Locality Coscile-Spezzano Albanese (CS)
Pop.Crotone-nr. 64057	mortgage	5,942	Locality Coscile-Spezzano Albanese (CS)
Carim - n. 410086	mortgage	4,500	Via Plerote-S.Michele al T. (VE)
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)
Total		47,614	

Lastly, it must be pointed out that:

- the ongoing financing with Centrobanca (signed in January 2010) provides the following covenants to be verified on a yearly basis with reference to the consolidated MARR Group data at year-end.

  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3.60

  Non-respect of the limits of the financial covenants will constitute a cause for the termination of the contractual rights.

- the ongoing financing in pool with Banca IMI (signed in August 2010) provides the following financial covenants, to be verified on a yearly basis with reference to the consolidated MARR Group data at year-end:

  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3.0

  Non-respect of the financial covenants will imply that the company withdraws from the benefits of the term.

- the ongoing financing with Cooperatieve Centrale Raiffeisen – Boerenleenbank B.A. Centrobanca (signed in April 2012) provides the following finanzial ratios:

  NET DEBT / EBITDA < 3
  NET DEBT / EQUITY < 1.5

  Those ratios will be verified with reference to 31 December and 30 June each year, on the basis of the Group consolidated figures in the twelve months prior to the verification date.
  Failure to respect these indices may imply the termination of the contract.

- The loan contract with the Banca Nazionale del Lavoro (signed in August 2012) provides as commercial covenant that annual commercial transactions be carried out for a total amount of at least 100 million Euros.
  The failure to respect this commitment would determine the adjustment of the nominal annual debtor rate.

  As regards the financial covenants, it should be pointed out that these have been widely respected, while as regards the trade covenant required for the loan from the Banca Nazionale del Lavoro, this will be verified on expiry of the loan, on 29 June 2014. As of the current date, however, it is believed that the required limit will be able to be fully respected.

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

(€thousand)	Book Value		Fair Value	
	2012	2011	2012	2011
Payables to banks - non-current portion	53,469	56,901	52,127	55,882
Payables to other financial institutions - non-current portion	0	0	0	0
	53,469	56,901	52,127	55,882

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.

15. Employee benefits

This item includes the Staff Severance plan, for which changes during the period are reported:

(€thousand)	
Opening balance at 31.12.11	9,539
use for the period	(425)
provision for the period	781
other changes	324
Closing balance at 31.12.12	10,219

The employment contract applied is that of companies operating in the "Tertiary, Distribution and Services" sector.
It should be noted that the item "other changes" includes the employee severance fund as at 3 September 2012 concerning the personnel who joined the subsidiary Sfera S.p.A. by effect of the lease of the going concern "Lelli" .

16. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.12	Others	Provisions	Uses	Balance at 31.12.11
Provision for supplementary clients severance indemnity	2,415	(19)	403	(79)	2,110
Provision for specific risks	1,434	0	0	0	1,434
Total Provisions for non-current risks and charges	3,849	(19)	403	(79)	3,544

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.

In relation to the fiscal dispute currently ongoing deriving from the verification carried out by the "Guardia di Finanza", IV Group Section in San Lazzaro di Savena (BO), because of presumed breaches in terms of direct tax (1993-1999 fiscal years) and VAT (1998 and 1999 fiscal years) finalised in the month of July of the year 2000, it should be pointed out that on 28 February 2004, the recourses for direct tax (1993-1999 fiscal years) and VAT (1998 and 1999 fiscal years) were discussed in a public hearing. The amount involved in the dispute concerning taxes and the relevant sanctions, for the main inspection known as "C.R.C." (the other inspections concerning insignificant amounts or others that were abandoned) amounts to approximately 4.7 million Euros plus interest.
In its sentence no. 73/2/04, the Rimini Provincial Tributary Commission, Section II, accepted the recourse presented for IRAP referring to the main inspection, while it partly rejected, with reference to the other inspections, the recourses presented, confirming the conclusions of the Inland Revenue.
On 20 December 2004, MARR S.p.A. impugned the aforementioned sentence, presenting an appeal to the Rimini Section of the Bologna Regional Tributary Commission.

The matter was discussed before Section 24 of the Emilia Romagna Regional Tributary Commission on 16 January 2006. As regards the reasons put forward by the company in the documentation for the second stage of the proceedings, the Bologna Tributary Commission disposed in Order 13/24/06 on 3 April 2006, that a technical consultancy be carried out, assigning the duty to a board of three professionals to provide an opinion, among other things, on the disputed matter, and asked them to ascertain, on the basis of contractual agreements and economic and financial relations effectively ongoing between the parties involved in the complex operation, whether the cost sustained by MARR S.p.A. and being disputed concerns the business of the company or not.

On 18 November 2006, the board of consultants deposited its report, concluding that: "in summary, it can be stated that these capital losses are relevant in as much as they are objectively referable to the business of the company".

On 15 January 2007, the dispute was again discussed in a public hearing during which the findings in the report of the board of consultants were again presented.

In sentence 23/10/07, the Bologna Tributary Commission reviewed its first phase sentence in favour of MARR S.p.A. as regards the four findings subject of the dispute but, without providing any motivation, it completely rejected the conclusions drawn by the technical consultants it itself appointed with reference to the principal inspection known as "CRC", thus confirming that established by the judges in the first phase of the proceedings.

By reason of this, a recourse was presented on 22 April 2008 before the Supreme Court of Cassation. The State Bar met to discuss the matter on 3 June 2008.

Although the outcome of the appeal was negative, although it must be pointed out that there were two technical consultancies in perfect agreement with each other during this phase, comprising four undoubtedly authoritative professionals, three of them appointed by the Tributary Commission itself, the opinions expressed being undoubtedly fully in favour of MARR Spa, and considering the opinion expressed by the defence lawyers representing the Company before the Court of Cassation, it is reasonable to expect that the dispute will be resolved favourably.

During the course of 2007, several disputes arose with the Customs Authorities concerning the payment of preferential customs duties on certain imports of fish products. With reference to the most significant of these disputes, involving import duties amounting to approximately 250 thousand Euros concerning the purchase of certain goods from Mauritania, it must be pointed out that the judges in the first phase of proceedings rejected the recourses presented by the Company in May 2008, but in any case accepted the fact that the company was entirely extraneous to the claimed irregularities, as they were attributable exclusively to its suppliers, from whom, as already formally notified to them, all expenses and costs inherent and/or consequent to the aforementioned dispute will be reclaimed.

The appeal made by the Company against the first grade sentence has not been accepted by the Regional Tax Commission of Florence.

The Company will impugn this latest sentence, submitting recourse before the Court of Cassation within the terms of the law.

The dispute which arose with the Inland Revenue Service (major taxpayers office of the Bologna DRE) following a fiscal inspection of a general nature conducted during the course of 2010, concerning the 2007 fiscal year and partially extended to 2005 and 2006, was settled between the parties by means of judicial settlement.

As at 31 December 2012, MARR S.p.A. had paid 6,042 thousand Euros as payment of taxes while awaiting judgment; this amount was classified under tax receivables.

17. Deferred tax liabilities

As of 31 December 2012 the breakdown of this item, amounting to 11,253 thousand Euros (10,994 thousand Euros on 31 December 2011), is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
On goodwill amortisation reversal	5,084	4,541
On funds subject to suspended taxation	470	472
On leasing recalculation as per IAS 17	512	537
On actuarial calc. of severance provision fund	100	183
On fair value revaluation of land and buildings	4,043	4,068
On allocation of acquired companies' goodwill	838	865
Others	206	328
Deferred tax liabilities fund	11,253	10,994

18. Other non-current payables

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Other liabilities	21	0
Other non-current accrued expenses and deferred income	316	241
Total other non-current payables	337	241

This item is represented principally by the quota beyond the year's end of prepaid expenses on customers interest. There is no accrued expenses and deferred income over 5 years.

Current liabilities

19. Current financial payables

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to banks	179,971	138,588
Payables to other financial institutions	2	1,153
Total Current financial payables	179,973	139,741

Current payables to banks:

(€thousand)		Balance at 31.12.12		Balance at 31.12.11
Current accounts		27,473		6,244
Loans/Advances		101,826		83,325
Loans:				
- Pop.Crotone-nr. 64058	322		312	
- Pop.Crotone-nr. 64057	267		258	
- Carim - n. 410086	340		329	
- Cassa di Risp.di Pescia e Pistoia	493		465	
- Centrobanca	1,104		1,103	
- Financing in pool - IMI Bank	43,307		21,570	
- Banca Nazionale del Lavoro	4,839		24,982	
		50,672		49,019
		179,971		138,588

For more details, see that outlined in the Directors' Report on management performance and on paragraph 14 "Non current financial payables".

We point out that the entry for "Loans/Advances" consists mainly 74,410 thousand Euros for advances on invoices and 27,416 thousand Euros for other short-term loans.

The decrease of payables to other financial institutions as at 31 December 2012 is due to the closure of all the ongoing leasing contracts; in particular, it should be highlighted that the leasing stipulated by the Parent Company with Unicredit Leasing S.p.A. (the payables for which amounted to 1,023 thousand Euros as at 31 December 2011) was concluded in October 2012 with the purchase by the company of the relevant building.

20. Financial instruments / derivatives

The amount as at 31 December 2012 refers to forward contracts signed by the Parent Company MARR S.p.A. and the subsidiary AS.CA. S.p.A. and in existence at that time, specifically intended to hedge exchange-rate risks on purchases and sales in currencies other than the functional currency. These hedges have been entered as hedges on financial flows.

21. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Irap/Ires	0	518
Ires trasferred to parent company	0	2,410
Other taxes payables	166	116
Irpef for employees	1,133	1,033
Irpef for external assistants	181	242
Total current tributary payables	1,480	4,319

This item relates to taxes payable of a determined and certain amount.

As regards MARR S.p.A., the 2008 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 decrease in this item is attributable to the closure of the Ires and Irap balances; see paragraph 10 "Tax receivables".

22. Current trade liabilities

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to suppliers	262,120	250,618
Payables to associated companies consolidated by the Cremonini Group	7,788	7,903
Payables to other associated companies	264	253
Trade payables to Parent Company	201	948
Total current trade liabilities	270,373	259,722

The liabilities refer mainly to settlements deriving from commercial operations and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 7,788 thousand Euros and "Payables to Parent Companies" for 201 thousand Euros the details and analysis of which are reported in Directors' Report and "Payables to other Correlated Companies" for 264 thousand Euros

23. Other current liabilities

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Current accrued income and prepaid expenses	1,752	1,760
Other payables	16,940	16,270
Total other current liabilities	18,692	18,030

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Other accrued expenses	39	55
Amounts due for remuneration of employees/directors	1,131	1,066
Other deferred income	7	17
Deferred income for interest from clients	575	622
Total current accrued expenses and deferred income	1,752	1,760

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Inps/Inail and other social security institutes	1,768	1,806
Enasarco/ FIRR	592	504
Payables to personnel for emoluments	4,784	4,907
Advances from customers, customers credit balances	8,276	7,135
Payables to insurance companies	116	172
Other sundry payables	1,404	1,746
Total other payables	16,940	16,270

The item "*Payables to personnel for emoluments*" includes current salaries not yet paid as at 31 December 2012 and allocations for leave accrued but not taken, with relevant charges.

The item *Advances from customers, customers credit balances* includes the credit notes to be issued to customers for end of year premiums and contributions.

Breakdown of payables by geographical area

The breakdown of payables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial payables	53,469	0	0	53,469
Employee benefits	10,219	0	0	10,219
Provisions for risks and charges	3,849	0	0	3,849
Deferred tax liabilities	11,253	0	0	11,253
Other non-current liabilities	337	0	0	337
Current financial payables	179,973	0	0	179,973
Financial instruments / derivative	8	0	0	8
Current tax liabilities	1,444	0	36	1,480
Current trade liabilities	232,188	32,987	5,198	270,373
Other current liabilities	18,621	33	38	18,692
Total payables by geographic area	511,361	33,020	5,272	549,653

Guarantees, securities and commitments

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

Guarantees (totalling 34,935 thousand Euros)

These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 29,399 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 in favour of public bodies totalling 1,623 thousand Euros, regarding Alisea Soc. Cons. A r.l. for 1,617 thousand Euros and Baldini Adriatica Pesca S.r.l. for 5 thousand Euros;
- 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 3,914 thousand Euros as at 31 December 2012 and refers to credit lines granted to subsidiaries. On closure of the period, the following guarantees had been granted in favour of the following subsidiary companies:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Guarantees		
Sfera S.p.a	1,100	0
Marr Foodservice Iberica S.a.u.	0	800
Alisea Soc. Cons. a r.l.	1,606	1,606
Baldini Adriatica Pesca S.r.l.	1,208	38
Total Guarantees	3,914	2,444

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

Other risks and commitments
This item, amounting to 8,912 thousand Euros, refers to credit letters issued by certain credit institutes to guarantee obligations undertaken with our foreign suppliers.

Comments on the main items of the consolidated income statement

24. Revenues

Revenues are composed of:

(€thousand)	31.12.2012	31.12.2011
Revenues from sales - Goods	1,210,965	1,200,643
Revenues from Services	14,712	14,383
Other revenues from sales	554	626
Manufacturing on behalf of third parties	25	34
Rent income (typical management)	28	38
Other services	2,492	3,914
Total revenues	1,228,776	1,219,638

Revenues from services provided mainly include charges to customers for processing, transport and handling and logistic and distribution activities.

See that described in the Directors' Report with regard to comments on the performance of revenues.
We would point out that the net revenues from the sale of goods by the company Sfera S.p.A., operational since 3 September 2012 due to the lease from said date of the going concern "Lelli", amounted to 4.6 million Euros.

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

(€thousand)	31.12.2012	31.12.2011
Italy	1,135,107	1,134,938
European Union	60,505	59,973
Extra-EU countries	33,164	24,727
Total	1,228,776	1,219,638

25. Other revenues

The Other revenues are broken down as follows:

(€thousand)	31.12.2012	31.12.2011
Contributions from suppliers and others	27,180	26,591
Other Sundry earnings and proceeds	1,847	1,391
Reimbursement for damages suffered	1,063	925
Reimbursement of expenses incurred	905	393
Recovery of legal taxes	68	38
Capital gains on disposal of assets	129	200
Total other revenues	31,192	29,538

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers and shows a performance proportional to the increase in the purchase cost of goods as a re-confirmation of the ability of the company in managing relations with its suppliers.

26. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	31.12.2012	31.12.2011
Purchase of goods	976,484	955,308
Purchase of packages and packing material	3,893	4,123
Purchase of stationery and printed paper	670	713
Purchase of promotional and sales materials and catalogues	177	191
Purchase of various materials	610	671
Discounts and rebates from suppliers	(733)	(584)
Fuel for industrial motor vehicles and cars	474	449
Total purchase of goods for resale and consumables	981,575	960,871

27. Personnel costs

This item 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.

(€thousand)	31.12.2012	31.12.2011
Salaries and wages	26,464	26,467
Social security contributions	8,222	8,200
Staff Severance Provision	2,323	2,193
Other Costs	14	14
Total personnel costs	37,023	36,874

Breakdown of employees by category is as follows:

	Workers	Employees	Managers	Total
Employees at 31.12.11	520	463	6	989
Net increases and decreases	*(10)*	*5*	*2*	*(3)*
Employees at 31.12.12	510	468	8	986
Average employees at 31.12.12	537.1	467.6	7.3	1,012.0

The personnel costs, amounting to 37,023 thousand Euros, show an increase compared to the last business year, by effect of the above-mentioned inclusion, from 3 September 2012, of the employees of Sfera S.p.A. following the lease of the going concern "Lelli".
As highlighted in the Directors' Report, the percentage incidence on the revenues from sales of the personnel costs remains in line with that of last year, thanks to a careful policy of resource management, aimed at favouring the use of leave and permits and limiting recourse to overtime and seasonal employment.

It should be highlighted in this regard that, despite the above effects, the average number of employees in 2012 reached 1,012.0 compared to the average of 1,015.3 employees in 2011.

28. Amortizations, depreciations and write-downs

(€thousand)	31.12.2012	31.12.2011
Depreciation of tangible assets	3,998	4,167
Amortization of intangible assets	254	379
Provisions and write-downs	8,951	7,937
Total amortization and depreciation	13,203	12,483

(€thousand)	31.12.2012	31.12.2011
Allocation of taxable provisions for bad debts	6,489	5,640
Allocation of non-taxable provisions for bad debts	2,059	1,917
Provision for risk and loss fund	0	100
Provision for supplementary clientele severance indemnity	403	280
Total provisions and write-downs	8,951	7,937

For more details on provisions, reference is made to the relevant movements highlighted in notes 9 "Current trade receivables", 15 "Employee benefits" and 16 "Provisions for non-current risks and charges" in addition to that commented in the paragraph "Credit risk".

29. Other operating costs

(€thousand)	31.12.2012	31.12.2011
Operating costs for services	143,315	146,598
Operating costs for leases and rentals	7,970	7,420
Operating costs for other operating charges	2,517	2,210
Total other operating costs	153,802	156,228

(€thousand)	31.12.2012	31.12.2011
Sale expenses, distribution and logistic costs for our products	118,378	121,994
Energy consumption and utilities	8,029	6,870
Third-party production	3,026	3,201
Maintenance costs	3,756	3,948
Porterage and movement of goods	2,371	2,237
Advertising, promotion, exhibitions, sales (sundry items)	678	380
Directors' and statutory auditors' fees	1,228	1,440
Insurance costs	775	854
Reimbursement of expenses, travel costs and sundry personnel costs	216	224
General and other services	4,858	5,450
Total operating costs for services	143,315	146,598

(€thousand)	31.12.2012	31.12.2011
Lease of industrial buildings	6,883	6,613
Lease of processors and other personal property	415	465
Lease of industrial vehicles	278	109
Lease of going concern	177	0
Lease of cars	53	71
Lease of plants, machinery and equipment	35	39
Rent fees and other charges paid on other personal property	129	123
Total operating costs for leases and rentals	7,970	7,420

The fees for the lease of industrial buildings include 668 thousand Euros, paid to the correlated company Le Cupole S.r.l. in Castelvetro (MO) for the rental of the buildings in which the MARR Uno branch carries out its activities (Via Spagna 20 – Rimini) and 1,105 thousand Euros to the associate company Consorzio Centro Commerciale Ingrosso Carni S.r.l. in Bologna for the rental of the building in which the Carnemilia Division carries out its activities (Via Francesco Fantoni, 31 – Bologna).

As regards the increase in this item, it should also be highlighted that as of 3 September, there are approximately 219 thousand Euros of fees for the leasing of industrial buildings concerning the activities involved in the lease of the going concern Lelli Lino e Figli S.r.l. ("Lelli").
Also with reference to the lease of the going concern Lelli, going concern lease instalments amounting to 177 thousand Euros are recorded.

As regards the fees for the lease of industrial buildings, see that described in the paragraph "Organisation and logistics" in the Directors' Report on Management performance, also noting that the relevant ongoing contracts are subject to Law 392/78 Section II (Leasing contracts for use other than living).

