Annual Report

as at December 31, 2015

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

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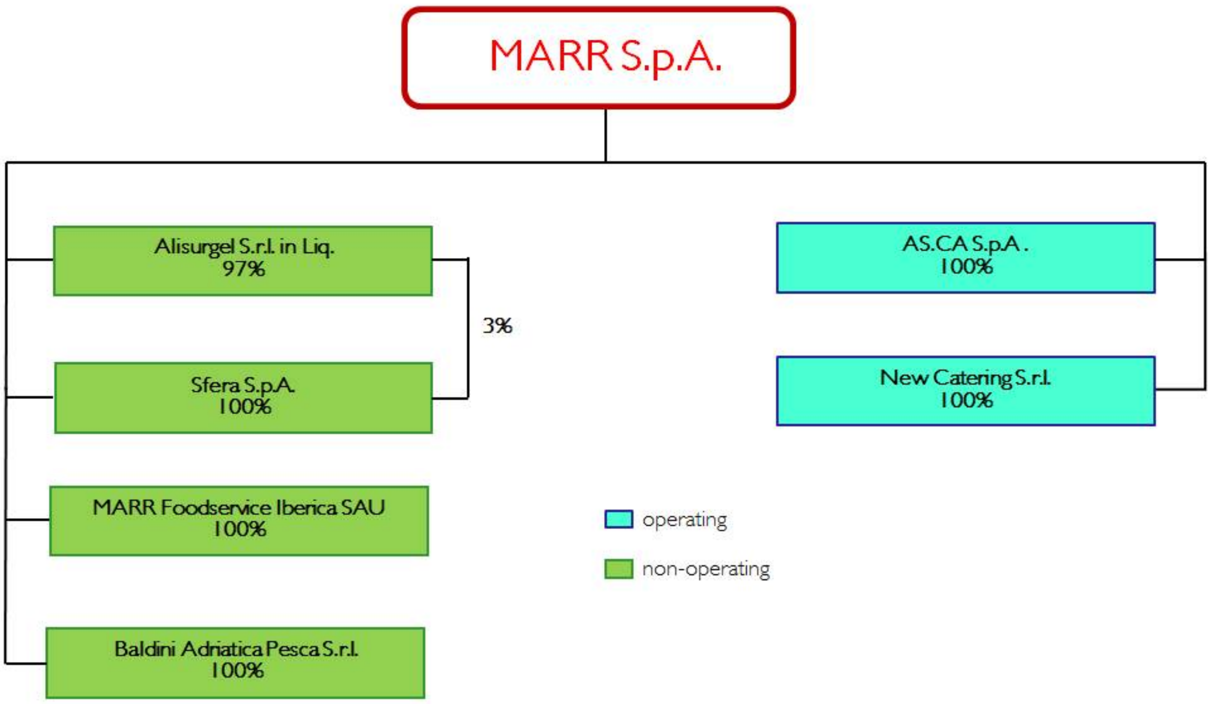
MARR GROUP ORGANISATION

Situation as at 31 December 2015



The structure of the Group as at 31 December 2015 does not differ from that at 31 December 2014.
However, it must be pointed out that on 1 June 2015, the subsidiary New Catering S.r.l. purchased 100% of the holdings in Sama S.r.l. (a company operating in the sector of bars and fast food catering with headquarters in Zola Predosa – Bologna) and that this company was subsequently merged by incorporation into New Catering itself (effective from 19 October 2015).
Lastly, it should be pointed out that as of 1 December 2015, the subsidiary company Baldini Adriatica Pesca S.r.l. leased its own going concern to the Parent company MARR S.p.A. and is thus no longer operational.

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 dell'Acero n. 1/A - Santarcangelo di Romagna. (Rn)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
NEW CATERING S.r.l. Via dell'Acero n.1/A - Santarcangelo di Romagna (Rn)	Marketing and distribution of foodstuff products to bars and fast food outlets.
BALDINI ADRIATICA PESCA S.r.l. Via dell'Acero n. 1/A- Santarcangelo di Romagna (Rn)	Company no longer operational (since 1 December 2015); now leases going concerns.
SFERA S.p.A. Via dell'Acero n. 1/A - Santarcangelo di Romagna (Rn)	Company no longer operational; now leases going concerns.
MARR FOODSERVICE IBERICA S.A.U. Calle Lagasca n. 106 1° centro - Madrid (Spagna)	Company no longer operational.
ALISURGEL S.r.l. in liquidation Via Giordano Bruno n. 13 - Rimini	Company no longer operational, 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	Paolo Ferrari(1)(2)
Deputy Chairman	Illias Aratri
Chief Executive Office	Francesco Ospitali
Chief Executive Office	Pierpaolo Rossi
Directors	Giosué Boldrini
	Claudia Cremonini
	Vincenzo Cremonini
	Lucia Serra
	Antonio Tiso
Independent Directors	Giuseppe Lusignani(1)(2)
	Marinella Monterumisi(1)(2)

(1) Members of the Remuneration and Nomination committee

(2) Member of Control and Risk Committee

Board of Statutory Auditors

Chairman	Ezio Maria Simonelli
Auditors	Davide Muratori
	Simona Muratori
Alternate Auditors	Stella Fracassi
	Marco Frassini
Independent Auditors	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 2015

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.

The 2015 business year closed with total consolidated revenues of 1,481.0 million Euros, an increase of approximately 40 million (+2.8%) compared to 1,441.4 million Euros in 2014.

In terms of revenues from sales in 2015, the Group reached 1,453.4 million Euros, an increase of 36.2 million Euros (+2.6%) compared to 1,417.2 million Euros in 2014.
In particular, the sales to customers in the "Street Market" and "National Account" categories reached 1,190.0 million Euros (1,162.5 in 2014).

Thanks to the growth achieved in 2015, the MARR Group, by virtue of the flexibility of its business model and its ability to adapt its offer and improve its customer services, has further strengthened its leadership on the Italian market of commercialisation and distribution of fresh, dried and frozen food products destined for operators in out-of-home catering and therefore in the Foodservice sector.

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 in the main Street Market category (restaurants and hotels not belonging to Groups or Chains) reached 900.5 million Euros (851.0 million in 2014), with an organic component of +5.4%, in the context of a market which in 2015, on the basis of recent surveys by the Confcommercio Studies Office (March 2016), recorded an increase in consumption (by quantity) of +1.3% in the "Hotels, meals and out-of-home food consumption" segment.
Sales in the National Account category (operators of Chains and Groups and Canteens) amounted to 289.5 million Euros and, in comparison to 311.5 million in 2014, were affected by 3.8 million Euros in sales of the company Alisea, in which MARR S.p.A. sold its holdings on 31 March 2014 and by a selective approach (aimed at safeguarding the operating profits) which has led to a reduction in the supplies to Public Administrations.

Sales to clients in the Wholesale category reached 263.4 million Euros, compared to 254.7 million in 2014.

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

	MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
	Revenues from sales and services by customer category		
	Street market	900,508	851,048
	National Account	289,521	311,464
	Wholesale	263,376	254,693
	Total revenues form sales in Foodservice	**1,453,405**	**1,417,205**
(1)	Discount and final year bonus to the customers	(16,079)	(14,897)
(2)	Other services	2,749	2,806
(3)	Other	212	146
	Revenues from sales and services	**1,440,287**	**1,405,260**

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 2015, indicating the availability of properties, is as follows:

Offices, Branches, Distribution Centres and Subsidiaries

Offices, Branches, Distribution Centres		
Management Offices	Santarcangelo di Romagna (RN)	Property
Marr Uno	Rimini e Costermano (VR)	Leasehold by parent company Cremonini S.p.A. and by third party
Marr Arco	Arco (TN)	Leasehold by third party
Marr Baldini	Riccione (RN)	Leasehold by third party
Marr Battistini	Cesenatico (FC)	Leasehold by third party
Marr Bologna	Anzola dell'Emilia (BO)	Leasehold by third party
Marr Calabria	Spezzano Albanese (CS)	Property
Marr Cater	Roma	Leasehold by third party
Marr Dolomiti	Pieve di Cadore (BL)	Leasehold by third party
Marr Elba	Portoferraio (LI)	Property and leasehold by third party
Marr Genova	Carasco (GE)	Leasehold by third party
Marr Milano	Opera (MI)	Property
Marr Napoli	Casoria (NA)	Leasehold by third party
Marr Puglia	Monopoli (BA)	Leasehold by third party
Marr Roma	Capena (Roma)	Leasehold by third party
Marr Romagna	San Vito di Rimini	Leasehold by a company where Marr S.p.A. is stakeholder
Marr Sanremo	Taggia (IM)	Leasehold by third party
Marr Santarcangelo	Santarcangelo di R. (RN)	Property
Marr Sardegna	Uta (CA)	Property
Marr Scapa	Marzano (PV) and Pomezia (RM)	Leasehold by third party
Marr Sfera	Riccione (RN)	Leasehold by third party
Marr Sicilia	Cinisi (PA)	Leasehold by third party
Marr Supercash&carry	Rimini	Leasehold by third party
Marr Torino	Torino	Leasehold by third party
Marr Toscana	Bottegone (PT)	Property
Marr Valdagno	Valdagno (VI)	Leasehold by third party
Marr Venezia	S. Michele al Tagliamento (VE)	Property
Carnemilia (Meat-processing branch catering)	Bologna	Surface ownership
Emiliani (Fish and Seafood products branch)	Santarcangelo di R. (RN)	Property
Subsidiaries		
AS.CA S.p.A.	Castenaso (BO)	Property
New Catering S.r.l.	Zola Predosa (BO), Bentivoglio (BO), Forlì (FC) e Rimini (RN)	Leasehold by third party

Below are the figures re-classified according to current financial analysis procedures, with the income statement, the statement of financial position and the net financial position for 2015, compared to the previous year.

Analysis of the re-classified Income Statement

MARR Consolidated (€thousand)	***31.12.15***	*%*	*31.12.14*	*%*	*% Change*
Revenues from sales and services	1,440,287	*97.2%*	1,405,260	*97.5%*	*2.5*
Other earnings and proceeds	40,757	*2.8%*	36,114	*2.5%*	*12.9*
Total revenues	**1,481,044**	***100.0%***	**1,441,374**	***100.0%***	***2.8***
Cost of raw materials, consumables and goods for resale	(1,162,638)	*-78.5%*	(1,138,185)	*-79.0%*	*2.1*
Change in inventories	3,199	*0.2%*	15,772	*1.1%*	*(79.7)*
Services	(169,202)	*-11.4%*	(169,142)	*-11.8%*	*0.0*
Leases and rentals	(9,071)	*-0.6%*	(9,142)	*-0.6%*	*(0.8)*
Other operating costs	(1,852)	*-0.1%*	(1,767)	*-0.1%*	*4.8*
Value added	**141,480**	***9.6%***	**138,910**	***9.6%***	***1.9***
Personnel costs	(35,806)	*-2.5%*	(37,083)	*-2.5%*	*(3.4)*
Gross Operating result	**105,674**	***7.1%***	**101,827**	***7.1%***	***3.8***
Amortization and depreciation	(4,990)	*-0.3%*	(4,879)	*-0.4%*	*2.3*
Provisions and write-downs	(11,599)	*-0.8%*	(11,214)	*-0.8%*	*3.4*
Operating result	**89,085**	***6.0%***	**85,734**	***5.9%***	***3.9***
Financial income	2,499	*0.2%*	2,935	*0.2%*	*(14.9)*
Financial charges	(8,942)	*-0.6%*	(11,026)	*-0.8%*	*(18.9)*
Foreign exchange gains and losses	(334)	*0.0%*	(714)	*0.0%*	*(53.2)*
Value adjustments to financial assets	0	*0.0%*	0	*0.0%*	*0.0*
Result from recurrent activities	**82,308**	***5.6%***	**76,929**	***5.3%***	***7.0***
Non-recurring income	1,742	*0.1%*	104	*0.0%*	*1,575.0*
Non-recurring charges	0	*0.0%*	0	*0.0%*	*0.0*
Profit before taxes	**84,050**	***5.7%***	**77,033**	***5.3%***	***9.1***
Income taxes	(26,386)	*-1.8%*	(25,928)	*-1.8%*	*1.8*
Taxes relating previous years	419	*0.0%*	0	*0.0%*	*100.0*
Total net profit	**58,083**	***3.9%***	**51,105**	***3.5%***	***13.7***
(Profit)/loss attributable to minority interests	0	*0.0%*	0	*0.0%*	*0.0*
Net profit attributable to the MARR Group	**58,083**	***3.9%***	**51,105**	***3.5%***	***13.7***

As at 31 December 2015 the consolidated operating economic results are as follows: total revenues of 1,481.0 million Euros (1,441.4 thousand Euros in 2014); EBITDA[I] of 105.7 million Euros (101.8 million Euros in 2014); EBIT of 89.1 million Euros (85.7 million Euros in 2014).

The increase in total revenues (+2.8% compared to 2014) is a consequence of the performance of sales in each client category, as previously analysed.

Increasing the item Other earnings and proceeds, represented mainly by contributions from suppliers on purchases which includes, as already showed in the previous interim reports of the business year, following the centralisation of deliveries

[I] 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.

from suppliers on logistical platforms – approximately 2.7 million Euros in logistics payments charged to suppliers, as MARR has undertaken the costs for the internal distribution from the logistical platforms to the distribution centres.

As regards the operating costs, it must be pointed out that the increase of the percentage incidence of the Cost of sales (Purchase cost of the goods plus Variation of the warehouse inventories) is affected by the deconsolidation since 31 March 2014 of the company Alisea, which, given that it operates in the sector of the preparation of meals for hospital catering, had a reduced incidence of the cost of raw materials with respect to that of the business of commercialisation to the Foodservice sector.

Contrarily, as the incidence of the Personnel cost of Alisea was higher with respect to the Foodservice business in itself, the deconsolidation of Alisea has implied a reduction in absolute value of the Cost of employment, net of the newly hired personnel correlated to the purchase of the holdings in the company Sama S.r.l. by the subsidiary New Catering as of 1 June 2015.

Again regarding the operating costs, the performance of the cost of supplying services has also benefitted from the deconsolidation of Alisea, but is however compensated by an increase in transport, handling and distribution costs consequent to the start of the aforementioned centralisation of supplier deliveries onto logistical platforms and to which the logistical payments charged to the suppliers as contributions for the costs incurred by MARR in distributing from the logistical platforms to the branches are related.

The reduction in Leases and Rentals costs is linked to the reduced costs of the lease of the Lelli going concern, the purchase of which was finalised by the subsidiary Sfera S.p.A. in May 2014; however, the increased leasing fees for the facility in Zola Predosa since I[st] June last, following the purchase of the company Sama S.r.l., should also be pointed out.

The increase in absolute value of the amortizations is attributable to the investments in the period and the purchase of the Lelli going concern and Sama S.r.l..

The item Provisions and write-downs amounted to 11.6 million Euros (11.2 million in 2014) and is represented by the provision for bad debts for 11.3 million Euros (10.6 million in 2014), which incidence on the total revenues is in line with 2014, while the remaining part mainly concerns the allocation made to the Client Supplementary Indemnity fund.

As at 31 December 2015, the decrease in net financial charges is related to a reduction in interest rates and operations for the extension of the maturities of the financial debt finalised under improved conditions.

The result from recurrent activities reached 82.3 million Euros (+7.0% compared to 76.9 million in 2014).

Profit before taxes amounted to 84.1 million Euros in 2015 (77.0 million in 2014) and benefits of a non-current profit of 1.7 million Euros represented by the balance of the price for the sale – which occurred on 31 March 2014 – by MARR of the shareholding in Alisea. This price quota was subordinate to the realisation of a suspensive condition concerning the definitive awarding of significant catering services under tender, which occurred in the last ten days of July 2015. The income was therefore accounted entirely in 2015 (this operation had generated net non-recurrent income amounting to 104 thousand Euros in 2014).

The tax rate in 2015 is 31.4% and its reduction compared to the same period of the previous business year (33.7%) is related to various factors.
On one hand, the reduction in the current tax, partly due to the introduction in the 2015 Stability Law of an increased deductibility rate – for IRAP purposes – of the cost of personnel for workers employed on continuing contracts and partly due to the effect of the non-recurrent income from the sale of the holdings in Alisea, which is subject to IRES taxation for the 5% of its value, according to the methods of the so-called “Participation Exemption”.
On the other hand, it should be pointed out that the total taxes for 2015 also benefitted from an adjustment in deferred tax. Specifically, the 2016 Stability Law approved the reduction of the IRES rate from 27.5% to 24% for business years starting after 31 December 2016. By effect of this regulatory measure, the calculation of the receivables for advance taxes and payables for deferred taxes has been reviewed, estimating the amount of the temporal differences that will be reversed after said date. In 2015, the adjustment of the deferred taxes receivable and payable implied a net positive effect on the income statement totalling 244 thousand Euros.

Lastly, it must be noted that during the course of 2015, IRES reimbursements were received for the claims filed in 2008, the value of which had prudentially not been included in the fiscal receivables, totalling 449 thousand Euros recorded, net of other lesser items, in the “Taxes relating previous years” item (419 thousand Euros).

The total net profit as at 31 December 2015 amounted to 58.1 million Euros, compared to 51.1 million in 2014.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
Net intangible assets	107,839	106,270
Net tangible assets	68,563	68,962
Equity investments in other companies	304	304
Other fixed assets	39,852	36,845
Total fixed assets (A)	**216,558**	**212,381**
Net trade receivables from customers	377,437	379,599
Inventories	119,858	116,366
Suppliers	(276,706)	(274,443)
Trade net working capital (B)	**220,589**	**221,522**
Other current assets	50,807	48,465
Other current liabilities	(25,676)	(23,688)
Total current assets/liabilities (C)	**25,131**	**24,777**
Net working capital (D) = (B+C)	**245,720**	**246,299**
Other non current liabilities (E)	(599)	(690)
Staff Severance Provision (F)	(9,980)	(10,960)
Provisions for risks and charges (G)	(15,342)	(16,066)
Net invested capital (H) = (A+D+E+F+G)	**436,357**	**430,964**
Shareholders' equity attributable to the Group	(271,830)	(254,280)
Shareholders' equity attributable to minority interests	0	0
Consolidated shareholders' equity (I)	**(271,830)**	**(254,280)**
(Net short-term financial debt)/Cash	18,207	(95,102)
(Net medium/long-term financial debt)	(182,734)	(81,582)
Net financial debt (L)	**(164,527)**	**(176,684)**
Net equity and net financial debt (M) = (I+L)	**(436,357)**	**(430,964)**

Analysis of the Net Financial Position[II]

The following represents the trend in Net Financial Position.

	MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
A.	Cash	7,368	6,895
	Cheques	4	18
	Bank accounts	82,039	30,331
	Postal accounts	451	289
B.	Cash equivalent	82,494	30,638
C.	**Liquidity (A) + (B)**	**89,862**	**37,533**
	Current financial receivable due to Parent Company	2,771	4,101
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	1,245	1,324
D.	**Current financial receivable**	**4,016**	**5,425**
E.	Current Bank debt	(31,503)	(60,115)
F.	Current portion of non current debt	(42,816)	(77,151)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,352)	(794)
G.	Other current financial debt	(1,352)	(794)
H.	**Current financial debt (E) + (F) + (G)**	**(75,671)**	**(138,060)**
I.	**Net current financial indebtedness (H) + (D) + (C)**	**18,207**	**(95,102)**
J.	Non current bank loans	(143,523)	(46,641)
K.	Other non current loans	(39,211)	(34,941)
L.	**Non current financial indebtedness (J) + (K)**	**(182,734)**	**(81,582)**
M.	**Net financial indebtedness (I) + (L)**	**(164,527)**	**(176,684)**

As at 31 December 2015, the net financial indebtedness amounted to 164.5 million Euros, compared to 176.7 million Euros of the previous year with a ratio of net financial position on EBITDA amounting to 1.6, in line with the internal management parameters and less than the financial covenants, as stated in the Explanatory Notes.

On main financial movements of 2015, it we point out the following.
- on 27 May 2015 dividends amounting to a total of 41.2 million Euros (38.6 million Euros in 2014) have been paid;
- on 1 June 2015, the subscription of the contract by the subsidiary New Catering S.r.l. for the purchase of the holdings in the company Sama S.r.l. (subsequently merged by incorporation into New Catering), involved the payment of the first tranche of the price, amounting to 1.0 million Euros.

As regards the structure of the sources of financing, it should be noted that during the course of the year, new contracts for medium/long term loans were stipulated, as described below:

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

- Pool financing with ICCREA Banca Impresa S.p.A., operating as *Arranger, Agent and Financing Bank*, for a total amount of 22.8 million Euros expiring in June 2016;
- unsecured loan with Banca Intesa Sanpaolo S.p.A., for a total amount of 20 million Euros and with amortization plan ending in December 2018;
- unsecured loan with Unicredit S.p.A., for a total amount of 30 million Euros and amortization plan ending in May 2019;
- unsecured loan with Banca Popolare Commercio e Industria, for a total amount of 10 million Euros and amortization plan ending in May 2018;
- unsecured loan with Banca Carige Italia, for a total amount of 20 million Euros and amortization plan starting in December 2017 and ending in June 2019.

It has also been finalized an amendment to the BNP Paribas in pool loan contract, stipulated in June 2013, which provided for a loan facility for 60 million Euros, subsequently integrated with an additional 5 million (amortized from June 2014 and expiring in June 2018) and a revolving facility for 25 million Euros (bullet with expiry after 3 years); as of the date of the amendment, the overall residual amount of the loan amounted to 75.6 million Euros and had been replaced by a single credit line for the same amount, with a duration of 5 years amortized from September 2016.

Finally, we point out that during the first nine months of the year MARR extinguished loans with Cooperative Centrale Raiffeisen-Boerenleenbank BA, Banca Popolare di Crotone, Banca Carige Italia and Mediobanca, while the subsidiary Sfera S.p.A. has repaid at maturity the loan with Banca di Rimini Credito Cooperativo Soc. Coop.. (now RiminiBanca Credito Cooperativo di Rimini e Valmarecchia Società Cooperativa) and with Banca Popolare dell'Emilia Romagna, with a total reduction in net short-term financial debt of 60.8 million Euros compared to 31 December 2014.

The net financial position as at 31 December 2015 is in line with the company objectives.

Analysis of the Trade net working Capital

MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
Net trade receivables from customers	377,437	379,599
Inventories	119,858	116,366
Suppliers	(276,706)	(274,443)
Trade net working capital	**220,589**	**221,522**

As at 31 December 2015 the trade net working capital amounts to 220.6 million Euros compared to 221.5 million Euros as at 31 December 2014, as regards the individual items in the operating capital, it should be noted that:
- the value of the trade receivables, which as at 31 December 2014 already benefitted from credit securitization plan (*pro soluto*) started in the third quarter of 2014 and with a maximum duration of 5 years, was less than that for the previous business year in 2015, despite the increase in revenues;
- the increase in the value of the inventories compared to the end of 2014 is correlated to the similar trends observed in the previous quarters and has been affected by, in addition to the dynamics of price increases concerning some families of frozen seafood, the transitory effects of the process of centralisation of certain families of grocery products on to the logistical platforms.
- the increase in Suppliers compared to 31 December 2014 amounting to 2.3 million Euros.

At the end of 2015 the trade net working capital remains in line with the company objectives.

Re-classified cash-flow statement

MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
Net profit before minority interests	58,083	51,105
Amortization and depreciation	5,026	4,879
Change in Staff Severance Provision	(980)	(582)
Operating cash-flow	**62,129**	**55,402**
(Increase) decrease in receivables from customers	2,162	20,611
(Increase) decrease in inventories	(3,492)	(15,662)
Increase (decrease) in payables to suppliers	2,263	109
(Increase) decrease in other items of the working capital	(354)	8,964
Change in working capital	**579**	**14,022**
Net (investments) in intangible assets	(1,746)	(6,439)
Net (investments) in tangible assets	(4,456)	(5,415)
Net change in financial assets and other fixed assets	(3,007)	106
Net change in other non current liabilities	(815)	733
Investments in other fixed assets and other change in non current items	**(10,024)**	**(11,015)**
Free - cash flow before dividends	**52,684**	**58,409**
Distribution of dividends	(41,246)	(38,585)
Capital increase	0	0
Other changes, including those of minority interests	719	(2,377)
Cash-flow from (for) change in shareholders' equity	**(40,527)**	**(40,962)**
FREE - CASH FLOW	**12,157**	**17,447**
Opening net financial debt	(176,684)	(194,131)
Cash-flow for the period	12,157	17,447
Closing net financial debt	**(164,527)**	**(176,684)**

The Cash Flow for the period is the result of the changes in Net Financial Position, Net Working Capital and Investments, as commented in the relevant paragraphs.
The cash flow generated during the business year was positive even after the payment of 41.2 million Euros in dividends, leading to a reduction of the net financial indebtedness at the end of the year.

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

MARR Consolidated (€thousand)	***31.12.15***	*31.12.14*
Free - cash flow	12,157	17,447
Increase in current financial receivables	1,409	(86)
Decrease in non-current net financial debt	101,152	(83,008)
Increase in current financial debt	(62,389)	70,356
Increase (decrease) in cash-flow	**52,329**	**4,709**

Investments

As regards the investments in 2015, should be noted that the purchase of the company Sama S.r.l., finalised on 1 June 2015, implied the accounting of a goodwill amounting to 1,376 thousand Euros and the entry of tangible assets for 206 thousand Euros, mainly concentrated in the categories Industrial and Business equipment and Other Assets.

The other investments made in the year, as illustrated below, mainly concern the plan for the expansion and modernisation of some distribution centres started in late 2014 and it is expected to be completed in 2016.
In particular, the investments in the items "Land and buildings", "Plant and machinery" and "Industrial and commercial equipment" mainly relates to the following subsidiaries: Sicily for 518 thousand Euros, Napoli for 533 thousand Euros, Scapa for 227 thousand Euros, Santarcangelo for 244 thousand Euros and Bologna for 736 thousand Euros.

The item "Other assets" mainly concerns investments made in electronic machinery, industrial vehicles and motor vehicles by the Parent company

The investments for fixed assets under development refer for 427 thousand Euros to the expansion works started at the MARR Cater distribution centre and for approximately 278 thousand Euros to the expansion of the MARR Bologna distribution centre related to Sfera S.p.A., which granted the lease of the "Lelli" going concern to MARR S.p.A., which manages it through the MARR Bologna branch.

As regards the intangible assets under development, it should be noted that these are mainly investments in software which is not yet operational as at 31 December 2015.

The following is a summary of the net investments made in 2015:

(€thousand)	***31.12.15***
Intangible assets	
Patents and intellectual property rights	117
Concessions, licenses, trademarks and similar rights	11
Fixed assets under development and advances	242
Goodwill	1,376
Total intangible assets	**1,746**
Tangible assets	
Land and buildings	1,073
Plant and machinery	1,608
Industrial and business equipment	486
Other assets	582
Fixed assets under development and advances	713
Total tangible assets	**4,462**
Total	**6,208**

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*	*Net Investments*	*Employees (number)*	*Net Equity*
Foodservice Companies							
Sfera S.p.A.	31/12/2015	2,846	1,913	559	983	0	1,040
AS.CA S.p.A.	31/12/2015	54,036	50,443	2,395	53	36	5,981
New Catering S.r.l.	31/12/2015	30,234	28,311	1,252	404	26	4,043
Baldini Adriatica Pesca S.r.l.	31/12/2015	16,600	16,512	50	1	0	72
Marr Foodservice Ibérica S.A.U.	31/12/2015	0	9	(3)	0	0	410
Other Companies							
Alisurgel S.r.l. in Liq.	31/12/2015	93	40	257	0	0	459

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 approximately 5.4% of the total consolidated purchases. All the commercial transactions and supply of services occurred at market value.

The economic and financial data for the 2015 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 (*)	207	1,409	2,771	295	824		6			50		1,080			2
Total	207	1,409	2,771	295	824	0	6	0	0	50	0	1,080	0	0	2
From unconsolidated subsidiaries:															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Affiliated Companies (**)															
Cremonini Group															
Bell Carni S.r.l.															
Chef Express S.p.A.	404				1		6,866					49			
Fiorani & C. S.p.a.		34		44					35		1,688				
Ges.Car. S.r.l.															
Global Service Logistics S.r.l.															
Global Service S.r.l.	1			156					1			733		8	
Guardamiglio S.r.l.	35			7			138								
Inalca Algerie S.a r l.	11														
Inter Inalca Angola ltda	191														
Inalca Brazzaville Sarl															
Inalca Kinshasa S.a.r.l.	305														
Inalca Food and Beverage	111						226								
Inalca S.p.a.	73	44		2,413			411		180		56,893	39			
Interjet S.r.l.															
Marr Russia llc															
Italia Alimentari	30	74		153					137		4,204				
Real Beef S.r.l.															
Roadhouse Grill Roma S.r.l.	422						1,340								
Roadhouse Grill Italia S.r.l.	2,808				46		20,395	34							
Tecno-Star Due S.r.l.															
Avirail Italia S.p.a.															
Time Vending S.r.l.		21							21						
From Affiliated Companies															
Farmservice S.r.l.	7			1			67								
Food & Co S.r.l.	2														
Frimo S.A.M.											143				
Le Cupole S.r.l.													668		
Prometex Sam															
Total	4,400	173	0	2,774	47	0	29,443	34	374	0	62,928	821	668	8	0

(*) The items in the Other Receivables and Other Payables columns relate to the IRES benefit and cost transferred from MARR S.p.A. and its subsidiaries within the scope of the National Consolidated tax base, for requests of reimbursement regarding to the personel cost not deducted to Irap in the years 2007-2011 and for the payable for the Ires of the year respectively. 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 during the year 2015 the company never purchased or sold the above-mentioned shares and/or quotas.
As at 31 December 2015 the company no longer owns own shares.
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 "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 must also be pointed out that MARR S.p.A. adheres to and abides by the Code of Self-Governance for companies on the stock exchange approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria.

Significant events during 2015

On 28 April 2015, the Shareholders' Meeting approved the financial statements for the business year as at 31 December 2014 and the distribution to Shareholders of a gross dividend of 0.62 Euros (0.58 Euros in the previous year) with "ex-coupon" (no. 11) on 25 May, record date on 26 May and payment on 27 May.

On 1 June 2015 New Catering S.r.l., a company entirely controlled by MARR and operating in the bar segment, purchased of 100% of the shares of Sama S.r.l., a company based in Zola Predosa (Bologna) specialised in the distribution of food products to bars and quick service.
With a turnover of over 6 million Euros in 2014, a sales organization with more than ten sales agents, a distribution network with about ten vehicles and a wide range of products on offer, and also renowned for the excellent quality of its products, Sama is a reference point in distribution to bars and quick service in and around Bologna - where it has operated since the early 60s - Modena and Reggio Emilia. The purchase of Sama, the managerial structure of which has been confirmed, will strengthen the presence of the MARR Group in distribution to bars, in which it operates through its subsidiary New Catering S.r.l. which, with sales of about 24 million Euros in 2014, is leader in the provinces of Bologna, Ferrara, Ravenna, Forlì-Cesena, Rimini, Pesaro-Urbino and Perugia. The process of consolidation of the Group in the distribution of food products to bars is thus continuing.
Still on 1 June 2015, the company Sama s.r.l. leased its own going concern to New Catering S.r.l. which, as of the same date, therefore carries out the activities of the going concern itself at the warehouse located in Zola Predosa (Bologna).

