Financial statements and consolidated financial statements

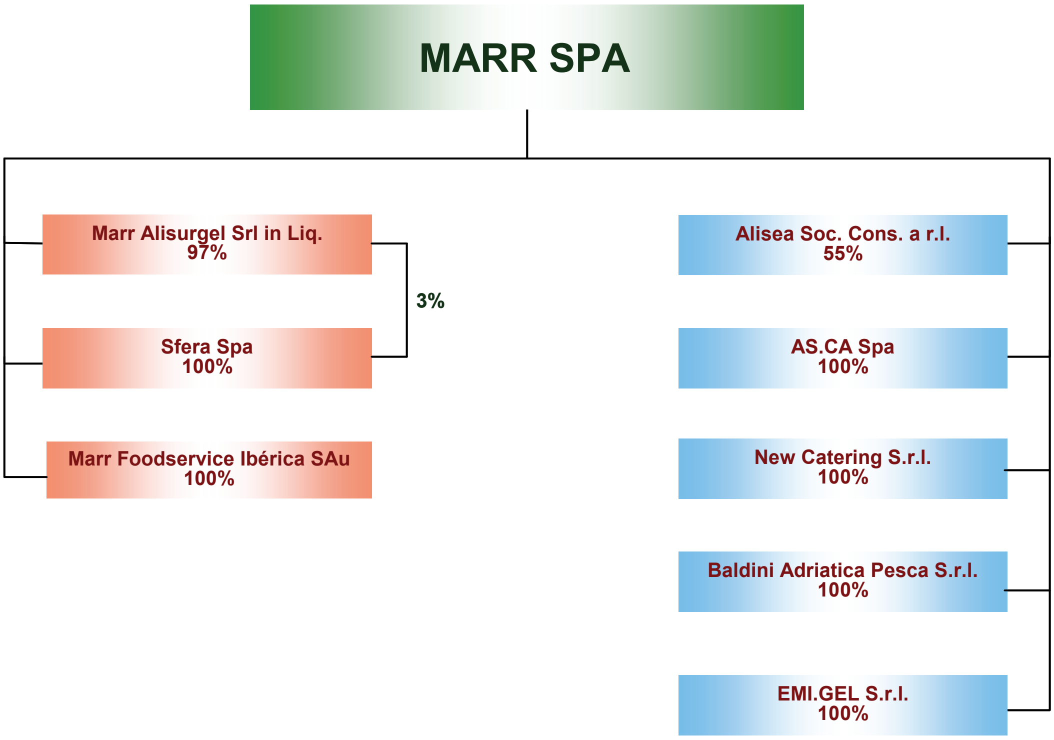
as at December 31, 2009

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)

TABLE OF CONTENTS

MARR GROUP ORGANIZATION

Situation as at 31 December 2009



The structure of the Group as at 31 December 2009 does not differ from that at 31 December 2008.

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 (activities carried out through over 20 distribution centres)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
AS.CA. S.p.A. Via del Carpino n. 4 Santarcangelo di Romagna (RN)	Marketing and distribution of fresh, dried and frozen food products for Foodservice operators.
ALISEA soc. cons. a r.l. – Via Imprunetana n. 231/b, Tavarnuzze (FI)	Hospital catering.
NEW CATERING S.r.l. Via del Carpino n. 4 – Santarcangelo di Romagna (RN)	Distribution of foodstuff products to bars and fast food outlets.
BALDINI ADRIATICA PESCA S.r.l. Via del Carpino n. 4 – Santarcangelo di Romagna (RN)	Commercialisation and distribution of fresh and frozen seafood products
EMI.GEL. S.R.L. Via del Carpino n. 4 – Santarcangelo di Romagna (RN)	Distribution of foodstuff products to bars and fast food outlets.
SFERA S.p.A. - Via del Carpino n. 4 Santarcangelo di Romagna (RN)	Non-operating company leasing going concern to other companies of the MARR Group
MARR FOODSERVICE IBERICA s.a.U. Calle Goya n. 99 - Madrid (Spagna)	Non-operating company.
MARR ALISURGEL S.r.l. in liquidazione Via del Carpino n. 4 - Santarcangelo di Romagna (Rn)	Non-operating company now being liquidated.

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

CORPORATE BODIES OF MARR S.p.A.

Board of Directors

Chairman	Vincenzo Cremonini[1]
Chief Executive Officer	Ugo Ravanelli
Directors	Illias Aratri
	Giosué Boldrini
Independent Directors	Alfredo Aureli[2]
	Paolo Ferrari[1][2]
	Giuseppe Lusignani[1][2]

[1] Members of the Remuneration committee pursuant to the self-regulatory code

[2] Members of the Internal Auditing committee pursuant to the self-regulatory code

Board of Statutory Auditors

Chairman	Ezio Maria Simonelli
Auditors	Italo Ricciotti
	Massimo Conti
Alternate Auditors	Davide Muratori
	Marinella Monterumisi

Independent Auditors	Reconta Ernst & Young S.p.A.

Manager responsible for the drafting of corporate accounting documents	Pierpaolo Rossi

DIRECTORS' REPORT

Group performance and analysis of the results for the business year 2009

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

In a difficult economic scenario which is still uncertain, out of home food consumption was less affected compared to other items of expenditure. The out of home food consumption benefitted from a trend of structural expansion, the reasons for which are mainly attributable to changes to the basic models of consumption, which have made meals outside the home more of a necessity than a discretional choice.

In particular, 2009, which was characterised by a low demand and a generalised reduction in average sales prices, the item of expenditure for "Hotels, meals and out of home food consumption" registered a decrease of 0.9% compared to an overall decrease in consumption expenditure for Italian families of 1.3% (*Confcommercio Ufficio Stu*di, February 2010).

In this context, in 2009 the MARR Group, thanks to its operational solidity, the flexibility of its business model, the capacity to adjust its offer and improve its level of service, managed to achieve its growth objectives, and closed another year of growth, thus strengthening its leadership on the Italian market for the commercialisation and distribution of fresh, dried and frozen food products to foodservice operators.

In 2009 total consolidated revenues reached 1,138.4 million Euros, an increase of 2.6% compared to the previous year, confirming MARR's capacity to outperform its reference market, even in a difficult year for the out of home food consumption.

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

Sales to customers in the Street Market and National Account categories amounted to 899.9 million Euros in 2009, an increase compared to 891.0 million Euros in 2008, despite the deflationary trends almost throughout all the product categories which characterised all of 2009.

Sales in the Street Market category (restaurants and hotels not belonging to Groups or Chains), which accounts for over 60% of the business volume, reached 694.6 million Euros, while those in the National Account category (operators in structured commercial catering and canteens) amounted to 205.3 million Euros.

Sales to customers in the Wholesale category reached 225.2 million Euros, an increase compared to 202.6 million Euros in 2008.

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

MARR Consolidated (€thousand)		*31.12.09*	*31.12.08*
	Revenues from sales and services by customer category		
	Street market	694,555	691,971
	National Account	205,333	199,064
	Wholesale	225,166	202,567
	Total revenues form sales in Foodservice	1,125,054	1,093,602
(1)	Discount and final year bonus to the customers	(13,150)	(12,315)
(2)	Other services	3,644	4,732
(3)	Other	(328)	159
	Revenues from sales and services	1,115,220	1,086,178

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 services not referring to any specific customer category

Organisation and logistics

The organisational structure and logistics of the MARR Group as at 31 December 2009, indicating the availability of properties, is as follows:

Branches and Subsidiaries

Branches		
Marr Uno	Rimini, Santarcangelo di Romagna e Costermano	Leasehold by parent company Cremonini S.p.A.
Marr Romagna	San Vito di Rimini	Leasehold by a company where Marr S.p.A. is stakeholder
Marr Supercash&carry	Rimini	Leasehold by third party
Marr Elba	Portoferraio (Li)	Property
Marr Genova	Carasco (Ge)	Leasehold by third party
Marr Napoli	Casoria (Na)	Leasehold by third party
Marr Roma	Capena (Roma)	Leasehold by third party
Marr Milano	Opera (Mi)	Leasehold by a leasing company
Marr Puglia	Monopoli (Ba)	Leasehold by third party
Marr Sanremo	Taggia (Im)	Leasehold by third party
Marr Venezia	S. Michele al Tagliamento (Ve)	Property
Marr Sardegna	Uta (Ca)	Property
Marr Sicilia	Cinisi (Pa)	Leasehold by third party
Emiliani (Fish and Seafood products branch)	Santarcangelo di R. (Rn)	Property
Carnemilia (Meat-processing branch catering)	Bologna	Leasehold by a company where Cremonini S.p.A. is stakeholder
Marr Battistini	Cesenatico (Fo)	Leasehold by third party
Marr Torino	Torino	Leasehold by third party
Marr Dolomiti	Pieve di Cadore (BL)	Leasehold by third party
Marr Sfera	Riccione (Rn)	Leasehold by third party
Marr Calabria	Spezzano Albanese (CS)	Property
Marr Toscana	Bottegone (PT)	Property
Marr Cater	Roma	Leasehold by third party
Marr Arco	Arco (TN)	Leasehold by third party
Marr Valdagno	Valdagno (VI)	Leasehold by third party
Subsidiaries		
Alisea Soc. Consortile a r.l.	Different Localities	Gratuitous bail by third party
AS.CA S.p.A.	Castenaso (BO)	Property
New Catering S.r.l.	Forlì (FC) e Rimini (RN)	Leasehold by third party
Baldini Adriatica Pesca S.r.l.	Riccione (RN)	Leasehold by third party
EMI.GEL S.r.l.	Bentivoglio (BO)	Leasehold by third party

Below are the figures, re-classified according to current financial analysis procedures, with the income statement, statement of financial position and financial data for 2009, compared to the previous year.

Analysis of the re-classified Income Statement

MARR Consolidated (€thousand)	*31.12.09*	*%*	*31.12.08*	*%*	*% Change*
Revenues from sales and services	1,115,220	98.0%	1,086,178	97.9%	*2.7*
Other earnings and proceeds	23,227	2.0%	23,157	2.1%	*0.3*
Total revenues	1,138,447	100.0%	1,109,335	100.0%	*2.6*
Raw and secondary materials, consumables and goods	(877,230)	-77.1%	(871,320)	-78.5%	*0.7*
Change in inventories	(10,022)	-0.9%	5,484	0.5%	*(282.7)*
Services	(130,775)	-11.5%	(125,415)	-11.4%	*4.3*
Leases and rentals	(7,433)	-0.6%	(7,426)	-0.7%	*0.1*
Other operating costs	(1,865)	-0.1%	(1,603)	-0.1%	*16.3*
Value added	111,122	9.8%	109,055	9.8%	*1.9*
Personnel costs	(37,271)	-3.3%	(37,948)	-3.4%	*(1.8)*
Gross Operating result	73,851	6.5%	71,107	6.4%	*3.9*
Amortization and depreciation	(4,753)	-0.5%	(4,939)	-0.4%	*(3.8)*
Provisions and write-downs	(5,916)	-0.5%	(5,289)	-0.5%	*11.9*
Operating result	63,182	5.5%	60,879	5.5%	*3.8*
Financial income	1,586	0.1%	2,375	0.2%	*(33.2)*
Financial charges	(6,108)	-0.5%	(13,222)	-1.2%	*(53.8)*
Foreign exchange gains and losses	(197)	0.0%	(346)	0.0%	*(43.1)*
Value adjustments to financial assets	0	0.0%	0	0.0%	*0.0*
Result from recurrent activities	58,463	5.1%	49,686	4.5%	*17.7*
Non-recurring income	0	0.0%	0	0.0%	*0.0*
Non-recurring charges	0	0.0%	0	0.0%	*0.0*
Profit before taxes	58,463	5.1%	49,686	4.5%	*17.7*
Income taxes	(19,912)	-1.7%	(17,744)	-1.6%	*12.2*
Total net profit	38,551	3.4%	31,942	2.9%	*20.7*
(Profit)/loss attributable to minority interests	(440)	0.0%	(234)	0.0%	*88.0*
Net profit attributable to the MARR Group	38,111	3.4%	31,708	2.9%	*20.2*

As at 31 December 2009 the consolidated economic results are as follows: total revenues of 1,138.4 million Euros (+2.6%); EBITDA[1] of 73.9 million Euros (+3.9%); EBIT of 63.2 million Euros (+3.8%). The result from current activities amounting to 58.5 million Euros has been characterised by the performance of financial management items which, showed an opposite trend compared to that of the previous year, benefiting of the significant reduction of the interest rates.

The main items of operating cost (Cost for services, Costs for leases and rentals, Other operating charges) are in line with the previous year in overall terms; the only point of note is the slight percentage increase in the cost for services, which is linked to the increased costs for the handling of goods and logistics services, due to the sales increase in quantity.

The personnel cost shows an improvement which is mainly due to the careful management of resources.

The tax rate for the 2009 business year is lower than that for the 2008 business year, due to the reduction in the deferred taxation while the percentage of current taxes on the profits remained stable.

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

As at 31 December 2009 the net consolidated profit reached 38.6 million Euros, an increase of 20.7% compared with the previous year.

Analysis of the re-classified statement of financial position

MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
Net intangible assets	100,978	98,109
Net tangible assets	58,149	60,447
Equity investments in other companies	296	295
Other fixed assets	9,706	9,856
Total fixed assets (A)	169,129	168,707
Net trade receivables from customers	342,743	302,168
Inventories	84,588	94,610
Suppliers	(236,928)	(230,051)
Trade net working capital (B)	190,403	166,727
Other current assets	33,723	39,764
Other current liabilities	(21,479)	(18,234)
Total current assets/liabilities (C)	12,244	21,530
Net working capital (D) = (B+C)	202,647	188,257
Other non current liabilities (E)	(46)	(987)
Staff Severance Provision (F)	(10,063)	(10,007)
Provisions for risks and charges (G)	(12,675)	(12,441)
Net invested capital (H) = (A+D+E+F+G)	348,992	333,529
Shareholders' equity attributable to the Group	(191,736)	(182,036)
Shareholders' equity attributable to minority interests	(999)	(801)
Consolidated shareholders' equity (I)	(192,735)	(182,837)
(Net short-term financial debt)/Cash	(112,844)	(121,792)
(Net medium/long-term financial debt)	(43,413)	(28,900)
Net financial debt (L)	(156,257)	(150,692)
Net equity and net financial debt (M) = (I+L)	(348,992)	(333,529)

Analysis of the Net Financial Position [II]

The following table represents the trend in Net Financial Position.

	MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
A.	Cash	2,982	9,007
	Cheques	2	42
	Bank accounts	36,778	21,455
	Postal accounts	21	95
B.	Cash equivalent	36,801	21,592
C.	Liquidity (A) + (B)	**39,783**	**30,599**
	Current financial receivable due to Parent Company	915	1,289
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	9,310	5,393
D.	Current financial receivable	10,225	6,682
E.	Current Bank debt	(146,556)	(147,281)
F.	Current portion of non current debt	(14,572)	(10,869)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,724)	(923)
G.	Other current financial debt	(1,724)	(923)
H.	Current financial debt (E) + (F) + (G)	(162,852)	(159,073)
I.	Net current financial indebtedness (H) + (D) + (C)	(112,844)	(121,792)
J.	Non current bank loans	(41,291)	(25,882)
K.	Other non current loans	(2,122)	(3,018)
L.	Non current financial indebtedness (J) + (K)	(43,413)	(28,900)
M.	Net financial indebtedness (I) + (L)	(156,257)	(150,692)

As at 31 December 2009 net financial indebtedness reached 156.3 million Euros and it is mainly due to the increased returns turnover and to the following operations occurred during the year:

- financial outgoing of 0.3 million Euros for the payment of an instalment relating to the acquisition of the going concern of Minerva from the company AGRIFAP S.r.l. made on 5 February 2009 and for the payment of the financial debts taken over with the acquisition;
- financial effect of 2.2 million Euros due to the acquisition by the subsidiary Baldini Adriatica Pesca S.r.l. of the going concern of the company F.lli Baldini S.r.l. (made on 20 January 2009), of which 0.3 million Euros paid as an instalment of the acquisition price;

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

- financial outgoing of 0.1 million Euros for the payment of the final instalment relating the acquisition of the subsidiary New Catering S.r.l.;
- financial outgoing of 1 million Euros for the payment of an instalment relating the acquisition of 100% of the share capital of the company EMI.GEL S.r.l.;
- payment on 28 May 2009 of dividends amounting to a total of 28.3 million Euros (26.6 million Euros paid out in 2008);
- financial outgoing of 0.1 million Euros for the purchase of own shares in the context of the "*buy back*" program;
- payment of 1 million Euros to the Treasury Provision set-up by INPS and other forms of complementary social security, following the reform in the pension scheme introduced by Law 296 dated 27 December 2006 (2007 Budget Law).

The net financial position as at 31 December 2009 remains in line with the company objectives.

Analysis of the Trade Net Working Capital

MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
Net trade receivables from customers	342,743	302,168
Inventories	84,588	94,610
Suppliers	(236,928)	(230,051)
Trade net working capital	190,403	166,727

As at 31 December 2009 the trade net working capital amounts to 190.4 million Euros, increasing compared to the previous year of about 23.7 million Euros, which registered an improvement compared to the increase (24.8 million Euros) as at 31 December 2008.

As regards the item "Net trade receivables from customers", it should be pointed out than in the last quarter of 2009, there was a decrease in receivables due of 41.9 million Euros, compared to 30.5 million Euros in the fourth quarter of the previous business year.

The decrease in Inventories is due to the policy implemented as of 2008 of optimising the stock level of distribution centres and platforms.

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

Re-classified cash-flow statement

MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
Net profit before minority interests	38,551	31,942
Amortization and depreciation	4,753	4,939
Change in Staff Severance Provision	56	(276)
Operating cash-flow	43,360	36,605
(Increase) decrease in receivables from customers	(40,575)	(38,348)
(Increase) decrease in inventories	10,022	(6,105)
Increase (decrease) in payables to suppliers	6,877	19,638
(Increase) decrease in other items of the working capital	9,286	(3,816)
Change in working capital	(14,390)	(28,631)
Net (investments) in intangible assets	(3,400)	(2,012)
Net (investments) in tangible assets	(1,924)	(5,279)
Net change in financial assets and other fixed assets	149	1,642
Net change in other non current liabilities	(707)	426
Investments in other fixed assets and other change in non current items	(5,882)	(5,223)
Free - cash flow before dividends	23,088	2,751
Distribution of dividends	(28,302)	(26,593)
Capital increase	0	0
Other changes, including those of minority interests	(351)	(3,915)
Casf-flow from (for) change in shareholders' equity	(28,653)	(30,508)
FREE - CASH FLOW	(5,565)	(27,757)
Opening net financial debt	(150,692)	(122,935)
Cash-flow for the period	(5,565)	(27,757)
Closing net financial debt	(156,257)	(150,692)

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

MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
Free - cash flow	(5,565)	(27,757)
Increase in current financial receivables	(3,542)	(1,175)
Decrease in non-current net financial debt	14,513	(6,798)
Increase in current financial debt	3,779	18,009
Increase (decrease) in cash-flow	9,185	(17,721)

Investments

During the year 2009, ordinary investments were mainly made for plants and machinery by the distribution centres of the parent company.

As regards the extraordinary investments since the beginning of the year, the following are highlighted:

- the acquisition made by the subsidiary Baldini Adriatica Pesca S.r.l. of the going concern of the company F.lli Baldini S.r.l. increased the item "Goodwill" by a total of 2.8 million Euros without considering the increase in fixed assets (mainly in the categories "Industrial and business equipment" and "Other assets") by a total of about 0.1 million Euros;
- the acquisition made by the parent company MARR S.p.A. of the going concern of Minerva of the company AGRIFAP S.r.l. increased the item "Goodwill" by a total of 0.5 million Euros.

Other minor changes concerning the item "Goodwill" are related to the definition of adjustments as regards the acquisition by the Parent Company of the companies EMI.GEL S.r.l., New Catering S.r.l. and the going concern owned by LCN Servizi S.p.A. (formerly CATER Roma S.p.A.), completed during 2007.

The following is a summary of the net investments made in the 2009 business year :

(€thousand)	*31.12.09*
Intangible assets	
Patents and intellectual property rights	16
Concessions, licenses, trademarks and similar rights	-
Fixed assets under development and advances	-
Other intangible assets	-
Goodwill	3,384
Total intangible assets	3,400
Tangible assets	
Land and buildings	348
Plant and machinery	762
Industrial and business equipment	273
Other assets	459
Fixed assets under development and advances	82
Total tangible assets	1,924
Total	5,324

Research and development activities

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

Transactions with subsidiary, associated, holding and affiliated companies

The following is some information on the shareholdings held, to complement the information already outlined in the "MARR Group Organization" section.

The following is a summary of the principal data concerning subsidiary companies:

(€ thousand)	*Annual report*	*Value of production*	*Cost of production*	*Profit (loss) for the year*	*Investments*	*Employees (number)*	*Net Equity*
Foodservice Companies							
Alisea Soc. cons. a rl	31/12/2009	12,676	11,179	960	34	154	2,138
Sfera S.p.A.	31/12/2009	1,268	841	303	0	0	1,053
AS.CA S.p.A.	31/12/2009	35,267	33,126	1,422	191	35	5,004
New Catering S.r.l.	31/12/2009	9,660	8,864	513	69	12	890
Baldini Adriatica Pesca S.r.l.	31/12/2009	19,642	19,075	305	123	20	324
EMI.GEL S.r.l.	31/12/2009	12,078	11,684	218	62	21	2,631
Marr Foodservice Ibérica S.A.U.	31/12/2009	0	43	(21)	(6)	0	454
Other Companies							
Marr Alisurgel S.r.l. in Liq.	31/12/2009	0	8	13	0	0	177

It must be pointed out that the value of MARR's consolidated purchase of goods by Cremonini S.p.A. and affiliated companies represented 4.8% (as in the following table) of the total consolidated purchases. All the commercial transactions and supply of services occurred at market value.

The economic and financial data for the 2009 business year is contained in the following table, classified by nature and by company:

COMPANY	FINANCIAL RELATION						ECONOMICS 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	her operating charg	Financial charges
From Parent Companies:															
Cremonini Spa	143	41	915	505	2,946		3,645		1	5		993		2	17
Total	143	41	915	505	2,946	0	3,645	0	1	5	0	993	0	2	17
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															
Buffet di Arezzo S.r.l.	9						22								
Chef Express S.p.A. (ex Moto S.p.A.)	1,852				1		3,468								
Consorzio Centro Commerc.Ingrosso Carni				403								145	1,105		
Cremonini Sec Srl in liq.															
Frimo S.a.m.															
Ges.Car. Srl							1								
Global Service Logistics S.rl.															
Global Service Srl		32		407								811		18	
Guardamiglio Srl							3								
Ibis S.p.a.				79							72				
Inalca Algerie S.a.r l.	229			3			837				3				
Inter Inalca Angola	144														
Inalca Brazaville															
Inalca Kinshasa	230														
Inalca Spa	54	7		5,422			758		1		35,627	623			
Inalsarda															
Interjet srl															
Marr Russia	157						420								
Montana Alimentari Spa	113	2		1,779			5	0	110		5,498				
Real Food 3															
Roadhouse Grill Italia Srl	528				0		1,867					1			
Roadhouse Grill Padova Srl (mergered inRoadhouse Grill Italia Srl in 2009)															
Salumi dell'Emilia				35							295				
Tecno-Star Due S.r.l.									0						
Time Vending S.r.l.	20								21						
From not Affiliated Companies															
Farmservice S.r.l.	7						29				8				
Fiorani & C. Spa				58			10				73				
Food & Co S.r.l.	32														
Italbeef Srl							9				261				
Le Cupole S.r.l.													672		
Prometex Sam															
Total	3,375	41	0	8,186	1	0	7,429	0	132	0	41,837	1,580	1,777	18	0

(*) The item in the Other Payables column relates to the IRES charge transferred from MARR and affiliated companies within the scope of the National Consolidated tax base.

(**) 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, no such is hold through third party persons and/or companies; during the 2009 business year, the company never purchased or sold the above-mentioned shares and/or quotas.

In the context of the *"buy back"* programme, in 2009 business year, 16,750 ordinary MARR shares have been purchased, for a total amount of 86 thousand Euros; as at today the company holds a total of 705,647 of its own shares, for a total amount of 3,820 thousand Euros.

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

It must also be pointed out that the fulfilments provided by the "Code for the Protection of Personal Data" (Legislative Decree 196/2003) have been fulfilled, also in regard to those contained in the "Technical discipline concerning minimum safety measures" (Appendix B to the Code). According to the article 34 paragraph 1 letter g) of the Code, the MARR S.p.A. Safety Planning Document is correctly updated.

With reference 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 Consolidation Act on Finance, see that contained in the "Annual Report on Corporate Governance and the Ownership Structure", drawn up in compliance with the regulations in force and filed together with this report at the company headquarters and by the Italian Stock Exchange, and also available on the website www.marr.it, Investor Relations section – Corporate Governance.

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

Significant events during 2009

On 20 January 2009 the subsidiary Baldini Adriatica Pesca S.r.l. signed the final contract for the purchase of the going concern of F.lli Baldini S.r.l., a company operating in the distribution of seafood products, and particularly of fresh shellfish. The purchase of the Baldini going concern was carried out exercising the option granted free of charge and provided by the lease contract for the going concern signed by Baldini Adriatica Pesca S.r.l. in June 2007.

On 5 February 2009 MARR S.p.A. signed the final contract for the purchase of the Minerva going concern owned by AGRIFAP S.r.l. (which absorbed the company Minerva S.r.l. by merger) operating at the plant in Costermano (VR) and dedicated to commercialisation of fresh and frozen seafood products. The going concern purchase was carried out by exercising the purchase option granted free of charge and provided by the going concern lease contract signed between the parties on 4 February 2008.

On 4 March 2009 MARR S.p.A. was granted by the Regional Agency Intercent-ER a 12 months renewal of the agreement concerning the supply of food and non-food products to Public Administrations in the Emilia-Romagna region. The agreement stipulated in March 2007 had a duration of two years, renewable for an additional 12 months until reaching a supply value of 31 million Euros.

On 17 April 2009 the Shareholders' Meeting approved financial statements for the business year as at 31 December 2008 and the distribution to shareholders of a gross dividend of 0.43 Euros per share, with "ex coupon" (n. 4) on 25 May and payment on 28 May.
Furthermore the Shareholders' Meeting authorised the purchase and sale of treasury shares pursuant to and by effect of art. 2357 of the Civil Code, delegating the Board of Directors for the purpose.

On 20 April the Board of Directors, on the basis of the authorisation given by the Shareholders' Meeting dated 17 April 2009, decided to start a new plan for the buy back of its own shares, by delegating the execution to the Chief Executive Officer within the terms provided by the law and in accordance with the decision of the general shareholders' meeting on

17 April 2009, up to a maximum number of total 1,350,000 shares (about 2% of the entire share capital), taking into account the shares already purchased in previous programmes.
The operation will be undertaken with the aim of contributing towards the stability of the value of shares on the stock exchange.

Dividends of 0.43 Euros per share were distributed to shareholders on 28 May 2009, with ex coupon (n. 4) on 25 May 2009.

In the last days of October, MARR S.p.A. was informed by Consip S.p.A. (Public Body for the rationalisation of Expenditure) of the renewal for an additional 12 months of the agreement concerning the supply of food products to Public Administrations.
The agreement signed in November 2008 was for 12 months, renewable for another 12 months until reaching a supply value of 31.5 million Euros.

Events after the closure of the year

At the beginning of January, the Regional Agency Intercent-ER communicated an increase of the current agreement with MARR S.p.A., concerning the supply of food and non-food products to Public Administrations in the Emilia-Romagna region, for a total amount of 12.4 million Euros, amounting to 2/5 of the initial value.

On 14 February, the National Meeting of the MARR sales management ("*Sicuramente MARR*") was held, an event which saw the participation of over 700 people among sales agents and commercial management. The event was an opportunity to present new lines of private label products (including Scottish meat under the "Aberdeen meat" brand name, new and expanded lines of products for the happy hour under the name "King taste" and a line of gluten-free products for celiac sufferers) and a new release of proprietary software for the management of sales activities ("MARR Sales"), which includes a new and more efficient tool for credit management.
These changes are aimed on one hand at a continuous improvement of the market offer and increasing the trust of customers through private label products with a high level of service content and, on the other hand, at providing more tools for sales agents , also for the management of credit.

Outlook

During the first two months of the year, although not significant in terms of its contribution to sales revenues over the entire business year, the company achieved an increase in revenues in all three customer segments in line with the objectives set.

In a market which is still uncertain, company management remains oriented towards strengthening its market leadership, continuing to keep the management of trade net working capital and the levels of profitability achieved and confirmed during the course of 2009 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.