(€thousand)	31.12.2012	31.12.2011
Other indirect taxes, duties and similar charges	1,432	1,250
Expenses for recovery of debts	355	270
Other sundry charges	445	462
Capital losses on disposal of assets	5	43
IMU	218	131
Contributions and membership fees	62	54
Total operating costs for other operating charges	2,517	2,210

The item "other indirect taxes, duties and similar charges" mainly includes: tax and register duties, local duties and taxes and car and vehicle ownership tax.

30. Financial income and charges

(€thousand)	31.12.2012	31.12.2011
Financial charges	7,809	7,026
Financial income	(2,288)	(2,833)
Foreign exchange (gains)/losses	108	(125)
Total financial (income) and charges	5,629	4,068

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

(€thousand)	31.12.2012	31.12.2011
Interest paid on other loans, bills discount, hot money, imports	2,286	2,533
Interest payable on loans	315	468
Interest payable on discounted bills, advances, exports	3,550	2,745
Other financial interest and charges	1,658	1,272
Interest and Other financial charges for Consolidated Parent Companies	0	8
Total financial charges	7,809	7,026

The increase in financial costs compared to the previous business year is mainly due to the increase in interest rates.

(€thousand)	31.12.2012	31.12.2011
Other sundry financial income (interest from customers, etc.)	(1,981)	(2,790)
Interests and financial income from Parent Companies	(259)	0
Positive interest from bank accounts	(48)	(43)
Total Financial Income	(2,288)	(2,833)

31. Taxes

(€thousand)	31.12.2012	31.12.2011
Ires-Ires charge transferred to Parent Company	20,248	21,346
Irap	4,547	4,872
Net provision for deferred tax liabilities	(838)	(596)
Reimbursement for taxes of previous years	(1,550)	0
Total taxes	22,407	25,622

With reference to the item "Reimbursement for taxes of previous business years", it should be highlighted that, by measure of the Director of the Inland Revenue Service emanated on 17 December 2012, the model for claiming reimbursement of Ires and Irpef and relevant additional, paid as a consequence of the failure to deduct IRAP for the costs sustained for employees and assimilated personnel was approved. As also highlighted in Assonime Circular no. 1/2013, the right to reimbursement originates from the regulation contained in art. 2 of Law Decree 201/2011, which admitted the analytical deductibility from income tax and autonomous employment tax of the IRAP for the cost of employment.
Following this measure and in compliance with the indications contained therein, the Companies in the Group submitted a reimbursement claim in February 2013 for the years from 2007 to 2011, for a total amount of 1,550 thousand Euros.

Reconciliation between theoretical and effective fiscal charges

(€thousand)	Year 2012 Taxable amount	Year 2012 Tax	Year 2011 Taxable amount	Year 2011 Tax
I.R.E.S.				
Profit before taxation	76,095		77,521	
Taxation rate	27.50%		27.50%	
theoretical tax burden		20,926		21,318
Permanent differences				
Non-deductible depreciation	552		419	
Write-down of financial assets	4		5	
Other	981		567	
	1,537		991	
Deductible depreciation	(1,769)		(1,779)	
Dividends from Italian companies (95%)	(3,753)		(2,792)	
Personel cost not deducted to Irap	(1,082)		0	
Other	(734)		(628)	
	(7,338)		(5,199)	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	6,897		6,076	
Maintenance costs excess 5%	111		117	
Other	198		310	
Deductible entertainment expenses	0		0	
	7,206		6,503	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	0		0	
	0		0	
Use of taxed provision for bad debts	(3,505)		(1,741)	
Use of others taxed provisions	(79)		0	
Amount deductible entertainment expenses	0		(7)	
Amount of Write-down of financial assets	0		0	
Amount of maintenance cost excess 5%	(111)		(110)	
Other	(198)		(73)	
	(3,893)		(1,931)	
Taxable income	73,607		77,885	
Taxation rate	27.50%		27.50%	
Actual tax burden		20,242		21,418
Balance of IRES for past business years and roundings		6		(72)
Recovery for Ires relating years 2007-2011		(1,550)		0
Actual Tax burden of Period		18,698		21,346
I.R.A.P.				
Profit before taxation	76,095		77,521	
Cost not relevant for I.R.A.P.	0		0	
Income and burdens from shareholdings	0		0	
Financial income and expense	5,656		4,116	
Personnel costs	36,992		36,888	
Theorical taxable	118,743		118,525	
Taxation rate	3.86%		3.90%	
theoretical tax burden		4,586		4,619
Other	(5,186)		2,765	
Taxable income	113,557		121,290	
Taxation rate	4.00%		4.00%	
Actual tax burden		4,538		4,849
Balance of IRAP for past business years		9		23
Actual Tax burden of Period		4,547		4,872

32. Earnings per share

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

(in Euro)	2012	2011
EPS base	0.73	0.75
EPS diluted	0.73	0.75

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

Earnings:

(€thousand)	31.12.2012	31.12.2011
Profit for the period	48,902	49,608
Minority interests	(603)	(565)
Profit used to determine basic and diluted earnings per share	48,299	49,043

Number of shares:

(number of shares)	31.12.2012	31.12.2011
Weighted average number of ordinary shares used to determine basic earning per share	65,819,473	65,819,473
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,819,473	65,819,473

It should be pointed out that for the calculation of profits per share, as at December 31, 2012 the weighted average of ordinary shares in circulation has been used, taking into consideration the purchases of own shares made until this date.

33. Other profits/losses

The value of the other profits/losses contained in the consolidated comprehensive income statement consists of the effects produced and reflected in the period with reference to the effective part of the term exchange purchase transactions carried out by the Group to hedge the underlying goods purchasing operations, net of a positive taxation effect that amounts to approximately 12 thousand Euros as at 31 December 2012.
These profits/losses have been entered, in keeping with what is foreseen by the IFRS, in the net equity and highlighted (as foreseen by IAS 1 revised, applicable as from 1st January 2009) in the consolidated comprehensive income statement.

Net financial position

As regards the details of the components of the net financial position and indication of the payables and receivables to and from correlated parties, refer to that outlined in the Directors' report on management performance.

MARR Consolidated (€thousand)		31.12.12	31.12.11
A.	Cash	9,354	6,313
	Cheques	20	41
	Bank accounts	43,035	30,615
	Postal accounts	186	165
B.	Cash equivalent	43,241	30,821
C.	Liquidity (A) + (B)	52,595	37,134
	Current financial receivable due to Parent Company	13,277	1,725
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	2,354	1,795
D.	Current financial receivable	15,631	3,520
E.	Current Bank debt	(129,299)	(89,569)
F.	Current portion of non current debt	(50,672)	(49,019)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(10)	(1,153)
G.	Other current financial debt	(10)	(1,153)
H.	Current financial debt (E) + (F) + (G)	(179,981)	(139,741)
I.	Net current financial indebtedness (H) + (D) + (C)	(111,755)	(99,087)
J.	Non current bank loans	(53,469)	(56,901)
K.	Other non current loans	0	0
L.	Non current financial indebtedness (J) + (K)	(53,469)	(56,901)
M.	Net financial indebtedness (I) + (L)	(165,224)	(155,988)

Events after the closing of the year

With regard to the events subsequent to the year end closing, refer to the Directors' report on management performance.

° ° °

Rimini, 14 March 2013

The Chairman of the Board of Directors

Ugo Ravanelli

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 31 December 2012.
- Appendix 2 – Statement of financial position, Income statement, Statement of comprehensive income, Cash-flows statement and Changes in net equity of the Parent Company MARR S.p.A. as at 31 December 2012.
- Appendix 3 – Table showing reconciliation between the Parent Company's Net Equity and the consolidated Net Equity.
- Appendix 4 – Table showing variations in Intangible Assets for the year ending 31 December 2012.
- Appendix 5 – Table showing variations in Tangible Assets for the year ending 31 December 2012.
- Appendix 6 – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2011.
- Appendix 7 – Information as per art. 149-duodecies of the Consob Issuers Regulations.

MARR GROUP S.p.A.
LIST OF EQUITY INVESTMENTS
AT 31 DECEMBER 2012

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control	
				Company	Share held
COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS					
- Parent Company:					
MARR S.p.A. (*)	Rimini	32.910			
- Subsidiaries:					
Alisurgel S.r.l. in liquidation	Rimini	10	97,0%	Sfera S.p.A.	3,0%
Alisea Società Consortile a r.l.	Impruneta, Tavarnuzze (FI)	500	55,0%		
Sfera S.p.A. (ex Sogema 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 (Spagna)	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%		
EMI.GEL S.r.l.	Santarcangelo di R. (RN)	260	100,0%		

(*) The value of the share capital of MARR S.p.A. is net to the nominal value of its own shares purchased in the context of "buy back" programme.

EQUITY INVESTMENTS VALUED AT COST:

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control Company	Share held
- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11.798	1,66%		

Appendix 2

MARR S.p.A. STATEMENT OF FINANCIAL POSITION

(€)	Notes	31.12.12	31.12.11
ASSETS			
Non-current assets			
Tangible assets	1	46,201,058	47,610,647
Goodwill	2	70,965,336	70,965,336
Other intangible assets	3	355,007	344,689
Investments in subsidiaries and associated	4	33,214,232	33,246,015
Investments in other companies	5	286,192	286,192
Non-current financial receivables	6	3,503,793	4,452,755
Deferred tax assets	7	9,168,791	8,060,210
Other non-current assets	8	24,099,000	18,752,512
Total non-current Assets		187,793,409	183,718,356
Current assets			
Inventories	9	90,997,493	87,840,345
Financial receivables	10	23,866,854	9,963,567
relating to related parties		*21,513,166*	*8,218,639*
Financial instruments / derivative		0	42,116
Trade receivables	11	348,190,233	336,268,888
relating to related parties		*4,317,586*	*4,828,406*
Tax assets	12	10,267,236	6,013,324
relating to related parties		*2,265,316*	*0*
Cash and cash equivalents	13	47,521,285	32,376,256
Other current assets	14	34,133,294	34,100,294
relating to related parties		*99,000*	*270,298*
Total current Assets		554,976,395	506,604,790
TOTAL ASSETS		*742,769,804*	*690,323,146*
LIABILITIES			
Shareholders' Equity	15	223,981,495	217,378,828
Share capital		*32,909,736*	*32,909,736*
Reserves		*143,290,888*	*137,859,086*
Retained Earnings		*(3,476,960)*	*(3,476,960)*
Profit for the period		*51,257,831*	*50,086,966*
Total Shareholders' Equity		223,981,495	217,378,828
Non-current liabilities			
Non-current financial payables	16	53,468,504	56,900,973
Employee benefits	17	7,921,676	7,808,449
Provisions for risks and charges	18	2,609,730	2,303,908
Deferred tax liabilities	19	9,589,301	9,134,480
Other non-current liabilities	20	337,448	239,791
Total non-current Liabilities		73,926,659	76,387,601
Current liabilities			
Current financial payables	21	175,831,103	135,403,923
relating to related parties		*1,600,413*	*1,242,470*
Financial instruments / derivative	22	2,032	0
Current tax liabilities	23	1,201,268	3,733,801
relating to related parties		*0*	*2,109,225*
Current trade liabilities	24	251,977,334	241,577,051
relating to related parties		*8,675,861*	*9,342,237*
Other current liabilities	25	15,849,913	15,841,942
relating to related parties		*356*	*433*
Total current Liabilities		444,861,650	396,556,717
TOTAL LIABILITIES		*742,769,804*	*690,323,146*

MARR S.p.A. INCOME STATEMENT

(€)	*Notes*	*31.12.2012*	*31.12.2011*
Revenues	26	1,131,515,215	1,123,425,857
concerning related parties		*15,542,938*	*15,549,421*
Other revenues	27	28,774,913	27,242,015
relating to related parties		*229,892*	*532,547*
Changes in inventories	9	3,157,147	(5,219,311)
Purchase of goods for resale and consumables	28	(914,138,253)	(891,546,128)
relating to related parties		*(40,751,554)*	*(37,305,891)*
Personnel costs	29	(28,915,624)	(29,446,836)
Amortization, depreciation and write-downs	30	(11,636,782)	(10,933,349)
Other operating costs	31	(138,092,529)	(142,011,908)
relating to related parties		*(5,743,133)*	*(6,132,633)*
Financial income and charges	32	(5,316,405)	(3,851,627)
relating to related parties		*376,794*	*129,753*
Income (charge) from associated companies	33	3,946,946	2,934,235
Profit before taxes		*69,294,628*	*70,592,948*
Taxes	34	(20,529,673)	(22,998,858)
Profit for the period		*48,764,955*	*47,594,090*
EPS base (euros)	35	0.74	0.72
EPS diluted (euros)	35	0.74	0.72

MARR S.p.A. STATEMENT OF COMPREHENSIVE INCOME

(€)	*Notes*	*31.12.2012*	*31.12.2011*
Profits for the period (A)		*48,764,955*	*47,594,090*
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(32,008)	18,770
Total Other Profits/Losses, net of taxes (B)	36	*(32,008)*	*18,770*
Comprehensive Income (A + B)		*48,732,947*	*47,612,860*

CASH FLOWS STATEMENT (INDIRECT METHOD)

(€thousand)	*31.12.12*	*31.12.11*
Profit for the Period	48,765	47,594
Adjustment:		
Amortization / Depreciation	3,431	3,642
Allocation of provison for bad debts	7,900	7,000
Allocation of provision for investments in subsidiaries	4	5
Allocation of provision for inventories	0	100
Capital profit/losses on disposal of assets	(107)	(155)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	(5,195)	3,925
relating to related parties	*(377)*	*(129)*
Foreign exchange evaluated (gains)/losses	38	(204)
Dividends Received	(3,951)	(2,939)
	2,120	11,374
Net change in Staff Severance Provision	114	(617)
(Increase) decrease in trade receivables	(19,821)	(21,963)
relating to related parties	*511*	*203*
(Increase) decrease in inventories	(3,157)	5,220
Increase (decrease) in trade payables	10,400	(318)
relating to related parties	*(666)*	*174*
(Increase) decrease in other assets	(5,380)	(5,991)
relating to related parties	*171*	*(202)*
Increase (decrease) in other liabilities	410	545
relating to related parties	*0*	*(5)*
Net change in tax assets / liabilities	18,785	23,368
relating to related parties	*17,082*	*19,398*
Interest paid	(2,410)	(6,816)
relating to related parties	*(32)*	*(46)*
Interest received	7,605	2,891
relating to related parties	*409*	*175*
Foreign exchange gains	511	473
Foreign exchange losses	(549)	(269)
Income tax paid	(26,226)	(23,678)
relating to related parties	*(21,457)*	*(19,259)*
Cash-flow from operating activities	31,167	31,813
(Investments) in other intangible assets	(190)	(159)
(Investments) in tangible assets	(2,722)	(3,598)
Net disposal of tangible assets	982	1,561
Net (investments) in equity investments (subsidiaries and associated)	28	0
Dividends Received	3,951	2,939
Cash-flow from investment activities	2,049	743
Distribution of dividends	(42,124)	(32,910)
Increase in capital and reserves paid-up by shareholders	0	0
Other changes, including those of third parties	(32)	18
Net change in financial payables (excluding the new non-current loans received)	(10,503)	(23,200)
relating to related parties	*358*	*(135)*
New non-current loans received	47,500	0
relating to related parties	*0*	*0*
Net change in current financial receivables	(13,861)	2,900
relating to related parties	*(13,295)*	*2,121*
Net change in non-current financial receivables	949	226
Cash-flow from financing activities	(18,071)	(52,966)
Increase (decrease) in cash-flow	15,145	(20,410)
Opening cash and equivalents	32,376	52,786
Closing cash and equivalents	47,521	32,376

MARR S.P.A. STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY

Description	Share Capital	Other Reserves															Profits carried over	Business year profits (losses)	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares			
Balance at 1st January 2011	32,910	60,192	6,652	12	36,496	9,960		1,475	7,516	12	1,509	1,823	125,647	(3,467)	(10)	(3,477)	47,602		202,682
Allocation of 2010 profit						12,199							**12,199**				(12,199)		
Distribution dividends Marr S.p.A.																	(32,910)		(32,910)
Other minor variations											(6)		**(6)**						(6)
Consolidated comprehensive income 2011:																			
- Profit for the period																	47,594		47,594
- Other Profits/Losses, net of taxes										19			**19**						19
Balance at 31 December 2011	32,910	60,192	6,652	12	36,496	22,159		1,475	7,516	31	1,503	1,823	137,859	(3,467)	(10)	(3,477)	50,087		217,379
Allocation of 2011 profit						5,470							**5,470**				(5,470)		
Distribution dividends Marr S.p.A.																	(42,124)		(42,124)
Other minor variations											(6)		**(6)**				(1)		(7)
Consolidated comprehensive income 2012:																			
- Profit for the period																	48,765		48,765
- Other Profits/Losses, net of taxes										(32)			**(32)**						(32)
Balance at 31 December 2012	32,910	60,192	6,652	12	36,496	27,629		1,475	7,516	(1)	1,497	1,823	143,291	(3,467)	(10)	(3,477)	51,257		223,981

Reconciliation between the Parent Company's Net Equity and the consolidated Net Equity

	Increase/(Decrease)	
	Shareholders' Equity	of which Net Profit for the period
Parent Company's shareholders' equity and profit/(loss) for the year	223,981	48,765
Effect of the consolidation on a line-by-line basis:		
-- Difference between the book value of the consolidated subsidiaries and the relevant portion of shareholders' equity	(24,811)	4
-- Allocation of the surplus of the purchase price paid for the acquisition of equity investments consolidated on a line-by-line basis, to lands, buildings and consolidation difference	25,428	(77)
-- Pro rata subsidiary profits (losses)	3,875	3,875
Allocation of the consolidation differences caused by the company amalgamations	2,718	0
Write-off of the godwill caused by company merged	(2,053)	0
Effect of the elimination of profits not yet realised from transactions between Group companies, net of the applicable tax effect	(1,969)	(3,967)
Adjustments to adapt the financial statements of some consolidated companies to Group Accounting Standards	1,689	(301)
Group's share of net equity and profit/(loss)	228,858	48,299
Minorities' share of net equity and profit/(loss)	1,199	603
Shareholders' equity and profit/(loss) for the year	230,057	48,902

Intangible fixed assets (in thousand of Euros)	OPENING BALANCE			MOVEMENTS DURING THE YEAR				CLOSING BALANCE		
	Original Cost	Provision for amortization	Balance 01/01/2012	Purchases/ reclassification	Consolidation Change	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2012
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	4,826	(4,418)	408	216			(249)	5,042	(4,667)	375
Concessions, licences, brand names, and similar rights	162	(153)	9	1			(1)	163	(154)	9
Goodw ill	99,658		99,658	(28)				99,630		99,630
Intangible fixed assets under development and advances	36		36					36		36
Other intangible fixed assets	437	(432)	5	(1)			(4)	436	(436)	
Total	**105,119**	**(5,003)**	**100,116**	**188**			**(254)**	**105,307**	**(5,257)**	**100,050**