In July, the condition precedent occurred for the payment of the balance of the price of the sale – which occurred on 31 March 2014 – by MARR of the shareholding in Alisea. This condition took into consideration the definitive awarding of significant tenders for catering services and, after its occurrence in the last ten days of July, MARR received as the balance for the price (including interest) the payment of a total amount of 1.7 million Euros.

On 12 October 2015, the merger by incorporation of the company Sama S.r.l. into the company New Catering S.r.l. was finalised. The juridical effects of the merger were valid as of 19 October 2015, while the accounting and fiscal effects were valid from the date of incorporation of Sama S.r.l., in 18 May 2015.

On 5 November 2015, Mr. Ugo Ravanelli resigned from his positions of Chairman and non-executive Board member of MARR S.p.A., with effect from 13 November 2015.
The resignation of Ugo Ravanelli, after 20 years at the helm of MARR, concludes a handover programme started in 2012 that has enabled the renewed top management team to be completely autonomous and characterised by continuity and by the objective of staying on a growth path and enhancing the competitiveness of the Group.

The Board of Directors on 13 November 2015 approved the appointment of the independent Board member Paolo Ferrari as Chairman of the Board of Directors and Antonio Tiso as Board member, following co-opting ex art. 2386 of the Civil Code.

On 1 December 2015, the subsidiary Baldini Adriatica Pesca S.r.l. leased its own going concern to MARR S.p.A., which started-up the new distribution centre of MARR Baldini through its management.

Events occurred after the closing of the year

No events worthy of mention occurred after the closing of the year.

Outlook

The outlook for 2016 is for confirmation of the out-of-home food consumption in Italy, which benefitted from some contingent factors in 2015, such as the EXPO event for example.
In this context, the MARR Group, which in early March held a Sales Conference with more than 700 people from its sales organisation, is ready to grasp all the market opportunities that may arise, through its continuous innovation of products, processes and tools and training of its organisation, in order to consolidate its leadership and confirm the levels of profitability reached, with the unchanged focus on keeping the absorption of the working capital under control.

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 difficulties in accessing credit by clients – also confirmed in 2015 – have led the management team to keep a strong focus on credit management. The policies of cost containment aimed at maintaining the trade margin were also confirmed.
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.

Human Resources

In December 2015, there were 803 employees of the MARR Group (7 Directors, 34 Managers, 455 Office Employees and 307 Labourers), with a reduction compared to the end of 2014 (833 employees) also consequent to the effect of outsourcing some operating activities. The same reason, the average number of employees during the course of 2015 (845) was lower compared to the average figure for 2014 (891) and higher than the figure for December 2015, due to both that described above and by effect of the dynamics consequent to the employment of workers on seasonal contracts, aimed at dealing with peaks in business, which in any event had a lower impact compared to the previous year, due to the increasingly careful management of resources.
In addition to dependent employees, the Group also uses over 700 trade experts and a network of transporters with about 750 vehicles, through agency and service contracts.

Training
The principal characteristics constituting the basis of the competitive advantage of MARR are a wide range of products (MARR commercialises a range of over 10,000 food products), the skills of the commercial department, efficiency of the logistics system and goods innovation skills.

This is why the MARR Group focuses strongly on the valorisation and training of its human resources, through periodical training programmes (ForMARR) oriented towards the training of internal personnel and the sales workforce.
There was also significant focus in 2015 on the training of new sales agents, which was renewed compared to the 2011 training programme and based on IT tools dedicated to commercial activities.
Specific training meetings were also held for the Branch Managers and the Sales Management team.
Specific effort is also made in terms of the training of personnel performing activities which influence the quality of products, services and processes, to such an extent that in 2015, the training initiatives for employees on food health and safety attracted over 600 participants.
The focus on training in terms of safety in the workplace (Legislative Decree 81/08 and subsequent amendments and integrations) was also of great significance, with over 300 employees being trained, as provided by the State-Regions Agreement of 21/12/2011, in addition to training for first aid personnel and fire fighting personnel, training in the use of the load raising devices and the vertical overhead platforms and periodical training for the Workers Safety Representatives.

Safety in the Workplace
The number of injuries is decreasing with respect to 2014, and is therefore still contained (it must also be specified that there were no fatal injuries), which is witness to the constant commitment of MARR in terms of continuously enhancing safety in the workplace through training and informative initiatives, structural enhancements and the dynamic management of the documental supports for the prevention of situations at risk.

Cost of employment
A confirmed policy of careful resource management, also in terms of limiting the recourse to overtime work, the employment of seasonal personnel and favouring the use of leave, in addition to the impact of the completion of the outsourcing of some operating activities, has led to a reduction of more than one percentage point in the cost of employment compared to 2014, despite the impact of the remuneration increases provided by the national collective labour contract for the tertiary sector of distribution and services, renewed in 2015, but with fixed rates of increase until 2017 (approximately +5% in overall terms).

Environmental information

As regards damage caused to the environment there are no pending or sanctioning procedures ongoing for the Group.
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 or unique environmental authorization ("*AUA*") as provided by the law on the subject.
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 off 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 IAS.

Re-classified Income Statement of the Parent Company MARR

MARR S.p.A. (€thousand)	***31.12.15***	%	*31.12.14*	%	*% Change*
Revenues from sales and services	1,347,716	*97.2%*	1,305,556	*97.5%*	*3.2*
Other earnings and proceeds	38,298	*2.8%*	33,688	*2.5%*	*13.7*
Total revenues	**1,386,014**	***100.0%***	**1,339,244**	***100.0%***	***3.5***
Raw and secondary materials, consumables and goods for resale	(1,090,287)	*-78.7%*	(1,063,950)	*-79.4%*	*2.5*
Change in inventories	2,224	*0.2%*	17,031	*1.2%*	*(86.9)*
Services	(156,675)	*-11.4%*	(155,332)	*-11.6%*	*0.9*
Leases and rentals	(10,154)	*-0.7%*	(8,855)	*-0.7%*	*14.7*
Other operating costs	(1,687)	*-0.1%*	(1,612)	*-0.1%*	*4.7*
Value added	**129,435**	***9.3%***	**126,526**	***9.4%***	***2.3***
Personnel costs	(32,423)	*-2.3%*	(31,746)	*-2.3%*	*2.1*
Gross Operating result	**97,012**	***7.0%***	**94,780**	***7.1%***	***2.4***
Amortization and depreciation	(4,416)	*-0.3%*	(4,284)	*-0.3%*	*3.1*
Provisions and write-downs	(10,711)	*-0.8%*	(10,385)	*-0.8%*	*3.1*
Operating result	**81,885**	***5.9%***	**80,111**	***6.0%***	***2.2***
Financial income	5,757	*0.4%*	6,115	*0.5%*	*(5.9)*
Financial charges	(8,868)	*-0.6%*	(10,819)	*-0.8%*	*(18.0)*
Foreign exchange gains and losses	(319)	*0.0%*	(699)	*-0.1%*	*(54.4)*
Value adjustments to financial assets	432	*0.0%*	(2)	*0.0%*	*(21,700.0)*
Result from recurrent activities	**78,887**	***5.7%***	**74,706**	***5.6%***	***5.6***
Non-recurring income	1,742	*0.1%*	1,803	*0.1%*	*(3.4)*
Non-recurring charges	0	*0.0%*	0	*0.0%*	*0.0*
Profit before taxes	**80,629**	***5.8%***	**76,509**	***5.7%***	***5.4***
Income taxes	(24,550)	*-1.7%*	(24,128)	*-1.8%*	*1.7*
Taxes relating previous years	405	*0.0%*	0	*0.0%*	*100.0*
Total net profit	**56,484**	***4.1%***	**52,381**	***3.9%***	***7.8***

Re-classified Balance Sheet of the Parent Company MARR

MARR S.p.A. (€thousand)	*31.12.15*	31.12.14
Net intangible assets	73,684	73,455
Net tangible assets	61,516	62,651
Equity investments in other companies	33,739	33,467
Other fixed assets	39,332	36,370
Total fixed assets (A)	**208,271**	**205,943**
Net trade receivables from customers	360,481	361,733
Inventories	112,025	109,801
Suppliers	(261,496)	(258,173)
Trade net working capital (B)	**211,010**	**213,361**
Other current assets	49,450	46,371
Other current liabilities	(23,303)	(21,693)
Total current assets/liabilities (C)	**26,147**	**24,678**
Net working capital (D) = (B+C)	**237,157**	**238,039**
Other non current liabilities (E)	(598)	(690)
Staff Severance Provision (F)	(8,952)	(9,437)
Provisions for risks and charges (G)	(12,798)	(12,951)
Net invested capital (H) = (A+D+E+F+G)	**423,080**	**420,904**
Shareholders' equity	(266,773)	(250,877)
Shareholders' equity (I)	**(266,773)**	**(250,877)**
(Net short-term financial debt)/Cash	26,341	(88,445)
(Net medium/long-term financial debt)	(182,648)	(81,582)
Net financial debt (L)	**(156,307)**	**(170,027)**
Net equity and net financial debt (M) = (I+L)	**(423,080)**	**(420,904)**

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

MARR S.p.A. (€thousand)		***31.12.15***	*31.12.14*
A.	Cash	7,276	6,773
	Bank accounts	78,192	25,332
	Postal accounts	450	289
B.	Cash equivalent	78,642	25,621
C.	**Liquidity (A) + (B)**	**85,918**	**32,394**
	Current financial receivable due to Subsidiaries	8,916	4,101
	Current financial receivable due to Parent Company	2,771	7,525
	Others financial receivable	1,244	1,306
D.	**Current financial receivable**	**12,931**	**12,932**
E.	Current Bank debt	(28,075)	(57,277)
F.	Current portion of non current debt	(42,816)	(74,610)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(859)	(1,090)
	Financial debt due to Related Companies	0	0
	Other financial debt	(758)	(794)
G	Other current financial debt	(1,617)	(1,884)
H.	**Current financial debt (E) + (F) + (G)**	**(72,508)**	**(133,771)**
I.	**Net current financial indebtedness (H) + (D) + (C)**	**26,341**	**(88,445)**
J.	Non current bank loans	(143,523)	(46,641)
K.	Other non current loans	(39,125)	(34,941)
L.	**Non current financial indebtedness (J) + (K)**	**(182,648)**	**(81,582)**
M.	**Net financial indebtedness (I) + (L)**	**(156,307)**	**(170,027)**

Re-classified Cash Flows Statement of the Parent Company MARR S.p.A.

MARR S.p.A. (€thousand)	***31.12.15***	*31.12.14*
Net profit before minority interests	56,484	52,381
Amortization and depreciation	4,417	4,284
Change in Staff Severance Provision	(485)	478
Operating cash-flow	**60,416**	**57,143**
(Increase) decrease in receivables from customers	1,252	10,685
(Increase) decrease in inventories	(2,224)	(17,031)
Increase (decrease) in payables to suppliers	3,323	4,130
(Increase) decrease in other items of the working capital	(1,470)	8,981
Change in working capital	**881**	**6,765**
Net (investments) in intangible assets	(366)	(2,268)
Net (investments) in tangible assets	(3,150)	(4,588)
Net change in financial assets and other fixed assets	(3,234)	75
Net change in other non current liabilities	(245)	524
Investments in other fixed assets and other change in non current items	**(6,995)**	**(6,257)**
Free - cash flow before dividends	**54,302**	**57,651**
Distribution of dividends	(41,246)	(38,585)
Capital increase	0	0
Other changes, including those of minority interests	664	(1,206)
Cash-flow from (for) change in shareholders' equity	**(40,582)**	**(39,791)**
FREE - CASH FLOW	**13,720**	**17,860**
Opening net financial debt	(170,027)	(187,887)
Cash-flow for the period	13,720	17,860
Closing net financial debt	**(156,307)**	**(170,027)**

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 Executive Officers, in addition to the powers of legal representation as per art. 20 of the By Laws, have been conferred the necessary powers for the completion of the deeds concerning business activities, to be exercised in the framework of the proxies attributed by deliberation of the Board of Directors on 28 April 2014.

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

During the course of the business year, the Directors who filled the role of Executive Officers used the powers attributed to them solely for the everyday management of business activities, while the significant transactions in terms of type, quality and value were submitted for examination by the Board of Directors.

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 S.p.A.	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 5.9% 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 2015 business year, classified by nature and by company:

COMPANY	FINANCIAL RELATION						ECONOMIC RELATIONS								
	RECEIVABLES			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 (*)	95	1,301	2,771		549		6			50		1,075			1
Total	95	1,301	2,771	0	549	0	6	0	0	50	0	1,075	0	0	1
From unconsolidated subsidiaries:															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Associeted Companies															
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From Affiliated Companies(**)															
Cremonini Group															
Avirail															
Bell Carni S.r.l.															
Chef Express S.p.A.	404						6,866					49			
Fiorani & C. S.p.a.		34		37					35		1,676				
Ges.Car. S.r.l.															
Global Service Logistics S.r.l.															
Global Service S.r.l.				156								730		8	
Guardamiglio S.r.l.															
Inalca Algerie S.a.r l.	11														
Inter Inalca Angola ltda	191														
Inalca Brazaville Sarl															
Inalca Food & Beverage	111						226								
Inalca Kinshasa Sarl	305														
Inalca S.p.a.	73	44		2,340			411		180		56,126	38			
Interjet S.r.l.															
Italia Alimentari S.p.a.	27	74		121					133		4,018				
Marr Russia llc															
Real Beef S.r.l.															
Roadhouse Grill Italia S.r.l.	2,808				46		20,395	34							
Roadhouse Grill Roma S.r.l.	422						1,340								
Tecno-Star Due S.r.l.															
Time Vending S.r.l.		21							21						
From not Affiliated Companies															
Farmservice S.r.l.	7			1			67								
Food & Co S.r.l.	2														
Le Cupole S.r.l.													668		
Frimo S.a.m.											143				
Prometex Sam															
Total	4,361	173	0	2,655	46	0	29,305	34	369	0	61,963	817	668	8	0

(*) The items in the Other Receivables and Other Payables columns relate to the IRES benefit and cost transferred from MARR S.p.A. within the scope of the National Consolidated tax base, for requests of reimbursement regarding to the personel cost not deducted to Irap in the years 2007-2011 and for the payable for the Ires of the year respectively. 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.

From Affiliated Companies															
Asca S.p.A.	769		2,588	17			1,345	314	5	51	218				
Baldini Adriatica Pesca S.r.l.	115	396	2,023	515			798	105	2	37	2,183	8	63	1	
Alisurgel S.r.l. in liquidazione						254		3							12
Marr Foodservice Iberica S.A.u				99		309									6
New Catering S.r.l.	254			16		296	615	216	7	4	7	5		10	3
Sfera S.p.A.	33	924	4,306		14			15		85		87	2,704	5	
Total	1,171	1,320	8,917	647	14	859	2,758	653	14	177	2,408	100	2,767	16	21

Proposal for the distribution of the 2015 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 2015 submitted for your examination and approval in this meeting, have been drafted in respect of the legislation in force.

In submitting the 2015 financial statements for approval, we propose to:

a) distribute the profits amounting to 56,484,043 Euros as follows:

- to dividend of 0.66 Euros for each ordinary share with rights;

- allocation of the remaining amount to the extraordinary reserve.

b) to pay the dividend on 25 May 2016 with ex coupon (No. 12) on 23 May 2016, 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 2015 to the achievement of the Company's objectives through their commitment.

Rimini, 14 March 2016

The Chairman of the Board of Directors
Paolo Ferrari

MARR GROUP

Consolidated Financial Statements

as at December 31, 2015

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

(€thousand)	Notes	**31.12.15**	31.12.14
ASSETS			
Non-current assets			
Tangible assets	1	68,563	68,962
Goodwill	2	107,096	105,720
Other intangible assets	3	743	550
Investments in other companies		304	304
Non-current financial receivables	4	2,674	2,046
Non current derivative/financial instruments	5	5,095	285
Deferred tax assets	6	10,267	11,077
Other non-current assets	7	30,695	36,415
Total non-current assets		**225,437**	**225,359**
Current assets			
Inventories	8	119,858	116,366
Financial receivables	9	3,950	5,176
relating to related parties		*2,771*	*4,101*
Financial instruments / derivative	10	66	249
Trade receivables	11	368,558	366,621
relating to related parties		*4,607*	*6,041*
Tax assets	12	9,130	8,613
relating to related parties		*1,409*	*1,409*
Cash and cash equivalents	13	89,862	37,533
Other current assets	14	41,677	39,852
relating to related parties		*173*	*94*
Total current assets		**633,101**	**574,410**
TOTAL ASSETS		***858,538***	***799,769***
LIABILITIES			
Shareholders' Equity			
Shareholders' Equity attributable to the Group	15	271,830	254,280
Share capital		*33,263*	*33,263*
Reserves		*172,449*	*160,600*
Retained Earnings		*0*	*0*
Profit for the period attributable to the Group		*66,118*	*60,417*
Shareholders' Equity attributable to minority interests		0	0
Minority interests' capital and reserves		*0*	*0*
Profit for the period attributable to minority interests		*0*	*0*
Total Shareholders' Equity		**271,830**	**254,280**
Non-current liabilities			
Non-current financial payables	16	182,629	81,236
Non current derivative/financial instruments	17	105	346
Employee benefits	18	9,980	10,960
Provisions for risks and costs	19	4,259	4,589
Deferred tax liabilities	20	11,083	11,477
Other non-current liabilities	21	599	690
Total non-current liabilities		**208,655**	**109,298**
Current liabilities			
Current financial payables	22	75,671	138,019
relating to related parties		*0*	*0*
Current derivative/financial instruments		0	41
Current tax liabilities	23	2,365	3,652
relating to related parties		*824*	*1,756*
Current trade liabilities	24	276,706	274,443
relating to related parties		*3,205*	*8,465*
Other current liabilities	25	23,311	20,036
relating to related parties		*47*	*47*
Total current liabilities		**378,053**	**436,191**
TOTAL LIABILITIES		***858,538***	***799,769***

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(€thousand)	*Notes*	**31.12.15**	31.12.14
Revenues	26	1,440,287	1,405,260
relating to related parties		*29,494*	*25,778*
Other revenues	27	40,757	36,093
relating to related parties		*374*	*343*
Changes in inventories	8	3,199	15,772
Capitalised costs		0	21
Purchase of goods for resale and consumables	28	(1,162,638)	(1,138,185)
relating to related parties		*(62,928)*	*(56,730)*
Personnel costs	29	(35,806)	(37,083)
Amortization, depreciation and write-downs	30	(16,589)	(16,093)
Other operating costs	31	(180,125)	(180,051)
relating to related parties		*(2,713)*	*(2,745)*
Financial income and charges	32	(6,777)	(8,805)
relating to related parties		*48*	*134*
Income (cost) from associated companies	33	1,742	104
Pre-tax profits		**84,050**	**77,033**
Taxes	34	(25,967)	(25,928)
Profits for the period		**58,083**	**51,105**
Atributable to:			
Shareholders of the parent company		58,083	51,105
Minority interests		0	0
		58,083	***51,105***
basic Earnings Per Share (euro)	35	0.87	0.77
diluted Earnings Per Share (euro)	35	0.87	0.77

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(€thousand)	*Notes*	**31.12.15**	31.12.14
Profits for the period (A)		**58,083**	**51,105**
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		548	(789)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		171	(460)
Total Other Profits/Losses, net of taxes (B)	***36***	**719**	**(1,249)**
Comprehensive Income (A + B)		**58,802**	**49,856**
Atributable to:			
Shareholders of the parent company		58,802	49,856
Minority interests		0	0
		58,802	***49,856***

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

(Note 15)

Description	Share Capital	Other Reserves: 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)	Reserve IAS 19	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares	Profits carried over from consolidated	Business year profits (losses)	Total Group net equity	Total third party net equity
Balance at 1st January 2014	**33,263**	**63,348**	**6,652**	**13**	**36,496**	**38,219**		**1,475**	**7,296**	**(874)**	**1,492**	**(154)**	**153,963**				**55,789**		**243,015**	**1,127**
Allocation of 2013 profit						8,187							**8,187**				(8,187)			
Distribution of parent company dividends																	(38,585)		**(38,585)**	
Distribution of subsidiaries company dividends																				
Sale quote of the company Alisea									(6)				**(6)**				6			(1,127)
Other minor variations										(1)	(6)	(288)	**(295)**				289		**(6)**	
Consolidated comprehensive income 2014:																				
- Profit for the period																	51,105		**51,105**	
- Other Profits/Losses, net of taxes										(789)		(460)	**(1,249)**						**(1,249)**	
Balance at 31 December 2014	**33,263**	**63,348**	**6,652**	**13**	**36,496**	**46,406**		**1,475**	**7,290**	**(1,664)**	**1,486**	**(902)**	**160,600**				**60,417**		**254,280**	
Allocation of 2014 profit						11,136							**11,136**				(11,136)			
Distribution of parent company dividends																	(41,246)		**(41,246)**	
Other minor variations											(6)		**(6)**						**(6)**	
Consolidated comprehensive income 2015:																				
- Profit for the period																	58,083		**58,083**	
- Other Profits/Losses, net of taxes										548		171	**719**						**719**	
Balance at 31 December 2015	**33,263**	**63,348**	**6,652**	**13**	**36,496**	**57,542**		**1,475**	**7,290**	**(1,116)**	**1,480**	**(731)**	**172,449**				**66,118**		**271,830**	

CONSOLIDATED CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	**31.12.15**	31.12.14
Profit for the Period	58,083	51,105
Adjustment:		
Amortization / Depreciation	5,032	4,879
Allocation of provison for bad debts	11,299	10,654
Allocation of provision for risks and losses	0	113
Capital profit/losses on disposal of assets	(11)	(61)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	6,443	8,091
relating to related parties	*(48)*	*(134)*
Foreign exchange evaluated (gains)/losses	167	369
Profit from sale of investement in other companies	(1,742)	0
	21,188	24,045
Net change in Staff Severance Provision	(1,049)	182
(Increase) decrease in trade receivables	(13,236)	4,028
relating to related parties	*1,434*	*(943)*
(Increase) decrease in inventories	(3,199)	(15,796)
Increase (decrease) in trade payables	2,263	3,138
relating to related parties	*(5,260)*	*(304)*
(Increase) decrease in other assets	3,901	4,172
relating to related parties	*(79)*	*6*
Increase (decrease) in other liabilities	2,741	781
relating to related parties	*0*	*21*
Net change in tax assets / liabilities	26,995	25,186
relating to related parties	*21,865*	*21,119*
Interest paid	(8,942)	(11,027)
relating to related parties	*(2)*	*(2)*
Interest received	2,499	2,936
relating to related parties	*50*	*136*
Foreign exchange gains	611	428
Foreign exchange losses	(778)	(797)
Income tax paid	(28,383)	(23,027)
relating to related parties	*(22,797)*	*(18,091)*
Cash-flow from operating activities	**62,694**	**65,354**
(Investments) in other intangible assets	(370)	(150)
(Investments) in tangible assets	(5,697)	(4,695)
Net disposal of tangible assets	1,457	699
Net (investments) in equity investments in other companies	0	(4)
Outgoing for acquisition of subsidiaries or going concerns during the year	(1,020)	(5,410)
Ingoing for divestments of subsidiaries during the year	1,742	1,715
Cash-flow from investment activities	**(3,888)**	**(7,845)**
Distribution of dividends	(41,246)	(38,585)
Other changes, including those of third parties	714	(1,704)
Net change in financial payables (excluding the new non-current loans received)	(64,716)	(40,794)
relating to related parties	*0*	*0*
New non-current loans received	102,800	28,500
relating to related parties	*0*	*0*
Net change in current financial receivables	1,409	(86)
relating to related parties	*1,330*	*(1,468)*
Net change in non-current financial receivables	(5,438)	(131)
relating to related parties	*0*	*0*
Cash-flow from financing activities	**(6,477)**	**(52,800)**
Increase (decrease) in cash-flow	**52,329**	**4,709**
Opening cash and equivalents	37,533	32,824
Closing cash and equivalents	**89,862**	**37,533**

EXPLANATORY NOTES TO THE INTERIM CONDENSED 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 2015 were authorised for publication by the Board of Directors on 14 March 2016.

Structure and contents of the consolidated financial statements

The consolidated financial statements as at 31 December 2015 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.

The consolidated financial statements have been prepared on the basis of the historical cost principle, except for the derivative financial instruments, recorded at fair value.

Reference to the international accounting standards, adopted in the preparation of the consolidated financial statements as at 31 December 2015, 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 2015, see that described in the Directors' Report on management performance.

The consolidated financial statements as at 31 December 2015 include, for comparative purposes, the figures for the year ended on 31 December 2014.

The following classifications have been used:
- "Statement of financial position" by current/non-current items
- "Statement of profit or loss" by nature
- "Cash flows statement" (indirect method)

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, the Statement of Profit or Loss, the Statement of Other Comprehensive Income, Cash Flows Statement and the Statement of changes in the shareholders' equity of MARR S.p.A.. 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)	**31.12.15 MARR Consolidated**	**31.12.15 MARR S.p.A.**	**Impact %**
Revenues from sales and services	1,440,287	1,347,716	93.6%
Total assets	858,538	829,077	96.6%
Net profit for the period	58,083	56,484	97.2%

All amounts are shown 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 carrying amount of any non-controlling interest,
    - derecognises the cumulative translation differences recorded in equity,
    - recognises the fair value of the consideration received,
    - recognises the fair value of any investment retained,
    - recognises any surplus or deficit in the profit and loss,
    - re-classifies the parent's share of components previously recognised in other comprehensive income to profit and loss or retained earnings, as appropriate.

Scope of consolidation

The consolidated financial statements as at 31 December 2015 include the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls.
Control is achieved when the Group is exposed or has the right to variable performance levels, deriving from its own relations with the entity involved in the investment and, simultaneously, has the capacity to affect these performance levels by exercising its power over the entity. Specifically, the Group controls a subsidiary if, and only if, the Group has:
· the power over the entity involved in the investment (or has valid rights conferring upon it the current capacity to manage the significant activities of the entity being invested in);
· exposure or the right to variable performance levels deriving from relations with the entity being invested in;
· the capacity to exercise its own power over the entity being invested in terms of affecting the amount deriving from its performance.
There is a general assumption that the majority of voting rights implies control. In support of this assumption and when the Group possesses less than the majority of the voting (or similar) rights, the Group considers all the significant facts and circumstances to establish whether it controls the entity being invested in, including:
· contractual agreements with other owners of voting rights;
· rights deriving from contractual agreements;
· voting rights and potential voting rights of the Group.

The Group reconsiders whether it has control over a subsidiary or not if the facts and circumstances indicate that there have been changes in one or more of the significant elements defining control.

The complete list of subsidiaries included in the scope of consolidation as at 31 December 2015, with an indication of the method of consolidation, are attached in Appendix 1.
The consolidated financial statements have been prepared on the basis of the financial statements as at 31 December 2015 prepared by the subsidiaries included in the scope of consolidation and adjusted, if necessary, in order to align them to the accounting Group policies and classification criteria, in accordance with IFRS.

The scope of consolidation as at 31 December 2015 does not differ with respect to 31 December 2014.
However, it must be pointed out that on 1 June 2015, the subsidiary company New Catering S.r.l. purchased a 100% holding in the newly-incorporated company Sama S.r.l., operating in Zola Predosa (Bologna), and that subsequently, this company was merged by incorporation (effective from 19 October 2015) into New Catering itself.
It should be noted that the new company had a net equity of 1.7 million Euros on the date of acquisition.
These consolidated financial statements therefore include the effects – described in the following paragraphs of these Comments – of this new acquisition.

Accounting policies

The most significant Accounting policies adopted for the preparation of the consolidated financial statements as at 31 December 2015 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	2.65% - 4% - 3%
- 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

A related company is a company over which the Group exercises significant influence. Significant influence is intended as the power to participate in the determination of financial and management policies of the related party without having control or joint control.
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.
In the net equity method, the participation in a related company is initially recorded at cost. The accountable value of the holding is increased or decreased in order to record the quota of pertinence of the holder in the profits and losses of the related party achieved after the date of acquisition. The goodwill concerning the related party is included in the accountable value of the holding and is not subjected to amortization, or to an individual evaluation of loss of value (impairment).
The consolidated statement of profits or loss reflects the quota of pertinence of the Group of the business year result of the related company. All changes to the other components in the overall profits and loss account concerning these related parties are presented as part of the overall income statement of the Group. Also, in the case of a related company recording a change directly attributable to the net equity, the Group records the quota of pertinence, when applicable, in the statement of changes in the the net equity. The unrealised profits and losses deriving from transactions between the Group and related companies or joint ventures are eliminated in proportion to the quota of the holding in the related companies or joint ventures.
The recoverable nature of their recorded value is verified adopting the criteria described in the point "Losses in value of non-financial assets" as regards the holdings in related parties and the point "Losses in value of financial assets" as regards the holdings in other companies.
Whenever significant influence over a related company or joint control over a joint venture ceases, the Group assesses and records the remaining holding at fair value. The difference between the recorded value of the holding on the date of the termination of significant influence or joint control and the fair value of the remaining holding and the incoming payments received is recorded in the income statement.

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.

Derivatives

Subsequently to their initial recording, the derivatives are evaluated again at fair value and are accounted as financial assets should the fair value be positive. Eventual profits or losses deriving from changes in the fair value of the derivatives are recorded directly in the income statement, except for the effective part of the hedging of cash flows, which is recorded among the components of other comprehensive income and subsequently reclassified in the statement of profit or loss if the hedging instrument influences the profits or losses.

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.

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.

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.

Employee benefits

The Employee Severance Fund is included in the context of what IAS 19 defines as definite benefits plans in the framework of benefits after employment. The accounting treatment provided for these forma of remuneration requires an actuarial calculation which enables the future projection of the Employee Severance Fund amount already accrued and to actualise it to take into account the time that will elapse before effective payment. The actuarial calculation takes certain variables into consideration, such as the average employment time of employees, inflation rates and expected interest rates. The assessment of this liability is performed by an independent actuary. Following the changes to IAS 19, effective for business years starting on 1 January 2013 and subsequent, the profits and losses deriving from the actuarial calculation for the definitive benefits plans are included in the statement of other comprehensive income for the period they refer to. These actuarial profits and losses are immediately classified under the profits carried over and are not reclassified in the profit and loss accounts for subsequent periods. The social security cost for past service (past service cost) is recorded on the most recent of the following dates:

- the date on which the plan is changed or reduced; and
- the date on which the Group records the related restructuring costs.

The Group records the changes in the net debentures for definitive benefits in the statement of profit or loss.

The assets or liabilities concerning definitive benefits include the current value of the definitive benefits debentures, minus the fair value of the assets involved in the plan.

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

The financial liabilities are initially valued at their fair value, which is the same as the payment received on the date on which they are received, to which the transaction costs directly attributable to them are to be added in the case of debts and loans. Subsequently, the non-derivative financial liabilities are measured by the criterion of amortized cost 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.