As pointed out in the Director's Report for the 2008 business year, the 2009 business year has also been characterised by a volatility of the financial markets and difficulties in accessing credit, together with a reduction in consumption; this has led the management to maintain its focus on the dynamics of credit management and policies for the containment of costs aimed at preserving the trade margin.

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

As regards the specific risks and uncertainties involved in the activities of MARR and the Group, it must be pointed out that a dispute of a fiscal nature was still ongoing on closure of the current business year, as described in detail in the paragraph entitled "provision for non-current risks and charges" in the Explanatory notes to the financial statements.

In consideration of the technical consultations, which are completely in agreement with each other, drawn up by four authoritative professionals, three of them appointed by the Tributary Commission, all of whom reached conclusions fully in favour of MARR S.p.A, and considering the opinion expressed by the lawyers called upon to defend the Company before the Court of Cassation, it can be reasonably assumed that the dispute will be resolved favourably, confirming what already highlighted in the Director's Report of the previous year,.

Human Resources

As at December 2009, there were 996 employees of the MARR Group (comprising 8 Directors, 37 Managers, 422 Office Employees and 529 Labourers), compared to 1,012 at the end of the previous year. The workforce thus decreased slightly (approximately 1.6%).
The average number of employees during the course of 2009 was higher (1,054) compared to the December figure, mainly due to the dynamics caused by the employment, aimed at dealing with peaks in activity, of workers with seasonal contracts, but is lower than the average number of employees for the previous year, by effect of more careful management in terms of seasonal employment.
In addition to dependent employees, the Group also uses more than 650 sales agents and a network of transporters with over 700 vehicles, through agency and service contracts.

Training
The main characteristics which constitute the basis of the competitive advantage of MARR are: the wide range of products offered (MARR commercialises a range of 10,000 food products), the capabilities of its sales organization, the efficiency of its logistical system and capacity for innovation in terms of goods.
This is the reason why the MARR Group focuses closely on the valorisation and training of its human resources through periodical training programmes (ForMARR) aimed at the training of internal personnel and the sales workforce.
The middle management of the sales workforce (about 60 participants) was involved in an important training programme aimed increasing awareness of the management tools, a greater involvement in sales decisions and increased managerial competence.
Specific commitment has also been dedicated to the training of personnel which carry out activities affecting the quality of products, services and processes, to the extent that in 2009, about 600 employees were involved in training activities, prevalently in the sector of hygiene and food safety.

The attention placed on training as regards safety in the workplace (Legislative Decree 81/08) was also significant, with training provided to over 160 employees on the proper use of elevator pallets, in addition to the provision of training courses for those responsible for first aid and the fire prevention service.

Cost of employment
By effect of increasingly careful management and despite the increases in remuneration provided by the renewal of the National Collective Labour Contract for employees of tertiary sector of distribution and services companies which occurred in 2008, but which established increases until 2010 (approximately +12% overall), the cost of employment in 2009 decreased by almost 2%.
This reduction in costs was achieved prevalently through a more contained use of seasonal employment and the more rigorous management of extraordinary work, in addition to the intensification of the use of leave.

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

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

MARR S.P.A. – Parent Company

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

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

MARR S.p.A. (€thousand)	*31.12.09*	*%*	*31.12.08*	*%*	*% Change*
Revenues from sales and services	1,033,207	*98.0%*	1,009,068	*97.9%*	*2.4*
Other earnings and proceeds	21,211	*2.0%*	22,003	*2.1%*	*(3.6)*
Total revenues	1,054,418	*100.0%*	1,031,071	*100.0%*	*2.3*
Raw and secondary materials, consumables and goods for resale	(820,052)	*-77.8%*	(816,198)	*-79.2%*	*0.5*
Change in inventories	(8,861)	*-0.8%*	5,108	*0.5%*	*(273.5)*
Services	(118,919)	*-11.3%*	(115,538)	*-11.2%*	*2.9*
Leases and rentals	(7,653)	*-0.7%*	(7,758)	*-0.8%*	*(1.4)*
Other operating costs	(1,638)	*-0.2%*	(1,356)	*-0.1%*	*20.8*
Value added	97,295	*9.2%*	95,329	*9.2%*	*2.1*
Personnel costs	(30,353)	*-2.9%*	(31,305)	*-3.0%*	*(3.0)*
Gross Operating result	66,942	*6.3%*	64,024	*6.2%*	*4.6*
Amortization and depreciation	(3,908)	*-0.4%*	(4,196)	*-0.4%*	*(6.9)*
Provisions and write-downs	(5,604)	*-0.5%*	(5,018)	*-0.5%*	*11.7*
Operating result	57,430	*5.4%*	54,810	*5.3%*	*4.8*
Financial income	5,239	*0.5%*	4,430	*0.4%*	*18.3*
Financial charges	(5,898)	*-0.5%*	(12,926)	*-1.3%*	*(54.4)*
Foreign exchange gains and losses	(287)	*0.0%*	(250)	*0.0%*	*14.8*
Value adjustments to financial assets	(12)	*0.0%*	(77)	*0.0%*	*(84.4)*
Result from recurrent activities	56,472	*5.4%*	45,987	*4.5%*	*22.8*
Non-recurring income	0	*0.0%*	0	*0.0%*	*0.0*
Non-recurring charges	0	*0.0%*	0	*0.0%*	*0.0*
Profit before taxes	56,472	*5.4%*	45,987	*4.5%*	*22.8*
Income taxes	(17,928)	*-1.7%*	(15,691)	*-1.5%*	*14.3*
Total net profit	38,544	*3.7%*	30,296	*2.9%*	*27.2*

Re-classified Statement of financial position of the parent company MARR S.p.A.

MARR S.p.A. (€thousand)	*31.12.09*	*31.12.08*
Net intangible assets	71,579	71,316
Net tangible assets	50,892	52,981
Equity investments in other companies	33,557	33,632
Other fixed assets	9,421	9,187
Total fixed assets (A)	165,449	167,116
Net trade receivables from customers	318,214	281,351
Inventories	78,973	87,834
Suppliers	(220,566)	(213,973)
Trade net working capital (B)	176,621	155,212
Other current assets	32,405	37,689
Other current liabilities	(19,292)	(15,664)
Total current assets/liabilities (C)	13,113	22,025
Net working capital (D) = (B+C)	189,734	177,237
Other non current liabilities (E)	(41)	(987)
Staff Severance Provision (F)	(8,561)	(8,546)
Provisions for risks and charges (G)	(9,918)	(9,662)
Net invested capital (H) = (A+D+E+F+G)	336,663	325,158
Shareholders' equity	(187,843)	(177,717)
Shareholders' equity (I)	(187,843)	(177,717)
(Net short-term financial debt)/Cash	(105,701)	(119,242)
(Net medium/long-term financial debt)	(43,119)	(28,199)
Net financial debt (L)	(148,820)	(147,441)
Net equity and net financial debt (M) = (I+L)	(336,663)	(325,158)

Re-classified Net Financial Position of the parent company MARR S.p.A.

	(€thousand)	31.12.09	31.12.08
A.	Cash	2,871	8,915
	Cheques	0	0
	Bank accounts	34,329	19,192
	Postal accounts	21	95
B.	Cash equivalent	34,350	19,287
D.	Liquidity (A) + (B)	37,221	28,202
	Current financial receivable due to Parent Comany	5,962	3,479
	Current financial receivable due to Related Companies	915	1,289
	Others financial receivable	9,299	4,625
E.	Current financial receivable	16,176	9,393
F.	Current Bank debt	(142,183)	(143,796)
G.	Current portion of non current debt	(14,242)	(10,556)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(1,169)	(1,642)
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,504)	(842)
H.	Other current financial debt	(2,673)	(2,484)
I.	Current financial debt (F) + (G) + (H)	(159,098)	(156,836)
J.	Net current financial indebtedness (I) + (E) + (D)	(105,701)	(119,241)
K.	Non current bank loans	(41,123)	(25,379)
M.	Other non current loans	(1,996)	(2,821)
N.	Non current financial indebtedness (K) + (M)	(43,119)	(28,200)
O.	Net financial indebtedness (J) + (N)	(148,820)	(147,441)

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

(€thousand)	*31.12.09*	*31.12.08*
Net profit before minority interests	38,544	30,296
Amortization and depreciation	3,908	4,196
Change in Staff Severance Provision	15	(426)
Operating cash-flow	42,467	34,066
(Increase) decrease in receivables from customers	(36,863)	(33,479)
(Increase) decrease in inventories	8,861	(4,858)
Increase (decrease) in payables to suppliers	6,593	18,433
(Increase) decrease in other items of the working capital	8,912	(3,076)
Change in working capital	(12,497)	(22,980)
Net (investments) in intangible assets	(615)	(89)
Net (investments) in tangible assets	(1,467)	(4,394)
Net change in financial assets and other fixed assets	(160)	(2,314)
Net change in other non current liabilities	(690)	(42)
Investments in other fixed assets and other change in non current items	(2,932)	(6,839)
Free - cash flow before dividends	27,038	4,247
Distribution of dividends	(28,302)	(26,593)
Capital increase	0	0
Other changes, including those of minority interests	(115)	(3,723)
Cash-flow from (for) change in shareholders' equity	(28,417)	(30,316)
FREE - CASH FLOW	(1,379)	(26,069)
Opening net financial debt	(147,441)	(121,372)
Cash-flow for the period	(1,379)	(26,069)
Closing net financial debt	(148,820)	(147,441)

Directors', Auditors', managing directors' and managers' shareholdings

As at 31 December 2009, only Directors held shareholdings in MARR and its subsidiaries, as follows:

First name and last name	Office held in 2009	Company	Number of shares held at 31.12.2008	Number of shares bought after the listing date	Number of shares sold after the listing date	Number of shares held at 31.12.2009
Board of Directors						
Vincenzo Cremonini	Chairman	Marr S.p.a.	10,850	0	0	10,850
Ugo Ravanelli	Chief Executive Officer	Marr S.p.a.	416,806	0	0	416,806
Total			427,656	0	0	427,656

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 Mr. Vincenzo Cremonini has powers of legal representation as per art. 20 of the by Laws,
- the Chief Executive Officer Mr. Ugo Ravanelli, in addition to the powers of legal representation as per art. 20 of the by Laws, has also been conferred all the powers required to carry out all deeds concerning company activities, to be exercised with free and individual powers of signature, in the context of the proxies conferred by decision of the Board of Directors on 24 April 2008.

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

During the course of the year, both the Chairman and the Chief Executive Officer used the powers conferred on them only for the ordinary management of company affairs, while significant operations, by type, quality and value, are submitted to the Board of Directors for approval.

Transactions with subsidiary, associated, holding and affiliated companies

As regards the relations with subsidiary, associated, holding 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 general services
Parent Companies - Cremonini Spa	Trade and general services
Associated companies - Cremonini Group's companies -	Trade and general 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 represented 5.0% (as in the following table) 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 2008 business year, classified by nature and by company.

COMPANY	FINANCIAL RELATION						ECONOMICS 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	her operating charg	Financial charges
From Parent Companies:															
Cremonini Spa (*)	41	41	915	326	3,025		3,645		1	5		992		2	17
Total	41	41	915	326	3,025	0	3,645	0	1	5	0	992	0	2	17
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															
Buffet di Arezzo S.r.l.	9						22								
Chef Express S.p.A. (ex Moto S.p.A.)	1,852				1		3,468								
Consorzio Centro Commerc.Ingrosso Carni				403								145	1,105		
Cremonini Sec Srl in liq.															
Domogel S.r.l.															
Frimo S.a.m.															
Ges.Car. Srl							1								
Global Service Logistics S.rl.															
Global Service Srl		32		402								792		18	
Guardamiglio Srl							3								
Ibis S.p.a.				79							72				
Inalca Algerie S.a.r l.	229			3			837				3				
Inter Inalca Angola	144														
Inalca Brazaville															
Inalca Kinshasa	230														
Inalca Spa	54	7		5,364			758		1		35,263	623			
Inalsarda															
Interjet srl															
Marr Russia	157						420								
Montana Alimentari Spa	98	2		1,640			0		99		5,107				
Real Food 3															
Roadhouse Grill Italia Srl	528				0		1,867					1			
Roadhouse Grill Padova Srl (mergered in Roadhouse Grill Italia Srl in 2009)															
Salumi dell'Emilia S.r.l.				35							295				
Tecno-Star Due S.r.l.									0						
Time Vending S.r.l.	20								20						
From not Affiliated Companies															
Farmservice S.r.l.	7						29				8				
Fiorani & C. Spa				58			10				73				
Food & Co S.r.l.	32														
Italbeef Srl							9				261				
Le Cupole S.r.l.													672		
Prometex Sam															
Total	3,360	41	0	7,984	1	0	7,424	0	120	0	41,082	1,561	1,777	18	0
(*) The item in the Other Payables column relates to the IRES charge transferred from MARR within the scope of the National Consolidated tax base.															
(**) The total amount of trade receivables and payables are reclassified under "Receivables from customer" and "Suppliers" respectively.															
From Affiliated Companies															
Alisea Soc. Cons. a r.l.	207			0			1,008	83							
Asca S.p.A.	3		2,749	56			810	229	10		404				
Baldini Adriatica Pesca S.r.l.	1		1,267				708	93	4		1,272				
Emigel Srl	26			0			1	23	0						
Marr Alisurgel S.r.l. in liquidazione				5		788		3	0						26
Marr Foodservice Iberica S.A.u				70		370									
New Catering S.r.l.	53			8		11	275	19	2		3				
Sfera S.p.A.			1,946					4				6	1,261	1	
Total	290	0	5,962	139	0	1,169	2,802	454	16	0	1,679	6	1,261	1	26

Proposal for the distribution of the 2009 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 2009 submitted for your examination and approval in this meeting, have been drafted in respect of the legislation in force and according to that provided by the Authority for listed companies.

In submitting the 2009 financial statements for approval, we propose to:

a) distribute the profits amounting to Euro 38,544,065 as follows:

- to dividend of 0.46 Euros for each ordinary share with the right, excluding own shares hold at the ex coupon date;
- to Extraordinary Reserve the remainder.

b) to pay the dividend on 27 May 2010 with ex coupon (No. 5) on 24 May 2010, 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 2009 to the achievement of the Company's objectives through their commitment.

Rimini, 8 March 2010

The Board of Directors
The Chairman
Vincenzo Cremonini

MARR GROUP

Consolidated Financial Statements

as at December 31, 2009

STATEMENT OF CONSOLIDATED FINANCIAL POSITION [III]

(€thousand)	Notes	31.12.09	31.12.08
ASSETS			
Non-current assets			
Tangible assets	1	58,149	60,447
Goodwill	2	99,908	96,524
Other intangible assets	3	1,070	1,585
Investments in other companies		296	295
Non-current financial receivables	4	1,485	3,253
Deferred tax assets	5	6,432	4,884
Other non-current assets	6	5,583	3,053
Total non-current assets		172,923	170,041
Current assets			
Inventories	7	84,588	94,610
Financial receivables	8	10,214	6,659
relating to related parties		*915*	*1,289*
Financial instruments / derivative	9	10	23
Trade receivables	10	338,944	300,848
relating to related parties		*3,518*	*4,422*
Tax assets	11	5,108	7,115
relating to related parties		*0*	*2,447*
Cash and cash equivalents	12	39,784	30,599
Other current assets	13	28,615	32,618
relating to related parties		*82*	*164*
Total current assets		507,263	472,472
TOTAL ASSETS		*680,186*	*642,513*
LIABILITIES			
Shareholders' Equity			
Shareholders' Equity attributable to the Group	14	191,736	182,036
Share capital		*32,910*	*32,918*
Reserves		*115,340*	*113,367*
Retained Earnings		*(3,477)*	*(3,399)*
Profit for the period attributable to the Group		*46,963*	*39,150*
Shareholders' Equity attributable to minority interests		999	801
Minority interests' capital and reserves		*559*	*567*
Profit for the period attributable to minority interests		*440*	*234*
Total Shareholders' Equity		192,735	182,837
Non-current liabilities			
Non-current financial payables	15	43,413	28,900
Employee benefits	16	10,063	10,007
Provisions for risks and costs	17	2,991	3,274
Deferred tax liabilities	18	9,684	9,167
Other non-current liabilities	19	42	988
Total non-current liabilities		66,193	52,336
Current liabilities			
Current financial payables	20	162,852	159,073
relating to related parties		*0*	*0*
Financial instruments/derivatives		0	0
Current tax liabilities	21	4,562	1,614
relating to related parties		*2,946*	*0*
Current trade liabilities	22	236,927	230,051
relating to related parties		*8,938*	*10,206*
Other current liabilities	23	16,917	16,602
relating to related parties		*1*	*2*
Total current liabilities		421,258	407,340
TOTAL LIABILITIES		*680,186*	*642,513*

[III] The statement of financial position was re-classified, where necessary, in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

CONSOLIDATED INCOME STATEMENT

(€thousand)	*Notes*	*31.12.09*	*31.12.08*
Revenues	24	1,115,220	1,086,178
relating to related parties		*11,074*	*13,045*
Other revenues	25	23,227	23,157
relating to related parties		*133*	*277*
Other non-recurring revenues and income		0	0
Changes in inventories	7	(10,022)	5,484
Capitalised costs		0	0
Purchase of goods for resale and consumables	26	(877,230)	(871,320)
relating to related parties		*(41,837)*	*(45,063)*
Personnel costs	27	(37,271)	(37,948)
Amortization, depreciation and write-downs	28	(10,669)	(10,228)
Other operating costs	29	(140,074)	(134,444)
relating to related parties		*(4,492)*	*(4,284)*
Other non-recurring operating costs		0	0
Financial income and charges	30	(4,718)	(11,193)
relating to related parties		*(12)*	*16*
Non-recurring financial income and charges		0	0
relating to related parties		*0*	*0*
Income (cost) from associated companies		0	0
Pre-tax profits		58,463	49,686
Taxes	31	(19,912)	(17,744)
Profits for the period		38,551	31,942
Atributable to:			
Shareholders of the parent company		38,111	31,708
Minority interests		440	234
		38,551	*31,942*
basic Earnings Per Share (euro)	32	0.58	0.48
diluted Earnings Per Share (euro)	32	0.58	0.48

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME [IV]

(€thousand)	*Notes*	***31.12.09***	*31.12.08*
Profits for the period (A)		38,551	31,942
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(16)	26
Total Other Profits/Losses, net of taxes (B)	*33*	(16)	26
Comprehensive Incoem (A + B)		38,535	31,968

[IV] The consolidated statement of comprehensive income has been included in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

CONSOLIDATED STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY[V]

(note 14)

(€thousand)

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)	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 2008	**33,263**	**60,192**	**4,522**	**13**	**36,496**	**473**		**1,475**	**7,296**	**(3)**	**1,525**	**111,988**				**6,114**	**29,278**	**180,643**	**760**
Allocation of 2007 profit			1,397									**1,397**				27,881	(29,278)		
Distribution of parent company dividends						(40)						**(40)**				(26,553)		(26,593)	
Distribution of subsidiaries company dividends																			(193)
Effect of the trading of own shares	**(345)**												(3,390)	(9)	**(3,399)**			(3,744)	
Other minor variations											(4)	**(4)**						(4)	
Consolidated comprehensive income 2008:																			
- Profit for the period																31,708		31,708	234
- Other Profits/Losses, net of taxes										26		**26**						26	
Balance at 31 December 2008	**32,918**	**60,192**	**5,919**	**13**	**36,496**	**433**		**1,475**	**7,296**	**23**	**1,521**	**113,367**	**(3,390)**	**(9)**	**(3,399)**	**39,150**		**182,036**	**801**
Allocation of 2008 profit			733			1,260						**1,993**				(1,993)			
Distribution of parent company dividends																(28,302)		(28,302)	
Distribution of subsidiaries company dividends																			(242)
Effect of the trading of own shares	**(8)**												(77)	(1)	**(78)**			(86)	
Other minor variations											(4)	**(4)**				(3)		(7)	
Consolidated comprehensive income 2009:																			
- Profit for the period																38,111		38,111	440
- Other Profits/Losses, net of taxes										(16)		**(16)**						(16)	
Balance at 31 December 2009	**32,910**	**60,192**	**6,652**	**13**	**36,496**	**1,693**		**1,475**	**7,296**	**7**	**1,517**	**115,340**	**(3,467)**	**(10)**	**(3,477)**	**46,963**		**191,736**	**999**

[V] The statement of changes in shareholders equity was re-classified, where necessary, in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

CASH FLOWS STATEMENT (INDIRECT METHOD)

Consolidated (€thousand)	*31.12.09*	*31.12.08*
Result for the Period	38,551	31,942
Adjustment:		
Amortization / Depreciation	4,761	4,939
Allocation of provison for bad debts	6,187	4,485
Allocation of provision for inventories	200	250
Capital profit/losses on disposal of assets	(153)	(243)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	4,522	10,847
relating to related parties	*12*	*(16)*
Foreign exchange evaluated (gains)/losses	145	56
Dividends Received	0	0
	15,662	20,334
Net change in Staff Severance Provision	56	(414)
(Increase) decrease in trade receivables	(43,633)	(38,480)
relating to related parties	*905*	*7,114*
(Increase) decrease in inventories	9,822	(5,484)
Increase (decrease) in trade payables	6,604	17,727
relating to related parties	*(1,268)*	*2,550*
(Increase) decrease in other assets	499	5,305
relating to related parties	*82*	*36*
Increase (decrease) in other liabilities	(67)	(2,102)
relating to related parties	*(1)*	*2*
Net change in tax assets / liabilities	18,954	15,954
relating to related parties	*16,689*	*13,860*
Income tax paid	(15,030)	(22,001)
relating to related parties	*(11,296)*	*(17,852)*
Interest paid	(6,108)	(13,222)
relating to related parties	*(17)*	*(13)*
Interest received	1,586	2,375
relating to related parties	*5*	*29*
Foreign exchange gains	898	1,010
Foreign exchange losses	(1,043)	(1,066)
Cash-flow form operating activities	26,751	11,878
(Investments) in other intangible assets	(24)	(90)
Net disposal in other intangible assets	0	0
(Investments) in goodwill	(99)	1
Goodwill write-off	0	0
(Investments) in tangible assets	(2,315)	(6,833)
Net disposal of tangible assets	664	1,956
Net (investments) in equity investments (subsidiaries and associated)	0	0
Net (investments) in equity investments in other companies	(1)	(5)
Outgoing for (acquisition)/divestment of subsiaries or going concerns during the year	(3,656)	(4,595)
Cash-flow from investment activities	(5,431)	(9,566)
Distribution of dividends	(28,302)	(26,593)
Increase in capital and reserves paid-up by shareholders	0	0
Other changes, including those of third parties	(351)	(3,915)
Net change in financial payables (excluding the new non-current loans received)	(11,708)	6,212
relating to related parties	*0*	*(5)*
New non-current loans received	30,000	5,000
relating to related parties	*0*	*0*
Net change in current financial receivables	(3,542)	(1,175)
relating to related parties	*374*	*47*
Net change in non-current financial receivables	1,768	438
Cash-flow from financing activities	(12,135)	(20,033)
Increase (decrease) in cash-flow	9,185	(17,721)
Opening cash and equivalents	30,599	48,320
Closing cash and equivalents	39,784	30,599

EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Corporate information

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

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

The consolidated financial statements for the business year closing as at 31 December 2009 were authorised for publication by the Board of Directors on 8 March 2010.

Structure and contents of the consolidated financial statements

The consolidated financial statements as at 31 December 2009 have been prepared in conformity with the accounting policies and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002 as acknowledged by Legislative Decree 38 dated 28 February 2005 and subsequent CONSOB amendments, communications and decisions.

Reference to the international accounting standards, adopted in the preparation of the consolidated financial statements as at 31 December 2009, 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 2009, see that described in the Director's Report on management performance.

The consolidated financial statements as at 31 December 2009 include, for comparative purposes, the figures for the year ended on 31 December 2008. The following classifications have been used:

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

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

It is highlighted that the above figures have been suitably reclassified, where necessary, for the purpose of adjusting them to that required by IAS 1 Revised, applicable as of 1 January 2009, as indicated in the "New accounting principles, amendments and interpretations applicable in 2009" section. The relevant comparative periods have also been reclassified.

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

(€thousand)	31.12.09 MARR Consolidated	31.12.09 MARR S.p.A.	Impact %
Revenues from sales and services	1,115,220	1,033,207	92.6%
Total assets	680,186	648,438	95.3%
Net profit for the period	38,111	38,544	101.1%

All amounts are indicated in Euros.

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

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

Consolidation method

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

- Subsidiaries have been consolidated as from the date when control was actually transferred to the Group, and are no longer consolidated as from the date when control was transferred outside the Group.
- Assets and liabilities, charges and income of the companies consolidated on a line-by-line basis, have been fully entered in the consolidated financial statements; the book value of equity investments has been written off against the corresponding portion of shareholders' equity of the related concerns, by assigning to each single item of the statement of financial position's assets and liabilities, the current value as at the date of acquisition of control (purchase method as defined by IFRS 3, "Business combinations"). Any residual difference, if positive, is entered under "*Goodwill*" in the assets; if negative, in the income statement.
- Mutual debt and credit, costs and revenues relationships, between consolidated companies, and the effects of all significant transactions between these companies, have been written off.
- The portions of shareholders' equity and of the results for the period of minority shareholders have been shown separately in the consolidated shareholders' equity and income statement.

Scope of consolidation

The consolidated financial statements as at 31 December 2009 include the financial statements of the Parent Company MARR S.p.A. and those of the companies it either directly or indirectly controls. The complete list of subsidiaries included in the consolidation area as at 31 December 2009, with an indication of the method of consolidation, are attached in Appendix 1.

The scope of consolidation as at 31 December 2009 does not differ from that at 31 December 2008

Accounting policies

The most significant Accounting policies adopted for the preparation of the consolidated financial statements as at 31 December 2009 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 contest 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 assets".
The rates applied are the following:

- Buildings	2.8% - 4%
- Plant and machinery	7.50%-15%
- Industrial and business equipment	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%

The remaining accountable value, useful lifetime and amortization criteria are reviewed on closure of each business year and adjusted if necessary.

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 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.

Equity investments in associated and other companies

Equity investments in associated companies are valued at equity, while equity investments in other companies, given their lack of significance, are valued at purchase, subscription or contribution cost, as indicated in Appendix 1 and in the following explanatory notes. The recoverability of their book value is determined by adopting the criteria indicated in the section "Impairment of assets".

Inventories

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

Receivables and other short-term assets

Trade and other short-term receivables are initially entered at their fair value and then valued at their amortized cost, after write-down, if any. Upon entry, the face value of receivables represents their fair value on said date. Given the high receivables turnover, application of amortized cost produces no effects. Provision for bad debts as at said date, represents the difference between the book value of receivables and the reasonable expectation of financial flows forecasted from their collection.

Impairment of assets

In the event of circumstances implying the impairment of an asset, the recoverability of its value is determined by comparing the book value with the relevant recoverable value, which is the higher between the fair value, net of disposal charges, and the value in use.
In the absence of a binding sales agreement, fair value is estimated on the basis of the value expressed by an active market, by recent transactions or on the basis of the best available information reflecting the sum the Company may gain by selling the asset.
The value in use is determined by discounting back the expected cash flows deriving from the use of the asset and, if material and reasonably determinable, from its transfer of the end of its useful life. Cash flows are determined on the basis of reasonable assumptions, to be supported by documentary evidence, representing the best estimate of future economic conditions occurring over the remaining useful life of the asset, attaching greater importance to external indications. Discounting back is made at a rate that considers the risks inherent in the specific line of business.
Evaluation is made for each single asset or for the smallest identifiable group of assets generating autonomous incoming cash flows deriving from constant use (the so-called cash generating unit). When the reasons for write-downs carried out no longer apply, the assets, except for goodwill, are revalued and the adjustment is entered in the income statement as a revaluation (value restoration). Revaluation is made at the lower between the recoverable value and the book value before write-downs previously made, minus the amortization and depreciation rates that would have been allocated should no write-down have been made.

Employee benefits

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

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

Provisions for risks and charges

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

Financial liabilities

Financial liabilities are initially valued at their fair value, equal to consideration received at such date, then measured by amortized cost, adopting the actual interest-rate method.

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.

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

Deferred tax assets and deferred taxes are calculated on the basis of the tax rates expected to be applied in the year said assets will realize or said liabilities will extinguish.

Currency conversion

Receivables and payables initially expressed in foreign currency are converted into Euro at the exchange rates prevailing at the date of the relevant transactions. Exchange rate differences generated upon collection of receivables and payment of payables in foreign currency are entered in the income statement. At the date of preparation of this report, receivables and payables in foreign currency are converted at the exchange rates in force on such date, and the relevant effects are entered in the profit income statement. Upon the date of preparation of this report, the Company had no derivative financial instruments.

