Received 6 March 2015

Australian Government
Anti-Dumping Commission

SECTION A
COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head Office:

Name:	***Fiammetta Monaco***
Position in the company:	***Legal Affairs Manager***
Address:	***Via Nazionale, 320 – 84012, Angri (Sa)***
Telephone:	***+39 081 51 66 332 ; +39 342 6946 889***
Facsimile number:	***+39 081 51 35 880***
E-mail address of contact person:	***fiammetta.monaco@gruppoladoria.it***

Factory:

La Doria S.p.A. directly owns four factories located, respectively, in:

1) Angri (Salerno): Via Nazionale 320 – 84012
2) Sarno (Salerno): Strada Statale 367, km 16,4 – 84087
3) Fisciano (Salerno): Via Polcareccia, 3 – 84084
4) Faenza (Ravenna): Via Emilia Ponente, 4 – 48018.

Through its subsidiaries, La Doria S.p.A. also owns three additional factories, such as:

5) Lavello (Potenza): Strada Consorziata – 85024
6) Parma: Viale delle Esposizioni, 79/A – 43122
7) Acerra (Napoli): Via Pagliarone, 2 – 80011.

For La Doria Group chart, please refer to paragraph A-3 no. 5.

Please note that goods under investigation are manufactured in plants nn. 1), 2) 3) and 5) only.

The contact person for the factories is the same indicated for the head office.

A-2 Representative of the company for the purpose of investigation

No representative appointed.

A-3 Company information

1. What is the legal name of your business? What kind of entity is it (eg. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

The legal name of our business is "La Doria S.p.A.". It is a company incorporated under Italian Law and which shares are listed at Italian Stock Exchange ("Borsa Italiana S.p.A."). We do not export and/or sell goods under other business names.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

As listed company, La Doria's shareholding is a public available information under www.borsaitaliana.it; in any case, shareholders' percentages exceeding 5% (as at 29th January 2015) are summarized herebelow:

- ***9,6571% of the corporate capital is held by Ms. Giovanna Ferraioli;***
- ***9,6583% of the corporate capital is held by Ms. Iolanda Ferraioli;***
- ***9,6596% of the corporate capital is held by Ms. Rosa Ferraioli;***

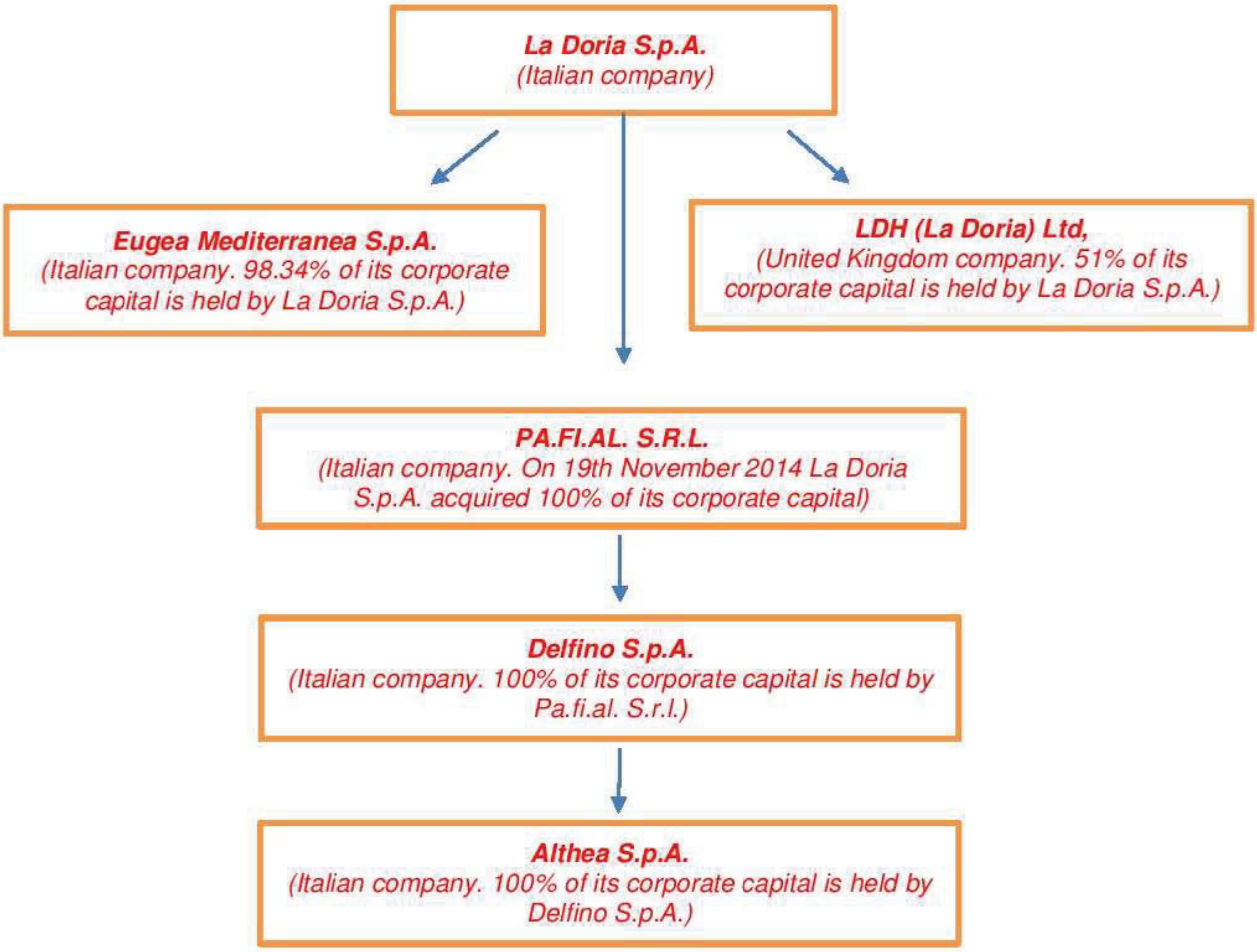
- ***9,6571% of the corporate capital is held by Ms. Teresa Maria Rosaria Ferraioli;***
- ***9,6571% of the corporate capital is held by Ms. Raffaella Ferraioli;***
- ***10,5454% of the corporate capital is held by Mr. Andrea Ferraioli;***
- ***11,19% of the corporate capital is held by Mr. Antonio Ferraioli.***

Remaining shares are free float (the so-called "flottante azionario").

3. If your company is a subsidiary of another company, list the principal shareholders of that company.
   La Doria is not subsidiary of another company.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.
   La Doria has not parent company.

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.



6. Are any management fees/corporate allocations charged to your company by your parent or related company?
   There are not management fees or corporate allocations charged to La Doria S.p.A. by its subsidiaries [redacted].

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.
   La Doria's core business is the production and marketing of tomato-based products, fruit juices, canned vegetables and pasta - with particular reference to the Private Label sector. Please note that La Doria is a manufacturer and seller.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

La Doria's business performs all the functions above.

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.
Pursuant to the information available as at 31st December 2014, La Doria Group has [redacted] open-ended employees and [redacted] fixed term employees.
La Doria's organization has a hierarchical structure in which all employees are ranked at various levels within the organization: each level is one above the other. At each stage of the chain, one person has a number of workers reporting to him, within his span of control.
The chain of command (the structure) is a typical pyramid shape: for further details, please refer to Annex named "A-3 no.9".

10. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.
Please note that the annual report coincides with the financial statement: therefore, please refer to paragraph A-4 no. 3 and relating Annex named "A-4 no.3.2".
As to the relevant brochure, please find attached under Annex named "A-3 no.10" the press release adjourned as at June 2014 (Italian version only).

A-4 General accounting/administration information

1. Indicate your accounting period.
01 January – 31 December.

2. Indicate the address where the company's financial records are held.
La Doria S.p.A., Via Nazionale 320 – 84012 Angri (Salerno), Italy.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:
Please note that, as specified under question no. 1 above, our last accounting period ended on 31st December 2014. Currently, we are preparing the 2014 financial statement that shall be approved pursuant to Article 2364 of the Italian Civil Code.
Please note that, due to the fact that La Doria is a listed company, our financial statement shall be published in our website within 31st March 2014 (Italian version) and, the following month, also in English.
Please note also that, due to the confidentiality duties imposed by Borsa Italiana S.p.A. (the Italian Stock Exchange), we are not in the position to anticipate any draft of said document.

- chart of accounts;

Please refer to Annex "A.4 no. 3.1"

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);

Please refer to Annexes:
"A.4 no. 3.2" for audited consolidated and unconsolidated financial statements as at 31st December 2013;
"A.4 no. 3.3" for audited consolidated and unconsolidated financial statements as at 31st December 2012;
"A.4 no. 3.4" for audited Interim Financial Statement (the so-called "Relazione Semestrale") as at 30th June 2014;
"A.4 no. 3.5" for Third Quarterly Report (the so-called "Resoconto Intermedio di Gestione" as at 30th September 2014.

- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

  These documents should relate to:

  - the division or section/s of your business responsible for the production and sale of the goods under consideration, and
  - the company.

Please refer to Annex A.5 for the requested data.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.
Not applicable: our accounts are audited as indicated under paragraph 3 above.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.
Our accounting practices do not differ from the generally accepted accounting principles. In particular, please note that the financial statement includes the balance sheet, the income statement, the consolidated income statement, the cash flow statement, the statement of changes in shareholders' equity and the notes. All said documents are prepared in accordance with the International Accounting Standards approved by the European Commission at the date of respective financial statements (the so-called "IAS/IFRS").

6. Describe:

The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

Inventories are measured at the lower of purchase and/or production cost and net realisable value. Purchase or production costs include the costs incurred in bringing the inventories to the relating location and conditions and are determined under the "weighted average cost" method. Net realisable value is the selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories have also been adjusted, where necessary, by an allowance for write-downs to account for the physical deterioration of the goods. This provision is eliminated in successive periods if it is no longer necessary.
La Doria classifies inventories in the following categories: i) raw material, ancillary and consumables; ii) products in work-in-progress and semi-finished; iii) finished products; iv) advances.
The work in progress is valued at production cost.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);
  Please refer to paragraph above.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;
  Please refer to paragraph above.

- valuation methods for scrap, by products, or joint products;
  Please refer to paragraph above.

- valuation and revaluation methods for fixed assets;
  Please consider paragraphs A-D below:
  A) Definite intangible assets and amortisation
  An intangible asset is an identifiable non-monetary asset without physical substance, identifiable and capable of generating future economic benefits. Intangible assets are originally recognised at purchase and/or production cost, including the costs of bringing the asset to its current use, net of accumulated amortisation, and any loss in value. Amortisation is calculated using the straight-line method over the estimated period of effective utilisation or future benefit. Where there are indications of a permanent loss in value, a specific impairment test is carried out and any loss in value is charged to the income statement and as a reduction of the fixed asset, in accordance with the procedures indicated below in the following paragraph. The balance includes concessions, licenses and trademarks, patents and industrial rights and other intangible assets, including the purchase cost of software and intangible assets recorded on business combinations, in accordance with IFRS 3. The costs of research and the cost of maintenance and software management are charged to the income statement.
  B) Intangible assets with an indefinite life - Goodwill
  The goodwill stated under intangible assets relates to business combinations made since January 1, 2004 and represents the difference between the cost incurred for the purchase of a company or a business unit and the sum of the values assigned, based on the fair values at the purchase date of the individual assets and liabilities of the company purchased. Goodwill has an indefinite life and therefore is stated at original cost, net of any write-downs.
  Goodwill, in fact, is not amortised but subject to an impairment test in accordance with IAS 36, on an annual basis, except when there are market and operational indicators identified by the Group, where it is necessary to carry out the test also in relation to the preparation of interim accounts. For the purpose of the impairment test, the goodwill is allocated to the individual cash generating units (CGU), which are the smallest units financially independent through which the Group operates in the different market segments, which are related to the individual business areas.
  C) Property, plant & equipment

Property, plant and equipment are stated at purchase or production cost, including additional charges allocated to the asset and related to its preparation for use during its useful life, net of accumulated depreciation and any loss in value deriving from the impairment test commented upon in the subsequent paragraph. The value of an asset is adjusted by straightline depreciation, calculated on the basis of the residual useful life of the asset.

Land is recorded at purchase cost, net of any loss in value and is not subject to depreciation. For buildings, the deemed cost method is used corresponding to the fair value or the revalued cost at January 1, 2004. Fair value is deemed to be the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

Ordinary maintenance and repairs in the normal course of business are charged to the income statement. Extraordinary maintenance or repairs on owned assets or of third parties are capitalised and depreciated only if clearly identifiable and having future use. The cost of internally produced fixed assets includes the costs of the materials used, labour costs, the initial estimate, where applicable, of the dismantling and removal costs of the asset, and site reclamation costs.

When the asset to be depreciated is composed of separately quantifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the "component approach" principle. Finance charges are capitalised only when the requirements of IAS 23 are in place.

Buildings available-for-sale are not depreciated as they are not used in the production process and are stated in a separate account of the current assets at the lower of cost and fair value less costs to sell. Capital grants are recognised when there is reasonable certainty that they will be received and that they will satisfy the conditions for their approval. Capital grants are recorded as deferred income (deferred income) under other current and non-current liabilities and are recorded as income to the Income Statement, in the account "Other operating income", on a straight basis over the useful life of an asset.

D) <u>Depreciation of property, plant & equipment</u>

Property, plant and equipment are depreciated using the straight-line method over their useful lives. Depreciation commences when the asset is available for use. In the year in which the asset is recorded for the first time, the depreciation is reduced to take account of the lesser use of the asset. The depreciation rates are shown in Table B. In the year in which the asset is recorded for the first time, the depreciation is reduced proportionally to take account of the lesser use of the asset. The land, as already described, is not depreciated as it has an indefinite life and is subject to an impairment test when there are indications of a loss in value. Applying the principle of the "component approach", when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

Loss in value of tangible and intangible assets (impairment of the assets).

As previously described, assets with an indefinite life are subject, at least annually, to a verification of the recovery of the value recorded in the balance sheet on the basis of the value in use. For depreciated assets, an impairment test is made when there are indications of a loss in value. When, following an impairment test, write-downs should be made (recovery value lower than carrying value in the financial statements) and recognised in the income statement. The value is reinstated in future years, up to the amortised cost - should the reason for any write-down no longer exist. The reinstated amount is also recognised in the income statement. However, in no case is goodwill reinstated following a previous writedown.

- average useful life for each class of production equipment and depreciation method and rate used for each;

  Please refer to paragraph above.

- treatment of foreign exchange gains and losses arising from transactions;

  Please refer to letter A-D below:

  A) <u>FINANCIAL ASSETS/LIABILITIES</u>

  The Group classifies financial assets in the following categories:

a.1 assets at fair value through the income statement;
a.2 loans and receivables;
a.3held-to-maturity investments;
a.4 AFS financial assets.

The classification depends on the reasons for which the asset/liabilities were purchased, by their nature and by the measurement made by management at the purchase date. For the annual accounts and on the preparation of interim accounts, the management of the Group evaluates the existence of indicators of loss in value requiring an impairment test.

A.1 Assets at fair value through the income statement

Financial assets at fair value through profit or loss This category includes financial assets purchased for short-term trading, as designated by the Directors, in addition to derivative instruments, for which reference should be made to the paragraph below. The fair value of these instruments is determined with reference to the market value at the balance sheet date. The changes in fair value of the instruments belonging to this category are immediately recognised in the income statement. The classification between current and non-current reflects the expectations of the management on their trading:

included under current assets are those in which trading is expected within 12 months. The assets included in this category do not relate to the normal operations of the Group.

A.2 Loans and receivables

This category includes assets not represented by derivative instruments and not listed on an active market, not held for trading and for which fixed or determinable payments are expected.

Loans and receivables are measured at amortised cost on the basis of the effective interest method, considering write-downs for adjustments of realisable value made analytically on the basis of the expected receipts. The write-downs are recognised in the income statement. These assets/liabilities are classified as current assets/liabilities, except for the portion relating to non-trade receivables/payables with maturity beyond 12 months, which are classified under non-current asset/liabilities. Trade receivables which mature within the normal commercial terms are not discounted.