Derivatives

Subsequently to their initial recording, derivatives are valued again at their fair value and are accounted as financial liabilities when their fair value is negative. Eventual profits or losses deriving from changes in the fair value of the derivatives are recorded directly in the income statement, except for the effective part of the hedging of cash flows, which is recorded among the components of other comprehensive income and subsequently reclassified in the statement of profit or loss if the hedging instrument influences the profits or losses.

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 tax liabilities and assets are calculated on the temporary differences between the values of the assets and liabilities recorded in the financial statements and the corresponding values recognised for fiscal purposes.
Deferred taxes are recorded on all the taxable temporary differences, with the following exceptions:

- the deferred tax liabilities deriving from the initial recording of the start-up of either an asset or a liability in a transaction which does not represent a corporate aggregation and, at the time of the transaction itself, does not influence either the result in the financial statements or the fiscal result;
- the repayment of the taxable temporary differences associated to holdings in subsidiaries, related companies and joint ventures can be controlled, and it is probable that this will not occur in the foreseeable future.

Deferred tax assets are recorded for all the deductible temporary differences, fiscal receivables and losses not used and brought forward, in the measure in which it is probable that sufficient future fiscal taxables will be available which may enable the use of the deductible temporary differences and fiscal receivables and losses brought forward, except in cases in which:

- the deferred tax related to the deductible temporary differences derives from the initial recording of an asset or liability in a transaction which does not represent a corporate aggregation and, at the time of the transaction itself, does not influence either the result in the financial statements or the fiscal result ;
- in the case of deductible temporary differences associated to holdings in subsidiaries, related companies and joint ventures, the active deferred taxes are only recorded in the measure in which it is probable they will be brought forward in the foreseeable future and that there will be sufficient fiscal taxables to enable the recovery of these temporary differences.

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 does 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.
The revenues from services are recorded with reference to their state of progress.
Financial incomes 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 and loans 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.
Fair value is the price that would be received for the sale of an asset, or would be paid for the transfer of a liability, in a standard transaction between market operators on the date of valuation.
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. All the assets and liabilities for which the fair value is valued or recorded in the financial statements are categorised on the basis of the fair value hierarchy, as described below:

- Level 1 – the quoted (not adjusted) prices on active markets for identical assets and liabilities which the entity may access on the date of valuation;
- Level 2 – Input other than the quoted prices included in Level 1, observable directly or indirectly for the asset or liability in question;
- Level 3 – valuation techniques for which the input data is not observable for the asset or liability in question.

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. Should the derivatives cover the fair value risk, the change in fair value of the covering derivatives is recorded in the statement of profit or loss among the financial costs. The change in fair value of the element covered attributable to the risk covered is recorded as part of the load value of the element covered and is also recorded in the statement of profit or loss among the financial costs.
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 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 2016 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 2017 and an increase of 1% for 2019 and 2020; for 2020 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 6.44% (6.31% in the previous year) calculated punctually in coherence with previous years and with a strong focus on the risk and uncertainty

factors of the current market. Sensitivity analyses have also been conducted on this rate, consequently to the variation manly of interest rates and of the other financial parameters used and the sustainability of the goodwill value recorded in the financial statements has been verified with WACC values more prudential and, as in the past yeasr, with a comparison with those used by financial analysts. Lastly, we would point out that there has been specific focus on the expected growth factors for future years which may be considered as mainly prudential in relation to the results achieved and the specific market context.
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 2015.

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

  - The expected inflation rate is equal to: 1.5% for the year 2016, 1.8% for the year 2017, 1.7% for the years 2018 1.6% for the year 2019 and 2% for the year 2020 and the subsequents;
  - The discounting rate[III] used is equal to 1.39% for the companies Marr and AS.CA while is equal to 2.03% for the company New Catering;
  - The annual rate of increase of the severance plan is expected to be equal to: 2.625% for the year 2016, 2.85% for the year 2017, 2.775% for the year 2018, 2.700% for the year 2019 and 3.0% for the year 2020 and the subsequents;
  - A 6.5% turnover of employees is expected.

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

  - The rate of voluntary turnover is expected to be 13% for MARR S.p.A., 7% for AS.CA S.p.A., 5% for New Catering S.r.l.;
  - The rate of corporate turnover is expected to be 2% for MARR. S.p.A., 10% for AS.CA S.p.A., 7% for New Catering S.r.l.;
  - The discounting rate used is 0.98%.

- 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 2015

The criteria for assessment used for drafting the consolidated accounts do not differ from those used for the drafting of the consolidated financial statements as at 31 December 2014, with the exception of the accounting principles, amendments and interpretations applicable as at from 1st January 2015, as shown below.

- Modifications to IAS 19 Employee benefits: Contributions by employees. IAS 19 requires that an entity must consider the contributions by employees or third parties when recording the defined benefits plans in the

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

accounts. When the contributions are linked to the performance of a service, they should be attributed to the period of service as negative benefits. The modification clarifies that, if the amount of contributions is independent of the number of years service, the entity is allowed to record these contributions as a reduction in the cost of the service in the period in which the service is performed rather than allocate the contributions to the service periods. This modification is effective for business years starting on 1st July 2014 or later. This modification is not significant to the Group, given that none of the companies in it have plans providing for contributions from employees or third parties.

The following are some improvements (annual IFRS improvements – 2010-2012 Cycle and 2011-2013 Cycle) in force since 1 July 2014, which do not however affect these financial statements of the Group:

- IFRS 2 Payments based on shares: This review is applied prospectively and clarifies various points linked to the definition of the conditions for the achievement of results and services, which represent the conditions for accrual.
- IFRS 3 Corporate aggregations: This change is applied prospectively and clarifies that all the agreements concerning potential payments classified as liabilities (or assets) deriving from a corporate aggregation must be subsequently measured at fair value with a counterparty in the income statement whether they are within the scope of IFRS 9 (or IAS 39, as the case may be) or not.
- IFRS 8 Operating sectors: This change is applied retrospectively and clarifies that: - an entity should provide information on the evaluations made by the management in applying the criteria for aggregation of which in paragraph 12 of IFRS 8, including a brief description of the operating sectors that have been aggregated and the economic characteristics used to define whether the sectors are “similar”; - a reconciliation of the sector activities with the overall activities need be provided only if the reconciliation is submitted before a higher decision-making authority, as required for the sector liabilities. This modification is not significant for the Group, given that it must be reiterated that the Group operates in a single sector.
- IAS 16 Buildings, plants and machinery and IAS 38 Intangible assets: This change is applied retrospectively and clarifies that in IAS 16 and IAS 38, an asset may be revalued with reference to observable data both by adjusting the gross accountable value of the asset to the market value and determining the market value of the accountable value and adjusting the gross accountable value proportionately so that the accountable value is the same as the market value. Furthermore, the accrued amortization is the difference between the gross accountable value and the accountable value of the asset. This change is not applicable within the Group for the period in question.
- IAS 24 Information in the financial statements on operations with related parties: This change is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management service. This change is not significant for the Group as it does not receive management services from other entities.
- IFRS 3 Corporate aggregations: This change is applied prospectively and, as regards exclusion from the scope of IFRS 3, clarifies that: - not only are joint ventures beyond the scope of IFRS 3, but joint arrangements are as well; - this exclusion from the scope is applied only to the accounts of the joint arrangement in question. This change is not significant for the Group and its subsidiaries.
- IFRS 13 Evaluation at fair value: This change is applied prospectively and clarifies that the portfolio exception provided by IFRS 13 can be applied not only to financial assets and liabilities, but also to the other contracts within the scope of IFRS 9 (or IAS 39, as the case may be). This change does not affect the Group financial statements.
- IAS 40 Property investments: The description of additional services in IAS 40 differentiates between property investments and properties for use by the proprietor (for example: buildings, plants and machinery). The change is applied prospectively and clarifies that in defining whether an operation represents the purchase of an asset or a corporate aggregations, IFRS 3 must be used and not the description of the additional services in IAS 40. This case has not arisen within the Group.

Accounting principles, amendments and interpretations applicable subsequently

The accounting principles and interpretation which, as of the date of the preparation of the consolidated financial statements, were already issued but not yet in force are illustrated below.

- IFRS 9 - Financial instruments. In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which reflects all the phases of the project concerning financial instruments and replaces IAS 39, Financial Instruments:

Recording and assessment, and all previous versions of IFRS 9. The principle introduces new requirements for classification, assessment, loss of value and hedge accounting. IFRS 9 is effective for business years starting on 1 January 2018 or later.

- IFRS 15 - Revenues deriving from contracts with customers. This IFRS was issued in May 2014 and introduces a new five-phase model to be applied to revenues from customer contracts. IFRS 15 provides that revenues be recorded for an amount reflecting the payment the entity deems to have the right to in exchange for the transfer of goods or services to the customer. The principle gives a more structured approach for recording and assessing revenues, replacing all the current requirements in the other IFRS on the recognition of revenues. IFRS 15 is effective for business years starting on 1st January 2018 or later, with full or modified retrospective application. Advance application is also allowed. The Company does not expect any significant impact from the application of this principle.
- Modifications to IFRS 11 - Joint control agreements: Purchase of a holding. These modifications require that a joint operator which records the acquisition of a holding in a joint control agreement in the accounts, the activities of which represent a business, must apply the significant principles of IFRS 3 concerning the accounting of corporate aggregations. The modifications also clarify that, in the case of joint control being maintained, the holding previously held in a joint control agreement shall not be the subject of re-measurement at the time at which an additional holding is purchased. Furthermore, an exclusion to the scope of IFRS 11 has been added, in order to clarify that the modifications shall not be applicable when all the parties sharing control, including the entity which draws up the financial statements, are subjected to the common control of the same controlling entity. The modifications are applicable to both the purchase of the initial holding in a joint control agreement and the purchase of any additional holdings in the same joint control agreement. The modifications must be applied prospectively for business years starting on 1st January 2016 or later and their advance application is allowed.
- Modifications to IAS 16 and IAS 38: Clarification on the admissible methods of amortization. These modifications clarify the principle contained in IAS 16 and in IAS 38: the revenues reflect a model of economic benefits generated by the management of a business (of which the activity is part), rather than the economic benefits consumed by using the asset in question. It follows that a method based on revenues cannot be used for the amortization of buildings, plant and machinery and could only be used in very limited circumstances for the amortization of intangible assets. The modifications must be applied prospectively for business years starting on 1st January 2016 or later, and their advance application is allowed.
- Modifications to IAS 27: Net equity method in the separate financial statements. The modifications will enable the entity to use the net equity method to record the holdings in subsidiaries, joint ventures and associates in its own separate financial statements. The entities which are already applying the IFRS and decide to modify the criterion for recording in the accounts by changing to the net equity method in their own separate financial statements must apply the change retrospectively. The modifications are effective for business years starting on 1 January 2016 or later, their advance application is allowed.
- Modifications to IAS 1: Initiative on the informative note to the financial statements. The modifications are aimed at introducing clarifications into IAS 1 in order to deal with some elements that are perceived as limitations to the use of judgement by those who draw up the financial statements. These modifications are applicable for business years starting on 1st January 2016 or later.
- Modifications to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception: The modifications deal with the problems arising in the application of the exception concerning investment entities provided by IFRS 10. The modifications to IFRS 10 clarify that the exception to submitting consolidated financial statements is applicable to the Group leader which is a subsidiary of an investment entity, when the investment entity values all of its subsidiaries at fair value. These modifications must be applied retrospectively and are in force for business years starting on 1 January 2016 or later; advance application is admissible. There is not expected to be any impact on the Group from the application of these modifications.
- Modifications to IAS 12 – Income taxes: The IASB clarifies how fiscal receivables deferred with respect to losses not realized on debit instruments measured at fair value are to be accounted. The modifications will be effective from 1 January 2017.
- Modifications to IAS 7 – Financial Reporting: The improvements concern the information to be provided concerning the changes to the loans payable deriving from both the financial cash flows and from variations which do not derive from cash flows (for example profits and losses on exchange rates). The modifications will be effective from 1 January 2017.
- IFRS 16 – Leases. This principle (emanated in January 2016 and not yet endorsed by the European Union) establishes that leases, contrarily to in the past, must be represented in the statements of equity of companies, thereby increasing the visibility of the assets and liabilities. It abolishes the distinction between operating leases and financial leases (for the lessee – leasing client), dealing with all the contracts in question as financial leases. Short-term contracts (12 months or less) and those concerning low value assets are exempt from this principle. The new principle will be effective from 1 January 2019; advance application is admissible as long as the recent

standard IFRS15 “Revenues from Contracts with Customers” is also applied. The company is assessing the impact of this new principle on its own financial statements.

Lastly, some enhancements have been issued (annual IFRS improvements – 2012-2014 Cycle) to acknowledge the modifications to the principles in the framework of their annual enhancement, concentrating on the necessary, but not urgent, modifications. The main modifications, that are not expected to have significant impacts on the Financial Statements of the Group, concern the following principles:

- IFRS 5, introduces a clarification for cases in which the method of transfer of an asset changes, reclassifying the latter from held for sale to held for distribution and this modification should not be considered as a new transfer plan, but rather as a continuation of the original plan;
- IFRS 7, clarifies if and when contract services constitute continuous involvement for informative purposes;
- IAS 19, clarifies that the currency of the securities used as reference in estimating the discount rate must be the same as that in which the benefits will be paid out;
- IAS 34, the modification clarifies that the information required in interim financial statements must be presented either in the interim financial statements or incorporated through cross-references between the interim financial statements and the part of the interim financial report in which they are described (for example, the report on management or comments on risks).

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 best financial 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 and part of the financial exposure with variable rates.

Market risk

(i) Currency risk: the currency risk arises when reported assets and liabilities are expressed in a currency other than the enterprise’s functional currency (the Euro). 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 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.
In addition to the trade relations, it should be noted that in 2013, the Parent Company finalised a bond private placement in US dollars. To cover this transaction, the Company stipulated cross currency swap contracts specifically destined to hedge the financial flows deriving from the payment of the coupons and reimbursement of capital on expiry.

As at 31 December 2015, a 5% appreciation in the exchange rate in relation to the US dollar and to other currencies, all else being equal, would have given rise to an increase in pre-tax profit of 435 thousand Euros (249 thousand Euros in 2014), due to exchange rate gains (losses) on trade payables and receivables denominated in foreign currency, mainly dollars (because of the change in the fair value of current assets and liabilities).
The other equity items would have shown a decrease of about 328 thousand Euros (238 thousand Euros in 2014) ascrivable 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 and to the other currencies, all else being equal, would have been reflected by a pre-tax profit decrease of 480 thousand Euros (276 thousand Euros in 2014).
The other equity items would have shown an upward variation of 271 thousand Euros (253 thousand Euros in 2014) 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 from banks are floating and variable rate financing exposes the Group to the risk of cash flow variations due to interest rates. To cover this risk, the company stipulated Interest Rate Swap contracts specifically related to the partial or total hedging of certain loans. Fixed rate financing exposes the Group to the risk of changes to the fair value of the finances themselves.

In 2015 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 251 thousand Euros on a yearly basis (458 thousand Euros as at 31 December 2014).

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 to Euribor as much as possible.

(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 201,239 thousand Euros as at 31 December 2015, represent about 54.60% 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 31.12.15	Balance at 31.12.14
Current trade receivables	368,558	366,621
Other non-current receivables	30,695	36,415
Other current receivables	41,677	39,852
Total	440,930	442,888

For the comments on the various categories, please refer to note 7 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 former. The value of the trade receivables, the other non-current receivables and the other current receivables are classifiable as "Level 3" financial receivables, in other words those for which the input is not based on observable market data.

As at 31 December 2015, overdue trade receivables, net of bad debt provision, amounted to 167,319 thousand Euros (175,347 thousand Euros in 2014). The breakdown of these receivables by due date is as follows:

(€thousand)	Balance at 31.12.15	Balance at 31.12.14
Overdue:		
Less than 30 days	57,753	52,427
betweeen 31 and 60 days	21,811	26,172
betweeen 61 and 90 days	19,450	20,511
Over 90 days	68,305	76,237
Total overdue trade receivables	167,319	175,347

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. As at 31 December 2015, this particular category of customers accounted for 22,295 thousand Euros (28,195 thousand Euros at 31 December 2014), of which 15,220 thousand Euros were in the "Over 90 days" band (18,663 thousand Euros at 31 December 2014).

At 31 December 2015, 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 31,727 thousand Euros (31,254 thousand Euros in 2014). 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 32,550 thousand Euros (32,127 thousand Euros in 2014).

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.

[IV] Except for the expiry dates defined in paragraph 3 of art. 62 of Decree Law 1 dated 24/1/2012 which, as of 24 October 2012, has established that the payment of perishable food products be made within 30 days of the last day of the month of receipt of the invoice and that for non-perishable food products within 60 days of the last day of the month of receipt of the invoice.

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 high volatility of the reference rates, the financial flows of variable rate loans have been estimated consistently with that already done in previous years, using a rate determined by the IRS at five years increased by the average spread applied to our medium and long-term loans. In this regard, it should be noted that there was a significant reduction in interest rates during the business year, which is also reflected in the forecast of future quotations and, consequently, the IRS in five years used as the basis for this calculation.

(€ thousand)

At 31 december 2015	**Less than 1 year**	**between 1 and 2 years**	**between 2 and 5 years**	**Over 5 years**
Borrowings	79,656	48,299	112,965	29,050
Derivative financial instruments	0	0	105	0
Trade and other payables	276,706	0	0	0
	356,362	**48,299**	**113,070**	**29,050**

At 31 december 2014	**Less than 1 year**	**between 1 and 2 years**	**between 2 and 5 years**	**Over 5 years**
Borrowings	142,644	19,558	34,816	39,459
Derivative financial instruments	41	0	194	153
Trade and other payables	274,443	0	0	0
	417,128	**19,558**	**35,010**	**39,612**

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 elements are recorded in the accounts in compliance with the accounting principles for financial instruments:

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

(€thousand)	31 December 2014		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Non current derivative/financial instruments	0	285	285
Non Current financial receivables	2,046	0	2,046
Other non-current assets	36,415	0	36,415
Current financial receivables	5,176	0	5,176
Current derivative/financial instruments	0	249	249
Current trade receivables	366,621	0	366,621
Cash and cash equivalents	37,533	0	37,533
Other current receivables	39,852	0	39,852
Total	**487,643**	**534**	**488,177**
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non Current financial payables	81,236	0	81,236
Non current derivative/financial instruments	0	346	346
Current financial payables	138,019	0	138,019
Current derivative financial instruments	0	41	41
Total	**219,255**	**387**	**219,642**

In compliance with that required by IFRS 13, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchanges and interest rates, are classifiable as "Level 2" financial assets, in as much as the inputs which have a significant effect on the fair value registered are market figures observable directly (exchange and interest rate market).[VI] Similarly, as regards the non-current financial debts, the recording at fair value of which is indicated in paragraph 16 of these explanatory notes, are also classifiable as "Level 2" financial assets, in as much as the inputs influencing their fair value are market data which is directly observable.

As regards the other noncurrent and current assets, see that stated in paragraphs 7 and 14 of these explanatory notes.

[VI] 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 31.12.14**	Purchases / other movements	Net decreases for divestments	Depreciation	Balance at 31.12.13
Land and buildings	55,856	789	0	(1,886)	56,953
Plant and machinery	8,775	2,863	(5)	(1,860)	7,777
Industrial and business equipment	1,268	443	(18)	(267)	1,110
Other assets	2,507	1,404	(616)	(723)	2,442
Fixed assets under development and advances	556	556	0	0	0
Total tangible assets	**68,962**	**6,055**	**(639)**	**(4,736)**	**68,282**

(€thousand)	**Balance at 31.12.15**	Purchases / other	Sama acquisition	Net decreases for divestments	Depreciation/ Write down	Balance at 31.12.14
Land and buildings	55,278	1,171	0	0	(1,749)	55,856
Plant and machinery	8,775	2,074	0	(28)	(2,046)	8,775
Industrial and business equipment	1,468	353	161	(23)	(291)	1,268
Other assets	2,319	1,932	45	(1,395)	(770)	2,507
Fixed assets under development and advances	723	167	0	0	0	556
Total tangible assets	**68,563**	**5,697**	**206**	**(1,446)**	**(4,856)**	**68,962**

With regard to the variation in the year we point out that the purchase of the company Sama S.r.l., finalised by the subsidiary New Catering in June, (subsequently merged by incorporation into New Catering) implied the entry of tangible assets for a total amount for 206 thousand Euros, mainly concentrated in the categories Industrial and business equipment and Other assets.

In addition to the above, it should be noted that the investments realized during the year are part of a plan for the expansion and modernisation of some distribution centres, started in the last quarter of 2014 and which is expected to be completed in 2016. In particular, the investments in the items "Land and buildings", "Plant and machinery" and "Industrial and commercial equipment" mainly relates to the following distribution centres: Sicily for 813 thousand Euros (of which 295 thousand Euros in progress as at 31 December 2014), Napoli for 743 thousand Euros (of which 210 thousand Euros in progress as at 31 December 2014), Bologna for 736 thousand Euros, Scapa for 227 thousand Euros and Santarcangelo for 244 thousand Euros.

With regard to the item "Other assets", it must be pointed out that its increase is due for 623 thousand Euros to electronic machines and for 1,256 thousand Euros to industrial vehicles and motor vehicles. The decreases for the year of 1,347 thousand Euros are due to the latter.

The value of the assets under development, amounting to 723 thousand Euros as at 31 December 2015, refers for 427 thousand Euros to the expansion works started at the MARR Cater distribution centre and for 288 thousand Euros to those charged to the subsidiary Sfera for the expansion of the facility where the MARR Bologna distribution centre operates from.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 40,000 thousand Euros in favour of credit institutes registered to cover the mortgages granted on the properties in Uta (CA) – Macchiareddu locality, Santarcangelo di Romagna (RN) – Via dell'Acero 2 and 4 and Via del Carpino 4, San Michele al Tagliamento (VE) - Via Plerote 6, Bottegone (PT) – Via Francesco Toni 285 and 297, Portoferraio (LI)- Via Degli Altiforni 29 and 31 and Bologna (BO) – Via Fantoni 31 (the value of which in the item Land and Buildings totally amounts to 29.4 million of Euros as at December 31, 2015).

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).

1st 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.

It should be noted that as at 31 December 2015, the Group only had one financial leasing contract ongoing, concerning one motor vehicle and expiring in 2016.

2. Goodwill

Below is the detail of the item "Goodwill":

(€thousand)	**Balance at 31.12.15**	Purchases	Reclassification / other movements	Balance at 31.12.14
Marr S.p.A. - Sfera S.p.A. - Baldini Adriatica Pesca S.r.l. (*)	93,380	0	2,570	90,810
AS.CA S.p.a.	8,634	0	0	8,634
New Catering S.r.l.	5,082	1,376	0	3,706
Baldini Adriatica Pesca S.r.l.	0	0	(2,570)	2,570
Total Goodwill	**107,096**	**1,376**	**0**	**105,720**

(*) Goodwill related to the subsidiaries Sfera S.p.A and Baldini Adriatica Pesca S.r.l. (equal to 18.9 million Euros and 2.6 million respectively) are shown jointly to that of MARR S.p.A, since those subsidiaries rent to the Parent company the going concerns generating the goodwill.

As regards the changes during the year, it must be pointed out that on 1 June 2015, the company New Catering S.r.l., operating in the bars segment, purchased for 1.7 million Euros 100% of the holdings in Sama S.r.l., based in Zola Predosa (Bologna) and specialising in the distribution of food products to bars and catering outlets. Subsequently, on 12 October 2015, the merger of the company Sama S.r.l. into the company New Catering itself was finalised, and the goodwill of the company New Catering has therefore increased compared to the previous business year by 1,376 thousand Euros, the value of the goodwill of Sama.

As indicated in the notes to the financial statements of the previous years, we point out 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).
In this regard, it should be noted that on 1 December 2015, the subsidiary Baldini Adriatica Pesca S.r.l. leased its own going concern to the parent company, which consequently opened the new MARR Baldini distribution centre, which operates from the facilities located in Riccione, Via Pennabilli.
The goodwill of the subsidiary Baldini, which until last year was evaluated separately, is therefore included in the single CGU of the parent company MARR and has been subjected to verification in terms of its recoverability on the basis of the expected future cash flows of the latter.

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 107,096 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.

Corporate aggregations realised during the year

As described in the previous paragraph, in June 2015, the company New Catering S.r.l. acquired 100% of the holdings in Sama S.r.l., a company based in Zola Predosa (Bologna) and specialising in the distribution of food products to bars and fast food outlets.

The operation had the following effects:

Purchase consideration	*(€thousand)*
Total purchase consideration	1,703
- Fair value of the net assets identifiable	327
Goodwill	**1,376**

The cost of aggregation has been determined on the basis of the accounting values reported in the acquisition agreement. The details of the provisional net assets acquired and goodwill are as follows:

(€thousand)	*Fair value of the acquired assets and liabilities*	*Provisionally book value of acquired company*
Tangible and intangible assets	206	206
Inventories	293	293
Other current assets	10	10
Payables to personnel and social security institutions	(88)	(88)
Payables to sale agents and provision for supplementary client severance indemnity	(141)	(94)
Fair value of net identifiable assets acquired	**280**	**327**

The goodwill allocated to the purchase is justified by the important strategic value of the business purchased, as it will enable the Group to consolidate its own position in the distribution of food products in the bar segment, with specific reference to the Bologna, Modena and Reggio Emilia areas.
The price paid out during the year for this purchase amounts to 1,024 thousand Euros.

Corporate aggregations realised after closure of the financial statements

No further aggregations combinations occurred after closure of the financial statements.

3. Other intangible assets

Below there are the movements of the item in 2015 and in the previous year:

(€thousand)	**Balance at 31.12.14**	Purchases / other	Net decreases	Depreciation	Balance at 31.12.13
Patents	485	327	0	(148)	306
Concessions, licenses, trademarks and similar rights	8	0	0	0	8
Intangible assets under development and advances	57	21	0	0	36
Other intangible assets	0	0	0	0	0
Total Other Intangible Assets	**550**	**348**	**0**	**(148)**	**350**

(€thousand)	**Balance at 31.12.15**	Purchases / other	Net decreases	Depreciation	Balance at 31.12.14
Patents	447	138	0	(176)	485
Concessions, licenses, trademarks and similar rights	18	11	0	(1)	8
Intangible assets under development and advances	278	221	0	0	57
Other intangible assets	0	0	0	0	0
Total Other Intangible Assets	**743**	**370**	**0**	**(177)**	**550**

The increase of the item is mainly due to the purchase of software, still partly being implemented as at 31 December 2015 and therefore recorded under the item “Intangible assets under development and advances”.

For details of the changes in intangible assets please refer to the information provided in Appendix 4.

4. Non-current financial receivables

As at 31 December 2015, this item amounted to 2,674 thousand Euros (2,046 thousand Euros as at 31 December 2014) and includes 653 thousand Euros for the quota beyond the year (of which 3 thousand Euros expiring beyond 5 years) of interest-bearing financial receivables from Adria Market and other trade partners and the quota beyond the year (totalling 2,021 thousand Euros) of receivables from transporters for the sale of the transport vehicles used to move MARR goods.

5. Financial instruments / derivatives

The amount as at 31 December 2015, amounting to 5,095 thousand Euros (285 thousand Euros as at 31 December 2014), represents the positive fair value of the Cross Currency Swap contracts stipulated by the Parent Company to hedge the risk of changes to the Dollar-Euro exchange rate, with reference to the bond private placement in US dollars finalised in July 2013.
The change compared to the end of the previous business year is linked to the performance during the period of the US dollar-Euro exchange rate.
It should be noted that this amount, for 3,763 thousand Euros, expires beyond 5 years.

6. Deferred tax assets

As at 31 December 2015, 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 31.12.15**	Balance at 31.12.14
On taxed provisions	9,320	10,096
On costs deductible in cash	87	78
On costs deductible in subsequent years	856	903
On other changes	4	0
Pre-paid taxes	**10,267**	**11,077**

It must be pointed out that the 2016 Stability Law approved the reduction of the IRES rate from 27.5% to 24% from business years starting after 31 December 2016. By effect of this regulatory measure, we have therefore reviewed the calculation of the receivables for advance taxes, estimating the amount of the temporal differences which will reverse after this date and adjusting the tax effect concerning the new rate. This adjustment has implied a reduction in the receivables for advance taxes (with a similar negative effect on the income statement) of 1,233 thousand Euros.

7. Other non-current assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Non-current trade receivables	8,879	12,978
Accrued income and prepaid expenses	2,025	2,420
Other non-current receivables	19,791	21,017
Total Other non-current assets	**30,695**	**36,415**

The “Non-current trade receivables”, amounting to 8,879 thousand Euros (of which 2,512 thousand Euros was with an expiry date of over 5 years) mainly concerns agreements and delays in payment defined with the customers.
The prepaid expenses are mainly linked to promotional contributions with clients of a multi-annual nature and have an expiry date within 5 years.
The item “Other non-current receivables” includes, in addition to receivables from State coffers for loss of clients of 6,119 thousand Euros, receivables from suppliers for 12,991 thousand Euros (14,899 thousand Euros as at 31 December 2014), the total amount of which expires within 5 years.

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

Current assets

8. Inventories

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Finished goods and goods for resale		
Foodstuff	32,173	29,910
Meat	12,428	11,669
Seafood	66,814	65,129
Fruit and vegetables	47	50
Hotel equipment	1,775	1,660
	113,237	108,418
provision for write-down of inventories	(762)	(750)
Goods in transit	6,328	7,857
Packaging	1,055	841
Total Inventories	**119,858**	**116,366**

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

As already commented on in the Directors Report, it should be noted that the increase in inventories compared to the end of 2014 is also correlated to the transitory effects of the progressive centralisation of certain families of grocery products onto the logistical platforms, in addition to the dynamic of increasing prices concerning certain families of frozen seafood products.

With regard to the movements during the business year, as described below, it should be noted that these are influenced by the goods acquired by the Group following the purchase of the holdings in Sama S.r.l., subsequently merged by incorporation into the subsidiary New Catering.

(€thousand)	**Balance at 31.12.15**	Sama acquisition	Change of the year	Balance at 31.12.14
Finished goods and goods for resale	113,237	293	4,526	108,418
Goods in transit	6,328	0	(1,529)	7,857
Packaging	1,055	0	214	841
	120,620	293	3,211	117,116
Provision for write-down of inventories	(762)	0	(12)	(750)
Total Inventories	**119,858**	**293**	**3,199**	**116,366**

9. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Financial receivables from parent companies	2,771	4,101
Receivables from loans granted to third parties	1,179	1,075
Total Current financial receivables	**3,950**	**5,176**

The Receivables for loans granted to third parties, all of which are interest-bearing, refer to receivables towards truck drivers (amounting to 1,085 thousand Euros) consequent to the sale to the latter of the trucks used by them to transport MARR products and service-supplying partners (55 thousand Euros).