Business combinations

"Business Combinations" are recorded by applying the so-called purchase method (as defined by IFRS 3, "Business combinations"). The purchase method requires that, after having identified the purchaser in the context of the business combination and having determined the purchase cost, all assets and liabilities (including the so-called contingent liabilities) purchased must be valued at their fair value. To this end, the company is required to value any intangible assets purchased specifically. Any goodwill is to be calculated in residual form, as the difference between the cost of the business combination (including additional charges and any contingent consideration) and the share pertaining to the company of the difference between assets and liabilities purchased, valued at their fair value.

Any goodwill emerging as described above, just as with any other intangible assets of indefinite life that may have been entered, must not be amortized but subjected to impairment tests at least on an annual basis.

Revenue and cost recognition

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

Accounting treatment of financial assets/instruments

Marr S.p.A. uses derivative financial instruments to cover its exposure to exchange rate risks.
These derivative financial instruments are initially registered at their fair value on stipulation; subsequently, this fair value is adjusted periodically; they are registered in the accounts as assets when the fair value is positive and liabilities when the fair value is negative.

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

Derivatives are classified as hedging instruments when the relation between the derivative and the object of the hedging is formally documented and the hedging, assessed periodically, is highly effective. If derivatives cover a risk concerning the cash flow variations of the instruments covered (cash flow hedge; for example hedging 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 profit and loss account coherently with the economic effect produced by the operation covered. The variations in fair value of the derivatives which do not satisfy the conditions required in order to be classified as coverage are recorded in the profit and loss account 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 assets

In order to measure any impairment of goodwill and the consolidation differences entered in the financial statements, the Company has adopted the method previously illustrated in the section on "Impairment of assets".
The recoverable value has been determined on the value in use basis.
For 2010 cash-flows generating units attributable to each goodwill/consolidation derive from the Budget approved by the Board of Directors, for years from 2011 to 2014 adopting a growth rate of 1%; for the 2015 and *the terminal value* based on the assumption of a constant growth rate amounting to 1.7%. The Weighted Average Cost of Capital (WACC) has been adopted as the discount rate, which is 7.8% (in line with the previous year and the estimates of the financial analysts covering the Company). The measurement of any impairment of assets (Goodwill) was made by referring to the situation as at 31 December 2009.

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

- The expected inflation rate is 2%;
- The discounting rate used is 3.5%;
- The annual rate of increase of the severance plan is expected to be 3%;
- A 9% turnover of employees is expected.

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

- The rate of voluntary turnover is expected to be 13% for MARR S.p.A., 5% for AS.CA S.p.A. and for New Catering S.r.l. and 6% for Emi.gel S.r.l.;
- The rate of corporate turnover is expected to be 2% for MARR. S.p.A. and 13% for AS.CA S.p.A., 9% for New Catering S.r.l. and a 1.5% for Emi.gel S.r.l.;
- The discounting rate used is 3.5%.

- Estimates used in calculating deferred taxes

A significant discretional assessment is required by the directors in order to determine the total amount of deferred taxes receivable 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 other assets.

New accounting principles, amendments and interpretations applicable in 2009

- IAS 1 – *"Presentation of the financial statements"*: the principle separates the changes to the net equity to shareholders and non-shareholders. The table of changes in net equity will only include the details of transactions with shareholders, while all changes due to transactions with non-shareholders will be presented in a single line. Furthermore, this principle introduces the table of "comprehensive income"; this table contains all the income and cost items concerning the period registered in the profit and loss account and also all other income and costs registered. The table of "comprehensive income" can be presented as one single table or two correlated tables. The Group has chosen to highlight the changes produced by these transactions in two separate statements, entitled "Consolidated income statement" and "Consolidated statement of comprehensive income" and to amend the "Consolidated statement of changes in shareholders' equity" accordingly.
- IAS 23 Borrowing Costs: a modified version of IAS 23 Borrowing Costs was emanated in March 2007, and became effective for business years beginning on 1 January 2009. The principle has been modified to require the capitalisation of borrowing costs when these costs refer to a qualifying asset. A qualifying asset is an asset which necessarily requires a significant period of time in order to be ready for use provided for it or for sale. In accordance with the transitory dispositions of the principle, the Group has adopted it as a prospective variation. Therefore, borrowing costs will be capitalised on qualifying assets starting from a date subsequent to 1 January 2009. Changes has not been made for the borrowing costs sustained until that date and which have been accounted for in the profit and loss account. These changes are not applicable to the consolidated financial statements.
- IFRS 2 Share-based payments – Conditions for maturing and cancellations: this modification to IFRS 2 Share-based payments was published in January 2008 and entered into force in the first business year subsequent to 1 January 2009. The principle restricts the definition of "conditions for maturing" to one condition, which includes the explicit or implicit obligation to provide a service. All other conditions are "non-vesting conditions" and must be taken into consideration in determining the fair value of the instrument representing the assigned capital. In the case in which the premium does not mature as a consequence of the fact that it does not satisfy one of the "non-vesting conditions" that is under the control of the body or counter-party, it must be accounted as a cancellation. The Company has not undertaken operations with share-based payments with "non-vesting" conditions and consequently, these modifications have no impact on the Group consolidated financial statements.
- IFRS 8 – *Operating segments*. The new principle requires that information contained in the informative notes for these segments be based on the elements used by management when making operational decisions, and therefore requires the identification of operational segments on the basis of internal reporting, which is regularly reviewed by management during allocation of resources to these segments. This principle must be applied as of 1 January 2009 to replace *IAS 14 – Segment reporting*. The adoption of this principle does not have any effect on the *segment reporting* according to the new principle, as the Group operates in the sole sector of Distribution.
- Changes to IAS 32 and to IAS 1 Financial Instruments with the option to sell and debentures in the case of liquidation: the changes made to IAS 32 and IAS 1 were homologated in February and will enter into force in the first business year subsequent to 1 January 2009. The modification made to IAS 32 requires that certain financial instruments "for sale" and debentures that arise at the time of liquidation are classified as capital instruments if certain specific conditions are in place. The modification made to IAS 1 requires that the explanatory notes provide certain information concerning the options "for sale" classified as capital. These changes are not applicable to the Group consolidated financial statements.
- IFRIC 13 *"Customer Loyalty Programmes":* in June 2007, the interpretation contained in IFRIC 13 was emanated and will be effective for business years starting on 1 July 2008 or subsequently. This interpretation requires that credit granted to customers as Customer Loyalty bonuses be accounted as a separate components to the sales transactions in the context of which they were granted and that part of the equitable value of the payment received therefore be allocated under bonuses and amortized in the period in which the credit/bonuses are paid out. This interpretation has no impact on the interim condensed consolidated financial statements, as there are currently no ongoing Customer Loyalty programmes.
- IFRIC 14 — IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation also explains the accounting effects due to the presence of minimum obligatory payments. These modifications have no impact on the Group consolidated financial statements.

- IAS 32 *"Financial instruments: presentation"* and IAS 1 "Puttable Financial Instruments and obligations deriving from their liquidation". This principle was amended to enable an exception with limited framework of application for "puttable" financial instruments to be classified in the net equity should they satisfy a certain number of criteria. The adoption of these amendments did not have any impact on the Group financial statements.
- IFRIC 9 *"Reassessment of Embedded Derivatives"* and IAS 39 *"Financial Instruments: Recognition and Measurement".* These amendments to IFRIC 9 require an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value trough profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value trough profit or loss.
- IFRS 7 *"Financial instruments: disclosure".* The amended standard requires additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of in puts using a three level hierarchy for each class of financial instrument. In addition, a reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required. The amendments also clarify the requirements for liquidity risk disclosures. As of the date of presentation of this interim condensed consolidated, this amendment has not yet been homologated. The Group has adjusted the annual information to that required by this amendment.

- IAS 39 "Financial instruments: reporting and evaluation – Eligible Hedged Items". The modification clarifies that an entity may allocate a portion of the changes in fair value or the cash flow of a financial instrument as a covered element. The modification also includes the designation of inflation as a covered risk or a portion of the risk in specific situations. This modification is not applicable to the Group financial statements.

In May 2008 and in April 2009, the IASB issued a series of amendments to the IFRS ("*improvements*"). Those quoted below are those which will imply changes in terms of the presentation, acknowledgement and evaluation of the items in the financial statements, those only implying changes in terminology being excluded.

- IAS 19 Employee benefits: the amendment must be applied as of 1 January 2009 with a view to the future in terms of changes in benefits subsequent to said date and clarifies the definition of cost/income as regards past working relations. The Board has also re-elaborated the definition of short-term benefits and long-term benefits and changed the definition of the performance of assets, establishing that this item should be recorded net of any management costs that are not already included in the value of the item. This change has not impact on the consolidated financial statements of the Group.
- IAS 20 Accounting of and information on public contributions: this amendment must be applied with a view to the future as of 1 January 2009 and establishes that the benefits deriving from State loans granted at an interest rate which is less than that applied to the market must be dealt with as public contributions, and therefore follow the rules of acknowledgement established by IAS 20. This circumstance was not applied in the Group consolidated financial statements.
- IAS 23 Borrowing costs: this amendment, which must be applied as of 1 January 2009, reviews the definition of borrowing costs. This change has not impact of the consolidated financial statements of the Group.
- IAS 36 Loss of value of assets: this amendment, which must be applied as of 1 January 2009, provides additional information in the case in which the company should determine the recoverable value of cash generating units using the method if actualisation of cash flows. The Company has adjusted the information in the annual financial statements.
- IAS 38 Intangible Assets: this amendment must be applied as of 1 January 2009 retroactively and establishes the recognition to the profit and loss account of promotional and advertising costs. It also establishes that should the company sustain costs with future economic benefits without the registration of intangible assets, these must be attributed to the profit and loss account at the precise moment in which the company has the right to access the asset or in which the service is provided. This change has not impact on the interim condensed consolidated financial statements of the Group.

- IFRS 8 *"Operating segments"*: the modification clarifies that the assets and liabilities referring to the operating sector need only be presented if they are part of the reporting system used by at the highest management levels. This modification did not change the information provided, as the Group only operates in the Distribution sector.
- IAS 1 *"Presentation of financial statements"*: assets and liabilities classified as held for negotiation according to that established by IAS 39 "Financial instruments: reporting and evaluation" are not automatically classified as current items within the prospectus of statement of financial position. This modification di not lead to any changes in the classification of these items.

- IAS 7 *"Statement of cash flow"*: the modification explicitly states that only the expenditure resulting from the recognition of assets may be classified as a financial flow deriving from investment activities. This amendment did not imply and modification as regards the Statement of cash flow of the Group.
- IAS 16 "Property, plants and equipment": this modification replaces the term "net sale price" with "fair value net of the sales costs". This change does not imply any variations to the Group financial statements.
- IAS 18 "Revenues": this modification clarifies when an entity is operating as the principal subject or as an agent. This modification did not impact on the Group financial statements.

Amendments have also been made to the following IFRS which are not currently applicable to the Group consolidated financial statements:
- IFRS 5 Non-current assets for sale and operational assets terminated.
- IAS 16 Property, plant and equipment: the amendment applicable as of 1 January 2009 is applicable to companies whose core business is renting.
- IAS 28 Investments in associates – IAS 31 Interest in joint ventures.
- IAS 29 Financial reporting in hyper-inflationary economies
- IAS 40 Investments in Property .

Accounting principles, amendments and interpretations applicable to financial statements in business years starting after 1 January 2009

- IFRS 3R Business Combination and IAS 27/R Consolidated and separate financial statements. These two principles will enter into force in the first business year subsequent to 1 July 2009. IFRS 3R introduces changes in the accounting of business combinations which will change the amount of goodwill recorded in the result of the business year in which they are purchased and on the results of subsequent business years. IAS 27R requires that changes in the quotas of shareholdings in subsidiary companies should be accounted for a capital transaction. Consequently, this change will not have an impact on the goodwill and will not originate either profits or losses. Furthermore, the reviewed principles introduce changes to the accounting of losses sustained by subsidiaries and also the loss of control over a subsidiary. The changes introduced by principles IFRS 3R and IAS 27R must be applied in a forward looking manner and will have an impact on future acquisitions and transactions with minority shareholders. At the time of drafting of these interim condensed consolidated financial statements, these principles had not yet been homologated by the European Union. The Group does not expect significant effects deriving from their application.
- IFRIC 16 *"Hedges of a Net Investment in a Foreign Operation"* by which the possibility of applying hedge accounting for operations to cover differences in exchange rate between the currency in which the foreign shareholding is held and the currency of the consolidated financial statements is removed. This interpretation is not applicable to the Group consolidated financial statements.
- IFRIC 17 "Distribution of Non-Cash Assets to Owners", which provides indications as to the accounting of the distribution of non liquid assets to shareholders. The interpretation clarifies when to recognise a liability, how to evaluate it, how to evaluate the assets associated to this liability and when to cancel assets and liabilities. This interpretation is applicable to business years which start after 1 July 2009; the Group believes that this interpretation will not impact on its own financial statements.
- IFRIC 18 "Transfer of assets from customers"; clarifies the accounting treatment to be adopted if the company stipulates a contract from which it stands to receive a material asset from a customer to be used to connect the customer to a network or to provide it with specific access to the supply of goods and services (such as the supply of electricity, gas and water for example). This interpretation should be applied in prospect as of 1 January 2010.

Capital management policy

As regards the management of capital, the Group's priority is to maintain an appropriate level of its own means in relation to debts accrued (Net debt/Equity or "gearing" ratio), so as to guarantee solidity in terms of equity as befitting 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, which is the main indicator for cash flow management and 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 exposure.
The management of capital is also measured in terms of the principal indicators of financial best practice, such as ROS, ROCE, ROE, Net debt / Equity and Net debt / EBITDA.

Financial Risks Management

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

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

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

Market risk

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

As at 31 December 2009, a 5% appreciation in the exchange rate in relation to the US dollar, all else being equal, would have given rise to a decrease in pre-tax profit of 198 thousand Euros (17 thousand Euros in 2008), 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 9 thousand Euros (43 thousand Euros in 2008) ascribable to variation in the amount of the *cash flow hedge* fund (due to the variation in the fair value of forward contracts on exchange rates).
On the other hand, at the same date, a 5% drop in the exchange rate in relation to the US dollar, all else being equal, would have been reflected by a pre-tax profit increase of 218 thousand Euros (24 thousand Euros in 2008).
The other equity items would have shown an upward variation of 10 thousand Euros (48 thousand Euros in 2007).

(ii) Interest rate risks: risks concerning changes to interest rates affect loans. Variable rate financing exposes the Group to the risk of cash flow variations due to interest rates. Fixed rate financing exposes the Group to the risk of changes to the fair value of the finances themselves.

In 2009 business year, a hypothetical upward fluctuation of 10% in the interest rate, all else being equal, would have produced a pre-tax cost increment (with corresponding equity decrease) of approximately 316 thousand Euros on an annual base (662 thousand Euros as at 31 December 2008).

The Group did not make use of derivative financial instruments for the purpose of hedging interest rate risks in 2008.

(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 business units.

Overdue management is differentiated on the basis of length of time overdue (overdue bands).
For the arrears 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 207,119 thousand Euros as at 31 December 2009, represent about 61.1% 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 31.12.09	Balance at 31.12.08
Current trade receivables	338,944	300,848
Other non-current receivables	5,583	3,053
Other current receivables	28,615	32,618
Total	373,142	336,519

For the comments on the various categories, please refer to note 6 on "Other non-current receivables", note 10 on "Trade receivables" and note 13 on "other current receivables".

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

As at 31 December 2009, overdue but non-depreciated trade receivables amounted to 131,825 thousand Euros (127,125 thousand Euros in 2008). The breakdown of these receivables by due dates is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Expiry:		
Less than 30 days	37,206	29,498
betweeen 31 and 60 days	21,301	27,781
betweeen 61 and 90 days	17,051	18,710
Over 90 days	56,267	51,136
Total expired trade receivables	131,825	127,125

The amounts shown above refer to overdue debts calculated on the basis of the nominal terms agreed with the customer at the time of first assessment. This table also includes the "overdue" exposure of the particularly important customers most closely loyal to the Group, with whom special terms of payment are agreed yearly and that are more extensive than those agreed at the time of first assessment. As at 31 December 2009, this particular category of customers accounted for 16,266 thousand Euros, of which 10,249 thousand Euros were in the "Over 90 days" band (at 31 December 2008, 17,872 thousand Euros of which 10,766 thousand Euros classified as "over 90 days").

At the same date, the nominal amount of the disputed trade receivables (all classified in the category of expired "by more than 90 days"), which had undergone a write-down, amounted to 18,718 thousand Euros (15.016 thousand Euros in 2008). These receivables were mainly related to clients in economic difficulties and the Group expects to recover at least part of these receivables. The remaining part is covered by a fund.

Liquidity risk

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

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

The following table shows the breakdown of financial liabilities and derivative financial liabilities on the basis of contractual expiry dates at the reference date of the financial statements. It is noted that the amounts shown do not reflect the book values in as much as they consider the future expected cash flows. Given the extreme volatility of the reference rates, which led to them decreasing considerably in 2009 compared to 2008, the cash flows from these variable rate investments were estimated using a rate calculated by the IRS over five years and increased by the average spread applied to out medium-long term loans.

(€thousand)				
At 31 december 2009	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
Borrowings	164,491	35,631	5,708	3,694
Derivative financial instruments	(10)	0	0	0
Trade and other payables	236,927	0	0	0
	401,408	35,631	5,708	3,694
At 31 december 2008	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
Borrowings	160,343	13,015	12,724	5,479
Derivative financial instruments	(23)	0	0	0
Trade and other payables	230,051	0	0	0
	390,371	13,015	12,724	5,479

Classes of financial instruments

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

(€thousand)	31 December 2009		
Assets as per balance sheet	Loans and receivables	Derivatives used for hedging	Total
Derivative financial instruments	0	10	10
Non Current financial receivables	1,485	0	1,485
Other non-current assets	5,583	0	5,583
Current financial receivables	10,214	0	10,214
Current trade receivables	338,944	0	338,944
Current tax assets	5,108	0	5,108
Cash and cash equivalents	39,784	0	39,784
Other current receivables	28,615	0	28,615
Total	429,733	10	429,743
Liabilities as per balance sheet	Other financial liabilities	Derivatives used for hedging	Total
Non-current financial payables	43,413	0	43,413
Current financial payables	162,852	0	162,852
Derivative financial instruments	0	0	0
Total	206,265	0	206,265

(€thousand)	31 December 2008		
Assets as per balance sheet	Loans and receivables	Derivatives used for hedging	Total
Derivative financial instruments	0	23	23
Non Current financial receivables	3,253	0	3,253
Other non-current assets	3,053	0	3,053
Current financial receivables	6,659	0	6,659
Current trade receivables	300,848	0	300,848
Current tax assets	7,115	0	7,115
Cash and cash equivalents	30,599	0	30,599
Other current receivables	32,618	0	32,618
Total	384,145	23	384,168
Liabilities as per balance sheet	Other financial liabilities	Derivatives used for hedging	Total
Non-current financial payables	28,900	0	28,900
Current financial payables	159,073	0	159,073
Derivative financial instruments	0	0	0
Total	187,973	0	187,973

In compliance with that required by the modifications introduced to IFRS 7 with validity from 1 January 2009, we would point out that the derived financial instruments, constituted by contracts for the coverage of exchanges, are classifiable as "Level 2" financial assets, in as much as the inputs which have a significant effect on the fair value registered are market figures observable directly (exchange market).[VI]

[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 quoted 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 31.12.09	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.08
Land and buildings	49,006	353	(5)	(1,593)	50,251
Plant and machinery	5,319	768	(6)	(1,440)	5,997
Industrial and business equipment	959	274	(1)	(220)	906
Other assets	2,782	1,339	(880)	(969)	3,292
Fixed assets under development and advance	83	82	0	0	1
Total tangible assets	58,149	2,816	(892)	(4,222)	60,447

The increase in the item "Land and buildings" mainly refers to works carried out in some of the distribution centres of the parent company, especially that one in Venezia and in Toscana.

Also the investments made in the item "Plant and machinery" regard the distribution centres of MARR.

The investments made in the item "Other assets" mainly refer to the purchase of 1,062 thousand Euros worth of motor vehicles and 67 thousand Euros for the purchase of electrical/electronic machinery. The decreases amounting to 880 thousand Euros for the business year refer mainly to the sale of motor vehicles (843 thousand Euros).

The purchase of the going concern of Minerva and Baldini increased tangible assets, mainly the item "Industrial and business equipment" for a total amount of 0.1 million Euros.

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 51,536 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 Talgiamento (VE) Via Plerote 6, Spezzano Albanese (CS) Coscile locality, Castenaso (BO), Villanova locality and Bottegone (PT), Francesco Toni 285/297 Street.

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

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

1 January 2004	CONSOLIDATED STATUTORY FINANCIAL	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.

Fixed Asset Leasing:

Below are the summary details of the operation concerning the property located in via Cesare Pavese in Opera (MI) subject to a lease-back operation in 2004, as it is deemed to be the most significant:

- Start of the financial lease: 21 October 2004
- Duration of the contract: 8 years
- Number of instalments: 96
- Value of the asset financed: 7 million Euros
- Amount paid on signature of the contract: 700 thousand Euros
- Amount of the monthly instalments: 72 thousand Euros (plus adjustments for interest rate indexing)
- Indexed rate: 3 monthly Euribor + 1% spread
- Redemption price: 350 thousand Euros (plus VAT)
- Total of the instalments paid during the 2009: 863 thousand Euros
- Net book value of the asset at 31 December 2009: 6,186 thousand Euros
- Remainder at 31 December 2009: 2,804 thousand Euros.

2. Goodwill

Below is the detail of the item "Goodwill":

(€thousand)	Balance at 31.12.09	Purchases / other movements	Balance at 31.12.08
Marr S.p.A. e Sfera S.p.A.(*)	84,720	591	84,129
AS.CA S.p.a.	8,634	0	8,634
New Catering s.r.l.	2,217	36	2,181
Baldini Adriatica Pesca s.r.l.	2,820	2,814	6
EMI.GEL S.r.l.	1,517	(57)	1,574
Total Goodwill	99,908	3,384	96,524

(*) Goodwill related to the subsidiary Sfera S.p.A. (amounting to 14.9 million Euros) is indicated together with the goodwill of Marr S.p.A., because the company is not operating jet and has leased its going concernes to the parent company.

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

We would point out that on the basis of the impairment test carried out on the basis of the considerations outlined above, the total goodwill value of 99,908 thousand Euros would appear to be fully recoverable.

As regards this evaluation, management believes that, also given the prudential viewpoint used in the definition of the key hypotheses used and explained in the section entitled "Main estimates adopted by management and discretional assessments", is not be reasonable to expect changes to determine there cannot reasonably be expected to be changes in them such as to determine a recoverable value in unit terms less than their accounting value.

Compared to December 31 2008, the increase in the item is mainly due to the following operations:

- on 20 January 2009 the subsidiary Baldini Adriatica Pesca s.r.l. signed, through exercising the option granted free of charge and provided by the lease contract for the going concern signed in 2007, the final contract for the purchase of the going concern of F.lli Baldini S.r.l., a company operating in the distribution of seafood products, and particularly of fresh shellfish.
- on 5 February 2009 MARR S.p.A. signed, also through exercising the option granted free of charge and provided by the lease contract for the going concern signed in 2008, the final contract for the purchase of the going concern of the company AGRIFAP S.r.l. (which merged with the company Minerva S.r.l.), operating at the plant in Costermano (VR) and dedicated to commercialisation of fresh and frozen seafood products.
- On 29 July 2009, an additional registration fee was paid on the price instalment concerning the acquisition of the going concern owned by L.C.N. Servizi S.p.A. (formerly CATER Roma S.p.A.), finalised in 2007.

Other minor variations were linked to the definition of price adjustments for the acquisition of the companies New Catering S.r.l. and EMI.GEL. S.r.l.

Business combinations realised during the year

1) Relating the acquisition of the going concern of the company AGRIFAP S.r.l. it is pointed out that the cost of business combination of the classes of assets, liabilities and potential liabilities acquired, has been determined on the basis of the accounting values at the date of the acquisition of the going conceme, appropriately revised in conformity with the IFRS.

Purchase consideration	*(€ Thousand)*
- Price	42
- Direct costs relating to the acquisition	0
Total purchase consideration	42
Fair value of net assets identificable	(430)
Goodwill	472

The purchase of this going concern did not imply an increase in the revenues of the Group, as it was previously managed by MARR S.p.A. through a lease contract for the going concern itself.

The goodwill attributed to the acquisition is justified by the significant strategic value of the "Minerva" branch of business, as it will enable the Company to strengthen its presence further in the specialisation of products, especially in the branch of the commercialisation of fresh seafood products, in addition to enabling it to further improve its territorial coverage.

The accounting values, determined in conformity with the IFRS on the basis of the values as at 20 July 2008, and the amount at the same date of the classes of assets, liabilities and potential liabilities acquired, are illustrated below:

(€ Thousand)	*Fair value of acquired activities and liabilities*	*Provisionally book value of acquired company*
Tangible fixed assets	20	28
Net financial indebtness	(277)	(277)
Suppliers	(31)	(31)
Employee benefits	(99)	(99)
Other payables	(43)	(43)
Fair value of net assets identificable	(430)	(422)

The cash out generated by the acquisition during the financial year amounts to 327 thousand Euros, as specified below:

	(€ Thousand)
Acquistion price paid during the year	(50)
Costs directly cahargeable to the aggregation	
Cash and cash equivalents of acquired company	(277)
Acquisition cash out	(327)

2) Relating the acquisition of the going concern of the company F.lli Baldini S.r.l. it is pointed out that, temporarily, the cost of business combination, pending on the punctual determination at the date of closing (together with selling party) of the classes of assets, liabilities and potential liabilities acquired, has been determined on the basis of the values exposed in the acquisition agreement, where appropriate revised in conformity with IFRS (but still undergoing joint verification by the parties) .

Purchase consideration	*(€ Thousand)*
- Price	407
- Direct costs relating to the acquisition	18
Total purchase consideration	425
Fair value of net assets identificable	(2,388)
Goodwill	2,813

The purchase of this above did not imply an increase in the revenues of the Group, as it was previously managed by the subsidiary Baldini Adriatica Pesca S.r.l. through a lease contract for the going concern itself.

The goodwill provisionally attributed to the purchase is justified by the significant strategic value of the branch of business acquired, as it will enable the Company to strengthen its presence further in the commercialisation of fresh seafood products (together with the acquisition of the "Minerva" branch of business of which below), thanks to the acknowledged leadership of Baldini in the sector of molluscs and shell food.

The initial accounting following the acquisition of the going concern has only been determined provisionally, as the financial statement of the going concern acquired has not yet been completed by the parties.

The accounting values, provisionally determined in conformity with the IFRS on the basis of the values exposed in the acquisition agreement of the going concern acquired, and the amount at the same date of the classes of assets, liabilities and potential liabilities acquired, are illustrated below:

(€ Thousand)	*Fair value of acquired activities and liabilities*	*Provisionally book value of acquired company*
Tangible fixed assets	100	179
Net financial indebtness	(1,879)	(1,875)
Suppliers	(240)	(240)
Employee benefits	(225)	(225)
Other payables	(144)	(144)
Fair value of net assets identificable	(2,388)	(2,305)

The cash out generated by the acquisition during the financial year amounts to 2,155 thousand Euros, as specified below:

	(€ Thousand)
Acquistion price paid during the year	(258)
Costs directly cahargeable to the aggregation	(18)
Cash and cash equivalents of acquired company	(1,879)
Acquisition cash out	(2,155)

Business combinations realised after closure of the financial statements

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

3. Other intangibles fixed assets

Below t is the movements of the item during the year:

(€thousand)	Balance at 31.12.09	Purchases / other	Net decreases	Depreciation	Balance at 31.12.08
Patents	1,009	16	0	(524)	1,517
Concessions, licenses, trademarks and similar rights	12	1	0	(2)	13
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	13	(1)	0	(5)	19
Total Other Intangible Fixed Assets	1,070	16	0	(531)	1,585

4. Non-current financial receivables

As at 31 December 2009, the amount of 1,485 thousand Euros comprises (for 390 thousand Euros) the quota, outside of the year, of receivables from transporters following the sale to the latter of the transport vehicles with which MARR goods are transported.
This item also includes the quota beyond the business year of beneficiary financial receivables from the following partnership companies: Logistica (144 thousand Euros), Adria Market (50 thousand Euros) and La Cascina Soc. Coop. A r.l. (901 thousand Euros).