A.3 Held-to-maturity investments

These relate to assets, other than derivative instruments, at pre-fixed maturity, with fixed or determinable payments and for which the Group has the full intention and capacity to maintain in portfolio until maturity. There are no assets belonging to this category held either by the Parent Company or by the other consolidated companies.

A.4 AFS financial assets

This category includes financial assets not represented by financial instruments, specifically designated as included in this category or not classified in any of the previous categories. They are measured at fair value, determined with reference to market prices at the balance sheet date or through financial measurement techniques or models. The changes in value are recorded in a specific equity reserve "AFS asset reserve". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2012, the Group does not hold these types of assets.

B) ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS.

On the initial classification of the assets held for sale, the non-current assets and group of assets for sale are measured at the lower of the carrying value and the fair value less costs to sell. The losses in value resulting from the initial measurement of an asset classified as held for sale are recognised in the income statement. The same treatment applies to the gains and losses on subsequent measurements. An operating activity discontinued (valued as assets held for sale) is a component of the Group which represents an important independent business division or geographical area or is a subsidiary acquired exclusively for resale.

An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. A group being sold may also be included under operating activities discontinued.

C) FINANCIAL INSTRUMENTS

The Company manages the exchange and interest rate risk (limited to "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through forward operations and options (commented upon in the paragraph on Derivatives). The Company manages the cash flow risk through interest rate swap operations which permit the converting of the floating rates relating to the loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge). The above operations relate to:

c.1 Derivatives

The derivative instruments continue to be considered as assets held for trading and measured at fair value with recognition in the income statement, except in the case where they are considered, in accordance with IAS/IFRS standards, as appropriate hedging instruments and effective in the neutralisation of the risk of the underlying asset or liability or commitment assumed by the Group. In this case, they are measured in relation to the type of hedge related to the underlying hedge. In particular, the Group uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39 in terms of effectiveness of the hedge. Where not in accordance with these requirements, the operations are considered trading operations and are measured at fair value through profit or loss. If such conditions exist, these operations are measured in accordance with the cash flow hedge method. The current hedging operations of the Group in fact relate to cash flow hedges on the interest rate risk for loans and on the foreign exchange risk related to purchases/payments, commented upon below.

c.2 Cash Flow Hedge

The fair value changes of the derivatives designated as cash flow hedges and which qualify as such, are recognised, only for the "effective" part, at the balance sheet date, in a specific equity reserve ("cash flow hedge reserve") with an adjustment of the financial asset/liability hedged. This reserve is subsequently reversed to the income statement at the same time as the economic effects of the asset/liability hedged. The change in the fair value relating to the "ineffective" position are immediately recorded to the income statement. Whenever the derivative instrument is sold or does not qualify as an effective hedge of the risk involved in the operation, or the verification of the underlying operation is no longer considered highly probable, the portion of the reserve from the cash flow hedge is immediately reversed to the income statement.

c.3 Measurement of the fair value

The fair value of the instruments listed on public markets is determined with reference to the quotations at the date of recognition ("bid price"). The fair value of non-quoted instruments is measured with reference to financial valuation techniques generally adopted on the basis of standard benchmarks: in particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward/option contracts is determined on the basis of the forward exchange rate at the reference date.

c.4 Cash and cash equivalents

This includes cash in hand and bank and postal deposits which are available on demand,

certain in nature and with no payment expenses. Cash and cash equivalents are stated at fair value.

D) TRADE PAYABLES AND OTHER LIABILITIES.

The trade payables and the other financial liabilities are initially recognised at fair value less transaction costs. Thereafter, they are measured at amortised cost, using the effective interest rate. The trade payables which mature within the normal commercial terms are not discounted. These liabilities are classified as current liabilities, except for the portion relating to non-trade payables with maturity beyond 12 months, which are included under non-current liabilities. Financial liabilities are eliminated from the financial statements when, due to their sale or settlement, the Group is no longer involved in their management, nor holds the relative risks and benefits relating to these instruments settled/sold.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
  Please refer to paragraph above.

- inclusion of general expenses and/or interest;
  <u>Costs and revenues</u>
  Costs and revenues are recorded in accordance with the probability that the Group will receive economic benefits and the amount can be determined reliably. The revenues are recorded at the fair value of the amount received less returns, discounts and allowances in accordance with the accruals principle. Revenues relating to the sale of goods are recognised when the Group has transferred to the buyer all the significant risks and rewards related to the ownership, which in many cases coincides with the transfer of the ownership and/or possession by the buyer and when the amount of the revenue can be reliably determined. Costs are recorded in accordance with the accruals principal.
  <u>Provisions for risks and charges</u>
  The provisions for risks and charges are recorded to cover known or likely losses or liabilities, the timing and extent of which are not known with certainty at the balance sheet date. The provisions for risks and charges are only recorded when a current obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate, based on available information, on the amount to be paid to settle the obligation. Possible risks that may result in a liability are disclosed in the notes without any amounts being set aside. Account is not taken however of the risks for which the probability of employing resources to produce economic benefits is remote.
  <u>Financial income and expenses</u>
  Financial income and expenses are recorded on an accruals basis on the interest matured on the net value of the relative financial assets and liabilities and utilising the effective interest rate. The Group reports net exchange gains and losses under net financial income/(charges) in accordance with IAS 1.
  <u>Income taxes</u>
  The Group tax charge is based on current taxes and deferred taxes. Where relating to components recognised to income and charges recorded to net equity within the comprehensive income statement, such taxes are recorded to the same account.
  Current taxes are calculated based on tax regulations in force at the financial reporting date; any risks concerning different interpretations of positive or negative income components, such as any disputes with tax authorities, are valued at least quarterly in order to adjust the financial statement provisions. In particular, in the determination of the income taxes of the Group, consideration was taken of the effects deriving from the IAS tax reform introduced by Law 244 of December 24, 2007 and, in particular, the provisions of Article 83 of the Consolidated Finance Act which now requires that for parties that apply international accounting standards they must utilise, even where exempted by the provisions of the Consolidated Finance Act, "the criteria of qualification, accruals accounting and classification in the accounts in accordance with these accounting standards".

The deferred taxes, recorded in the accounts at their nominal value, are calculated based on the temporary differences between the book value of the assets and liabilities and the corresponding value for tax purposes, with the exception of temporary differences on the initial recording of the goodwill, of the initial recording of assets or liabilities which do not have an impact on the profit for accounting or tax purposes and the differences relating to investments in subsidiary companies in which it is probable, in the future, that the temporary differences will not reverse. The valuation of deferred tax assets and liabilities is carried out applying the expected tax rate when the temporary differences will reserve, on the basis of the current tax regulations at the reporting date. Deferred tax assets are recognised for the amount it is probable that, in the years in which the relative temporary differences reverse, assessable income exists at least equal to the amount of the differences.

- provisions for bad or doubtful debts;
  Please refer to paragraph above.

- expenses for idle equipment and/or plant shut-downs;
  Please refer to paragraph above.

- costs of plant closure;
  Not applicable (La Doria has not costs of plant closure).

- restructuring costs;
  Not applicable (La Doria has not costs of plant closure).

- by-products and scrap materials resulting from your company's production process; and
  Not applicable (La Doria has not costs of plant closure).

- effects of inflation on financial statement information.
  None.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.
Not applicable (no change of accounting methods occurred during the last two years).

A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods under consideration (*'goods under consideration'* (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

	Most recent completed financial year (specify)		**Investigation period**	
	All products	**Goods Under Consideration**	**All products**	**Goods Under Consideration**
Gross Sales (1)				
Sales returns, rebates and discounts (2)				
Net Sales (3=1-2)				
Raw materials (4)				
Direct Labour (5)				
Depreciation (6)				
Manufacturing overheads (7)				
Other operating expenses (8)				
Total cost to make (9=4+5+6+7+8)				

OPERATING INCOME (10=3-9)				
Selling expenses (11)				
Administrative & general expenses (12)				
Financial expenses (13)				
SG&A expenses (14)=(11+12=13)				
INCOME FROM NORMAL ACTIVITIES (15)=(10-14)				
Interest income (16)				
Interest expense (enter as negative) (17)				
Extraordinary gains and Losses – enter losses as negative (18)				
Abnormal gains and losses – enter losses as negative (19)				
PROFIT BEFORE TAX (20)=(15+16+17+18+19)				
Tax (21)				
NET PROFIT (22)=(20-21)				

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

Prepare this information on a spreadsheet named "**Income statement**".

Please refer to Annex A.5.

A-6 Sales

State your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

	Most recent completed financial year (specify)		**Investigation period**	
	Volume	**Value**	**Volume**	**Value**
Total company turnover (**all products**)				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods under consideration				
Domestic market				
Exports to Australia				
Exports to Other Countries				
Turnover of the **goods under consideration**				
Domestic market				
Exports to Australia				
Exports to Other Countries				

Prepare this information in a spreadsheet named "TURNOVER".

Please refer to Annex A.6.

SECTION B
SALES TO AUSTRALIA (EXPORT PRICE)

B-1 For each customer in Australia to whom you shipped goods in the investigation period list:

name;
address;
contact name and phone/fax number where known; and
trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

B-2 For each customer identified in B1 please provide the following information.

(a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

- ***With reference to:*** [redacted]

Goods are sold on EXW basis. La Doria makes the goods available at its premises. The customer is responsible for uploading. The customer pays all transportation costs and also bears the risks for bringing the goods to their final destination.

- ***With reference to:*** [redacted]

Goods are sold on FOB basis. La Doria pays for the transportation of the goods to the port of shipment and loading costs. The customer pays cost of marine freight transport, insurance, unloading, and transportation from the arrival port to the final destination. The passing of risks occurs when the goods pass the ship's rail at the port of shipment.

(b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

Goods are ordered by the customer, prepared by La Doria and loaded on containers and invoiced when the goods leave the factory. No commissions are paid.

(c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

Ownership is determined by applicable Incoterms (i.e.: EXW); there are not DDP sales.

(d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

No agency or distribution agreement is in place.

(e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

La Doria does not have any price list. La Doria negotiate prices with the Customer when they are on the market, for tomatoes normally between June and August. Once items / recipes / quantities / prices are agreed, La Doria provides to check artwork and label requirements. When the label approval process is completed, the contract is listed in our SAP System; from that moment the customer can start to call off the orders. Goods are invoiced once the container goes out of our premises; invoices are paid according to the payment terms allowed.

(f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

La Doria is not related with any of those firms.

(g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

Please, refer to question B-4 below.

B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Our export selling prices do not vary according to the distribution channel. They changes only for different Incoterms.

B-4 Prepare a spreadsheet named "Australian sales" listing all shipments (i.e. transaction by transaction) to Australia of the goods under consideration in the investigation period. You must provide this list in electronic format. Include the following export related information:

Column heading	Explanation
Customer name	names of your customers
Level of trade	the level of trade of your customers in Australia
Model/grade/type	commercial model/grade or type
Product code	code used in your records for the model/grade/type identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date *other than* the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract, or purchase order date.
Order number	if applicable, show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Shipping terms	Delivery terms eg. CIF, C&F, FOB, DDP (in accordance with Incoterms)
Payment terms	agreed payment terms eg. 60 days=60 etc
Quantity	Quantity in units shown on the invoice. Show basis eg kg.
Gross invoice value	gross invoice value shown on invoice *in the currency of sale*, *excluding taxes*.
Discounts on the invoice	if applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description.
Invoice currency	the currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of the sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as it is entered in your accounting system
Rebates or other allowances	the amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Ocean freight**	the actual amount of ocean freight incurred on each export shipment listed.
Marine insurance	Amount of marine insurance
FOB export price**	the free on board price at the port of shipment.
Packing*	Packing expenses
Inland transportation costs*	inland transportation costs included in the selling price. For export sales this is the inland freight from factory to port in the country of export.
Handling, loading & ancillary expenses*	handling, loading & ancillary expenses. For example, terminal handling, export inspection, wharfage & other port charges, container tax, document fees & customs brokers fees, clearance fees, bank charges, letter of credit fees, & other ancillary charges incurred in the exporting country.
Warranty & guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services, such as technical assistance or installation costs.
Commissions*	Commissions paid. If more than one type is paid insert additional columns of data. Indicate in your response to question B2 whether the commission is a pre or post exportation expense having regard to the

	date of sale.
Other factors*	**any other** costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See question B5.

** FOB export price and Ocean Freight:
FOB export price: An FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.
Freight allocations must be checked for consistency.

* All of these costs are further explained in section E-1.
Please, refer to Annex B.4.

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see "other factors" in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.
Please, refer to Annex B.4.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.
No discounts, rebates or allowance are offered.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.
Please, refer to Annex B.4.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

No delivery terms make La Doria responsible for arrival of the goods: all sales are FOB (or EXW).

B-9 Select two shipments, in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;

- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

The Commission will select additional shipments for payment verification at the time of the visit.
Please, refer to Annex B-9 no. 1 and B-9 no.2

SECTION C
EXPORTED GOODS & LIKE GOODS

C-1 Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

Goods exported to Australia during the investigation period are the following:

[redacted]

Please, refer to Annex C.1 for technical specifications.

C-2 List each type of goods exported to Australia (these types should cover all types listed in spreadsheet "**Australian sales**" **–** see section B of this questionnaire).

Please, refer to Annex C.2 for recipe list and Section B.

C-3 If you sell like goods on the domestic market, for each type that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically;

\- and provide a detailed explanation of the differences where those goods sold domestically (ie. the like goods – see explanation in glossary) are not identical to goods exported to Australia.

Exported Type	***DESCRIPTION***	***Domestic Type***	***DESCRIPTION***	***Identical***	***Differences***
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO

[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO
[redacted]	[redacted]	[redacted]	[redacted]	YES	NO

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Please refer to Annex C-1 for technical specifications containing all details.

SECTION D
DOMESTIC SALES

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;

The distribution channels to domestic customers are the following:

1. ***Retail - such as Big Retail Channels (the so- called "GDO"), Discounts and Normal Trade;***
2. ***Industrial Customers;***
3. ***Other sales.***

- information concerning the functions/activities performed by each party in the distribution chain; and

The parties of the distribution chains are La Doria employees (the so-called "Personale Diretto") and La Doria agents (the so-called "Agenti"). La Doria and each agent enter into a written agreement and relationships are on a not-exclusive basis.
In order to distinguish the activities performed by each party in the distribution chain, it is important to consider both clients and products.
Relationships with Big Retail Channels and Discounts are directly managed by La Doria (through its employees) and the products sold are mainly private labels.
Relationships with Industrial Customers are directly managed by La Doria (through its employees) and the products are sold are under clients' trademarks or without labels (the so-called "merce in bianco").
Relationships with normal trades and marginal retail channels are managed through the agents.

- a copy of any agency or distributor agreements, or contracts entered into.

For a list of agents, please refer to Annex named D.1.1 and for a sample of Agency Agreement, refer to Annex D.1.2.
For a list of distributors (such as our customers), please refer to Annex D.1.3 and for a sample of Distribution Agreement, refer to Annex D.1.4.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.
There are not customers associated with La Doria business.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

As indicated under question D-1, it is important to distinguish between clients and products. Our domestic selling prices do not vary on the basis of different distribution channels; they vary on the basis of the products. In particular:

- ***for products labelled under La Doria trademarks, there is a domestic price list applicable for all clients - without distinction of distribution channel. Sometimes, La Doria may grant discounts negotiated on the basis of specific promotions;***
- ***for private label products, sale's terms and conditions are settled on yearly basis for each crop. Prices are influenced by client's relevance and type of product sold.***

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and

La Doria sets the price on the basis of price-lists negotiated with the purchaser. Once the agreement has been reached, we receive the orders through e-mail, fax or EDI. La Doria processes said orders and prepares the goods for the delivery.
Almost all goods are delivered at place ("franco arrivo"); only few of them are ex work ("franco partenza").
Terms and conditions of the sale are indicated in the written contract (if any) or in the invoice.

- whether price includes the cost of delivery to customer.

Price includes the cost of delivery (which is incorporated but not detailed under the invoice).

If sales are in accordance with price lists, provide copies of the price lists.

As indicated under paragraph D-2, we have price lists only for La Doria products: please refer to Annex D-3 for relating copy.