10. Financial instruments / derivatives

The total as at 31 December 2015, amounting to 66 thousand Euros (249 thousand Euros as at 31 December 2014), concerns term exchange purchase transactions undertaken by the Parent Company and the subsidiary AS.CA to hedge the purchases of goods. These operations were recorded in the accounts as the hedging of financial flows.

11. Current trade receivables

This item is composed of:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Trade receivables from customers	400,901	398,709
Trade receivables from parent companies	207	39
Total current receivables	**401,108**	**398,748**
Provision for write-down of receivables from customers	(32,550)	(32,127)
Total current net receivables	**368,558**	**366,621**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Trade receivables from customers	396,501	392,708
Receivables from Associated Companies Consolidated by the Cremonini Group	4,391	5,987
Receivables from Associated Companies not Consolidated by the Cremonini Group	9	14
Total current trade receivables from customers	**400,901**	**398,709**

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 32,550 thousand Euros, as highlighted in the table below.

The receivables "from associated companies consolidated by the Cremonini Group" (4,391 thousand Euros) and "from associated companies not consolidated by the Cremonini Group" (9 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 2015.

The provision for bad debt as at 31 December 2015 is broken down as follows:

(€thousand)	**Balance at 31.12.15**	increases	decreases	Balance at 31.12.14
- Tax-deductible provision	2,094	2,089	(2,393)	2,398
- Taxed provision	29,624	8,810	(8,081)	28,895
- Provision for interest for late payments	832	0	(2)	834
Total Provision for write-down of Receivables from customers	**32,550**	**10,899**	**(10,476)**	**32,127**

Net of the utilizations during the year, the allocations to the Provision are determined in order to adjust the value of the receivables to the reasonable expectations of cash flows expected on receipt of same, through the amount in the Provision for write-down of Receivables at the closing of the business year.

12. Tax assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Ires/Irap tax advances /withholdings on interest	17	4
VAT carried forward	60	179
Irpeg litigation	6,061	6,040
Ires transferred to the Controlling Company	1,409	1,409
Receivable for Irap	629	0
Other	954	981
Total Tax assets	**9,130**	**8,613**

As regard the item "Irpeg litigation", refer to that contained in the paragraph 19 "Provisions for non-current risks and charges".

As regards the "Receivables from the parent company for transferred Ires benefits", amounting to 1,409 thousand Euros, it should be noted that this item represents the receivable for reimbursement of Ires for the years from 2007 to 2011 of the Irap paid for the cost of employment and collaborators not deducted for said purpose, as per reimbursement claims sent in February 2013.

The increase in tax assets compared to the previous business year is mainly linked to the positive balance of IRAP which, compared to 2014, benefitted from a regime of greater deductibility of the cost of workers employed on continuing contracts in force from 2015.

13. Cash and cash equivalents

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Cash and Cheques	7,372	6,913
Bank and postal accounts	82,490	30,620
Total Cash and cash equivalents	**89,862**	**37,533**

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 2015.

14. Other current assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Accrued income and prepaid expenses	720	1,238
Other receivables	40,957	38,614
Total Other current assets	**41,677**	**39,852**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Other accrued income (from loans)	0	0
Prepaid expenses		
Leases on buildings and other assets	180	499
Maintenance fees	112	140
Insurance costs/Administration services	189	191
Commercial and advertising costs	4	5
Other prepaid expenses	235	403
Other prepaid expenses from Parent Companies	0	0
	720	1,238
Totale Current accrued income and prepaid expenses	**720**	**1,238**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Guarantee deposits	137	128
Other sundry receivables	990	819
Provision for write-down of receivables from others	(4,228)	(3,828)
Receivables from social security institutions	169	185
Receivables from agents	2,254	2,542
Receivables from employees	24	23
Receivables from insurance companies	362	575
Advances to suppliers and supplier credit balances	41,076	38,076
Advances to suppliers and supplier credit balances from Associates	173	94
Total Other current receivables	**40,957**	**38,614**

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, and receivables for contributions to be received from suppliers totalling 23.2 million Euros (see the comments made in paragraph 27 "Other revenues").

Receivables from foreign suppliers in foreign currencies have been adjusted, if necessary, to the exchange rate valid on 31 December 2015.

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

(€thousand)	**Balance at 31.12.15**	increases	decreases	Balance at 31.12.14
- Provision for Receivables from Others	4,228	400	0	3,828
Total Provision for write-down of Receivables from Others	**4,228**	**400**	**0**	**3,828**

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	2,674	0	0	2,674
Non current derivative financial instruments	5,095	0	0	5,095
Deferred tax assets	10,267	0	0	10,267
Other non-current assets	17,704	0	12,991	30,695
Financial receivables	3,950	0	0	3,950
Current derivative financial instruments	66	0	0	66
Trade receivables	333,610	26,747	8,201	368,558
Tax assets	8,269	861	0	9,130
Cash and cash equivalents	89,711	151	0	89,862
Other current assets	23,890	5,969	11,818	41,677
Total receivables by geographical area	**495,236**	**33,728**	**33,010**	**561,974**

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 2015, amounting to 33,262,560 Euros, is unchanged compared to the previous business year and is represented by 66,525,120 MARR S.p.A. ordinary shares, entirely subscribed and paid up, with regular benefit, of a nominal value of 0.50 Euros.

Share premium reserve
As at 31 December 2015 this reserve amounts to 63,348 thousand Euros and does not appear to have changed since 31 December 2014.

Legal reserve
This Reserve amounts to 6,652 thousand Euros and does not appear to have changed since 31 December 2014.

Shareholders' contributions on account of capital
This Reserve did not change in 2015 and amounts to 36,496 thousand Euros.

Reserve for transition to IAS/IFRS
This is the reserve (amounting to 7,290 thousand Euros) set up following the first time adoption of the international accounting standards.
Extraordinary Reserve
As at 31 December 2015, the increase of 11,136 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2014, as per shareholder meeting's decision made on 28 April 2015.

Cash flow hedge reserve
As at 31 December 2015, this item amounted to a negative value of 1,116 thousand Euros and is linked to the stipulation of hedging contracts for interest and exchange rates undertaken for the specific hedging of certain loans, with variable rates and in foreign currency respectively.
As regards the movements in this reserve and the other profits/losses in the Statement of Comprehensive Income, see that described in the Consolidated Statement of Changes in the Shareholders' Equity and in paragraph 36 "Other profits/losses" in these explanatory notes.

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

Reserve IAS19
As at 31 December 2015, this reserve amounts to a negative value of 731 thousand Euros and is composed of the value, net of the theoretical tax effect, of actuarial losses and gains regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 "Employee Benefits", effective for the business years starting on 1st January 2013. According to the IFRS these profits/losses have been entered in the net equity and their variation is highlighted (according to IAS 1 revised, in force from 1st January 2009) in the consolidated comprehensive income statement.

Whit regard to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amounting to 1,480 thousand Euros as at 31 December 2015, the relevant deferred tax liabilities have been accounted for.

On 28 April 2015 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2014 and consequently decided upon allocation of the business year profits, and the approval of a dividend of 0.62 Euros for each ordinary share with the right to vote.

Non-current liabilities

16. Non-current financial payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to banks - non-current portion	143,418	46,295
Payables to other financial institutions - non-current portion	39,211	34,941
Total non-current financial payables	**182,629**	**81,236**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to banks (1-5 years)	143,418	45,231
Payables to banks (over 5 years)	0	1,064
Total payables to banks - non-current portion	**143,418**	**46,295**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to other financial institutions (1-5 years)	9,029	(267)
Payables to other financisl institutions (over 5 years)	30,182	35,208
Total payables to other financial institutions - Non current portion	**39,211**	**34,941**

The increase in non-current payables to banks is the effect, net of the classification of the expiring instalments among the current payables, of the stipulation of new loans by the Parent Company, as listed hereafter:

- unsecured loan with Banca Intesa SanPaolo S.p.A., granted in March 2015 for a total amount of 20 million Euros and amortization plan ending in December 2018;
- unsecured loan with Unicredit S.p.A., granted in May 2015 for a total amount of 30 million Euros and amortization plan ending in May 2019;
- unsecured loan with Banca Popolare Commercio e Industria, granted in May 2015 for a total amount of 10 million Euros and amortization plan ending in May 2018;
- unsecured loan with Banca Carige, granted in July 2015 for a total amount of 20 million Euros and amortization plan starting in December 2017 and ending in June 2019.

It should also be noted that on 31 March 2015, a variation was finalised to the in Pool loan contract ongoing with BNP Paribas, paid out in June 2013 for a total of 85 million Euros. The change, which has not implied any variation as regards the overall amount of the loan (which, after the utilization of 25 million Euros during the first quarter, amounted to an overall total of 75.6 million Euros as at 31 December 2015), but has implied the unification of the two credit facilities previously opened (a loan facility expiring in June 2018 and a revolving facility expiring in June 2016), redefining an overall amortization plan which will terminate in March 2020.

Lastly, it must be pointed out that, to fully hedge the interest rate risk on the loan from the Banca Popolare Commercio e Industria, MARR has a derivative Interest Rate Swap contract ongoing, with a notional value of 3.7 million Euros as at 31 December 2015, for the effects of which see paragraph 17 "Financial instruments / derivatives". Compared to 31 December 2014, it should be noted that the Interest Rate Swap contracts with Cooperative Centrale Raiffeisen-Boerenleenbank B.A. and Veneto Banca were extinguished during the year.

The value of the payables to other financial institutions is mainly represented by the bond private placement in US dollars, finalised in July 2013. The bond placement amounts to 43 million dollars (originally 30.6 million Euros), of which 10 million dollars expires in 2020 and the remaining 33 million dollars in 2023 and involves an average coupon of about 5.1%. The increase in its value is attributable to variations in the Dollar/Euro exchange rate.

It also includes the debt of 85 thousand Euros for the purchase of the holdings in Sama S.r.l., expiring in June 2017.

It must be pointed out that to hedge the risk of oscillations in the Euro-Dollar exchange rate as regards the above-mentioned bond private placement, the Parent Company has stipulated specific Cross Currency Swap contracts, for the effects of which see paragraph 5 "Financial instruments / derivatives".

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 31.12.15
Carisp Pistoia	Euribor 6m+0,48%	31/01/2020	1,819	0	1,819
Centrobanca	Euribor 3m+1,4%	31/12/2019	3,327	0	3,327
Pool Financing with BNP Paribas	Euribor 6m+1,475%	31/03/2020	65,688	0	65,688
Popolare del Commercio e Industria	Euribor 6m+2,5%	04/12/2020	3,009	0	3,009
Intesa San Paolo	Euribor 6m+1,3%	31/12/2018	14,655	0	14,655
Carige	Euribor 3m+0,8%	30/06/2019	19,995	0	19,995
Popolare del Commercio e Industria	Euribor 3m+1,3%	20/05/2018	4,990	0	4,990
Unicredit	Euribor 6m+1,25%	15/05/2019	29,935	0	29,935
			143,418	**0**	**143,418**

The following is the breakdown of the mortgage guarantees on the real estate properties of the Parent company, the value of which decreased by 13.115 thousand Euros compared to 31 December 2014 due to the cancellation of the mortgage on the property in Spezzano Albanese (CS) – Coscile Locality, due to the repayment of the loans outstanding with Banca Popolare di Crotone.

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

Lastly, it must be pointed out that:

- the ongoing loans with Centrobanca S.p.A. (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 =< 3.6

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

- the ongoing financing with BNP Paribas provides the following financial ratios:
  NET DEBT / EBITDA < 3.5
  NET DEBT / EQUITY <2.0
  EBITDA / Net financial charges > 4.0
  Those ratios will be verified with reference to 31 December and 30 June each year.

- the ongoing financing with Banca Intesa San Paolo S.p.A. (signed in March 2015) provides the following covenants to be verified on a yearly basis.
  NET DEBT / EQUITY =< 2.0
  NET DEBT / EBITDA =< 3.5
  EBITDA / Net financial charges >= 4.0

- the ongoing financing with Unicredit (signed in May 2015) provides the following covenants to be verified with reference to 31 December and 30 June each year in relation 12 months period and on the basis of the consolidated MARR Group data at year-end.
  NET DEBT / EQUITY =< 2.0
  NET DEBT / EBITDA =< 3.0
  EBITDA / Net financial charges >= 4.0

- the ongoing financing with Banca Popolare Commercio e Industria (signed in May 2015) 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 =< 3.0

- The *bond private placement* (finalised in July 2013) provides the following financial ratios:
  NET DEBT / EBITDA < 3.5
  NET DEBT / EQUITY < 2.0
  EBITDA / Net financial charges > 4.0
  Those ratios will be verified with reference to the consolidated data as at 31 December and 30 June each year.

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

(€thousand)	**Book Value**		**Fair Value**	
	2015	2014	**2015**	2014
Payables to banks - non-current portion	143,418	46,295	140,208	44,853
Payables to other financial institutions - non-current portion	39,211	34,941	43,294	31,769
	182,629	**81,236**	**183,502**	**76,622**

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. Financial instruments / derivatives

The amount as at 31 December 2015, amounting to a total of 105 thousand Euros (346 thousand Euros as at 31 December 2014), represents fair value of the Interest Rate Swap contracts stipulated by the Parent Company to specifically hedge the interest rate risk on the variable rate loan with Banca Popolare Commercio e Industria.
The variation compared to 31 December 2014 is the effect of the closure during the half-year of the Interest Rate Swap contracts with Cooperative Centrale Raiffeisen-Boerenleenbank B.A. and Veneto Banca, as well as the variation in the fair value of the derivative.

18. Employee benefits

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

(€thousand)	
Opening balance at 31.12.14	**10,960**
employees entered from Sama S.r.l.	69
payments of the period	(1,029)
provision for the period	147
other changes	(167)
Closing balance at 31.12.15	**9,980**

As highlighted in the above table, the movements in the business year are linked, in addition to the quota accrued during the period net of the ordinary movements in the item, to the personnel joining the Group by effect of the operation completed by the subsidiary New Catering for the purchase of the holdings in Sama S.r.l., which was then merged.
It must be highlighted that the allocation for the period includes actuarial gains totalling 263 thousand Euros recorded in the accounts, net of the theoretical fiscal effect, in the relevant net equity reserve as provided by IAS 19 (see that described as regards the movement of the Net Equity and in paragraph 15 of these Explanatory Notes).
The applicable employment contract is that for companies operating in the "Tertiary, Distribution and Services" sector.

With reference to the significant actuarial hypotheses (as described in the paragraph entitled "Main estimates adopted by management and discretional assessments"), the table below shows the effects on the final liabilities of the Group due to possible changes to them.

(€thousand)	Turnover +1 %	Turnover -1 %	Inflation rate + 0.25%	Inflation Rate - 0.25%	Discounting rate + 0.25%	Discounting rate - 0.25%
Effect on the final liability	(42)	44	107	(107)	(167)	170

It should also be noted that the contribution expected for the following business year is about 102 thousand Euros; future payments expected in the next five years can be estimated as totalling 4.7 million Euros.

19. Provisions for non-current risks and charges

(€thousand)	**Balance at 31.12.15**	Other movements	Provisions/Other	Uses	Balance at 31.12.14
Provision for supplementary clients severance indemnity	3,374	73	263	0	3,038
Provision for specific risks	885	(93)	1	(574)	1,551
Total Provisions for non-current risks and charges	**4,259**	**(20)**	**264**	**(574)**	**4,589**

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 movements in the business year include in the note entitled "Other movements" the provision for supplementary clients acquired following the purchase by the subsidiary New Catering of 100% of the holdings in Sama S.r.l..
The "Provision for specific risks" covers probable liabilities connected to certain ongoing legal disputes; its decrease is correlated almost exclusively to the closure during the business year of the ongoing disputes involving the subsidiary Alisurgel, with the payment of that due and relevant usage of that allocated in past years and the release of the excess part to the income statement.

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 on the basis of the opinion expressed by the defence lawyers representing the Company, we believe it reasonable to hypothesise the successful outcome of the dispute.

On 10 February 2014, the Supreme Court of Cassation, in sentence 20055/14 (filed on 24 September 2014), accepted the appeal by the Company, repealing the impugned sentence no. 23/2007 by the Regional Taxation Commission for Emilia Romagna, submitting for the second degree judge (in another proceeding) the decision regarding the claim, stating the need for the decision to be taken by proceeding with an "*adequate assessment of the expert findings*", consistently described by the same Court as "*extremely favourable to the taxpayer*". On 16 December 2014, the Company filed the claim again with the above-mentioned Taxation Commission; the date for the discussion of the dispute has yet to be established.

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.
It should be noted that the Company appealed to the Supreme Court of Cassation in May 2013.

As at 31 December 2015, MARR S.p.A. had paid 6,061 thousand Euros as payment of taxes while awaiting judgment; this amount was classified under tax receivables.

20. Deferred tax liabilities

As of 31 December 2015 the breakdown of this item, amounting to 11,083 thousand Euros (11,477 thousand Euros on 31 December 2014), is as follows:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
On goodwill amortisation reversal	6,353	6,423
On funds subject to suspended taxation	413	466
On leasing recalculation as per IAS 17	449	506
On actuarial calc. of severance provision fund	(176)	(260)
On fair value revaluation of land and buildings	3,541	4,008
On allocation of acquired companies' goodwill	708	805
On cash flow hedge	(350)	(635)
Others	145	164
Deferred tax liabilities fund	**11,083**	**11,477**

It must be pointed out that the 2016 Stability Law approved the reduction of the IRES rate from 27.5% to 24% as of business years starting after 31 December 2016. By effect of the regulatory measure, we have reviewed the calculation of the payables for deferred tax liabilities, estimating the amount of the temporary differences that will be reversed after this date and adjusting the tax effect due to the new rate. This adjustment has implied a reduction in the deferred tax liabilities for an amount of 1,403 thousand Euros, with a positive effect on the income statement of 1,477 thousand Euros.

21. Other non-current payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Other liabilities	389	240
Other non-current accrued expenses and deferred income	210	450
Total other non-current payables	**599**	**690**

This item "Other non-current accrued expenses and deferred income" represents the quota over the year for deferred financial income from customers.
The item "other liabilities" is represented by security deposits paid by transporters.

There is no accrued income and prepaid expenses or other liabilities with expiry date over 5 years.

Current liabilities

22. Current financial payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to banks	74,319	137,266
Payables to other financial institutions	1,352	753
Total Current financial payables	**75,671**	**138,019**

Current payables to banks:

(€thousand)			**Balance at 31.12.15**	Balance at 31.12.14
Current accounts			6.282	15.793
Loans/Advances			25.175	44.322
Loans:				
- Pop.Crotone-nr. 64058	0	166		
- Pop.Crotone-nr. 64057	0	138		
- Cassa di Risp.di Pescia e Pistoia	513	508		
- Centrobanca	1.107	1.106		
- Popolare del Commercio e dell'Industria	675	649		
- Popolare del Commercio e dell'Industria	3.317	0		
- Pool Financing with BNP Paribas	9.169	14.103		
- Banca Carige	0	8.000		
- Cooperative Centrale Raiffeisen-boerenleenbank B.A.	0	24.981		
- Mediobanca	0	24.960		
- ICCREA	22.785	0		
- Intesa San Paolo	5.296	0		
- Banca di Rimini	0	860		
- Banca Popolare dell'Emilia Romagna	0	1.680		
			42.862	77.151
			74.319	**137.266**

With reference to the loans listed above, it must be highlighted as shown below

In January the Parent Company signed a new in Pool loan with ICCREA Banca Impresa S.p.A. in the capacity of Arranger Bank, Agent Bank and Financing Bank, for a total amount of 22.8 million Euros, expiring in June 2016. As at 31 December 2015, this loan is recorded entirely among the short-term financial liabilities.

During the course of the business year, the ongoing loans charged to the Parent company with Cooperative Centrale Raiffeisen-Boerenleenbank B.A., Banca Popolare di Crotone, Banca Carige Italia and Mediobanca and those charged to the subsidiary Sfera S.p.A. with the Banca di Rimini (now RiminiBanca Credito Cooperativo di Rimini e Valmarecchia Società Cooperativa) and Banca Popolare dell'Emilia Romagna were closed, with an overall reduction in short-term financial indebtedness of 60.8 million Euros compared to 31 December 2014.

In addition to this, it must be highlighted that the amendment defined with reference to the in pool loan with BNP Paribas has implied a rescheduling of the overall debt, with a reduction of the short-term quota from 14.1 million Euros as at 31 December 2014 to 9.2 million Euros at the end of 2015.
Consequently to the above operations, the Interest Rate Swap contracts ongoing with Rabo Bank (extinguished on expiry) and Veneto Banca (extinguished in advance) were closed.

For more details regarding the variation compared to the previous business year, see that outlined in the Directors' Report on management performance and on paragraph 16 "Non-current financial payables".

The balance of the payables to other financiers mainly includes:
- the payables for interest accrued concerning the bond private placement operations finalised in July 2013 for 749 thousand Euros;
- the short-term quota for the purchase of the holdings in Sama S.r.l., amounting to 594 thousand Euros.

Lastly, it should be noted that the item "Loans/Advances" includes, in addition to 4,925 thousand Euros in advances on invoices and 5,669 thousand Euros for sbf advances, the 14,638 thousand Euros in payables to Banca IMI due to the securitization operation started by the Parent Company during the previous business year.

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

23. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Irap/Ires	0	461
Ires trasferred to parent company	824	1,756
Other taxes payables	163	134
Irpef for employees	1,168	1,097
Irpef for external assistants	210	204
Total current tributary payables	**2,365**	**3,652**

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

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

The decrease in this item is attributable to both the positive IRAP balance, mainly due to the effects of the new regime of deductibility of the cost of workers on continuing contracts (see paragraph 2: "Tax receivables") and the reduced impact of the IRES payables (also partly linked to the ACE facilitation).

24. Current trade liabilities

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to suppliers	273,501	265,978
Payables to associated companies consolidated by the Cremonini Group	2,774	7,432
Payables to other associated companies	136	280
Trade payables to Parent Company	295	753
Total current trade liabilities	**276,706**	**274,443**

The liabilities refer mainly to payables for the purchase of goods for sale and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 2,774 thousand Euros and "Payables to Parent Companies" for 295 thousand Euros the details and analysis of which are reported in Directors' Report and "Payables to other Correlated Companies" for 136 thousand Euros.

The decrease in the balance payable to the parent company is linked to the positive closure of the VAT payment for December, part of the group VAT payment and therefore recorded as at 31 December 2015 as receivable to the parent company (see paragraph 11 "Current trade payables").

25. Other current liabilities

(€thousand)	Balance at 31.12.15	Balance at 31.12.14
Current accrued income and prepaid expenses	1,426	1,633
Other payables	21,885	18,403
Total other current liabilities	**23,311**	**20,036**

(€thousand)	Balance at 31.12.15	Balance at 31.12.14
Other accrued expenses	49	52
Amounts due for remuneration of employees/directors	1,020	1,046
Other deferred income	3	10
Deferred income for interest from clients	354	525
Total current accrued expenses and deferred income	**1,426**	**1,633**

(€thousand)	Balance at 31.12.15	Balance at 31.12.14
Inps/Inail and other social security institutes	1,609	1,784
Enasarco/ FIRR	736	704
Payables to personnel for emoluments	4,613	4,447
Advances from customers, customers credit balances	13,850	9,522
Payables to insurance companies	154	128
Other sundry payables	923	1,818
Total other payables	**21,885**	**18,403**

The item "p*ayables and accrued expenses to personnel for emoluments"* includes current salaries not yet paid as at 31 December 2015 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.
The decrease in the item Other sundry payables is mainly linked to the settlement of the indemnity received in 2014 from the selling party of the subsidiary AS.CA for the closure of an ongoing dispute.

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	112,988	30,144	39,497	182,629
Non current derivative financial instruments	105	0	0	105
Employee benefits	9,980	0	0	9,980
Provisions for risks and charges	4,259	0	0	4,259
Deferred tax liabilities	11,083	0	0	11,083
Other non-current liabilities	599	0	0	599
Current financial payables	70,561	4,306	804	75,671
Non current derivative financial instruments	0	0	0	0
Current tax liabilities	2,332	0	33	2,365
Current trade liabilities	224,863	40,853	10,990	276,706
Other current liabilities	22,731	548	32	23,311
Total payables by geographic area	**459,501**	**75,851**	**51,356**	**586,708**

Guarantees, securities and commitments

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

Guarantees (totalling 54,526 thousand Euros).

These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 38,951 thousand Euros) and are guarantees granted on our request by credit institutions to guarantee the correct and punctual execution of tender and other contracts of a duration of either within the year or over the year;
- guarantees issued by the subsidiaries of MARR S.p.A.. to public entities and financial institutes for a total of 5 thousand Euros, referable to the subsidiary Baldini Adriatica Pesca S.r.l.;
- guarantees issued by MARR S.p.A. in favour of financial institutes in the interest of subsidiary companies. This item amounted to a total of 15,570 thousand Euros as at 31 December 2015 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 31.12.15**	Balance at 31.12.14
Guarantees		
Sfera S.p.a	5,900	5,900
AS.CA S.p.A.	5,600	5,500
Baldini Adriatica Pesca S.r.l.	4,070	4,120
Total Guarantees	**15,570**	**15,520**

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

Other risks and commitments
This item, amounting to 21,723 thousand Euros, refers to credit letters issued by certain credit institutes to guarantee obligations undertaken with our foreign suppliers.

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

26. Revenues

Revenues are composed of:

(€thousand)	**31.12.2015**	31.12.2014
Revenues from sales - Goods	1,437,355	1,398,544
Revenues from Services	238	3,836
Other revenues from sales	7	119
Advisory services to third parties	93	78
Manufacturing on behalf of third parties	35	34
Rent income (typical management)	47	59
Other services	2,512	2,590
Total revenues	**1,440,287**	**1,405,260**

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

The decrease of revenues from services is related to the first quarter of 2014 of the company Alisea, which was deconsolidated as of 31 March 2014.

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

(€thousand)	**31.12.2015**	31.12.2014
Italy	1,329,373	1,296,769
European Union	79,673	75,285
Extra-EU countries	31,241	33,206
Total	**1,440,287**	**1,405,260**

27. Other revenues

The Other revenues are broken down as follows:

(€thousand)	**31.12.2015**	31.12.2014
Contributions from suppliers and others	38,056	31,904
Other Sundry earnings and proceeds	915	1,237
Reimbursement for damages suffered	889	1,688
Reimbursement of expenses incurred	765	1,118
Recovery of legal taxes	55	44
Capital gains on disposal of assets	77	102
Total other revenues	**40,757**	**36,093**

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers. Their increase is mainly linked to the re-confirmation of the ability of the company in managing relations with its suppliers.
Furthermore, in 2015, following the centralisation of supplier deliveries on logistical platforms rather than at the single MARR branches as in the past, the contributions from suppliers also included approximately 2.7 million Euros in logistical payments charged to suppliers, as MARR has undertaken the costs of internal distribution from the logistical platforms to the branches.

28. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	**31.12.2015**	31.12.2014
Purchase of goods	1,157,226	1,132,763
Purchase of packages and packing material	4,014	3,929
Purchase of stationery and printed paper	812	817
Purchase of promotional and sales materials and catalogues	179	154
Purchase of various materials	613	502
Discounts and rebates from suppliers	(510)	(338)
Fuel for industrial motor vehicles and cars	304	358
Total purchase of goods for resale and consumables	**1,162,638**	**1,138,185**

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

29. Personnel costs

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)	**31.12.2015**	31.12.2014
Salaries and wages	25,925	26,393
Social security contributions	7,904	8,252
Staff Severance Provision	1,904	2,140
Other Costs	73	298
Total personnel costs	**35,806**	**37,083**

This item shows a decrease mainly related to personnel costs of the company Alisea (1,057 thousand Euros in the first quarter of 2014), deconsolidation effective from 31 March 2014.

Breakdown of employees by category is as follows:

	Workers	Employees	Managers	**Total**
Employees at 31.12.14	337	489	7	833
Net increases and decreases	*(30)*	*0*	*0*	*(30)*
Employees at 31.12.15	**307**	**489**	**7**	**803**
Average employees at 31.12.15	**344.7**	**493.3**	**7.0**	**845.0**

It should be noted that, despite the influx of personnel by effect of the purchase of Sama S.r.l., the number of employees of the Group as at 31 December 2015, 803 units, shows a reduction compared to the end of 2014 (833 units), also due to the outsourcing of certain operating activities.

In addition to the above, the maintenance of a careful resource management policy has been confirmed, with specific reference to the management of leave and permits and overtime work.

30. Amortizations and write-downs

(€thousand)	**31.12.2015**	31.12.2014
Depreciation of tangible assets	4,813	4,730
Amortization of intangible assets	177	149
Provisions and write-downs	11,599	11,214
Total amortization and depreciation	**16,589**	**16,093**

(€thousand)	**31.12.2015**	31.12.2014
Allocation of taxable provisions for bad debts	9,210	8,257
Allocation of non-taxable provisions for bad debts	2,089	2,397
Provision for risk and loss fund	1	113
Provision for supplementary clientele severance indemnity	263	447
Other fixed assets depreciation	36	0
Total provisions and write-downs	**11,599**	**11,214**

For more details on provisions, reference is made to the relevant movements highlighted in notes 11 “Current trade receivables”, 19 “Provisions for non-current risks and charges” in addition to that commented in the paragraph “Credit risk”.

31. Other operating costs

(€thousand)	**31.12.2015**	31.12.2014
Operating costs for services	169,202	169,142
Operating costs for leases and rentals	9,071	9,142
Operating costs for other operating charges	1,852	1,767
Total other operating costs	**180,125**	**180,051**

(€thousand)	**31.12.2015**	31.12.2014
Sale expenses, distribution and logistic costs for our products	141,421	139,954
Energy consumption and utilities	9,651	9,979
Third-party production	2,714	2,837
Maintenance costs	4,060	3,719
Porterage and movement of goods	3,333	2,895
Advertising, promotion, exhibitions, sales (sundry items)	477	309
Directors' and statutory auditors' fees	919	996
Insurance costs	839	823
Reimbursement of expenses, travel costs and sundry personnel costs	296	321
General and other services	5,492	7,309
Total operating costs for services	**169,202**	**169,142**

The increase in operating costs for “sales, distribution and logistic” activities in addition to the increase in revenues is also related to the centralisation of deliveries from suppliers onto the logistical platforms (to which the logistical payments charged to the suppliers are correlated), with the consequent undertaking by the parent company of the costs of distribution from the logistical platforms to the distribution centres. For the comments on which see the Directors’ Report and that described as regards the operating costs.

(€thousand)	**31.12.2015**	31.12.2014
Lease of industrial buildings	8,469	8,362
Lease of processors and other personal property	411	416
Lease of industrial vehicles	5	25
Lease of going concern	0	192
Lease of cars	3	12
Lease of plants, machinery and equipment	56	22
Rent fees and other charges paid on other personal property	127	113
Total operating costs for leases and rentals	**9,071**	**9,142**

It should be pointed out that the rental fees for industrial buildings include the fees of 668 thousand Euros paid to the associate companies Le Cupole S.r.l. in Castelvetro (MO) for the rental of the property in which the branch MARR Uno carries out its activities (Via Spagna 20 – Rimini).