5. Deferred tax assets

As at 31 December 2009, this amount refers almost totally to the taxation effect (Ires and Irap) calculated on the taxed provisions allocated by the Company.

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
On taxed funds	6,097	4,794
On costs deductible in cash	23	19
On costs deductible in subsequent years	311	70
On other changes	1	1
Pre-paid taxes	6,432	4,884

6. Other non-current assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Non-current trade receivables	3,799	1,320
Accrued income and prepaid expenses	63	95
Other non-current receivables	1,721	1,638
Total Other non-current assets	5,583	3,053

The increase in "non-current trade receivables" is attributable to the redefinition of certain contractual expiries.

Current assets

7. Inventories

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Finished goods and goods for resale		
Foodstuff	24,387	23,680
Meat	14,257	14,799
Seafood	42,701	50,095
Fruit and vegetables	22	22
Hotel equipment	1,625	1,698
	82,992	90,294
provision for write-down of inventories	(750)	(550)
Goods in transit	1,785	4,340
Packaging	561	526
Total Inventories	84,588	94,610

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

Below is the list of movements in the item during the course of the business year:

(€thousand)	Balance at 31.12.09	Change of the year	Balance at 31.12.08
Finished goods and goods for resale	82,992	(7,302)	90,294
Goods in transit	1,785	(2,555)	4,340
Packaging	561	35	526
	85,338	(9,822)	95,160
Provision for write-down of inventories	(750)	(200)	(550)
Total Inventories	84,588	(10,022)	94,610

The decrease in inventories is linked to the better optimisation of the management of goods stored by distribution centres and in platforms.

8. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Financial receivables from parent companies	915	1,289
Receivables from loans granted to third parties	9,299	5,370
Total Current financial receivables	10,214	6,659

The *Receivables for loans granted to third parties,* all of which are interest-bearing, refer to financial debts owed by truckers (amounting to 542 thousand Euros) consequent to the sale to the latter of the motor vehicles used by them to transport MARR products, by service-supplying partners (304 thousand Euros), by other partnership companies (8,417 thousand Euros)in order to strengthen the commercial relationships and to increase sales, and for loans granted to the agents (36 thousand Euros).

9. Financial instruments / derivatives

The amount as at 31 December 2009 refers to forward contracts signed by the subsidiary AS.CA. S.p.A. and in existence at that time, specifically intended to hedge exchange-rate risks on purchases in currencies other than the functional currency. These hedges have been entered as hedges on financial flows.

It should be pointed out that as at 31 December 2009, the Parent Company MARR did not have any ongoing forward contracts on purchase or sales of currency.

10. Current trade receivables

This item is composed of:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Trade receivables from customers	358,940	315,322
Trade receivables from parent companies	143	1,756
Total current receivables	359,083	317,078
Provision for write-down of receivables from customers	(20,139)	(16,230)
Total current net receivables	338,944	300,848

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Trade receivables from customers	355,565	312,655
Receivables from Affiliated Consolidated Companies	3,336	2,629
Receivables from Affiliated not Consolidated Companies	39	38
Total current trade receivables from customers	358,940	315,322

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 20,139 thousand Euros, as highlighted in the table below.

The "Receivables from parent companies" (143 thousand Euros), "from affiliated consolidated companies" (3,336 thousand Euros) and "from affiliated not consolidated companies" (39 thousand Euros), are analytically outlined, together with the corresponding payable items, in the table showed in the Director's Report. These receivables are all of a commercial nature.

Receivables in foreign currencies have been adjusted to the exchange rate valid on 31December 2009.

The depreciation fund as at 31 December 2009 is broken down as follows:

(€thousand)	Balance at 31.12.09	increases	decreases	Balance at 31.12.08
- Tax-deductible provision	2,254	1,987	1,628	1,895
- Taxed provision	16,982	3,550	0	13,432
- Provision for default interest	903	0	0	903
Total Provision for write-down of Receivables from customers	20,139	5,537	1,628	16,230

11. Tax assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Ires/Irap tax advances /withholdings on interest	0	2,902
VAT carried forward	1,068	930
Irpeg litigation	3,879	3,065
Other	161	218
Total Tax assets	5,108	7,115

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

12. Cash and cash equivalents

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Cash and Cheques	2,985	9,049
Bank and postal accounts	36,799	21,550
Total Cash and cash equivalents	39,784	30,599

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 financial report of 2009.

13. Other current assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Accrued income and prepaid expenses	436	389
Other receivables	28,179	32,229
Total Other current assets	28,615	32,618

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Other accrued income (from loans)	2	5
Prepaid expenses		
Leases on buildings and other assets	71	104
Maintenance fees	45	91
Commercial and advertising costs	238	114
Other prepaid expenses	39	7
Other prepaid expenses from Parent Companies	41	68
	434	384
Totale Current accrued income and prepaid expenses	436	389

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Guarantee deposits	134	136
Other sundry receivables	936	1,218
Provision for write-down of receivables from others	(2,290)	(1,640)
Receivables from social security institutions	278	228
Receivables from agents	3,162	2,636
Receivables from employees	23	29
Receivables from insurance companies	256	450
Advances to suppliers and supplier credit balances	25,639	29,077
Advances to suppliers and supplier credit balances from Associates	41	95
Total Other current receivables	28,179	32,229

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"; at the closing of the year, there were goods on the road worth 1,785 thousand Euros. This item is offset by the item "Suppliers" of the payables for invoices to be received. Receivables from foreign suppliers in foreign currencies have been adjusted to the exchange rate valid on 31 December 2009.

The decrease in this item compared to 31 December 2008 is due to a policy for its reduction implemented as of the second half of the business year.

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	1,485	0	0	1,485
Deferred tax assets	6,432	0	0	6,432
Other non-current assets	5,583	0	0	5,583
Financial receivables	10,214	0	0	10,214
Financial instruments / derivative	10	0	0	10
Trade receivables	311,183	20,019	7,742	338,944
Tax assets	4,595	513	0	5,108
Cash and cash equivalents	39,783	1	0	39,784
Other current assets	18,187	3,661	6,767	28,615
Total receivables by geographical area	397,472	24,194	14,509	436,175

LIABILITIES

14. 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 2009, amounting to 33,263 thousand Euros, is represented by 66,525,120 ordinary shares of the parent company MARR S.p.A., entirely subscribed and paid up, with regular benefit, of a nominal value of 0.5 Euros.
The indicated value of 32,910 thousand Euros shows a decrease compared to 31 December 2008, due to the purchase made by the Parent Company of n. 16,750 treasury shares with a total nominal value of 8 thousand Euros.
As mentioned in the Directors' report, as at 31 December 2009, the total number of its treasury shares owned by the Parent company is of n. 705,647.

Share premium reserve
The total reserve as at 31 December 2009 amounted to 60,192 thousand Euros and does not appear to have changed since 31 December 2008. It is pointed out that part of this reserve, amounting to 3,477 thousand Euros, is to be considered as unavailable ex art. 2357-ter of the Civil Code to cover the purchase of its treasury shares of which in the following paragraphs.

Treasury shares
This item amounted to 3,477 thousand Euros and is equal to the difference between the cost of its treasury shares and their nominal value, highlighted in the table of movements in net equity under the items "exceeding of nominal value of treasury shares" and "reserve for profits/losses on treasury shares".

Legal reserve
The increase of 733 thousand Euros is attributable to the allocation of part of the profits for the year closed on 31 December 2008, as per shareholder's meeting's decision dated 17 April 2009.

Shareholders' contributions on account of capital
This Reserve did not change in 2009 and amounts to 36,496 thousand Euros.

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

Extraordinary Reserve
The increase as at 31 December 2009, amounting to 1,260 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2008, as per shareholder meeting's decision made on 17 April 2009.

Cash Flow Hedge Reserve
This reserve is related to the stipulation of contracts for hedging exchange rates and the performance of the Dollar against the Euro.

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

Whit regard to the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amount to 1,517 thousand Euros as at 31 December 2009, the relevant deferred tax liabilities have been accounted for.

On 17 April 2009 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2008 and consequently decided upon allocation of the business year profits, and the approval of a dividend of 0.43 Euros for each ordinary share with the right to vote, excluding own shares in the portfolio at the date of the coupon detachment.

Non-current liabilities

15. Non-current financial payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to banks - non-current portion	41,291	25,882
Payables to other financial institutions - non-current portion	2,122	3,018
Total non-current financial payables	43,413	28,900

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to banks (1-5 years)	38,119	21,238
Payables to banks (over 5 years)	3,172	4,644
Total payables to banks - non-current portion	41,291	25,882

Credit institutes	Interest rate	Expiry	Portion from 2 to 5 years	Portion beyond 5 years	Balance at 31.12.09
MPS-Merchant	variab.(Eurib.6m+0.95%)	31/10/2011	1,856	0	1,856
Pop.Crotone-nr. 64058	Euribor 6m+1%	30/12/2014	1,270	166	1,436
Pop.Crotone-nr. 64057	Euribor 6m+1%	30/12/2014	1,052	138	1,190
Carim - n. 410086	Euribor 6m+1.05%	30/06/2014	1,163	0	1,163
Efibanca	Euribor 3m+0.7%	30/06/2011	4,031	0	4,031
Banca di Imola S.p.A.	variab.(Eurib.3m+0.55% minimo 3%)	31/03/2011	168	0	168
Carisp Pistoia	Euribor 6m+0.48%	31/01/2020	1,904	2,868	4,772
Financing with BNL	Euribor 1m+1.10%	28/03/2011	24,988	0	24,988
Financing with Cassa di Risparmio di Vignola	Euribor 3m+1.5%	18/02/2011	1,687	0	1,687
			38,119	3,172	41,291

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

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

Credit institutes	Guarantee	Amount	Property
Pop.Crotone-nr. 64058	mortgage	7,172	Locality Coscile-Spezzano Albanese (CS)
Pop.Crotone-nr. 64057	mortgage	5,942	Locality Coscile-Spezzano Albanese (CS)
Carim - n. 410086	mortgage	4,500	Via Plerote-S.Michele al T. (VE)
Mps-Merchant	mortgage	9,546	Locality Macchiareddu-Uta (CA)
Mps-Merchant	mortgage	9,547	Via dell'Acero 2/4 and Via del Carpino 4 in Santarcangelo di R. (RN)
Banca di Imola S.p.A.	mortgage	4,829	Locality Villanova - Comune di Castenaso (BO)
Cassa di Risparmio di Pescia e Pistoia	mortgage	10,000	Via Francesco Toni 285/297 - Bottegone (PT)
Total		51,536	

Payables to other financial institutions (beyond the year) concern the accounting, according to the finance lease method, of the leasing contract.

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to other financial institutions (1-5 years)	2,122	3,018
Payables to other financisl institutions (over 5 years)	0	0
Total payables to other financial institutions - Non current portion	2,122	3,018

The value at 31 December 2009 is mainly represented (for 1,841 thousand Euros) by non-current payables for the contract stipulated with Unicredit Leasing S.p.A. (formerly Locat S.p.A.).

Lastly, it must be pointed out that:

- the ongoing financing with Efibanca S.p.A. provides the following financial covenants:
  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3.6
- the ongoing financing with Banca Nazionale del Lavoro (signed in 2009) provides the following financial and commercial covenants:
  NET DEBT / EQUITY =< 2
  NET DEBT / EBITDA =< 3
  Annual trade transactions (as of the date of subscription of the contract) worth at least 100 million Euros.

Financial covenants are punctually calculated with reference to the consolidated MARR Group data of the year and of the half year, while the commercial covenant is constantly monitored on the data of the parent company and punctually calculated at the end of the first year.

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

(€thousand)	Book Value		Fair Value	
	2009	2008	2009	2008
Payables to banks - non-current portion	41,291	25,882	40,035	27,060
Payables to other financial institutions - non-current portion	2,122	3,018	1,992	2,838
	43,413	28,900	42,027	29,898

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.

16. Employee benefits

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

(€thousand)	
Opening balance at 31.12.08	10,007
changes in scope of consolidation	0
use for the period	(842)
provision for the period	898
other changes	0
Closing balance at 31.12.09	10,063

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

17. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.09	Others	Provisions	Uses	Balance at 31.12.08
Provision for supplementary clients severance indemnity	1,657	(2)	(281)	0	1,940
Provision for specific risk	1,334	0	0	0	1,334
Total Provisions for non-current risks and charges	2,991	(2)	(281)	0	3,274

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

During the course of 2007, several disputes arose with the Customs Authorities concerning the payment of preferential customs duties on certain imports of fish products. With reference to the most significant of these disputes, involving import duties amounting to approximately 250 thousand Euros concerning the purchase of certain goods from Mauritania, it must be pointed out that the judges in the first phase of proceedings rejected the recourses presented by the Company in May 2008, but in any case accepted the fact that the company was entirely extraneous to the claimed irregularities, as they were attributable exclusively to its suppliers, from whom, as already formally notified to them, all expenses and costs inherent and/or consequent to the aforementioned dispute will be reclaimed.
In any case, also by reason of the new documentation acquired by the customs and trade authorities in Mauritania, through the principal foreign supplier of the company, MARR Spa, on 11 September 2008, presented a claim for self-protection to the Customs Office in Livorno for the imposition deeds issued and in any case, on 24 December 2008 and 19 January 2009, impugned the sentences passed in the first phase of the proceedings before the Florence Regional Tributary Commission.

As at 31 December 2009, MARR S.p.A. had paid 3,879 thousand Euros as payment of taxes while awaiting judgement; this amount was classified under tax receivables.

18. Deferred tax liabilities

As of 31 December 2009 the breakdown of this item, amounting to 9,684 thousand Euros (9,167 thousand Euro on 31 December 2008), is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
On capital gains in instalments	13	50
On goodwill amortisation reversal	2,896	2,337
On funds subject to suspended taxation	475	477
On leasing recalculation as per IAS 17	471	478
On actuarial calc. of customers supplementary indemnity fund	(198)	(283)
On amortised cost calculation	(21)	(81)
On actuarial calc. of severance provision fund	230	230
On fair value revaluation of land and buildings	4,259	4,281
On allocation of acquired companies' goodwill	993	1,109
Others	566	569
Deferred tax liabilities fund	9,684	9,167

The caption "Others" is due to the effect calculated on the companies controlled by MARR S.p.A..

19. Other non-current payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables for acquisition of shares/equity investments (1-5 years)	0	895
Other non-current accrued income and prepaid expenses	42	93
Total other non-current payables	42	988

The decrease in the item "payables for acquisition of shares/equity investments (1-5 years) is related to the debt of the parent company for the purchase of the 100% of the share capital of the company EMI.GEL S.p.A., finalised in 2008 and for which, during 2009 business year, an instalment amounting to 1,058 thousand Euros has been paid. The remaining debt will expire during the 2010 business year.

Current liabilities

20. Current financial payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to banks	161,128	158,150
Payables to other financial institutions	1,724	923
Total Current financial payables	162,852	159,073

Current payables to banks:

(€thousand)		Balance at 31.12.09		Balance at 31.12.08
Current accounts		6,434		3,533
Loans/Advances		139,632		143,748
Loans:				
- MPS-Merchant	1,781		1,709	
- Pop.Crotone-nr. 64058	300		265	
- Pop.Crotone-nr. 64057	248		220	
- Efibanca	8,053		8,063	
- Carim - n. 410086	309		299	
- Banca di Imola S.p.A.	330		313	
- Cassa di Risp.di Pescia e Pistoia	228		0	
- Cassa di Risp. Vignola	3,313		0	
- Cassa di Risp. Lucca	500		0	
		15,062		10,869
		161,128		158,150

The increase compared to 31 December 2008 is mainly due to the financial requirements generated by the increased company turnover.

In particular, the entry for "Loans/Advances" consists mainly of 15,846 thousand Euros for advances on exports/imports of the Parent Company, 85,833 thousand Euros for advances on invoices and 37,953 thousand Euros for short-term loans.

Payables to other financiers are mainly to the almost totally due to the payables for acquisition of shares/equity investments amounting to 814 thousand Euros and to the current quota of the leasing contract stipulated with the company Unicredit Leasing S.p.A. (formerly Locat S.p.A.) amounting to 787 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.

21. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Irap/Ires	238	315
Ires trasferred to parent company	2,946	0
Other taxes payables	126	99
Irpef for employees	1,046	991
Irpef for external assistants	202	176
VAT	4	33
Total current tributary payables	4,562	1,614

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

As regards MARR S.p.A., the 2005 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.

As regard the item "Ires transferred to parent company" it is pointed out that, as at 31 December 2008, MARR showed a net positive balance towards Cremonini S.p.A. for the Ires cost transferred in the context of the national consolidated fiscal system.

22. Current trade liabilities

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to suppliers	227,989	219,846
Payables to associated companies consolidated by the Cremonini Group	8,128	9,167
Payables to associated companies not consolidated by the Cremonini Group	58	6
Payables to other associated companies	247	264
Trade payables to Parent Company	505	768
Total current trade liabilities	236,927	230,051

The liabilities refer mainly to settlements deriving from commercial operations and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 8,128 thousand Euros, "Payables to Associated Companies not consolidated by the Cremonini Group" for 58 thousand Euros, "Payables to other Correlated Companies" for 247 thousand Euros and "Trade payables to Parent Companies" for 505 thousand Euros, the details and analysis of which are reported in Directors' Report.

23. Other current liabilities

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Accrued income and prepaid expenses due	1,672	1,560
Other payables	15,245	15,042
Total other current liabilities	16,917	16,602

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Other accrued expenses	78	208
Amounts due for remuneration of employees/directors	1,051	1,016
Other prepaid expenses	34	12
Deferred income for interests from other loans	14	21
Prepaid payments due to clients	495	303
Total current accrued expenses and deferred income	1,672	1,560

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Inps/Inail and other social security institutes	1,887	1,839
Enasarco/ FIRR	526	490
Payables to personnel for emoluments	4,827	4,795
Advances from customers, customers credit balances	5,694	5,219
Payables to insurance companies	379	150
Payables for acquisition shares/equity investments	1,932	2,549
Total other payables due	15,245	15,042

The item "*Payables to personnel for emoluments*" includes current salaries not yet paid as at 31 December 2009 and allocations for leave accrued but not taken, with relevant charges.

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	43,413	0	0	43,413
Employee benefits	10,063	0	0	10,063
Provisions for risks and charges	2,991	0	0	2,991
Deferred tax liabilities	9,684	0	0	9,684
Other non-current liabilities	42	0	0	42
Current financial payables	162,852	0	0	162,852
Financial instruments / derivative	0	0	0	0
Current tax liabilities	4,562	0	0	4,562
Current trade liabilities	203,297	29,901	3,729	236,927
Other current liabilities	16,803	78	36	16,917
Total payables by geographic area	453,707	29,979	3,765	487,451

Guarantees, sureties and commitments

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

Guarantees (totalling 22,252 thousand Euros)
These refer to:

- guarantees issued on behalf of MARR in favour of third parties (amounting to 19,966 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 more than one year;
- guarantees issued by the subsidiaries of MARR in favour of public bodies totalling 12 thousand Euros. In particular Baldini Adriatica Pesca S.r.l. for 5 thousand Euros and Alisea Soc. Cons. a r.l. for 7 thousand Euros.
- guarantees issued by MARR S.p.A. in favour of financial institutes in the interest of subsidiary companies. This item amounted to a total of 2,274 thousand Euros as at 31 December 2009 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 31.12.09	Balance at 31.12.08
Guarantees		
Marr Foodservice Iberica S.a.U.	800	800
Alisea Soc. Cons. a r.l.	1,436	1,436
Baldini Adriatica Pesca S.r.l.	38	0
Total Guarantees	2,274	2,236

Collaterals
Collaterals in favour of third parties refer mainly to mortgages on properties owned and are analysed in detail in the comment on the item "Payables to banks".
Other risks and commitments
This item, amounting to 7,235 thousand Euros refers to credit letters issued by certain credit institutes to guarantee obligations undertaken with our foreign suppliers.

Comments on the main items of the consolidated income statement

24. Revenues

Revenues are composed of:

(€thousand)	31.12.2009	31.12.2008
Revenues from sales - Goods	1,099,270	1,069,862
Revenues from Services	11,838	11,541
Other revenues from sales	559	698
Advisory services to third parties	0	50
Manufacturing on behalf of third par	46	53
Rent income (typical management)	73	80
Other services	3,434	3,894
Total revenues	1,115,220	1,086,178

Revenues from services provided mainly include charges to customers for processing, transport and dispatch.

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

(€thousand)	31.12.2009	31.12.2008
Italy	1,030,614	1,012,613
European Union	63,807	52,820
Extra-EU countries	20,799	20,745
Total	1,115,220	1,086,178

25. Other revenues

The Other revenues are broken down as follows:

(€thousand)	31.12.2009	31.12.2008
Contributions from suppliers and others	20,556	19,989
Other Sundry earnings and proceeds	1,619	1,266
Reimbursement for damages suffered	596	1,102
Reimbursement of expenses incurred	242	490
Recovery of legal taxes	27	43
Capital gains on disposal of assets	187	267
Total other revenues	23,227	23,157

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers.

26. Purchase of goods for resale and consumables

This item is compose of:

(€thousand)	31.12.2009	31.12.2008
Purchase of goods for resale and consumables	872,010	865,767
Purchase of packages and packing material	3,928	4,065
Purchase of stationery and printed paper	665	707
Purchase of promotional and sales materials and catalogues	203	172
Purchase of various materials	571	696
Discounts and rebates from suppliers	(577)	(699)
Fuel for industrial motor vehicles and cars	430	612
Total purchase of goods for resale and consumables	877,230	871,320

27. Personnel costs

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

(€thousand)	31.12.2009	31.12.2008
Salaries and wages	26,569	27,262
Social security contributions	8,274	8,564
Staff Severance Provision	2,286	2,105
Other Costs	142	17
Total personnel costs	37,271	37,948

The breakdown of employees by category is highlighted in the following table:

	Workers	Employees	Managers	Total
Employees at 31.12.08	535	470	7	1,012
Net increases	*(6)*	*(11)*	*1*	*(16)*
Employees at 31.12.09	529	459	8	996
Average employees at 31.12.09	577.0	469.5	7.8	1,054.2

Compared to 31 December 2008 personnel cost shows a decrease of 677 thousand Euros, due to the fact that the higher costs, due the renewal of the collective contract were overcompensated by the careful management of the overtime and the lower employment of seasonal workers and an intensification of the use of leave.

28. Amortizations, depreciations and write-downs

(€thousand)	31.12.2009	31.12.2008
Depreciation of tangible assets	4,222	4,416
Amortization of intangible assets	531	523
Provisions and write-downs	5,916	5,289
Total amortization and depreciation	10,669	10,228

(€thousand)	31.12.2009	31.12.2008
Allocation of taxable provisions for bad debts	4,200	2,875
Allocation of non-taxable provisions for bad debts	1,987	1,611
Provision for risk and loss fund	0	200
Provision for supplementary clientele severance indemnity	(281)	353
Inventory write-down	0	250
Other fixed assets depreciation	10	0
Loss of value from impairment test	0	0
Total provisions and write-downs	5,916	5,289

29. Other operating costs

(€thousand)	31.12.2009	31.12.2008
Operating costs for services	130,775	125,415
Operating costs for leases and rentals	7,433	7,426
Operating costs for other operating charges	1,866	1,603
Total other operating costs	140,074	134,444

(€thousand)	31.12.2009	31.12.2008
Distribution costs for our products	53,789	52,037
Commissions, miscellaneous agent costs, other sale expenses	35,509	33,216
Technical and logistics services (picking, etc)	15,772	14,688
Technical, legal, fiscal, administrative, commercial logistical consultancies, branch management, others	4,641	5,192
Energy consumption and utilities	6,883	7,154
Third-party production	3,129	2,961
Maintenance costs	3,770	3,370
Porterage and movement of goods	1,573	1,460
Advertising, promotion, exhibitions, sales (sundry items)	402	566
Directors' and statutory auditors' fees	1,149	953
Insurance costs	729	721
Reimbursement of expenses, travel costs and sundry personnel costs	206	287
General and other services	3,223	2,810
Total operating costs for services	130,775	125,415

(€thousand)	31.12.2009	31.12.2008
Lease of industrial buildings	6,559	6,351
Lease of processors and other personal property	390	452
Lease of industrial vehicles	209	222
Lease of going concern	5	122
Lease of cars	149	179
Lease of plants, machinery and equipment	11	7
Rent fees and other charges paid on other personal property	110	93
Total operating costs for leases and rentals	7,433	7,426

The fees for the lease of industrial buildings include the rental fees, totalling 672 thousand Euros, paid to the correlated company Le Cupole S.r.l. in Castelvetro (MO) for the rental of the buildings in which the MARR Uno branch carries out its activities (Via Spagna 20 – Rimini) and 1,105 thousand Euros to the associate company Consorzio Centro Commerciale Ingrosso Carni S.r.l. in Bologna for the rental of the building in which the Carnemilia Division carries out its activities (Via Francesco Fantoni, 31 – Bologna).

The fees for the rental of company property amounting to 5 thousand Euros refer to the subsidiary Baldini Adriatica Pesca S.r.l.; their decrease is due to the fact that in the month of January 2009 Baldini Adriatica Pesca S.r.l. finalized the acquisition of the relevant going concern.

(€thousand)	31.12.2009	31.12.2008
Other indirect taxes, duties and similar charges	1,166	873
Expenses for recovery of debts	201	233
Other sundry charges	288	302
Capital losses on disposal of assets	34	24
ICI	126	119
Contributions and membership fees	51	52
Total operating costs for other operating charges	1,866	1,603

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

30. Financial income and charges

(€thousand)	31.12.2009	31.12.2008
Financial charges	6,108	13,222
Financial income	(1,587)	(2,375)
Foreign exchange (gains)/losses	197	346
Total financial (income) and charges	4,718	11,193

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)	31.12.2009	31.12.2008
Interest paid on other loans, bills discount, hot money, imports	1,888	4,687
Interest payable on loans	604	973
Interest payable on discounted bills, advances, exports	2,793	5,817
Other financial interest and charges	806	1,733
Interest and Other financial charges for Consolidated Parent Companies	17	12
Total financial charges	6,108	13,222

(€thousand)	31.12.2009	31.12.2008
Other sundry financial income (interest from customers, etc.)	(1,555)	(2,267)
Positive interest from bank accounts	(32)	(108)
Total Financial Income	(1,587)	(2,375)

The decrease in financial charges is attributable to the decrease in interest rates, started at the end of 2008 and further decreased during 2009.

31. Taxes

(€thousand)	31.12.2009	31.12.2008
Ires-Ires charge transferred to Parent Company	17,092	13,913
Irap	3,793	3,848
Net provision for deferred tax liabilities	(973)	(17)
Total taxes	19,912	17,744

Reconciliation between theoretical and effective fiscal charges

(€thousand)	Year 2009		Year 2008	
	Taxable amount	Tax	Taxable amount	Tax
I.R.E.S.				
Profit before taxation	62,200		51,856	
Taxation rate	27.50%		27.50%	
theoretical tax burden		17,105		14,260
Permanent differences				
Non-deductible depreciation	478		81	
Write-down of financial assets	12		98	
Other	731		957	
	1,221		1,136	
Deductible depreciation	(1,853)		(1,896)	
Dividends from Italian companies (95%)	(3,520)		(1,975)	
Other	0		(341)	
	(5,373)		(4,212)	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	4,690		3,612	
Maintenance costs excess 5%	122		46	
Other	52		41	
Deductible entertainment expenses	5		0	
	4,869		3,699	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	118		386	
	118		386	
Use of taxed provision for bad debts	0		(2,022)	
Use of others taxed provisions	(296)		0	
Amount deductible entertainment expenses	(42)		(58)	
Amount of Write-down of financial assets	0		0	
Amount of maintenance cost excess 5%	(85)		(25)	
Other	(391)		(100)	
	(814)		(2,205)	
Taxable income	62,221		50,660	
Taxation rate	27.50%		27.50%	
Actual tax burden		17,111		13,932
Mainstream IRES for past business years		(19)		(19)
Actual Tax burden of Period		17,092		13,913
I.R.A.P.				
Profit before taxation	62,200		51,856	
Cost not relevant for I.R.A.P.				
Income and burdens from shareholdings	12		(2,079)	
Financial income and expense	1,024		11,162	
Personnel costs	37,240		37,934	
Theorical taxable	100,476		98,873	
Taxation rate	4.00%		4.03%	
theoretical tax burden		4,016		3,988
Other	(4,415)		(6,384)	
Taxable income	96,061		92,489	
Taxation rate	4.00%		4.03%	
Actual tax burden		3,841		3,732
Mainstream IRAP for past business years		(48)		116
Actual Tax burden of Period		3,793		3,848

32. Earnings per share

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

(in Euro)	2009	2008
EPS base	0.58	0.48
EPS diluited	0.58	0.48

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

Earnings:

(€thousand)	31.12.2009	31.12.2008
Profit for the period	38,551	31,942
Minority interests	(440)	(234)
Profit used to determine basic and diluted earnings per share	38,111	31,708

Number of shares:

(number of shares)	31.12.2009	31.12.2008
Weighted average number of ordinary shares used to determine basic earning per share	65,820,848	66,072,362
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,820,848	66,072,362

It should be pointed out that for the calculation of profits per share, as at December 31, 2009 the weighted average of ordinary shares in circulation has been used, taking into consideration the purchases of own shares made until this date.