D-4 Prepare a spreadsheet named "**domestic sales**" listing **all** sales of like goods made during the investigation period. The listing must be provided on a CD-ROM. Include all of the following information.

Column heading	Explanation
Customer name	names of your customers. If an English version of the name is not easily produced from your automated systems show a customer code number and in a separate table list each code and name.
Level of trade	the level of trade of your domestic customer
Model/grade/type	commercial model/grade or type of the goods
Product code	code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission.
Invoice number	invoice number
Invoice date	invoice date
Date of sale	refer to the explanation at the beginning of this section. If you consider that a date *other than* the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract, or purchase order date.
Order number	show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale.
Delivery terms	eg ex factory, free on truck, delivered into store
Payment terms	payment terms agreed with the customer eg. 60 days=60 etc
Quantity	quantity in units shown on the invoice eg kg.
Gross Invoice value	gross value shown on invoice *in the currency of sale*, net of taxes.
Discounts on the Invoice	the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column.
Other charges	any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description.
Net invoice value in the currency of the exporting country	the net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	the actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	the actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount.
Packing*	packing expenses
Inland transportation Costs*	amount of inland transportation costs included in the selling price.
Handling, loading And ancillary Expenses*	handling, loading & ancillary expenses.
Warranty & Guarantee expenses*	warranty & guarantee expenses
Technical assistance & other services*	expenses for after sale services such as technical assistance or installation costs.
Commissions*	commissions paid. If more than one type is paid insert additional columns of data.
Other factors*	**any other** costs, charges or expenses incurred in relation to the domestic sales (include additional columns as required). See question

	D5.

Costs marked with * are explained in section E-2.
Please, refer to Annex D-4.

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-4 above add a column for each item (see "other factors"). For example, certain other selling expenses incurred.
Please, refer to Annex D-4.

D-6 For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and

The only commissions are those granted from La Doria to our agents (the so-called "provvigioni"): all of them are indicated in the agreement.
Discounts, in turn, are granted to our clients. There are two categories:
1) "sconti in fattura" (invoice discounts): such as the ones indicated in the invoices;
2) "sconti fuori fattura" (out-of-invoice discounts), such as the ones indicated in the written agreements.
Please note that for two clients only – [redacted] – there are logistic fees (the so-called "contributi logistici"). Said amounts, in the aggregate and with specific reference to the goods under consideration, are equal to Euro [redacted] for [redacted] (with an incidence equal to 1.08%) and Euro [redacted] for [redacted] (with an incidence equal to 1.43%).

- explain the terms and conditions that must be met by the customer to qualify for payment.

The sale of agricultural products and foodstuffs is regulated in Italy by Art. 62 of Decree no. 1/2012, converted into Law no. 27/2012 (the so-called "Article 62").
Article. 62 applies to deliveries of food in Italy and provides, inter alia, terms of payment which are not modifiable by the parties.
Pursuant to Article 62, foodstuff must be paid within sixty days. Said term starts from the last day of the month in which the invoice has been received or, in the absence of a specific date, from the date of delivery. (For perishable products the term is thirty days).

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.
As indicated under paragraph D-6 nn. 1) and 2) above, discounts not indicated on sales invoice are calculated pursuant to a written agreement between La Doria and its client.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.
Credit notes not reported as a discount or rebate could be issued in case of:
1) The so-called "sconti fuori fattura" – as better explained above; or
2) Compensation to clients' claims for defective goods, mistaken quantities, etc.

D-7 Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales. (Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment.)

The Commission will select additional sales for verification at the time of our visit.
Please refer to Annex D-7 no. 1 and D-7 no. 2.

SECTION E
FAIR COMPARISON

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, '**Australian sales**')

1. **Transportation**
Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.
Please refer to Annex A-5.

2. **Handling, loading and ancillary expenses**
List all charges that are included in the export price and explain how they have been quantified ("**Handling, loading & ancillary expenses**"). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

Please refer to Annex A.5.

3. **Credit**
The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales eg, short term borrowing in the currency concerned.
If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.
Not applicable

4. **Packing costs**
List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed '**Packing**'.
None.

5. **Commissions**
For any commissions paid in relation to the export sales to Australia:
- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed **"Commissions".** Identify the general ledger account where the expense is located.
None.

6. **Warranties, guarantees, and after sales services**

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (**"Warranty & guarantee expenses"** and **"Technical assistance & other services"**), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.
Please refer to Annex A.5.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed **"Other factors"**. For example, other variable or fixed selling expenses, including salesmen's salaries, salesmen's travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.
None.

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.
Please refer to Annex B.4

E-2 Costs associated with domestic sales

(These cost adjustments will relate to your responses made at question D-4, **"domestic sales"**)

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.
Please note that differences, if any, are negligible. This because, where the packing is similar, the only discrepancies may depend on brix, salt or flavour which have not economic impact.

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *"Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs"*

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.
Not applicable.

3. **Level of trade**
Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade (may be adjusted for using either of the following methods:

(a) *costs arising from different functions*: the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);

- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

(b) *level discount*: the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

There are not differences based on level of trade: as better explained under paragraph D-2, variations may depend on products.

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowing's by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over each month of the investigation period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system[1], the average credit period may be determined as follows:

1. Calculate an accounts receivable turnover ratio

This ratio equals the total credit sales divided by average accounts receivable.
(It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

[1] Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2. Calculate the average credit period

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.
The resulting average credit period should be tested against randomly selected transactions to support the approximation.
Not applicable.

5. Transportation
Explain how you have quantified the amount of inland transportation associated with the domestic sales (**"Inland transportation Costs"**). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.
Please, refer to Annex A.5.

6. Handling, loading and ancillary expenses
List all charges that are included in the domestic price and explain how they have been quantified (**"Handling, loading and ancillary Expenses"**). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.
Please, refer to Annex A.5.

7. Packing
List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed **"Packing"**.
None.

8. Commissions
For any commissions paid in relation to the domestic sales:

- provide a description
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed "**Commissions**". Identify the general ledger account where the expense is located.
Please, refer to Annex A.5.

9. Warranties, guarantees, and after sales services
List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (**"Warranty & Guarantee expenses"** and **"Technical assistance & other services"**), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.
Please, refer to Annex A.5.

10. Other factors
There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed **"Other factors"**. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;

- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

Not applicable.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

SECTION F
EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Column heading	Explanation
Country	Name of the country that you exported like goods to over the investigation period.
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period.
Level of trade	The level of trade that you export like goods to in the third country.
Quantity	Indicate quantity, in units, exported to the third country over the investigation period.
Unit of quantity	Show unit of quantity eg kg
Value of sales	Show net sales value to all customers in third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country eg. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country eg CIF, FOB, ex-factory, DDP etc.

Supply this information in spreadsheet file named “Third country”
Please refer to Annex F.1.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.
None.

SECTION G
COSTING INFORMATION AND CONSTRUCTED VALUE

G-1. Production process and capacity

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.
Please refer to Annex G.1.1 for Peeled Tomatoes Flow Chart and to Annex G.1.2 for Chopped Tomatoes Flow Chart.

G-2. Provide information about your company's total production in the following table:

	PREVIOUS FINANCIAL YEAR	MOST RECENT FINANCIAL YEAR	Investigation Period
A – Production capacity (eg kg, tonnes)*			
B – Actual production in volume (eg kg, tonnes)			
C – Capacity utilisation (%) (B/A x 100)			

* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Provide this information on a spreadsheet named "**Production**".

Annex G.2 refers to the total production of La Doria Group. As requested, we considered the plants where we produced canned tomatoes (Angri, Sarno, Fisciano and Lavello) with respect to the investigation period and with the exclusion of pastes ("concentrato"), purees ("passata") and packs exceeding 1.14 litres in volume. Production of pulses and fruit juices is as well excluded.

G-3. Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.
La Doria has a general accounting system integrated with the cost accounting (SAP) organized by direct and indirect cost center as well as product lines. For the valuation of stocks, La Doria adopts the method of weighted average cost ("costo medio ponderato") - composed as follows:
- ***The initial stock;***
- ***Purchase data;***
- ***Production data.***

The purchase data are aligned with the general ledger accounts through cost accounting. The production data (bill of materials) are obtained by processing raw materials (valued at weighted average cost), direct labour (progressive rate per hour), energy (unit rate progressive) and burden. The tariff of burden is determined by the sum of the costs centers: indirect labour of production, depreciation, overhead industrial, rental and leasing, maintenance, supplies, salaries divided by the direct labor hours .

The bill of materials is composed by:
- ***Variable costs (such as direct materials -valued at weighted average cost-, energy, methane, direct labor, other variable costs); and***

- ***Fixed costs (such as fixed burden – please refer above for calculation of tariff).***

2 Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (ie differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.
Our cost accounting system is not based on standard (budgeted) costs. La Doria does not adopt the standard cost method for the enhancement of output, but the actual costs.

3 Provide details of any significant or unusual cost variances that occurred during the investigation period.
No significant or unusual cost variances occurred during the investigation period.

4 Describe the profit/cost centres in your company's cost accounting system.
Please refer to question no. 5 below.

5 For each profit/cost centre describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.
La Doria profit centers consist on economic lines divided as follows:
- ***red lines: peeled, chopped, cherry tomatoes, paste, sauces;***
- ***pulse lines: beans, pasta and soups;***
- ***fruit lines: drinks, nectars and juices.***

Cost centers are divided into:
- ***Structure's cost centers, which are reverted on sales; and***
- ***Production's cost centers, which could be direct (such as directly attributable to the product) or indirect. The latter (also defined common cost centers) are absorbed on the basis of direct labour hours - the primary cost centers that use them through the tariff burden of the above.***

6 Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.
The unit of measurement used in the bill of materials are:
- ***Finished products: packs;***
- ***Semi-finished: pieces;***
- ***Raw materials: kilograms;***
- ***Packaging: pieces;***
- ***Semi-worked: kilograms.***

7 List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.
Not applicable.

8 State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
Not applicable.

9 State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation it its accounting records.
Not applicable.

G-4 Cost to make and sell on domestic market

1. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type* (identified in section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.
Please refer to Annex G.4.

2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

	Quarter X	Quarter X	Quarter X	Quarter X
Like Domestic Model/Type – from spreadsheet LIKE GOOD (section C-3)				
Material Costs[1]				
Direct Labour				
Manufacturing Overheads				
Other Costs[2]				
Total Cost to Make				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses[3]				
Other Costs[3]				
Unit Cost to Make and Sell				

Prepare this information in a spreadsheet named "**Domestic CTMS**".
Please refer to Annex G.4. Unit currency is Euro.

G-5 Cost to make and sell goods under consideration (goods exported to Australia)

	Quarter X	Quarter X	Quarter X	Quarter X
Model/Type exported to Australia – from spreadsheet LIKEGOOD				
Material Costs[1]				
Direct Labour				
Manufacturing Overheads				
Other Costs[2]				
Total Cost to Make				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses[3]				
Other Costs[3]				
Unit Cost to Make and Sell				

Prepare this information in a spreadsheet named "**Australian CTMS**".
Please refer to Annex G.5. Unit currency is Euro.

G-6 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost. For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (eg market prices, transfer prices, or actual cost of production).

Please complete worksheet "**raw tomato purchases**" for this purpose.
Where the major input is produced by an associate of your company the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.
Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).
The term associate is defined in section 269TAA of the *Customs Act*. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.
Important note: If the major input is sourced as part of an integrated production process you should provide detailed information on the full costs of production of that input.
Please refer to Annex G.6 no.1 and G.6 no.2. The latter has been separed in two documents ".txt" excerpted from SAP: letter A) refers to La Doria raw tomatoes purchases and letter B) to Eugea's one.

SECTION H
PARTICULAR MARKET SITUATION

The applicant submits that a 'market situation' exists in respect of prepared or preserved tomatoes from Italy due to government influence on the supply and price of the major raw material input (raw tomatoes in the Italian market for processing) used in the manufacture of the goods.

The existence of such distortion or a 'market situation' could affect the Commission's approach to calculating normal value within its dumping assessment.

In broad terms, it is generally the case that the normal value of the goods is the price paid for like goods sold for home consumption in the country of export. One of the exceptions to using domestic selling prices for this purpose provides that the domestic selling prices are not an appropriate basis for normal value if the Minister is satisfied that a situation in the market has rendered domestic selling prices unsuitable for establishing normal values (i.e. a 'particular market situation' exists).

One of these situations may be where the domestic selling prices in the country of export have been materially affected by government influence rendering those prices unsuitable for use in establishing normal values.

This section of the exporter questionnaire provides producers/exporters of the subject goods in Italy the opportunity to supply evidence which will be used towards making that assessment. In examining the matter, the Commission will also send questionnaires to the EU and the Italian Government and continue to examine information available from third-party sources.

Through this questionnaire, the Commission is providing producers/exporters of the subject goods in Italy the opportunity to supply evidence that the sector under investigation is operating under market conditions. In examining the matter, the Commission will also send questionnaires to the Government of Italy and the European Union and continue to examine information available from third-party sources.

It may be necessary for the Commission to request additional information following receipt and review of your response.

With respect to section H, the following should be pointed out. At the outset, our company is of the view that the question of whether or not the Single Payment Scheme ('SPS') provided for by the Common Agricultural Policy constitutes a subsidy to tomatoes growers is not to be addressed in the framework of an anti-dumping investigation. As a matter of fact, section H of the present questionnaire improperly introduces into an anti-dumping investigation questions concerning subsidies that should be addressed, if appropriate and adequately supported, in the framework of a countervailing proceeding. In this respect, for the sake of good order, it must be emphasized that the SPS is fully WTO compatible. Indeed, the SPS is not specific and it is a completely decoupled income support scheme, in accordance with paragraph 6 of Annex 2 to the Agreement on Agriculture. The SPS has thus no trade distorting effects or effects on production and is therefore to be considered a "Green-Box" measure in terms of paragraph 1 of Annex 2 of the Agreement on Agriculture.

While in the past some products (such as processed tomato) were eligible for a partially coupled support, this support was subsequently completely decoupled to encourage market orientation and stimulate competitiveness. In addition, it must be taken into account that companies benefiting from the SPS are required to comply with particular regulatory standards (the so-called 'cross-compliance'), including the Statutory Management Requirements (SMRs) and the Good Agricultural and Environmental Condition (GAEC). This represents a burden for the beneficiaries.

This having being stressed, for the sake of completeness and without prejudice to the position indicated above, it is submitted that the SPS has no impact whatsoever on the price of tomatoes for processing in the Italian market.

Pursuant to the SPS, farmers are entitled to receive every year a direct payment on the basis of (1) the hectares of land owned, and (2) the entitlements held by each farmer in that particular year. An entitlement is, in substance, a conditional right to receive the income support pursuant to the SPS which (i) is not attached to land, (ii) is allocated to a person and become the property of that person and (iii) can be traded. The value of each entitlement is calculated on the basis of the amount of payments received during a reference period (2004-2006), by dividing this amount by the number of hectares which qualified for the support in

the reference period.

It follows that under the SPS all farmers – whether or not tomato growers – receive a payment which is based on the hectares and the entitlements owned by each farmer. These payments are decoupled from production. This means that all farmers eligible for the SPS are granted the payment, irrespective of what they produce (tomatoes or other products) and the volume of their production.

Hence, the SPS cannot be considered an incentive to the production of tomatoes. On the contrary, since farmers receive the payment irrespective of whether they produce tomatoes, the SPS may be seen as a disincentive to the production. As a matter of fact, the only reason for a farmer to produce tomatoes is to make profits. In addition, it ,must be stressed that the SPS has no impact whatsoever on price competition amongst Italian tomato growers, since all tomato growers are equally entitled to benefit from the SPS.

It follows that the SPS does not have any impact on tomato prices. In that regard, suffice it to say that the prices of tomatoes in the Italian market are among the highest in the world. In 2014, the price of long tomatoes was, on average, about [redacted] €/MT, and the price of round tomatoes was about [redacted] €/MT, well above the average prices worldwide (i.e. China [redacted] €/MT; California [redacted] €/MT; Portugal [redacted] €/MT; Spain [redacted] €/MT; Tunisia [redacted] €/MT; Turkey [redacted] €/MT).