The reduction of fees for the lease of going concerns is attributable to the extinction of the costs for the lease of the Scapa and Lelli going concerns, the purchases of which were completed in March and May 2014 respectively.

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).
Their increase is related to the fees for the lease for the industrial building in Zola Pedrosa following the acquisition of the company Sama S.r.l..

(€thousand)	**31.12.2015**	31.12.2014
Other indirect taxes, duties and similar charges	898	836
Expenses for recovery of debts	286	309
Other sundry charges	237	217
Capital losses on disposal of assets	66	41
IMU	310	309
Contributions and membership fees	55	55
Total operating costs for other operating charges	**1,852**	**1,767**

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)	**31.12.2015**	31.12.2014
Financial charges	8,942	11,026
Financial income	(2,499)	(2,935)
Foreign exchange (gains)/losses	334	714
Total financial (income) and charges	**6,777**	**8,805**

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)	**31.12.2015**	31.12.2014
Interest paid on other loans, bills discount, hot money, imports	4,748	7,165
Interest payable on loans	213	332
Interest payable on discounted bills, advances, exports	291	1,189
Other financial interest and charges	3,688	2,338
Interest and Other financial charges for Consolidated Parent Companies	2	2
Total financial charges	**8,942**	**11,026**

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

(€thousand)	**31.12.2015**	31.12.2014
Other sundry financial income (interest from customers, etc.)	(2,384)	(2,780)
Interests and financial income from Parent Companies	(50)	(136)
Positive interest from bank accounts	(65)	(19)
Total Financial Income	**(2,499)**	**(2,935)**

The other financial income concerns the interests due from clients for payment delays.

33. Income from subsidiaries disposal

The item amounts to 1,742 thousand Euros and represents the balance of the price related to the sale on 31 March 2014 of the shareholding in Alisea Soc. Cons. a r.l. by the Parent company.
This quota of price was subordinated to a condition related to the definitive awarding of significant tenders for catering services, condition occurred in the last ten days of July.
Consequently the income was accounted for in the 2015 business year.

34. Taxes

(€thousand)	**31.12.2015**	31.12.2014
Ires-Ires charge transferred to Parent Company	21,813	21,101
Irap	4,523	5,130
Net provision for deferred tax liabilities	50	(295)
Previous years tax	(419)	(8)
Total taxes	**25,967**	**25,928**

As already described in the comments on the items in the statement of equity, it should be noted that the 2016 Stability Law approved the reduction of the IRES rate 27.5% to 24% as of business years starting after 31 December 2016. By effect of this regulatory measure, the calculation of the receivables for advance taxes and payables for deferred taxes has been reviewed, estimating the amount of the temporal differences that will be reversed after said date and adjusting the tax effect due to the new rate. This adjustment has implied a positive effect on the income statement amounting to 244 thousand Euros overall.

The income from previous years tax, net of other lesser differences, refers for a total of 449 thousand Euros to IRES reimbursements for the 2004 to 2007 business years, as per reimbursement claims submitted in 2008 and prudentially not allocated.

Reconciliation between theoretical and effective fiscal charges

(€thousand)	***Year 2015***		*Year 2014*	
	Taxable amount	*Tax*	*Taxable amount*	*Tax*
I.R.E.S.				
Profit before taxation	87,010		81,545	
Taxation rate	27.50%		27.50%	
theoretical tax burden		23,928		22,425
Permanent differences				
Non-deductible depreciation	164		334	
Write-down of financial assets	0		2	
Other	885		746	
	1,049		1,082	
Deductible depreciation	(1,869)		(1,869)	
Dividends from Italian companies (95%)	(2,953)		(2,870)	
Income from subsidiaries disposal (95%)	(1,655)		(1,713)	
Personel cost not deducted to Irap	(256)		(830)	
Other	(2,610)		(2,263)	
	(9,343)		(9,545)	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	9,336		8,370	
Maintenance costs excess 5%	23		33	
Other	1,061		847	
Deductible entertainment expenses	0		13	
	10,420		9,263	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	0		0	
	0		0	
Use of taxed provision for bad debts	(8,134)		(4,867)	
Use of others taxed provisions	(752)		(375)	
Amount deductible entertainment expenses	0		0	
Amount of Write-down of financial assets	0		0	
Amount of maintenance cost excess 5%	(55)		(67)	
Other	(893)		(656)	
	(9,834)		(5,965)	
Taxable income	79,302		76,380	
Taxation rate	27.50%		27.50%	
Actual tax burden		**21,808**		**21,004**
Balance of IRES for past business years and roundings		5		97
Reimbursements of previous business years		(449)		0
Actual Tax burden of Period		**21,364**		**21,101**
I.R.A.P.				
Profit before taxation	87,010		81,545	
Cost not relevant for I.R.A.P.				
Income and expense from investments	(2,174)		(104)	
Financial income and expense	6,783		8,768	
Personnel costs	36,060		36,059	
Theorical taxable	127,679		126,268	
Taxation rate	3.94%		3.94%	
theoretical tax burden		5,037		4,971
Other	(13,756)		6,044	
Taxable income	113,923		132,312	
Taxation rate	3.95%		3.94%	
Actual tax burden		**4,499**		**5,209**
Balance of IRAP for past business years		24		(79)
Actual Tax burden of Period		**4,523**		**5,130**

35. Earnings per share

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

(in Euro)	**2015**	2014
EPS base	0.87	0.77
EPS diluted	0.87	0.77

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

Earnings:

(€thousand)	**31.12.2015**	31.12.2014
Profit for the period	58,083	51,105
Minority interests	0	0
Profit used to determine basic and diluted earnings per share	**58,083**	**51,105**

Number of shares:

(number of shares)	**31.12.2015**	31.12.2014
Weighted average number of ordinary shares used to determine basic earning per share	66,525,120	66,525,120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	**66,525,120**	**66,525,120**

36. Other profits/losses

The other profits/losses accounted for in the consolidated statement of other comprehensive income consist of the effects produced and reflected in the period with reference to the following items:
- effective part of the operations for: hedging interest rates related to variable rate loans existing at the date; hedging exchange risk rate related to the bond in US dollars signed with an operation of private placement in July; effective part of the exchange purchase transactions to hedge the purchases of goods. The value indicated amounted to a total profit of 548 thousand Euros (-789 thousand Euros in the year 2014) and is shown net of the taxation effect (that amounts to approximately -232 thousand Euros as at 31 December 2015).
- actuarial profits regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 “Employee Benefits”; the value indicated, amounting to a total profit of 171 thousand Euros, is shown net of the taxation effect (that amount to about 57 thousand Euros as at 31 December 2015).

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

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)	***31.12.15***	*31.12.14*
A.	Cash	7,368	6,895
	Cheques	4	18
	Bank accounts	82,039	30,331
	Postal accounts	451	289
B.	Cash equivalent	82,494	30,638
C.	**Liquidity (A) + (B)**	**89,862**	**37,533**
	Current financial receivable due to Parent Company	2,771	4,101
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	1,245	1,324
D.	**Current financial receivable**	**4,016**	**5,425**
E.	Current Bank debt	(31,503)	(60,115)
F.	Current portion of non current debt	(42,816)	(77,151)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,352)	(794)
G.	Other current financial debt	(1,352)	(794)
H.	**Current financial debt (E) + (F) + (G)**	**(75,671)**	**(138,060)**
I.	**Net current financial indebtedness (H) + (D) + (C)**	**18,207**	**(95,102)**
J.	Non current bank loans	(143,523)	(46,641)
K.	Other non current loans	(39,211)	(34,941)
L.	**Non current financial indebtedness (J) + (K)**	**(182,734)**	**(81,582)**
M.	**Net financial indebtedness (I) + (L)**	**(164,527)**	**(176,684)**

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.

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Rimini, 14 March 2016

The Chairman of the Board of Directors

Paolo Ferrari

Appendices

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

- **Appendix 1** – List of equity investments, including those falling within the scope of consolidation as at 31 December 2015.
- **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 2015.
- **Appendix 3** – Table showing reconciliation as at 31 December 2015 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 2015.
- **Appendix 5** – Table showing variations in Tangible Assets for the year ending 31 December 2015.
- **Appendix 6** – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2014.
- **Appendix 7** – 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 2015

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control Company	Indirect control Share held
COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS					
- Parent Company:					
MARR S.p.A.	Rimini	33,263			
- Subsidiaries:					
Alisurgel S.r.l. in liquidation	Rimini	10	97.0%	Sfera S.p.A.	3.0%
Sfera S.p.A.	Santarcangelo di R. (RN)	220	100.0%		
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (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%		
EQUITY INVESTMENTS VALUED AT COST:					
- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11,798	1.66%		

MARR S.p.A. STATEMENT OF FINANCIAL POSITION

(€)	31.12.15	31.12.14
ASSETS		
Non-current assets		
Tangible assets	61,515,681	62,650,591
Goodwill	73,072,161	73,072,161
Other intangible assets	611,933	382,555
Investments in subsidiaries and associated	33,440,608	33,169,069
Investments in other companies	298,521	298,521
Non-current financial receivables	2,673,609	2,045,657
Non current derivative/financial instruments	5,095,197	285,288
Deferred tax assets	9,940,950	10,765,003
Other non-current assets	30,501,829	36,252,708
Total non-current Assets	**217,150,489**	**218,921,553**
Current assets		
Inventories	112,025,265	109,800,721
Financial receivables	12,866,811	12,700,358
relating to related parties	*11,687,971*	*11,626,272*
Current derivative/financial instruments	64,107	231,745
Trade receivables	351,601,847	348,754,333
relating to related parties	*5,627,166*	*7,105,606*
Tax assets	8,995,474	8,461,060
relating to related parties	*1,301,293*	*1,301,293*
Cash and cash equivalents	85,918,424	32,394,304
Other current assets	40,454,277	37,910,248
relating to related parties	*1,492,251*	*671,211*
Total current Assets	**611,926,205**	**550,252,769**
TOTAL ASSETS	***829,076,694***	***769,174,322***
LIABILITIES		
Shareholders' Equity	266,773,224	250,876,796
Share capital	*33,262,560*	*33,262,560*
Reserves	*174,569,853*	*162,775,991*
Retained Earnings	*0*	*0*
Profit for the period	*58,940,811*	*54,838,245*
Total Shareholders' Equity	**266,773,224**	**250,876,796**
Non-current liabilities		
Non-current financial payables	182,543,650	81,235,795
Non current derivative/financial instruments	105,162	346,564
Employee benefits	8,951,674	9,436,795
Provisions for risks and charges	3,384,790	3,176,759
Deferred tax liabilities	9,413,223	9,774,574
Other non-current liabilities	598,586	689,603
Total non-current Liabilities	**204,997,085**	**104,660,090**
Current liabilities		
Current financial payables	72,508,001	133,729,825
relating to related parties	*859,151*	*1,089,738*
Current derivative/financial instruments	0	41,005
Current tax liabilities	1,959,695	3,576,203
relating to related parties	*548,887*	*1,835,065*
Current trade liabilities	261,495,686	258,173,191
relating to related parties	*3,437,860*	*8,098,892*
Other current liabilities	21,343,003	18,117,212
relating to related parties	*60,473*	*90,977*
Total current Liabilities	**357,306,385**	**413,637,436**
TOTAL LIABILITIES	***829,076,694***	***769,174,322***

MARR S.p.A. STATEMENT OF PROFIT OR LOSS

(€)	***31.12.2015***	*31.12.2014*
Revenues	1,347,715,687	1,305,555,531
concerning related parties	*32,767,462*	*30,506,228*
Other revenues	38,298,496	33,667,524
relating to related parties	*383,421*	*385,331*
Changes in inventories	2,224,544	17,031,221
Internal works performed	0	20,999
Purchase of goods for resale and consumables	(1,090,287,254)	(1,063,949,529)
relating to related parties	*(64,370,587)*	*(58,713,864)*
Personnel costs	(32,422,646)	(31,746,025)
relating to related parties	*(9,958)*	*0*
Amortization, depreciation and write-downs	(15,127,567)	(14,668,990)
Other operating costs	(168,516,202)	(165,800,053)
relating to related parties	*(5,576,909)*	*(4,299,786)*
Financial income and charges	(6,537,767)	(8,423,814)
relating to related parties	*205,290*	*316,414*
Income (charge) from associated companies	5,281,834	4,822,594
Profit before taxes	***80,629,125***	***76,509,458***
Taxes	(24,145,082)	(24,127,981)
Profit for the period	***56,484,043***	***52,381,477***
EPS base (euros)	0.85	0.79
EPS diluted (euros)	0.85	0.79

MARR S.p.A. STATEMENT OF OTHER COMPREHENSIVE INCOME

(€)	***31.12.2015***	*31.12.2014*
Profits for the period (A)	***56,484,043***	***52,381,477***
Items to be reclassified to profit or loss in subsequent periods:		
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect	559,188	(801,866)
Items not to be reclassified to profit or loss in subsequent periods:		
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect	122,808	(403,054)
Total Other Profits/Losses, net of taxes (B)	***681,996***	***(1,204,920)***
Comprehensive Income (A + B)	***57,166,039***	***51,176,557***

CASH FLOWS STATEMENT (INDIRECT METHOD)

(€thousand)	***31.12.15***	*31.12.14*
Profit for the Period	56,484	52,381
Adjustment:		
Amortization / Depreciation	4,423	4,284
Allocation of provison for bad debts	10,500	10,000
Allocation of provision for investments in subsidiaries	(432)	2
Allocation of provision for risks and losses	0	100
Capital profit/losses on disposal of assets	(7)	(35)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	6,218	4,704
relating to related parties	*(205)*	*(316)*
Foreign exchange evaluated (gains)/losses	153	355
Income from subsidiaries disposal	(1,742)	(1,803)
Dividends Received	(3,107)	(3,022)
	16,006	14,585
Net change in Staff Severance Provision	(485)	478
(Increase) decrease in trade receivables	(13,348)	1,677
relating to related parties	*1,478*	*(689)*
(Increase) decrease in inventories	(2,224)	(17,031)
Increase (decrease) in trade payables	3,323	4,130
relating to related parties	*(4,661)*	*(945)*
(Increase) decrease in other assets	3,207	4,022
relating to related parties	*(821)*	*(571)*
Increase (decrease) in other liabilities	3,342	934
relating to related parties	*(31)*	*64*
Net change in tax assets / liabilities	25,099	23,351
relating to related parties	*20,231*	*21,044*
Interest paid	(8,868)	(10,819)
relating to related parties	*(23)*	*(32)*
Interest received	2,650	6,115
relating to related parties	*228*	*348*
Foreign exchange gains	(712)	410
Foreign exchange losses	559	(765)
Income tax paid	(26,786)	(21,310)
relating to related parties	*(21,517)*	*(16,703)*
Cash-flow from operating activities	**58,247**	**58,158**
(Investments) in other intangible assets	(367)	(150)
(Investments) in tangible assets	(4,522)	(4,049)
Net disposal of tangible assets	1,379	613
Net (investments) in equity investments in other companies	0	(4)
Outgoing for acquisition of subsidiaries or going concerns during the year	0	(1,643)
Ingoing for divestments of subsidiaries during the year	1,902	1,833
Dividends Received	3,107	3,022
Cash-flow from investment activities	**1,499**	**(378)**
Distribution of dividends	(41,246)	(38,585)
Other changes	659	(1,205)
Net change in financial payables (excluding the new non-current loans received)	(62,996)	(39,396)
relating to related parties	*(231)*	*(1,248)*
New non-current loans received	102,800	25,000
relating to related parties	*0*	*0*
Net change in current financial receivables	(1)	1,031
relating to related parties	*(61)*	*(369)*
Net change in non-current financial receivables	(5,438)	(131)
Cash-flow from financing activities	**(6,222)**	**(53,286)**
Increase (decrease) in cash-flow	**53,524**	**4,494**
Opening cash and equivalents	32,394	27,900
Closing cash and equivalents	**85,918**	**32,394**

MARR S.p.A. STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

Description	Share Capital	Other Reserves															Profits carried over	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	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	Reserve IAS 19	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares		
Balance at 1st January 2014	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**38,219**	**1,475**	**7,516**	**(874)**	**1,491**	**1,823**	**(75)**	**156,083**				**48,945**	**238,291**
Allocation of 2013 profit						8,187							**8,187**				(8,187)	
Distribution dividends Marr S.p.A.																	(38,585)	(38,585)
Other minor variations										(6)		(283)	**(289)**				284	(5)
Consolidated comprehensive income 2014:																		
- Profit for the period																	52,381	52,381
- Other Profits/Losses, net of taxes									(802)			(403)	**(1,205)**					(1,205)
Balance at 31 December 2014	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**46,406**	**1,475**	**7,516**	**(1,676)**	**1,485**	**1,823**	**(761)**	**162,776**				**54,838**	**250,877**
Allocation of 2014 profit						11,136							**11,136**				(11,136)	
Distribution dividends Marr S.p.A.																	(41,246)	(41,246)
Other minor variations										(6)		(18)	**(24)**					(24)
Consolidated comprehensive income 2015:																		
- Profit for the period																	56,484	56,484
- Other Profits/Losses, net of taxes									559			123	**682**					682
Balance at 31 December 2015	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**57,542**	**1,475**	**7,516**	**(1,117)**	**1,479**	**1,823**	**(656)**	**174,570**				**58,940**	**266,773**

Appendix 3

Reconciliation between the Parent Company's Net Equity and the consolidated Net Equity as at 31 December 2015

	Increase/(Decrease) Shareholders' Equity	of which Net Profit for the period
Parent Company's shareholders' equity and profit/(loss) for the year	266,773	56,484
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	(25,949)	0
-- 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	25,219	(23)
-- Pro rata subsidiary profits (losses)	4,509	4,509
Allocation of the consolidation differences caused by the company amalgamations	2,718	0
Write-off of the goodwill 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	(1,958)	(3,547)
Adjustments to adapt the financial statements of some consolidated companies to Group Accounting Standards	2,571	660
Group's share of net equity and profit/(loss)	271,830	58,083
Minorities' share of net equity and profit/(loss)	0	0
Shareholders' equity and profit/(loss) for the year	271,830	58,083

Appendix 4

Intangible fixed assets (in thousand of Euros)	OPENING BALANCE			MOVEMENTS DURING THE YEAR				CLOSING BALANCE		
	Original Cost	Provision for amortization	Balance 01/01/2015	Purchases/ reclassification	Consolidation Change	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2015
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	5,462	(4,977)	485	138			(176)	5,600	(5,153)	447
Concessions, licences, brand names, and similar rights	163	(155)	8	11			(1)	174	(156)	18
Goodwill	105,720		105,720	1,376				107,096		107,096
Intangible fixed assets under development and advances	57		57	221				278		278
Other intangible fixed assets	436	(436)						436	(436)	
Total	**111,838**	**(5,568)**	**106,270**	**1,746**			**(177)**	**113,584**	**(5,745)**	**107,840**

Appendix 5

Tangible fixed assets	Opening balance			Movements during the year								Closing balance		
(in thousand of Euros)	Original Cost	Provision for amortization	Balance 01/01/2015	Purchases/ other movements	Sama Acquisition Original cost	Sama Acquisition Prov. for am.	Decreases Original cost	Decreases Prov. for am.	Reclassification Original cost	Reclassification Prov. for am.	Amortization/ write down	Original Cost	Provision for amortization	Balance 31/12/2015
Land and buildings	77,719	(21,863)	55,856	1,105					62	4	(1,749)	78,886	(23,608)	55,278
Plant and machinery	30,629	(21,854)	8,775	1,662			(430)	402	410	2	(2,046)	32,271	(23,496)	8,775
Industrial and commercial equipment	4,278	(3,010)	1,268	348	166	(5)	(52)	29	5		(291)	4,745	(3,277)	1,468
Other tangible assets	13,616	(11,108)	2,507	1,929	54	(9)	(1,930)	535	3		(770)	13,672	(11,352)	2,319
Tangible fixed assets under development and advances	556		556	502					(335)			723		723
Total	**126,798**	**(57,835)**	**68,962**	**5,546**	**220**	**(14)**	**(2,412)**	**966**	**145**	**6**	**(4,856)**	**130,297**	**(61,733)**	**68,563**

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, 2014				
Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
79,119		Tangible assets		782,814
7		Goodwill and other intangible assets		165,354
257,732		Investments		12,789
5,538		Non-current assets		71,663
342,396		*Total non-current assets*		*1,032,620*
0		Inventories		381,099
24,485		Receivables and other current assets		613,384
3,801		Cash and cash equivalents		88,370
28,286		*Total current assets*		*1,082,853*
370,682		**Total assets**		**2,115,473**
		LIABILITIES		
204,760		Shareholders' equity:		672,495
	67,074	Share capital	67,074	
	93,535	Reserves	302,455	
	44,151	Net profit (loss)	41,928	
	0	Minority interest	261,038	
45,360		Non-current financial payables		265,283
422		Employee benefits		27,674
521		Provisions for risks and charges		12,326
6,753		Other non-current liabilities		75,367
53,056		*Total non-current liabilities*		*380,650*
105,208		Current financial payables		446,132
7,658		Current liabilities		616,196
112,866		*Total current liabilities*		*1,062,328*
370,682		**Total Liabilities**		**2,115,473**
		INCOME STATEMENT		
5,375		Revenues		3,278,627
714		Other revenues		57,227
		Changes in inventories		14,318
		Internal works performed		9,590
(66)		Purchase of goods		(2,269,753)
(6,286)		Other operating costs		(540,857)
(2,575)		Personnel costs		(290,928)
(1,647)		Amortization		(63,581)
(470)		Depreciation and Allocations		(25,065)
58,146		Income from investments		3,265
(13,144)		Financial income and charges		(52,441)
0		Profit from business aggregations		0
40,047		*Profit before taxes*		*120,402*
4,104		Taxes		(47,386)
44,151		Net profit (loss) before consolidation		73,016
0		Minority interest's profit (loss)		(31,088)
44,151		**Consolidated Net profit (loss)**		**41,928**

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 2014. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2014, 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 2015 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 2015
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	114
	Reconta Ernst & Young S.p.A.	As.Ca S.p.a.	21
Certification service			0
Other services			0
Total			**135**

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 interim condensed consolidated financial statement, during the year 2015.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the consolidated financial statement as at 31 December 2015 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 2016

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

Building a better working world

MARR S.p.A.

Consolidated financial statements as at 31 December 2015

Independent auditor's report in accordance with articles 14 and 16 of Legislative Decree n. 39, dated 27 January 2010

Building a better
working world

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INDEPENDENT AUDITOR'S REPORT
IN ACCORDANCE WITH ARTICLES 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

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of MARR Group, which comprise the statement of consolidated financial position as of 31 December 2015, the consolidated statement of profit and loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in the shareholders' equity, the consolidated cash flows statement , and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The Directors of MARR S.p.A. are responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union as well as with the regulations issued to implement art. 9 of Legislative Decree n. 38, dated 28 February 2005.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) implemented in accordance with article 11, paragraph 3 of Legislative Decree n. 39, dated 27 January 2010. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of MARR Group as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with article 9 of Legislative Decree n. 38, dated 28 February 2005.

Report on other legal and regulatory requirements

Opinion on the consistency of the Directors' Report and of specific information of the Annual Report on Corporate Governance and Ownership Structure with the consolidated financial statements

We have performed the procedures required under audit standard SA Italia n. 720B in order to express an opinion, as required by law, on the consistency of the Directors' Report and of specific information of the Annual Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4 of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements. The Directors of MARR S.p.A. are responsible for the preparation of the Directors' Report and of the Annual Report on Corporate Governance and Ownership Structure in accordance with the applicable laws and regulations. In our opinion the Directors' Report and the specific information of the Annual Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of MARR Group as at 31 December 2015.

Bologna, 29 March 2016

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.

MARR S.p.A.

REPORT OF THE BOARD OF STATUTORY AUDITORS
ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2015

Dear Shareholders,
The Marr S.p.A. consolidated financial statements for the 2015 business year, which is available for you to consult, shows business year profits of 58,083 thousand Euros (51,105 thousand Euros for the previous business year), all attributable to the Group.

Also during the 2015 business year, the business year profits and those attributable to the Group are the same, given that the scope of consolidation is constituted solely by fully controlled companies.

The document in question has been drawn up in compliance with that provided by the International Financial Reporting Standards (IFRS).

The balance sheet and income statement contain, for comparative purposes, the figures in the consolidated financial statements for the previous business year.
In the directors' report on management, the explanatory notes and relevant annexes, which complete and comment on the consolidated financial statements, the Board of Directors, in addition to the method of consolidation and the criteria for assessment, provides information concerning the companies included in the scope of consolidation and also on the facts which characterised the management.

The auditing firm Reconta Ernst & Young S.p.A. will not be highlighting any informative notes and/or comments, or related observations or limitations, in the report that it will release pursuant to arts. 14 and 16 of Legislative Decree 39/2010.

As regards matters of our competence:
- we have verified the formation of the scope of consolidation, the principles of consolidation used and their general compliance with the law;
- we have observed that the explanatory notes and report on management, to be deemed congruent to the other findings highlighted in the consolidated financial statements, provide the information required respectively by arts. 38 and 40 of Legislative Decree 127/1991, as recalled in the Consob consultative document dated 10 March 2006.

The above holding firm, the Board of Statutory Auditors hereby states that the consolidated financial statements as at 31 December 2015 of the MARR Group correctly represents the equity, economic and financial situation of the Parent company and the companies consolidated.

Rimini, 29 March 2016

The Board of Statutory Auditors

E. Simonelli

S.Muratori

D.Muratori

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

MARR S.p.A.

Financial Statements

as at December 31, 2015

STATEMENT OF FINANCIAL POSITION

(€)	Notes	31.12.15	31.12.14
ASSETS			
Non-current assets			
Tangible assets	1	61,515,681	62,650,591
Goodwill	2	73,072,161	73,072,161
Other intangible assets	3	611,933	382,555
Investments in subsidiaries and associated	4	33,440,608	33,169,069
Investments in other companies	5	298,521	298,521
Non-current financial receivables	6	2,673,609	2,045,657
Non current derivative/financial instruments	7	5,095,197	285,288
Deferred tax assets	8	9,940,950	10,765,003
Other non-current assets	9	30,501,829	36,252,708
Total non-current Assets		**217,150,489**	**218,921,553**
Current assets			
Inventories	10	112,025,265	109,800,721
Financial receivables	11	12,866,811	12,700,358
relating to related parties		*11,687,971*	*11,626,272*
Current derivative/financial instruments	12	64,107	231,745
Trade receivables	13	351,601,847	348,754,333
relating to related parties		*5,627,166*	*7,105,606*
Tax assets	14	8,995,474	8,461,060
relating to related parties		*1,301,293*	*1,301,293*
Cash and cash equivalents	15	85,918,424	32,394,304
Other current assets	16	40,454,277	37,910,248
relating to related parties		*1,492,251*	*671,211*
Total current Assets		**611,926,205**	**550,252,769**
TOTAL ASSETS		***829,076,694***	***769,174,322***
LIABILITIES			
Shareholders' Equity	17	266,773,224	250,876,796
Share capital		*33,262,560*	*33,262,560*
Reserves		*174,569,853*	*162,775,991*
Retained Earnings		*0*	*0*
Profit for the period		*58,940,811*	*54,838,245*
Total Shareholders' Equity		**266,773,224**	**250,876,796**
Non-current liabilities			
Non-current financial payables	18	182,543,650	81,235,795
Non current derivative/financial instruments	19	105,162	346,564
Employee benefits	20	8,951,674	9,436,795
Provisions for risks and charges	21	3,384,790	3,176,759
Deferred tax liabilities	22	9,413,223	9,774,574
Other non-current liabilities	23	598,586	689,603
Total non-current Liabilities		**204,997,085**	**104,660,090**
Current liabilities			
Current financial payables	24	72,508,001	133,729,825
relating to related parties		*859,151*	*1,089,738*
Current derivative/financial instruments		0	41,005
Current tax liabilities	25	1,959,695	3,576,203
relating to related parties		*548,887*	*1,835,065*
Current trade liabilities	26	261,495,686	258,173,191
relating to related parties		*3,437,860*	*8,098,892*
Other current liabilities	27	21,343,003	18,117,212
relating to related parties		*60,473*	*90,977*
Total current Liabilities		**357,306,385**	**413,637,436**
TOTAL LIABILITIES		***829,076,694***	***769,174,322***

STATEMENT OF PROFIT OR LOSS

(€)	*Notes*	*31.12.2015*	31.12.2014
Revenues	28	1,347,715,687	1,305,555,531
concerning related parties		*32,767,462*	*30,506,228*
Other revenues	29	38,298,496	33,667,524
relating to related parties		*383,421*	*385,331*
Changes in inventories	10	2,224,544	17,031,221
Internal works performed		0	20,999
Purchase of goods for resale and consumables	30	(1,090,287,254)	(1,063,949,529)
relating to related parties		*(64,370,587)*	*(58,713,864)*
Personnel costs	31	(32,422,646)	(31,746,025)
relating to related parties		*(9,958)*	*0*
Amortization, depreciation and write-downs	32	(15,127,567)	(14,668,990)
Other operating costs	33	(168,516,202)	(165,800,053)
relating to related parties		*(5,576,909)*	*(4,299,786)*
Financial income and charges	34	(6,537,767)	(8,423,814)
relating to related parties		*205,290*	*316,414*
Income (charge) from associated companies	35	5,281,834	4,822,594
Profit before taxes		***80,629,125***	***76,509,458***
Taxes	36	(24,145,082)	(24,127,981)
Profit for the period		***56,484,043***	***52,381,477***
EPS base (euros)	37	0.85	0.79
EPS diluted (euros)	37	0.85	0.79

STATEMENT OF OTHER COMPREHENSIVE INCOME

(€)	Notes	31.12.2015	31.12.2014
Profits for the period (A)		***56,484,043***	***52,381,477***
Items to be reclassified to profit or loss in subsequent periods:			
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		559,188	(801,866)
Items not to be reclassified to profit or loss in subsequent periods:			
Actuarial (losses)/gains concerning defined benefit plans, net of taxation effect		122,808	(403,054)
Total Other Profits/Losses, net of taxes (B)	**38**	***681,996***	***(1,204,920)***
Comprehensive Income (A + B)		***57,166,039***	***51,176,557***

STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY
(note 17)

Description	Share Capital	Other Reserves															Profits carried over	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	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	Reserve IAS 19	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares		
Balance at 1st January 2014	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**38,219**	**1,475**	**7,516**	**(874)**	**1,491**	**1,823**	**(75)**	**156,083**				**48,945**	**238,291**
Allocation of 2013 profit						8,187							**8,187**				(8,187)	
Distribution dividends Marr S.p.A.																	(38,585)	(38,585)
Other minor variations										(6)		(283)	**(289)**				284	(5)
Consolidated comprehensive income 2014:																		
- Profit for the period																	52,381	52,381
- Other Profits/Losses, net of taxes									(802)			(403)	**(1,205)**					(1,205)
Balance at 31 December 2014	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**46,406**	**1,475**	**7,516**	**(1,676)**	**1,485**	**1,823**	**(761)**	**162,776**				**54,838**	**250,877**
Allocation of 2014 profit						11,136							**11,136**				(11,136)	
Distribution dividends Marr S.p.A.																	(41,246)	(41,246)
Other minor variations										(6)		(18)	**(24)**					(24)
Consolidated comprehensive income 2015:																		
- Profit for the period																	56,484	56,484
- Other Profits/Losses, net of taxes									559			123	**682**					682
Balance at 31 December 2015	**33,263**	**63,348**	**6,652**	**12**	**36,496**	**57,542**	**1,475**	**7,516**	**(1,117)**	**1,479**	**1,823**	**(656)**	**174,570**				**58,940**	**266,773**

CASH FLOWS STATEMENT (INDIRECT METHOD)

(€thousand)	*31.12.15*	31.12.14
Profit for the Period	56,484	52,381
Adjustment:		
Amortization / Depreciation	4,423	4,284
Allocation of provison for bad debts	10,500	10,000
Allocation of provision for investments in subsidiaries	(432)	2
Allocation of provision for risks and losses	0	100
Capital profit/losses on disposal of assets	(7)	(35)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	6,218	4,704
relating to related parties	*(205)*	*(316)*
Foreign exchange evaluated (gains)/losses	153	355
Income from subsidiaries disposal	(1,742)	(1,803)
Dividends Received	(3,107)	(3,022)
	16,006	14,585
Net change in Staff Severance Provision	(485)	478
(Increase) decrease in trade receivables	(13,348)	1,677
relating to related parties	*1,478*	*(689)*
(Increase) decrease in inventories	(2,224)	(17,031)
Increase (decrease) in trade payables	3,323	4,130
relating to related parties	*(4,661)*	*(945)*
(Increase) decrease in other assets	3,207	4,022
relating to related parties	*(821)*	*(571)*
Increase (decrease) in other liabilities	3,342	934
relating to related parties	*(31)*	*64*
Net change in tax assets / liabilities	25,099	23,351
relating to related parties	*20,231*	*21,044*
Interest paid	(8,868)	(10,819)
relating to related parties	*(23)*	*(32)*
Interest received	2,650	6,115
relating to related parties	*228*	*348*
Foreign exchange gains	(712)	410
Foreign exchange losses	559	(765)
Income tax paid	(26,786)	(21,310)
relating to related parties	*(21,517)*	*(16,703)*
Cash-flow from operating activities	**58,247**	**58,158**
(Investments) in other intangible assets	(367)	(150)
(Investments) in tangible assets	(4,522)	(4,049)
Net disposal of tangible assets	1,379	613
Net (investments) in equity investments in other companies	0	(4)
Outgoing for acquisition of subsidiaries or going concerns during the year	0	(1,643)
Ingoing for divestments of subsidiaries during the year	1,902	1,833
Dividends Received	3,107	3,022
Cash-flow from investment activities	**1,499**	**(378)**
Distribution of dividends	(41,246)	(38,585)
Other changes	659	(1,205)
Net change in financial payables (excluding the new non-current loans received)	(62,996)	(39,396)
relating to related parties	*(231)*	*(1,248)*
New non-current loans received	102,800	25,000
relating to related parties	*0*	*0*
Net change in current financial receivables	(1)	1,031
relating to related parties	*(61)*	*(369)*
Net change in non-current financial receivables	(5,438)	(131)
Cash-flow from financing activities	**(6,222)**	**(53,286)**
Increase (decrease) in cash-flow	**53,524**	**4,494**
Opening cash and equivalents	32,394	27,900
Closing cash and equivalents	**85,918**	**32,394**

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 2015 were authorised for publication by the Board of Directors on 14 March 2016.