Appendix 5

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year						Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2012	Purchases/ reclassification	Decreases		Reclassification		Amortization	Original Cost	Provision for amortization	Balance 31/12/2012
					Original cost	Prov. for am.	Original cost	Prov. for am.				
Land and buildings	63,007	(16,533)	46,474	148	(4)				(1,622)	63,151	(18,155)	44,996
Plant and machinery	22,738	(18,228)	4,510	1,253	(1,118)	1,114			(1,448)	22,873	(18,562)	4,311
Industrial and commercial equipment	3,289	(2,378)	911	225	(11)	9			(239)	3,503	(2,608)	895
Other tangible assets	12,858	(10,497)	2,361	1,270	(1,407)	600			(695)	12,721	(10,592)	2,129
Tangible fixed assets under development and advances	8		8	319	(85)					242		242
Total	**101,900**	**(47,636)**	**54,264**	**3,215**	**(2,625)**	**1,723**			**(4,004)**	**102,490**	**(49,917)**	**52,573**

Cremonini S.p.A.		in thousands of Euros		Consolidated
		Main figures' Statement of the last Cremonini S.p.A. financial statements and consolidated financial statements - MARR S.p.A. parent company - Financial Statements as of December 31, 2011		
		BALANCE SHEET		
		ASSETS		
78,631		Tangible assets		816,334
4		Goodwill and other intangible assets		170,676
287,216		Investments		15,610
1,527		Non-current assets		49,576
367,378		*Total non-current assets*		*1,052,196*
0		Inventories		302,130
40,364		Receivables and other current assets		640,558
811		Cash and cash equivalents		122,244
41,175		*Total current assets*		*1,064,932*
408,553		**Total assets**		**2,117,128**
		LIABILITIES		
82,795		Shareholders' equity:		324,332
	67,074	Share capital	67,074	
	9,901	Reserves	116,513	
	5,820	Net profit (loss)	50,001	
		Minority interest	90,744	
120,558		Non-current financial payables		527,362
350		Employee benefits		25,876
966		Provisions for risks and charges		9,921
6,045		Other non-current liabilities		85,537
127,919		*Total non-current liabilities*		*648,696*
190,294		Current financial payables		508,754
7,545		Current liabilities		635,346
197,839		*Total current liabilities*		*1,144,100*
408,553		**Total Liabilities**		**2,117,128**
		INCOME STATEMENT		
4,791		Revenues		3,137,996
1,743		Other revenues		54,685
		Changes in inventories		8,127
		Internal works performed		2,288
(58)		Purchase of goods		(2,078,283)
(7,289)		Other operating costs		(493,928)
(2,235)		Personnel costs		(407,102)
(1,811)		Amortization		(64,795)
(617)		Depreciation and Allocations		(15,869)
18,613		Income from investments		1,600
(10,851)		Financial income and charges		(44,956)
0		Profit from business aggregations		19,928
2,286		*Profit before taxes*		*119,691*
3,535		Taxes		(45,175)
5,821		Net profit (loss) before consolidation		74,516
0		Minority interest's profit (loss)		(24,515)
0		Results for the period from discontinued operations		0
5,821		**Consolidated Net profit (loss)**		**50,001**

The essential data for the parent company Cremonini S.p.A. contained in the summary report required by Civil Code article 2497-bis have been extracted from the relevant financial statements for the business year closed on 31 December 2011. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2011, and the economic result achieved by the company during the business year closed on that date, refer to the financial statements which, supplemented by the audit company's report, is available in the forms and methods provided by the law.

Appendix 7

The following table, drawn up in accordance with art. 149-duodecies of the Consob Issuers Regulations, shows the fees pertinent to business year 2012 for services rendered to the Group companies by Auditing Firms or entities belonging to the auditing firms' network:

(€thousand)	Service Company	Client	Fees pertinent to business year 2012
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	107
	Reconta Ernst & Young S.p.A.	As.Ca S.p.a.	20
Certification service			0
Other services			14
Total			141

STATEMENT OF CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO ART. 154-BIS PARAGRAPH 2 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 consolidated financial statement, during the year 2012.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the consolidated financial statement as at 31 December 2012 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:

3.1 the consolidated financial statements:

a. are drafted 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;
b. correspond to the findings in the accounts books and documents;
c. 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.

3.2 The Directors' report on management includes a reliable analysis of performance levels and the management result, and also on the situation of the issuer and the group of companies included in the scope of consolidation, together with a description of the main risks and uncertainties they are exposed to.

Rimini, 14 March 2013

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

Reconta Ernst & Young S.p.A.
Via Massimo D'Azeglio, 34
40123 Bologna

Tel. (+39) 051 278311
Fax (+39) 051 236666
www.ey.com

Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of MARR S.p.A.

1. We have audited the consolidated financial statements of MARR S.p.A. and its subsidiaries, the "MARR Group" as of 31 December, 2012 and for the year then ended, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of MARR S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the consolidated financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated March 26, 2012.

3. In our opinion, the consolidated financial statements of the MARR Group at 31 December, 2012 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the MARR Group for the year then ended.

4. The Directors of MARR S.p.A. are responsible for the preparation of the Directors' Report and the Report on Corporate Governance and Ownership Structure in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Directors' Report and of the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) in the Report on Corporate Governance and Ownership Structure, as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Directors' Report and the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) in the Report on Corporate Governance and Ownership Structure, are consistent with the consolidated financial statements of the MARR Group as at December 31, 2012.

Bologna, March 29, 2013

Reconta Ernst & Young S.p.A.

Signed by: Andrea Nobili, Partner

This report has been translated into the English language solely for the convenience of international readers.

Reconta Ernst & Young S.p.A.
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Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

A member firm of Ernst & Young Global Limited

MARR S.p.A.

Financial Statements

as at December 31, 2012

STATEMENT OF FINANCIAL POSITION

(€)	Notes	31.12.12	31.12.11
ASSETS			
Non-current assets			
Tangible assets	1	46,201,058	47,610,647
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Investments in other companies	5	286,192	286,192
Non-current financial receivables	6	3,503,793	4,452,755
Deferred tax assets	7	9,168,791	8,060,210
Other non-current assets	8	24,099,000	18,752,512
Total non-current Assets		187,793,409	183,718,356
Current assets			
Inventories	9	90,997,493	87,840,345
Financial receivables	10	23,866,854	9,963,567
relating to related parties		*21,513,166*	*8,218,639*
Financial instruments / derivative		0	42,116
Trade receivables	11	348,190,233	336,268,888
relating to related parties		*4,317,586*	*4,828,406*
Tax assets	12	10,267,236	6,013,324
relating to related parties		*2,265,316*	*0*
Cash and cash equivalents	13	47,521,285	32,376,256
Other current assets	14	34,133,294	34,100,294
relating to related parties		*99,000*	*270,298*
Total current Assets		554,976,395	506,604,790
TOTAL ASSETS		*742,769,804*	*690,323,146*
LIABILITIES			
Shareholders' Equity	15	223,981,495	217,378,828
Share capital		*32,909,736*	*32,909,736*
Reserves		*143,290,888*	*137,859,086*
Retained Earnings		*(3,476,960)*	*(3,476,960)*
Profit for the period		*51,257,831*	*50,086,966*
Total Shareholders' Equity		223,981,495	217,378,828
Non-current liabilities			
Non-current financial payables	16	53,468,504	56,900,973
Employee benefits	17	7,921,676	7,808,449
Provisions for risks and charges	18	2,609,730	2,303,908
Deferred tax liabilities	19	9,589,301	9,134,480
Other non-current liabilities	20	337,448	239,791
Total non-current Liabilities		73,926,659	76,387,601
Current liabilities			
Current financial payables	21	175,831,103	135,403,923
relating to related parties		*1,600,413*	*1,242,470*
Financial instruments / derivative	22	2,032	0
Current tax liabilities	23	1,201,268	3,733,801
relating to related parties		*0*	*2,109,225*
Current trade liabilities	24	251,977,334	241,577,051
relating to related parties		*8,675,861*	*9,342,237*
Other current liabilities	25	15,849,913	15,841,942
relating to related parties		*356*	*433*
Total current Liabilities		444,861,650	396,556,717
TOTAL LIABILITIES		*742,769,804*	*690,323,146*

INCOME STATEMENT

(€)	Notes	31.12.2012	31.12.2011
Revenues	26	1,131,515,215	1,123,425,857
concerning related parties		*15,542,938*	*15,549,421*
Other revenues	27	28,774,913	27,242,015
relating to related parties		*229,892*	*532,547*
Changes in inventories	9	3,157,147	(5,219,311)
Purchase of goods for resale and consumables	28	(914,138,253)	(891,546,128)
relating to related parties		*(40,751,554)*	*(37,305,891)*
Personnel costs	29	(28,915,624)	(29,446,836)
Amortization, depreciation and write-downs	30	(11,636,782)	(10,933,349)
Other operating costs	31	(138,092,529)	(142,011,908)
relating to related parties		*(5,743,133)*	*(6,132,633)*
Financial income and charges	32	(5,316,405)	(3,851,627)
relating to related parties		*376,794*	*129,753*
Income (charge) from associated companies	33	3,946,946	2,934,235
Profit before taxes		*69,294,628*	*70,592,948*
Taxes	34	(20,529,673)	(22,998,858)
Profit for the period		*48,764,955*	*47,594,090*
EPS base (euros)	35	0.74	0.72
EPS diluted (euros)	35	0.74	0.72

STATEMENT OF COMPREHENSIVE INCOME

(€)	Notes	31.12.2012	31.12.2011
Profits for the period (A)		*48,764,955*	*47,594,090*
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(32,008)	18,770
Total Other Profits/Losses, net of taxes (B)	36	*(32,008)*	*18,770*
Comprehensive Income (A + B)		*48,732,947*	*47,612,860*

STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY
(note 15)

Description	Share Capital	Other Reserves															Profits carried over	Business year profits (losses)	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares			
Balance at 1st January 2011	32,910	60,192	6,652	12	36,496	9,960		1,475	7,516	12	1,509	1,823	125,647	(3,467)	(10)	(3,477)	47,602		202,682
Allocation of 2010 profit						12,199							**12,199**				(12,199)		
Distribution dividends Marr S.p.A.																	(32,910)		(32,910)
Other minor variations											(6)		**(6)**						(6)
Consolidated comprehensive income 2011:																			
- Profit for the period																	47,594		47,594
- Other Profits/Losses, net of taxes										19			**19**						19
Balance at 31 December 2011	32,910	60,192	6,652	12	36,496	22,159		1,475	7,516	31	1,503	1,823	137,859	(3,467)	(10)	(3,477)	50,087		217,379
Allocation of 2011 profit						5,470							**5,470**				(5,470)		
Distribution dividends Marr S.p.A.																	(42,124)		(42,124)
Other minor variations											(6)		**(6)**				(1)		(7)
Consolidated comprehensive income 2012:																			
- Profit for the period																	48,765		48,765
- Other Profits/Losses, net of taxes										(32)			**(32)**						(32)
Balance at 31 December 2012	32,910	60,192	6,652	12	36,496	27,629		1,475	7,516	(1)	1,497	1,823	143,291	(3,467)	(10)	(3,477)	51,257		223,981

CASH FLOWS STATEMENT (INDIRECT METHOD)

(€thousand)	*31.12.12*	*31.12.11*
Profit for the Period	48,765	47,594
Adjustment:		
Amortization / Depreciation	3,431	3,642
Allocation of provison for bad debts	7,900	7,000
Allocation of provision for investments in subsidiaries	4	5
Allocation of provision for inventories	0	100
Capital profit/losses on disposal of assets	(107)	(155)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	(5,195)	3,925
relating to related parties	*(377)*	*(129)*
Foreign exchange evaluated (gains)/losses	38	(204)
Dividends Received	(3,951)	(2,939)
	2,120	11,374
Net change in Staff Severance Provision	114	(617)
(Increase) decrease in trade receivables	(19,821)	(21,963)
relating to related parties	*511*	*203*
(Increase) decrease in inventories	(3,157)	5,220
Increase (decrease) in trade payables	10,400	(318)
relating to related parties	*(666)*	*174*
(Increase) decrease in other assets	(5,380)	(5,991)
relating to related parties	*171*	*(202)*
Increase (decrease) in other liabilities	410	545
relating to related parties	*0*	*(5)*
Net change in tax assets / liabilities	18,785	23,368
relating to related parties	*17,082*	*19,398*
Interest paid	(2,410)	(6,816)
relating to related parties	*(32)*	*(46)*
Interest received	7,605	2,891
relating to related parties	*409*	*175*
Foreign exchange gains	511	473
Foreign exchange losses	(549)	(269)
Income tax paid	(26,226)	(23,678)
relating to related parties	*(21,457)*	*(19,259)*
Cash-flow from operating activities	31,167	31,813
(Investments) in other intangible assets	(190)	(159)
(Investments) in tangible assets	(2,722)	(3,598)
Net disposal of tangible assets	982	1,561
Net (investments) in equity investments (subsidiaries and associated)	28	0
Dividends Received	3,951	2,939
Cash-flow from investment activities	2,049	743
Distribution of dividends	(42,124)	(32,910)
Increase in capital and reserves paid-up by shareholders	0	0
Other changes, including those of third parties	(32)	18
Net change in financial payables (excluding the new non-current loans received)	(10,503)	(23,200)
relating to related parties	*358*	*(135)*
New non-current loans received	47,500	0
relating to related parties	*0*	*0*
Net change in current financial receivables	(13,861)	2,900
relating to related parties	*(13,295)*	*2,121*
Net change in non-current financial receivables	949	226
Cash-flow from financing activities	(18,071)	(52,966)
Increase (decrease) in cash-flow	15,145	(20,410)
Opening cash and equivalents	32,376	52,786
Closing cash and equivalents	47,521	32,376

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

Corporate information

The Company, with headquarters in Via Spagna 20, Rimini, operates in the commercialisation and distribution of fresh, dried and frozen food products to the foodservice.

The financial statements for the business year closing as at 31 December 2012 were authorised for publication by the Board of Directors on 14 March 2013.

Structure and contents of the consolidated financial statements

The financial statements as at 31 December 2012 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 as acknowledged by Legislative Decree 38 dated 28 February 2005 and subsequent amendments and CONSOB communications and decisions.

Reference to the international accounting standards, adopted in the preparation of the consolidated financial statements as at 31 December 2012, is indicated in the "Accounting policies" section.

For the purposes of the application of IFRS 8 it is noted that the Company operates in the "Distribution of food products to the Foodservice" sector only; as regards the performance levels in 2012, see that described in the Directors' Report on management performance.

The financial statements as at 31 December 2012 include, for comparative purposes, the figures for the year ended on 31 December 2011. The following classifications have been used:

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

It is believed that these classifications provide information which better represent the l economic and financial situation of the company.

All amounts are indicated in Euros.

As regards the data contained in these financial statements, the Statement of Financial Position, the Income Statement and the Statement of Comprehensive Income are shown simply in Euros whereas the Statement of Changes in Shareholders Equity and the Cash Flows Statement are shown in thousands of Euros. Tables are shown in thousands of Euros.

These financial statements have been prepared using the principles and accounting policies illustrated below:

Accounting policies

The most significant Accounting policies adopted for the preparation of the financial statements as at 31 December 2012 are indicated below:

Tangible assets

Tangible assets are entered at their purchase cost or production cost, inclusive of directly allocated additional charges required to make the assets available for use. As permitted by IFRS 1, in the context of the first time adoption of the International Accounting Standards, the Company has measured certain land and buildings owned at fair value, and has adopted such value as the new cost subject to depreciation.
No revaluations are permitted, even if pursuant to specific laws. Assets subject to capital lease are entered under tangible assets against a financial payable to the lessor, and depreciated in accordance with the criteria below.
Tangible assets are systematically depreciated on a straight-line basis over their expected useful life, based on the estimate of the period over which the assets will be used by the Company. When the tangible asset is made up of a number of significant components,

each with a different useful life, depreciation is made for each single component. The depreciation value is represented by the book value minus the presumable net transfer value at the end of its useful life, if material and reasonably determinable. Land is not depreciated, even if purchased together with a building, and neither are tangible assets held for sale, measured at the lower between the book value and fair value after transfer charges.
Costs for improvement, upgrading and transformation increasing tangible assets are entered in the statement of financial position's assets if they are respondent to the capitalisation requirements in IAS 16.

The recoverability of the book value of tangible assets is determined by adopting the criteria indicated in the section "Impairment of non-financial assets".
The rates applied are the following:

- Buildings	3% - 4%
- Plant and machinery	7.50%-15%
- Industrial and business equipment	15%-20%
- Other assets:	
- Electronic office equipment	20%
- Office furniture and fittings	12%
- Motor vehicles and means of internal transport	20%
- Cars	25%
- Other minor assets	10%-30%/contract term

The remaining accounting value, useful lifetime and amortization criteria are reviewed on closure of every business year and adjusted with a view to the future if required.
An asset is removed from the financial statements when it is sold or when there are no longer any future economic benefits expected from its use or disposal. Any losses or profits (calculated as the difference between the net income from its sale and its accounting value) are included in the profit and loss account when it is removed.

Goodwill and other intangible assets

Intangible assets are assets that lack physical substance, controlled by the Company and capable of generating future economic benefits, as well as goodwill, whenever purchased for a financial consideration.
Intangible assets are entered at cost, measured in accordance with the criteria established for tangible assets. No revaluations are allowed, even if pursuant to specific laws.
Intangible assets with a definite useful life are systematically amortized over their useful life, based on the estimate of the period over which the assets will be used by the Company; the recoverability of their book value is determined by adopting the criteria indicated in the section "Impairment of non-financial assets".
Goodwill and other intangible assets, if any, with an indefinite useful life, are not subject to amortization; the recoverability of their book value is determined at least each year and, in any case, whenever in the presence of events implying a loss in value. As far as goodwill is concerned, 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). Write-downs are not subject to value restoration.
Other intangible assets have been amortized by adopting the following criteria:

- Patents and intellectual property rights	5 years
- Concessions, licenses, trademarks and similar rights	5 years / 20 years
- Other assets	5 years / contract term

The period of amortization and criteria for amortization of intangible assets with a definite useful lifetime are reviewed at least on closure of the business year and adjusted with a view to the future if necessary.

Investments in related companies and other companies

Investments in related companies are evaluated using the Net Equity method and the shareholdings in other companies are evaluated as the purchase, subscription or conferment cost, as indicated in Appendix 1 and the following explanatory notes.
The recoverability of their recorded value is verified by adopting the criteria indicated in the subsection "Losses of value of non-financial assets" as regards investments in related

companies and in the subsection "losses in value of financial assets" as regards investments in other companies.

Inventories

These are entered at the lower of purchase or production cost, calculated by the FIFO method and the presumed realizable value in consideration of the market trend.