The Commission itself confirmed the above conclusion in the previous investigation (No. 217), where it was found that 'the evidence indicates that any payments provided directly to tomato growers in Italy are benefitting the growers in isolation and are not transferred to processors in the form of lower prices' (Final report 217 Prepared or preserved tomatoes – Italy, p. 34). Since the relevant circumstances and the applicable legislative framework have not changed as from the previous investigation, the only possible conclusion is to confirm that no 'market situation' exists in the Italian market for tomatoes.

In light of the foregoing, having being demonstrated that the price of tomatoes is not influenced by the SPS and, thus, no alleged market distortions exist, any attempt to modify the normal value resulting from the company' records would be groundless and ill-founded.

H1 – The prepared or preserved tomatoes sector

1. Raw material supply

a) Is there a price difference between the purchase price for raw materials from a supplier that is a member of a producer organisation or a cooperative compared to a supplier that is independent? Provide explanation.
There is no price difference between the purchase price for raw materials from a supplier that is a member of a producer organisation or cooperative compared to a supplier that is independent.

b) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of Italy and European Union during the investigation period, with respect to raw material inputs (i.e. raw tomatoes in the Italian market for processing or any other raw material).
Our business is not subjected to any direct or indirect price guidance or control by Italian Government and European Union

2. Regional differences

a) If you have production facilities in more than one region/province, or you purchase raw tomatoes from more than one region/province, are the laws and regulations in each region/province the same with respect to pricing of the raw material inputs and/or the goods? Provide details on any regional differences.
Not applicable. There are no regulations governing the pricing of tomatoes. The purchase price of tomatoes is negotiated between the parties on a market basis.

b) If you have production facilities in more than one region/province, or you purchase raw tomatoes from more than one region/province, are the market conditions in each region/province the same with respect to pricing of the raw material inputs and/or the goods? Provide details on any regional differences.
The market conditions with respect to pricing of tomatoes are the same in all regions.

3. The Common Agricultural Policy and the Single Payment Scheme

On the basis of your responses to the questions below, please complete the following table:

Date	Summary of benefit	Benefit program (SPS payment, direct payment, production support, other)	Total value of benefit (Euro)

Not applicable.

a) Since 1 January 2013, has your company and/or your raw material input suppliers received, or have been considered eligible to receive, payment of benefits under the Single Payment Scheme (SPS)?
Our company did not receive (nor has been considered eligible to receive) any benefit under the SPS. We don't have information concerning our raw material suppliers.

If you have answered yes to the above, please explain the process by which you applied and whether your applications were approved.
Not applicable

b) If your company and/or your raw material input suppliers have been the recipient of annual benefits under the SPS of the Common Agricultural Policy (CAP) or any other similar policy/program, please explain how these benefits are provided by the Italian government and/or European Union, and how the benefit is accounted for within your company accounts.
As indicated above, La Doria does not benefit of SPS, CAP or any other similar policy/program.

Please refer to statements of income and/or financial statements in explaining how benefits are accounted for.
Not applicable

c) Since 1 January 2013, has your company and/or your raw material input suppliers received, or have been considered eligible to receive, any direct or indirect benefit from the Italian government or related bodies under the CAP, other than SPS payment?
Our company did not receive (nor has been considered eligible to receive) any direct or indirect benefit under the CAP (other than SPS). We don't have information concerning our raw material suppliers.

If you have answered yes to the above, please explain the process by which you applied and whether your applications were approved.
Not applicable

d) If your company and/or your raw material input suppliers received, or have been considered eligible to receive, any other form of direct or indirect support from the government or related bodies during the period in question, please identify the form of support provided and a summary of the rationale for the provision of the support.
Our company did not receive (nor has been considered eligible to receive) any other form of direct or indirect support from the government or related bodies. We don't have information concerning our raw material suppliers.

4. Involvement with Producer Organisations and Producer Organisation Associations

a) Is your company a member of a Producer Organisation or a Producer Organisation Association? If so, please provide the full name of each of these associations, an explanation of your business' relationship with the association and, an explanation of the involvement of the Government of Italy and European Union with the association.
La Doria is not member of a Producer Organisation or a Producer Organisation Association.

b) Since 1 January 2013, has the Producer Organisation or a Producer Organisation Association of which your company is a member been the recipient of payment of benefits under the SPS?
Not applicable.

c) Since 1 January 2013, has the Producer Organisation or a Producer Organisation Association of which your company is a member been the recipient of direct or indirect benefits under the CAP or any other policy/program?
Not applicable.

d) If the Producer Organisation or a Producer Organisation Association of which your company is a member received any other form of direct or indirect support from government or related bodies during the period in question, please identify the form of support provided and a summary of the rationale for the provision of the support.
Not applicable.

e) The Commission understands that, as part of the CMO principles associated with the sector, annual negotiations are held between processors and producing organisations pursuant to which prices for raw tomatoes for processing originating within Italy are set for the calendar year. Please explain who is involved in negotiations and what are the key variables considered in setting annual prices?
In Italy there are no collective negotiations between processors and producing organisations setting the price of raw tomatoes for processing. The price for raw tomatoes is negotiated by each company with each individual supplier.

For sake of completeness, it must be noted that in 2014 processors and tomato growers based in the South of Italy created the so-called 'Distretto Pomodoro del Sud', i.e. an organization whose main purpose is to approve standard clauses, terms and conditions to be used in the agreements concluded between processors and suppliers of raw tomatoes. The price for raw tomatoes is not part of the negotiations held within the organisation since, as explained, the price is agreed by each processor with each individual supplier. In any case, it must be noted that during the investigation period the organisation was not yet operational. Membership is on a voluntary basis.

f) Please advise whether there are any collective negotiation arrangements that occur within Italy in relation to processed tomato products, similar to the price negotiations that occur between producers and processors? In providing your response, please explain whether there are any support mechanisms or policies which assist to stabilise the price of processed products – for example stock withholding mechanisms, price compensations or price support?
In Italy there are neither collective negotiation arrangements regarding processed tomato products nor support mechanisms or policies which assist to stabilise the price of processed products.

g) Since 1 January 2013, has your company received any form of production aid or price support in relation to the production of prepared or preserved tomatoes? If your company has received any such aid or production support, please indicate
- the form of the support;
- the period within which support was provided;
- the rationale for the provision of the support; and
- the quantitative value of the support provided.

Our company has not benefited from form of production aid or price support in relation to the production of prepared or preserved tomatoes.

Other industry associations

a) Is your business a member of any other industry associations? If so, explain your business' relationship with the association and the involvement of the Government of Italy and European Union with the association.
Our company is member of Anicav, an organisation representing the Italian tomatoes processing industry (www.anicav.it). Anicav is affiliated to Confindustria, which is the main Italian organisation representing manufacturing and service companies (www.confindustria.it).
The membership to Anicav is on a voluntary basis and there is no involvement of the Italian Government and/or the European Union with the association.

b) If your business is a member of another industry association, indicate whether this membership is voluntary or compulsory. Explain the functions that the association provides for your business. Explain in detail the role of the association with respect to the directives as provided by the Government of Italy and European Union concerning the raw tomatoes in the Italian market for processing and the prepared or preserved tomatoes industry.
As member of Anicav, our company is also member of Federalimentari and AIIPA, which are sectoral federations affiliated to Confindustria. Also these memberships are on voluntary basis.

Other benefits or support mechanisms

a) Please identify any other forms of benefit or support that your company has received since 1 January 2013, on a recurring basis, or as one off payments or support, from the Italian government or any other body or agency.
Not applicable.

SECTION I
EXPORTER'S DECLARATION

☐ I hereby declare that La Doria did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name	:	**Antonio Ferraioli**
Signature	:	Antonio Ferraioli Amministratore Delegato
Position in Company	:	**Chief Executive Officer**
Date	:	**25 February 2015**

SECTION J
CHECKLIST

Section	Please tick if you have responded to all questions
Section A – general information	X
Section B – export price	X
Section C – like goods	X
Section D – domestic price	X
Section E – fair comparison	X
Section F – exports to third countries	X
Section G – costing information	X
Section H – particular market situation	X
Section I – declaration	X

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	X
TURNOVER – sales summary	X
AUSTRALIAN SALES – list of sales to Australia	X
DOMESTIC SALES – list of all domestic sales of like goods	X
THIRD COUNTRY – third country sales	X
PRODUCTION – production figures	X
DOMESTIC COSTS – costs of goods sold domestically	X
AUSTRALIAN COSTS – costs of goods sold to Australia	X
RAW TOMATO PURCHASES – details of purchases of raw tomatoes	X

Attachment A-4 - No 3.2: Annual Report 31 December 2013

ANNUAL REPORT

2013

2013 ANNUAL REPORT

CONTENTS

Board of Directors

Chairman	Sergio Persico
Vice Chairman	Giorgio Sampietro (independent)
Chief Executive Officer	Antonio Ferraioli
Directors	Giuseppe Diretto (independent)
	Andrea Ferraioli
	Iolanda Ferraioli

Board of Statutory Auditors

Chairman	Fabio Cecere
Statutory Auditors	Maurizio D'Amore
	Antonio De Caprio

Independent audit firm

PricewaterhouseCoopers S.p.A.
Period 2007/2015

Executive in charge of the preparation of corporate accounting documents

Alberto Festa

Control and risk committee

Members	Sergio Persico (Chairman)
	Giuseppe Diretto
	Giorgio Sampietro

Remuneration Committee

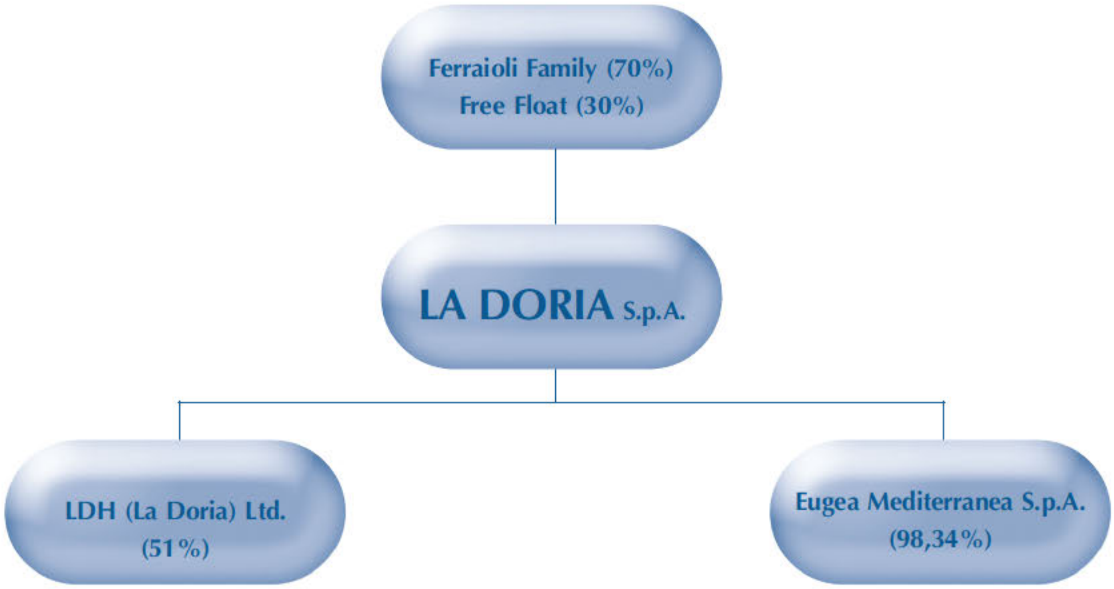
Members	Sergio Persico (Chairman)
	Giuseppe Diretto
	Giorgio Sampietro

Supervisory Committee

Members	Giorgio Sampietro (Chairman)
	Sergio Persico
	Elena Maggi (Internal Audit)

LA DORIA S.p.A.
Registered office: Angri (SA) – Via Nazionale, 320
Share Capital: Euro 42,780,000 (fully paid-in) - Exporters' Role: No. 398
Companies Registration Office of Salerno 423/93; VAT No. 00180700650

LA DORIA GROUP STRUCTURE



Dear Shareholders,

After a very strong 2012 for the La Doria Group, growth continued in 2013, both in terms of sales and earnings - despite the continued extensive economic crisis and a drop in food consumption in a number of countries.

The Company continues to win significantly improved market share in Italy - with double-digit growth – and also continues to expand overseas, with strong performances reported in the more consolidated countries and also in those which continue to discover the benefits of the Mediterranean diet and particularly Made in Italy Food.

Group sales (principally Supermarket private labels) benefited from the general growth of the sector, with modern consumers increasingly aware of both the quality and price advantages of private label products.

Overall, consolidated revenues increased 4.4% (+7.4% at like-for-like exchange rates) to Euro 604.4 million.

Growth was driven by the "pulses and vegetable" line, followed by the "tomato-based product" line, while the "other products" sector sold on the British market by the subsidiary LDH (La Doria Ltd.) also reported an improvement. The fruit line however was impacted by a contraction in fruit juice and beverage consumption on the domestic market and also for canned fruit consumption on the English market.

Sales in Italy grew 17% despite the drop in food consumption numbers related to reduced spending capacity, while an increase of 5% at like-for-like exchange rates was reported overseas.

The uninterrupted growth on the overseas markets in which the Group has established consolidated leadership continued, such as the United Kingdom (the largest market), Japan, Australia and the Scandinavian countries. Double-digit growth was reported in Germany, a market which has expanded rapidly over the past two years and with extensive development potential, and in the United States; this market for La Doria however remains small, although a target for future expansion.

Significant growth was also reported in the emerging countries of South East Asia and in less consolidated markets such as South Korea and Eastern Europe - which the Group considers as high potential growth areas.

The strong results achieved by the La Doria Group in 2013 stemmed essentially from the capacity to further drive sales volumes, to achieve greater industrial efficiencies - also as a result of recent investments - in addition to the higher margin product mix.

The considerable improvement in profitability was achieved despite an increase in tomato-based production costs, principally owing to a significant increase in the cost of fresh tomatoes. Ebitda increased 18.3% to Euro 43.3 million, with the Ebitda margin improving from 6.3% to 7.3%. The Group net profit almost doubling to Euro 15.4 million.

The financial position also improved, thanks to further debt containment - even amid increased revenues and investments.

Group results in 2013 were very satisfying as - in addition to improving significantly on 2012 - beating the objectives announced to the market.

These results reflect the undisputed leadership of the Group in the private label segment on strategic markets and follow the establishment of consolidated long-term relationships with the major domestic and overseas Supermarket chains.

The private label brand performance in 2013 again countered the general market. In Italy, private labels continue to grow: in value terms sales increased 4.2% against a reduction of 1.6% for branded products and of 0.7% for the Packaged Foods segment overall.

The private label brands grew Italian market share from 11.3% in 2011 to 18.9% in 2013 (approx. +1% on 2012). In recent years only the private labels have reported growth: all branded products – leaders, followers and other brands – continued to lose ground. Over the past seven years this erosion has seen the share of the leading brands contract from 29.3% to 25.5%.

Across the international markets, private labels continue to grow, both on newer markets and on the more mature markets, on which supermarkets have developed real and substantial brands capable of competing with branded products across a range of market segments, developing - for example - products at differing price points. Between 1999 and 2010 private labels in Europe have expanded market share from 20% to 30% and further significant growth is forecast into the future - from the current 30% to 50% by 2025 - based on the retail sector capacity for concentration and modernisation and the development of the Eastern European markets.

Group results in 2013 comprehensively highlight that the distinguishing and unique features of the Made in Italy products establish a distinct competitive advantage. Italian produced food is strongly recognised internationally for its quality, authenticity and tradition, which by itself constitutes a value and a strong branding feature.

The Company in 2013 continued to seek out new markets through innovation and product segmentation for the private labels, through products with higher service content, innovative packaging and new formats and in response to consumer and market demands.

At the same time industrial and operating efficiencies were further improved in order to consolidate our leadership on costs - an indispensable factor for the provision of high quality products at competitive prices.

The results achieved allow us to look to the future with confidence and form the basis for expectations of a strong Group performance also in 2014 and in the near future.

Our leadership on the private labels market, a strong international presence and the bright outlook for the Italian tomato-based product sector - thanks to structural changes which will ensure an increasingly concentrated and balanced market in terms of supply and demand - put us in a strong position and open up significant room for the further development of our Group.