33. Other profits/losses

The value of the other profits/losses contained in the consolidated comprehensive income statement consists of the effects produced and reflected in the period with reference to the effective part of the term exchange purchase transactions carried out by the Group to hedge the underlying goods purchasing operations, net of a positive taxation effect that amounts to approximately 3 thousand Euros as at 31 December 2009.
These profits/losses have been entered, in keeping with what is foreseen by the IFRS, in the net equity and highlighted (as foreseen by IAS 1 revised, applicable as from 1st January 2009) in the consolidated comprehensive income statement.

Net financial position

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

	MARR Consolidated (€thousand)	*31.12.09*	*31.12.08*
A.	Cash	2,982	9,007
	Cheques	2	42
	Bank accounts	36,778	21,455
	Postal accounts	21	95
B.	Cash equivalent	36,801	21,592
C.	Liquidity (A) + (B)	39,783	30,599
	Current financial receivable due to Parent Company	915	1,289
	Current financial receivable due to Related Companies	0	0
	Others financial receivable	9,310	5,393
D.	Current financial receivable	10,225	6,682
E.	Current Bank debt	(146,556)	(147,281)
F.	Current portion of non current debt	(14,572)	(10,869)
	Financial debt due to Parent Company	0	0
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,724)	(923)
G.	Other current financial debt	(1,724)	(923)
H.	Current financial debt (E) + (F) + (G)	(162,852)	(159,073)
I.	Net current financial indebtedness (H) + (D) + (C)	(112,844)	(121,792)
J.	Non current bank loans	(41,291)	(25,882)
K.	Other non current loans	(2,122)	(3,018)
L.	Non current financial indebtedness (J) + (K)	(43,413)	(28,900)
M.	Net financial indebtedness (I) + (L)	(156,257)	(150,692)

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.

Information on the remuneration of the members of the Board of Directors and Statutory Auditors

Pursuant to the law, the total remuneration due to Directors and members of the Board of Auditors for 2009 for carrying out their activities, including those in other companies in the Group, are indicated below:

(€thousand)		Term of office	Expiration	Conpensation for office held in MARR S.p.A	Non-cash benefits	Bonuses and other incentives	Other fees
Board of Directors							
Vincenzo Cremonini	Chairman	01/01/2009 - 31/12/2009	Annual repor 2010	20,000			
Ugo Ravanelli	Chief Executive Officer	01/01/2009 - 31/12/2009	Annual repor 2010	665,000			196,360
Illias Aratri	Director	01/01/2009 - 31/12/2009	Annual repor 2010	20,000			
Alfredo Aureli	Director	01/01/2009 - 31/12/2009	Annual repor 2010	28,000			
Giosué Boldrini	Director	01/01/2009 - 31/12/2009	Annual repor 2010	20,000			
Paolo Ferrari	Director	01/01/2009 - 31/12/2009	Annual repor 2010	30,000			
Giuseppe Lusignani	Director	01/01/2009 - 31/12/2009	Annual repor 2010	30,000			
Total Board of Directors				813,000			196,360
Board of Statutory Auditors							
Ezio Maria Simonelli	Chairman of the Board of Statutory Auditors	01/01/2009 - 31/12/2009	Annual repor 2010	29,783			
Massimo Conti	Statutory Auditor	01/01/2009 - 31/12/2009	Annual repor 2010	19,859			10,988
Italo Ricciotti	Statutory Auditor	01/01/2009 - 31/12/2009	Annual repor 2010	19,859			
Total Board of Statutory Auditors				69,501			10,988
Total				882,501			207,348

It must be pointed out that the stock option plans were concluded in the 2007 business year. The assignment of the remaining options was concluded during the same business year, and these were fully exercised within the required deadline.

° ° °

Rimini, 8 March 2010

The Chairman of the Board of Directors

Vincenzo Cremonini

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 2009
- Appendix 2 – Statement of financial position, income statement, cash-flow statement and changes in net equity of the Parent Company MARR S.p.A. as at 31 December 2009
- Appendix 3 – Table showing reconciliation between the Parent Company's Net Equity and the consolidated Net Equity.
- Appendix 4 – Table showing variations in Intangible Assets for the year ending 31 December 2009.
- Appendix 5 – Table showing variations in Tangible Assets for the year ending 31 December 2009.
- Appendix 6 – Table showing the essential data from Cremonini S.p.A. and consolidated financial statements as at 31 December 2008.
- Appendix 7 – Information as per art. 149-duodecies of the Consob Issuers Regulations.

MARR GROUP S.p.A.
LIST OF EQUITY INVESTMENTS
AT 31 DECEMBER 2009

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	32,910			
- **Subsidiaries**:					
Marr-Alisurgel S.r.l. in liq.	Santarcangelo di R. (RN)	10	97.0%	Sfera S.p.A.	3.0%
Alisea Società Consortile a r.l.	Impruneta, Tavarnuzze (FI)	500	55.0%		
Sfera S.p.A. (ex Sogema S.p.A.)	Santarcangelo di R. (RN)	220	100.0%		
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (Spagna)	600	100.0%		
New Catering S.r.l.	Santarcangelo di R. (RN)	34	100.0%		
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R. (RN)	10	100.0%		
EMI.GEL S.r.l.	Santarcangelo di R. (RN)	260	100.0%		
ASSOCIATED:					
Masofico (**)	Nouakchott (Mauritania)	26	40.0%		
EQUITY INVESTMENTS VALUED AT COST:					
- **Other Company**:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11,798	1.66%		

(*) The value of the share capital of MARR S.p.A. is net to the nominal value of its own shares purchased in the context of "buy back" programme.
(**) Share capital equla to 9,600,000 OuguiYa (equal to 25.981 Euro).The company is not operating the investment in this company has been totally write-off in 2006 and its book value is equal to zero.

MARR S.p.A. STATEMENT OF FINANCIAL POSITION

(€)	*Notes*	*31.12.09*	*31.12.08*
ASSETS			
Non-current assets			
Tangible assets	1	50,892,455	52,980,622
Goodwill	2	70,965,336	70,373,788
Other intangible assets	3	613,631	942,368
Investments in subsidiaries and associated companies	4	33,271,025	33,345,317
Investments in other companies	5	286,192	286,192
Non-current financial receivables	6	1,485,251	2,610,841
Deferred tax assets	7	6,146,997	4,718,215
Other non-current assets	8	5,472,289	3,069,785
Total non-current Assets		169,133,176	168,327,128
Current assets			
Inventories	9	78,973,234	87,833,934
Financial receivables	10	16,175,750	9,369,891
relating to related parties		*6,876,659*	*4,768,297*
Financial instruments / derivative	11	0	23,315
Trade receivables	12	314,530,032	280,030,716
relating to related parties		*3,691,247*	*5,034,011*
Tax assets	13	4,885,318	6,643,546
relating to related parties		*0*	*2,618,634*
Cash and cash equivalents	14	37,221,059	28,202,894
Other current assets	15	27,519,464	31,154,054
relating to related parties		*81,759*	*163,610*
Total current Assets		479,304,857	443,258,350
TOTAL ASSETS		*648,438,033*	*611,585,478*
LIABILITIES			
Shareholders' Equity	16	187,843,316	177,717,205
Share capital		*32,909,736*	*32,918,111*
Reserves		*117,373,599*	*115,409,016*
Retained Earnings		*(3,476,960)*	*(3,398,886)*
Profit for the period		*41,036,941*	*32,788,964*
Total Shareholders' Equity		187,843,316	177,717,205
Non-current liabilities			
Non-current financial payables	17	43,118,605	28,199,539
Employee benefits	18	8,560,823	8,545,786
Provisions for risks and charges	19	1,876,983	2,173,257
Deferred tax liabilities	20	8,041,099	7,489,122
Other non-current liabilities	21	41,627	987,436
Total non-current Liabilities		61,639,137	47,395,140
Current liabilities			
Current financial payables	22	159,097,729	156,837,807
relating to related parties		*1,169,479*	*1,641,938*
Current tax liabilities	23	4,336,990	1,035,894
relating to related parties		*3,024,996*	*0*
Current trade liabilities	24	220,566,053	213,973,061
relating to related parties		*8,695,883*	*9,905,357*
Other current liabilities	25	14,954,808	14,626,371
relating to related parties		*1,083*	*1,840*
Total current Liabilities		398,955,580	386,473,133
TOTAL LIABILITIES		*648,438,033*	*611,585,478*

MARR S.p.A. INCOME STATEMENT

(€)	*Notes*	*31.12.2009*	*31.12.2008*
Revenues	26	1,033,206,865	1,009,068,444
concerning related parties		*14,323,833*	*15,998,183*
Other revenues	27	21,210,808	22,002,743
relating to related parties		*136,603*	*284,268*
Changes in inventories	9	(8,860,700)	5,107,544
Internal works performed		0	0
Purchase of goods for resale and consumables	28	(820,052,055)	(816,197,841)
relating to related parties		*(42,760,922)*	*(45,953,702)*
Personnel costs	29	(30,353,278)	(31,304,436)
Amortization, depreciation and write-downs	30	(9,512,310)	(9,214,481)
Other operating costs	31	(128,209,845)	(124,651,901)
relating to related parties		*(5,740,063)*	*(5,570,017)*
Other non-recurring operating costs		0	0
Financial income and charges	32	(4,650,121)	(10,823,985)
relating to related parties		*(38,549)*	*(37,419)*
Non-recurring financial income and charges		0	0
relating to related parties		*0*	*0*
Income (charge) from associated companies	33	3,693,042	2,001,387
Profit before taxes		*56,472,406*	*45,987,474*
Taxes	34	(17,928,341)	(15,691,386)
Profit for the period		*38,544,065*	*30,296,088*
EPS base (euros)	35	0.59	0.46
EPS diluited (euros)	35	0.59	0.46

MARR S.p.A. STATEMENT OF COMPREHENSIVE INCOME

(€)	*Notes*	*31.12.2009*	*31.12.2008*
Profits for the period (A)		*38,544,065*	*30,296,088*
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(23,315)	26,754
Total Other Profits/Losses, net of taxes (B)	36	*(23,315)*	*26,754*
Comprehensive Income (A + B)		*38,520,750*	*30,322,842*

MARR S.p.A. CASH FLOWS STATEMENT (INDIRECT METHOD)

MARR S.p.A. (€thousand)	*31.12.09*	*31.12.08*
Result for the Period	38,544	30,296
Adjustment:		
Amortization / Depreciation	3,908	4,196
Allocation of provison for bad debts	5,900	4,350
Allocation of provision for investments in subsidiaries	12	77
Allocation of provision for inventories	200	250
Capital profit/losses on disposal of assets	(95)	(250)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	4,363	10,574
relating to related parties	*39*	*37*
Foreign exchange evaluated (gains)/losses	235	(40)
Dividends Received	(3,705)	(2,078)
	10,818	17,079
Net change in Staff Severance Provision	14	(426)
(Increase) decrease in trade receivables	(39,749)	(36,779)
relating to related parties	*1,343*	*(6,919)*
(Increase) decrease in inventories	8,661	(5,108)
Increase (decrease) in trade payables	6,562	18,433
relating to related parties	*(1,209)*	*2,116*
(Increase) decrease in other assets	483	4,084
relating to related parties	*82*	*36*
Increase (decrease) in other liabilities	243	(822)
relating to related parties	*(1)*	*(6)*
Net change in tax assets / liabilities	17,028	14,092
relating to related parties	*15,417*	*12,240*
Income tax paid	(12,845)	(19,856)
relating to related parties	*(9,773)*	*(16,380)*
Interest paid	(5,898)	(12,926)
relating to related parties	*(44)*	*(66)*
Interest received	1,535	2,352
relating to related parties	*5*	*29*
Foreign exchange gains	779	919
Foreign exchange losses	(1,014)	(879)
Cash-flow form operating activities	25,161	10,459
(Investments) in other intangible assets	(23)	(90)
Net disposal in other intangible assets	0	0
(Investments) in goodwill	(120)	0
Devaluation of goodwill	0	0
(Investments) in tangible assets	(2,344)	(6,083)
Net disposal of tangible assets	991	1,939
Net (investments) in equity investments (subsidiaries and associated)	62	3
Net (investments) in equity investments in other companies	0	0
Outgoing for (acquisition)/divestment of subsiaries or going concerns during the year	(1,519)	(5,135)
Dividends Received	3,705	2,078
Cash-flow from investment activities	752	(7,288)
Distribution of dividends	(28,302)	(26,593)
Increase in capital and reserves paid-up by shareholders	0	0
Other changes, including those of third parties	(116)	(3,722)
Net change in financial payables (excluding the new non-current loans received)	(12,820)	4,960
relating to related parties	*(473)*	*(363)*
New non-current loans received	30,000	5,000
relating to related parties	*0*	*0*
Net change in current financial receivables	(6,783)	(2,413)
relating to related parties	*(2,108)*	*(1,953)*
Net change in non-current financial receivables	1,126	1,075
Cash-flow from financing activities	(16,895)	(21,693)
Increase (decrease) in cash-flow	9,018	(18,522)
Opening cash and equivalents	28,203	46,725
Closing cash and equivalents	37,221	28,203

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

(€thousand)

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)	Surplus for mergers	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares	Profits carried over	Business year profits (losses)	Total net equity
Balances at 1st January 2008	33,263	60,192	4,522	12	36,496	473		1,475	7,516	(3)	1,525	1,823	114,031				2,492	27,950	177,736
Allocation of 2007 profit			1,397										**1,397**				26,553	(27,950)	
Distribution of parent company dividends						(40)							**(40)**				(26,553)		(26,593)
Effect of the trading of own shares	**(345)**													(3,390)	(9)	**(3,399)**			(3,744)
Other minor variations											(4)		**(4)**				1		(4)
Consolidated comprehensive income 2008:																			
- Profit for the period																	30,296		30,296
- Other Profits/Losses, net of taxes										26			**26**						26
Balance at 31 December 2008	32,918	60,192	5,919	12	36,496	433		1,475	7,516	23	1,521	1,823	115,410	(3,390)	(9)	(3,399)	32,789		177,717
Allocation of 2008 profit			733			1,260							**1,993**				(1,993)		
Distribution of parent company dividends																	(28,302)		(28,302)
Distribution of subsidiaries company dividends																			
Effect of the trading of own shares	**(8)**													(77)	(1)	**(78)**			(86)
Other minor variations											(6)		**(6)**				(1)		(7)
Consolidated comprehensive income 2009:																			
- Profit for the period																	38,544		38,544
- Other Profits/Losses, net of taxes										(23)			**(23)**						(23)
Balance at 31 December 2009	32,910	60,192	6,652	12	36,496	1,693		1,475	7,516		1,515	1,823	117,374	(3,467)	(10)	(3,477)	41,037		187,843

Appendix 3

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

	Increase/(Decrease) Shareholders' Equity	of which Net Profit for the period
Parent Company's shareholders' equity and profit/(loss) for the year	187,843	38,544
Effect of the consolidation on a line-by-line basis:		
-- Difference between the book value of the consolidated subsidiaries and the relevant portion of shareholders' equity	(24,844)	40
-- 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	25,813	(140)
-- Pro rata subsidiary profits (losses)	3,282	3,282
Allocation of the consolidation differences caudes by company amalgamations	2,718	0
Write-off of the godwill caused by company merged	(2,053)	0
Effect of the elimination of profits not yet realised from transactions between Group companies, net of the applicable tax effect	(1,921)	(3,693)
Adjustments to adapt the financial statements of some consolidated companies to Group Accounting Standards	898	78
Group's share of net equity and profit/(loss)	191,736	38,111
Minorities' share of net equity and profit/(loss)	999	440
Shareholders' equity and profit/(loss) for the year	192,735	38,551

Intangible fixed assets (in thousand of Euros)	OPENING BALANCE			MOVEMENTS DURING THE YEAR				CLOSING BALANCE		
	Original Cost	Provision for amortization	Balance 01/01/2009	Purchases/ reclassification	Consolidation Change	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2009
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	4,558	(3,041)	1,517	16			(524)	4,574	(3,565)	1,009
Concessions, licences, brand names, and similar rights	160	(147)	13	1			(2)	161	(149)	12
Goodwill	96,524		96,524	3,442		(58)		99,908		99,908
Intangible fixed assets under development and advances	36		36					36		36
Other intangible fixed assets	438	(419)	19	(1)			(5)	437	(424)	13
Total	**101,716**	**(3,607)**	**98,109**	**3,458**		**(58)**	**(531)**	**105,116**	**(4,138)**	**100,978**

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year							Closing balance			
	Original Cost	Provision for amortization	Balance 01/01/2009	Purchases/ reclassificatio	Consolidation Change	Decreases Original cost	Decreases Prov. for am.	Reclassification Original cost	Reclassification Prov. for am.	Amortization	Original Cost	Revaluation	Provision for amortization	Balance 31/12/2009
Land and buildings	61,972	(11,721)	50,251	401		(6)	1	(43)	(5)	(1,593)	62,324		(13,318)	49,006
Plant and machinery	20,297	(14,300)	5,997	823		(106)	100	(71)	16	(1,440)	20,943		(15,624)	5,319
Industrial and commercial equipment	2,686	(1,780)	906	234		(21)	20	41	(1)	(220)	2,940		(1,981)	959
Other tangible assets	13,264	(9,972)	3,292	1,343		(1,293)	413	(2)	(2)	(969)	13,312		(10,530)	2,782
Tangible fixed assets under development and advances	1		1	83				(1)			83			83
Total	**98,220**	**(37,773)**	**60,447**	**2,884**		**(1,426)**	**534**	**(76)**	**8**	**(4,222)**	**99,602**		**(41,453)**	**58,149**

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, 2008				
Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
94,121		Tangible assets		449,374
21,663		Goodwill and other intangible assets		153,359
268,497		Investments		11,906
2,981		Non-current assets		25,308
387,262		*Total non-current assets*		*639,947*
3,350		Inventories		190,560
72,708		Receivables and other current assets		486,720
5,645		Cash and cash equivalents		77,635
81,703		*Total current assets*		*754,915*
468,965		**Total assets**		**1,394,862**
		LIABILITIES		
70,372		Shareholders' equity:		221,361
	67,074	Share capital	67,074	
	(26,937)	Reserves	50,149	
	30,235	Net profit (loss)	39,000	
		Minority interest	65,138	
224,493		Non-current financial payables		304,553
8,976		Employee benefits		26,952
1,495		Provisions for risks and charges		7,706
8,205		Other non-current liabilities		38,977
243,168		*Total non-current liabilities*		*378,188*
109,630		Current financial payables		353,982
45,794		Current liabilities		441,331
155,424		*Total current liabilities*		*795,313*
468,965		**Total Liabilities**		**1,394,862**
		INCOME STATEMENT		
147,199		Revenues		2,176,827
3,019		Other revenues		66,608
		Changes in inventories		4,950
		Internal works performed		1,425
(45,585)		Purchase of goods		(1,514,404)
(56,552)		Other operating costs		(344,576)
(42,148)		Personnel costs		(231,518)
(5,432)		Amortization		(36,097)
(1,437)		Depreciation and Allocations		(10,584)
39,783		Income from investments		(265)
(10,629)		Financial income and charges		(38,615)
28,216		*Profit before taxes*		*73,751*
2,019		Taxes		(20,676)
30,235		Net profit (loss) before consolidation		53,075
		Minority interest's profit (loss)		(14,075)
30,235		Consolidated Net profit (loss)		39,000

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 2008. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2008, 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 2009 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 2009
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	85
	Reconta Ernst & Young S.p.A.	Subsidiaries	20
Certification service			0
Other services			0
Total			105

STATEMENT OF CONSOLIDATED FINANCIAL STATEMENT PURSUANT TO ART. 154-BIS PARAGRAPH 2 OF LEGISLATIVE DECREE 58 DATED 24 FEBRUARY 1998

1. The undersigned Ugo Ravanelli, in the quality of Chief Executive Officer, and Pierpaolo Rossi, in the quality of Manager responsible for the drafting of the corporate accounting documents of MARR S.p.A., hereby certify, also taking into account that provided by art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998:
- the adequacy in relation to the characteristics of the company and
- the effective application,

of the management and accounting procedures for the drafting of the consolidated financial statement, during the year 2009.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the consolidated financial statement as at 31 December 2009 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 director's 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, 8 March 2010

Chief Executive Officer	Manager responsible for the drafting of corporate accounts documents
Ugo Ravanelli	Pierpaolo Rossi

ERNST & YOUNG

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

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

Independent auditors' report
pursuant to art. 156 of Legislative Decree n. 58 of February 24, 1998
(now art. 14 of Legislative Decree n. 39 of January 27, 2010)
(Translation from the original Italian text)

To the Shareholders
of MARR S.p.A.

1. We have audited the consolidated financial statements of MARR S.p.A. and its subsidiaries, (the "MARR Group") as of and for the year ended December 31, 2009, comprising the statement of consolidated financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in the shareholders' equity, the cash flows statement and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of the MARR S.p.A.' s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

   Our audit of the consolidated financial statements for the year ended December 31, 2009 was made in accordance with the regulations in force during that year.

   With respect to the consolidated financial statements of the prior year, presented for comparative purposes, which have been restated to apply IAS 1, reference should be made to our report dated April 2, 2009.

3. In our opinion, the consolidated financial statements of the MARR Group at December 31, 2009 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of the MARR Group for the year then ended.

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

CONSOB. In our opinion, the Directors' Report and the information reported in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) presented in the Report on Corporate Governance and ownership structure, are consistent with the consolidated financial statements of the MARR Group as of December 31, 2009.

Bologna, April 7, 2010

Reconta Ernst & Young S.p.A.
signed by: Gianluca Focaccia, partner

MARR S.p.A.

Financial Statements as at December 31, 2009

STATEMENT OF FINANCIAL POSITION [VII]

(€)	Notes	31.12.09	31.12.08
ASSETS			
Non-current assets			
Tangible assets	1	50,892,455	52,980,622
Goodwill	2	70,965,336	70,373,788
Other intangible assets	3	613,631	942,368
Investments in subsidiaries and associated companies	4	33,271,025	33,345,317
Investments in other companies	5	286,192	286,192
Non-current financial receivables	6	1,485,251	2,610,841
Deferred tax assets	7	6,146,997	4,718,215
Other non-current assets	8	5,472,289	3,069,785
Total non-current Assets		169,133,176	168,327,128
Current assets			
Inventories	9	78,973,234	87,833,934
Financial receivables	10	16,175,750	9,369,891
relating to related parties		*6,876,659*	*4,768,297*
Financial instruments / derivative	11	0	23,315
Trade receivables	12	314,530,032	280,030,716
relating to related parties		*3,691,247*	*5,034,011*
Tax assets	13	4,885,318	6,643,546
relating to related parties		*0*	*2,618,634*
Cash and cash equivalents	14	37,221,059	28,202,894
Other current assets	15	27,519,464	31,154,054
relating to related parties		*81,759*	*163,610*
Total current Assets		479,304,857	443,258,350
TOTAL ASSETS		*648,438,033*	*611,585,478*
LIABILITIES			
Shareholders' Equity	16	187,843,316	177,717,205
Share capital		*32,909,736*	*32,918,111*
Reserves		*117,373,599*	*115,409,016*
Retained Earnings		*(3,476,960)*	*(3,398,886)*
Profit for the period		*41,036,941*	*32,788,964*
Total Shareholders' Equity		187,843,316	177,717,205
Non-current liabilities			
Non-current financial payables	17	43,118,605	28,199,539
Employee benefits	18	8,560,823	8,545,786
Provisions for risks and charges	19	1,876,983	2,173,257
Deferred tax liabilities	20	8,041,099	7,489,122
Other non-current liabilities	21	41,627	987,436
Total non-current Liabilities		61,639,137	47,395,140
Current liabilities			
Current financial payables	22	159,097,729	156,837,807
relating to related parties		*1,169,479*	*1,641,938*
Current tax liabilities	23	4,336,990	1,035,894
relating to related parties		*3,024,996*	*0*
Current trade liabilities	24	220,566,053	213,973,061
relating to related parties		*8,695,883*	*9,905,357*
Other current liabilities	25	14,954,808	14,626,371
relating to related parties		*1,083*	*1,840*
Total current Liabilities		398,955,580	386,473,133
TOTAL LIABILITIES		*648,438,033*	*611,585,478*

[VII] The statement of financial position were re-classified, where necessary, in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

INCOME STATEMENT

(€)	Notes	31.12.2009	31.12.2008
Revenues	26	1,033,206,865	1,009,068,444
concerning related parties		*14,323,833*	*15,998,183*
Other revenues	27	21,210,808	22,002,743
relating to related parties		*136,603*	*284,268*
Changes in inventories	9	(8,860,700)	5,107,544
Internal works performed		0	0
Purchase of goods for resale and consumables	28	(820,052,055)	(816,197,841)
relating to related parties		*(42,760,922)*	*(45,953,702)*
Personnel costs	29	(30,353,278)	(31,304,436)
Amortization, depreciation and write-downs	30	(9,512,310)	(9,214,481)
Other operating costs	31	(128,209,845)	(124,651,901)
relating to related parties		*(5,740,063)*	*(5,570,017)*
Other non-recurring operating costs		0	0
Financial income and charges	32	(4,650,121)	(10,823,985)
relating to related parties		*(38,549)*	*(37,419)*
Non-recurring financial income and charges		0	0
relating to related parties		*0*	*0*
Income (charge) from associated companies	33	3,693,042	2,001,387
Profit before taxes		*56,472,406*	*45,987,474*
Taxes	34	(17,928,341)	(15,691,386)
Profit for the period		*38,544,065*	*30,296,088*
EPS base (euros)	35	0.59	0.46
EPS diluited (euros)	35	0.59	0.46

STATEMENT OF COMPREHENSIVE INCOME[VIII]

(€)	*Notes*	*31.12.2009*	*31.12.2008*
Profits for the period (A)		*38,544,065*	*30,296,088*
Efficacious part of profits/(losses) on cash flow hedge instruments, net of taxation effect		(23,315)	26,754
Total Other Profits/Losses, net of taxes (B)	36	*(23,315)*	*26,754*
Comprehensive Income (A + B)		*38,520,750*	*30,322,842*

[VIII] The statement of comprehensive income has been included in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

STATEMENT OF CHANGES IN THE SHAREHODERS EQUITY [IX]

(note 16)

(€thousand)

Description	Share Capital	Other Reserves															Profits carried over	Business year profits (losses)	Total net equity
		Share premium reserve	Legal reserve	Revaluation reserve	Shareholders contributions on capital account	Extraordinary reserve	Reserve for residual stock options	Reserve for exercised stock options	Reserve for transition to the Ias/Ifrs	Cash -flow hedge reserve	Reserve ex art. 55 (DPR 597-917)	Surplus for mergers	Total reserves	Trading on share reserve	Reserve for profit (losses) on own share	Total own shares			
Balances at 1st January 2008	33,263	60,192	4,522	12	36,496	473		1,475	7,516	(3)	1,525	1,823	114,031				2,492	27,950	177,736
Allocation of 2007 profit			1,397										**1,397**				26,553	(27,950)	
Distribution of parent company dividends						(40)							**(40)**				(26,553)		(26,593)
Effect of the trading of own shares	**(345)**													(3,390)	(9)	**(3,399)**			(3,744)
Other minor variations											(4)		**(4)**				1		(4)
Consolidated comprehensive income 2008:																			
- Profit for the period																	30,296		30,296
- Other Profits/Losses, net of taxes										26			**26**						26
Balance at 31 December 2008	32,918	60,192	5,919	12	36,496	433		1,475	7,516	23	1,521	1,823	115,410	(3,390)	(9)	(3,399)	32,789		177,717
Allocation of 2008 profit			733			1,260							**1,993**				(1,993)		
Distribution of parent company dividends																	(28,302)		(28,302)
Distribution of subsidiaries company dividends																			
Effect of the trading of own shares	**(8)**													(77)	(1)	**(78)**			(86)
Other minor variations											(6)		**(6)**				(1)		(7)
Consolidated comprehensive income 2009:																			
- Profit for the period																	38,544		38,544
- Other Profits/Losses, net of taxes										(23)			**(23)**						(23)
Balance at 31 December 2009	32,910	60,192	6,652	12	36,496	1,693		1,475	7,516		1,515	1,823	117,374	(3,467)	(10)	(3,477)	41,037		187,843

IX The statement of changes in the shareholder equity were re-classified, where necessary, in conformity with IAS 1 Revised, as indicated in the section on "New accounting principles, amendments and interpretations applicable in 2009".