Receivables and other short-term assets

The trade receivables and other short-term receivables are initially recorded at their nominal value, which represents their fair value, and subsequently evaluated at their amortized cost, net of any depreciations. When they are recorded, the nominal value of the receivables is representative of their fair value on said date. By virtue of the high rotation of receivables, the application of the amortized cost does not have any significant effect. The Provision for write-down of receivables represents the difference between the recorded value of receivables and the reasonable forecast of financial flows expected from their cashing-in.

Financial assets

The financial assets within the scope of IAS 39 are classified as receivables, financial assets available for sale or as derivatives designated as hedging instruments for effective hedging, according to the circumstances in question. The Company determines the classification of its own financial assets at initial recognition.

Financial assets are initially recorded at their fair value plus transaction costs directly attributable to their purchase, except in the case of financial assets recorded at fair value in the profit or loss. The Company's financial assets include cash and short-term deposits, trade and other short-term receivables, loans, non listed financial instruments and derivatives financial instruments.

The subsequent measurement of the financial assets depends on theri classification as follows:
Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that have not been floated on the stock exchange. After initial measurement such financial assets are subsequently measured at their amortized cost using the effective interest rate criterion (EIR), less impairment. The amortized cost is calculated by recording any discounts, purchase premiums, fees or costs that are an integral part of the effective interest rate. The amortization of the effective interest rate is included in financial income in the income statement. The losses arising from any impairment are recognised in the income statement as financial costs.

A financial asset (or, if applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised from the financial statements when:

- the right to receive cash flows from the asset have expired;
- the Company has transferred the right to receive cash flows from the asset or has assumed an obligation to pay them fully and without delay to a third party and either (a) has substantially transferred all the risks and rewards of ownership of the financial asset or (b) has neither transferred nor substantially withheld all the risks and rewards of the asset but has transferred control of it.

In cases in which the Company has transferred the right to receive cash flows from an asset and has not either transferred or substantially withheld all the risks and rewards or has not lost control of it, the asset is recorded in the financial statements of the Company in the measure in which is involved in the asset in question. In this case, the Company also recognises an associated liability. The asset transferred and the associated liabilities are measured on a basis to reflect the rights and obligations that the Company has retained.

Losses in value of financial assets

At each reporting date, the Company assesses whether a financial asset or group of financial assets is impaired. A financial asset or group of financial assets deemed to be impaired if, and only if, there is objective evidence of impairment as result of one ore more events that have occurred after the initial recognition of the asset (when a "loss event" occurs) and this loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets in question that can be reliable estimated. Evidence of impairment may be represented by indicators such as financial difficulties, the incapacity to deal with the obligations undertaken, insolvency in the payment of interest or significant payments that are affecting the debtors or a group of debtors; the probability that it will enter bankruptcy or other form of financial reorganisation, and where observable data indicate that there is a measurable decrease in expected future cash flows, such as changes in context or in the economic conditions related to the obligations undertaken.

As regards the financial assets carried at amortized cost, the Company firstly assesses whether there is objective evidence of impairment exists for each financial asset that is individually significant, or collectively in the case of financial assets that are not individually significant. If the Company determines that there is no evidence of impairment for a financial asset evaluated individually, whether significant or not, then the asset in question is included in a group of financial assets with similar credit risk characteristics and these are assessed collectively for impairment. The assets that are evaluated individually in terms of impairment and for which a loss in value has been recorded or continues to be recorded are not included in any collective assessments of impairment.

If there is objective evidence of an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not yet incurred). The present value of the cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for the measurement of any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced directly and the amount of the loss will be recognised in the income statement. The interest income continues to be accrued on the reduced carrying amount and is accrued using the interest rate used to discount the future cash flows to measures the impairment loss. The interest income is recorded as part of the financial income in the income statement. Loans and their relevant allowance are written off when there is no realistic prospect of their future recovery and all the collateral have been realised or transferred to the Company. If during a subsequent business year the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced and the allowance account is adjusted. If a future write-off is subsequently recovered, the value recovered is credited to finance costs in the income statement.

For available-for-sale financial assets, the Company assesses whether there is objective evidence that an asset or group of assets is impaired at each reporting date.

In the case of equity investments classified as available for sale, the objective evidence would include a significant or prolonged reduction in the fair value of the investment below its cost. The "Significance" is evaluated with respect to the original cost of the instrument and "prolonged effect" with respect to the (duration of the) period in which the fair value has been below the original cost. Should there be evidence of impairment, the cumulative losses – measured as the difference between the acquisition cost and current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from the other comprehensive income and recognised in the income statement.

Losses in value of non-financial assets

When events occur that would lead one to assume a reduction in the value of asset, its recoverability is assessed by comparing the recorded value with the relevant recoverable value, represented by the greater of the fair value, net of the discharge costs, and the value in use.

In the absence of a binding sales agreement, the fair value is estimated on the basis of the values expressed by an active market, by recent transactions or on the basis of the best information available to reflect the amount that the business would receive by selling the asset.

The value in use is determined by actualising the expected cash flows deriving from the use of the asset and, if significant and reasonably determinable, from its sale at the end of its useful lifetime. The cash flows are determined on the basis of reasonable and documented assumptions representative of the best estimate of the future economic conditions that may occur during the remaining lifetime of the asset, giving more importance to indications from outside. Actualisation is carried out at a rate which takes

into account the market assessments of the current value of cash and specific risks of the asset, in addition to the inherent risk to the sector of business in question.
Assessment is conducted on each individual asset or the smallest identifiable group of assets which generates autonomous incoming cash flows deriving from continuous use (so-called *cash generating unit*). When the reasons for the depreciations made are no longer in place, the assets, except for goodwill, are revalued and the adjustment attributed to the profit and loss account as readjustment (restoration of value). Readjustment is carried out at the lesser of the recoverable value and recorded value gross of depreciations carried out previously and reduced by the amortization quotas that would have been allocated had impairment not been carried out.
Goodwill is tested for impairment at least once every year (on the date of the financial statements, 31 December) and more frequently should circumstances indicate that the carrying value may be impaired.

Impairment of goodwill is assessed by evaluating the recoverable amount of each cash generating unit (or the group of cash generating units) to which the goodwill relates. Should the recoverable amount of the cash generating unit be less than the carrying amount of the cash generating unit for which goodwill has been allocated, an impairment loss is recognised. Impairment losses relating goodwill cannot be reversed in future business years.
Any losses due to impairment of instruments representative of capital may not be reversed with the effects recorded in the profit and loss account; any increases in their fair value subsequent to an impairment loss are recorded directly in the other comprehensive income.

Employee benefits

As provided by IAS 19, staff severance provisions are part of the so-called defined benefit plans forming post-employment benefits. The accounting treatment established for such forms of benefit requires an actuarial calculation, which allows for a future estimate of the amount of Staff Severance Provision already accrued and for discounting it back, in order to consider the time elapsing before actual payment. The actuarial calculation weighs variables such as average staff employment period, inflation levels and expected interest rates. Liabilities are valued by an independent actuary. The profits and losses deriving from carrying out the actuarial calculation are attributed in the income statement as cost or income if the net value accumulated by the "actuarial" profits and losses, which are not relevant for each plan on closure of the previous year, exceeds by more than 10% the higher value between the obligations concerning defined benefit plans and the fair value of the assets concerning the plans at that date.
Following the recent revision of the pertinent national regulations, for companies with more than 50 employees, the Staff Severance Provision accrued from 1st January 2007 onwards is classified as a defined contributions plan, the payments relative to which are entered directly in the income statement, as expenses, when recorded The Staff Severance Provision accrued up to 31.12.2006 continues to be a defined benefits plan, but without the future contributions. Accordingly, it is now valued by the independent actuaries solely on the basis of the expected average residual working life of the employees, without further consideration of the remuneration received by them over a predetermined employment period. The Staff Severance Provision "accrued" before 1st January 2007 thus undergoes a change in calculation, due to the elimination of the previously foreseen actuarial hypotheses linked to pay increments. In particular, the liability relative to "accrued Staff Severance Provision" is actuarially valued as at 1st January 2007 without applying the pro-rata (years already worked/total years worked), as the employees' benefits relating to the entire period up to 31st December 2006 can be considered almost entirely accrued (with the sole exception of revaluation) in application of paragraph 67 (b) of IAS 19. Therefore for the purposes of this calculation, the "current service costs" relating to the future services of employees are to be considered null insofar as represented by the contribution payments into the supplementary pension scheme fund or the INPS Treasury Fund.

Provisions for risks and charges

Provisions for risks and charges involve specific costs and charges, considered definite or probable, for which the amount or due date could not yet be determined at the end of the year. Provisions are recognized when: (i) the existence of a current, legal or implied obligation is probable, arising from a previous event; (ii) the discharge of the obligation may likely involve charges; (iii) the amount of the obligation may be reliably estimated. Provisions are entered at the value representing the best estimate of the amount the Company would reasonably pay to redeem the obligation or to transfer it to third parties at the end of the period. When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provision is discounted back; the increase in the provision associated with the passage of time, is entered in the income statement under "Financial income (charges)". The supplementary clientele severance indemnity, as all other provisions for risks and charges, has been appropriated, based on a reasonable estimate of probable future liabilities, and taking the elements available into consideration.

Financial liabilities

Financial liabilities are initially recognised at their fair value, which is equal to the amounts received by the date in question. They are subsequently measured with the amortized cost criterion using the effective interest rate method.

The financial liabilities of the Company include trade payables and other payables, loans and derivative financial instruments.

The financial liabilities within the scope of application of IAS 39 are classified as payables and loans, or as derivatives designated as hedging instruments, according to the case in question. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are initially recorded at their fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The profits and losses are accounted in the income statement when the liability is extinguished, as well as through the amortization process.

The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the income statement.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

In cases in which an existing financial liability is replaced by another from the same lender, on substantially different conditions, or the terms of an existing liability are substantially modified, this swap or modification is treated as the derecognition of the original liability and the recording of the new liability, with any differences between the respective carrying amounts recognised in the income statement.

Income taxes

Current income taxes are calculated on the basis of the estimated taxable income. Tax assets and liabilities for current taxes are recognized at the value expected to be paid/recovered to/from the Tax Authorities, by applying the rates and tax regulations in force or basically approved as at the end of the period and considering the involvement of some companies to the national consolidated tax base.

Deferred taxes and deferred tax assets are calculated on the provisional differences between the value of assets and liabilities entered in the financial statements and the corresponding values recognized for tax purposes. Deferred tax assets are recorded when their recovery is probable. Deferred tax assets and liabilities for deferred taxes are classified under non-current assets and liabilities and are offset if referring to taxes which may themselves be offset. The offsetting balance, if an asset, is entered under "deferred tax assets"; if a liability, it is entered under "Liabilities for deferred taxes". When the results of the operations are directly recognized in the shareholders' equity, current taxes, assets for prepaid taxes and liabilities for deferred taxes are also recorded in the shareholders' equity.
Deferred tax assets and deferred taxes are calculated on the basis of the tax rates expected to be applied in the year said assets will realize or said liabilities will extinguish.

Criteria for conversion of items in foreign currency

Transactions in foreign currency are initially recorded in the functional currency, applying the currency spot rate the transaction first qualifies for recognition.

The monetary assets and liabilities denominated in foreign currency are retranslated at the functional currency spot rate at the reporting date.
Any differences are recorded in the income statement.

Business combinations

The business combinations occurred prior to 1 January 2010 are accounted through the application of the so-called *purchase method* (purchase methods defined by IFRS 3 as "Business combinations"). The purchase method requires that, after having identified the buyer involved in the business combination and having determined the purchase cost all the assets and liabilities purchased (including the so-called contingent liabilities) must be valued at fair value. For this purpose, the company is required to value any intangible assets purchased in specifically. Any goodwill is to be calculated in a residual manner, as the difference between the cost of the business combination (including additional charges and any contingent considerations) and the share pertaining to the company of the difference between the assets and liabilities purchased, valued at their fair value.
The business combinations occurred subsequently to 1 January 2010 are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at the fair value at the acquisition date and the amount of any non-controlling interest in the acquired. For each business combination, the acquirer measures the non-controlling interest in the acquired either at fair value or at the proportionate share of the acquired identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.
If business combinations are achieved in stages, the fair value of the shareholding previously held is remeasured to fair value at the acquisition date, recording any resulting profits or losses in the profit and loss account.
Each contingent consideration to be transferred to the acquirer will be recognised by the acquired at the fair value at the acquisition date. Changes to the fair value of the contingent consideration classified as a financial asset or liability will be recorded in accordance with IAS 39 either in the profit and loss or as a change to comprehensive income. If it does not fall within the scope of application of IAS 39, it will be recognised in accordance with IAS 37 or the most appropriate IFRS.
If the contingent consideration is classified as equity, it should not remeasured until it is finally settled within equity.
Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed.
If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.
After initial recording, goodwill is measured at the cost less any accumulated impairment losses. For the purpose of the impairment testing, the goodwill acquired in a business combination must, from the acquisition date, be allocated to each Company's cash generating unit which is expected to benefit from the combination synergy, independently of the fact that other assets or liabilities of the entity acquired are assigned to such units.
If goodwill has been allocated to a cash generating unit and the entity disuses part of the assets of this unit, the goodwill associated to the disused asset must be included in the accounting value of the asset should any profits or losses derive from its disuse. The goodwill associated to the disused asset must be measured on the basis of the relative values of the disused asset and the portion of the cash-generating unit retained.

Revenue and cost recognition

Revenues from sales of goods are recognized upon transfer of all the risks and charges deriving from ownership of the goods transferred, which is generally their shipment or delivery date.
Financial income and revenues from services are recognized on an accrual basis.
Costs are recognized when related to goods and services acquired and/or received over the period to which they refer.

Accounting treatment of financial assets/instruments

MARR S.p.A. uses derivative financial instruments to hedge its exposure to foreign currency risks on purchases in currency other than the functional one.
These derivative financial instruments are initially recognised at their fair value on stipulation; subsequently, this fair value is remeasured periodically; they are carried as assets when the fair value is positive and liabilities when the fair value is negative.

The fair value of the derivative financial instruments used is determined on the basis of

market value when it is possible to identify the market to which they actively belong. However, if the market value of a financial instrument is not easily calculable, but its components or those of a similar instrument are calculable, the market value is determined through the evaluation of the individual components of the instrument or of the similar instrument. Furthermore, for those instruments for which an active market is not easily identifiable, the evaluation is carried out by using the value resulting from generally accepted evaluation models and techniques which ensure a reasonable approximation of the market value.
Derivatives are classified as coverage instruments when the relation between the derivative and the object of the coverage is formally documented and the coverage, assessed periodically, is highly effective. If derivatives cover a risk concerning the cash flow variations of the instruments covered (cash flow hedge; for example coverage of cash flow variability of assets/liabilities by effect of oscillations in exchange rates), the variations in the fair value of derivatives are initially recorded at net equity and subsequently attributed to the income statement coherently with the economic effect produced by the operation covered. The variations in fair value of the derivatives which do not satisfy the conditions required in order to be classified as coverage are recorded in the income statement for the business year.

Own shares

The own shares of the company are registered in the net equity. The original cost of own shares and the income deriving from subsequent sale are recorded as changes in net equity.

Main estimates adopted by management and discretional assessments

The preparation of the Company 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 used

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 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 profit and loss account.

- Estimates adopted to evaluate the impairment of non-financial assets

In order to assess a potential loss of value of the Goodwill registered in order to measure any impairment of goodwill and the consolidation differences entered in the financial statements, the Company has adopted the method previously illustrated in the section on "Losses in value of non-financial assets".
The recoverable value has been determined on the value in use basis.
Cash-flows generating units attributable to each goodwill difference have been inferred for 2013 from the Business Plan approved by the Board of Directors, for subsequent years, an extremely prudent conduct was maintained, estimating a substantially flat performance in terms of revenues for 2014 and 2015 and an increase of 1% for 2016 and 2017; for 2018 and for the calculation of the terminal value an increase rate of 1% was hypothesised.
The Weighted Average Cost of Capital (WACC) has been adopted as the discount rate, which is 6.56% (calculated punctually in coherence with previous years). Sensitivity analyses have also been conducted on this rate and the sustainability of the goodwill value recorded in the financial statements verified with WACC values aligned to the forecasts by financial analysts.
The measurement of any impairment of assets (Goodwill), for the results of which refer to paragraph 2 "*Goodwill*", was made by referring to the situation as at 31 December 2012.

- 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 2%;
- The discounting rate used is 2,4%[VI];
- The annual rate of increase of the severance plan is expected to be 3%;
- A 9% 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%;
  - The rate of corporate turnover is expected to be 2%;
  - The discounting rate used is 1.8%.

- 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 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.

Accounting principles, amendments and interpretations applicable as at 1 January 2012

- *IAS 12 – "Deferred taxes – Recoverability of the underlying assets",* issued in December 2010 and applicable from 1 January 2012, concerning the evaluation of the deferred taxes deriving from an ongoing asset. This amendment to IAS 12 introduces the rebuttable presumption that the accountable value of an investment property, measured using the fair value model in IAS 40, will be recovered through its sale and that, consequently, the relevant deferred tax asset should be measured on a sale basis. This presumption is rebuttable if the investment property in question is held with the objective of using over time substantially all of the benefits deriving from the intangible investment in question, rather than realising these benefits through its sale. In particular, IAS 12 requires that the deferred tax asset deriving from the sale of a non-amortizable asset evaluated using the readjustment model provided by IAS 16 should always reflect the fiscal effects of the recovery of the accounting value of the underlying asset through its sale.
  This amendment is not applicable to these financial statements.
- *IFRS 7 - "Additional information –* Transfers of financial assets", issued in October 2010 and applicable to business years starting after 1 July 2011, is aimed at improving the understanding of the transactions involved in transferring financial assets. The informative note refers to the assets transferred (as defined in IAS 39). If the assets transferred are not completely derecognised from the financial statements, the company must provide the information to enable the users of the financial statements to understand the relationship between the assets that are not derecognised and their associated liabilities. If the assets are completely derecognised, but the company retains a continuing involvement, information must be provided to enable the users of the financial statements to assess the nature of the residual involvement of the entity in the assets derecognised and the associated risks. These cases are not applicable to this Annual Report.
- *IFRS 1 – "First-Time adoption of the International Financial Reporting Standards (IFRS)" - "Severe hyperinflation and removal of fixed dates for first-time adopter",* issued in December 2010 and applicable from 1 July 2011 or later. The IASB has provided guidelines on how an entity should resume presenting IFRS financial statements when its functional currency ceases to be subject to hyperinflation. This amendment is not applicable to the Company financial statements.

[VI] The annual rate of actualisation used for the determination of the current value of this obligation was determined, in compliance with paragraph 78 of IAS 19, with reference to the average performance curve deriving from the IBOXX Eurozone Corporates A index with a duration of 7-10 years in December 2012, considering the level of indebtedness of the Group as more representative.