The Chief Executive Officer
Antonio Ferraioli

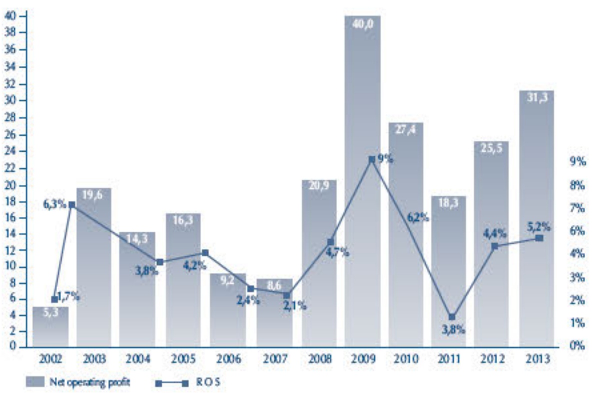
MAIN ECONOMIC DATA AND FINANCIAL POSITION

LA DORIA GROUP

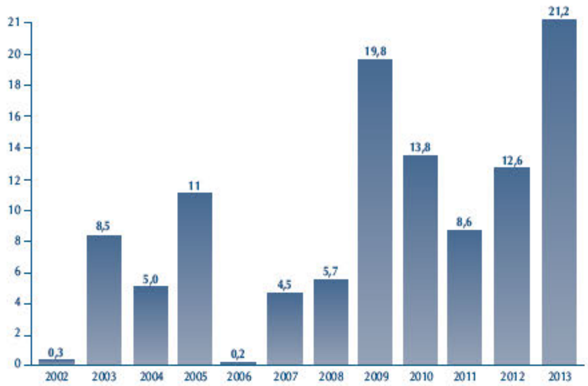
SALES

SALES BY MARKET

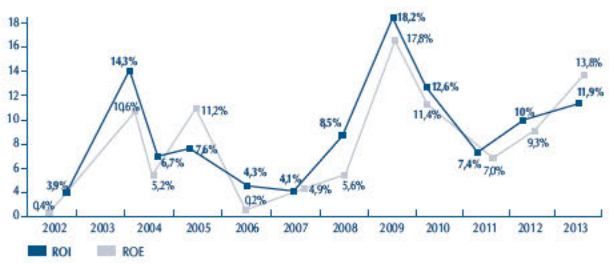
R.O.S.



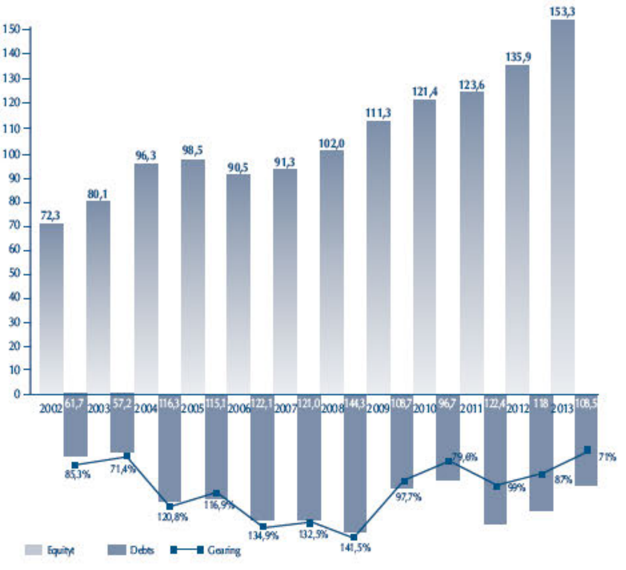
NET PROFIT



ROI - ROE



GEARING



(Euro millions)
Since 2004 figures are in accordance with EU/IFRS.

LA DORIA GROUP

DIRECTORS' REPORT

DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AT 31/12/2013

Introduction

Economic overview

The key Italian economic indicators highlight the continued recession in 2013.

Gross Domestic Product contracted 1.9% to slightly under the levels of 2000. In 2012, however the reduction was 2.4%.

On the demand side, volumes dropped 2.2% for domestic end-user consumption and 4.7% for gross fixed investments, while goods and service exports reported substantial stability (+0.1%). In particular, household consumption alone reduced 2.6% - after a drop of 4% in 2012.

Italy lags behind the rest of the Eurozone and the major economies.

In fact GDP grew in the US and in the UK (1.9% for both), in Japan (1.6%) and in Germany (0.4%).

Italian industrial production contracted 3% in 2013 (-6.7% in 2012). The Food, beverage and tobacco industries figures were however better, decreasing 0.7% (compared to -1.4% in 2012).

Revenues and orders also contracted (-3.8% and -1.3% respectively). The drop in revenues is broken down between overseas growth of 1.5% and a reduction of 6.1% domestically. A similar trend was seen for orders which increased overseas (+2%), while reducing on the domestic market (-3.5%).

Italian exports in 2013 performed substantially in line with the previous year (-0.1%), while imports dropped significantly (-5.5%). Exports to non-EU countries rose (+1.3%), while reducing to EU countries (-1.2%). Between January-November 2013 food exports grew 5.7%. In the first eleven months of 2013 tomato-based product exports increased in volume terms by 5.8% and in value terms by 6.5% on the same period of the previous year, while fruit and vegetable export volumes increased by 6.9% in volume terms and 7.5% in value terms.

The retail sector confirms the considerable reduction in household spending.

In 2013 sales reduced 2.1% on 2012, comprising a 1.1% reduction for food products and a 2.7% decrease for non-food products. For the large supermarkets, sales reduced 1% (-0.4% for food products, -1.9% for non-food products), while small supermarkets report a significantly greater reduction (-2.9%).

The average annual inflation rate for 2013 was 1.2%, lower than the 2009 level and significantly contained from 3.0% in 2012.

The GDP deficit was 3.0%, stable on the previous year, but with the national debt reaching record levels. At the end of 2013 in fact the Debt/GDP ratio was 132.6%, increasing by over 5 percentage points on 127% in 2012.

Food processing sector performance

Tomato-based products

The tomato-based product market in 2013 was largely impacted by the 2012 summer processing campaign, which featured a reduction in fresh tomatoes processed (-7.8%), following the lower number of hectares dedicated to production, the summer drought and reduced raw material costs after a significant increase in 2011. On the other hand, the sector, in particular in the South, reported lower average industrial yields and reduced production efficiency due to the non-optimal quality of tomatoes and a lack of availability in some periods of the campaign.

Despite lower production, sales prices did not increase in 2013 as the sector was impacted by high stock levels following over-production in previous years.

In the final months of the year, the tomato-based product market was impacted by the summer processing campaign which featured a further drop in the quantity of fresh tomatoes processed to 4.1 million tonnes, reducing 12.8% compared to 4.7 million processed in 2012 and 19.6% compared to the average for the 2008–2012 five-year period of 5.1 million tonnes.

2013 summer tomato production featured significantly higher raw material costs. Amid a contraction in supply, low sector stock levels and increased raw material costs, finished product prices rose. The effects of the 2013 summer processing campaign will be seen particularly in 2014 when the majority of "red" production will be sold.

The contraction in Italian tomato production over the last two years was due to a number of factors: the common objective of the various chain actors, primarily in the industrial agricultural field, to avoid surpluses which damage both the industries and farmers, which was achieved through a reduction in tomato-planted areas; the European Food and Vegetable Reform which was fully implemented in 2011, providing grants to farmers independently of the type of crop grown and no longer, as was the case in the past, based on the quantity of tomatoes grown, leading inefficient farmers to gradually cut back the planting of tomatoes which requires significant investment; the acceleration of the sector restructuring process, in course for a number of years, following the financial crisis which is significantly impacting the smaller and less competitive food processing industries.

The drop in domestic production, together with low sector stock levels, is a positive development leading to an improved balance between demand and offer and consequently for finished product prices which are influenced by volumes coming to the market.

In terms of consumption, the Italian tomato market continues to slowly contract. According to the Iri Infoscan figures (including the Discount channel), market volumes reduced by 2.5% and values by 1.3%. Specifically, the data highlights in the period stability in chopped tomato volumes (-0.9%) and for puréed tomatoes (-0.4%) and a reduction in peeled tomatoes (-8.6%). The Private label market share however grew 1.2%.

A number of the larger export markets for the company expanded, such as Great Britain, where - according to the Kantar WorldPanel figures in 2013 – the tomato-based product market grew 2.2% in volume terms. The private label market share reduced slightly (-0.5%) following increased branded product promotion.

Italian exports of tomato-based products also continued to grow, which in the first eight months of 2013 increased 7%, confirming the continued popularity of Made in Italy tomatoes on foreign markets.

Fruit juices and beverages

The Italian fruit juice and beverage market in 2013 was impacted, specifically regarding nectars, by the 2012 processing campaign which featured a reduction in the procurement price of apricots, amid particularly strong yields, with the reduction offset by the increase in the cost of pears.

In the final months of 2013, the market was impacted by the summer fruit processing campaign which saw a significant increase in the price of apricots, and to a lesser degree peaches and nectarines for the production of fruit nectars, following the significant drop in production due principally to a long, cold and rainy spring. The pear harvest however, which takes place in the final quarter of the year, reported stable volumes and prices compared to the previous campaign.

In relation to orange, banana and grapefruit concentrates used for the production of 100% juices and fruit beverages, the sector in 2013 reported substantial stability in terms of raw material costs.

Finished products prices recovered slightly, following years of sharp contraction, particularly in the private labels segment, due to surplus production capacity and heightened competition.

In relation to domestic consumption, fruit juices and beverages reported, according to the Iri-Infoscan figures, a significant decrease in volumes of 6.2% and in value terms of 6%. The private labels segment however grew market share by 1.6%.

Processed pulses

The pulses segment in 2013 was partly impacted by the 2012 summer harvest, which featured a reduction in the cost of the raw material in North America, the principal producing area for broad beans and an increase in the cost of dark red kidney beans due to a decline in production in China.

Significant drops were reported for the cannellini and dark red kidney beans harvests due to both droughts and floods in the supplying regions, with a consequent increase in the raw material cost. The broad beans harvest in North America however reported a contraction, resulting in an increased purchase cost.

In relation to consumption levels, the Italian processed vegetables market reported in 2013 a slight decrease in volume terms (-2.5%) and stability in value terms (-0.3%) according to the Iri Infoscan figures. The private labels segment however increased volume market share by 2.3%.

In relation to the international markets, the British baked beans market, according to the Kantar WorldPanel figures, in 2013 was stable in value terms (-0.5%), while contracting in volume terms (-1.5%). The private labels segment however reported growth in market share from 34.4% to 36.7%.

Group sales performance

Revenues

Consolidated revenues in 2013 amounted to Euro 604.4 million, an increase (4.4%) compared to Euro 578.9 million in the previous year. Revenues benefitted from a satisfying increase in volumes sold (+5.5%) and a slight increase in sales prices (+1.9%). On like-for-like exchange rates of the English subsidiary LDH (La Doria Ltd), revenues amounted to Euro 622 million (+7.4% on 2012).

A breakdown of sales is shown in the table below.

BREAKDOWN OF CONSOLIDATED SALES BY PRODUCT LINE Euro millions

	2013	2012	Δ%	% on 2013 sales	% on 2012 sales
Red line	155,6	149,0	+4.4%	25.7%	25.7%
Fruit line	90,8	96,7	-6.1%	15.0%	16.7%
Pulses, canned veg./pasta line	161,9	142,8	+13.4%	26.8%	24.7%
Other lines	196,1	190,4	+3.0%	32.4%	32.9%
TOTAL LINES	**604,4**	**578,9**	**+4.4%**	**100.0%**	**100.0%**

The red line in 2013 recorded a satisfying increase in sales volumes (+5.6%) and stable sales prices (+0.7%). Group sales on the Italian market in particular grew significantly, despite the slight drop in sector volumes, benefiting from private label market growth.

Sales of highly innovative products were again particularly strong, such as the ready-made sauces in glass jars in which the company has invested, offering large international supermarkets private label products with a high service content, in line with new consumer trends and innovations developed within the industry.

In 2013, the Company extended its product range with ready sauces in tetra brik (combisafe) packaging, following the introduction in the second half of 2012 of a new production line at the Fisciano production facility for the production of chopped and pureéd tomatoes and sauces in cartons, in line with the strategic objective to develop more innovative packaging with a low environmental impact.

The Cook Italian product range also reports strong sales figures, launched in 2011 on the English market and drawing on the reputation for quality and tradition of Italian food products and extending the Supermarket offer in Britain, comprising principally of private label products, with highest quality premium brand products. Cook Italian has to date achieved a 4.2% market share in the chopped tomato segment and 10.2% in the private label chopped tomato market.

The fruit line, which includes juices, beverages and canned fruit, in 2013 reported a contraction in volumes of 5.6%, essentially due to the reduction in fruit juice and beverage volumes sold by the Parent Company on the domestic market, which has been impacted by a contraction in consumption levels and heightened competition due to excess production capacity. Within such a difficult marketplace the Company over recent years has improved productivity and launched new formats which respond to market and consumer demand.

The reduction in fruit line revenues is partly due to the decrease in canned fruit volumes sold by the subsidiary LDH (La Doria) Ltd.

The canned pulses, vegetable and pasta line continued to return double digit growth in 2013, both in Italy and abroad, after significant growth in 2012, with volumes up 11.8% and prices increasing 4%.

The performance of brik packaged pulses was particularly strong, in which the company is focusing investment in response to the shift in consumer demand towards easy-to-use products and lower environmental impact packaging.

Finally, the other lines, referring principally to the products sold by the subsidiary LDH (La Doria) Ltd, grew 6.2% - principally thanks to significant sales increases for dry pasta, canned tuna and salmon, pulses and ready meals.

In relation to the breakdown of revenues by geographic area, the Italian market accounted for 21.5% (19.2% in 2012), while the export market accounted for 78.5% (80.8% in 2012).

Northern Europe, principally Great Britain, absorbs the largest part of the export turnover.

Foreign markets continued to grow in 2013 (+5% at like-for-like exchange rates, following 23% growth in 2012). The strongest international growth was seen in Germany (+28.6%), the less consolidated markets such as those in Eastern Europe (+36%), South Korea (+35%) and the USA, in addition to the emerging countries of Southeast Asia (+133%), although the US and Asian markets are still small - though a target for a future expansion.

The uninterrupted growth on the more traditional overseas markets in which the Group has established consolidated leadership also continued, thanks to long-standing relationships with the Supermarket Chains, such as the United Kingdom (the largest market), improving 3.8% at like-for-like exchange rates – Japan (+6%), Australia (+5.4%) and the Scandinavian countries (+5.4%).

The domestic market - the second largest - reported strong growth of 17% thanks to the acquisition of new clients, the extension of the product range for existing clients and further growth on the discount channel.

BREAKDOWN OF CONSOLIDATED SALES BY GEOGRAPHIC AREA Euro millions

	2013	% on total	2012	% on total
NORTH EUROPE	389,8	64.5%	392,2	67.7%
OTHER EUROPEAN COUNTRIES	160,6	26.6%	136,0	23.5%
of which Italy	*130,0*	*21.5%*	*111,0*	*19.2%*
AUSTRALIA AND NEW ZEALAND	21,5	3.6%	20,4	3.6%
ASIA	26,1	4.3%	23,5	4.1%
AFRICA	2,6	0.4%	4,2	0.7%
CENTRAL AMERICA AND CANADA	3,8	0.6%	2,6	0.5%
TOTAL	**604,4**	**100.0%**	**578,9**	**100.0%**

Principal alternative performance indicators

The Group evaluates performance based on some indicators not covered by the IFRS. The components of these indicators relating to the Group are described below as required by Communication CESR/05-178b:

– Gross Operating Result or EBITDA - earnings before interest, taxes, depreciation and amortisation: the pre-tax result before amortisation, depreciation, write-downs and financial income and charges. EBITDA also excludes income and charges from investments and shares, as well as the results from the sale of investments, classified in the financial statements under "financial income and charges".
– Net Operating Result or EBIT - earnings before interest and taxes: the pre-tax result and before the financial income and charges, without any adjustment. EBIT also excludes income and charges from investments and securities, as well as the results from the sale of investments, classified in the financial statements under "financial income and charges".
– Net Capital Employed: the sum of non-current assets, non-current liabilities and Net Working Capital.
– Net Financial Debt: the format for the calculation is in accordance with paragraph 127 of the CESR/05-054b recommendations implementing EU Regulation 809/2004.