Structure and contents of the consolidated financial statements

The financial statements as at 31 December 2015 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.

The financial statements have been prepared on the basis of the historical cost principal, except for the derivative financial instruments, recorded at fair value.

Reference to the international accounting standards, adopted in the preparation of the financial statements as at 31 December 2015, 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 2015, see that described in the Directors' Report on management performance.

The financial statements as at 31 December 2015 include, for comparative purposes, the figures for the year ended on 31 December 2014.

The following classifications have been used:

- "Statement of financial position" by current/non-current items
- "Statement of profit or loss" for 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.

All amounts are indicated in Euros.

As regards the data contained in these financial statements, the Statement of Financial Position, the Statement of Profit or Loss and the Statement of Other 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 2015 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	2.65% - 4% - 3%
- 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 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 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 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 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.

Derivatives

Subsequently to their initial recording, the derivatives are evaluated again at fair value and are accounted as financial assets should the fair value be positive. Eventual profits or losses deriving from changes in the fair value of the derivatives are recorded directly in the income statement, except for the effective part of the hedging of cash flows, which is recorded among the components of other comprehensive income and subsequently reclassified in the statement of profit or loss if the hedging instrument influences the profits or losses.

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 remainder 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 is deemed to be impaired if, and only if, there is objective evidence of impairment as result of one or 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 Company 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 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.

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.

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

Employee benefits

The Employee Severance Fund is included in the context of what IAS 19 defines as definite benefits plans in the framework of benefits after employment. The accounting treatment provided for these forma of remuneration requires an actuarial calculation which enables the future projection of the Employee Severance Fund amount already accrued and to actualise it to take into account the time that will elapse before effective payment. The actuarial calculation takes certain variables into consideration, such as the average employment time of employees, inflation rates and expected interest rates. The assessment of this liability is performed by an independent actuary. Following the changes to IAS 19, effective for business years starting on 1 January 2013 and subsequent, the profits and losses deriving from the actuarial calculation for the definitive benefits plans are included in the statement of other comprehensive income for the period they refer to. These actuarial profits and losses are immediately classified under the profits carried over and are not reclassified in the profit and loss accounts for subsequent periods. The social security cost for past service (past service cost) is recorded on the most recent of the following dates:

- the date on which the plan is changed or reduced; and
- the date on which the Company records the related restructuring costs.

The Company records the changes in the net debentures for definitive benefits in the statement of profit or loss.

The assets or liabilities concerning definitive benefits include the current value of the definitive benefits debentures, minus the fair value of the assets involved in the plan.

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

The financial liabilities are initially valued at their fair value, which is the same as the payment received on the date on which they are received, to which the transaction costs directly attributable to them are to be added in the case of debts and loans. Subsequently, the non-derivative financial liabilities are measured by the criterion of amortized cost 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.

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.

Derivatives

Subsequently to their initial recording, derivatives are valued again at their fair value and are accounted as financial liabilities when their fair value is negative. Eventual profits or losses deriving from changes in the fair value of the derivatives are recorded directly in the income statement, except for the effective part of the hedging of cash flows, which is recorded among the components of other comprehensive income and subsequently reclassified in the statement of profit or loss if the hedging instrument influences the profits or losses.

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 tax liabilities and assets are calculated on the temporary differences between the values of the assets and liabilities recorded in the financial statements and the corresponding values recognised for fiscal purposes.
Deferred taxes are recorded on all the taxable temporary differences, with the following exceptions:

- the deferred tax liabilities deriving from the initial recording of the start-up of either an asset or a liability in a transaction which does not represent a corporate aggregation and, at the time of the transaction itself, does not influence either the result in the financial statements or the fiscal result;
- the repayment of the taxable temporary differences associated to holdings in subsidiaries, related companies and joint ventures can be controlled, and it is probable that this will not occur in the foreseeable future.

Deferred tax assets are recorded for all the deductible temporary differences, fiscal receivables and losses not used and brought forward, in the measure in which it is probable that sufficient future fiscal taxables will be available which may enable the use of the deductible temporary differences and fiscal receivables and losses brought forward, except in cases in which:

- the deferred tax related to the deductible temporary differences derives from the initial recording of an asset or liability in a transaction which does not represent a corporate aggregation and, at the time of the transaction itself, does not influence either the result in the financial statements or the fiscal result ;
- in the case of deductible temporary differences associated to holdings in subsidiaries, related companies and joint ventures, the active deferred taxes are only recorded in the measure in which it is probable they will be brought forward in the foreseeable future and that there will be sufficient fiscal taxables to enable the recovery of these temporary differences.

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 does 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 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. The revenues from services are recorded with reference to their state of progress. Financial incomes 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	Marr uses derivative financial instruments to hedge its exposure to foreign currency risks

financial assets/instruments

on purchases and loans 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.
Fair value is the price that would be received for the sale of an asset, or would be paid for the transfer of a liability, in a standard transaction between market operators on the date of valuation.
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. All the assets and liabilities for which the fair value is valued or recorded in the financial statements are categorised on the basis of the fair value hierarchy, as described below:

- Level 1 – the quoted (not adjusted) prices on active markets for identical assets and liabilities which the entity may access on the date of valuation;
- Level 2 – Input other than the quoted prices included in Level 1, observable directly or indirectly for the asset or liability in question;
- Level 3 – valuation techniques for which the input data is not observable for the asset or liability in question.

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. Should the derivatives cover the fair value risk, the change in fair value of the covering derivatives is recorded in the statement of profit or loss among the financial costs. The change in fair value of the element covered attributable to the risk covered is recorded as part of the load value of the element covered and is also recorded in the statement of profit or loss among the financial costs.
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 measure any impairment of goodwill 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 2016 cash-flows generating units attributable to each goodwill 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 2017 and an increase of 1% for 2019 and 2020; for 2020 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 6.44% (6.31% in the previous year) calculated punctually in coherence with previous years and with significant focus on the risk and uncertainty factors of the current market. Sensitivity analyses have also been conducted on this rate, consequently to the variation manly of interest rates and of the other financial parameters used and the sustainability of the goodwill value recorded in the financial statements has been verified with WACC values more prudential and, as in the past years, with a comparison with those used by financial analysts. Lastly, we would point out that specific focus has also been given to the growth factors expected in coming years, which can be considered as mainly prudential in relation to the results achieved and the specific market context.
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 2015.

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

  - The expected inflation rate is equal to: 1.5% for the year 2016, 1.8% for the year 2017, 1.7% for the years 2018 1.6% for the year 2019 and 2% for the year 2020 and the subsequents;
  - The discounting rate used is equal to 1.39%[VII];
  - The annual rate of increase of the severance plan is expected to be equal to: 2.625% for the year 2016, 2.85% for the year 2017, 2.775% for the year 2018, 2.7% for the year 2019 and 3.0% for the year 2020 and the subsequents;
- A 6.5% turnover of employees is expected.

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

  - The rate of voluntary turnover is expected to be 13%;
  - The rate of corporate turnover is expected to be 2%;
  - The discounting rate used is 0.98%.

- 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.

[VII] Average performance curve deriving from the IBOXX Eurozone Corporates AA (7 – 10 years)

Accounting principles, amendments and interpretations applicable as at 1 January 2015

The criteria for assessment used for the purpose of predisposing the consolidated accounts do not differ from those used for the drafting of the consolidated financial statements as at 31 December 2014, with the exception of the accounting principles, amendments and interpretations applicable as from 1st January 2015, as shown below.

- Modifications to IAS 19 Employee benefits: Contributions by employees. IAS 19 requires that an entity must consider the contributions by employees or third parties when recording the defined benefits plans in the accounts. When the contributions are linked to the performance of a service, they should be attributed to the period of service as negative benefits. The modification clarifies that, if the amount of contributions is independent of the number of years service, the entity is allowed to record these contributions as a reduction in the cost of the service in the period in which the service is performed rather than allocate the contributions to the service periods. This modification is effective for business years starting on 1st July 2014 or later. This modification is not significant to the company, as there are no plans for contributions from employees or third parties.

The following are some improvements (annual IFRS improvements – 2010-2012 Cycle and 2011-2013 Cycle) in force since 1 July 2014, which do not however affect these financial statements:

- IFRS 2 Payments based on shares: This review is applied prospectively and clarifies various points linked to the definition of the conditions for the achievement of results and services, which represent the conditions for accrual.
- IFRS 3 Corporate aggregations: This change is applied prospectively and clarifies that all the agreements concerning potential payments classified as liabilities (or assets) deriving from a corporate aggregation must be subsequently measured at fair value with a counterparty in the income statement whether they are within the scope of IFRS 9 (or IAS 39, as the case may be) or not.
- IFRS 8 Operating sectors: This change is applied retrospectively and clarifies that: - an entity should provide information on the evaluations made by the management in applying the criteria for aggregation of which in paragraph 12 of IFRS 8, including a brief description of the operating sectors that have been aggregated and the economic characteristics used to define whether the sectors are “similar”; - a reconciliation of the sector activities with the overall activities need be provided only if the reconciliation is submitted before a higher decision-making authority, as required for the sector liabilities. This modification is not significant for the Company, given that it operates in a single sector.
- IAS 16 Buildings, plants and machinery and IAS 38 Intangible assets: This change is applied retrospectively and clarifies that in IAS 16 and IAS 38, an asset may be revalued with reference to observable data both by adjusting the gross accountable value of the asset to the market value and determining the market value of the accountable value and adjusting the gross accountable value proportionately so that the accountable value is the same as the market value. Furthermore, the accrued amortization is the difference between the gross accountable value and the accountable value of the asset. This change is not applicable within the Company for the period in question.
- IAS 24 Information in the financial statements on operations with related parties: This change is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management service. This change is not significant for the Company as it does not receive management services from other entities.
- IFRS 3 Corporate aggregations: This change is applied prospectively and, as regards exclusion from the scope of IFRS 3, clarifies that: - not only are joint ventures beyond the scope of IFRS 3, but joint arrangements are as well; - this exclusion from the scope is applied only to the accounts of the joint arrangement in question. This change is not significant for the Company.
- IFRS 13 Evaluation at fair value: This change is applied prospectively and clarifies that the portfolio exception provided by IFRS 13 can be applied not only to financial assets and liabilities, but also to the other contracts within the scope of IFRS 9 (or IAS 39, as the case may be). This change does not affect the Company financial statements.
- IAS 40 Property investments: The description of additional services in IAS 40 differentiates between property investments and properties for use by the proprietor (for example: buildings, plants and machinery). The change is applied prospectively and clarifies that in defining whether an operation represents the purchase of an asset or

a corporate aggregations, IFRS 3 must be used and not the description of the additional services in IAS 40. This case has not arisen.

Accounting principles, amendments and interpretations applicable subsequently

The accounting principles and interpretation which, as of the date of the preparation of the consolidated financial statements, were already issued but not yet in force are illustrated below.

- IFRS 9 - Financial instruments. In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, which reflects all the phases of the project concerning financial instruments and replaces IAS 39, Financial Instruments: Recording and assessment, and all previous versions of IFRS 9. The principle introduces new requirements for classification, assessment, loss of value and hedge accounting. IFRS 9 is effective for business years starting on 1 January 2018 or later.
- IFRS 15 - Revenues deriving from contracts with customers. This IFRS was issued in May 2014 and introduces a new five-phase model to be applied to revenues from customer contracts. IFRS 15 provides that revenues be recorded for an amount reflecting the payment the entity deems to have the right to in exchange for the transfer of goods or services to the customer. The principle gives a more structured approach for recording and assessing revenues, replacing all the current requirements in the other IFRS on the recognition of revenues. IFRS 15 is effective for business years starting on 1st January 2018 or later, with full or modified retrospective application. Advance application is also allowed. The Company does not expect any significant impact from the application of this principle.
- Modifications to IFRS 11 - Joint control agreements: Purchase of a holding. These modifications require that a joint operator which records the acquisition of a holding in a joint control agreement in the accounts, the activities of which represent a business, must apply the significant principles of IFRS 3 concerning the accounting of corporate aggregations. The modifications also clarify that, in the case of joint control being maintained, the holding previously held in a joint control agreement shall not be the subject of re-measurement at the time at which an additional holding is purchased. Furthermore, an exclusion to the scope of IFRS 11 has been added, in order to clarify that the modifications shall not be applicable when all the parties sharing control, including the entity which draws up the financial statements, are subjected to the common control of the same controlling entity. The modifications are applicable to both the purchase of the initial holding in a joint control agreement and the purchase of any additional holdings in the same joint control agreement. The modifications must be applied prospectively for business years starting on 1st January 2016 or later and their advance application is allowed.
- Modifications to IAS 16 and IAS 38: Clarification on the admissible methods of amortization. These modifications clarify the principle contained in IAS 16 and in IAS 38: the revenues reflect a model of economic benefits generated by the management of a business (of which the activity is part), rather than the economic benefits consumed by using the asset in question. It follows that a method based on revenues cannot be used for the amortization of buildings, plant and machinery and could only be used in very limited circumstances for the amortization of intangible assets. The modifications must be applied prospectively for business years starting on 1st January 2016 or later, and their advance application is allowed.
- Modifications to IAS 27: Net equity method in the separate financial statements. The modifications will enable the entity to use the net equity method to record the holdings in subsidiaries, joint ventures and associates in its own separate financial statements. The entities which are already applying the IFRS and decide to modify the criterion for recording in the accounts by changing to the net equity method in their own separate financial statements must apply the change retrospectively. The modifications are effective for business years starting on 1 January 2016 or later, their advance application is allowed.
- Modifications to IAS 1: Initiative on the informative note to the financial statements. The modifications are aimed at introducing clarifications into IAS 1 in order to deal with some elements that are perceived as limitations to the use of judgement by those who draw up the financial statements. These modifications are applicable for business years starting on 1st January 2016 or later.
- Modifications to IFRS 10, IFRS 12 and IAS 28 – Investment Entities: Applying the Consolidation Exception: The modifications deal with the problems arising in the application of the exception concerning investment entities provided by IFRS 10. The modifications to IFRS 10 clarify that the exception to submitting consolidated financial statements is applicable to the Group leader which is a subsidiary of an investment entity, when the investment entity values all of its subsidiaries at fair value. These modifications must be applied retrospectively and are in force for business years starting on 1 January 2016 or later; advance application is admissible. There is not expected to be any impact on the Company and on the Group from the application of these modifications.
- Modifications to IAS 12 – Income taxes: The IASB clarifies how fiscal receivables deferred with respect to losses not realized on debit instruments measured at fair value are to be accounted. The modifications will be effective from 1 January 2017.

- Modifications to IAS 7 – Financial Reporting: The improvements concern the information to be provided concerning the changes to the loans payable deriving from both the financial cash flows and from variations which do not derive from cash flows (for example profits and losses on exchange rates). The modifications will be effective from 1 January 2017.
- IFRS 16 – Leases. This principle (emanated in January 2016 and not yet endorsed by the European Union) establishes that leases, contrarily to in the past, must be represented in the statements of equity of companies, thereby increasing the visibility of the assets and liabilities. It abolishes the distinction between operating leases and financial leases (for the lessee – leasing client), dealing with all the contracts in question as financial leases. Short-term contracts (12 months or less) and those concerning low value assets are exempt from this principle. The new principle will be effective from 1 January 2019; advance application is admissible as long as the recent standard IFRS15 "Revenues from Contracts with Customers" is also applied. The company is assessing the impact of this new principle on its own financial statements.

Lastly, some enhancements have been issued (annual IFRS improvements – 2012-2014 Cycle) to acknowledge the modifications to the principles in the framework of their annual enhancement, concentrating on the necessary, but not urgent, modifications. The main modifications, that are not expected to have significant impacts on the Financial Statements of the Company, concern the following principles:

- IFRS 5, introduces a clarification for cases in which the method of transfer of an asset changes, reclassifying the latter from held for sale to held for distribution and this modification should not be considered as a new transfer plan, but rather as a continuation of the original plan;
- IFRS 7, clarifies if and when contract services constitute continuous involvement for informative purposes;
- IAS 19, clarifies that the currency of the securities used as reference in estimating the discount rate must be the same as that in which the benefits will be paid out;
- IAS 34, the modification clarifies that the information required in interim financial statements must be presented either in the interim financial statements or incorporated through cross-references between the interim financial statements and the part of the interim financial report in which they are described (for example, the report on management or comments on risks).

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 best financial 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 and part of the financial exposure with variable rates.

Market risk

(i) Currency risk: The currency risk arises when reported assets and liabilities are expressed in a currency other than the enterprise's functional currency. 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 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. In addition to the trade relations, it should be noted that in 2013, the Company finalised a bond private placement in US dollars. To cover this transaction, the Company stipulated Cross Currency Swap contracts specifically destined to hedge the financial flows deriving from the payment of the coupons and reimbursement of capital on expiry.

As at 31 December 2015, a 5% appreciation in the exchange rate in relation to the US dollar and to other currencies, all else being equal, would have given rise to an increase in pre-tax profit of 428 thousand Euros (242 thousand Euros in 2014), 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 318 thousand Euros (226 thousand Euros as at 31 December 2014) 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 and to other currencies, all else being equal, would have been reflected by a pre-tax profit decrease of 473 thousand Euros (267 thousand Euros in 2014).
The other equity items would have shown an upward variation of 260 thousand Euros (293 thousand Euros as at 31 December 2014) 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 from banks are floating and variable rate financing exposes the Company to the risk of cash flow variations due to interest rates. To cover this risk, the company stipulated Interest Rate Swap contracts specifically related to the partial or total hedging of certain loans. Fixed rate financing exposes the MARR to the risk of changes to the fair value of the finances themselves.

In 2015 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 237 thousand Euros on an yearly basis (433 thousand Euros as at 31 December 2014).

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 to Euribor as much as possible.

(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 191,570 thousand Euros as at 31 December 2015, represent 54.48% 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 31.12.15**	Balance at 31.12.14
Current trade receivables		351,602	348,754
Other non-current receivables		30,502	36,253
Other current receivables		40,454	37,910
	Total	**422,558**	**422,917**

For the comments on the various categories, please refer to note 9 on "Other non-current receivables", note 13 on "Trade receivables" and note 16 on "Other current receivables". The value of the trade receivables, the other non-current receivables and the other current receivables are classifiable as "Level 3" financial receivables, in other words those for which the input is not based on observable market data.

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 2015, overdue trade receivables, net of bad debt reserve, amounted to 160,032 thousand Euros (167,751 thousand Euros in 2014). The breakdown of these receivables by due date is as follows:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Overdue:		
Less than 30 days	54,867	49,782
betweeen 31 and 60 days	21,060	25,076
betweeen 61 and 90 days	18,883	19,887
Over 90 days	65,222	73,006
Total overdue trade receivables	**160,032**	**167,751**

The amounts shown above refer to overdue debts calculated on the basis of the nominal terms agreed[VIII] 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. As at 31 December 2015,

[VIII] Except for the expiry dates defined in paragraph 3 of art. 62 of Decree Law 1 dated 24/1/2012 which, as of 24 October 2012, has established that the payment of perishable food products be made within 30 days of the last day of the month of receipt of the invoice and that for non-perishable food products within 60 days of the last day of the month of receipt of the invoice.

this particular category of customers accounted for 22,295 thousand Euros (28,195 thousand Euros as at 31 December 2014) of which 15,220 thousand were in the "Over 90 days" band (18,663 thousand Euros as at 31 December 2014).

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 30,172 thousand Euros (29,704 thousand Euros in 2014).
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 31,748 thousand Euros (31,349 thousand Euros in 2014)

Liquidity risk

Marr manages liquidity risk with a view to maintaining a liquidity level sufficient for its operational management. The Company 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.

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. In this regard, it should be noted that there was a significant reduction in interest rates during the business year, which is also reflected in the forecast of future quotations and, consequently, the IRS in five years used as the basis for this calculation.

(€thousand)

	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
At 31 december 2015				
Borrowings	76,511	48,214	112,965	29,050
Derivative financial instruments	0	0	105	0
Trade and other payables	261,496	0	0	0
	338,007	**48,214**	**113,070**	**29,050**
At 31 december 2014				
Borrowings	138,330	19,558	34,816	39,459
Derivative financial instruments	41	0	194	153
Trade and other payables	258,173	0	0	0
	396,544	**19,558**	**35,010**	**39,612**

As regards the changes to the long-term quota, see that already described in the Director's Report and on paragraph 18 "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 2015		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Non current derivative/financial instruments	0	5,095	5,095
Non Current financial receivables	2,674	0	2,674
Other non-current assets	30,502	0	30,502
Current financial receivables	12,867	0	12,867
Current derivative/financial instruments	0	64	64
Current trade receivables	351,602	0	351,602
Cash and cash equivalents	85,918	0	85,918
Other current receivables	40,454	0	40,454
Total	**524,017**	**5,159**	**529,176**
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non Current financial payables	182,544	0	182,544
Non current derivative/financial instruments	0	105	105
Current financial payables	72,508	0	72,508
Current derivative financial instruments	0	0	0
Total	**255,052**	**105**	**255,157**

(€thousands)	31 December 2014		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Non current derivative/financial instruments	0	285	285
Non Current financial receivables	2,046	0	2,046
Other non-current assets	36,253	0	36,253
Current financial receivables	12,700	0	12,700
Current derivative/financial instruments	0	232	232
Current trade receivables	348,754	0	348,754
Cash and cash equivalents	32,394	0	32,394
Other current receivables	37,910	0	37,910
Total	**470,057**	**517**	**470,574**
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non Current financial payables	81,236	0	81,236
Non current derivative/financial instruments	0	346	346
Current financial payables	133,730	0	133,730
Current derivative financial instruments	41	0	41
Total	**215,007**	**346**	**215,353**

In compliance with that required by the modifications introduced to IFRS 13, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchanges and interest rates, are classifiable as "Level 2" financial assets, in as much as the inputs which have a significant effect on the fair value registered are market figures observable directly (exchange and interest rate market).[IX] Similarly, as regards the non-current financial debts, the recording at fair value of which is indicated in paragraph 18 of these explanatory notes, are also classifiable as "Level 2" financial assets, in as much as the inputs influencing their fair value are market data which is directly observable.
As regards the other non-current and current assets items, see that stated in paragraphs 9 and 16 of these explanatory notes.

[IX] 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 to the main items included in the statement of financial position of MARR S.p.A.

ASSETS

Non-current assets

1. Tangible assets

The changes in this item in 2015 and previous year is as follows:

(€thousand)	**Balance at 31.12.14**	Purchases / other movements	Net decreases for divestments	Depreciation	Balance at 31.12.13
Land and buildings	50,936	450	0	(1,739)	52,225
Plant and machinery	8,297	2,733	(2)	(1,715)	7,281
Industrial and business equipment	752	236	0	(125)	641
Other assets	2,161	1,242	(576)	(587)	2,082
Fixed assets under development and advances	505	505	0	0	0
Total tangible assets	**62,651**	**5,166**	**(578)**	**(4,166)**	**62,229**

(€thousand)	**Balance at 31.12.15**	Purchases / other movements	Net decreases for divestments	Depreciation	Balance at 31.12.14
Land and buildings	49,976	619	0	(1,579)	50,936
Plant and machinery	8,243	1,875	(7)	(1,922)	8,297
Industrial and business equipment	805	193	(3)	(137)	752
Other assets	2,056	1,904	(1,362)	(647)	2,161
Fixed assets under development and advances	436	(69)	0	0	505
Total tangible assets	**61,516**	**4,522**	**(1,372)**	**(4,285)**	**62,651**

The investments made in the year mainly concern the plan for the expansion and modernisation of some distribution centres started in late 2014 and which is expected to be completed in 2016.
In particular, the investments in the items "Land and buildings", "Plant and machinery" and "Industrial and commercial equipment" mainly relates to the following distribution centres: Sicily for 813 thousand Euros (of which 295 thousand Euros in progress as at 31 December 2014), Napoli for 743 thousand Euros (of which 210 thousand Euros in progress as at 31 December 2014), Scapa for 227 thousand Euros and Santarcangelo for 244 thousand Euros.

With regard to the increases in the item "Other assets", we point out that they refer to the electronic machines for 623 thousand Euros, while for 1,256 thousand Euros to the industrial vehicles and cars; to these last refer the decreases of the year for 1,347 thousand Euros.

The value of the fixed assets under development, amounting to 436 thousand Euros as at 31 December 2015, refers almost entirely to the expansion of the MARR Cater distribution centre.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 40,000 thousand Euros in favour of credit institutes registered to cover the mortgages granted on the properties in Uta (CA) – Macchiareddu locality, Santarcangelo di Romagna (RN) – Via dell'Acero 2 and 4 and Via del Carpino 4, San Michele al Tagliamento (VE) - Via Plerote 6, Bottegone (PT) – Via Francesco Toni 285 and 297, Portoferraio (LI)- Via Degli Altiforni 29 and 31 and Bologna (BO) – Via Fantoni 31 (the value of which in the item Land and Buildings totally amounts to 29.4 million of Euros as at December 31, 2015).

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)

1st 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.

It should be pointed out that as at 31 December 2015, the Group has only one financial leasing contract ongoing, concerning a motor vehicle and expiring in 2016

2. Goodwill

(€thousand)	**Original figure**	**Balance at 31.12.15**	Balance at 31.12.14
Goodwill	91,195	73,072	73,072
Total Goodwill	**91,195**	**73,072**	**73,072**

There were no changes during the year in the item "Goodwill"

As indicated in the notes to the financial statements of the previous years, 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).

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 amounting to 73,072 thousand Euros, is 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.

Corporate aggregations realised during the year

No further aggregations combinations occurred during the year.

Corporate aggregations realised after closure of the financial statements

No further aggregations combinations occurred after closure of the financial statements.

3. Other intangible assets

The following are the movements in this item in 2015 and the previous year:

(€thousand)	**Balance at 31.12.14**	Purchases / other	Net decreases	Depreciation	Balance at 31.12.13
Patents	319	142	0	(124)	301
Concessions, licenses, trademarks and similar rights	7	0	0	0	7
Intangible assets under development and advances	57	21	0	0	36
Other intangible assets	0	0	0	0	0
Total Other intangible assets	**383**	**163**	**0**	**(124)**	**344**

(€thousand)	**Balance at 31.12.15**	Purchases / other	Net decreases	Depreciation	Balance at 31.12.14
Patents	317	135	0	(137)	319
Concessions, licenses, trademarks and similar rights	17	11	0	(1)	7
Intangible assets under development and advances	278	221	0	0	57
Other intangible assets	0	0	0	0	0
Total Other intangible assets	**612**	**367**	**0**	**(138)**	**383**

The increase is mainly due to the purchase of new software, still being partly implemented as at 31 December 2015, and therefore included in the item "Intangible assets under development and advances".
For details of the changes in intangible assets please refer to the information provided in Appendix 2.

4. Investments in subsidiaries and associated companies

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
- Investment in subsidiaries		
Marr Foodservice Ibérica S.A.U.	410	412
Sfera S.p.A.	11,440	11,440
As.ca S.p.A.	13,691	13,852
Alisurgel S.r.l. in liq.	445	10
New Catering S.r.l.	7,439	7,439
Baldini Adriatica Pesca S.r.l.	16	16
Total Investments in subsidiaries and associated companies	**33,441**	**33,169**

With reference to the variation of the item during the year we point out the following.