Accounting principles, amendments and interpretations applicable later

Lastly, some amendments were made that will enter into force in subsequent business years:

- IAS 1 – *"Financial Statement Presentation – Presentation of Items of Other Comprehensive Income"*, aimed at changing the grouping of the other components in the statement of comprehensive income. The change only concerns the methods of presentation and does not impact on the financial position of the Group or its results and will enter into force in business years starting on 1 July 2012 or later.
- IFRS 10 *"Consolidated financial statements"* and IAS 27 *"Separate financial statements (revised in 2011)"*. IFRS 10 replaces part of IAS 27 "Consolidated and separate financial statements" and also includes the problems raised in SIC 12 "Consolidation – Companies with specific destination". IFRS 10 establishes a single model of control applicable to all companies, including those with specific destination, and will require discretional assessments to determine which are the subsidiary companies and which must be consolidated by the parent company. This principle will be applicable for business years starting on 1 January 2013 or later. Following the introduction of this new principle, IAS 27 will be limited to the accounting of subsidiary, jointly controlled and affiliate companies in the separate financial statements and will enter into force for business years starting on 1 January 2013 or later.
- IAS 28 *"Investment in associated companies (revised in 2011)"*. As consequence of the new IFRS 11 and IFRS 12, this principle has been renamed "Investments in Associates and Joint Ventures" and describes the application of the net equity method to investments in joint venture in addition to associated companies. The changes will enter into force for business years starting on 1 January 2013 or later. This principle is not applicable to the Company financial statements.
- IFRS 11 *"Joint Arrangements"* – this principle replaces IAS 31 "Interest in joint ventures" and SIC 13 "Jointly-controlled Entities – non monetary contributions by venturers". IFRS 11 removes the option of accounting jointly controlled entities using proportionate consolidation but establishes the use of the net equity method. This principle is applicable to business years starting on 1 January 2013 or later. This principle is not applicable to the Company financial statements.
- IFRS 12 "*Disclosures of Involvement with Other Entities"* – this principle includes all the dispositions concerning disclosures previously included in IAS 27 concerning the consolidated financial statements as well as all of the disclosures that were included in IAS 31 and IAS 28 concerning the shareholdings of a company in subsidiary, jointly controlled or associated companies and in structured vehicles and also provides new information examples. This principle is applicable to business years starting on 1 January 2013 or later and will not have any impact on the financial position or results of the Company.
- IFRS 13 "*Fair Value Measurement*" – this principle establishes a single source of guidance in the context of the IFRS for all fair value measurements and is applicable to business years starting on 1 January 2013 or later.
- IFRS 1 *"Government Loans _ Amendments to IFRS 1"*. This amendment requires that entities adopting the IFRS for the first time must apply prospectively the dispositions of IAS 20 "*Accounting for Government Grants and disclosure of Government Assistance*" to the existing government loans on the date of transition to the IFRS. This amendment is applicable to business years starting on 1 January 2013 or later and is not applicable to the Company financial statements.
- IAS 19 *"Employee benefits"* – the IASB has issued numerous changes to this principle, these changes will enter into force for business years starting on 1 January 2013 or later and concern the elimination of the corridor method and the concept of expected performance from the plan, in addition to simple clarifications and terminology. The company is assessing how to comply with these amendments, but believes that the effect on the business year profits and equity as at 31 December 2012 is not significant.
- IAS 32 *"Offsetting Financial Assets and Financial Liabilities"*. These amendments clarify the meaning of "currently has a legally enforceable right to set-off", beyond the application of the IAS32 offsetting criteria in the case of regulatory systems (such as central clearing house systems for example) which apply gross non simultaneous settlement mechanisms. These amendments will enter into force for business years starting on 1 January 2014 or later and will not have any impact on the financial position or results of the Company.
- IFRS 7 *"Disclosures – Offsetting financial assets and financial liabilities"*. These amendments require the entity to disclose information about rights to set-off and relating arrangements. This disclosures will provide the readers of the financial statements with useful information in evaluating the effect of the netting arrangements on the financial position of the entity. These amendments will enter into force for business years starting on 1 January 2013 or later and it will not affect net financial position and results of the Group.

We would highlight some improvements to the IFRS issued in May 2012, which will be effective for business years starting on 1 January 2013 or later. We would point out that we do not believe they will have an impact on the Group financial statements.

- *IFRS 1 "First-time adoption of the International Financial Reporting Standards"* – this improvement clarifies that an entity that stopped applying IFRS in the past and then decides, or is required, to apply the IFRS again, has the option to re-apply IFRS 1. If IFRS 1 is not re-applied, the entity must retrospectively restate its financial statements, as if it had never stopped applying IFRS.
- *IAS 1* "Presentation of financial statements" – this improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative information is for the previous period.
- *IAS 16 "Property, plant and machinery"* – this improvement clarifies that major spare parts and machinery dedicated to maintenance, which meet the definition of property, plant and machinery, are not inventory.
- *IAS 32 "Financial Instruments: presentation"* – this improvement clarifies that income taxes arising from distribution to shareholders are accounted for in accordance with IAS 12 *"Income taxes"*.
- *IAS 34 "Interim financial reporting"* – this improvement aligns the disclosure requirements for total segmemt assets with total segment liabilities in the interim financial statements. The clarification is also aimed at ensuring that the interim disclosures is in line with the annual disclosures.

Capital management policy

As regards the management of capital, the Company's priority is to maintain an appropriate level of its equity in relation to debts accrued (Net debt/Equity or "gearing" ratio), so as to guarantee solidity in terms of equity and its adequacy to the management of cash flows.

Taking into account the fact that the financial requirements, because of the characteristics of the Company's core business, are calculated in terms of trade net working capital, the main indicator for cash flow management is summarily represented by the performance of the ratio between trade net working capital and revenues ("Trade NWC on total Revenues").
Still in relation to the seasonal nature characterising its business, the Company also monitors the performance of the single components of trade net working capital (trade receivables and payables and inventories) in terms of both absolute value and days of outstanding.
The management of capital is also measured in terms of the principal indicators of financial best practice, such as ROS, ROCE, ROE, Net debt / Equity and Net debt / EBITDA.

Financial Risks Management

The financial risks to which the Company 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.

MARR employs derivative financial instruments solely for the purpose of covering some non-functional currency exposures.

Market risk

(i) Currency risk: MARR operates at an international level and is consequently exposed to currency risk above all with regard to trade transactions denominated in US dollars. The currency risk arises when reported assets and liabilities are expressed in a currency other than the enterprise's functional currency. The manner of handling this risk in the Company is to enter into forward contracts to purchase/sell the foreign currency, specifically designed to hedge the individual trade transactions, if the forward rate is favourable compared to the rate at the date of the operation.

As at 31 December 2012, a 5% appreciation in the exchange rate in relation to the US dollar, all else being equal, would have given rise to a decrease in pre-tax profit of 66 thousand Euros (+24 thousand Euros in 2011), due to exchange rate gains (losses) on trade payables and receivables denominated in dollars (because of the change in the fair value of current assets and liabilities).
The other equity items would have shown a downward variation of 38 thousand Euros (47 thousand Euros as at 31 December 2011) ascribable to variation in the amount of the *cash flow hedge* fund (due to the variation in the fair value of forward contracts on exchange rates).

On the other hand, at the same date, a 5% drop in the exchange rate in relation to the US dollar, all else being equal, would have been reflected by a pre-tax profit increase of 73 thousand Euros (69 thousand Euros in 2011).
The other equity items would have shown an upward variation of 42 thousand Euros (52 thousand Euros as at 31 December 2011) ascribable to variation in the amount of the *cash flow hedge* fund (due to the variation in the fair value of forward contracts on exchange rates).

(ii) Interest rate risks: risks concerning changes to interest rates affect loans. Almost of the long term loans are floating and variable rate financing exposes the Company to the risk of cash flow variations due to interest rates. Fixed rate financing exposes the Company to the risk of changes to the fair value of the finances themselves.

In 2012 business year, a hypothetical upward or downward fluctuation of 10% in the interest rate, all else being equal, would have produced a pre-tax cost increase or decrease (with corresponding equity variation) of approximately 375 thousand Euros on an yearly basis (355 thousand Euros as at 31 December 2011).

As regards the use of the other short-term credit lines, management is focusing on safeguarding and consolidating relations with the credit institutes in order to stabilise the spread applied rather than Euribor as much as possible.

The Company did not make use of derivative financial instruments for the purpose of hedging interest rate risks in 2012.

(iii) Price risks: MARR makes purchases and sales worldwide and is therefore exposed to the normal risk of price oscillations typical of the sector.

Credit risk

MARR only deals with known and reliable clients. It is the Company's policy that clients who request delayed payment conditions are subject to verification procedures for their class of client. Furthermore, the credit collection is monitored during the course of the year so that the impact of overdue is not significant.

The credit quality of non overdue financial that have not undergone value impairments can be assessed with reference to the internal credit management process.

The customer monitoring process consists essentially of a preliminary phase in which data and information is collected on new customers, and a post-activation phase featuring the granting of a credit line and supervision of the customer's credit position.
The preliminary phase consists of acquiring the essential administrative/fiscal data necessary to be able to carry out a complete and accurate assessment of the risks entailed by the new customer. Activation of the customer is dependent on the completeness of the aforementioned data and approval, possibly following more detailed investigations, by the Customers Office.
Every new customer is given a credit line: its granting depends on some additional items of information (years in business, terms of payment, reputation) that are indispensable so as to be able to assess the customer's solvency level. Once the overall picture has been put together, the documentation on the potential customer is submitted for approval to the various organizational levels.

Overdue management is differentiated on the basis of length of time overdue (overdue bands).
For the overdue bands up to 60 days, reminder procedures are activated at branch level or directly by the Customers Office; for accounts that are over 15 days overdue or that have exceeded the amount of the credit line granted a personal IT control blocks the supply to non-performing customer. For debts in the "over 90 days" band, legal actions is taken when necessary.
Receivables comprised in the "not yet due" band, which total 182,879 thousand Euros as at 31 December 2012, represent 52.52% of the receivables reported in the financial statements.

This procedure defines the operating rules and mechanisms that are guaranteed to generate a cash flow by assuring the Company of the customer's solvency and the profitability of the commercial relationship.

At the reference date of the financial statements, the maximum exposure to credit risk for each of the following categories of receivables was as shown below:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Current trade receivables	348,190	336,269
Other non-current receivables	24,099	18,753
Other current receivables	34,133	34,100
Total	406,422	389,122

For the comments on the various categories, please refer to note 8 on "Other non-current receivables", note 11 on "Trade receivables" and note 14 on "Other current receivables".

The fair value of the above categories is not shown, as the book value constitutes a reasonable approximation of the same.

As at 31 December 2012, overdue trade receivables, net of bad debt reserve, amounted to 165,311 thousand Euros (135,052 thousand Euros in 2011). The breakdown of these receivables by due date is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Overdue:		
Less than 30 days	59,727	47,490
betweeen 31 and 60 days	19,914	20,332
betweeen 61 and 90 days	22,689	19,102
Over 90 days	62,981	48,128
Total overdue trade receivables	165,311	135,052

The amounts shown above refer to overdue debts calculated on the basis of the nominal terms agreed[VII] with the customer at the time of first assessment. This table also includes the "overdue" exposure of the particularly important customers most closely loyal to the Company, with whom special terms of payment are agreed yearly. As at 31 December 2012, this particular category of customers accounted for 26,355 thousand Euros (13,532 thousand Euros as at 31 December 2011) of which 12,040 thousand were in the "Over 90 days" band (9,329 thousand Euros as at 31 December 2011).

At the same date, the nominal amount of the disputed trade receivables (all classified in the category of expired "over 90 days"), which had undergone a write-down, amounted to 29,017 thousand Euros (26,191 thousand Euros in 2011).
Those receivables were mainly related to clients in economic difficulties. The quota of these receivables that is not recoverable is specifically covered by the bad debt reserve, which amounts to a total of 27,692 thousand Euros (24,692 thousand Euros in 2011).

Liquidity risk

Marr manages liquidity risk with a view to maintaining a liquidity level sufficient for its operational management. The Group manages liquidity risk mainly by constant central treasury monitoring of the collection and payment flows of all the member companies. This makes it possible, in particular, to monitor the resource flows generated and absorbed by its normal business activity.
Given the dynamic nature of the sector concerned, to meet the requirements of the business's routine management and seasonal trends preference is given to funding requirements by availing adequate lines of credit.

[VII] As of 24 October 2012, paragraph 3 of art. 62 of Decree Law 1 dated 24/1/2012 established that the payment of perishable food products must be made within 30 days of the last day of the month in which the invoice is received and that of non perishable food products within 60 days of the last day of the month in which the invoice is received. The full application of the regulation can only be assessed when the expiries for the sale of food products prior to 24 October have been paid, for which a trend of extension of the deadline is observed.

For the management of resources absorbed by investment activities, preference is generally given to funding through specific long-term loans.

The following table shows the breakdown of financial liabilities and derivative financial liabilities on the basis of contractual expiry dates at the reference date of the financial statements. It is noted that the amounts shown do not reflect the book values in as much as they consider the future expected cash flows. Given the highly volatile nature of the reference rates, which has led to a significant reduction in interest rates in recent years, financial flows of floating loans have been estimated using a rate determined by the IRS over five years increased by the average spread applied to our medium-long term loans.

(€thousand)

At 31 december 2012	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
Borrowings	178,362	21,010	30,786	3,651
Derivative financial instruments	2	0	0	0
Trade and other payables	251,977	0	0	0
	430,341	21,010	30,786	3,651
At 31 december 2011				
Borrowings	137,322	47,110	6,600	5,452
Derivative financial instruments	(42)	0	0	0
Trade and other payables	241,577	0	0	0
	378,857	47,110	6,600	5,452

As regards the changes to the long-term quota, see that already described in the Director's Report and on paragraph 16 "Non current financial debts" in the explanatory notes.

Classes of financial instruments

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

(€thousands)	31 December 2012		
Assets as per balance sheet	Loans and receivables	Derivatives used for hedging	Total
Derivative financial instruments	0	0	0
Non Current financial receivables	3,504	0	3,504
Other non-current assets	24,099	0	24,099
Current financial receivables	23,867	0	23,867
Current trade receivables	348,190	0	348,190
Cash and cash equivalents	47,521	0	47,521
Other current receivables	34,133	0	34,133
Total	481,314	0	481,314
Liabilities as per balance sheet	Other financial liabilities	Derivatives used for hedging	Total
Non-current financial payables	53,469	0	53,469
Current financial payables	175,831	0	175,831
Derivative financial instruments	0	2	2
Total	229,300	2	229,302

(€thousands)	31 December 2011		
Assets as per balance sheet	Loans and receivables	Derivatives used for hedging	Total
Derivative financial instruments	0	42	42
Non Current financial receivables	4,453	0	4,453
Other non-current assets	18,753	0	18,753
Current financial receivables	9,964	0	9,964
Current trade receivables	336,269	0	336,269
Cash and cash equivalents	32,376	0	32,376
Other current receivables	34,100	0	34,100
Total	435,915	42	435,957
Liabilities as per balance sheet	Other financial liabilities	Derivatives used for hedging	Total
Non-current financial payables	56,901	0	56,901
Current financial payables	135,404	0	135,404
Derivative financial instruments	0	0	0
Total	192,305	0	192,305

In compliance with that required by the modifications introduced to IFRS 7 with validity from 1 January 2009, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchanges, 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 market).[VIII]
As regards the other current and non-current active items, see that stated in paragraphs 14 and 8 of these explanatory notes.

[VIII] 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.

Comments on the main items of the consolidated statement of financial position

ASSETS

Non-current assets

1. Tangible assets

(€thousand)	Balance at 31.12.11	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.10
Land and buildings	41,555	218	0	(1,478)	42,815
Plant and machinery	3,633	1,096	0	(1,216)	3,753
Industrial and business equipment	470	88	0	(88)	470
Other assets	1,945	2,188	(1,406)	(658)	1,821
Fixed assets under development and advances	8	8	0	0	0
Total tangible assets	47,611	3,598	(1,406)	(3,440)	48,859

(€thousand)	Balance at 31.12.12	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.11
Land and buildings	40,185	115	0	(1,485)	41,555
Plant and machinery	3,639	1,168	(4)	(1,158)	3,633
Industrial and business equipment	437	56	0	(89)	470
Other assets	1,698	1,064	(786)	(525)	1,945
Fixed assets under development and advances	242	319	(85)	0	8
Total tangible assets	46,201	2,722	(875)	(3,257)	47,611

The increase in the item "Plant and machinery" mainly refers to investments made in the distribution centres of the company, especially in those located in Milano, Genova, Sanremo and Rimini.

The investments made in the item "Other assets" mainly refer to the purchase of motor vehicles for 847 thousand Euros and of electrical/electronic machinery for 199 thousand Euros. The decreases amounting to 786 thousand Euros for the business year refer mainly to the sale of motor vehicles.

Lastly, in the item "Fixed assets under development and advances", the increase linked to the payment of the confirmatory deposit for the purchase of a portion of the building in Santarcangelo di Romagna, Via Del Carpino 2 and 4, should be noted; this purchase, with a total value of 1,740 thousand Euros, was finalised by deed of the Notary Di Mauro on 1 February 2013.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 47,614 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, Spezzano Albanese (CS) Coscile locality, Bottegone (PT), Francesco Toni 285/297 Street and Portoferraio (LI) via Degli Altifoni 29/31.

For details of the changes in tangible assets please refer to the information provided in Appendix 3.

The following table shows the effects of revaluations of land and buildings at the date of transition to the international accounting standards (1st January 2004).

1 January 2004	STATUTORY FINANCIAL STATEMENTS	APPRAISAL	DIFFERENCE
(€thousands)			Total
Land located at Via Emilia Vecchia 75-San Vito (RN) c/o CAAR	3,396	7,066	3,670
Property located at Via Cesare Pavese-Opera (MI); (under lease-back in 2004 - at which the property was transferred to the leasing company)	5,561	7,000	1,439
Property located at Macchiareddu-Uta (CA) Industrial Zone	4,564	5,401	837
Property located at Via del Carpino 4-Santarcangelo di Romagna (RN)	925	2,724	1,799
Property located at Via dell'Acero 2 e 4- Santarcangelo di Romagna (RN)	4,557	7,252	2,695
Property located in Loc. Antiche Saline -Portoferraio (LI)	601	2,430	1,829
Property located at Via Plerote 6-San Michele al Tagliamento (VE)	3,650	4,500	850
Total	23,254	36,374	13,120

As highlighted above, application of the fair value to the item Land and Buildings compared to the values in the MARR S.p.A. Financial Statements as at 1 January 2004 (gross of taxation) implies a difference of 13,120 thousand Euros.

Tangible Asset Leasing

The Company had no ongoing financial leasing operations as at 31 December 2012.
In this regard, it should be highlighted that the lease-back operation carried out in 2004 concerning the building in via Cesare Pavese Opera (MI), terminated during the course of 2012 and concluded with the purchase of the building in October. It should be pointed out that the building, in compliance with that established in IAS 17, was already recorded among the Company assets, and the operation did not imply any changes in equity.