Consolidated results in accordance with EU/IFRS

The 2013 results improved significantly on the previous year, both in terms of revenues and margins, thanks to the strong sales performance, with significant increases particularly for tomato-based products, pulses and products sold by the English subsidiary LDH (La Doria) Ltd.

This considerable improvement in the margin was achieved through increased industrial efficiency, also following recent investments and in part thanks to the reduction in the cost of a number of packaging materials, in addition to energy costs. It was also achieved despite an increase in tomato-based production costs, principally owing to a significant rise in the cost of fresh tomatoes.

In 2013 important objectives were reached also in relation to the net debt with a further reduction in financial payables, even amid increased revenues and investment expenditure.

Income Statement

In relation to the results below, reference should be made to the reclassified income statement attached to the present report.

Consolidated revenues in 2013 amounted to Euro 604.4 million, growth of 4.4% on Euro 578.9 million in the previous year.
The Group EBITDA amounted to Euro 43.4 million, improving 18.3% on Euro 36.6 million in 2012. The EBITDA margin was 7.2%, increasing on 6.3% in the previous year.

Amortisation, depreciation, write-downs and provisions totaled Euro 12.0 million (Euro 11.1 million in the previous year), of which Euro 9.4 million concerning depreciation of property, plant and equipment (Euro 9.7 million in 2012), Euro 0.4 million concerning amortisation of intangible assets (Euro 0.4 million in 2012) and Euro 2.2 million concerning other risks provisions (Euro 1.1 million in 2012).

The EBIT amounted to Euro 31.3 million, up 22.7% on Euro 25.5 million in 2012. The EBIT margin increased therefore from 4.4% to 5.2%.

Net financial charges were Euro 4.7 million, in line with Euro 4.6 million in 2012.

Currency gains were also recorded of Euro 2.5 million compared to losses of Euro 534 thousand in the previous year.

The Profit before taxes amounted to Euro 29.1 million, a strong improvement on Euro 20.3 million in 2012.

The consolidated net profit for 2013 totaled Euro 21.2 million, up 68.2% on Euro 12.6 million in 2012. In addition to the stated currency gains, extraordinary income of Euro 1.5 million concerning the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012 contributed to the profit for the year. The minority interest share of net profit amounted to Euro 5.7 million, compared to Euro 4.8 million in 2012.

The cash flow for the year (net profit + amortisation/depreciation and write-downs) amounted to Euro 33.3 million compared to Euro 23.7 million in 2012

Balance sheet and financial position

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position at 31/12/2013 report net fixed assets of Euro 114.8 million, in line with Euro 115.1 million at 31/12/2012.

Working capital totaled Euro 179.1 million and increased on Euro 165.5 million at December 31, 2012. This increase is substantially related to higher inventories and the reduction in payment times for a number of raw materials, in particular fresh tomatoes.

Net capital employed was thus Euro 261.8 million, an increase compared to Euro 253.9 million at 31/12/2012.

The net debt amounted to Euro 108.5 million, a decrease on Euro 118 million at December 31, 2012, despite increased working capital needs and the investments made, thanks to the cash flow generated.

Finally, net equity amounts to Euro 153.3 million, an increase compared to Euro 135.9 million at the end of 2012.

An improvement was seen in the debt/equity ratio from 0.87 to 0.70 and in the debt/EBITDA ratio from 3.2 in 2012 to 2.5.

The ROI (operating net profit/net capital employed) was 11.9% compared to 10% in the previous year.

Also the ROE (net profit/net equity) improved to 13.8% from 9.3% in 2012.

Investments

In 2013, the Group's capital investments amounted to Euro 9.1 million (Euro 12.3 million in 2012).

These relate principally to the Parent Company La Doria S.p.A. (Euro 8.6 million) and regard largely the increase in productivity and technological improvements.

Group intangible asset investments amounted to Euro 442 thousand (Euro 210 thousand in 2012) and principally relate to IT systems.

Workforce

Group employees at 31/12/2013 numbered 485 full-time employees, with an annual average of 348 seasonal workers.

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
23	226	1	235	**485**	**348**

The workforce consisted entirely of full-time employees at December 31, 2013. The number of seasonal workers is calculated on an annual average and includes blue-collar, temporary and contract employees.

A summary of the Group workforce compared to 31/12/2012 is shown below.

	2013	2012
Full-time employees	485	453
Seasonal staff (average on monthly basis)	348	480

The expansion of the full-time workforce is principally due to the conversion of a number of temporary contracts into long-term contracts.

Human Resources

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51/EC, for information relating to the workforce, staff turnover, remuneration composition and the data relating to the health and security of the Subsidiary Companies, reference is made, for the Parent Company to the paragraph "Human resources" and for Eugea Mediterranea and LDH (La Doria) Ltd. to the paragraphs "Eugea Mediterranea S.p.A." and "LDH (La Doria) Ltd" respectively.

Environment

Following changes to the management of waste disposal concerning the removal of topsoil from tomatoes before processing, together with a disparate interpretation of the existing regulation, La Doria S.p.A. in 2010 was subject to a preliminary investigation by the Court which issued notices of investigation to some senior Executives. In the meantime, despite not agreeing with the accusations made, the Company from 2010 complied with that indicated by the Court.

According to the legal representatives of the Company, the charges do not have a sound basis. An opinion was expressed by the relative Ministry – together with regulatory amendments – which in relation to the specific issue would exclude the imposition of a penalty. In addition, as a civil case is not expected to be taken, there are no third party actions in place against the company (or against its representatives or employees) which may result in potential liabilities. This is confirmed by the fact that the investigations have not seen any developments for over three years.

Research and Development

Research and development expenses in 2013 were entirely expensed to the income statement. The research and development activity is carried out in order to continually improve recipes and to support the development of new products, also on the request of the Supermarket Chains.

In 2012, the Parent Company was involved in the incorporation of the consortium company "Campania Bioscience", an advanced technology district involving 47 enterprises, 7 research organisations and 3 technology transfer structures.

The objective of the Company is to work with greater efficacy on projects for the development of innovative products through synergies achieved between enterprises, universities and centres of excellence, leveraging on the various skills and knowledge available.

Shares of the Parent Company

The subsidiaries and associated companies did not hold shares in the parent company at 31/12/2013, nor have they bought and/or sold La Doria S.p.A. shares during the year, either through trustee companies or third parties.

Information on compliance with the code of conduct

The Company has adopted the Self Governance Code on Corporate Governance of companies listed on the Italian Stock Exchange. The corporate governance report for 2013 is available on the Company's website www.gruppoladoria.it, Investor Relations, within the Corporate Governance section.

Disclosure in accordance with Article 123 bis of Legs. Decree No. 58/98

The information in accordance with article 123bis of Legislative Decree 58/98 (Consolidated Finance Act) relating to the shareholder structure, corporate governance, risk management and internal control systems within the financial disclosure process, the shareholders' meetings and the administrative and control boards, are reported in the previously mentioned Corporate Governance Report for 2012.

Information in accordance with article 123 bis, paragraph 2, letter b) of Legislative Decree 58/98 relating to the risk management and internal control systems within the financial disclosure process

An integral and essential part of the Internal Control System of the La Doria Group is the existing risk management and internal control system also in relation to the financial reporting process, prepared together with the Executive Responsible for the preparation of corporate accounting documents.

This system introduced by La Doria S.p.A., concerns an analysis of the internal control system which oversees the preparation of the financial statements, the interim financial statements and all financial disclosure.

This system aims to guarantee that the administrative – accounting procedures adopted and their application are adequate to ensure, with reasonable certainty, the reliability of the financial disclosures and the appropriateness of the financial statement preparation process in producing reliable and timely accounting and financial information, in accordance with applicable accounting standards. The analysis of the internal control system was carried out in line with the Committee of Sponsoring Organisations principles and incorporated the principles outlined in the publication "internal control for reliable financial reporting". Project 262 was introduced for La Doria at the end of 2009 while at the beginning of 2010 the system was completed with an analysis of the internal control system within the IT processes, with particular reference to those put in place to support the Financial Reporting processes. The analyses were based on the principles set out in the "Control Objectives for Information and related Technology" ("COBIT") document. In addition, at the end of 2010 this analysis was extended to the strategic subsidiary LDH (La Doria) Ltd..

The Internal Audit Manager prepares a summary of the audit activities in order that the Executive Appointed and the Chief Executive Officer may assess the adequacy and the effective application of the administrative – accounting procedures for the preparation of the Consolidated and Separate Financial Statements.

A description of the principal characteristics of the risk management and internal control system in place in relation to Group financial disclosure follows.

1. Risk management and internal control system phases

For the completion of the system, a risk assessment was undertaken in order to identify and evaluate the risk areas which could arise such as to compromise the reliability of the financial disclosure.
The approach taken for the analysis of the system is broken down into 5 phases, each of which relating to a specific element of the Internal Control System (control environment, risk assessment, control activity, information systems and communication flows and monitoring activities) as defined by the benchmark framework in order to guarantee the completeness of the analysis and provide adequate support to the Executive Responsible and the Chief Executive Officer for the declarations required by Article 154 of the CFA.

The approach was broken down into 5 phases:

- *Identification of financial statement accounts and of the processes analysed (“Scoping”):* in this phase the financial statement accounts and the “significant” processes related to them are identified.
- *Analysis of the principles relating to operational controls (“Entity level controls”):* once the intervention priorities are defined (so-called “Top down risk based” approach), the internal control principles which operate at entity level to cover the components of internal control such as Control Environment, Information and Communications and Monitoring are recorded.
- *Recording and verification of relative controls of processes subject to analysis:* in this phase, beginning with the identification of risks, defined as potential events, accidental or due to fraud, which may compromise the reaching of the System objectives (accuracy, completeness, reliability and trustworthiness of the financial disclosure), the control of processes subject to analysis were recorded. In this phase, the adequacy of the control documentation is evaluated, identifying the controls which are inadequate or which must be improved and identifying the critical areas and the relative corrective actions.
- *Tests on the effectiveness of controls* centred on:
  - key controls identified;
  - control frequency;
  - the category of control (preventive or subsequent);
  - the method of control (automatic or manual); the test plan and the type of test to be carried out in order to verify the effectiveness of the controls in place have been drawn up.

A "Remediation Plan" was subsequently prepared, in which the areas to be improved, the relative corrective actions to be taken and the ambit of responsibility for such are reported.

- *Preparation and release of the declaration:* Based on the documentation and verification of the effectiveness of the controls and the analysis of the critical areas and the status of the corrective actions, the Executive Responsible releases the declaration in accordance with article 154 of the CFA.

2. Maintenance of the System and Roles and Responsibility

In order to maintain over time the effectiveness of the controls, both from the formulation and operational viewpoints, the controls are subject to monitoring on the one hand by the Manager responsible for significant processes/activities (line monitoring) and on the other by the Internal Audit Department (independent monitoring activities) based on the predefined Activity Plan; this monitoring establishes a process of "continuous improvement", creating an increasingly reliable control system for financial disclosure.

The Internal Audit Manager, together with the Executive Responsible for the preparation of the corporate accounting documents, informs Senior Management on the adequacy of the System through the Report to the Control and Risks Committee, indicating the deficiencies uncovered, the corrective actions to be taken and the relative responsibility. The identification and the evaluation process of the above-stated risks is reviewed at least annually.

Transactions with related parties

In accordance with Article 2391 bis of the Civil Code, with CONSOB regulation in relation to related parties approved with resolution No. 17221 of March 12, 2010, subsequently amended with resolution No. 17389 of 23.06.2010, the Board of Directors of La Doria S.p.A. on November 2010 adopted the Regulation for the governance of transactions with related parties.

This Regulation sets out the guidelines and the criteria for the identification, approval and execution of transactions with related parties carried out by La Doria S.p.A., directly or through subsidiaries, in order to ensure both the substantial and procedural transparency and correctness of such transactions.

The governance of Transactions with Related Parties is exclusively within the remit of the Board of Directors, except whether otherwise established.

The Board therefore receives, sufficiently in advance, complete and adequate information on the fundamental characteristics of the Transactions, such as the nature of correlation, the financial conditions, the operational and timing conditions, the evaluative process, the interests of the Company served and any economic, legal or fiscal risks.

The Board of Directors receives a non-binding prior opinion from a Committee, even specifically constituted for the purpose, comprising exclusively of non-related and non-executive directors, a majority of whom independent, on the interest of the Company with regard to the transaction, as well as the formal correctness and material benefits of the conditions. The duties of this Committee may be carried out by the Internal Control and Risks Committee, providing that the above-stated composition requirements are in place.

For the purposes of the non-binding opinion, the Committee comprising Non-Related Independent Directors must receive, sufficiently in advance, complete and adequate information relating to the fundamental characteristics of the Transactions.

The Board of Directors and the Board of Statutory Auditors receive complete disclosure at least quarterly on the execution of Transactions in the period.

Risks and uncertainties

Within its industrial activities, the La Doria Group is exposed to a series of risks, whose identification, evaluation and management involve the Chief Executive Officer, also as Executive Director, in accordance with the Self-Governance Code of Borsa Italiana S.p.A., and the business area and central administration managers.

Within this process, the different types of risks are classified based on the evaluation of their impact on achieving the objectives, that is to say based on the consequences which may arise from the risk in strategy, operating, financial and/or regulatory terms, as well as their probability of occurrence and the level of efficiency of the actions undertaken against their occurrence. The risk assessment has the objective to assign a priority to the factors of risk identified and to the actions taken to reduce such risks. The effective management of risk is a key factor in maintaining the value of the Group over time, especially in view of the continued current economic difficulties. In light of this, in 2013 the Boards and Departments appointed to oversee the internal control system stepped up the audit and oversight of company processes subject to greatest risk, with particular attention on the implementation of the corrective actions identified, in order to lay the basis for an ongoing improvement process of the internal control system.

In order to undertake a mapping of the risks and the annual update which is as close as possible to the business operations, the Parent Company La Doria S.p.A. undertook a methodological approach which beginning with the identification of the objectives, highlights and evaluates the potential and critical risks. Considering the traditional definition of the risk as "an event arising that would affect the achievement of predefined objectives" outlined above, the characteristics of the activities undertaken and the competitive environment in which the company operates, the risks were identified and subdivided into four categories:

- *Strategic:* these are risks related to undertaking non favourable business decisions or incorrect implementation of the strategic decisions undertaken. In this regard the company was exposed to the risk of responding to the quality/price/service needs of clients in an effective and efficient manner. The high value and volumes of private label product sales requires timely response to clients' demands, with the introduction also of innovative products which maintain the usual high quality standards. If the company were unable to respond in such a manner repercussions on market share are results would be inevitable.
- *External and Compliance:* these are external risks related to competition, the timely introduction of new technology and a lack of monitoring of - and compliance with - regulations which the Group must adhere to. La Doria is exposed to the external risk of fluctuating margins based on downturns in the market following surpluses in supply. This risk relates to the corporate mission to supply Private Labels and low price products to the Large Supermarket and Discount chains, in addition to tomato business line concerns which, in previous years, saw surplus supply on the market following a lowering of the price and the line margin. To offset this risk, the Company on the one hand is expanding the pulses business line, which is entirely separate from tomato line dynamics, and on the other is working towards the establishment of a tomato growing region in the Centre-South of Italy to achieve a common objective of the agricultural and industrial sectors to avoid surplus production which would damage the entire chain; in this regard, the EU fruit and vegetable reform of 2011 - which based grants to farmers independently of the type of crop grown and no longer, as was the case in the past, according to the quantity of tomatoes grown - accelerated the sector consolidation process which in the medium-term should result in more stable profit levels for the tomato line and the company overall. In addition, while remaining true to its Mission, and in order to establish stable high level margins, the Company will implement a branded product Policy, which has partly been introduced with the launch in 2011 on the British market, through its Subsidiary LDH (La Doria) Ltd., of the "Cook Italian" Brand, an umbrella brand comprising typical Made in Italy products (pasta, olive oil and tomato).
  In relation to legal compliance monitoring risks, in recent years particular importance has been placed on the monitoring of and compliance with safety and environmental legislation, the Administrative Responsibility of the Company (Legislative Decree 231/01) and the Savings Protection and Financial Market Regulation (Law 262/05); in addition, over recent years, local Public Bodies have acquired an increasing degree of control concerning regional taxation due to a subjective interpretation of the applicable Regulation by such Bodies, which imposes upon the Company an increased level of monitoring in relation to tax compliance.