- The difference of 161 thousand Euros in the cost of the holding in the company AS.CA is correlated to the settlement, in November, of the indemnity recognised to us transactively by the sellers of same concerning the dispute ongoing within the company.
- As at 31 December 2015, 435 thousand Euros of the shareholding depreciation fund concerning the subsidiary Alisurgel S.r.l. in liquidation was partially released, as this item was in excess of the quota due to MARR following the closure of the business year by Alisurgel with overall profits amounting to 257 thousand Euros.
- 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:

- 10,400 thousand Euros attributable to the subsidiary company Sfera S.p.A. for: i) the purchase of Sogema, then renamed Sfera S.p.A., through which the company strengthened its territorial presence in the North West, where the MARR Turin branch currently carries out its activities; ii) the purchase of Lelli in May 2014 (previously leased since September 2012), which has enabled the company to strengthen its presence in and around Emilia.
- 7,710 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.
- 3,396 thousand Euros attributable to the subsidiary company New Catering S.r.l.. and partly deriving from the company Emigel, incorporated during the course of 2014. As mentioned above, in 2015, was finalised the merger by incorporation of Sama S.r.l. into New Catering (a company acquired by the subsidiary itself during the year), which enabled MARR to strengthen its offer in the bar and quick restaurants segment.

5. Investments in other companies

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
- 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
Veneto Banca S.c.ar.l.	8	8
Banca Popolare di Bari S.p.A.	4	4
Total Other companies	**298**	**298**

6. Non-current financial receivables

As at 31 December 2015, this item amounted to 2,674 thousand Euros (2,046 thousand Euros as at 31 December 2014) and includes 653 thousand Euros for the quota beyond the year (of which 3 thousand Euros expiring beyond 5 years) of interest-bearing financial receivables from Adria Market and other trade partners and the quota beyond the year (totalling 2,021 thousand Euros) of receivables from transporters for the sale of the transport vehicles used to move MARR goods.

7. Financial instruments / derivatives

The amount as at 31 December 2015, amounting to 5,095 thousand Euros (285 thousand Euros as at 31 December 2014), represents the positive fair value of the Cross Currency Swap contracts stipulated to hedge the risk of changes to the Dollar-Euro exchange rate, with reference to the bond private placement in US dollars finalised in July 2013.
The difference compared to the end of the previous business year is linked to the performance in the period of the Dollar-Euro exchange rate.
It should be noted that this amount, for 3.763 thousand Euros, expires beyond 5 years.

8. Deferred tax assets

As at 31 December 2015, 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 31.12.15**	Balance at 31.12.14
On taxed provisions	9,026	9,826
On costs deductible in cash	87	78
On costs deductible in subsequent years	828	861
Pre-paid taxes	**9,941**	**10,765**

It must be pointed out that the 2016 Stability Law approved the reduction of the IRES rate from 27.5% to 24% from business years starting after 31 December 2016. By effect of this regulatory measure, we have therefore reviewed the calculation of the receivables for advance taxes, estimating the amount of the temporal differences which will reverse after this date and adjusting the tax effect concerning the new rate. This adjustment has implied a reduction in the receivables for advance taxes (with a similar negative effect on the income statement) of 1,213 thousand Euros.

9. Other non-current assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Non-current trade receivables	8,879	12,978
Accrued income and prepaid expenses	2,025	2,420
Other non-current receivables	19,598	20,855
Total Other non-current assets	**30,502**	**36,253**

The "Non-current trade receivables", amounting to 8,879 thousand Euros (of which 2,512 thousand Euros was with an expiry date of over 5 years) mainly concerns agreements and delays in payment defined with the customers.
The prepaid expenses are mainly linked to promotional contributions with clients of a multi-annual nature and have an expiry date within 5 years.
The item "Other non-current receivables" includes, in addition to receivables from State coffers for loss of clients of 5,925 thousand Euros, receivables from suppliers for 12,991 thousand Euros (14,899 thousand Euros as at 31 December 2014), the total amount of which expires within 5 years.

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

Current assets

10. Inventories

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Finished goods and goods for resale		
Foodstuffs	30,040	28,169
Meat	10,906	10,261
Fish products	62,635	61,750
Fruit and vegetable products	47	50
Hotel equipment	1,770	1,652
	105,398	101,882
provision for write-down of inventories: to be deducted	(750)	(750)
Goods in transit	6,327	7,857
Packing	1,050	812
Total Inventories	**112,025**	**109,801**

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

As already commented in the Directors' Report, it should be noted that the increase in inventories compared to the end of 2014 is also correlated to the transitory effects of the progressive centralisation of certain families of grocery products onto the logistical platforms, in addition to the dynamic of increasing prices concerning certain families of frozen seafood products.

11. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Financial receivables from parent companies	2,771	4,101
Financial receivables from subsidiaries	8,916	7,525
Receivables from loans granted to third parties	1,180	1,074
Total Current financial receivables	**12,867**	**12,700**

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 (1,085 thousand Euros) following the sale to the latter of the motor vehicles with which MARR goods are ferried around and towards partner services suppliers (55 thousand Euros).

12. Financial instruments / derivatives

The total as at 31 December 2015, amounting to 64 thousand Euros (232 thousand Euros as at 31 December 2014), concerns term exchange purchase transactions ongoing to hedge the underlying purchases of goods. These operations are recorded in the accounts as the hedging of financial flows.

13. Current trade receivables

This item is composed of:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Trade receivables from customers	382,084	378,979
Trade receivables from subsidiaries	1,171	1,124
Trade receivables from parent companies	95	0
Total Current trade receivables	**383,350**	**380,103**
Provision for write-down of receivables from customers	(31,748)	(31,349)
Total current net receivables	**351,602**	**348,754**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Trade receivables from customers	377,723	372,998
Receivables from associated companies consolidated by the Cremonini Group	4,352	5,967
Receivables from associated companies not consolidated by the Cremonini Group	9	14
Total current trade receivables from customers	**382,084**	**378,979**

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 31,748 thousand Euros, as highlighted in the table below.

The "receivables from subsidiaries" (1,171 thousand Euros), "from associated companies consolidated by the Cremonini Group" (4,352 thousand Euros) and "from associated companies not consolidated by the Cremonini Group" (9 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 2015.

The provision for bad debt as at 31 December 2015 is broken down as follows:

(€thousand)	**Balance at 31.12.15**	increases	decreases	Balance at 31.12.14
- Tax-deductible provision	1,990	1,990	(2,300)	2,300
- Taxed provision	28,925	8,110	(7,400)	28,215
- Provision for default interest	833	0	(1)	834
Total Provision for write-down of Receivables from customers	**31,748**	**10,100**	**(9,701)**	**31,349**

Net of the utilizations during the year, the allocations to the Provision are determined in order to adjust the value of the receivables to the reasonable expectations of cash flows expected on receipt of same, through the amount in the Provision for write-down of Receivables at the closing of the business year.

14. Tax assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Ires/Irap tax advances /withholdings on interest	16	3
VAT carried forward	45	91
Irpeg litigation	6,061	6,040
Ires transferred to the Parent Company	1,301	1,301
Receivable for Irap	625	0
Other	947	1,026
Total Tax assets	**8,995**	**8,461**

As regard the item "Irpeg litigation", refer to that contained in the paragraph 21 "Provisions for non-current risks and charges".

As regards the "Receivables from the parent company for transferred Ires benefits", amounting to 1,301 thousand Euros, it should be noted that this item represents the receivable for reimbursement of Ires for the years from 2007 to 2011 of the Irap paid for the cost of employment and collaborators not deducted for said purpose, as per reimbursement claim sent in February 2013.

The increase of Tax assets item compared to the previous business year is mainly due to the positive IRAP balance which, compared to 2014, benefitted from a regime of increased deductibility of the cost of workers employed on continuing contracts in force since 2015.

15. 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 31.12.15**	Balance at 31.12.14
Cash and Cheques	7,276	6,773
Bank and postal accounts	78,642	25,621
Total Cash and cash equivalents	**85,918**	**32,394**

Regarding to the changes of the net financial position, refer to the cash flows statement of 2015.

16. Other current assets

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Accrued income and prepaid expenses	641	1,060
Other receivables	39,813	36,850
Total Other current assets	**40,454**	**37,910**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Other accrued income (from loans)	0	0
Prepaid expenses		
Leases on buildings and other assets	178	496
Maintenance fees	112	140
Commercial and advertising costs	4	5
Insurance costs/Administration services	189	246
Other prepaid expenses	158	173
	641	1.060
Total Current accrued income and prepaid expenses	**641**	**1.060**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Guarantee deposits	119	109
Other sundry receivables	851	669
Other sundry receivables from Subsidiaries Company	1,320	577
Provision for write-down of receivables from others	(4,228)	(3,828)
Receivables from social security institutions	130	137
Receivables from agents	2,129	2,457
Receivables from employees	24	23
Receivables from insurance companies	361	482
Advances to suppliers and supplier credit balances	38,934	36,130
Advances to suppliers and supplier credit balances from Associates	173	94
Total Other current receivables	**39,813**	**36,850**

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, and receivables for contributions to be received from suppliers for a total of 21.5 million Euros (see the comments made in paragraph 29 "Other revenues"). Receivables from foreign suppliers in foreign currencies have been adjusted, if necessary, to the exchange rate valid on 31 December 2015.

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

(€thousand)	**Balance at 31.12.15**	increases	decreases	Balance at 31.12.14
- Provision for Receivables from Others	4.228	400	0	3.828
Total Provision for write-down of Receivables from others	**4.228**	**400**	**0**	**3.828**

The item *Other receivables from subsidiary companies* includes receivables from Sfera S.p.A. and Baldini Adriatica Pesca S.r.l. by effect of the leasing of the relevant going concerns to the parent company as of 1 November 2014 and 1 December 2015 respectively. The balance is constituted mainly by the value of the staff severance fund, the rates of leave/permits taken and additional months and that of the supplementary customer indemnity provision, accrued prior to the leasing of the subsidiaries and subsequently taken over by MARR S.p.A..

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	2,674	0	0	2,674
Non current derivative financial instruments	5,095	0	0	5,095
Deferred tax assets	9,941	0	0	9,941
Other non-current assets	17,511	0	12,991	30,502
Financial receivables	12,867	0	0	12,867
Current derivative financial instruments	64	0	0	64
Trade receivables	316,722	26,746	8,134	351,602
Tax assets	8,135	860	0	8,995
Cash and cash equivalents	85,769	149	0	85,918
Other current assets	23,123	5,661	11,670	40,454
Total receivables by geographical area	**481,901**	**33,416**	**32,795**	**548,112**

LIABILITIES

17. 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 2015, amounting to 33,262,560 Euros, is unchanged compared to the previous business year and is represented by 66,525,120 ordinary MARR S.p.A. shares, entirely subscribed and freed, with the usual rights and a nominal value of 0.50 Euros each.

Share premium reserve
As at 31 December 2015 this reserve amounts to 63,348 thousand Euros, unchanged compared to 31 December 2014.

Legal reserve
This Reserve amounts to 6,652 thousand Euros, unchanged compared to 31 December 2014.

Shareholders' contributions on account of capital
This Reserve did not change in 2015 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
As at 31 December 2015, the increase of 11,136 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2014, as per shareholders' meeting decision made on 28 April 2015.

Cash flow hedge reserve
As at 31 December 2015, this item amounted to a negative value of 1,117 thousand Euros and is linked to the stipulation of hedging contracts for interest and exchange rates undertaken for the specific hedging of certain loans, with variable rates and in foreign currency respectively and also the trade payables deriving from the purchase of goods in foreign currency.
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 38 "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.

Reserve IAS19
As at 31 December 2015 this reserve amounts to a negative value of 656 thousand Euros and is composed of the value, net of the theoretical tax effect, of actuarial losses and gains regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 "Employee Benefits", effective for the business years starting on 1st January 2013. According to the IFRS these profits/losses have been entered in the net equity and their variation is highlighted (according to IAS 1 revised, in force from 1st January 2009) in the statement of other comprehensive income.

Whit regard to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amounting to 1,479 thousand Euros as at 31 December 2015, the relevant deferred tax liabilities have been accounted for.

On 28 April 2015 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2014 and consequently decided upon allocation of the business year profits, and the approval of a dividend of 0.62 Euros for each ordinary share with the right to vote.

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

(€thousands)	*at 31 December 2015*	Possible utilization	Available quota
Share Capital	**33,263**		
Reserves:			
Share premium reserve	63,348	A,B,C	63,348
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	57,542	A,B,C	57,542
Reserve for exercised stock options	1,475	-	
Cash-flow hedge reserve	(1,117)	-	
Reserve for transition to the Ias/Ifrs	7,516	-	
Reserve ex art. 55 (DPR 597-917)	1,479	A,B,C	1,479
Surplus for mergers	1,823	A,B,C	1,823
Reserve IAS19	(656)	-	
Total Reserves	**174,570**		
Profits carried over	58,940	A,B,C	

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

Non-current liabilities

18. Non-current financial payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to banks - non-current portion	143,418	46,295
Payables to other financial institutions - non-current portion	39,126	34,941
Total non-current financial payables	**182,544**	**81,236**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to banks (1-5 years)	143,418	45,231
Payables to banks (over 5 years)	0	1,064
Total payables to banks - non-current portion	**143,418**	**46,295**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Payables to other financial institutions (1-5 years)	8,944	(267)
Payables to other financisl institutions (over 5 years)	30,182	35,208
Total payables to other financial institutions - Non current portion	**39,126**	**34,941**

The increase in non-current payables to banks is the effect, net of the classification of the expiring instalments among the current payables, of the stipulation of new loans by the Company, as listed hereafter:

- unsecured loan with Banca Intesa SanPaolo S.p.A., granted in March 2015 for a total amount of 20 million Euros and amortization plan ending in December 2018;
- unsecured loan with Unicredit S.p.A., granted in May 2015 for a total amount of 30 million Euros and amortization plan ending in May 2019;
- unsecured loan with Banca Popolare Commercio e Industria, granted in May 2015 for a total amount of 10 million Euros and amortization plan ending in May 2018;
- unsecured loan with Banca Carige, granted in July 2015 for a total amount of 20 million Euros and amortization plan starting in December 2017 and ending in June 2019.

It should also be noted that on 31 March 2015, a variation was finalised to the in Pool loan contract ongoing with BNP Paribas, paid out in June 2013 for a total of 85 million Euros. The change, which has not implied any variation as regards the overall amount of the loan (which, after the utilization of 25 million Euros during the first quarter, amounted to an overall total of 75.6 million Euros as at 31 December 2015), but has implied the unification of the two credit facilities previously opened (a loan facility expiring in June 2018 and a revolving facility expiring in June 2016), redefining an overall amortization plan which will terminate in March 2020.

Lastly, it must be pointed out that, to fully hedge the interest rate risk on the loan from the Banca Popolare Commercio e Industria, MARR has a derivative Interest Rate Swap contract ongoing, with a notional value of 3.7 million Euros as at 31 December 2015, for the effects of which see paragraph 19 “Financial instruments / derivatives”. Compared to 31 December 2014, it should be noted that the Interest Rate Swap contracts with Cooperative Centrale Raiffeisen-Boerenleenbank B.A. and Veneto Banca were extinguished during the year.

The value of the payables to other financial institutions is represented by the bond private placement in US dollars, finalised in July 2013. The bond placement amounts to 43 million dollars (originally 30.6 million Euros), of which 10 million dollars expires in 2020 and the remaining 33 million dollars in 2023 and involves an average coupon of about 5.1%. The increase in its value is attributable to variations in the Dollar/Euro exchange rate.

It must be pointed out that to hedge the risk of oscillations in the Euro-Dollar exchange rate specific Cross Currency Swap contracts are ongoing, for the effects of which see paragraph 7 "Financial instruments / derivatives".

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 31.12.15
Carisp Pistoia	Euribor 6m+0,48%	31/01/2020	1,819	0	1,819
Centrobanca	Euribor 3m+1,4%	31/12/2019	3,327	0	3,327
Pool Financing with BNP Paribas	Euribor 6m+1,475%	31/03/2020	65,688	0	65,688
Popolare del Commercio e Industria	Euribor 6m+2,5%	04/12/2020	3,009	0	3,009
Intesa San Paolo	Euribor 6m+1,3%	31/12/2018	14,655	0	14,655
Carige	Euribor 3m+0,8%	30/06/2019	19,995	0	19,995
Popolare del Commercio e Industria	Euribor 3m+1,3%	20/05/2018	4,990	0	4,990
Unicredit	Euribor 6m+1,25%	15/05/2019	29,935	0	29,935
			143,418	**0**	**143,418**

The following is the breakdown of the mortgage guarantees on the real estate properties of the Parent company, the value of which decreased by 13,115 thousand Euros compared to 31 December 2014 due to the cancellation of the mortgage on the property in Spezzano Albanese (CS) – Coscile Locality, due to the repayment of the loans outstanding with Banca Popolare di Crotone.

Credit institutes	Guarantee	Amount	Property
Cassa di Risparmio di Pescia e Pistoia	mortgage	10,000	Via Francesco Toni 285/297 - Bottegone (PT)
Centrobanca	mortgage	20,000	Santarcangelo di R. (RN); Via Degli Altiforni n.29/31 - Portoferraio (LI); Località Macchiareddu - Uta (CA)
Popolare del Commercio e dell'Industria	mortgage	10,000	Via Fantoni, n. 31 - Bologna (BO)
Total		**40,000**	

Lastly, it must be pointed out that:

- the ongoing loans with Centrobanca S.p.A. (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 =< 3.6

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

- the ongoing financing with BNP Paribas provides the following financial ratios:
  NET DEBT / EBITDA < 3.5
  NET DEBT / EQUITY <2
  EBITDA / Net financial charges > 4
  Those ratios will be verified with reference to 31 December and 30 June each year.

- the ongoing financing with Banca Intesa San Paolo S.p.A. (signed in March 2015) provides the following covenants to be verified on a yearly basis.
  NET DEBT / EQUITY =< 2.0
  NET DEBT / EBITDA =< 3.5
  EBITDA / Net financial charges >= 4.0

- the ongoing financing with Unicredit (signed in May 2015) provides the following covenants to be verified with reference to 31 December and 30 June each year in relation 12 months period and on the basis of the consolidated MARR Group data at year-end.
  NET DEBT / EQUITY =< 2.0

NET DEBT / EBITDA =< 3.0
EBITDA / Net financial charges >= 4.0

- the ongoing financing with Banca Popolare Commercio e Industria (signed in May 2015) 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 =< 3.0

- The *bond private placement* (finalised in July 2013) provides the following financial ratios:
  NET DEBT / EBITDA < 3.5
  NET DEBT / EQUITY < 2
  EBITDA / Net financial charges > 4
  Those ratios will be verified with reference to 31 December and 30 June each year.

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

(€thousand)	**Book Value**		**Fair Value**	
	2015	2014	**2015**	2014
Payables to banks - non-current portion	143,418	46,295	140,208	44,853
Payables to other financial institutions - non-current portion	39,126	34,941	43,209	31,769
	182,544	**81,236**	**183,417**	**76,622**

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.

19. Financial instruments / derivatives

The amount as at 31 December 2015, amounting to a total of 105 thousand Euros (346 thousand Euros as at 31 December 2014), represents fair value of the Interest Rate Swap contracts stipulated by the Parent Company to specifically hedge the interest rate risk on the variable rate loan with Banca Popolare Commercio e Industria.
The variation compared to 31 December 2014 is the effect of the closure during the half-year of the Interest Rate Swap contracts with Cooperative Centrale Raiffeisen-Boerenleenbank B.A. and Veneto Banca, as well as the variation in the fair value of the derivative.

20. Employee benefits

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

(€thousand)	
Opening balance at 31.12.14	***9.437***
effect of lease of going concern	260
payments of the period	(676)
provision for the period	72
other changes	(141)
Closing balance at 31.12.15	**8.952**

The difference for the business year is linked to the personnel joining the company by effect of the leasing of the going concern of the subsidiary Baldini Adriatica Pesca S.r.l., in addition to the quota accrued during the period net of the everyday movements in this item.
It must be highlighted that the allocation for the period includes actuarial gains totalling 192 thousand Euros recorded in the accounts, net of the theoretical fiscal effect, in the relevant net equity reserve as provided by IAS 19 (see that described as regards the movement of the Net Equity and in paragraph 17 of these Explanatory Notes).

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

With reference to the significant actuarial hypotheses (as described in the paragraph entitled "Main estimates adopted by management and discretional assessments"), the table below shows the effects on the final liabilities of the Group due to possible changes to them.

(€thousand)	Turnover +1 %	Turnover -1 %	Inflation rate + 0.25%	Inflation Rate - 0.25%	Discounting rate + 0.25%	Discounting rate - 0.25%
Effect on the finaly liability	(37)	40	93	(93)	(148)	151

It should also be noted that the contribution expected for the following business year is zero and the average financial duration of the debenture is 7. The future payments expected in the next five years can be estimated as totalling 4.1 million Euros.

21. Provisions for non-current risks and charges

(€thousand)	**Balance at 31.12.15**	Allocations / Other Changes	Uses	Balance at 31.12.14
Provision for supplementary clients severance indemnity	2,502	211	0	2,291
Provision for specific risks	883	(3)	0	886
Total Provisions for non-current risks and charges	**3,385**	**208**	**0**	**3,177**

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 on the basis of the opinion expressed by the defence lawyers representing the Company, we believe it reasonable to hypothesise the successful outcome of the dispute.

On 10 February 2014, the Supreme Court of Cassation, in sentence 20055/14 (filed on 24 September 2014), accepted the appeal by the Company, repealing the impugned sentence no. 23/2007 by the Regional Taxation Commission for Emilia Romagna, submitting for the second degree judge (in another proceeding) the decision regarding the claim, stating the need for the decision to be taken by proceeding with an "*adequate assessment of the expert findings*", consistently described by the same Court as "*extremely favourable to the taxpayer*". On 16 December 2014, the Company filed the claim again with the above-mentioned Taxation Commission; the date for the discussion of the dispute has yet to be established.

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.
It should be noted that the Company appealed to the Supreme Court of Cassation in May 2013.

As at 31 December 2015, MARR S.p.A. had paid 6,061 thousand Euros as payment of taxes while awaiting judgment; this amount was classified under tax receivables.

22. Deferred tax liabilities

As of 31 December 2015 the breakdown of this item, amounting to 9,413 thousand Euros (9,775 thousand Euros on 31 December 2014), is as follows:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
On goodwill amortisation reversal	5,460	5,575
On funds subject to suspended taxation	413	466
On leasing recalculation as per IAS 17	449	506
On actuarial calc. of severance provision fund	(160)	(212)
On fair value revaluation of land and buildings	3,541	4,008
On cash flow hedge	(350)	(636)
Others	60	68
Deferred tax liabilities fund	**9,413**	**9,775**

It must be pointed out that the 2016 Stability Law approved the reduction of the IRES rate from 27.5% to 24% from business years starting after 31 December 2016. By effect of this regulatory measure, we have therefore reviewed the calculation of the payables for deferred tax liabilities, estimating the amount of the temporal differences which will reverse after this date and adjusting the tax effect concerning the new rate. This adjustment has implied a reduction in the payables for deferred taxes for a total amount of 1,194 thousand Euros, with a positive effect on the income statement amounting to 1,264 thousand Euros.

23. Other non-current payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Accrued expensed and prepaid income	210	450
Others non current liabilities	389	240
Total other non-current payables	**599**	**690**

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

Current liabilities

24. Current financial payables

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Financial payables to subsidiaries	859	1,090
Payables to banks	70,891	131,887
Payables to other financial institutions	758	753
Total Current financial payables	**72,508**	**133,730**

Current payables to banks:

(€thousand)	**Balance at 31.12.15**		Balance at 31.12.14	
Current accounts		4.329		14.676
Loans/Advances		23.700		42.600
Loans :				
- Pop.Crotone-nr. 64058	0		166	
- Pop.Crotone-nr. 64057	0		138	
- Cassa di Risp.di Pescia e Pistoia	513		508	
- Centrobanca	1.107		1.106	
- Popolare del Commercio e dell'Industria	675		649	
- Popolare del Commercio e dell'Industria	3.317		0	
- Pool Financing with BNP Paribas	9.169		14.103	
- Banca Carige	0		8.000	
- Cooperative Centrale Raiffeisen-boerenleenbak B.A.	0		24.981	
- Mediobanca	0		24.960	
- ICCREA	22.785		0	
- Intesa San Paolo	5.296		0	
		42.862		74.611
		70.891		**131.887**

With reference to the loans listed above, it must be highlighted as shown below.

In January the company signed a new in Pool loan with ICCREA Banca Impresa S.p.A. in the capacity of Arranger Bank, Agent Bank and Financing Bank, for a total amount of 22.8 million Euros, expiring in June 2016. As at 31 December 2015, this loan is recorded entirely among the short-term financial liabilities.

During the course of the business year, the ongoing loans with Cooperative Centrale Raiffeisen-Boerenleenbank B.A., Banca Popolare di Crotone, Banca Carige Italia and Mediobanca were closed, with an overall reduction in short-term financial indebtedness of 58.2 million Euros compared to 31 December 2014.

In addition to this, it must be highlighted that the amendment defined with reference to the in pool loan with BNP Paribas has implied a rescheduling of the overall debt, with a reduction of the short-term quota from 14.1 million Euros as at 31 December 2014 to 9.2 million Euros at the end of 2015.
Consequently to the above operations, the Interest Rate Swap contracts ongoing with Rabo Bank (extinguished on expiry) and Veneto Banca (extinguished in advance) were closed.

For more details regarding the variation compared to the previous business year, see that outlined in the Directors' Report on management performance and on paragraph 18 "Non-current financial payables".
Lastly, it should be noted that the item "Loans/Advances" includes, in addition to 4,500 thousand Euros in advances on invoices and 4,619 thousand Euros for sbf advances, the 14,638 thousand Euros in payables to Banca IMI due to the securitization operation started by the Group leader during the previous business year

The balance of payables to other financiers mainly includes the payables for interest accrued concerning the bond private placement operation finalised in July 2013, amounting to 749 thousand Euros.

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

25. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Irap	0	468
Ires transferred to the Parent Company	549	1,835
Other taxes payable	159	126
Irpef for employees	1,080	978
Irpef for external assistants	172	169
Total Current taxes payable	**1,960**	**3,576**

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

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

The decrease in this item is attributable to both the positive IRAP balance, mainly due to the effects of the new regime of deductibility of the cost of workers on continuing contracts (see paragraph 14 "Tax receivables") and the reduced impact of the IRES payables (also partly linked to the ACE facilitation). For the comments on which see the Directors' Report and that described as regards the tax rate.

26. Current trade liabilities

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Suppliers	258,058	250,075
Payables to associated companies consolidated by the Cremonini Group	2,655	7,121
Payables to Subsidiaries	647	284
Payables to Correlated Companies	136	280
Trade payables to Parent Companies	0	413
Total Current trade liabilities	**261,496**	**258,173**

The liabilities refer mainly to payables for the purchase of goods for sale and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 2,655 thousand Euros and "Payables to Parent Companies" for 647 thousand Euros the details and analysis of which are reported in Directors' Report and "Payables to other Correlated Companies" for 136 thousand Euros.

The decrease in the balance payable to the parent company is linked to the positive closure of the VAT payment for December, which is part of the group VAT payment and therefore recorded as at 31 December 2015 as receivables from the parent company (see paragraph 13 "Current trade receivables").

27. Other current liabilities

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Current accrued expenses and deferred income	1,299	1,480
Other payables	20,044	16,637
Total Other current liabilities	**21,343**	**18,117**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Accrual for expenses to personnel for emoluments	944	950
Other deferred income	1	6
Deferred income for interests from clients	354	524
Total Current accrued expenses and deferred income	**1,299**	**1,480**

(€thousand)	**Balance at 31.12.15**	Balance at 31.12.14
Inps/Inail and Other social security institutions	1,485	1,595
Enasarco/ FIRR	604	598
Payables to personnel for emoluments	4,385	4,096
Advances from customers, customers credit balances	12,906	8,716
Payables to insurance companies	154	128
Other sundry payables	510	1,504
Total Other payables	**20,044**	**16,637**

The item "payables" and "accrual for expenses to personnel for emoluments" includes current salaries not yet paid as at 31 December 2015 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.
The decrease in the item Other sundry payables is mainly linked to the settlement of the indemnity received in 2014 from the selling party of the subsidiary AS.CA for the closure of an ongoing dispute (see that described in paragraph 4 "Investments in subsidiary and associated companies").

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	112,903	30,144	39,497	182,544
Non current derivative financial instruments	105	0	0	105
Employee benefits	8,952	0	0	8,952
Provisions for risks and charges	3,385	0	0	3,385
Deferred tax liabilities	9,413	0	0	9,413
Other non-current liabilities	599	0	0	599
Current financial payables	67,088	4,616	804	72,508
Current derivative financial instruments	0	0	0	0
Current tax liabilities	1,927	0	33	1,960
Current trade liabilities	213,342	37,635	10,519	261,496
Other current liabilities	20,763	548	32	21,343
Total payables by geographical area	**438,477**	**72,943**	**50,885**	**562,305**

Guarantees, securities and commitments

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

Guarantees (totalling 54,521 thousand Euros).

These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 38,951 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 MARR S.p.A. in favour of financial institutes in the interest of subsidiary companies. This item amounted to a total of 15,570 thousand Euros as at 31 December 2015 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 31.12.15**	Balance at 31.12.14
Guarantees		
Sfera S.p.a.	5,900	5,900
As.ca S.p.A.	5,600	5,500
Baldini Adriatica Pesca S.r.l.	4,070	4,120
Total Guarantees	**15,570**	**15,520**

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

Other risks and commitments
This item, amounting to 20,907 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 income statement of MARR S.p.A.

28. Revenues

Revenues are composed of:

(€thousand)	**31.12.2015**	31.12.2014
- Net Revenues from sales of goods	1,344,378	1,302,164
- Revenues from services		
Advisory services to third parties	746	710
Manufacturing on behalf of third parties	35	34
Rent income (typical management)	47	59
Other services	2,510	2,589
Total	3,338	3,392
Total Revenues	**1,347,716**	**1,305,556**

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

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.

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

(€thousand)	**31.12.2015**	31.12.2014
Italy	1,237,573	1,197,793
European Union	79,673	75,285
Extra-EU countries	30,470	32,478
Total	**1,347,716**	**1,305,556**

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

(€thousand)	**31.12.2015**	31.12.2014
Foodstuff	570,577	556,737
Meat	249,097	255,131
Seafood	486,824	454,574
Fruit and vegetables	44,858	42,456
Hotel equipment	7,064	5,966
Sias Division	918	995
Trade discounts / year-end bonuses	(14,960)	(13,695)
Total Revenues from sales of goods	**1,344,378**	**1,302,164**

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 2015 by the Rimini Head Office and each unit (branches and divisions):

(million Euros)	**31.12.2015**	31.12.2014
Head Branch of Rimini (Marr Uno)	149	158
Branch: Marr Napoli	42	42
Branch: Marr Milano	80	73
Branch: Marr Roma	98	94
Branch: Marr Venezia	48	46
Branch: Marr Supercash&carry - Rimini	30	29
Branch: Marr Sardegna	56	55
Branch: Marr Romagna - Rimini	54	53
Emiliani Division - Rimini	230	219
Carnemilia Division - Bologna	7	11
Branch: Marr Sicilia	46	45
Branch: Marr Sanremo	14	14
Branch: Marr Elba	8	8
Branch: Marr Genova	23	21
Branch: Marr Dolomiti	9	9
Warehouse: Santarcangelo	1	1
Branch: Marr Puglia	38	36
Branch: Marr Battistini	23	21
Branch: Marr Torino	51	50
Branch: Marr Calabria	44	41
Branch: Marr Sfera	44	41
Branch: Marr Arco	18	18
Branch: Marr Toscana	40	38
Branch: Marr Cater	20	40
Branch: Marr Valdagno	7	13
Branch: Marr Scapa	154	137
Branch: Marr Bologna	22	2
Branch: Marr Baldini	2	0
Sias Division	1	1
Others (trade discounts / year-end bonuses)	(15)	(14)
Total Revenues from sales of goods	**1,344**	**1,302**

As regards the above table, the full year of management of the MARR Bologna branch should be noted (started on 1 November 2014), compared to the previous business year. As regards MARR Cater, it must be pointed out that the decrease is linked to the temporary suspension of activities following the ongoing maintenance and expansion works at the branch, as previously commented on in the notes to the statement of financial position and the paragraph on "Investments" in the Directors' Report.