2. Goodwill

(€thousand)	Original figure	Balance at 31.12.12	Balance at 31.12.11
Goodwill	89,089	70,965	70,965
Total Goodwill	89,089	70,965	70,965

We point out that the management considers MARR S.p.A. as the smallest aggregates on the basis of which Management has evaluated the return of the investment, including goodwill (Cash Generating Unit).

In consideration of the above and on the basis of the impairment test conducted according to the principles and hypotheses described analytically in the section "Principal estimates made by management and discretional assessments", the total goodwill value of 70,965 thousand Euros would appear to be fully recoverable.
As regards this evaluation, management believes that, also given the prudential viewpoint used in the definition of the key hypotheses used, is not be reasonable to expected to be changes in them such as to determine a recoverable value in unit terms less than their accounting value.

Business combinations realised during the year

No further aggregations combinations occurred during the year.

Business combinations realised after closure of the financial statements

No further aggregations were realised after the date of closure of the financial statements.

3. Other intangible assets

The following are the movements in this item in 2012 and the previous year:

(€thousand)	Balance at 31.12.11	Purchases / other	Net decreases	Depreciation	Balance at 31.12.10
Patents	295	159	0	(202)	338
Concessions, licenses, trademarks and similar rights	9	0	0	(1)	10
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	5	0	0	(4)	9
Total Other intangible assets	345	159	0	(207)	393

(€thousand)	Balance at 31.12.12	Purchases / other	Net decreases	Depreciation	Balance at 31.12.11
Patents	310	190	0	(175)	295
Concessions, licenses, trademarks and similar rights	8	0	0	(1)	9
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	1	0	0	(4)	5
Total Other intangible assets	355	190	0	(180)	345

The increase in the item "Patents" is mainly due to the purchase of software.

4. Investments in subsidiaries and associated companies

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
- *Investment in subsidiaries*		
Alisea Soc. Cons. a r.l.	30	30
Marr Foodservice Ibérica S.A.U.	427	431
Sfera S.p.A.	11,440	11,440
As.ca S.p.A.	13,852	13,852
Alisurgel S.r.l. in liq.	10	10
New Catering S.r.l.	2,849	2,849
Baldini Adriatica Pesca S.r.l.	16	16
Emi.gel S.r.l.	4,590	4,618
Total Investments in subsidiaries and associated companies	33,214	33,246

The change in this item during the business year is related on one hand to indemnities received from the sellers of the subsidiary Emigel S.r.l. and on the other to the adjustment of the shareholding depreciation fund of the subsidiary Marr Foodservice Iberica S.A.U..

A suitable list has been prepared (Appendix 5), indicating the information required by point 5 of Civil Code art. 2427 for each subsidiary company. This list also indicates the differences resulting between the book value in the statement of financial position and the corresponding fraction of the Shareholders' Equity resulting from the last financial statements or draft financial statements of the controlled company. We would explain that the positive differences are attributable to the future profit estimates, as follows:

- 10,502 thousand Euros attributable to the subsidiary company Sfera (formerly Sogema) S.p.A., as MARR, on acquiring the company, strengthened its own presence in the North West, an area previously served by the Marr Milan branch, making the management of its logistical and distribution network in Northern Italy more efficiently and synergetic;
- 8,519 thousand Euros attributable to the subsidiary company AS.CA S.p.A., as MARR, on acquiring the company, strengthened its own presence in the Bologna area, in coherence with a strategy aimed at increasing its presence in the major Italian cities.
- 1,771 thousand Euros attributable to the subsidiary company New Catering S.r.l., as this acquisition enables MARR to diversify its offerings by penetrating the market for foods supplied to coffee bars, whose consumption value was approximately 20 thousand million Euros in 2005, as compared to that of the market for meals consumed away from home, which was approximately 58 thousand million Euros (source: Istat).
- 1,837 thousand Euros attributable to the subsidiary Emi.gel S.r.l., as this acquisition enables MARR to reinforce its offerings of food products to bars and fast food operators.

5. Investments in other companies

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
- Other companies		
Centro Agro-Al. Riminese S.p.A.	280	280
Conai - Cons. Naz. Imball. - Roma	1	1
Idroenergia Scrl	1	1
Banca Malatestiana Cr.Coop.vo	1	1
Consorzio Assindustria Energia	1	1
Caaf dell'Industria dell'Em. Centrale S.p.A.	2	2
Total Other companies	286	286

6. Non-current financial receivables

As at 31 December 2012 this item amounted to 3,504 thousand Euros (4,453 thousand Euros as at December 31, 2011). The item includes the quota, beyond the business year, of interest-bearing financial receivables of the parent company toward the following companies: La Cascina Soc. Coop. a r.l. (1,300 thousand Euros), Adria Market (140 thousand Euros), and the quota, outside of the year, of receivables from transporters following the sale to the latter of the transport vehicles with which MARR goods are transported (for a total amount of 2,064 thousand Euros).

7. Deferred tax assets

As at 31 December 2012, this amount refers almost totally to the taxation effect (Ires and Irap) calculated on the taxed provisions allocated by the Company and the amortizations deductible in future business years, as illustrated below:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
On taxed provisions	8,504	7,616
On costs deductible in cash	79	17
On costs deductible in subsequent years	586	427
Pre-paid taxes	9,169	8,060

8. Other non-current assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Non-current trade receivables	5,958	6,335
Accrued income and prepaid expenses	20	61
Other non-current receivables	18,121	12,357
Total Other non-current assets	24,099	18,753

The decrease compared to the previous business year in the item "non-current trade receivables" is mainly linked to the re-entry of some contractual expiries.
In addition to receivables from the State coffers for VAT on customer losses for 3,385 thousand Euros, the item "Other non-current receivables" includes, receivables from suppliers for 14,790 thousand Euros (9,000 thousand Euros as at 31 December 2011).

There are no receivables or other assets with expiries in excess of 5 years.

Current assets

9. Inventories

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Finished goods and goods for resale		
Foodstuffs	22,773	20,517
Meat	12,851	12,601
Fish products	50,615	49,146
Fruit and vegetable products	23	21
Hotel equipment	1,163	1,416
	87,425	83,701
provision for write-down of inventories: to be deducted	(750)	(750)
Goods in transit	3,723	4,334
Packing	599	555
Total Inventories	90,997	87,840

The inventories are not conditioned by obligations or other property rights restrictions.

10. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Financial receivables from parent companies	13,277	1,725
Financial receivables from subsidiaries	8,236	6,494
Receivables from loans granted to third parties	2,354	1,745
Total Current financial receivables	23,867	9,964

As regards the items "Financial receivables from subsidiaries" and "Financial receivables from parent companies" (all of which interest bearing), the detailed analysis is indicated in the Directors' Report.
The "Receivables from loans granted to third parties", all of which interest bearing, mainly refers to the financial receivables towards freight carriers (710 thousand Euros) following the sale to the latter of the motor vehicles with which MARR goods are ferried around, towards partner services suppliers (60 thousand Euros), other companies (1,550 thousand Euros) in order to strengthen the commercial relationships and to increase sales, and for loans granted to the agents (34 Euro thousand).

11. Current trade receivables

This item is composed of:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Trade receivables from customers	374,729	360,039
Trade receivables from subsidiaries	1,153	920
Trade receivables from parent companies	0	2
Total Current trade receivables	375,882	360,961
Provision for write-down of receivables from customers	(27,692)	(24,692)
Total current net receivables	348,190	336,269

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Trade receivables from customers	371,565	356,133
Receivables from associated companies consolidated by the Cremonini Group	3,138	3,869
Receivables from associated companies not consolidated by the Cremonini Group	26	37
Total current trade receivables from customers	374,729	360,039

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 27,692 thousand Euros, as highlighted in the table below.

The "receivables from subsidiaries" (1,153 thousand Euros), "from associated companies consolidated by the Cremonini Group" (3,138 thousand Euros) and "from associated companies not consolidated by the Cremonini Group" (26 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 31 December 2012.

The provision for bad debt as at 31 December 2012 is broken down as follows:

(€thousand)	Balance at 31.12.12	increases	decreases	Balance at 31.12.11
- Tax-deductible provision	1,920	1,920	(1,800)	1,800
- Taxed provision	24,905	5,980	(3,099)	22,024
- Provision for default interest	867	0	(1)	868
Total Provision for write-down of Receivables from customers	27,692	7,900	(4,900)	24,692

12. Tax assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Ires/Irap tax advances /withholdings on interest	8	11
VAT carried forward	351	166
Irpeg litigation	6,042	5,590
Receivables for Ires transferred to the Controlling Company	2,265	0
IRAP	328	0
Other	1,273	247
Total Tax assets	10,267	6,014

As regard the item *"Irpeg litigation"*, refer to that contained in the paragraph 18 "Provisions for non-current risks and charges".

As regards the "Receivables for Ires transferred to the Controlling Company" and "Receivables for Irap balance", it should be highlighted that as at 31 December 2011, these items showed a balance payable of 2,109 thousand Euros for Ires and 442 thousand Euros for Irap respectively.
The receivables from the parent company for Ires benefits transferred includes receivables of 1,301 thousand Euros for Ires reimbursements allocated with reference to 2007 and 2011 and calculated in the Irap paid for the cost of employment and collaborators not deducted for the same purposes. For more details in this regard, see the commentary in paragraph 34 "Taxes".

13. Cash and cash equivalents

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

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Cash and Cheques	9,042	6,234
Bank and postal accounts	38,479	26,142
Total Cash and cash equivalents	47,521	32,376

Regarding to the changes of the net financial position, refer to the cash flows statement of 2012.

14. Other current assets

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Accrued income and prepaid expenses	612	409
Other receivables	33,521	33,691
Total Other current assets	34,133	34,100

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Prepaid expenses		
Leases on buildings and other assets	103	137
Maintenance fees	41	43
Commercial and advertising costs	48	72
Other prepaid expenses	386	104
Other prepaid expenses from Parent Companies	34	53
Total Current accrued income and prepaid expenses	612	409

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Guarantee deposits	107	107
Other sundry receivables	907	707
Provision for write-down of receivables from others	(2,290)	(2,290)
Receivables from social security institutions	123	129
Receivables from agents	2,299	2,752
Receivables from employees	46	30
Receivables from insurance companies	434	1,565
Advances to suppliers and supplier credit balances	31,830	30,474
Advances to suppliers and supplier credit balances from Associates	65	217
Total Other current receivables	33,521	33,691

The item *Advances to suppliers and supplier credit balances* includes payments made to foreign suppliers (non-EU) for the purchase of goods with "f.o.b. clause" or advance payment on next fishing campaigns.
Receivables from foreign suppliers in foreign currencies have been adjusted to the exchange rate valid on 31 December 2012.

The "Provision for write-down of receivables from others" mainly refers to receivables with suppliers and agents.

The decrease in *Receivables from insurance companies* is mainly due to the receipt of the insurance reimbursement for the maritime accident which occurred in 2011.

Breakdown of receivables by geographical area

The breakdown of receivables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial receivables	3,504	0	0	3,504
Deferred tax assets	9,169	0	0	9,169
Other non-current assets	9,309	300	14,490	24,099
Financial receivables	23,867	0	0	23,867
Financial instruments / derivative	0	0	0	0
Trade receivables	330,232	13,903	4,055	348,190
Tax assets	9,236	1,031	0	10,267
Cash and cash equivalents	46,956	565	0	47,521
Other current assets	19,456	3,367	11,310	34,133
Total receivables by geographical area	451,729	19,166	29,855	500,750

LIABILITIES

15. 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 31 December 2012, 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.
The indicated value of 32,909,736 Euros, unchanged compared to 31 December 2011, is net of the nominal value (equal to 353 thousand Euros) of n. 705,647 own shares held by the parent company as of December 31, 2012.

Share premium reserve
The total reserve as at 31 December 2012 amounted to 60,192 thousand Euros and does not appear to have changed since 31 December 2011. It is pointed out that part of this reserve, amounting to 3,477 thousand Euros, is to be considered as unavailable ex art. 2357-ter of the Civil Code to cover the purchase of its treasury shares of which in the following paragraphs.

Treasury shares
This item amounted to 3,477 thousand Euros and is equal to the difference between the cost of its treasury shares and their nominal value, highlighted in the table of movements in net equity under the items "exceeding of nominal value of treasury shares" and "reserve for profits/losses on treasury shares". This item is unchanged since 31 December 2011 as during the year have not occurred further purchases or sales of treasury shares.

Legal reserve
This Reserve amounts to 6,652 thousand Euros and does not appear to have changed since 31 December 2011.

Shareholders' contributions on account of capital
This Reserve did not change in 2012 and amounts to 36,496 thousand Euros.

Reserve for transition to IAS/IFRS
This is the reserve (amounting to 7,516 thousand Euros) set up following the first time adoption of the international accounting standards.

Extraordinary Reserve
The increase as at 31 December 2012, amounting to 5,470 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2011, as per shareholder meeting's decision made on 28 April 2012.

Cash Flow Hedge Reserve
This reserve is related to the stipulation of hedging contracts on exchange rates and on the performance of the US Dollar against the Euro.
As regards the movements in this reserve and the other profits/losses in the Statement of Comprehensive Income, see that described in the Statement of Changes in the Shareholders' Equity and in paragraph 36 "Other profits/losses" in these explanatory notes.

Reserve for 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.

With regard to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amount to 1,497 thousand Euros as at 31 December 2012, the relevant deferred tax liabilities have been accounted for.

On 28 April 2012 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2011 and consequently decided upon allocation of the business year profits, and the approval of a gross dividend of 0.64 Euros (of which 0.10 Euros were paid out exceptionally due to the 40th anniversary of business activities) for each ordinary share with the right to vote, excluding own shares in the portfolio at the date of the coupon detachment.

In addition of the commentary on the items in the Net Equity, it should be pointed out:

(€thousands)	*at 31 December 2012*	Possible utilization	Available quota
Share Capital [I]	32,910		
Reserves:			
Share premium reserve [II]	56,715	A,B,C	56,715
Legal reserve	6,652	B	
Revaluation reserve	12	A,B,C	12
Shareholders contributions or capital account	36,496	A,B,C	36,496
Extraordinary reserve	27,629	A,B,C	27,629
Reserve for exercised stock options	1,475	-	
Cash-flow hedge reserve	(1)	-	
Reserve for transition to the Ias/Ifrs	7,516	-	
Reserve ex art. 55 (DPR 597-917)	1,497	A,B,C	1,497
Surplus for mergers	1,823	A,B,C	1,823
Total Reserves	139,814		
Profits carried over	51,258	A,B,C	

[I] Share capital is net of the nominal value of the own shares, amounting to 353 thousand Euros.

[II] The indicated value is net of the purchase cost of the own shares less the nominal value ot the shares, amounting to 3,477 thousand Euros.

Notes:
A: for increase of share capital
B: for covering losses
C: for distribution to shareholders

Non-current liabilities

16. Non-current financial payables

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to banks - non-current portion	53,469	56,901
Payables to other financial institutions - non-current portion	0	0
Total non-current financial payables	53,469	56,901

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Payables to banks (1-5 years)	49,947	51,711
Payables to banks (over 5 years)	3,522	5,190
Total payables to banks - non-current portion	53,469	56,901

As highlighted in the Directors' Report, the variation in non-current Payables to banks is attributable to the combined effect of the classification among current payables of the loan instalments expiring in 2013 and the sign-off of the following loans:

- in the month of April the Cooperatieve Centrale Raiffeisen – Boerenleenbank B.A. (Rabobank Group) granted to MARR S.p.A. a new loan amounting to 25 million Euros with due date in March 2015;
- In the month of August the Company signed off a new loan with Banca Nazionale del lavoro for 22.5 million Euros with due date in January 2014; in this regard, it should be noted that the previous loan had been entirely reimbursed in June at maturity, for a total of 25 million Euros.

Below is the breakdown of the medium and long-term portion of the payables to banks, including the interest rates applied:

Credit institutes	Interest rate	Expiry	Portion from 2 to 5 years	Portion beyond 5 years	Balance at 31.12.11
Pop.Crotone-nr. 64058	Euribor 6m+1%	14/01/2015	495	0	495
Pop.Crotone-nr. 64057	Euribor 6m+1%	14/01/2015	410	0	410
Carim - n. 410086	Euribor 6m+1,05%	30/06/2014	174	0	174
Carisp Pistoia	Euribor 6m+0,48%	31/01/2020	2,035	1,307	3,342
Centrobanca	Euribor 3m+1,4%	31/12/2019	4,432	2,215	6,647
Finanziamento Ra.Bo. Bank	Euribor 6m+1,6%	30/03/2015	24,909	0	24,909
Poll Financing with Banca IMI	Euribor 3m+2,5%	29/01/2014	17,492	0	17,492
			49,947	3,522	53,469

Below is the breakdown of the security on mortgages concerning the Group's real estate:

Credit institutes	Guarantee	Amount	Property
Pop.Crotone-nr. 64058	mortgage	7,172	Località Coscile-Spezzano Albanese (CS)
Pop.Crotone-nr. 64057	mortgage	5,942	Località Coscile-Spezzano Albanese (CS)
Carim - n. 410086	mortgage	4,500	Via Plerote-S.Michele al T. (VE)
Cassa di Risparmio di Pescia e Pistoia	mortgage	10,000	Via Francesco Toni 285/297 - Bottegone (PT)
Centrobanca	mortgage	20,000	Santarcangelo di R. (RN); Via Degli Altifomi n.29/31 - Portoferraio (LI); Località Macchiareddu - Uta (CA)
Total		47,614	

Lastly, it must be pointed out that:

- the ongoing financing with Centrobanca (signed in January 2010) provides the following covenants to be verified on a yearly basis with reference to the consolidated MARR Group data at year-end.

  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3.60

  Non-respect of the financial covenants will constitute a cause for the termination of the contractual rights.

- The ongoing financing in pool with Banca IMI (signed in August 2010) provides the following financial covenants, to be calculated with reference to the consolidated MARR Group data of the year:

  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3. 0

  Non-respect of the financial covenants will imply that the company withdraws from the benefits of the term.

- The ongoing financing with Cooperatieve Centrale Raiffeisen – Boerenleenbank B.A. (signed in April 2012) provides the following financial covenants, to be calculated with reference to the consolidated MARR Group data of the year:

  NET DEBT / EBITDA < 3.0
  NET DEBT / EQUITY < 1.5

  Those ratios will be verified with reference to 31 December and 30 June each year, on the basis of the consolidated Group figures in the twelve months prior to the verification date.
  Failure to respect these indices may imply the termination of the contract.

- The loan contract with the Banca Nazionale del Lavoro (signed in August 2012) provides as commercial covenant that annual commercial transactions be carried out for a total amount of at least 100 million Euros.
  The failure to respect this commitment would determine the adjustment of the nominal annual debtor rate.

As regards the financial covenants, it should be pointed out that these have been widely respected, while as regards the trade covenant required for the loan from the Banca Nazionale del Lavoro, this will be verified on expiry of the loan, in other words on 29 January 2014. As of the current date, however, it is believed that the required limit will be able to be fully respected.