CASH FLOWS STATEMENT (INDIRECT METHOD)

MARR S.p.A. (€thousand)	*31.12.09*	*31.12.08*
Result for the Period	38,544	30,296
Adjustment:		
Amortization / Depreciation	3,908	4,196
Allocation of provison for bad debts	5,900	4,350
Allocation of provision for investments in subsidiaries	12	77
Allocation of provision for inventories	200	250
Capital profit/losses on disposal of assets	(95)	(250)
relating to related parties	*0*	*0*
Financial (income) charges net of foreign exchange gains and losses	4,363	10,574
relating to related parties	*39*	*37*
Foreign exchange evaluated (gains)/losses	235	(40)
Dividends Received	(3,705)	(2,078)
	10,818	17,079
Net change in Staff Severance Provision	14	(426)
(Increase) decrease in trade receivables	(39,749)	(36,779)
relating to related parties	*1,343*	*(6,919)*
(Increase) decrease in inventories	8,661	(5,108)
Increase (decrease) in trade payables	6,562	18,433
relating to related parties	*(1,209)*	*2,116*
(Increase) decrease in other assets	483	4,084
relating to related parties	*82*	*36*
Increase (decrease) in other liabilities	243	(822)
relating to related parties	*(1)*	*(6)*
Net change in tax assets / liabilities	17,028	14,092
relating to related parties	*15,417*	*12,240*
Income tax paid	(12,845)	(19,856)
relating to related parties	*(9,773)*	*(16,380)*
Interest paid	(5,898)	(12,926)
relating to related parties	*(44)*	*(66)*
Interest received	1,535	2,352
relating to related parties	*5*	*29*
Foreign exchange gains	779	919
Foreign exchange losses	(1,014)	(879)
Cash-flow form operating activities	25,161	10,459
(Investments) in other intangible assets	(23)	(90)
Net disposal in other intangible assets	0	0
(Investments) in goodwill	(120)	0
Devaluation of goodwill	0	0
(Investments) in tangible assets	(2,344)	(6,083)
Net disposal of tangible assets	991	1,939
Net (investments) in equity investments (subsidiaries and associated)	62	3
Net (investments) in equity investments in other companies	0	0
Outgoing for (acquisition)/divestment of subsiaries or going concerns during the year	(1,519)	(5,135)
Dividends Received	3,705	2,078
Cash-flow from investment activities	752	(7,288)
Distribution of dividends	(28,302)	(26,593)
Increase in capital and reserves paid-up by shareholders	0	0
Other changes, including those of third parties	(116)	(3,722)
Net change in financial payables (excluding the new non-current loans received)	(12,820)	4,960
relating to related parties	*(473)*	*(363)*
New non-current loans received	30,000	5,000
relating to related parties	*0*	*0*
Net change in current financial receivables	(6,783)	(2,413)
relating to related parties	*(2,108)*	*(1,953)*
Net change in non-current financial receivables	1,126	1,075
Cash-flow from financing activities	(16,895)	(21,693)
Increase (decrease) in cash-flow	9,018	(18,522)
Opening cash and equivalents	28,203	46,725
Closing cash and equivalents	37,221	28,203

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 2009 were authorised for publication by the Board of Directors on 8 March 2010.

Structure and contents of the financial statements

The financial statements as at 31 December 2009 have been prepared in conformity with the accounting policies and measurement criteria established by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedures in art. 6 of (EC) Regulation 1606/2002 of the European Parliament and Council dated 19 July 2002 as acknowledged by Legislative Decree 38 dated 28 February 2005 and subsequent amendments and CONSOB communications and decisions.

Reference to the international accounting standards, adopted in the preparation of the consolidated financial statements as at 31 December 2009, 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 2009, see that described in the Director's Report on management performance.

The financial statements as at 31 December 2009 include, for comparative purposes, the figures for the year ended on 31 December 2008. The following classifications have been used:

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

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

It is highlighted that the above figures have been suitably reclassified, where necessary, for the purpose of adjusting them to that required by IAS 1 Revised, applicable as of 1 January 2009, as indicated in the "New accounting principles, amendments and interpretations applicable in 2009" section. The relevant comparative periods have also been reclassified.

All amounts are indicated in Euros.

As regards the data contained in these financial statements, the statement of financial position, the income statement and the comprehensive income statement are shown simply in Euros whereas the changes in net 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 2009 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 contest of the first time adoption of the International Accounting Standards, the Company has measured certain land and buildings owned at fair value, and has adopted such value as the new cost subject to depreciation.
No revaluations are permitted, even if pursuant to specific laws. Assets subject to capital lease are entered under tangible assets against a financial payable to the lessor, and depreciated in accordance with the criteria below.
Tangible assets are systematically depreciated on a straight-line basis over their expected useful life, based on the estimate of the period over which the assets will be used by the Company. When the tangible asset is made up of a number of significant components, each with a different useful life, depreciation is made for each single component. The depreciation value is represented by the book value minus the presumable net transfer value at the end of its useful life, if material and reasonably determinable. Land is not depreciated, even if purchased together with a building, and neither are tangible assets held for sale, measured at the lower between the book value and fair value after transfer charges.
Costs for improvement, upgrading and transformation increasing tangible assets are entered in the statement of financial position's assets if they are respondent to the capitalisation requirements in IAS 16.

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

- Buildings	2.8% - 4%
- Plant and machinery	7.50%-15%
- Industrial and business equipment	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%

The remaining accounting value, useful lifetime and amortization criteria are reviewed on closure of every business year and adjusted with a view to the future if required.

Goodwill and other intangible assets

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

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

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

Equity investments in associated and other companies

Equity investments in associated companies and in other companies, are valued at purchase, subscription or contribution cost, as indicated in Appendix 1 and in the following explanatory notes. The recoverability of their book value is determined by adopting the criteria indicated in the section "Impairment of assets".

Inventories

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

Receivables and other short-term assets

Trade and other short-term receivables are initially entered at their fair value and then valued at their amortized cost, after write-down, if any. Upon entry, the face value of receivables represents their fair value on said date. Given the high receivables turnover, application of amortized cost produces no effects. Provision for bad debts as at said date, represents the difference between the book value of receivables and the reasonable expectation of financial flows forecasted from their collection.

Impairment of assets

In the event of circumstances implying the impairment of an asset, the recoverability of its value is determined by comparing the book value with the relevant recoverable value, which is the higher between the fair value, net of disposal charges, and the value in use.
In the absence of a binding sales agreement, fair value is estimated on the basis of the value expressed by an active market, by recent transactions or on the basis of the best available information reflecting the sum the Company may gain by selling the asset.
The value in use is determined by discounting back the expected cash flows deriving from the use of the asset and, if material and reasonably determinable, from its transfer of the end of its useful life. Cash flows are determined on the basis of reasonable assumptions, to be supported by documentary evidence, representing the best estimate of future economic conditions occurring over the remaining useful life of the asset, attaching greater importance to external indications. Discounting back is made at a rate that considers the risks inherent in the specific line of business.
Evaluation is made for each single asset or for the smallest identifiable group of assets generating autonomous incoming cash flows deriving from constant use (the so-called cash generating unit). When the reasons for write-downs carried out no longer apply, the assets, except for goodwill, are revalued and the adjustment is entered in the income statement as a revaluation (value restoration). Revaluation is made at the lower between the recoverable value and the book value before write-downs previously made, minus the amortization and depreciation rates that would have been allocated should no write-down have been made.
The period of amortization and criteria for amortization of intangible assets with a definite useful lifetime are reviewed at least on closure of the business year and adjusted with a view to the future if necessary.

Employee benefits

As provided by IAS 19, staff severance provisions are part of the so-called defined benefit plans forming post-employment benefits. The accounting treatment established for such forms of benefit requires an actuarial calculation, which allows for a future estimate of the amount of Staff Severance Provision already accrued and for discounting it back, in order to consider the time elapsing before actual payment. The actuarial calculation weighs variables such as average staff employment period, inflation levels and expected interest rates. Liabilities are valued by an independent actuary. The profits and losses deriving from carrying out the actuarial calculation are attributed in the income statement as cost of income if the net value accumulated by the "actuarial" profits and losses, which are not relevant for each plan on closure of the previous year, exceeds by more than 10% the higher value between the obligations concerning defined benefit plans and the fair value of the assets concerning the plans at that date.
Following the recent revision of the pertinent national regulations, for companies with more than 50 employees, the Staff Severance Provision accrued from 1st January 2007

onwards is classified as a defined contributions plan, the payments relative to which are entered directly in the income statement, as expenses, when recorded The Staff Severance Provision accrued up to 31.12.2006 continues to be a defined benefits plan, but without the future contributions. Accordingly, it is now valued by the independent actuaries solely on the basis of the expected average residual working life of the employees, without further consideration of the remuneration received by them over a predetermined employment period. The Staff Severance Provision "accrued" before 1st January 2007 thus undergoes a change in calculation, due to the elimination of the previously foreseen actuarial hypotheses linked to pay increments. In particular, the liability relative to "accrued Staff Severance Provision" is actuarially valued as at 1st January 2007 without applying the pro-rata (years already worked/total years worked), as the employees' benefits relative 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. It follows that for the purposes of this calculation, the "current service costs" relative to the future services of employees are to be considered null insofar as represented by the contribution payments into the supplementary pension scheme fund or the INPS Treasury Fund.

Provisions for risks and charges

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

Financial liabilities

Financial liabilities are initially valued at their fair value, equal to consideration received at such date, then measured by amortized cost, adopting the actual interest-rate method.

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

Currency conversion

Receivables and payables initially expressed in foreign currency are converted into Euro at the exchange rates prevailing at the date of the relevant transactions. Exchange rate differences generated upon collection of receivables and payment of payables in foreign currency are entered in the income statement. At the date of preparation of this report, receivables and payables in foreign currency are converted at the exchange rates in force on such date, and the relevant effects are entered in the profit income statement. Upon the date of preparation of this report, the Company had no derivative financial instruments.

Revenue and cost recognition	Revenues from sales of goods are recognized upon transfer of all the risks and charges deriving from ownership of the goods transferred, which is generally their shipment or delivery date. Financial income and revenues from services are recognized on an accrual basis. Costs are recognized when related to goods and services acquired and/or received over the period to which they refer.
Accounting treatment of financial assets/instruments	Marr S.p.A. uses derivative financial instruments to cover its exposure to exchange rate risks. These derivative financial instruments are initially registered at their fair value on stipulation; subsequently, this fair value is adjusted periodically; they are registered in the accounts as assets when the fair value is positive and liabilities when the fair value is negative. The fair value of the derivative financial instruments used is determined on the basis of market value when it is possible to identify the market to which they actively belong. However, if the market value of a financial instrument is not easily calculable, but its components or those of a similar instrument are calculable, the market value is determined through the evaluation of the individual components of the instrument or of the similar instrument. Furthermore, for those instruments for which an active market is not easily identifiable, the evaluation is carried out by using the value resulting from generally accepted evaluation models and techniques which ensure a reasonable approximation of the market value. Derivatives are classified as coverage instruments when the relation between the derivative and the object of the coverage is formally documented and the coverage, assessed periodically, is highly effective. If derivatives cover a risk concerning the cash flow variations of the instruments covered (cash flow hedge; for example coverage of cash flow variability of assets/liabilities by effect of oscillations in exchange rates), the variations in the fair value of derivatives are initially recorded at net equity and subsequently attributed to the profit and loss account coherently with the economic effect produced by the operation covered. The variations in fair value of the derivatives which do not satisfy the conditions required in order to be classified as coverage are recorded in the profit and loss account 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 assets

In order to assess a potential loss of value of the Goodwill registered in order to measure any impairment of goodwill and the consolidation differences entered in the financial statements, the Company has adopted the method previously illustrated in the section on “Impairment of assets”.

The recoverable value has been determined on the value in use basis.
Cash-flows generating units attributable to each goodwill difference have been inferred for 2010 from the Business Plan approved by the Board of Directors, for years form 2011 to 2014 adopting a growth rate of 1%; for the 2015 and *the terminal value* based on the assumption of a constant growth rate amounting to 1.7%. The Weighted Average Cost of Capital (WACC) has been adopted as the discount rate, which is 7.8% (in line with the previous year and the estimates of the financial analysts covering the Company). The measurement of any impairment of assets (Goodwill) was made by referring to the situation as at 31 December 2009.

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

  - The expected inflation rate is 2%;
  - The discounting rate used is 3.5%;
  - The annual rate of increase of the severance plan is expected to be 3%;
  - A 9% turnover of employees is expected.

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

  - The rate of voluntary turnover is expected to be 13%;
  - The rate of corporate turnover is expected to be 2%;
  - The discounting rate used is 3,5%.

- Estimates used in calculating deferred taxes

A significant discretional assessment is required by the directors in order to determine the total amount of deferred taxes receivable 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 other assets.

New accounting principles, amendments and interpretations applicable in 2009

- IAS 1 – *"Presentation of the financial statements"*: the principle separates the changes to the net equity to shareholders and non-shareholders. The table of changes in net equity will only include the details of transactions with shareholders, while all changes due to transactions with non-shareholders will be presented in a single line. Furthermore, this principle introduces the table of "comprehensive income"; this table contains all the income and cost items concerning the period registered in the profit and loss account and also all other income and costs registered. The table of "comprehensive income" can be presented as one single table or two correlated tables. The Company has chosen to highlight the changes produced by these transactions in two separate statements, entitled "Income statement" and "Statement of comprehensive income" and to amend the "Statement of changes in shareholders' equity" accordingly.
- IAS 23 Borrowing Costs: a modified version of IAS 23 Borrowing Costs was emanated in March 2007, and became effective for business years beginning on 1 January 2009 or subsequently. The principle has been modified to require the capitalisation of borrowing costs when these costs refer to a qualifying asset. A qualifying asset is an asset which necessarily requires a significant period of time in order to be ready for use provided for it or for sale. In accordance with the transitory dispositions of the principle, the Company will adopt it as a prospective variation. Therefore, borrowing costs will be capitalised on qualifying assets starting from a date subsequent to 1 January 2009. Changes has not been made for the financial costs sustained until that date and which have been accounted for in the profit and loss account. These changes are not applicable to the financial statements of the Company.
- IFRS 2 Share-based payments – Conditions for maturing and cancellations: this modification to IFRS 2 Share-based payments was published in January 2008 and entered into force in the first business year

subsequent to 1 January 2009. The principle restricts the definition of "conditions for maturing" to one condition, which includes the explicit or implicit obligation to provide a service. All other conditions are "non-vesting conditions" and must be taken into consideration in determining the fair value of the instrument representing the assigned capital. In the case in which the premium does not mature as a consequence of the fact that it does not satisfy one of the "non-vesting conditions" that is under the control of the body or counter-party, it must be accounted as a cancellation. The Company has not undertaken operations with share-based payments with "non-vesting" conditions and consequently, these modifications have no impact on the Group financial statements.

- IFRS 8 – *Operating segments.* The new principle requires that information contained in the informative notes for these *segments* be based on the elements used by management when making operational decisions, and therefore requires the identification of operational segments on the basis of internal reporting, which is regularly reviewed by management during allocation of resources to these segments. This principle must be applied as of 1 January 2009 to replace *IAS 14 – Segment reporting.* The adoption of this principle does not have any effect on the segment reporting according to the new principle, as the Company operates in the sole sector of Distribution.
- Changes to IAS 32 and to IAS 1 Financial Instruments with the option to sell and debentures in the case of liquidation: the changes made to IAS 32 and IAS 1 were homologated in February and will enter into force in the first business year subsequent to 1 January 2009. The modification made to IAS 32 requires that certain financial instruments "for sale" and debentures that arise at the time of liquidation are classified as capital instruments if certain specific conditions are in place. The modification made to IAS 1 requires that the explanatory notes provide certain information concerning the options "for sale" classified as capital. These changes are not applicable to the financial statements of the Company.
- IFRIC 13 *"Customer Loyalty Programmes."* in June 2007, the interpretation contained in IFRIC 13 was emanated and will be effective for business years starting on 1 July 2008 or subsequently. This interpretation requires that credit granted to customers as Customer Loyalty bonuses be accounted as a separate components to the sales transactions in the context of which they were granted and that part of the equitable value of the payment received therefore be allocated under bonuses and amortized in the period in which the credit/bonuses are paid out. This interpretation has no impact on the financial statements of the Company, as there are currently no ongoing Customer Loyalty programmes.
- IFRIC 14 — IAS 19 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation also explains the accounting effects due to the presence of minimum obligatory payments. These modifications have no impact on the financial statements of the Company.
- IFRIC 9 *"Reassessment of Embedded Derivatives"* and IAS 39 *"Financial Instruments: Recognition and Measurement".* These amendments to IFRIC 9 require an entity to assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value trough profit or loss category. This assessment is to be made based on circumstances that existed on the later of the date the entity first became a party to the contract and the date of any contract amendments that significantly change the cash flows of the contract. IAS 39 now states that if an embedded derivative cannot be reliably measured, the entire hybrid instrument must remain classified as at fair value trough profit or loss.
- IFRS 7 *"Financial instruments: disclosure".* The amended standard requires additional disclosure about fair value measurement and liquidity risk. Fair value measurements are to be disclosed by source of in puts using a three level hierarchy for each class of financial instrument. In addition, a reconciliation between the beginning and ending balance for Level 3 fair value measurements is now required. The amendments also clarify the requirements for liquidity risk disclosures. As of the date of presentation of this interim condensed consolidated, this amendment has not yet been homologated. The Company has adjusted the annual information to that required by this amendment.
- IAS 32 *"Financial instruments: presentation"* and IAS 1 "*Puttable Financial Instruments and obligations deriving from their liquidation*". This principle was amended to enable an exception with limited framework of application for "puttable" financial instruments to be classified in the net equity should they satisfy a certain number of criteria. The adoption of these amendments did not have any impact on the Company financial statements.
- IAS 39 "Financial instruments: reporting and evaluation – Eligible Hedged Items". The modification clarifies that an entity may allocate a portion of the changes in fair value or the cash flow of a financial instrument as a covered element. The modification also includes the designation of inflation as a covered risk or a portion of the risk in specific situations. This modification is not applicable to the Company financial statements.

In May 2008 and in April 2009, the IASB issued a series of amendments to the IFRS ("*improvements*"). Those quoted below are those which will imply changes in terms of the presentation, acknowledgement and evaluation of the items in the financial statements, those only implying changes in terminology being excluded.

- IAS 19 Employee benefits: the amendment must be applied as of 1 January 2009 with a view to the future in terms of changes in benefits subsequent to said date and clarifies the definition of cost/income as regards past working relations. The Board has also re-elaborated the definition of short-term benefits and long-term benefits and changed the definition of the performance of assets, establishing that this item should be recorded net of any management costs that are not already included in the value of the item. This change has not impact of the financial statements of the Company.
- IAS 20 Accounting of and information on public contributions: this amendment must be applied with a view to the future as of 1 January 2009 and establishes that the benefits deriving from State loans granted at an interest rate which is less than that applied to the market must be dealt with as public contributions, and therefore follow the rules of acknowledgement established by IAS 20. This circumstance was not applied in the financial statements of the Company.
- IAS 23 Borrowing costs: this amendment, which must be applied as of 1 January 2009, reviews the definition of borrowing costs. This change has not impact of the financial statements of the Company.
- IAS 36 Loss of value of assets: this amendment, which must be applied as of 1 January 2009, provides additional information in the case in which the company should determine the recoverable value of cash generating units using the method if actualisation of cash flows. The Company has adjusted the information in the annual financial statements.
- IAS 38 Intangible Assets: this amendment must be applied as of 1 January 2009 retroactively and establishes the recognition to the profit and loss account of promotional and advertising costs. It also establishes that should the company sustain costs with future economic benefits without the registration of intangible assets, these must be attributed to the profit and loss account at the precise moment in which the company has the right to access the asset or in which the service is provided. This change has not impact on the financial statements of the Company.
- IFRS 8 *"Operating segments"*: the modification clarifies that the assets and liabilities referring to the operating sector need only be presented if they are part of the reporting system used by at the highest management levels. This modification did not change the information provided, as the Company only operates in the Distribution sector.
- IAS 1 *"Presentation of financial statements"*: assets and liabilities classified as held for negotiation according to that established by IAS 39 "Financial instruments: reporting and evaluation" are not automatically classified as current items within the statement of financial position. This modification di not lead to any changes in the classification of these items.
- IAS 7 *"Statement of cash flow"*: the modification explicitly states that only the expenditure resulting from the recognition of assets may be classified as a financial flow deriving from investment activities. This amendment did not imply and modification as regards the Statement of cash flow of the Company.
- IAS 16 "Property, plants and equipment": this modification replaces the term "net sale price" with "fair value net of the sales costs". This change does not imply any variations to the Group financial statements.
- IAS 18 "Revenues": this modification clarifies when an entity is operating as the principal subject or as an agent. This modification did not impact on the Company financial statements.

Amendments have also been made to the following IFRS which are not currently applicable to the Group consolidated financial statements:

- IFRS 5 Non-current assets for sale and operational assets terminated.
- IAS 16 Property, plant and equipment: the amendment applicable as of 1 January 2009 is applicable to companies whose core business is renting.
- IAS 28 Investments in associates – IAS 31 Inteerests in joint ventures.
- IAS 29 Financial reporting in hyper-inflationary economies
- IAS 40 Investments in Property.
-

Accounting principles, amendments and interpretations applicable to financial statements in business years starting after 1 January 2009

- IFRS 3R Business Combination and IAS 27/R Consolidated and separate financial statements. These two principles will enter into force in the first business year subsequent to 1 July 2009. IFRS 3R introduces changes in the accounting of business combinations which will change the amount of goodwill recorded in the result of the business year in which they are purchased and on the results of subsequent business years. IAS 27R requires that changes in the quotas of shareholdings in subsidiary companies should be accounted for a capital transaction. Consequently, this change will not have an impact on the goodwill and will not originate either profits or losses. Furthermore, the reviewed principles introduce changes to the accounting of losses sustained by subsidiaries and also the loss of control over a subsidiary. The changes introduced by principles IFRS 3R and IAS 27R must be applied in a forward looking manner and will have an impact on future acquisitions and transactions with minority shareholders. At the time of drafting of these interim condensed consolidated financial statements, these principles had not yet been homologated by the European Union. The Company does not expect significant effects deriving from their application.

- IFRIC 16 *"Hedge of a Net Investment in a Foreign Operation"* by which the possibility of applying hedge accounting for operations to cover differences in exchange rate between the currency in which the foreign shareholding is held and the currency of the consolidated financial statements is removed. This interpretation is not applicable to the financial statements of the Group.
- IFRIC 17 "Distribution of Non-cash Assets to Owners", which provides indications as to the accounting of the distribution of non liquid assets to shareholders. The interpretation clarifies when to recognise a liability, how to evaluate it, how to evaluate the assets associated to this liability and when to cancel assets and liabilities. This interpretation is applicable to business years which start after 1 July 2009; the Company believes that this interpretation will not impact on its own financial statements.
- IFRIC 18 "Transfer of assets from customers"; clarifies the accounting treatment to be adopted if the company stipulates a contract from which it stands to receive a material asset from a customer to be used to connect the customer to a network or to provide it with specific access to the supply of goods and services (such as the supply of electricity, gas and water for example). This interpretation should be applied in prospect as of 1 January 2010.

Capital management policy

As regards the management of capital, the Group's priority is to maintain an appropriate level of its own means in relation to debts accrued (Net debt/Equity or "gearing" ratio), so as to guarantee solidity in terms of equity as befitting 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, which is the main indicator for cash flow management and 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 exposure.
The management of capital is also measured in terms of the principal indicators of financial best practice, such as ROS, ROCE, ROE, Net debt / Equity and Net debt / EBITDA.

Financial Risks Management

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

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

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

Market risk

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

As at 31 December 2009, a 5% appreciation in the exchange rate in relation to the US dollar, all else being equal, would have given rise to a decrease in pre-tax profit of 198 thousand Euros (18 thousand Euros in 2008), 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).
On the other hand, at the same date, a 5% drop in the exchange rate in relation to the US dollar, all else being equal, would have been reflected by a pre-tax profit increase of 218 thousand Euros (20 thousand Euros in 2008).
There do not appear to be any effects on other items in the net equity, as at 31 December 2009, the company did not have ongoing forward contracts on exchange rates, contrarily to previous years.

(ii) Interest rate risks: risks concerning changes to interest rates affect loans. Variable rate financing exposes the Company to the risk of cash flow variations due to interest rates. Fixed rate financing exposes the Company to the risk of changes to the fair value of the finances themselves.

In 2009 business year, a hypothetical upward fluctuation of 10% in the interest rate, all else being equal, would have produced a pre-tax cost increment (with corresponding equity decrease) of approximately 303 thousand Euros on an annual base (678 thousand Euros as at 31 December 2008).

The Company did not make use of derivative financial instruments for the purpose of hedging interest rate risks in 2009.

(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 business units.

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 191,872 thousand Euros as at 31 December 2009, represent 61.0% 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 31.12.09	Balance at 31.12.08
Current trade receivables		314,530	280,031
Other non-current receivables		5,472	3,070
Other current receivables		27,519	31,154
	Total	347,521	314,255

For the comments on the various categories, please refer to note 8 on "Other non-current receivables", note 12 on "Trade receivables" and note 15 on "other current receivables".

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

As at 31 December 2009, overdue but non-depreciated trade receivables amounted to 122,658 thousand Euros (118,627 thousand Euros in 2008). The breakdown of these receivables by due dates is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Expiry:		
Less than 30 days	34,586	27,313
betweeen 31 and 60 days	19,567	24,339
betweeen 61 and 90 days	16,308	17,926
Over 90 days	52,197	49,049
Total expired trade receivables	122,658	118,627

The amounts shown above refer to overdue debts calculated on the basis of the nominal terms agreed with the customer at the time of first assessment. This table also includes the "overdue" exposure of the particularly important customers most closely loyal to the Company, with whom special terms of payment are agreed yearly and that are more extensive than those agreed at the time of first assessment. As at 31 December 2009, this particular category of customers accounted for 16,266 thousand Euros of which 10,249 thousand were in the "Over 90 days" band (at 31 December 2008, 17,872 thousand Euro of which 10,766 thousand classified as "over 90 days").

At the same date, the nominal amount of the disputed trade receivables (all classified in the category of expired "by more than 90 days"), which had undergone a write-down, amounted to 18,124 thousand Euros (15,016 thousand Euros in 2008). These receivables were mainly related to clients in economic difficulties and the Group expects to recover at least part of these receivables.

Liquidity risk

Marr manages liquidity risk with a view to maintaining a liquidity level sufficient for its operational management. The Group manages liquidity risk mainly by constant central treasury monitoring of the collection and payment flows of all the member companies. This makes it possible, in particular, to monitor the resource flows generated and absorbed by its normal business activity.

Given the dynamic nature of the sector concerned, to meet the requirements of the business's routine management and seasonal trends preference is given to funding requirements by availing adequate lines of credit.

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 extreme volatility of the reference rates, which led to them decreasing considerably in 2009 compared to 2008, the cash flows from these variable rate investments were estimated using a rate calculated by the IRS over five years and increased by the average spread applied to out medium-long term loans.