With regard to safety and environmental compliance, the production activity of the Group companies, the introduction of increasingly stringent regulations concerning the environment and safety and product characteristics, together with frequent inspections which the company is subject to due to its size (compared to other competitors), has made it necessary to closely monitor these issues, implementing all necessary actions to mitigate such risks.

- *Operations:* these are risks relating to the occurrence of accidents, malfunctions and breakdowns, with damage to individuals, the quality of the product and the environment, with a consequent impact on results. The quality of the product, the safeguarding of our consumers health and their full satisfaction are Company priorities which, in order to guarantee them, has procedures and controls in place which govern all procurement of raw material processes to the processing and distribution of the finished product, which are applied at all production sites. The Company operates at 5 Production Sites, of which two seasonal facilities are exposed to the risk concerning the optimisation and efficiency of the existing production capacity and concerning their industrial capacity in general. If this objective were not met, an impact would be felt on the absorption of industrial overhead costs with consequent repercussions on the income statement. High production volumes require increasingly stringent product and process quality control, resulting in the need to improve the control process to reduce non-compliance, guaranteeing food safety. In this regard, in 2013 the SAP Quality Management project was introduced which enabled greater traceability of inward goods controls and on those produced internally, guaranteeing at the same time the correct integration of consolidated process flows (Purchases, Logistics, Production). In 2013, La Doria achieved FSSC 22000 certification, while in 2014 increasing importance will be dedicated to process improvement, with a view to avoiding non-standard production as part of the total quality policy implemented in 2013 and with increased investment in new control systems.
- *Financial:* these are risks related to inefficient management in the financial operations of the company. The La Doria group in its normal operating activities is exposed to various financial risks. For a detailed analysis of risks and the relative financial instruments, reference is made to the section in the Notes to the financial statements where the disclosure required by IFRS 7 is reported.

Information relating to financial instruments

The Group aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and "best market practices".

In relation to La Doria S.p.A., the company manages the exchange and interest rate risk (limited to the "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through options and forward operations.

In relation to the subsidiary LDH (La Doria) Ltd, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), selling in the national market and therefore invoicing in GBP. The policy of LDH (La Doria) Ltd consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices.

CONSOLIDATED COMPANIES (the figures were prepared in accordance with the EU/IFRS accounting standards utilised for the consolidation. The companies prepare the individual financial statements in accordb6ance with local accounting standards).

Eugea Mediterranea S.p.A.
Lavello (PZ)
(held 98.34%)

Eugea Mediterranea S.p.A. produces tomato-based products and fruit purées.

In 2013 the revenues of Eugea totaled Euro 23.7 million, over 90% of which generated with the Parent Company, against Euro 26.2 million in 2012.

The EBITDA amounted to Euro 1.3 million, compared to Euro 1.9 million in 2012.

The EBIT, after amortisation/depreciation and write-downs of Euro 933 thousand (Euro 1.1 million in 2012), totaled Euro 379 thousand compared to Euro 788 thousand in 2012.

The net profit, after net financial charges of Euro 222 thousand (Euro 339 thousand in 2012) totaled Euro 160 thousand, compared to Euro 164 thousand in 2012.

The balance sheet reports shareholders' equity of Euro 5.4 million at December 31, 2013, in line with Euro 5.3 million at 31/12/2012.

The net financial position was a debt position of Euro 7.2 million, compared to Euro -11.4 million recorded at the end of the previous year.

The workforce at 31/12/2013 numbered 24 full-time and 64 seasonal employees (average over the year), compared to 24 full-time and 116 seasonal employees at 31/12/2012.

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51 the following information is provided in relation to Human Resources:

Composition of the workforce:

Composition	Executive	Managers	White collar	Blue collar
Men (number)	1	1	2	17
Women (number)	0	0	3	0
Average age	55	56	51	56
Full-time employee	1	1	5	17
Temporary employees	0	0	0	0
Other types	0	0	0	0

Composition of staff turnover in 2013:

Turnover	01.01.2013	New recruits	Departures and retirements	Category reclassification	31.12.2013
Full-time employees					
Executives	1	0	0	0	1
Managers	1	0	0	0	1
White collar	5	0	0	0	5
Blue collar	17	1	1	0	17
Other	0	0	0	0	0
Temporary employees					
Executives	0	0	0	0	0
Managers	0	0	0	0	0
White collar	0	0	1	0	0
Blue collar	0	340	340	0	0
Other	0	0	0	0	0

Composition of remuneration in 2013 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	80.000	57.184	29.863	30.689
Average remuneration temporary emplyee	0	0	0	3.893
Average remuneration Other	0	0	0	0

Data relating to health/safety in 2013 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full- time employee	196	29	0	0
Temporary emplyee	11	20	0	0
Part time employee	0	0	0	0
Other types	0	0	0	0

LDH (La Doria) Ltd.
Huntingdon (Gran Bretagna)
(held 51%)

In 2013, the consolidated sales of LDH (La Doria) Ltd, a company engaged in the marketing of tomato-based products, fruit, pulses, canned tuna and salmon, dry pasta, pet food and other products in the United Kingdom were GBP 318.5 million, increasing 3.8% on GBP 306.8 million in the previous year.

The EBITDA in 2012 was GBP 12.5 million (margin of 3.9%), increasing on GBP 11.6 million in 2012 (margin of 3.8%).

The EBIT amounted to GBP 12.2 million (3.8% of sales), compared to GBP 11.3 million in 2012 (3.7% of sales).

Net financial income totaled GBP 520 thousand, against net financial charges of GBP 70 thousand in 2012.

Currency gains were also recorded of GBP 788 thousand compared to losses of GBP 867 thousand in the previous year. The currency losses and gains stem from the market valuation of foreign currency hedging operations made by the company, in accordance with IAS/IFRS.

Finally, the net profit was GBP 10 million, an increase on GBP 7.9 million in 2012.

The balance sheet of LDH (La Doria) Ltd reports net equity of GBP 40.6 million, an increase on GBP 36.6 million at 31/12/2012.

The net financial position reported a cash position of GBP 4.6 million, in line with 31/12/2012.

In 2013 LDH (La Doria) Ltd continued to improve market share, in particular within the processed pulses, tuna and canned salmon and dry pasta segments, highlighting the leadership position now held and the close commercial relationships with the English supermarket chains. In addition, the results were achieved within a highly competitive market and amid reduced supermarket sales volumes.

LDH (La Doria) Ltd is now the leader on the British market for private label tomato-based products and pulses, dry pasta and canned tuna.

The Cook Italian products, a premium brand launched in 2011, are also performing strongly and have achieved a satisfying level of market share.

The workforce at 31/12/2013 numbered 66 full-time employees compared to 64 at December 31, 2012.

Sales to 28/2/2014 were GBP 51.8 million, unchanged on the same period of the previous year.

PERFORMANCE SUBSEQUENT TO THE END OF THE YEAR

Sales

Consolidated sales in the first two months of 2014 amounted to Euro 104.3 million, an increase of 3% on Euro 101.4 million in the same period of the previous year.

Outlook

2014 is again expected to be a strong year for the La Doria Group. Estimates indicate further revenue and margin increases on 2013, thanks principally to the forecast volume and sales price increases, in addition to the substantial stability of the supply cost of a number of food raw materials and packaging materials. The margin will improve, in addition, through the actions implemented by the Group in relation to industrial efficiency and cost containment.

INFORMATION ON THE PERFORMANCE OF LA DORIA S.P.A.

Sales performance

Sales of the Parent Company in 2013 amounted to Euro 327.4 million, a considerable improvement (+10.2%) on Euro 297.2 million in 2012, essentially due to a significant increase in volumes sold (+9%).

40% of sales were achieved on the domestic market (38.4% in 2012) which grew 14.8%, thanks principally to the improvement in the pulses and vegetables line and the "red line", with the remaining 60% on foreign markets (61.6% in the previous year), growth of 7.3%, thanks to the strong performance of the vegetables line.

Sales by product line are shown in the table below.

ANALYSIS OF SALES BY PRODUCT LINE Euro millions

	2013	2012	Δ%	% on 2013 sales	% on 2012 sales
Red line	135,5	124,9	+8.5%	41.4%	42.0%
Fruit line	61,6	64,4	-4.3%	18.8%	21.7%
Pulses, canned veg./pasta line	126,7	102,9	+23.0%	38.7%	34.6%
Other lines	3,5	4,9	-28.6%	1.1%	1.6%
TOTAL LINES	**327,4**	**297,2**	**+10.2%**	**100.0%**	**100.0%**

The red line in 2013 reports a strong increase in volumes (+9.8%), achieved principally on the domestic market and considered very satisfying in light of the drop in general market volumes. Sales prices were stable (-1.3%).

The fruit juice and beverages line reports a contraction due to lower volumes sold (-4.5%), while sales prices remained stable. The reduction in Group sales volumes was essentially due to lower domestic consumption, as outlined previously.
The legumes, vegetables and canned pasta line, including cooked vegetables, ready-made soups, carrots and canned pasta, continued to grow considerably, thanks essentially to a significant increase in volumes (+18.4%).

Finally, the other lines report a significant decrease due to the lower sales of metal cans sold to the subsidiary Eugea Mediterranea S.p.A..

Results (prepared in accordance with EU/IFRS)

The Parent Company 2013 results improved significantly on the previous year, both in terms of revenues and margins, thanks to the strong sales performance, with significant increases particularly for tomato-based products and pulses.

As outlined for the Group, this significant improvement in the margin was achieved through increased industrial efficiency, also following recent investments and in part thanks to the reduction in the cost of a number of packaging materials, in addition to energy costs. It was also achieved despite an increase in tomato-based production costs, principally owing to a significant rise in the cost of fresh tomatoes.

In 2013 important objectives were achieved also in relation to the net debt with a further reduction in financial payables, even amid increased revenues and investment expenditure.

Income Statement

In relation to the results below, reference should be made to the reclassified income statement attached to the present report.

In 2013, the EBITDA of the Parent Company amounted to Euro 27.4 million, a considerable increase on Euro 21.4 million in 2012. The EBITDA margin was 8.4%, improving on 7.3% in the previous year.

The EBIT, after amortisation, depreciation and write-downs of Euro 10.7 million (Euro 9.6 million in 2012), amounted to Euro 16.7 million, also significant growth compared to Euro 12 million in 2012. The margin on sales increased therefore from 4.1% to 5.1%.

Net financial charges in 2013 amounted to Euro 2 million (net financial charges, investment income), in line with 2012.

Specifically, the most significant accounts concern net interest charges, which totaled Euro 4.6 million, in line with Euro 4.3 million in 2012.

The income from equity investments however amounted to Euro 2.5 million, in line with Euro 2.3 million in 2012. This income derived from the dividends distributed by the subsidiary LDH (La Doria) Ltd.

Currency gains amounted to Euro 1.8 million compared to losses of Euro 401 thousand in 2012.

The pre-tax profit was Euro 16.6 million, compared to Euro 10.4 million in 2012.

The net profit totaled Euro 12.2 million, significantly increasing on Euro 6.2 million in 2012.

In addition to the stated currency gains, extraordinary income of Euro 1.5 million concerning the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012 contributed to the profit.

Balance sheet and financial position

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position at 31/12/013 reported net fixed assets of Euro 112.2 million, in line with Euro 111.9 million at 31/12/2012.

The working capital increased to Euro 133.5 million from Euro 119.7 million at December 31, 2012, substantially relating to the reduction in the payment times for a number of raw materials, in particular fresh tomatoes.

Net capital employed was Euro 215.3 million, an increase on Euro 206.9 million at the end of 2012.

Financial payables reduced to Euro 106.9 million from Euro 112.1 million at December 31, 2012, despite increased working capital requirements and investments, thanks to the cash flow generated.

Finally, net equity amounts to Euro 108.4 million, an increase compared to Euro 94.7 million at the end of 2012.

An improvement was seen in the debt/equity ratio from 1.18 to 0.99 and in the debt/EBITDA ratio from 5.16 in 2012 to 3.9.

Production information

Net quantities processed totaled 417,119 tonnes, an increase of 3.1% on 2012, principally due to the increased production of pulses and tomatoes.

The tomatoes processed by the Parent Company amounted to 132,070 tonnes, an increase of 4.2% compared to 126,737 tonnes in the previous year.

In addition, 174,334 tonnes of pulses were produced, an increase of 11.7% on approx. 156,054 tonnes in 2012 and 9,876 tonnes of canned vegetables (9.528 tonnes in the previous year).

Finally, 93,779 tonnes of fruit juices and beverages were produced – reducing 11.4% on 105,830 tonnes in 2012.

Investments

Capital expenditure by the Parent Company in 2013 amounted to Euro 8.6 million, compared to Euro 11.6 million in 2012 and, as extensively described in the equivalent paragraph for the Group, concerned largely the increase in productivity and technological improvements.

The intangible fixed asset investments amounted to Euro 442 thousand (Euro 188 thousand in 2012), and principally related to IT systems.

Employment data

The number of employees of La Doria S.p.A. at 31/12/2013 was as follows:

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
14	161	1	218	**394**	**284**

The workforce consisted entirely of full-time employees at December 31. The number of seasonal workers is calculated on an annual average and includes blue collar, temporary and contract employees.

The breakdown of the workforce compared to 31/12/2012 is shown below:

	2013	2012
Full-time employees	394	365
Seasonal staff (average on monthly basis)	284	364

The expansion of the full-time workforce is principally due to the conversion of a number of temporary contracts into long-term contracts.

Human Resources

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51 the following information concerning the workforce is provided.

Composition of the workforce in 2013:

Composition	Executive	Managers	White collar	Blue collar	Other categories
Men (number)	13	15	101	204	1
Women (number)	1	5	40	15	4
Average age	50	46	40	43	39
Full-time employees	14	20	141	219	0
Temporary employees	0	0	6	32	0
Other types	0	0	0	0	5

Composition of staff turnover in 2013:

Turnover	01.01.2013	New recruits	Departures and retirements	Category reclassification	31.12.2013
Full-time employees					
Executives	13	1	0	0	14
Managers	22	0	2	0	20
White collar	133	8	1	1	141
Blue collar	197	18	1	5	219
Other	2	3	0	0	5

Turnover	01.01.2013	New recruits	Departures and retirements	Category reclassification	31.12.2013
Temporary employees					
Executives	0	0	0	0	0
Managers	0	0	0	0	0
White collar	6	20	19	-1	6
Blue collar	74	754	791	-5	32
Other	0	0	0	0	0

Composition of remuneration in 2013 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	139,714	60,437	32,923	25,582
Average remuneration temporary emplyee	-	-	11,032	6,540

Data relating to health/safety in 2013 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full- time employee	2,169	378	403	463
Temporary employee	326	201	25	41

Environment

Reference should be made to that described for the Group.

Research and Development

Research and development expenses in 2013 were entirely expensed to the income statement. The research and development activity is carried out in order to continually improve recipes and to support the development of new products, also on the request of the Supermarket Chains.

In 2012, the Parent Company was involved in the incorporation of the consortium company "Campania Bioscience", an advanced technology district involving 47 enterprises, 7 research organisations and 3 technology transfer structures.

The objective of the Company is to work with greater efficacy on projects for the development of innovative products through synergies achieved between enterprises, universities and centres of excellence, leveraging on the various skills and knowledge available.

Principal subsidiaries and/or holdings

Subsidiaries

LDH (La Doria) Ltd (51%). This is a trading company which sells the products of the Group on the British market. At 31/12/2013, the share capital and consolidated net equity amounted, respectively, to GBP 1 million and GBP 40.6 million.

Consolidated sales totaled GBP 318.5 million and the net profit was GBP 9.9 million. The investment is recorded in the accounts for Euro 764 thousand.