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

(€thousand)	Book Value		Fair Value	
	2012	2011	2012	2011
Payables to banks - non-current portion	53,469	56,901	52,127	55,882
Payables to other financial institutions - non-current portion	0	0	0	0
	53,469	56,901	52,127	55,882

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.

17. Employee benefits

This item includes the Staff Severance plan, for which changes during the period are reported:

(€thousand)	
Opening balance at 31.12.11	*7,808*
use for the period	(256)
provision for the period	490
other changes	(120)
Closing balance at 31.12.12	*7,922*

The employment contract applied is that of companies operating in the "Tertiary, Distribution and Services" sector.

18. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.12	Provisions	Uses	Balance at 31.12.11
Provision for supplementary clients severance indemnity	1,827	306	0	1,521
Provision for specific risks	783	0	0	783
Total Provisions for non-current risks and charges	2,610	306	0	2,304

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.

In relation to the fiscal dispute currently ongoing deriving from the verification carried out by the "Guardia di Finanza", IV Group Section in San Lazzaro di Savena (BO), because of presumed breaches in terms of direct tax (1993-1999 fiscal years) and VAT (1998 and 1999 fiscal years) finalised in the month of July of the year 2000, it should be pointed out that on 28 February 2004, the recourses for direct tax (1993-1999 fiscal years) and VAT (1998 and 1999 fiscal years) were discussed in a public hearing. The amount involved in the dispute concerning taxes and the relevant sanctions, for the main inspection known as "C.R.C." (the other inspections concerning insignificant amounts or others that were abandoned) amounts to approximately 4.7 million Euros plus interest.
In its sentence no. 73/2/04, the Rimini Provincial Tributary Commission, Section II, accepted the recourse presented for IRAP referring to the main inspection, while it partly rejected, with reference to the other inspections, the recourses presented, confirming the conclusions of the Inland Revenue.
On 20 December 2004, MARR S.p.A. impugned the aforementioned sentence, presenting an appeal to the Rimini Section of the Bologna Regional Tributary Commission.
The matter was discussed before Section 24 of the Emilia Romagna Regional Tributary Commission on 16 January 2006.
As regards the reasons put forward by the company in the documentation for the second stage of the proceedings, the Bologna Tributary Commission disposed in Order 13/24/06 on 3 April 2006, that a technical consultancy be carried out, assigning the duty to a board of three professionals to provide an opinion, among other things, on the disputed matter, and asked them to ascertain, on the basis of contractual agreements and economic and financial relations effectively ongoing between the parties involved in the complex operation, whether the cost sustained by MARR S.p.A. and being disputed concerns the business of the company or not.

On 18 November 2006, the board of consultants deposited its report, concluding that: "in summary, it can be stated that these capital losses are relevant in as much as they are objectively referable to the business of the company".
On 15 January 2007, the dispute was again discussed in a public hearing during which the findings in the report of the board of consultants were again presented.
In sentence 23/10/07, the Bologna Tributary Commission reviewed its first phase sentence in favour of MARR S.p.A. as regards the four findings subject of the dispute but, without providing any motivation, it completely rejected the conclusions drawn by the technical consultants it itself appointed with reference to the principal inspection known as "CRC", thus confirming that established by the judges in the first phase of the proceedings.
By reason of this, a recourse was presented on 22 April 2008 before the Supreme Court of Cassation. The State Bar met to discuss the matter on 3 June 2008.
Although the outcome of the appeal was negative, although it must be pointed out that there were two technical consultancies in perfect agreement with each other during this phase, comprising four undoubtedly authoritative professionals, three of them appointed by the Tributary Commission itself, the opinions expressed being undoubtedly fully in favour of MARR Spa, and considering the opinion expressed by the defence lawyers representing the Company before the Court of Cassation, it is reasonable to expect that the dispute will be resolved favourably.

During the course of 2007, several disputes arose with the Customs Authorities concerning the payment of preferential customs duties on certain imports of fish products. With reference to the most significant of these disputes, involving import duties amounting to approximately 250 thousand Euros concerning the purchase of certain goods from Mauritania, it must be pointed out that the judges in the first phase of proceedings rejected the recourses presented by the Company in May 2008, but in any case accepted the fact that the company was entirely extraneous to the claimed irregularities, as they were attributable exclusively to its suppliers, from whom, as already formally notified to them, all expenses and costs inherent and/or consequent to the aforementioned dispute will be reclaimed.
The appeal made by the Company against the first grade sentence has not been accepted by the Regional Tax Commission of Florence.
The Company will impugn this latest sentence, submitting recourse before the Court of Cassation within the terms of the law.

The dispute which arose with the Inland Revenue Service (major taxpayers office of the Bologna DRE) following a fiscal inspection of a general nature conducted during the course of 2010, concerning the 2007 fiscal year and partially extended to 2005 and 2006, was settled between the parties by means of judicial settlement.

As at 31 December 2012, MARR S.p.A. had paid 6,042 thousand Euros as payment of taxes while awaiting judgment; this amount was classified under tax receivables.

19. Deferred tax liabilities

As of 31 December 2012 the breakdown of this item, amounting to 9,589 thousand Euros (9,134 thousand Euros on 31 December 2011), is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
On goodwill amortisation reversal	4,460	3,931
On funds subject to suspended taxation	470	472
On leasing recalculation as per IAS 17	493	507
On actuarial calc. of severance provision fund	71	145
On fair value revaluation of land and buildings	4,044	4,068
Others	51	11
Deferred tax liabilities fund	9,589	9,134

20. Other non-current payables

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Accrued expensed and prepaid income	316	240
Others	21	0
Total other non-current payables	337	240

This item is represented principally by the quota beyond the year's end of prepaid expenses on customers interest. There is no accrued expenses and deferred income over 5 years.

Current liabilities

21. Current financial payables

(€thousand)	Balance at 31.12.11	Balance at 31.12.11
Financial payables to subsidiaries	1,600	1,242
Payables to banks	174,229	133,035
Payables to other financial institutions	2	1,127
Total Current financial payables	175,831	135,404

Current payables to banks:

(€thousand)		Balance at 31.12.12		Balance at 31.12.11
Current accounts		24,397		6,068
Loans/Advances		99,160		77,948
Loans :				
- Pop.Crotone-nr. 64058	322		312	
- Pop.Crotone-nr. 64057	267		258	
- Carim - n. 410086	340		329	
- Cassa di Risp.di Pescia e Pistoia	493		465	
- Centrobanca	1,104		1,103	
- Poll Financing with Banca IMI	43,307		21,570	
- Banca Nazionale del Lavoro	4,839		24,982	
		50,672		49,019
		174,229		133,035

For more details, see that outlined in the Directors' Report on management performance and on paragraph 16 "Non current financial payables".

We point out that the entry for "Loans/Advances" consists mainly 73,038 thousand Euros for advances on invoices and 26,122 thousand Euros for other short-term loans.

The decrease of payables to other financial institutions as at 31 December 2012 is due to the closure of all the ongoing leasing contracts; in particular, it should be highlighted that the leasing stipulated with Unicredit Leasing S.p.A. (the payables for which amounted to 1,023 thousand Euros as at 31 December 2011) was concluded in October 2012 with the purchase by the company of the relevant building.

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

22. Financial instruments / derivatives

The amount as at 31 December 2012 refers to forward contracts in existence at that time, specifically intended to hedge exchange-rate risks on purchases and sales in currencies other than the functional currency. These hedges have been entered as hedges on financial flows.

23. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Irap	0	442
Ires transferred to the Controlling Company	0	2,109
Other taxes payable	154	110
Irpef for employees	901	865
Irpef for external assistants	146	208
Total Current taxes payable	1,201	3,734

This item relates to taxes payable of a determined and certain amount.

As regards MARR S.p.A., the 2008 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 decrease in this item is attributable to closure of the Ires and Irap balances; see paragraph 12 "Tax receivables".

24. Current trade liabilities

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Suppliers	243,301	232,235
Payables to associated companies consolidated by the Cremonini Group	7,644	7,720
Payables to Subsidiaries	706	581
Payables to Correlated Companies	264	253
Trade payables to Parent Companies	62	788
Total Current trade liabilities	251,977	241,577

The liabilities refer mainly to settlements deriving from commercial operations and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 7,644 thousand Euros, "Payables to subsidiaries" for 706 thousand Euros and "Payables to Parent Companies" for 62 thousand Euros the details and analysis of which are reported in Directors' Report, in addition to "Payables to other Correlated Companies" for 264 thousand Euros

25. Other current liabilities

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Current accrued expenses and deferred income	1,424	1,477
Other payables	14,426	14,365
Total Other current liabilities	15,850	15,842

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Accruals for emoluments to employees/directors	842	838
Other deferred income	7	17
Deferred income for interests from clients	575	622
Total Current accrued expenses and deferred income	1,424	1,477

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Inps/Inail and Other social security institutions	1,344	1,428
Enasarco/ FIRR	509	428
Payables to personnel for emoluments	3,999	4,245
Advances from customers, customers credit balances	7,697	6,878
Payables to insurance companies	116	172
Other sundry payables	761	1,214
Total Other payables	14,426	14,365

The item "*Payables to personnel for emoluments*" includes current salaries not yet paid as at 31 December 2012 and allocations for leave accrued but not taken, with relevant charges.
The item *Advances from customers, customers credit balances* includes the credit notes to be issued to customers for end of year premiums and contributions.

Breakdown of payables by geographical area

The breakdown of payables by geographical area is as follows:

(€thousand)	Italy	EU	Extra-EU	Total
Non-current financial payables	53,469	0	0	53,469
Employee benefits	7,922	0	0	7,922
Provisions for risks and charges	2,610	0	0	2,610
Deferred tax liabilities	9,589	0	0	9,589
Other non-current liabilities	337	0	0	337
Current financial payables	175,492	339	0	175,831
Financial instruments / derivative	2	0	0	2
Current tax liabilities	1,165	0	36	1,201
Current trade liabilities	216,297	31,243	4,437	251,977
Other current liabilities	15,779	33	38	15,850
Total payables by geographical area	482,662	31,615	4,511	518,788

Guarantees, securities and commitments

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

Guarantees (totalling 33,313 thousand Euros)
These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 29,399 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 either within the year or over the year;
- 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 3,914 thousand Euros as at 31 December 2012 and refers to credit lines granted to subsidiaries. On closure of the business year, the following guarantees had been granted in favour of the following subsidiary companies.

(€thousand)	Balance at 31.12.12	Balance at 31.12.11
Guarantees		
Sfera S.p.a.	1,100	0
Marr Foodservice Iberica S.A.U.	0	800
Alisea Soc. Cons. a r.l.	1,606	1,606
Baldini Adriatica Pesca S.r.l.	1,208	38
Total Guarantees	3,914	2,444

Collaterals
Collaterals in favour of third parties refer mainly to mortgages on properties owned and are analysed in detail in the comment on the item "Payables to banks".

Other risks and commitments
This item includes 8,325 thousand Euros related to credit notes issued by certain credit institutes to guarantee obligations undertaken with our foreign suppliers.

Comments on the main items of the MARR S.p.A. income statement

26. Revenues

Revenues are composed of:

(€thousand)	31.12.2012	31.12.2011
- Net Revenues from sales of goods	1,128,254	1,118,949
- Revenues from services		
Advisory services to third parties	715	488
Manufacturing on behalf of third parties	25	34
Rent income (typical management)	28	40
Other services	2,493	3,915
total	3,261	4,477
Total Revenues	1,131,515	1,123,426

The revenues from services mainly include revenues from companies in the group for insurance consultancies and assistance, technical consultancies, administrative management of personnel, administrative, legal and commercial assistance, processing, transport and handling and revenues from transport and similar costs from clients.

See that described in the Directors' Report with regard to comments on the performance of revenues.

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

(€thousand)	31.12.2012	31.12.2011
Italy	1,038,584	1,039,322
European Union	60,496	59,926
Extra-EU countries	32,435	24,178
Total	1,131,515	1,123,426

The breakdown by category of activity of the revenues from sales of goods is as follows:

(€thousand)	31.12.2012	31.12.2011
Foodstuff	464,061	449,743
Meat	228,288	227,422
Seafood	411,538	421,853
Fruit and vegetables	29,418	26,119
Hotel equipment	5,844	6,371
Sias Division	1,220	1,175
Trade discounts / year-end bonuses	(12,115)	(13,734)
Total Revenues from sales of goods	1,128,254	1,118,949

The revenues have been achieved within national territory, including the islands. Below is a list of the total revenues (in million of Euros) realised during 2012 by the Rimini Head Office and each unit (branches and divisions):

(€thousand)	31.12.2012	31.12.2011
Head Branch of Rimini (Marr Uno)	169	159
Branch: Marr Napoli	35	33
Branch: Marr Milano	72	72
Branch: Marr Roma	99	98
Branch: Marr Venezia	48	45
Branch: Marr Supercash&carry - Rimini	32	33
Branch: Marr Sardegna	45	44
Branch: Marr Romagna - Rimini	53	53
Emiliani Division - Rimini	192	207
Carnemilia Division - Bologna	13	14
Branch: Marr Sicilia	35	32
Branch: Marr Sanremo	14	15
Branch: Marr Elba	6	6
Branch: Marr Genova	22	22
Branch: Marr Dolomiti	9	10
Warehouse: Santarcangelo	2	1
Branch: Marr Puglia	34	33
Branch: Marr Battistini	22	23
Branch: Marr Torino	50	52
Branch: Marr Calabria	38	37
Branch: Marr Sfera	43	44
Branch: Marr Arco	14	14
Branch: Marr Toscana	35	33
Branch: Marr Cater	45	42
Branch: Marr Valdagno	12	10
Divisione Sias	1	1
Others (trade discounts / year-end bonuses)	(12)	(14)
Total Revenues from sales of goods	1,128	1,119

27. Other revenues

The Other revenues are broken down as follows:

(€thousand)	31.12.2012	31.12.2011
Contributions from suppliers and others	25,333	24,936
Other sundry earnings	1,367	803
Reimbursements for damages suffered	1,036	779
Reimbursement of expenses incurred	862	502
Recovery of legal fees	68	50
Capital gains on disposal of assets	109	172
Total Other revenues	28,775	27,242

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers and has performed proportionately to the increase in the purchase cost of goods as a re-confirmation of the ability of the company in managing relations with its suppliers.

28. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	31.12.2012	31.12.2011
Purchases of goods	910,092	887,030
Purchases of packages and packing material	3,401	3,586
Purchase of stationery and printed paper	537	601
Purchase of promotional and sales materials, and catalogues	177	191
Purchase of various materials	366	419
Discounts and rebates from suppliers	(681)	(527)
Fuel for industrial motor vehicles and cars	246	246
Total Purchase of goods for resale and consumables	914,138	891,546

29. Personnel costs

This item includes all expenses for employed personnel, including leave and additional monthly salaries as well as related social security charges, in addition to the severance provision and other costs provided contractually.

(€thousand)	31.12.2012	31.12.2011
Salaries and wages	20,663	21,115
Social security contributions	6,413	6,520
Staff Severance Provision	1,836	1,811
Other Costs	4	1
Total Personnel Costs	28,916	29,447

Breakdown of employees by category is as follows:

	Workers	Employees	Managers	Total
Employees as of 31.12.11	316	404	6	726
Net increases and decreases	*(20)*	*(14)*	*2*	*(32)*
Employees as of 31.12.12	296	390	8	694
Average number of employees as of 31.12.12	327.6	400.6	7.3	735.5

The personnel costs, amounting to 28,916 thousand Euros, registered a decrease compared to the previous business year.

This is traceable to a careful policy of resource management, with specific reference to the management of leave and permits, the hours of overtime work and seasonal employment; it should be highlighted in this regard that the average number of employees in 2012 was 735.5, compared to the average of 753.6 employees in 2011.

30. Amortizations, depreciations and write-downs

(€thousand)	31.12.2012	31.12.2011
Depreciation of tangible assets	3,251	3,435
Amortization of intangible assets	180	207
Provisions and write-downs	8,206	7,292
Total Amortizations and Depreciations and Write-downs	11,637	10,934

(€thousand)	31.12.2012	31.12.2011
Allocation of taxed provision for bad debts	5,980	5,200
Allocation of non-taxed provision for bad debts	1,920	1,800
Allocation of future risks and losses	0	100
Provision for supplementary clientele severance indemnity	306	192
Total Provisions and write-downs	8,206	7,292

For more details on provisions, reference is made to the relevant movements highlighted in notes 11 "Current trade receivables" and note 17 "Employee benefits" in addition to that commented in the paragraph "Credit risk".

31. Other operating costs

(€thousand)	31.12.2012	31.12.2011
Operating costs for services	127,908	132,374
Operating costs for leases and rentals	7,826	7,640
Operating costs for other operating charges	2,358	1,997
Total Other operating costs	138,092	142,011

(€thousand)	31.12.2012	31.12.2011
Distribution costs for our products	106,194	110,837
Energy consumption and utilities	7,030	6,023
Third-party production	3,008	3,201
Maintenance costs	3,048	3,187
Porterage and movement of goods	1,998	1,836
Advertising, promotion, exhibitions, sales (sundry items)	617	332
Directors' fees	860	1,074
Statutory auditors' fees	79	76
Insurance costs	660	730
Reimbursement of expenses, travels and sundry costs for personnel	198	201
General and other services	4,216	4,877
Total Operating costs for services	127,908	132,374

(€thousand)	31.12.2012	31.12.2011
Lease of industrial buildings	5,845	5,764
Lease of processors and other personal property	407	456
Lease of industrial vehicles	173	15
Rentals for lease of business premises	1,290	1,275
Lease of cars	1	24
Rentals and other charges paid on other personal property	110	106
Total Operating costs for leases and rentals	7,826	7,640

The fees for the lease of industrial buildings include the rental fees, totalling 668 thousand Euros, paid to the correlated company Le Cupole S.r.l. in Castelvetro (MO) for the rental of the buildings in which the MARR Uno branch carries out its activities (Via Spagna 20 – Rimini) and 1,105 thousand Euros to the associate company Consorzio Centro Commerciale Ingrosso Carni S.r.l. in Bologna for the rental of the building in which the Carnemilia Division carries out its activities (Via Francesco Fantoni, 31 – Bologna).

As regards the fees for the lease of industrial buildings, see that described in the paragraph "Organisation and logistics" in the Directors' Report on Management performance, also noting that the relevant ongoing contracts are subject to Law 392/78 Section II (Leasing contracts for use other than living).

The company lease fees refer to:

- the fee concerning the company "Sogema" in Turin owned by the subsidiary Sfera S.p.A. where the MARR Turin branch has carried out its activities since 1 November 2004, for 1,120 thousand Euros;
- the fee concerning the going concern in Sciaves which from a logistical and distribution viewpoint refers to the MARR Dolomiti branch since 2009, for 40 thousand Euros;
- the fee concerning the going concern in Arco (TN) where the "Marr Arco" branch has carried out its activities since 12 November 2007, for 130 thousand Euros.