(€thousand)

At 31 december 2009	Less than 1 year	between 1 and 2 years	between 2 and 5 years	Over 5 years
Borrowings	160,693	35,369	5,681	3,694
Derivative financial instruments	0	0	0	0
Trade and other payables	220,566	0	0	0
	381,259	35,369	5,681	3,694

At 31 december 2008				
Borrowings	158,072	12,579	12,432	5,479
Derivative financial instruments	(23)	0	0	0
Trade and other payables	213,973	0	0	0
	372,022	12,579	12,432	5,479

Classes of financial instruments

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

(€thousands)	31 December 2009		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Derivative financial instruments	0	0	0
Non Current financial receivables	1,485	0	1,485
Other non-current assets	5,472	0	5,472
Current financial receivables	16,176	0	16,176
Current trade receivables	314,530	0	314,530
Current tax assets	4,885	0	4,885
Cash and cash equivalents	37,221	0	37,221
Other current receivables	27,519	0	27,519
Total	407,288	0	407,288
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	43,119	0	43,119
Current financial payables	159,098	0	159,098
Derivative financial instruments	0	0	0
Total	202,217	0	202,217

(€thousands)	31 December 2008		
Assets as per balance sheet	**Loans and receivables**	**Derivatives used for hedging**	**Total**
Derivative financial instruments	0	23	23
Non Current financial receivables	2,611	0	2,611
Other non-current assets	3,070	0	3,070
Current financial receivables	9,370	0	9,370
Current trade receivables	280,031	0	280,031
Current tax assets	6,644	0	6,644
Cash and cash equivalents	28,203	0	28,203
Other current receivables	31,154	0	31,154
Total	361,083	23	361,106
Liabilities as per balance sheet	**Other financial liabilities**	**Derivatives used for hedging**	**Total**
Non-current financial payables	28,200	0	28,200
Current financial payables	156,838	0	156,838
Derivative financial instruments	0	0	0
Total	185,038	0	185,038

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

ASSETS

Non-current assets

1. Tangible assets

(€thousand)	Balance at 31.12.09	Purchases / other movements	Net decreases	Depreciation	Balance at 31.12.08
Land and buildings	43,870	365		(1,447)	44,952
Plant and machinery	4,175	645	(2)	(1,214)	4,746
Industrial and business equipment	476	102		(100)	474
Other assets	2,321	1,158	(852)	(794)	2,809
Fixed assets under development and advances	50	50			0
Total tangible assets	50,892	2,320	(854)	(3,555)	52,981

The increase in the item "Land and buildings" mainly refers to works carried out in some of MARR distribution centres especially in Venezia and Toscana.

Also the investments made in the item "Plant and machinery" regard the distribution centres.

The investments made in the item "Other assets" mainly refer to the purchase of 1,062 thousand Euros worth of motor vehicles and 67 thousand Euros for the purchase of electrical/electronic machinery. The decreases amounting to 852 thousand Euros for the business year refer mainly to the sale of motor vehicles (843 thousand Euros).

As indicated subsequently, in the commentary on the item current and non-current financial payables, mortgages are due for a total of 46,707 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 Talgiamento (VE) Via Plerote 6, Spezzano Albanese (CS) Coscile locality and Bottegone (PT), Via Francesco Toni 285/297.

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

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

1 January 2004	STATUTORY FINANCIAL STATEMENTS	APPRAISAL	DIFFERENCE
(€thousands)			
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, the application of 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.

Fixed Asset Leasing:

Below are the summary details of the operation concerning the property located in via Cesare Pavese in Opera (MI) subject to a lease-back operation in 2004, as it is deemed to be the most significant:

- Start of the financial lease: 21 October 2004
- Duration of the contract: 8 years
- Number of instalments: 96
- Value of the asset financed: 7 million Euros
- Amount paid on signature of the contract: 700 thousand Euros
- Amount of the monthly instalments: 72 thousand Euros (plus adjustments for interest rate indexing)
- Indexed rate: 3 monthly Euribor + 1% spread
- Redemption price: 350 thousand Euros (plus VAT)
- Total of the instalments paid during the 2009: 863 thousand Euros
- Net book value of the asset at 31 December 2009: 6,186 thousand Euros
- Remainder at 31 December 2009: 2,804 thousand Euros.

2. Goodwill

(€thousand)	Original figure	Balance at 31.12.09	Balance at 31.12.08
Goodwill	89,089	70,965	70,374
Total Goodwill	89,089	70,965	70,374

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).
On the basis of the considerations outlined above and of the impairment test carried out, the total goodwill value of 70,965 thousand Euros would appear to be fully recoverable.
As regards this evaluation, management believes that, also given the prudential viewpoint used in the definition of the key hypotheses used and explained in the section entitled "Main estimates adopted by management and discretional assessments", there cannot reasonably be expected to be changes in them such as to determine a recoverable value in unit terms less than their accounting value.

The movements during the year is due to the following operations:

- on 5 February 2009 MARR S.p.A. signed, through exercising the option granted free of charge and provided by the lease contract for the going concern signed in 2008, the final contract for the purchase of the going concern of the company AGRIFAP S.r.l. (which merged with the company Minerva S.r.l.), operating at the plant in Costermano (VR) and dedicated to commercialisation of fresh and frozen seafood products.
- On 29 July 2009, an additional registration fee was paid on the price instalment concerning the acquisition of the going concern owned by L.C.N. Servizi S.p.A. (formerly CATER Roma S.p.A.), finalised in 2007.

Business combinations realised during the year

Relating the acquisition of the going concern of the company AGRIFAP S.r.l. it is pointed out that the cost of business combination of the classes of assets, liabilities and potential liabilities acquired, has been determined on the basis of the accounting values at the date of the acquisition of the going conceme, appropriately revised in conformity with the IFRS.

Purchase consideration	*(€ Thousand)*
- Price	42
- Direct costs relating to the acquisition	0
Total purchase consideration	42
Fair value of net assets identificable	(430)
Goodwill	472

The purchase of this going concern did not imply an increase in the revenues of the Group, as it was previously managed by MARR S.p.A. through a lease contract for the going concern itself.

The goodwill attributed to the acquisition is justified by the significant strategic value of the "Minerva" branch of business, as it will enable the Company to strengthen its presence further in the specialisation of products, especially in the branch of the commercialisation of fresh seafood products, in addition to enabling it to further improve its territorial coverage.

The accounting values, determined in conformity with the IFRS on the basis of the values as at 20 July 2008, and the amount at the same date of the classes of assets, liabilities and potential liabilities acquired, are illustrated below:

(€ Thousand)	*Fair value of acquired activities and liabilities*	*Provisionally book value of acquired company*
Tangible fixed assets	20	28
Net financial indebtness	(277)	(277)
Suppliers	(31)	(31)
Employee benefits	(99)	(99)
Other payables	(43)	(43)
Fair value of net assets identificable	(430)	(422)

The cash out generated by the acquisition during the financial year amounts to 327 thousand Euros, as specified below:

	(€ Thousand)
Acquistion price paid during the year	(50)
Costs directly cahargeable to the aggregation	
Cash and cash equivalents of acquired company	(277)
Acquisition cash out	(327)

Business combinations realised after closure of the financial statements

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

3. Other intangibles fixed assets

(€thousand)	Balance at 31.12.09	Purchases / other	Net decreases	Depreciation	Balance at 31.12.08
Patents	554	24	0	(347)	877
Concessions, licenses, trademarks and similar rights	11	1	0	(1)	11
Intangible assets under development and advances	36	0	0	0	36
Other intangible assets	13	0	0	(5)	18
Total Other intangible assets	614	25	0	(353)	942

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

4. Investments in subsidiaries and associated companies

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
- Investment in subsidiaries		
Alisea Soc. Cons. a r.l.	30	30
Marr Foodservice Ibérica S.A.	453	465
Sfera S.p.A.	11,440	11,442
As.ca S.p.A.	13,852	13,869
Marr Alisurgel S.r.l. in liq.	10	10
New Catering S.r.l.	2,852	2,838
Baldini Adriatica Pesca S.r.l.	16	16
EMI.GEL. S.r.l.	4,618	4,675
Total Investments in subsidiaries and associated companies	33,271	33,345

The change in this item is mainly linked to the definition of the definitive adjustment of the payment for the acquisition of the companies New Catering S.r.l. and EMI.GEL S.r.l. and some minor indemnities received from sellers as regards the companies Sfera S.p.A. and Asca S.p.A..

It should also be pointed out that the holding in Marr Foodservice Iberica S.A.U. has been further depreciated by 12 thousand Euros.

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:

- 10,387 thousand Euros attributable to the subsidiary company Sfera (formerly Sogema) S.p.A., as MARR, on acquiring the company, strengthened its own presence in the North West, an area previously served by the Marr Milan branch, making the management of its logistical and distribution network in Northern Italy more efficiently and synergetic;
- 8,848 thousand Euros attributable to the subsidiary company AS.CA S.p.A., as MARR, on acquiring the company, strengthened its own presence in the Bologna area, in coherence with a strategy aimed at increasing its presence in the major Italian cities.
- 1,962 thousand Euros attributable to the subsidiary company New Catering S.r.l., as this acquisition enables MARR to diversify its offerings by penetrating the market for foods supplied to coffee bars, whose consumption value was approximately 20 thousand million Euros in 2005, as compared to that of the market for meals consumed away from home, which was approximately 58 thousand million Euros (source: Istat).
- 1.987 thousand Euros attributable to the subsidiary Emi.gel S.r.l., as this acquisition enables MARR to reinforce its offerings of food products to bars and fast food operators.

5. Investments in other companies

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
- Other companies		
Centro Agro-Al. Riminese S.p.A.	280	280
Conai - Cons. Naz. Imball. - Roma	1	1
Idroenergia Scrl	1	1
Banca Malatestiana Cr.Coop.vo	1	1
Consorzio Assindustria Energia	1	1
Caaf dell'Industria dell'Em. Centrale S.p.A.	2	2
Total Other companies	286	286

6. Non-current financial receivables

As at 31 December 2009, the amount of 1,485 thousand Euros comprises (for 390 thousand Euros) the quota, outside of the year, of receivables from transporters following the sale to the latter of the transport vehicles with which MARR goods are transported.
This item also includes the quota beyond the business year of beneficiary financial receivables from the following partnership companies: Logistica (144 thousand Euros), Adria Market (50 thousand Euros) and La Cascina Soc. Coop a r.l. (901 thousand Euros).

7. Deferred tax assets

As at 31 December 2009, this amount refers almost totally to the taxation effect (Ires and Irap) calculated on the taxed provisions allocated by the Company.

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
On taxed funds	5,885	4,667
On costs deductible in cash	23	19
On costs deductible in subsequent years	238	31
On other changes	1	1
Pre-paid taxes	6,147	4,718

8. Other non-current assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Non-current trade receivables	3,684	1,320
Accrued income and prepaid expenses	68	113
Other non-current receivables	1,720	1,637
Total Other non-current assets	5,472	3,070

The increase in "non-current trade receivables" is attributable to the redefinition of certain contractual expiries.

The item "other non-current receivables" mainly includes 1,672 thousand Euros for other receivables from the State coffers for VAT on customer losses.

Current assets

9. Inventories

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Finished goods and goods for resale		
Foodstuffs	22,467	21,447
Meat	13,387	13,893
Fish products	39,901	46,557
Fruit and vegetable products	22	22
Hotel equipment	1,620	1,694
	77,397	83,613
provision for write-down of inventories: to be deducted	(750)	(550)
Goods in transit	1,785	4,259
Packing	541	512
Total Inventories	78,973	87,834

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

The following are the movements in the item during the business year:

(€thousand)	Balance at 31.12.09	Change of the year	Balance at 31.12.08
Finished goods and goods for resale	77,397	(6,216)	83,613
Goods in transit	1,785	(2,474)	4,259
Packing	541	29	512
	79,723	(8,661)	88,384
Provision for write-down of inventories	(750)	(200)	(550)
Total Inventories	78,973	(8,861)	87,834

The decrease in inventories is linked to the greater optimisation of the management of goods stored by distribution centres and in platforms.

10. Current financial receivables

The item "Current financial receivables" is composed of:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Financial receivables from parent companies	915	1,289
Financial receivables from subsidiaries	5,962	3,479
Receivables from loans granted to third parties	9,299	4,602
Total Current financial receivables	16,176	9,370

As regards the items "Financial receivables from subsidiaries" *(zero interest rate)* and "Financial receivables from parent companies" *(interest bearing)*, the detailed analysis is indicated in the Directors' Report.

The "Receivables from loans granted to third parties" mainly refers to the financial receivables towards freight carriers (542 thousand Euros) following the sale to the latter of the motor vehicles with which MARR goods are ferried around, towards partner services suppliers (304 thousand Euros), other companies commercial partnership (8,417 thousand Euros) in order to strengthen the commercial relationships and to increase sales, and for loans granted to the agents (36 Euro thousand).

11. Financial instruments / derivatives

As at 31 December 2009 the Company does not has forward contract for purchasing or selling foreign currency.

12. Current trade receivables

This item is composed of:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Trade receivables from customers	333,725	293,401
Trade receivables from subsidiaries	291	649
Trade receivables from parent companies	41	1,733
Total Current trade receivables	334,057	295,783
Provision for write-down of receivables from customers	(19,527)	(15,752)
Total current net receivables	314,530	280,031

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Trade receivables from customers	330,365	290,750
Receivables from Affiliated Consolidated Companies	3,321	2,614
Receivables from Affiliated not Consolidated Companies	39	37
Total current trade receivables from customers	333,725	293,401

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 19,527 thousand Euros, as highlighted in the table below.

The "receivables from subsidiaries" (291 thousand Euros), " from parent companies" (41 thousand Euros), "from affiliated consolidated companies" (3,321 thousand Euros) and "from affiliated not consolidated companies" (39 thousand Euros), are analytically outlined, together with the corresponding payable items, in the table exposed in the Director's Report. These receivables are all of a commercial nature.

Receivables in foreign currencies have been adjusted to the exchange rate valid on 31December 2009.

The depreciation fund as at 31 December 2009 is broken down as follows:

(€thousand)	Balance at 31.12.09	increases	decreases	Balance at 31.12.08
- Tax-deductible provision	1,700	1,700	1,475	1,475
- Taxed provision	16,924	3,550	0	13,374
- Provision for default interest	903	0	0	903
Total Provision for write-down of Receivables from customers	19,527	5,250	1,475	15,752

13. Tax assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Ires/Irap tax advances /withholdings on interest	9	163
VAT carried forward	798	598
Irpeg litigation	3,879	3,065
Receivables for Ires transferred to the Controlling Comp	0	2,619
Other	199	199
Total Tax assets	4,885	6,644

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

14. Cash and cash equivalents

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

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Cash and Cheques	2,871	8,915
Bank and postal accounts	34,350	19,288
Total Cash and cash equivalents	37,221	28,203

In regard to the changes of the net financial position, refer to the financial report of 2009.

15. Other current assets

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Accrued income and prepaid expenses	422	369
Other receivables	27,097	30,785
Total Other current assets	27,519	31,154

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Other accrued income (from loans)	0	0
Prepaid expenses		
Leases on buildings and other assets	71	104
Maintenance fees	45	23
Commercial and advertising costs	238	114
Other prepaid expenses	27	60
Other prepaid expenses from Parent Companies	41	68
	422	369
Total Current accrued income and prepaid expenses	422	369

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Guarantee deposits	107	109
Other sundry receivables	879	741
Provision for write-down of receivables from others	(2,290)	(1,640)
Receivables from social security institutions	200	168
Receivables from agents	3,158	2,636
Receivables from employees	21	29
Receivables from insurance companies	256	450
Advances to suppliers and supplier credit balances	24,765	28,197
Advances to suppliers and supplier credit balances from Associates	1	95
Total Other current receivables	27,097	30,785

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". At the closing of the year, there were goods on the road worth 1,785 thousand Euros. This item is offset by the item "Suppliers" of the payables for invoices to be received. Receivables from foreign suppliers in foreign currencies have been adjusted to the exchange rate valid on 31 December 2009.

The decrease in this item compared to 31 December 2008 is due to a policy for its reduction implemented as of the second half of the business year.

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	1,485	0	0	1,485
Deferred tax assets	6,147	0	0	6,147
Other non-current assets	5,472	0	0	5,472
Financial instruments / derivative	16,176	0	0	16,176
Financial receivables	0	0	0	0
Trade receivables	286,862	20,001	7,667	314,530
Tax assets	4,372	513	0	4,885
Cash and cash equivalents	37,220	1	0	37,221
Other current assets	17,091	3,661	6,767	27,519
Total receivables by geographical area	374,825	24,176	14,434	413,435

LIABILITIES

16. Shareholders' Equity

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

Share Capital
The Share Capital as at 31 December 2009, amounting to 33,262,560 Euros, is represented by 66,525,120 MARR S.p.A. ordinary shares , entirely subscribed and paid up, with regular benefit, of a nominal value of 0.5 Euros.
The indicated value of 32,909,736 Euros shows a decrease compared to 31 December 2008, due to the purchase made by the Parent Company of n. 16,750 treasury shares with a total nominal value of 8 thousand Euros, as mentioned in the Directors' report.

Share premium reserve
The total reserve as at 31 December 2009 amounted to 60,192 thousand Euros and does not appear to have changed since 31 December 2008. It is pointed out that part of this reserve, amounting to 3,477 thousand Euros, is to be considered as unavailable ex art. 2357-ter of the Civil Code to cover the purchase of its treasury shares of which in the following paragraphs.

Treasury shares
This item amounted to 3,477 thousand Euros and is equal to the difference between the cost of its treasury shares and their nominal value, highlighted in the table of movements in net equity under the items "exceeding of nominal value of treasury shares" and "reserve for profits/losses on treasury shares".

Legal reserve
The increase of 733 thousand Euros is attributable to the allocation of part of the profits for the year closed on 31 December 2008, as per shareholder's meeting's decision dated 17 April 2009.

Shareholders' contributions on account of capital
This Reserve did not change in 2009 and amounts to 36,496 thousand Euros.

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

Extraordinary Reserve
The increase as at 31 December 2009, amounting to 1,260 thousand Euros, is attributable to the allocation of part of the profits for the year closed on 31 December 2008, as per shareholder meeting's decision made on 17 April 2009.

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

As regards the reserves in taxation suspension (ex. Art. 55 DPR 917/86 and 597/73 reserve), amount to 1,515 thousand Euros as at 31 December 2009, the relevant deferred tax liabilities have been accounted for.

On 17 April 2009 the Shareholders' meeting approved the MARR S.p.A. financial statements as at 31 December 2008 and consequently decided upon allocation of the business year profits, and the approval of a dividend of 0.43 Euros for each ordinary share with the right to vote, excluding own shares in the portfolio at the date of the coupon detachment.

In completion of the commentary on the items comprising the Net Equity, the following should be pointed out:

(€thousands)	*at 31 December 2009*	Utilization possibility	Available quote
Share Capital (I)	32,910	-	
Reserves:			
Share premium reserve (II)	56,715	A,B,C	56,715
Legal reserve	6,652	B	
Revaluation reserve	12	A,B,C	12
Shareholders contributions or capital acc	36,496	A,B,C	36,496
Extraordinary reserve	1,693	A,B,C	1,693
Reserve for exercised stock options	1,475	-	
Cash-flow hedge reserve	-	-	
Reserve for transition to the Ias/Ifrs	7,516	-	
Reserve ex art. 55 (DPR 597-917)	1,515	A,B,C	1,515
Surplus for mergers	1,823	A,B,C	1,823
Total Reserves	113,897		
Profits carried over	41,037	A,B,C	

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

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

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

Non-current liabilities

17. Non-current financial payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to banks - non-current portion	41,123	25,379
Payables to other financial institutions - non-current portion	1,996	2,821
Total non-current financial payables	43,119	28,200

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to banks (1-5 years)	37,951	20,735
Payables to banks (over 5 years)	3,172	4,644
Total payables to banks - non-current portion	41,123	25,379

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 31.12.09
MPS-Merchant	variab.(Eurib.6m+0,95%)	31/10/2011	1,856	0	1,856
Pop.Crotone-nr. 64058	Euribor 6m+1%	30/12/2014	1,270	166	1,436
Pop.Crotone-nr. 64057	Euribor 6m+1%	30/12/2014	1,052	138	1,190
Carim - n. 410086	Euribor 6m+1,05%	30/06/2014	1,163	0	1,163
Efibanca	Euribor 3m+0,7%	30/06/2011	4,031	0	4,031
Carisp Pistoia	Euribor 6m+0,48%	31/01/2020	1,904	2,868	4,772
Financing with BNL	Euribor 1m+1,10%	28/03/2011	24,988	0	24,988
Financing with Cassa di Risparmio di Vignola	Euribor 3m+1,5%	18/02/2011	1,687	0	1,687
			37,951	3,172	41,123

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

Credit institutes	Guarantee	Amount	Property
Pop.Crotone-nr. 64058	mortgage	7,172	Località Coscile-Spezzano Albanese (CS)
Pop.Crotone-nr. 64057	mortgage	5,942	Località Coscile-Spezzano Albanese (CS)
Carim - n. 410086	mortgage	4,500	Via Plerote-S.Michele al T. (VE)
Mps-Merchant	mortgage	9,546	Località Macchiareddu-Uta (CA)
Mps-Merchant	mortgage	9,547	Via dell'Acero 2/4 e Via del Carpino 4 in Santarcangelo di R. (RN)
Cassa di Risparmio di Pescia e Pistoia	mortgage	10,000	Via Francesco Toni 285/297 - Bottegone (PT)
Total		46,707	

Payables to other financial institutions (beyond the year) concern the accounting, according to the finance lease method, of the leasing contracts.

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables to other financial institutions (1-5 years)	1,996	2,821
Payables to other financisl institutions (over 5 years)	0	0
Total payables to other financial institutions - Non current portion	1,996	2,821

The value at 31 December 2009 is mainly represented (for 1,841 thousand Euros) by non-current payables for the contract stipulated with Unicredit Leasing S.p.A. (formerly Locat S.p.A.)

Lastly, it must be pointed out that:

- the ongoing financing with Efibanca S.p.A. provides the following financial covenants:
  NET DEBT / EQUITY =< 1.5
  NET DEBT / EBITDA =< 3.6
- the ongoing financing with Banca Nazionale del Lavoro (signed in 2009) provides the following financial and commercial covenants:
  NET DEBT / EQUITY =< 2
  NET DEBT / EBITDA =< 3
  Annual trade transactions (as of the date of subscription of the contract) worth at least 100 million Euros.

Financial covenants are punctually calculated whit reference to the consolidated MARR Group data of the year and of the half year, while the commercial covenant is constantly monitored on the data of the Parent Company and punctually calculated at the end of the first year.

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

(€thousand)	Book Value		Fair Value	
	2009	2008	2009	2008
Payables to banks - non-current portion	41,123	25,379	39,869	26,550
Payables to other financial institutions - non-current portion	1,996	2,821	1,866	2,629
	43,119	28,200	41,735	29,179

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

18. Employee benefits

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

(€thousand)	
Opening balance at 31.12.08	*8,546*
use for the period	(480)
provision for the period	509
other changes	(14)
Closing balance at 31.12.09	8,561

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

19. Provisions for non-current risks and charges

(€thousand)	Balance at 31.12.09	Provisions	Uses	Balance at 31.12.08
Provision for supplementary clients severance indemnity	1,194	(296)	0	1,490
Provision for specific risk	683	0	0	683
Total Provisions for non-current risks and charges	1,877	(296)	0	2,173

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

During the course of 2007, several disputes arose with the Customs Authorities concerning the payment of preferential customs duties on certain imports of fish products. With reference to the most significant of these disputes, involving import duties amounting to approximately 250 thousand Euros concerning the purchase of certain goods from Mauritania, it must be pointed out that the judges in the first phase of proceedings rejected the recourses presented by the Company in May 2008, but in any case accepted the fact that the company was entirely extraneous to the claimed irregularities, as they were attributable exclusively to its suppliers, from whom, as already formally notified to them, all expenses and costs inherent and/or consequent to the aforementioned dispute will be reclaimed.
In any case, also by reason of the new documentation acquired by the customs and trade authorities in Mauritania, through the principal foreign supplier of the company, MARR Spa, on 11 September 2008, presented a claim for self-protection to the Customs Office in Livorno for the imposition deeds issued and in any case, on 24 December 2008 and

19 January 2009, impugned the sentences passed in the first phase of the proceedings before the Florence Regional Tributary Commission.

As at 31 December 2009, MARR S.p.A. had paid 3,879 thousand Euros as payment of taxes while awaiting judgement; this amount was classified under tax receivables.

20. Deferred tax liabilities

As of 31 December 2009 the breakdown of this item, amounting to 8,041 thousand Euros (7,489 thousand Euro on 31 December 2008), is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
On capital gains in instalments	13	50
On goodwill amortisation reversal	2,896	2,337
On funds subject to suspended taxation	475	477
On leasing recalculation as per IAS 17	471	478
On actuarial calc. of customers supplementary indemnity fund	(198)	(283)
On amortised cost calculation	(21)	(81)
On actuarial calc. of severance provision fund	230	230
On fair value revaluation of land and buildings	4,259	4,281
Others	(84)	0
Deferred tax liabilities fund	8,041	7,489

21. Other non-current payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Payables for acquisition of shares/equity investments (1-5 years)	0	895
Other non-current accrued income and prepaid expenses	42	92
Total other non-current payables	42	987

The decrease in the item "payables for acquisition of shares/equity investments (1-5 years) is related to the debt for the purchase of the 100% of the share capital of the company EMI.GEL S.p.A., finalised in 2008 and for which, during 2009 business year, an instalment amounting to 1,058 thousand Euros has been paid. The remaining debt will expire during the 2010 business year.

Current liabilities

22. Current financial payables

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Financial payables to subsidiaries	1,169	1,642
Payables to banks	156,425	154,352
Payables to other financial institutions	1,504	844
Total Current financial payables	159,098	156,838

As regards the variation of the *Financial payables to subsidiaries* and please refer to the Directors' report on management performance.

Current payables to banks:

(€thousand)	Balance at 31.12.09		Balance at 31.12.08	
Current accounts		3,487		1,113
Loans/Advances		138,706		142,683
Loans :				
- MPS-Merchant	1,781		1,709	
- Pop.Crotone-nr. 64058	300		265	
- Pop.Crotone-nr. 64057	248		220	
- Carim - n. 410086	309		299	
- Efibanca	8,053		8,063	
- Cassa di Risp.di Pescia e Pistoia	228			
- Cassa di Risp. Vignola	3,313			
		14,232		10,556
		156,425		154,352

The increase compared to 31 December 2008 is mainly due to the financial requirements generated by the increased company turnover.

In particular, the entry for "Loans/Advances" consists mainly of 15,846 thousand Euros for advances on exports/imports of the Parent Company, 84,906 thousand Euros for advances on invoices and 37,954 thousand Euros for short-term loans.

Payables to other financiers are mainly to the almost totally due to the payables for acquisition of shares/equity investments amounting to 664 thousand Euros and to the current quota of the leasing contract stipulated with the company Unicredit Leasing S.p.A. (formerly Locat S.p.A.) amounting to 787 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.

23. Current tax liabilities

The breakdown of this item is as follows:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Irap	150	0
Ires transferred to the Controlling Company	3,025	0
Other taxes payable	125	107
Irpef for employees	895	801
Irpef for external assistants	142	128
Total Current taxes payable	4,337	1,036

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

As regards MARR S.p.A., the 2005 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.

As regard the item "Ires transferred to parent company" it is pointed out that, as at 31 December 2008, MARR showed a net positive balance towards Cremonini S.p.A. for the Ires cost transferred in the context of the national consolidated fiscal system; all the same, as at 31 December 2008, the company showed a net positive balance towards the State for IRAP.

24. Current trade liabilities

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Suppliers	211,870	204,068
Payables to associated companies consolidated by the Cremonini Group	7,926	8,899
Payables to associated companies not consolidated by the Cremonini Group	58	6
Payables to Subsidiaries	139	95
Payables to Correlated Companies	247	264
Trade payables to parent companies	326	641
Total Current trade liabilities	220,566	213,973

The liabilities refer mainly to settlements deriving from commercial operations and payables to Sales Agents. They also include "Payables to Associated Companies consolidated by the Cremonini Group" for 7,926 thousand Euros, "Payables to Associated Companies not consolidated by the Cremonini Group" for 58 thousand Euros, "Payables to subsidiaries" for 139 thousand Euros, "Payables to other Correlated Companies" for 247 thousand Euros and "Trade payables to Parent Companies" for 326 thousand Euros, the details and analysis of which are reported in Directors' Report.

25. Other current liabilities

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Accrued expenses and deferred income	1,373	1,250
Other payables	13,582	13,376
Total Other current liabilities	14,955	14,626

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Other accrued expenses	34	108
Accruals for emoluments to employees/directors	844	834
Other deferred income	0	5
Deferrals for interest income due to customers	495	303
Total Current accrued expenses and deferred income	1,373	1,250

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Inps/Inail and Other social security institutions	1,624	1,473
Enasarco/ FIRR	455	443
Payables to personnel for emoluments	4,219	4,163
Advances from customers, customers credit balances	5,552	4,944
Payables to insurance companies	379	150
Payables for acquisition of shares/equity investments	1,353	2,203
Total Other current payables	13,582	13,376

The item "*Payables to personnel for emoluments*" includes current salaries not yet paid as at 31 December 2009 and allocations for leave accrued but not taken, with relevant charges.