29. Other revenues

The Other revenues are broken down as follows:

(€thousand)	**31.12.2015**	31.12.2014
Contributions from suppliers and others	35,893	29,895
Other sundry earnings	748	1,094
Reimbursements for damages suffered	850	1,598
Reimbursement of expenses incurred	705	977
Recovery of legal fees	55	44
Capital gains on disposal of assets	47	59
Total Other revenues	**38,298**	**33,667**

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.
It should also be noted that in 2015, this item includes approximately 2.7 million Euros concerning the logistical payments charged to the suppliers, following the centralisation of deliveries by suppliers onto the logistical platforms rather than at the individual MARR branches as in the past, given that MARR has incurred the costs for internal distribution from the logistical platforms to the distribution centres.

30. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	**31.12.2015**	31.12.2014
Purchases of goods	1,085,168	1,059,031
Purchases of packages and packing material	3,881	3,697
Purchase of stationery and printed paper	721	700
Purchase of promotional and sales materials, and catalogues	177	143
Purchase of various materials	589	434
Discounts and rebates from suppliers	(464)	(284)
Fuel for industrial motor vehicles and cars	215	229
Total Purchase of goods for resale and consumables	**1,090,287**	**1,063,950**

As regards the performance of the purchase cost of goods destined for commercialisation, see the Directors' Report and the relevant comments on the gross margin.
It should be noted that this item includes, by effect of the leasing of the going concern of the subsidiary Baldini Adriatica Pesca S.r.l., the purchase of the inventories of goods and packaging stored at the warehouse in Riccione – Via Pennabilli as at 1 December 2015 (starting date of the lease), for a total amount of 369 thousand Euros.

31. 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)	**31.12.2015**	31.12.2014
Salaries and wages	23,442	22,536
Social security contributions	7,168	7,058
Staff Severance Provision	1,731	1,854
Other Costs	82	298
Total Personnel Costs	**32,423**	**31,746**

As at 31 December 2015, the personnel costs amounted to 32,423 thousand Euros, compared to 31,746 thousand Euros for the previous business year. This variation is mainly linked to the full year of management of the new MARR Bologna distribution centre (operational since 1 November 2014, following the lease of the "Lelli" going concern from the subsidiary Sfera S.p.A.) in addition to the influx of new employees of the MARR Baldini distribution centre by effect of the lease of the going concern of the subsidiary Baldini Adriatica Pesca S.r.l. since 1 December 2015.

Breakdown of employees by category is as follows:

	Workers	Employees	Managers	**Total**
Employees as of 31.12.14	298	442	7	747
Net increases and decreases	*(13)*	*7*	*0*	*(6)*
Employees as of 31.12.15	**285**	**449**	**7**	**741**
Average number of employees as of 31.12.15	**289.8**	**445.5**	**7.0**	**758.6**

It should be noted that, despite the influx of personnel through the lease of the going concern of the subsidiary Baldini, the number of employees of the Company as at 31 December 2015, 741, has reduced compared to the end of 2014, also due to the outsourcing of some operating activities.

In addition to the above, the maintenance of a careful resource management policy has been confirmed, with specific focus on the management of seasonal work, hours of leave and permits and overtime work.

32. Amortizations and write-downs

(€thousand)	**31.12.2015**	31.12.2014
Depreciation of tangible assets	4,279	4,160
Amortization of intangible assets	138	124
Provisions and write-downs	10,711	10,385
Total Amortizations and Depreciations and Write-downs	**15,128**	**14,669**

(€thousand)	**31.12.2015**	31.12.2014
Allocation of taxed provision for bad debts	8,510	7,700
Allocation of non-taxed provision for bad debts	1,990	2,300
Allocation of future risks and losses	0	100
Provision for supplementary clientele severance	211	285
Total Provisions and write-downs	**10,711**	**10,385**

For more details on provisions, reference is made to the relevant movements highlighted in notes 13 "Current trade receivables", 21 "Provisions for non-current risks and charges" in addition to that commented in the paragraph "Credit risk".

33. Other operating costs

(€thousand)	**31.12.2015**	31.12.2014
Operating costs for services	156,674	155,332
Operating costs for leases and rentals	10,154	8,855
Operating costs for other operating charges	1,688	1,613
Total Other operating costs	**168,516**	**165,800**

(€thousand)	**31.12.2015**	31.12.2014
Sale expenses, distribution and logistic costs for our products	130,933	129,049
Energy consumption and utilities	8,910	8,959
Third-party production	2,714	2,837
Maintenance costs	3,750	3,272
Porterage and movement of goods	2,815	2,478
Advertising, promotion, exhibitions, sales (sundry items)	428	262
Directors' fees	818	818
Statutory auditors' fees	76	80
Insurance costs	761	736
Reimbursement of expenses, travels and sundry costs for personnel	279	301
General and other services	5,190	6,540
Total Operating costs for services	**156,674**	**155,332**

The increase in operating costs for “sales, distribution and logistic” activities in addition to the increase in revenues is also related to the centralisation of deliveries from suppliers onto the logistical platforms (to which the logistical payments charged to the suppliers are correlated), with the consequent undertaking by the parent company of the costs of distribution from the logistical platforms to the distribution centres,. For the comments on which see the Directors’ Report and that described as regards the operating costs.

(€thousand)	**31.12.2015**	31.12.2014
Lease of industrial buildings	6,820	6,807
Lease of processors and other personal property	411	394
Rentals for lease of business premises	2,767	1,546
Lease of cars	3	4
Lease of plant, machinery and equipment	36	4
Rentals and other charges paid on other personal property	117	100
Total Operating costs for leases and rentals	**10,154**	**8,855**

It should be pointed out that the rental fees for industrial buildings include the fees of 668 thousand Euros paid to the associate company Le Cupole S.r.l. in Castelvetro (MO) for the rental of the property in which the branch MARR Uno carries out its activities (Via Spagna 20 – Rimini).
The increase, compared to the previous year, net of the termination of the lease of the “Scapa” going concern, the purchase of which was finalised in March 2014, is mainly linked to the fees for the lease of the “Lelli” going concern from the subsidiary Sfera S.p.A., started in November 2014, and partly to the lease of the going concern of the subsidiary Baldini Adriatica Pesca S.r.l. since 1 December 2015.

As regards the leasing fees for buildings, see that described in the paragraph entitled “Organisation and logistics” in the Directors’ Report on Management, with the specification that the relevant ongoing contracts are subjected to Law 392/78 Chapter II (Leasing contracts for uses other than habitation).

The company lease fees refer almost totally to fees related to the subsidiaries Sfera S.p.A. and Baldini Adriatica Pesca S.r.l.:

- for 1,134 thousand Euros with reference to the company "Sogema" in Turin, where the MARR Turin branch has carried out its activities since 1 November 2004;
- for 40 thousand Euros with reference to the going concern "Sciaves", which from a logistical and distribution viewpoint refers to the MARR Dolomiti branch since 2009;
- for 130 thousand Euros, with reference to the going concern in Arco (TN) where the "Marr Arco" branch has carried out its activities since 12 November 2007;
- for 1,400 thousand Euros with reference to the going concern "Lelli" where the "Marr Bologna" new distribution centre has carried out its activities since 1 November 2014.
- for 63 thousand Euros with reference to the going concern of the Baldini Adriatica Pesca S.r.l. where the "Marr Baldini" new distribution centre has carried out its activities since 1 December 2015.

(€thousand)	**31.12.2015**	31.12.2014
Other indirect taxes, duties and similar charges	845	765
Expenses for collection of debts	252	296
Other sundry charges	207	186
Capital losses on disposal of assets	40	23
IMU	293	292
Contributions and membership fees	51	51
Total Operating costs for other operating charges	**1,688**	**1,613**

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.

34. Financial income and charges

(€thousand)	**31.12.2015**	31.12.2014
Financial charges	8,868	10,819
Financial income	(2,650)	(3,094)
Foreign exchange (gains)/losses	319	699
Total Financial income and charges	**6,537**	**8,424**

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)	**31.12.2015**	31.12.2014
Interest payable on other loans, bills discount, hot money, import	4,709	7,092
Interest payable on loans	213	332
Interest payable on discounted bills, advances, export	291	1,181
Other financial interest and charges	3,633	2,182
Interest and Other financial charges for Parent Companies	1	1
Interest and Other financial charges for Subsidiaries	21	31
Total Financial charges	**8,868**	**10,819**

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

(€thousand)	**31.12.2015**	31.12.2014
Other sundry financial income (interest from customers, etc)	2,362	2,734
Positve interest from bank accounts	60	12
Other sundry financial income for Parent Companies	50	212
Other sundry financial income for Subsidiaries	178	136
Total Financial income	**2,650**	**3,094**

The other financial income concerns the interests due from clients for payment delays.

35. Income and charge from associated companies

This item is detailed as indicated in the following table:

(€thousand)	**31.12.2015**	31.12.2014
Dividends by Subsidiaries	3.108	3.022
Income from investments disposal	1.742	1.803
Readjustment investments in subsidiaries	435	0
Write off investments in subsidiaries	(3)	(2)
Total Income (charge) from associated companies	**5.282**	**4.823**

The item "Dividends by subsidiaries" as at 31 December 2015 (equal to 3,108 thousand Euros) consists mainly of the dividends distributed in 2015 by the subsidiary AS.CA. S.p.A. in the amount of 1,995 thousand Euros, by the subsidiary New Catering S.r.l. in the amount of 949 thousand Euros and by the subsidiary Baldini Adriatica Pesca S.r.l. for 164 thousand Euros.

The item "Income from investments disposal", amounting to 1,742 thousand Euros, represents the net income deriving from the transfer of the holdings of Alisea Soc. Cons. a r.l. on 31 March 2014.
This quota of price was subordinated to a condition related to the definitive awarding of significant tenders for catering services, condition occurred in the last ten days of July.
Consequently the income was accounted for in the 2015 business year.

The income from the readjustment of investments in subsidiaries concerns the subsidiary Alisurgel S.r.l. in liquidation, as at 31 December 2015, given the closure during the year of the ongoing disputes with the subsidiary and the recording of total profits of 257 thousand Euros, the investments depreciation fund allocated in past years has been partially released.

As regard the cost for the write-off of the investment in subsidiaries (equal to 3 thousand Euros), this is attributable to the Spanish subsidiary MARR Foodservice Iberica S.A.U..

36. Taxes

(€thousand)	**31.12.2015**	31.12.2014
Ires - Ires charge transferred to the Parent Company	20,234	19,795
Irap	4,202	4,767
Net provision for deferred tax liabilities	114	(434)
Reimbursement for taxes of previous years	(405)	0
Total taxes	**24,145**	**24,128**

As already described in the comments on the items in the statement of equity, it should be noted that the 2016 Stability Law approved the reduction of the IRES rate 27.5% to 24% as of business years starting after 31 December 2016. By effect of this regulatory measure, the calculation of the receivables for advance taxes and payables for deferred taxes has been reviewed, estimating the amount of the temporal differences that will be reversed after said date and adjusting the tax effect due to the new rate. This adjustment has implied a positive effect on the income statement amounting to 52 thousand Euros overall.

The income from previous years tax, net of other lesser differences, refers for a total of 431 thousand Euros to IRES reimbursements for the 2004 to 2007 business years, as per reimbursement claims submitted in 2008 and prudentially not allocated.

Reconciliation between theoretical and effective fiscal charges

(€thousand)	Year 2015 Taxable amount	Year 2015 Tax	Year 2014 Taxable amount	Year 2014 Tax
I.R.E.S.				
Profit before taxation	80,629		76,509	
Taxation rate	27.50%		27.50%	
theoretical tax burden		22,173		21,040
Permanent differences				
Non-deductible depreciation	122		281	
Write-down of financial assets	0		0	
Other	808		674	
	930		*955*	
Deductible depreciation	(1,869)		(1,869)	
Dividends from Italian companies (95%)	(2,953)		(2,870)	
Income from investments disposal (95%)	(1,655)		(1,713)	
Personel cost not deducted to Irap	(192)		(731)	
Other	(2,610)		(1,959)	
	(9,279)		*(9,142)*	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	8,635		7,800	
Maintenance cost excess 5%	0		0	
Other	1,055		846	
Deductible entertainment expenses	0		13	
	9,690		*8,659*	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	0		0	
	0		0	
Use of taxed provision for bad debts	(7,400)		(4,300)	
Use of others taxed provisions	(89)		(364)	
Amount of taxed entertainment expenses	0		0	
Write down of financial assets	0		0	
Amount of maintenance cost excess 5%	0		0	
Other	(859)		(655)	
	(8,348)		*(5,319)*	
Taxable income	73,622		71,662	
Taxation rate	27.50%		27.50%	
Actual tax burden		**20,246**		**19,707**
Balance of IRES for past business years and roundings		(12)		88
Recovery for Ires relating years 2004-2007		(431)		0
Actual Tax burden of Period		**19,803**		**19,795**
I.R.A.P.				
Profit before taxation	80,629		76,509	
Cost not relevant for I.R.A.P.				
Income and expense from investments	(5,282)		(4,823)	
Financial income and expense	6,538		8,424	
Personnel costs	32,423		31,746	
Theorical taxable	114,308		111,856	
Taxation rate	3.95%		3.94%	
theoretical tax burden		4,515		4,407
Other	(8,495)		11,181	
Taxable income	105,813		123,037	
Taxation rate	3.95%		3.94%	
Actual tax burden		**4,180**		**4,848**
Balance of IRAP for past business years and roundings		22		(81)
Actual Tax burden of Period		**4,202**		**4,767**

37. Earnings per share

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

(in Euro)	**2015**	2014
EPS base	0.85	0.79
EPS diluted	0.85	0.79

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

Earnings:

(€thousand)	**31.12.2015**	31.12.2014
Profit for the period	56,484	52,381
Profit used to determine basic and diluted earnings per share	**56,484**	**52,381**

Number of shares:

(number of shares)	**31.12.2015**	31.12.2014
Weighted average number of ordinary shares used to determine basic earning per share	66,525,120	66,525,120
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	**66,525,120**	**66,525,120**

38. Other profits/losses

The other profits/losses accounted for in the consolidated statement of other comprehensive income consist of the effects produced and reflected in the period with reference to the following items:
- effective part of the operations for: hedging interest rates related to variable rate loans existing at the date; hedging exchange risk rate related to the bond in US dollars signed with an operation of private placement in July 2013; term exchange purchase transactions existing at 31 December 2014, to hedge the underlying goods purchasing operations. The values indicated amounted to a total profit of 559 thousand Euros in the year 2015 (-802 thousand Euros in the year 2014) and are shown net of the taxation effect (that amounts to approximately 286 thousand Euros as at 31 December 2015).
- actuarial profits regarding the evaluation of Staff Severance Provision as required by amendments to IAS principle 19 “Employee Benefits”; the value indicated, amounting to a total profit of 123 thousand Euros, is shown net of the taxation effect (that amount to about 69 thousand Euros as at 31 December 2015).

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

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 S.p.A. (€thousand)		***31.12.15***	*31.12.14*
A.	Cash	7,276	6,773
	Bank accounts	78,192	25,332
	Postal accounts	450	289
B.	Cash equivalent	78,642	25,621
C.	**Liquidity (A) + (B)**	**85,918**	**32,394**
	Current financial receivable due to Subsidiaries	8,916	4,101
	Current financial receivable due to Parent Company	2,771	7,525
	Others financial receivable	1,244	1,306
D.	**Current financial receivable**	**12,931**	**12,932**
E.	Current Bank debt	(28,075)	(57,277)
F.	Current portion of non current debt	(42,816)	(74,610)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(859)	(1,090)
	Financial debt due to Related Companies	0	0
	Other financial debt	(758)	(794)
G	Other current financial debt	(1,617)	(1,884)
H.	**Current financial debt (E) + (F) + (G)**	**(72,508)**	**(133,771)**
I.	**Net current financial indebtedness (H) + (D) + (C)**	**26,341**	**(88,445)**
J.	Non current bank loans	(143,523)	(46,641)
K.	Other non current loans	(39,125)	(34,941)
L.	**Non current financial indebtedness (J) + (K)**	**(182,648)**	**(81,582)**
M.	**Net financial indebtedness (I) + (L)**	**(156,307)**	**(170,027)**

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.

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Rimini, 14 March 2016

The Chairman of the Board of Directors

Paolo Ferrari

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 2015, indicating the criteria adopted for accounting.

- **Appendix 2** – Table showing variations in Intangible Assets for the year ending 31 December 2015.

- **Appendix 3** – Table showing variations in Tangible Assets for the year ending 31 December 2015.

- **Appendix 4 –** Table showing the essential data from the Cremonini S.p.A. financial and consolidated financial statements as at 31 December 2014.

- **Appendix 5** – List of stockholdings in subsidiaries and associated companies as at 31 December 2015 (Civil Code art. 2427, paragraph 5).

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

MARR GROUP S.p.A.
LIST OF EQUITY INVESTMENTS
AT 31 DECEMBER 2015

Company	Headquarters	Share capital (€thousand)	Direct control Marr SpA	Indirect control Company	Indirect control Share held
COMPANY CONSOLIDATED ON A LINE-BY-LINE BASIS					
- Parent Company:					
MARR S.p.A.	Rimini	33,263			
- Subsidiaries:					
Alisurgel S.r.l. in liquidation	Rimini	10	97.0%	Sfera S.p.A.	3.0%
Sfera S.p.A.	Santarcangelo di R. (RN)	220	100.0%		
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (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%		
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 01/01/2015	Purchases/ reclassification	Other changes	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2015
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	3,521	(3,202)	319	114	21		(137)	3,656	(3,339)	317
Concessions, licences, brand names, and similar rights	37	(30)	7	11			(1)	48	(31)	17
Goodwill	73,072		73,072					73,072		73,072
Intangible fixed assets under development and advances	57		57	242	(21)			278		278
Other intangible fixed assets	70	(70)						70	(70)	
Total	**76,757**	**(3,302)**	**73,455**	**367**			**(138)**	**77,124**	**(3,440)**	**73,684**

Appendix 3

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year				Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2015	Purchases/ reclassification	Decreases: Original cost	Decreases: Prov. for am.	Amortization	Original Cost	Provision for amortization	Balance 31/12/2015
Land and buildings	70,096	(19,160)	50,936	619			(1,579)	70,715	(20,739)	49,976
Plant and machinery	28,729	(20,432)	8,297	1,875	(407)	400	(1,922)	30,197	(21,954)	8,243
Industrial and commercial equipment	2,431	(1,679)	752	193	(6)	3	(137)	2,618	(1,813)	805
Other tangible assets	11,889	(9,728)	2,161	1,904	(1,706)	344	(647)	12,087	(10,031)	2,056
Tangible fixed assets under development and advances	505		505	(69)				436		436
Total	**113,650**	**(50,999)**	**62,651**	**4,522**	**(2,119)**	**747**	**(4,285)**	**116,053**	**(54,537)**	**61,516**

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, 2014				
Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
79,119		Tangible assets		782,814
7		Goodwill and other intangible assets		165,354
257,732		Investments		12,789
5,538		Non-current assets		71,663
342,396		*Total non-current assets*		*1,032,620*
0		Inventories		381,099
24,485		Receivables and other current assets		613,384
3,801		Cash and cash equivalents		88,370
28,286		*Total current assets*		*1,082,853*
370,682		**Total assets**		**2,115,473**
		LIABILITIES		
204,760		Shareholders' equity:		672,495
	67,074	Share capital	67,074	
	93,535	Reserves	302,455	
	44,151	Net profit (loss)	41,928	
	0	Minority interest	261,038	
45,360		Non-current financial payables		265,283
422		Employee benefits		27,674
521		Provisions for risks and charges		12,326
6,753		Other non-current liabilities		75,367
53,056		*Total non-current liabilities*		*380,650*
105,208		Current financial payables		446,132
7,658		Current liabilities		616,196
112,866		*Total current liabilities*		*1,062,328*
370,682		**Total Liabilities**		**2,115,473**
		INCOME STATEMENT		
5,375		Revenues		3,278,627
714		Other revenues		57,227
		Changes in inventories		14,318
		Internal works performed		9,590
(66)		Purchase of goods		(2,269,753)
(6,286)		Other operating costs		(540,857)
(2,575)		Personnel costs		(290,928)
(1,647)		Amortization		(63,581)
(470)		Depreciation and Allocations		(25,065)
58,146		Income from investments		3,265
(13,144)		Financial income and charges		(52,441)
0		Profit from business aggregations		0
40,047		*Profit before taxes*		*120,402*
4,104		Taxes		(47,386)
44,151		Net profit (loss) before consolidation		73,016
0		Minority interest's profit (loss)		(31,088)
44,151		**Consolidated Net profit (loss)**		**41,928**

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 2014. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2014, 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 5

List of stockholdings in subsidiaries and associated companies as at December 31, 2015 (art. 2427 n.5 c.c.) (€/thousands)												
			Shareholder's equity		Net Profit (loss)							
Company	Corporate Domicile	Capital Stock	Total Amount	Pro-rata Amount (A)	Total Amount	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:												
Alisurgel S.r.l. in liquidation	Rimini (RN)	10	459	445	257	249	97.00%	445	(0)	31/12/2015	445	0
Marr Foodservice Iberica S.A.U.	Madrid (Spagna)	600	410	410	(3)	(3)	100.00%	410	0	31/12/2015	410	0
Sfera S.p.a.	Santarcangelo di R.(RN)	220	1,040	1,040	559	559	100.00%	11,440	10,400 *	31/12/2015	13,586	(2,146)
AS.CA. S.p.a.	Santarcangelo di R.(RN)	518	5,981	5,981	2,395	2,395	100.00%	13,691	7,710 *	31/12/2015	16,245	(2,554)
New Catering S.r.l.	Santarcangelo di R.(RN)	34	4,043	4,043	1,252	1,252	100.00%	7,439	3,396 *	31/12/2015	7,881	(442)
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R.(RN)	10	72	72	50	50	100.00%	16	(56)	31/12/2015	610	(594)

* 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 2015 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 2015
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	114
Certification service			0
Other services			0
Total			**114**

STATEMENT OF FINANCIAL STATEMENTS OF MARR S.p.A. 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 interim condensed consolidated financial statement, during the year 2015.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the consolidated financial statement as at 31 December 2015 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 2016

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

Building a better working world

MARR S.p.A.

Financial statements as at 31 December 2015

Independent auditor’s report in accordance with articles 14 and 16 of Legislative Decree n. 39, dated 27 January 2010

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

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ey.com

INDEPENDENT AUDITOR'S REPORT
IN ACCORDANCE WITH ARTICLES 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

Report on the financial statements

We have audited the accompanying financial statements of MARR S.p.A., which comprise the statement of financial position as at 31 December 2015, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in the shareholders' equity, the cash flows statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

The Directors of MARR S.p.A. are responsible for the preparation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union as well as with the regulations issued to implement art. 9 of Legislative Decree n. 38, dated 28 February 2005.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA Italia) implemented in accordance with article 11, paragraph 3 of Legislative Decree n. 39, dated 27 January 2010. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of MARR S.p.A as at 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with article 9 of Legislative Decree n. 38, dated 28 February 2005.

Report on other legal and regulatory requirements

Opinion on the consistency of the Directors' Report and of specific information of the Annual Report on Corporate Governance and Ownership Structure with the financial statements

We have performed the procedures required under audit standard SA Italia n. 720B in order to express an opinion, as required by law, on the consistency of the Directors' Report and of specific information of the Annual Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4 of Legislative Decree n. 58, dated 24 February 1998, with the financial statements. The Directors of MARR S.p.A. are responsible for the preparation of the Directors' Report and of the Annual Report on Corporate Governance and Ownership Structure in accordance with the applicable laws and regulations. In our opinion the Directors' Report and the specific information of the Annual Report on Corporate Governance and Ownership Structure are consistent with the financial statements of MARR S.p.A as at 31 December 2015.

Bologna, 29 March 2016

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.

REPORT BY THE BOARD OF STATUTORY AUDITORS
TO THE SHAREHOLDERS' MEETING OF MARR S.p.a.
(Financial statements as at 31/12/2015)

Dear Shareholders,

The Board of Statutory Auditors hereby:

- reports on the supervisory activities and any omissions and/or censurable circumstances recorded;
- makes its proposals concerning the financial statements and their approval and the matters of its competence;

as disposed by article 153 of Legislative Decree 58 dated 24.2.1998.

During the course of the business year, we performed the activities defined by article 149 of Legislative Decree 58, following which we can state the following:

- during the course of the meetings of the Board of Directors, which we always attended, the Directors provided us with the information concerning the activities performed and reported on the economic, equity and financial effects of the principal transactions performed by the Company and/or its subsidiaries;
- the transactions deliberated and undertaken were always in compliance with the law and the company by-laws, based on principles of proper management conduct and not in contrast to the shareholders' deliberations or in conflict of interest;
- the organisational structure of the Company is suited to its dimensions. The meetings held with the department managers and representatives of the firm responsible for auditing the accounts have enabled us to collect the required information concerning the respect of the principles of diligent and proper management conduct;
- the internal audit, intended as the rules, procedures and organisational structures aimed at enabling the proper management of business activities consistently with the pre-set goals, is substantially suited to the dimensions of the Company and contributes towards ensuring the protection of the company equity and respect of the laws and regulations in force.

The Chairman or a standing member of the Board of Statutory Auditors always attended the meetings of the Control and Risk Committee held during the course of the business year met six times. Attending the meetings of the Committee enabled the acquisition of information concerning the effectiveness of the systems for managing financial and operating risks and, more generally, non-observance of the law.

The Board of Directors met seven times and several times requested and obtained the opinion of the Board of Statutory Auditors as required by the law and company by-laws.

The Board of Directors made the half-yearly and annual report on management available to us within the terms of the law and did likewise, again according to the law, as regards the quarterly management reports.

The informative note provided by article 150 of Legislative Decree 58/98 and article 21 of the Company By-laws in force was made according to the due periodicity.

We believe that the system of accounts management is capable of correctly representing management facts, as stated and ascertained by us in previous business years.

The Board of Statutory Auditors presided over the adequacy of the instructions given by the Company to its subsidiaries pursuant to art. 114 of Legislative Decree 58/98, ensuring that the latter provided the information required to fulfil the communication obligations laid down by the law without recording any exceptions.

Furthermore, as regards matters of our competence, we can state that:

• the business year financial statements, which show profits of 56,484 thousand Euros (52,381 thousand Euros for the previous business year), are drawn up in compliance with the laws concerning their layout and preparation;

• the notes to the business year financial statements, and the specific indications required by the law for their preparation, provide the information deemed suitable for representing the economic, equity and financial situation of the Company;

• the report prepared by the Board of Directors contains detailed information on the management and situation of the company and accurately describes the main risks and uncertainties to which it is exposed. The report contains the attestation of non-applicability of the conditions preventing the company from being listed as required by article 37 of Market Regulation no. 16191/2007 if the company is subject to the management and coordination of other companies;

• no atypical or unusual transactions were reported with companies in the group, third parties or related parties. As illustrated by the Directors, the infra-group transactions for the exchange of goods and/or services occurred under ordinary market conditions, taking into account the characteristics of the goods transferred and services rendered. In this regard, we were not informed of any conflicts of interest, the performance of manifestly imprudent or risky transactions or capable of prejudicing the economic, equity and financial situation of the Company and/or Group, and nor did any arise;

• no aspects and/or events worthy of mention emerged from the meetings held with the Auditors of the principal subsidiaries;

• we viewed and obtained information on the activities of an organisational and procedural nature undertaken pursuant to and by effect of Legislative Decree 231/2001 and subsequent integrations. During the course of the business year, the Organisational Model of the Company was integrated in order to acknowledge new crimes. The report by the Person Responsible for the Organisational Model on the activities performed during 2015 and the information obtained autonomously by the Board of Statutory Auditors did not highlight any criticalities;

• during the course of the business year, the Board of Statutory Auditors held five meetings and exchanged information periodically with the independent auditing firm. The exchanges of information with the independent auditors pursuant to article 150 of Legislative Decree 58/98 did not highlight any criticalities;

• in its report to be released pursuant to article 14 of Legislative Decree 39/2010, the independent auditing firm will not highlight any informative comments and/or notes or related observations or limitations;

• in its report to be released pursuant to art. 19 of Legislative Decree 39/2010, the independent auditing firm will not highlight any fundamental questions that arose during auditing or significant shortcomings to the internal auditing system as regards the financial information process;

• in relation to the conferment of additional duties to the independent auditing firm and other subjects linked to it, it should be noted that the following remuneration was paid to the auditing firm Reconta Ernst & Young S.p.a. or entities belonging to its network in relation to the duties specified hereafter during the 2015 business year:

MARR GROUP
(payments in thousands of Euros)

TYPE OF SERVICE	SUBJECT PERFORMING THE SERVICE	BENEFICIARY	REMUNERATION
Auditing of accounts	Reconta Ernst & Young S.p.a.	MARR S.p.a.	114
Auditing of accounts	Reconta Ernst & Young S.p.a.	As.Ca S.p.a.	21
TOTAL			**135**

• in observance of the dispositions of article 149, para. 1 sub c)-bis of Legislative Decree 58/98, we hereby acknowledge that the company adheres to and complies with the Corporate Governance Code of Italian listed companies. Adhesion to the regulations of this code has been confirmed and was the subject of the report on Corporate Governance drawn up by the Board of Directors;

• as provided by article 3.2 of the above Code of Corporate Governance, the Board of Directors verified the effective independence of the independent directors and the Board of Statutory Auditors verified the correct application of the criteria and procedures applied during the course of the business year. Consistently with that provided by article 9.1 of the same code, we have also verified the permanence of our own independence;

• the Board of Statutory Auditors was updated as regards the development of the sector of business the company operates in and the reference regulatory framework during both the periodical meetings of the Board and in suitable communications pursuant to article 2.7 of the Code of Governance;

• we did not receive any claims or reports ex art. 2408 of the Italian Civil Code.

On the basis of the auditing activities performed during the course of the business year, the Board of Statutory Auditors expresses its favourable opinion as to the approval of the financial statements as at 31 December 2014 and the deliberation proposals made by the Board of Directors.

Rimini, 29 March 2016

The Board of Statutory Auditors

E. Simonelli

S.Muratori

D.Muratori

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