(€thousand)	31.12.2012	31.12.2011
Other indirect taxes, duties and similar charges	1,358	1,167
Expenses for collection of debts	349	269
Other sundry charges	397	363
Capital losses on disposal of assets	1	17
IMU	202	131
Contributions and membership fees	51	50
Total Operating costs for other operating charges	2,358	1,997

The item "other indirect taxes, duties and similar charges" mainly includes: tax and register duties, local duties and taxes and car and vehicle ownership tax.

32. Financial income and charges

(€thousand)	31.12.2012	31.12.2011
Financial charges	7,605	6,816
Financial income	(2,410)	(2,891)
Foreign exchange (gains)/losses	121	(74)
Total Financial income and charges	5,316	3,851

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

Below the detail of financial charges and income:

(€thousand)	31.12.2012	31.12.2011
Interest payable on other loans, bills discount, hot money, import	2,282	2,523
Interest payable on loans	315	467
Interest payable on discounted bills, advances, export	3,535	2,716
Other financial interest and charges	1,441	1,065
Interest and Other financial charges for Parent Companies	0	8
Interest and Other financial charges for Subsidiaries	32	37
Total Financial charges	7,605	6,816

(€thousand)	31.12.2012	31.12.2011
Other sundry financial income (interest from customers, etc.)	1,961	2,678
Positve interest from bank accounts	40	38
Other sundry financial income for Parent Company	259	47
Other sundry financial income for Subsidiaries	150	128
Total Financial income	2,410	2,891

The increase in financial costs is attributable to the increase of interest rates compared to the previous business year.

33. Income and charge from associated companies

This item is detailed as indicated in the following table:

(€thousand)	31.12.2012	31.12.2011
Dividends by subsidiaries	3,951	2,939
Write off investments in subsidiaries	(4)	(5)
Total Income (charge) from associated companies	3,947	2,934

The item "Dividends by subsidiaries" as at 31 December 2012 (equal to 3,951 thousand Euros) consists mainly of the dividends distributed in 2012 by the subsidiary AS.CA. S.p.A. in the amount of 1,744 thousand Euros, by the subsidiary New Catering S.r.l. in the amount of 746 thousand Euros, by the subsidiary Alisea soc. cons. a r.l. in the amount of 667 thousand Euros, by the subsidiary Sfera S.p.A. in the amount of 302 thousand Euros, by the subsidiary EMI.GEL S.r.l. in the amount of 225 thousand Euros and by the subsidiary Baldini Adriatica Pesca S.r.l. for 267 thousand Euros.

As regard the cost for the write-off of the investment in subsidiaries (equal to 4 thousand Euros), this is attributable to the Spanish subsidiary MARR Foodservice Iberica S.A.U.

34. Taxes

(€thousand)	31.12.2012	31.12.2011
Ires - Ires charge transferred to the controlling company	18,465	19,402
Irap	4,007	4,358
Net provision for deferred tax liabilities	(641)	(761)
Recovery for tax relating previous years	(1,301)	0
Total taxes	20,530	22,999

With reference to the item "Reimbursement for taxes of previous business years", it should be highlighted that, by measure of the Director of the Inland Revenue Service emanated on 17 December 2012, the model for claiming reimbursement of Ires and Irpef and relevant additional, paid as a consequence of the failure to deduct IRAP for the costs sustained for employees and assimilated personnel was approved. As also highlighted in Assonime Circular no. 1/2013, the right to reimbursement originates from the regulation contained in art. 2 of Law Decree 201/2011, which admitted the analytical deductibility from income tax and autonomous employment tax of the IRAP for the cost of employment.
Following this measure and in compliance with the indications contained therein, the Companies in the Group submitted a reimbursement claim in February 2013 for the years from 2007 to 2011, for a total amount of 1,301 thousand Euros.

Reconciliation between theoretical and effective fiscal charges

(€thousand)	Year 2012 Taxable amount	Year 2012 Tax	Year 2011 Taxable amount	Year 2011 Tax
I.R.E.S.				
Profit before taxation	69,295		70,593	
Taxation rate	27.5%		27.5%	
theoretical tax burden		19,056		19,413
Permanent differences				
Non-deductible depreciation	509		414	
Write-down of financial assets	4		5	
Other	893		458	
	1,406		*877*	
Deductible depreciation	(1,769)		(1,779)	
Dividends from Italian companies (95%)	(3,753)		(2,792)	
Personel cost not deducted to Irap	(871)			
Other	(455)		(602)	
	(6,848)		*(5,173)*	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	6,286		5,520	
Maintenance cost excess 5%	0			
Other	192		310	
Deductible entertainment expenses	0		0	
	6,478		*5,830*	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	0		0	
	0		0	
Use of taxed provision for bad debts	(3,099)		(1,300)	
Use of others taxed provisions	0		0	
Amount of taxed entertainment expenses	0		(7)	
Write down of financial assets	0			
Amount of maintenance cost excess 5%	0			
Other	(193)		(73)	
	(3,292)		*(1,380)*	
Taxable income	67,039		70,747	
Taxation rate	27.5%		27.5%	
Actual tax burden		18,436		19,455
Balance of IRES for past business years and roundings		29		(53)
Recovery for Ires relating years 2007-2011		(1,301)		
Actual Tax burden of Period		17,164		19,402
I.R.A.P.				
Profit before taxation	69,295		70,593	
Cost not relevant for I.R.A.P.				
Dividends/Adjustment to the value of financial assets	(3,965)		(2,934)	
Financial income and expense	5,316		3,852	
Personnel costs	28,916		29,447	
Theorical taxable	99,562		100,958	
Taxation rate	4.01%		4.01%	
theoretical tax burden		3,992		4,048
Other	381		7,241	
Taxable income	99,943		108,199	
Taxation rate	4.01%		4.0%	
Actual tax burden		4,008		4,339
Balance of IRAP for pass business years and roundings		(1)		19
Actual Tax burden of Period		4,007		4,358

35. Earnings per share

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

(in Euro)	2012	2011
EPS base	0.74	0.72
EPS diluted	0.74	0.72

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

Earnings:

(€thousand)	31.12.2012	31.12.2011
Profit for the period	48,765	47,594
Profit used to determine basic and diluted earnings per share	48,765	47,594

Number of shares:

(number of shares)	31.12.2012	31.12.2011
Weighted average number of ordinary shares used to determine basic earning per share	65,819,473	65,819,473
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,819,473	65,819,473

It should be pointed out that for the calculation of profits per share, as at December 31, 2012 the weighted average of ordinary shares in circulation has been used, taking into consideration the purchases of own shares made until this date.

36. Other profits/losses

The value of the other profits/losses contained in the comprehensive income statement, that in 2012 was equal to a loss amounting to 32 thousand Euros, consists of the effects produced and reflected in the period with reference to the effective part of the term exchange purchase transactions carried out by the Company to hedge the underlying goods purchasing operations. The item is shown net of a positive taxation effect that amounts to approximately 12 thousand Euros as at 31 December 2012.
These profits/losses have been entered, in keeping with what is foreseen by the IFRS, in the net equity and highlighted (as foreseen by IAS 1 revised, applicable as from 1st January 2009) in the comprehensive income statement.

Net financial position

As regards the details of the components of the net financial position and indication of the payables and receivables to and from correlated parties, refer to that outlined in the Directors' report on management performance.

	(€thousand)	31.12.12	31.12.11
A.	Cash	9,042	6,234
	Cheques	0	0
	Bank accounts	38,293	25,977
	Postal accounts	186	165
B.	Cash equivalent	38,479	26,142
D.	Liquidity (A) + (B)	47,521	32,376
	Current financial receivable due to Subsidiaries	8,236	6,494
	Current financial receivable due to Parent Company	13,277	1,725
	Others financial receivable	2,354	1,787
E.	Current financial receivable	23,867	10,006
F.	Current Bank debt	(123,557)	(84,016)
G.	Current portion of non current debt	(50,672)	(49,019)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(1,600)	(1,242)
	Financial debt due to Related Companies	0	0
	Other financial debt	(4)	(1,127)
H.	Other current financial debt	(1,604)	(2,369)
I.	Current financial debt (F) + (G) + (H)	(175,833)	(135,404)
J.	Net current financial indebtedness (I) + (E) + (D)	(104,445)	(93,022)
K.	Non current bank loans	(53,469)	(56,901)
M.	Other non current loans	0	0
N.	Non current financial indebtedness (K) + (M)	(53,469)	(56,901)
O.	Net financial indebtedness (J) + (N)	(157,914)	(149,923)

Events after the closing of the year

With regard to the events subsequent to the year end closing, refer to the Directors' report on management performance.

° ° °

Rimini, 14 March 2013

The Chairman of the Board of Directors

Ugo Ravanelli

Appendices

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

- Appendix 1 – List of relevant equity investments in subsidiaries, associated companies and other companies as at 31 December 2012, indicating the criteria adopted for accounting.

- Appendix 2 – Table showing variations in Intangible Assets for the year ending 31 December 2012.

- Appendix 3 – Table showing variations in Tangible Assets for the year ending 31 December 2012.

- Appendix 4 – Table showing the essential data from the Cremonini S.p.A. financial and consolidated financial statements as at 31 December 2011.

- Appendix 5 – List of stockholdings in subsidiaries and associated companies as at 31 December 2012 (Civil Code art. 2427, paragraph 5).

- Appendix 6 – Information as per art. 149-duodecies of the Consob Issuers Regulations.

Appendix 1

MARR GROUP S.p.A.
LIST OF EQUITY INVESTMENTS
AT 31 DECEMBER 2012

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control	
				Company	Share held

COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS

- Parent Company:					
MARR S.p.A. (*)	Rimini	32.910			
- Subsidiaries:					
Alisurgel S.r.l. in liquidation	Rimini	10	97,0%	Sfera S.p.A.	3,0%
Alisea Società Consortile a r.l.	Impruneta, Tavarnuzze (FI)	500	55,0%		
Sfera S.p.A. (ex Sogema 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 (Spagna)	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%		
EMI.GEL S.r.l.	Santarcangelo di R. (RN)	260	100,0%		

(*) The value of the share capital of MARR S.p.A. is net to the nominal value of its own shares purchased in the context of "buy back" programme.

EQUITY INVESTMENTS VALUED AT COST:

- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11.798	1,66%		

Appendix 2

Intangible fixed assets (in thousand of Euros)	OPENING BALANCE			MOVEMENTS DURING THE YEAR				CLOSING BALANCE		
	Original Cost	Provision for amortization	Balance 01/01/2012	Purchases/ reclassification	Consolidation Change	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2012
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	3,097	(2,802)	295	190			(175)	3,287	(2,977)	310
Concessions, licences, brand names, and similar rights	37	(28)	9				(1)	37	(29)	8
Goodw ill	70,965		70,965					70,965		70,965
Intangible fixed assets under development and advances	36		36					36		36
Other intangible fixed assets	71	(66)	5				(4)	71	(70)	1
Total	**74,206**	**(2,896)**	**71,310**	**190**			**(180)**	**74,396**	**(3,076)**	**71,320**

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year				Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2012	Purchases/ reclassification	Decreases: Original cost	Decreases: Prov. for am.	Amortization	Original Cost	Provision for amortization	Balance 31/12/2012
Land and buildings	55,808	(14,253)	41,555	115			(1,485)	55,923	(15,738)	40,185
Plant and machinery	19,829	(16,196)	3,633	1,168	(37)	33	(1,158)	20,960	(17,321)	3,639
Industrial and commercial equipment	1,835	(1,365)	470	56			(89)	1,891	(1,454)	437
Other tangible assets	11,108	(9,163)	1,945	1,064	(1,290)	504	(525)	10,882	(9,184)	1,698
Tangible fixed assets under development and advances	8		8	319	(85)			242		242
Total	**88,588**	**(40,977)**	**47,611**	**2,722**	**(1,412)**	**537**	**(3,257)**	**89,898**	**(43,697)**	**46,201**

Appendix 4

Main figures' Statement of the last Cremonini S.p.A. financial statements and consolidated financial statements - MARR S.p.A. parent company -				
Financial Statements as of December 31, 2011				
Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
78,631		Tangible assets		816,334
4		Goodwill and other intangible assets		170,676
287,216		Investments		15,610
1,527		Non-current assets		49,576
367,378		*Total non-current assets*		*1,052,196*
0		Inventories		302,130
40,364		Receivables and other current assets		640,558
811		Cash and cash equivalents		122,244
41,175		*Total current assets*		*1,064,932*
408,553		**Total assets**		**2,117,128**
		LIABILITIES		
82,795		Shareholders' equity:		324,332
	67,074	Share capital	67,074	
	9,901	Reserves	116,513	
	5,820	Net profit (loss)	50,001	
		Minority interest	90,744	
120,558		Non-current financial payables		527,362
350		Employee benefits		25,876
966		Provisions for risks and charges		9,921
6,045		Other non-current liabilities		85,537
127,919		*Total non-current liabilities*		*648,696*
190,294		Current financial payables		508,754
7,545		Current liabilities		635,346
197,839		*Total current liabilities*		*1,144,100*
408,553		**Total Liabilities**		**2,117,128**
		INCOME STATEMENT		
4,791		Revenues		3,137,996
1,743		Other revenues		54,685
		Changes in inventories		8,127
		Internal works performed		2,288
(58)		Purchase of goods		(2,078,283)
(7,289)		Other operating costs		(493,928)
(2,235)		Personnel costs		(407,102)
(1,811)		Amortization		(64,795)
(617)		Depreciation and Allocations		(15,869)
18,613		Income from investments		1,600
(10,851)		Financial income and charges		(44,956)
0		Profit from business aggregations		19,928
2,286		*Profit before taxes*		*119,691*
3,535		Taxes		(45,175)
5,821		Net profit (loss) before consolidation		74,516
0		Minority interest's profit (loss)		(24,515)
0		Results for the period from discontinued operations		0
5,821		**Consolidated Net profit (loss)**		**50,001**

The essential data for the parent company Cremonini S.p.A. contained in the summary report required by Civil Code article 2497-bis have been extracted from the relevant financial statements for the business year closed on 31 December 2011. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2011, and the economic result achieved by the company during the business year closed on that date, refer to the financial statements which, supplemented by the audit company's report, is available in the forms and methods provided by the law.

List of stockholdings in subsidiaries and associated companies as at December 31, 2012 (art. 2427 n.5 c.c.)
(€/thousands)

Company	Corporate Domicile	Capital Stock	Shareholder's equity Total Amount	Shareholder's equity Pro-rata Amount (A)	Net Profit (loss) Total Amount	Net Profit (loss) Pro-rata Amount	Percentage Held	Carrying Value (B)	Difference (B) - (A)	Last Financial Statements approved/ preliminary financial statements approved	Shareholders' equity pro-rata amount in accordance with art. 2426 n. 3 cc (C)	Difference (B) - (C)
- In subsidiares:												
Alisea Soc.Cons. a r.l.	Tavarnuzze di Impruneta (Fi)	500	2,551	1,403	1,373	755	55.00%	30	(1,373)	31/12/2012	1,466	(1,436)
Alisurgel S.r.l. in liquidation	Rimini (RN)	10	188	182	4	4	97.00%	10	(172)	31/12/2012	182	(172)
Marr Foodservice Iberica S.A.U.	Madrid (Spagna)	600	428	428	(4)	(4)	100.00%	427	(1)	31/12/2012	428	(1)
Sfera S.p.a. (ex Sogema)	Santarcangelo di R.(RN)	220	938	938	185	185	100.00%	11,440	10,502 *	31/12/2012	13,158	(1,718)
AS.CA. S.p.a.	Santarcangelo di R.(RN)	518	5,333	5,333	14,751	14,751	100.00%	13,852	8,519 *	31/12/2012	15,880	(2,028)
New Catering S.r.l.	Santarcangelo di R.(RN)	34	1,078	1,078	700	700	100.00%	2,849	1,771 *	31/12/2012	3,355	(506)
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R.(RN)	10	162	162	143	143	100.00%	16	(146)	31/12/2012	518	(502)
EMI.GEL S.r.l.	Santarcangelo di R.(RN)	260	2,753	2,753	341	341	100.00%	4,590	1,837 *	31/12/2012	4,521	69

* See comment in the note to the financial statements

Appendix 6

The following table, drawn up in accordance with art. 149-duodecies of the Consob Issuers Regulations, shows the fees pertinent to business year 2012 for services rendered to the Company by Auditing Firms or entities belonging to the auditing firms' network:

(€thousands)	Service Company	Client	Fees pertinent to business year 2012
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	107
Certification service			0
Other services	Reconta Ernst & Young S.p.A.	MARR S.p.A.	14
Total			121

STATEMENT OF FINANCIAL STATEMENT PURSUANT TO ART. 154-BIS PARAGRAPH 2 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 financial statement, during the year 2012.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the financial statement as at 31 December 2012 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:

3.1 the financial statements:

a. are drafted 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;
b. correspond to the findings in the accounts books and documents;
c. are suited to providing a truthful and correct representation of the equity, economic and financial situation of the author.

3.2 The Directors' report on management includes a reliable analysis of performance levels and the management result, and also on the situation of the issuer, together with a description of the main risks and uncertainties they are exposed to.

Rimini, 14 March 2013

Chief Executive Officer

Pierpaolo Rossi

Manager responsible for the drafting of corporate accounts documents

Antonio Tiso

Reconta Ernst & Young S.p.A.
Via Massimo D'Azeglio, 34
40123 Bologna

Tel. (+39) 051 278311
Fax (+39) 051 236666
www.ey.com

Independent auditors' report
pursuant to art. 14 and 16 of Legislative Decree n. 39 dated 27 January 2010
(Translation from the original Italian text)

To the Shareholders
of MARR S.p.A.

1. We have audited the financial statements of MARR S.p.A. as of 31 December, 2012 and for the year then ended, comprising the statement of financial position, the statement of income, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of MARR S.p.A.'s Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with auditing standards recommended by CONSOB (the Italian Stock Exchange Regulatory Agency). In accordance with such standards, we planned and performed our audit to obtain the information necessary to determine whether the financial statements are materially misstated and if such financial statements, taken as a whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by Directors. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the financial statements of the prior year, which are presented for comparative purposes, reference should be made to our report dated March 26, 2012.

3. In our opinion, the financial statements of MARR S.p.A. at 31 December, 2012 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of MARR S.p.A. for the year then ended.

4. The Directors of MARR S.p.A. are responsible for the preparation of the Directors' Report and the Report on Corporate Governance and Ownership Structure in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency with the financial statements of the Directors' Report and of the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) in the Report on Corporate Governance and Ownership Structure, as required by the law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Directors' Report and the information presented in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) in the Report on Corporate Governance and Ownership Structure, are consistent with the financial statements of MARR S.p.A. at December 31, 2012.

Bologna, March 29, 2013

Reconta Ernst & Young S.p.A.

Signed by: Andrea Nobili, partner

This report has been translated into the English language solely for the convenience of international readers.

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