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	43,119	0	0	43,119
Employee benefits	8,561	0	0	8,561
Provisions for risks and charges	1,877	0	0	1,877
Deferred tax liabilities	8,041	0	0	8,041
Other non-current liabilities	42	0	0	42
Current financial payables	158,728	370	0	159,098
Financial instruments / derivative	4,337	0	0	4,337
Current trade liabilities	189,259	27,981	3,326	220,566
Other current liabilities	14,841	78	36	14,955
Total payables by geographical area	428,805	28,429	3,362	460,596

Guarantees, sureties and commitments

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

Guarantees (totalling 22,240 thousand Euros)
These refer to:

- guarantees issued on behalf of MARR and consolidated companies in favour of third parties (amounting to 19,966 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 more than one 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 2,274 thousand Euros as at 31 December 2009 and refers to credit lines granted to subsidiaries. On closure of the business year, the following guarantees had been granted in favour of the following subsidiary companies:

(€thousand)	Balance at 31.12.09	Balance at 31.12.08
Guarantees		
Marr Foodservice Iberica SA	800	800
Alisea Soc. Cons. a r.l.	1,436	1,436
Baldini Adriatica Pesca S.r.l.	38	0
Total Guarantees	2,274	2,236

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

Other risks and commitments
This item includes 6,265 thousand Euros related to credit notes issued by certain credit institutes to guarantee obligations undertaken with our foreign suppliers.

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

26. Revenues

Revenues are composed of:

(€thousand)	31.12.2009	31.12.2008
- Revenues from Goods sales		
Revenues from sales - Goods	1,066,812	1,039,251
Adjustments to Revenues	(37,611)	(34,795)
- Net Revenues from sales of goods	1,029,201	1,004,456
- Revenues from services		
Revenues from Services	0	170
Advisory services to third parties	453	415
Manufacturing on behalf of third parties	46	53
Rent income (typical management)	72	80
Other services	3,435	3,894
total	4,006	4,612
Total Revenues	1,033,207	1,009,068

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 dispatching and revenues from transport and similar costs from clients.

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

(€thousand)	31.12.2009	31.12.2008
Italy	949,088	935,990
European Union	63,786	52,765
Extra-EU countries	20,333	20,313
Total	1,033,207	1,009,068

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

(€thousand)	31.12.2009	31.12.2008
General food products	414,253	404,870
Meat	220,219	226,854
Seafood	375,705	351,065
Fruit and vegetables	24,301	25,758
Accessories	5,936	6,697
Sias Division	1,140	1,028
Trade discounts / year-end bonuses	(12,353)	(11,816)
Total Revenues from sales of goods	1,029,201	1,004,456

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 2009 by the Rimini Head Office and each unit (branches and divisions):

(€thousand)	31.12.2009	31.12.2008
Head Branch of Rimini (Marr Uno)	143	137
Branch: Marr Napoli	39	37
Branch: Marr Milano	65	67
Branch: Marr Roma	83	85
Branch: Marr Venezia	38	41
Branch: Marr Supercash&carry - Rimini	29	33
Branch: Marr Sardegna	40	43
Branch: Marr Romagna - Rimini	51	54
Emiliani Division - Rimini	190	166
Carnemilia Division - Bologna	15	15
Branch: Marr Sicilia - Palermo	31	35
Branch: Marr Sanremo	15	15
Branch: Marr Elba	7	7
Branch: Marr Genova	22	20
Branch: Marr Dolomiti	13	11
Warehouse: Santarcangelo	2	2
Branch: Marr Puglia	30	29
Branch: Marr Battistini	22	21
Branch: Marr Torino	48	46
Branch: Marr Calabria	33	31
Branch: Marr Sfera	37	39
Branch: Marr Sudtirol	0	3
Branch: Marr Arco	10	10
Branch: Marr Toscana	28	26
Branch: Marr Cater	41	38
Branch: Marr Valdagno	9	4
Divisione Sias	1	1
Others (trade discounts / year-end bonuses)	(13)	(12)
Total Revenues from sales of goods	1,029	1,004

27. Other revenues

The Other revenues are broken down as follows:

(€thousand)	31.12.09	31.12.08
Contributions from suppliers and others	19,155	19,196
Other sundry earnings	1,154	1,252
Reimbursements for damages suffered	549	756
Reimbursement of expenses incurred	226	490
Recovery of legal fees	25	43
Capital gains on disposal of assets	102	266
Total Other revenues	21,211	22,003

The "Contributions from suppliers and others" consist mainly of contributions obtained from suppliers for the commercial promotion of their products with our customers.

This value is in line with that for 2008, albeit in the presence of a reduction in 2009 of the purchase prices in all categories of goods.

28. Purchase of goods for resale and consumables

This item is composed of:

(€thousand)	31.12.2009	31.12.2008
Purchases of goods for resale and consumables	815,718	811,559
Purchases of packages and packing material	3,538	3,873
Purchase of stationery and printed paper	565	615
Purchase of promotional and sales materials, and catalogues	189	172
Purchase of various materials	301	322
Discounts and rebates from suppliers	(503)	(657)
Fuel for industrial motor vehicles and cars	244	314
Total Purchase of goods for resale and consumables	820,052	816,198

29. Personnel costs

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

(€thousand)	31.12.2009	31.12.2008
Salaries and wages	21,609	22,467
Social security contributions	6,727	7,084
Staff Severance Provision	1,883	1,753
Other Costs	134	0
Total Personnel Costs	30,353	31,304

The breakdown of employees by category is highlighted in the following table :

	Workers	Employees	Managers	Total
Employees as of 31.12.08	340	411	7	758
Net increases	/	(6)	/	(4)
Employees as of 31.12.09	341	405	8	754
Average number of employees as of 31.12.09	380.7	413.0	7.8	801.5

Compared to 31 December 2008, personnel cost shows a decrease of 951 thousand Euros, due to the fact that the higher costs, due the renewal of the collective contract were overcompensated by the careful management of the overtime and the lower employment of seasonal workers in addition to an intensification of the use of leave.

30. Amortizations and depreciations and write-downs

(€thousand)	31.12.2009	31.12.2008
Depreciation of tangible assets	3,555	3,820
Amortization of intangible assets	353	376
Provisions and write-downs	5,604	5,018
Total Amortizations and Depreciations and Write-downs	9,512	9,214

(€thousand)	31.12.2009	31.12.2008
Allocation of taxed provision for bad debts	4,200	2,875
Allocation of non-taxed provision for bad debts	1,700	1,475
Inventory write-down	0	250
Allocation of future risks and losses	0	200
Provision for supplementary clientele severance indemnity	(296)	218
Total Provisions and write-downs	5,604	5,018

31. Other operating costs

(€thousand)	31.12.09	31.12.08
Operating costs for services	118,919	115,538
Operating costs for leases and rentals	7,653	7,758
Operating costs for other operating charges	1,638	1,356
Total Other operating costs	128,210	124,652

(€thousand)	31.12.09	31.12.08
Distribution costs for our products	50,652	49,756
Commissions, miscellaneous costs for agents, other sale expenses	31,791	30,317
Technical and logistics services (picking, etc)	14,033	13,146
Technical, legal, fiscal, administrative, commercial logistic advisory, management of branches, others	4,006	4,377
Energy consumption and utilities	6,109	6,421
Third-party production	3,129	2,961
Maintenance costs	3,073	2,734
Porterage and movement of goods	1,184	1,083
Advertising, promotion, exhibitions, sales (sundry items)	334	510
Directors' and statutory auditors' fees	888	721
Insurance costs	611	617
Reimbursement of expenses, travels and sundry costs for personnel	187	260
General and other services	2,922	2,635
Total Operating costs for services	118,919	115,538

(€thousand)	31.12.2009	31.12.2008
Lease of industrial buildings	5,730	5,698
Lease of processors and other personal property	381	465
Lease of industrial vehicles	81	119
Rentals for lease of business premises	1,261	1,275
Lease of cars	91	108
Lease of plant, machinery and equipment	0	0
Rentals and other charges paid on other personal property	109	93
Total Operating costs for leases and rentals	7,653	7,758

The fees for the lease of industrial buildings include the rental fees, totalling 672 thousand Euros, paid to the correlated company Le Cupole S.r.l. in Castelvetro (MO) for the rental of the buildings in which the MARR Uno branch carries out its activities (Via Spagna 20 – Rimini) and 1,105 thousand Euros to the associate company Consorzio Centro Commerciale Ingrosso Carni S.r.l. in Bologna for the rental of the building in which the Carnemilia Division carries out its activities (Via Francesco Fantoni, 31 – Bologna).

The company lease fees refer to:

- the fee concerning the company "Sogema" in Turin owned by the subsidiary Sfera S.p.A. where the MARR Turin branch has carried out its activities since 1 November 2004, for 1,091 thousand Euros;
- the fee concerning the going concern in Sciaves which from a logistical and distribution viewpoint refers to the MARR Dolomiti branch since 2009, for 40 thousand Euros;
- the fee concerning the going concern in Arco (TN) where the "Marr Arco" branch has carried out its activities since 12 November 2007, for 130 thousand Euros.

(€thousand)	31.12.09	31.12.08
Other indirect taxes, duties and similar charges	1,083	800
Expenses for collection of debts	199	233
Other sundry charges	176	141
Capital losses on disposal of assets	7	15
ICI	126	119
Contributions and membership fees	47	48
Total Operating costs for other operating charges	1,638	1,356

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)	31.12.09	31.12.08
Financial charges	5,898	12,926
Financial income	(1,535)	(2,352)
Foreign exchange (gains)/losses	287	250
Total Financial income and charges	4,650	10,824

The net effect of foreign exchange balances mainly reflect 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)	31.12.09	31.12.08
Interest payable on other loans, bills discount, hot money, import	1,881	4,647
Interest payable on loans	572	917
Interest payable on discounted bills, advances, export	2,761	5,803
Other financial interest and charges	641	1,494
Loan selling charges (Cremonini Sec)	0	0
Interest and Other financial charges for Parent Companies	17	12
Interest and Other financial charges for Subsidiaries	26	53
Total Financial charges	5,898	12,926

(€thousand)	31.12.09	31.12.08
Other sundry financial income (interest from customers, etc.)	(1,502)	(2,230)
Positve interest from bank accounts	(28)	(93)
Other sundry financial income for Parent Company	(5)	(29)
Total Financial income	(1,535)	(2,352)

The decrease in financial charges is attributable to the significant decrease in interest rates, started at the end of 2008 and further decreased during 2009.

33. Income and charge from associated companies

This item is detaile as indicated in the following table:

(in migliaia di Euro)	31.12.09	31.12.08
Dividends by subsidiaries	3,705	2,078
Write off investments in subsidiaries	(12)	(77)
Total income (charge) from associated companies	3,693	2,001

The item "Dividends by subsidiaries" as at 31 December 2009 (equal to 3,705 thousand Euros) consists mainly of the dividends distributed in 2009 by the subsidiary AS.CA. S.p.A. in the amount of 1,461 thousand Euros, by the subsidiary New Catering S.r.l. in the amount of 616 thousand Euros, by the subsidiary Alisea soc. cons. a r.l. in the amount of 296 thousand Euros, by the subsidiary Baldini Adriatica Pesca S.r.l. in the amount of 552 thousand Euros, by the subsidiary Sfera S.p.A. for 282 thousand Euros and by the subsidiary EMI.GEL S.r.l. in the amount of 462 thousand Euros.
As regard the cost for the write-off of the investiment in subisiaries (equal to 12 thousand Euros), this is attributable to the Spanish subsidiary MARR Foodservice Iberica S.A.U.

34. Taxes

(€thousand)	31 dic. 2009	31 dic. 2008
Ires - Ires charge transferred to the controlling company	15,444	12,234
Irap	3,362	3,462
Net provision for deferred tax liabilities	(878)	(5)
Total taxes	17,928	15,691

Reconciliation between theoretical and effective fiscal charges

(€thousand)	*Year 2009* *Taxable amount*	*Tax*	*Year 2008* *Taxable amount*	*Tax*
I.R.E.S.				
Profit before taxation	56,472		45,987	
Taxation rate	27.5%		27.5%	
theoretical tax burden		15,530		12,646
Permanent differences				
Non-deductible depreciation	428		51	
Write-down of financial assets	12		77	
Other	513		719	
	953		*847*	
Deductible depreciation	(1,853)		(1,896)	
Dividends from Italian companies (95%)	(3,520)		(1,975)	
Other			(329)	
	(5,373)		*(4,200)*	
Temporary differences deductible in future years				
Allocation of taxed provision for bad debts	4,400		3,543	
Maintenance cost excess 5%				
Other	52		40	
Deductible entertainment expenses	5			
	4,457		*3,583*	
Reversal of temporary differences from previous years				
Surplus value deductible in future years	118		382	
	118		382	
Use of taxed provision for bad debts			(2,006)	
Use of others taxed provisions	(296)			
Amount of taxed entertainment expenses	(41)		(53)	
Write down of financial assets				
Amount of maintenance cost excess 5%				
Other	(370)		(100)	
	(707)		*(2,159)*	
Taxable income	55,920		44,440	
Taxation rate	27.5%		27.5%	
Actual tax burden		15,378		12,221
Mainstream IRES for past business years		66		13
Actual Tax burden of Period		15,444		12,234
I.R.A.P.				
Profit before taxation	56,472		45,987	
Cost not relevant for I.R.A.P.				
Dividends/Adjustment to the value of financial assets	12		(2,079)	
Financial income and expense	945		10,824	
Personnel costs	30,353		31,304	
Theorical taxable	87,782		86,036	
Taxation rate	4.01%		4.05%	
theoretical tax burden		3,520		3,484
Other	(2,866)		(4,895)	
Taxable income	84,916		81,141	
Taxation rate	4.0%		4.1%	
Actual tax burden		3,405		3,286
Mainstream IRAP for pass business years		(43)		175
Actual Tax burden of Period		3,362		3,461

35. Earnings per share

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

(in Euro)	2009	2008
EPS base	0.59	0.46
EPS diluited	0.59	0.46

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

Earnings:

(€thousand)	31.12.09	31.12.08
Profit for the period	38,544	30,296
Profit used to determine basic and diluted earnings per share	38,544	30,296

Number of shares:

(number of shares)	31.12.09	31.12.08
Weighted average number of ordinary shares used to determine basic earning per share	65,820,848	66,072,362
Adjustments for share options	0	0
Weighted average number of ordinary shares used to determine diluted earning per share	65,820,848	66,072,362

It should be pointed out that for the calculation of profits per share, as at December 31, 2009 the weighted average of ordinary shares in circulation has been used, taking into consideration the purchases of own shares made until this date.

36. Other profits/losses

The value of the other profits/losses contained in the comprehensive income statement, that in 2009 was equal to a loss amounting to 23 thousand Euros, consists of the effects produced and reflected in the period with reference to the effective part of the term exchange purchase transactions carried out by the Company to hedge the underlying goods purchasing operations.
These profits/losses have been entered, in keeping with what is foreseen by the IFRS, in the net equity and highlighted (as foreseen by IAS 1 revised, applicable as from 1st January 2009) in the comprehensive income statement.

Net financial position

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

	(€thousand)	31.12.09	31.12.08
A.	Cash	2,871	8,915
	Cheques	0	0
	Bank accounts	34,329	19,192
	Postal accounts	21	95
B.	Cash equivalent	34,350	19,287
D.	Liquidity (A) + (B)	37,221	28,202
	Current financial receivable due to Parent Comany	5,962	3,479
	Current financial receivable due to Related Companies	915	1,289
	Others financial receivable	9,299	4,625
E.	Current financial receivable	16,176	9,393
F.	Current Bank debt	(142,183)	(143,796)
G.	Current portion of non current debt	(14,242)	(10,556)
	Financial debt due to Parent Company	0	0
	Financial debt due to Subsidiaries	(1,169)	(1,642)
	Financial debt due to Related Companies	0	0
	Other financial debt	(1,504)	(842)
H.	Other current financial debt	(2,673)	(2,484)
I.	Current financial debt (F) + (G) + (H)	(159,098)	(156,836)
J.	Net current financial indebtedness (I) + (E) + (D)	(105,701)	(119,241)
K.	Non current bank loans	(41,123)	(25,379)
M.	Other non current loans	(1,996)	(2,821)
N.	Non current financial indebtedness (K) + (M)	(43,119)	(28,200)
O.	Net financial indebtedness (J) + (N)	(148,820)	(147,441)

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.

Information on the remuneration of the members of the Board of Directors and Statutory Auditors

Pursuant to the law, the total remuneration due to Directors and members of the Board of Auditors for 2009 for carrying out their activities, including those in other companies in the Group, are indicated below:

(€thousand)		Term of office	Expiration	Conpensation for office held in MARR S.p.A	Non-cash benefits	Bonuses and other incentives	Other fees
Board of Directors							
Vincenzo Cremonini	Chairman	01/01/2009 - 31/12/2009	Annual report 2010	20,000			
Ugo Ravanelli	Chief Executive Officer	01/01/2009 - 31/12/2009	Annual report 2010	665,000			196,360
Illias Aratri	Director	01/01/2009 - 31/12/2009	Annual report 2010	20,000			
Alfredo Aureli	Director	01/01/2009 - 31/12/2009	Annual report 2010	28,000			
Giosué Boldrini	Director	01/01/2009 - 31/12/2009	Annual report 2010	20,000			
Paolo Ferrari	Director	01/01/2009 - 31/12/2009	Annual report 2010	30,000			
Giuseppe Lusignani	Director	01/01/2009 - 31/12/2009	Annual report 2010	30,000			
Total Board of Directors				813,000			196,360
Board of Statutory Auditors							
Ezio Maria Simonelli	Chairman of the Board of Statutory Auditors	01/01/2009 - 31/12/2009	Annual report 2010	29,783			
Massimo Conti	Statutory Auditor	01/01/2009 - 31/12/2009	Annual report 2010	19,859			10,988
Italo Ricciotti	Statutory Auditor	01/01/2009 - 31/12/2009	Annual report 2010	19,859			
Total Board of Statutory Auditors				69,501			10,988
Total				882,501			207,348

It must be pointed out that the stock option plans were concluded in the 2007 business year. The assignment of the remaining options was concluded during the same business year, and these were fully exercised within the required deadline.

° ° °

Rimini, 8 March 2010

The Chairman of the Board of Directors

Vincenzo Cremonini

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 2009, indicating the criteria adopted for accounting.
- Appendix 2 – Table showing variations in Intangible Assets for the year ending 31 December 2009.
- Appendix 3 – Table showing variations in Tangible Assets for the year ending 31 December 2009.
- Appendix 4 – Table showing the essential data from the Cremonini S.p.A. financial and consolidated financial statements as at 31 December 2008.
- Appendix 5 – List of stockholdings in subsidiaries and associated companies as at 31 December 2009 (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 2009

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	32,910			
- Subsidiaries:					
Marr-Alisurgel S.r.l. in liq.	Santarcangelo di R. (RN)	10	97.0%	Sfera S.p.A.	3.0%
Alisea Società Consortile a r.l.	Impruneta, Tavarnuzze (FI)	500	55.0%		
Sfera S.p.A. (ex Sogema S.p.A.)	Santarcangelo di R. (RN)	220	100.0%		
AS.CA. S.p.A.	Santarcangelo di R. (RN)	518	100.0%		
Marr Foodservice Iberica S.A.u	Madrid (Spagna)	600	100.0%		
New Catering S.r.l.	Santarcangelo di R. (RN)	34	100.0%		
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R. (RN)	10	100.0%		
EMI.GEL S.r.l.	Santarcangelo di R. (RN)	260	100.0%		
ASSOCIATED:					
Masofico (**)	Nouakchott (Mauritania)	26	40.0%		
EQUITY INVESTMENTS VALUED AT COST:					
- Other Company:					
Centro Agro-Alimentare Riminese S.p.A.	Rimini	11,798	1.66%		

(*) The value of the share capital of MARR S.p.A. is net to the nominal value of its own shares purchased in the context of "buy back" programme.
(**) Share capital equal to 9,600,000 OuguiYa (equal to 25.981 Euro).The company is not operating, the investment in this company has been totally write-off in 2006 and its book value is equal to zero.

Intangible fixed assets (in thousand of Euros)	OPENING BALANCE			MOVEMENTS DURING THE YEAR				CLOSING BALANCE		
	Original Cost	Provision for amortization	Balance 01/01/2009	Purchases/ reclassification	Consolidation Change	Net decreases	Amortization	Original Cost	Provision for amortization	Balance 31/12/2009
Start-Up and expansion costs										
Cost of research, development and advertising										
Cost of industrial patents and rights for the use of intellectual property	3,435	(2,558)	877	24			(347)	3,459	(2,905)	554
Concessions, licences, brand names, and similar rights	36	(25)	11		1		(1)	37	(26)	11
Goodwill	70,374		70,374	591				70,965		70,965
Intangible fixed assets under development and advances	36		36					36		36
Other intangible fixed assets	71	(53)	18				(5)	71	(58)	13
Total	**73,952**	**(2,636)**	**71,316**	**615**	**1**		**(353)**	**74,568**	**(2,989)**	**71,579**

Tangible fixed assets (in thousand of Euros)	Opening balance			Movements during the year				Closing balance		
	Original Cost	Provision for amortization	Balance 01/01/2009	Purchases/ reclassification	Decreases Original cost	Decreases Prov. for am.	Amortization	Original Cost	Provision for amortization	Balance 31/12/2009
Land and buildings	54,819	(9,867)	44,952	365			(1,447)	55,184	(11,314)	43,870
Plant and machinery	17,707	(12,961)	4,746	645	(76)	74	(1,214)	18,276	(14,101)	4,175
Industrial and commercial equipment	1,558	(1,084)	474	102			(100)	1,660	(1,184)	476
Other tangible assets	11,517	(8,708)	2,809	1,158	(1,182)	330	(794)	11,493	(9,172)	2,321
Tangible fixed assets under development and advances				50				50		50
Total	85,601	(32,620)	52,981	2,320	(1,258)	404	(3,555)	86,663	(35,771)	50,892

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, 2008		
Cremonini S.p.A.		in thousands of Euros		Consolidated
		BALANCE SHEET		
		ASSETS		
94,121		Tangible assets		449,374
21,663		Goodwill and other intangible assets		153,359
268,497		Investments		11,906
2,981		Non-current assets		25,308
387,262		*Total non-current assets*		*639,947*
3,350		Inventories		190,560
72,708		Receivables and other current assets		486,720
5,645		Cash and cash equivalents		77,635
81,703		*Total current assets*		*754,915*
468,965		Total assets		1,394,862
		LIABILITIES		
70,372		Shareholders' equity:		221,361
	67,074	Share capital	67,074	
	(26,937)	Reserves	50,149	
	30,235	Net profit (loss)	39,000	
		Minority interest	65,138	
224,493		Non-current financial payables		304,553
8,975		Employee benefits		26,952
1,495		Provisions for risks and charges		7,706
8,205		Other non-current liabilities		38,977
243,168		*Total non-current liabilities*		*378,188*
109,630		Current financial payables		353,982
45,794		Current liabilities		441,331
155,424		*Total current liabilities*		*795,313*
468,965		Total Liabilities		1,394,862
		INCOME STATEMENT		
147,199		Revenues		2,176,827
3,019		Other revenues		66,608
		Changes in inventories		4,950
		Internal works performed		1,425
(45,585)		Purchase of goods		(1,514,404)
(56,552)		Other operating costs		(344,576)
(42,148)		Personnel costs		(231,518)
(5,432)		Amortization		(36,097)
(1,437)		Depreciation and Allocations		(10,584)
39,783		Income from investments		(265)
(10,629)		Financial income and charges		(38,615)
28,216		*Profit before taxes*		*73,751*
2,019		Taxes		(20,676)
30,235		Net profit (loss) before consolidation		53,075
		Minority interest's profit (loss)		(14,075)
30,235		Consolidated Net profit (loss)		39,000

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 at 31 December 2008. For an adequate and full understanding of the Cremonini S.p.A. financial situation as at 31 December 2008, and the economic result achieved by the company during the business year closed on that date, refer to the financial statements which, supplemented by the audit company's report, is available in the forms and methods provided by the law.

List of stockholdings in subsidiaries and associated companies as at December 31, 2009 (art. 2427 n.5 c.c.)
(€/thousands)

Company	Corporate Domicile	Capital Stock	Shareholder's equity Total Amount	Shareholder's equity Pro-rata Amount (A)	Net Profit (loss) Total Amount	Net Profit (loss) Pro-rata Amount	Percentage Held	Carrying Value (B)	Difference (B) - (A)		Last Financial Statements approved/ preliminary financial statements approved	Shareholders' equity pro-rata amount in accordance with art. 2426 n. 3 cc (C)	Difference (B) - (C)
- In subsidiares:													
Alisea Soc.Cons. a r.l.	Tavarnuzze di Impruneta (Fi)	500	2,138	1,176	960	528	55.00%	30	(1,146)		31/12/2009	1,220	(1,190)
Marr Alisurgel S.r.l. in liq.	Santarcangelo di R. (RN)	10	177	172	13	13	97.00%	10	(162)		31/12/2009	172	(162)
Marr Foodservice Iberica S.A.	Madrid (Spagna)	600	454	454	(21)	(21)	100.00%	454	0		31/12/2009	454	0
Sogema (ora Sfera) S.p.a.	Santarcangelo di R.(RN)	220	1,053	1,053	303	303	100.00%	11,440	10,387	*	31/12/2009	12,931	(1,491)
AS.CA. S.p.a.	Santarcangelo di R.(RN)	518	5,004	5,004	1,422	1,422	100.00%	13,852	8,848	*	31/12/2009	15,511	(1,659)
New Catering S.r.l.	Santarcangelo di R.(RN)	34	890	890	513	513	100.00%	2,852	1,962	*	31/12/2009	3,271	(419)
Baldini Adriatica Pesca S.r.l.	Santarcangelo di R.(RN)	10	324	324	305	305	100.00%	16	(308)		31/12/2009	412	(396)
EMI.GEL. S.r.l.	Santarcangelo di R.(RN)	260	2,631	2,631	218	218	100.00%	4,618	1,987	*	31/12/2009	4,558	60

Appendix 6

The following table, drafted pursuant to art. 149-duodecies of the Consob Issuers Regulations, highlights the payments required for the 2009 business year for services provided to the Company auditing firms or bodies belonging to the network of Auditing companies:

(€thousands)	Service Company	Client	Fees pertinent to business year 2009
Auditing	Reconta Ernst & Young S.p.A.	MARR S.p.A.	85
Certification service			0
Other services			0
Total			85

STATEMENT OF FINANCIAL STATEMENT PURSUANT TO ART. 154-BIS PARAGRAPH 2 OF LEGISLATIVE DECREE 58 DATED 24 FEBRUARY 1998

1. The undersigned Ugo Ravanelli, in the quality of Chief Executive Officer, and Pierpaolo Rossi, in the quality of Manager responsible for the drafting of the corporate accounting documents of MARR S.p.A., hereby certify, also taking into account that provided by art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application,

of the management and accounting procedures for the drafting of the financial statement, during the year 2009.

2. The assessment of the adequacy of the management and accounting procedures for the drafting of the financial statement as at 31 December 2009 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:

d) 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;

e) correspond to the findings in the accounts books and documents;

f) are suited to providing a truthful and correct representation of the equity, economic and financial situation of the author;

3.2 The director's 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, 8 March 2010

Chief Executive Officer	Manager responsible for the drafting of corporate accounts documents
Ugo Ravanelli	Pierpaolo Rossi

Ernst & Young

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

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

Independent auditors' report
pursuant to art. 156 of Legislative Decree n. 58 of February 24, 1998
(now art. 14 of Legislative Decree n. 39 of January 27, 2010)
(Translation from the original Italian text)

To the Shareholders
of MARR S.p.A.

1. We have audited the financial statements of MARR S.p.A. as of and for the year ended December 31, 2009, comprising the statement of financial position, the statement of comprehensive income, the statement of changes in the shareholders' equity, the cash flows statement and the related explanatory notes. The preparation of these financial statements in compliance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005 is the responsibility of the MARR S.p.A.' s management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

   Our audit of the financial statements for the year ended December 31, 2009 was made in accordance with the regulations in force during that year.

   With respect to the financial statements of the prior year, presented for comparative purposes, which have been restated to apply IAS 1, reference should be made to our report dated April 2, 2009.

3. In our opinion, the financial statements of MARR S.p.A. at December 31, 2009 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with art. 9 of Legislative Decree n. 38/2005; accordingly, they present clearly and give a true and fair view of the financial position, the results of operations and the cash flows of MARR S.p.A. for the year then ended.

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

CONSOB. In our opinion, the Directors' Report and the information reported in compliance with art. 123-bis of Legislative Decree n. 58/1998, paragraph 1, letters c), d), f), l), m) and paragraph 2), letter b) presented in the Report on Corporate Governance and ownership structure, are consistent with the financial statements of MARR S.p.A. as of December 31, 2009.

Bologna, April 7, 2010

Reconta Ernst & Young S.p.A.
signed by: Gianluca Focaccia, partner