Oriental & Pacific Frozen Food Company (100% indirect control through LDH (La Doria) Ltd), a company that distributes frozen fish, tuna and pet food products on the UK market. The company was purchased by LDH (La Doria) Ltd in April 2008. The share capital and shareholders' equity of Oriental & Pacific amounted respectively to GBP 10 thousand. In 2013, the company did not carry out any trading activity.

Manpineco Ltd (100% indirect control through LDH (La Doria) Ltd)), a company that distributes canned pineapples on the UK market. The share capital and shareholders' equity of the company respectively amounted to GBP 1. In 2013, the company did not carry out any trading activity.

Eugea Mediterranea S.p.A. (direct control of 98.34%). This company produces tomato-based products and fruit purées. At 31/12/2013, the share capital and net equity amounted to Euro 1.5 million and Euro 5.4 million respectively. The sales amounted to Euro 23.7 million and the net profit Euro 160 thousand. The investment is carried in the balance sheet at Euro 3.3 million.

Associated companies

TFC S.p.A. (direct holding of 15.29%). At 31/12/2012, the share capital amounted to Euro 260 thousand and the shareholders' equity amounted to Euro 1.2 million. The sales amounted to Euro 1.7 million and the net loss was Euro 30 thousand. The investment is carried in the balance sheet at Euro 209,367.

The financial statements of the subsidiaries were prepared in accordance with IFRS/EU accounting standards utilised for the consolidation. The companies prepare the individual financial statements in accordance with the local accounting standards. The figures of the associated company TFC S.p.A. were prepared in accordance with Italian accounting standards.

Transactions with subsidiary companies

In relation to transactions in the year with the subsidiaries LDH (La Doria) Ltd and Eugea Mediterranea S.p.A, the following transactions took place:

Balance Sheet transactions

Current receivables (Euro/000)	**31.12.2013**	**31.12.2012**
Financial receivables	0	0
Trade receivables	25,408	24,358
Bad debt provision	0	0
Other receivables	3,490	3,923
TOTAL	**28,898**	**28.281**

Non-current receivables (Euro/000)	**31.12.2013**	**31.12.2012**
Other receivables	2,651	2,578
TOTAL	**2,651**	**2,578**

Current payables (Euro/000)	**31.12.2013**	**31.12.2012**
Financial payables	0	0
Trade payables	11,967	22,627
Other	0	0
TOTAL	**11,967**	**22,627**

Guarantees	**26,987**	**36,262**

Income Statement transactions

Income Statement (Euro/000)	**31.12.2013**	**31.12.2012**
Revenues	100,714	98,227
Other operating revenues	414	1,256
Costs	(21,169)	(24,456)
Other operating costs	(3,752)	(4,077)
TOTAL	**76,207**	**70,950**

The above commercial transactions, in substance and form, took place at market conditions and were entered into solely in order to fulfil the strategic and trading objectives of the company.

The information relating to inter-group transactions is provided in accordance with CONSOB Regulation concerning related parties approved with resolution No.17221 of March 12, 2010, subsequently modified with resolution No.17389 of 23.06.2010. For further information reference should be made to the notes to the financial statements.

Transactions with other related parties

The following transactions with other related parties took place:

Balance Sheet transactions

Current receivables (Euro/000)	**31.12.2013**	**31.12.2012**
Financial receivables	0	0
Trade receivables	156	161
Bad debt provision	0	0
Other receivables	0	0
TOTAL	**156**	**161**

Current payables (Euro/000)	**31.12.2013**	**31.12.2012**
Financial payables	0	0
Financial payables	7	0
Other	405	437
TOTAL	**412**	**437**

Income Statement transactions

Income Statement (Euro/000)	**31.12.2013**	**31.12.2012**
Revenues	404	458
Other operating revenues	0	0
Costs	13	15
Other operating costs	1,297	1,355
TOTAL	**1,714**	**1,828**

Tax situation

Disputes:

– in relation to the Assessment concerning IRES – IRAP and VAT for the 2004 fiscal year, the Naples Provincial Tax Court, following the hearing of 03/03/2011, on 24/03/2011 passed judgment No. 285, filed on 07/04/2011, partially accepting the appeal declaring against the recovery of taxation of Euro 86 thousand.

The company appeal was heard before the Campania Regional Tax Court on 4/5/2012. The Commission through judgment No. 261/17/12, filed on 2/8/2012 and partially accepting the appeal of the Company, declared against the recovery of taxation of Euro 232,049.

As both parties did not seek a Court of Cassation judgment the ruling became final on 16/3/2013. The previous Risks Provision was excessive with the consequent release in the period of Euro 108,794;

– for the Assessment concerning the fiscal year 2005, concerning IRES-IRAP and VAT, the Company previously provisioned Euro 545,000 to the taxes, penalties and interest risk provision. The Company appeal to the Naples Provincial Tax Court was heard on 13/6/2011. With decision of the President of the Commission, the Appeal was again discussed on 29/10/2012. Through judgment No. 174, filed on 18/03/2013, the Commission partially accepted the appeal relating to the recovery of taxation of Euro 213,492.00, rejecting the remainder and reimbursement of expenses.

On 30/10/2013, with hearing on 21/11/2013, the Company appealed to the Campania Regional Tax Court, requesting a reform of the decision.

The provision previously made, following the first level decision, was increased by Euro 514,120, of which Euro 417,623 for taxes and Euro 96,497 for interest;

– for the Assessment relating to 2006, the company appeal to the Naples Provincial Tax Court was discussed on 6/11/2012 at section No. 22.

The Commission, with judgment No. 84/22/13, filed on 19/2/2013, partially accepted the appeal, confirming the recovery of IRES and IRAP taxes for a total assessable amount of Euro 663,190.

With notification of 01/10/2013, the Tax Agency, Campania section, appealed, requesting reform of the judgment.

On 29/11/2013, the company produced a counter claim and an appeal for the rejection of the sections appeal and reform of the appealed judgment for the part concerning the liability of the Company.

The previous Risk Provision of Euro 492,000 was increased by Euro 5,868 for interest matured in the period;

– on 16/11/2012 an Assessment for 2007 was notified for higher IRES and IRAP of Euro 1,326,238.84 and higher VAT of Euro 175,962.36.

Following the Assessment, the Company on 14/1/2013 produced customary and timely appeal at the Naples Provincial Tax Court, with hearing on 25/01/2013, raising the illegality and unfounded nature of a number of recovery claims based on settlements made by other parties.

On 20/5/2013, the appeal was discussed at section No. 19 of the Provincial Tax Court. The Commission has reserved judgment.

On 20/11/2013 judgment No. 688 was filed, with which the Commission accepted the appeal concerning the illegality of taxation for IRES and IRAP on the assessable amount of Euro 466,394 concerning leasing payments and the non-deductibility of VAT properly charged on such payments for Euro 175,962, rejecting the further issues presented by the Company. In this regard the Company may produce an appeal in accordance with law.

The Risks Provision previously accrued, following the Assessment of 2009 and subsequent Questionnaire, of Euro 171 thousand was increased by Euro 2,200 for interest in the period;

– on 28/12/2011, following the inspection of the Regional Tax Office, La Doria S.p.A. was sent an Assessment notice for 2008 concerning the following issues: higher assessable taxes of Euro 1,995,000, concerning IRES, Euro 556,000 concerning IRAP, in addition to additional VAT due for Euro 29,000.

On 13/6/2013, under reference No. 0029883, the response to Questionnaire No. Q00022/2013 was filed at the office by the company, together with all requested documentation.

On 19/12/2013, the Company was notified of Assessment No. TEB03T100083/2013, under which the Campania Regional Tax Agency in relation to 2008, following the Assessment and Questionnaire response indicated above, assessed:

- higher IRES of Euro 583,485, with corresponding increased taxes due of Euro 160,459;
- higher IRAP of Euro 436,030, with corresponding increased taxes due of Euro 20,829;
- higher VAT due of Euro 29,350; penalties totaling Euro 247,488.

  On 14/2/2014, the company settled the Assessment in accordance with Article 15 of Legislative Decree No. 218/97, with consequent payment of a total amount of Euro 285,413, including taxes and penalties reduced to one-sixth and interest. On the same date, the first of 12 pre-chosen instalments for the payment of Euro 25,014.05 was made.

  Against the charge relating to the settlement, the previously allocated Risk provision of Euro 398,000 was in surplus, with consequent release in the period of Euro 112,000;
- on 15/11/2011, the Company was notified of a TARSU (waste disposal tax) Assessment for the years between 2006 and 2011. The Assessment, issued by SO.G.E.T. S.p.A., an agent of the Angri Municipality, provides for the relevant years the payment of a total tax of Euro 2,430,000, in addition to penalties and interest for Euro 1,717,000. Considering the assessment unfounded, also based on the procedure implemented by the Municipality for the awarding of the license, the Company appealed to the Regional Administrative Court and the Salerno Provincial Tax Court. The hearing took place on 4/7/2012 and the Commission with judgment No. 172/4/2013 filed on 11/3/2013 accepted the appeal, judging reimbursement of expenses also against SO.G.E.T. S.p.A.. The Regional Administrative Court has not yet announced judgment on the appeal made by the Company.

  On 15/10/2013, the Angri Municipality appealed to the Campania Regional Tax Court, requesting an overturn of judgment No. 172/4/13.

  The service agent SO.G.E.T. S.p.A. also, on 25/10/2013 appealed to the Campania Regional Tax Court, requesting reform of judgment 172/4/13.

  Against the appeals, the company on 30/12/2013 filed a counterclaim and requested rejection of the proposed appeals, with confirmation of judgment No. 172/4/13.

  Although the first level judgment confirmed the lack of grounds of the case brought, the Company increased the previous Risks Provision of Euro 931,000 by Euro 259,000 for interest and supplementation of the Risks Provision;
- on 6/12/2013, the Company was notified of the Assessments issued by SO.G.E.T. S.p.A., the Sarno Municipality agent, for TARSU (waste disposal tax) concerning the years between 2008 and 2012, with a total assessment, for tax, penalties and interest of Euro 7,470,367.

  Rejecting the assessment as unfounded and illegitimate, the company on 5/2/2013 proposed separate appeals to the Salerno Provincial Tax Court, citing the unfounded and illegitimate nature of the Assessments, requesting their cancellation.

  Given the amount assessed, the Company allocated Euro 777,310 to the Risks Provision.

In relation to the IRES – IRAP dispute concerning the years 2003 and 2004, the Tax Authorities appealed to the Court of Cassation against the Campania Provincial Court judgment which rejected the Agency's appeal of the overturning of the previous judgment of the Salerno Provincial Tax Court. The company counter-claimed within the established timeframe. In relation to the VAT dispute concerning the years 2001/2004, the Tax Authorities appealed to the Court of Cassation against the Campania Provincial Court judgment which rejected the Agency's appeal of the overturning of the previous judgment of the Salerno court. The company counter-claimed within the established timeframe.

The years still open to Assessments:

– IRES – IRAP 2009 – 2012;

– VAT 2009 – 2012.

In relation to company Tax receivables, on 14/2/2014, the 2001 VAT receivable of Euro 413,165 including interest was paid.

The additional IRPEG Company receivables concern the following years: 1994, Euro 584,771; 1996, Euro 492,987; 1997, Euro 607,400; the requests forwarded to the relevant Tax Agency Departments of the Campania Region and Salerno Province, in addition to that above-stated VAT receivable, have currently not yet been settled.

It is expected however that following the payment of the 2001 VAT receivable, the IRPEG receivables will also be paid in the near future.

Allocation of 2013 result

In relation to the net profit of Euro 12,255,941, the following allocation is proposed:

– to the Legal Reserve Euro 612,798;

– gross dividend to be distributed to the shareholders of Euro 0.12 for each share - Euro 3,720,000;

– to the Retained Earnings reserve, the residual Euro 7,923,143.

Treasury shares

The Parent Company carried out share purchase operations for 186,633 shares and a total value of Euro 326,152. The Company carried out share sale operations for 941,447 shares and a total value of Euro 3,181,870.

The operations comply with the share buy-back authorisations conferred to the Board of Directors by the Shareholders' Meetings of 2012 and 2013.

At December 31, 2013, the Group, following specific shareholders' meeting resolutions, holds 1,590,311 treasury shares in portfolio, equal to 5.13% of the share capital, purchased at an average price of Euro 1.98 including fees. At March 5, 2014 the official price was Euro 6.119.

Share performance

An analysis of the share performance of La Doria S.p.A. in 2013 shows an average annual daily price of Euro 2.589. The lowest price was on February 1, 2013 at Euro 1.68, while the highest price was on November 12, 2013 at Euro 4. The average daily volume traded was 61,041 shares.

Information in accordance with Article 2428, paragraph 5 of the Civil Code

La Doria S.p.A. does not have any secondary offices.

Other information

In relation to use by the Group of financial instruments in relation to the evaluation of the balance sheet, financial situation and result for the year, reference is made to the paragraph "Information relating to financial instruments".

PERFORMANCE SUBSEQUENT TO THE END OF THE YEAR

Sales

Sales of the Parent Company to 28/2/2014 were Euro 57.7 million, an increase of 5.3% compared to Euro 54.8 million in the corresponding period of the previous year.

Outlook

In relation to the forecasts of the Parent Company for the year 2014, reference should be made to the comments for the Group.

ATTACHMENTS TO THE DIRECTOR'S REPORT

	31.12.2013	*of which related parties*	31.12.2012	(Euro/000) *of which related parties*
Trade receivables	89,034	*156*	90,819	*161*
Inventories	194,143		188,052	
Other current receivables	25,084		22,569	
TOTAL CURRENT ASSETS	**308,261**		**301,440**	
Trade payables	103,901	*7*	112,849	0
Other current payables	25,258	*405*	23,079	*437*
TOTAL CURRENT LIABILITIES	129,159		135,928	
WORKING CAPITAL	**179,102**		**165,512**	
Net intangible assets	4,012		3,969	
Net tangible assets	98,899		99,183	
Investments	234		232	
Other assets	11,638		11,741	
FIXED CAPITAL	**114,783**		**115,125**	
Non-current liabilities	20,509		16,671	
Post-employment benefits	11,565		10,051	
Total non-current liabilities	32,074		26,722	
NET CAPITAL EMPLOYED	**261,811**		**253,915**	
Cash and cash equivalents	(27,867)		(19,563)	
Short-term debt	85,672		100,640	
Medium/long-term debt	50,689		36,914	
NET FINANCIAL POSITION	**108,494**		**117,991**	
Group net equity	129,461		113,964	
Minority interest net equity	23,856		21,960	
TOTAL SHAREHOLDERS' EQUITY	**153,317**		**135,924**	

CONDENSED CONSOLIDATED INCOME STATEMENT

	31.12.2013			31.12.2012		(Euro/000)
			of which related parties			*of which related parties*
REVENUES	**604,371**	**100.0%**	*404*	**578,941**	**100.0%**	*458*
Changes in inventory of finished and semi-finished products	(4,008)	(0.7%)		9,860	1.7%	
Other revenues	12,709	2.1%		11,459	2.0%	
VALUE OF PRODUCTION	**613,072**	**101.4%**		**600,260**	**103.7%**	
Costs of production	529,851	87.7%	*615*	523,062	90.3%	*671*
VALUE ADDED	**83,221**	**13.8%**		**77,198**	**13.3%**	
Labour costs	39,857	6.6%	*695*	40,579	7.0%	*699*
EBITDA	**43,364**	**7.2%**		**36,619**	**6.3%**	
Amortisation & Depreciation	12,042	2.0%		11,140	1.9%	
EBIT	**31,322**	**5.2%**		**25,479**	**4.4%**	
Financial income/(charges)	(4,687)	(0.8%)		(4,602)	(0.8%)	
Exchange gains/(losses)	2,519	0.4%		(534)	(0.1%)	
RESULT FROM NORMAL OPERATIONS	**29,154**	**4.8%**		**20,343**	**3.5%**	
Gain/(loss) on discontinued operations	-	-		-	-	
PROFIT BEFORE TAXES	**29,154**	**4.8%**		**20,343**	**3.5%**	
Income taxes	7,926	1.3%		7,729	1.3%	
NET PROFIT	**21,228**	**3.5%**		**12,614**	**2.2%**	
of which Group	15,477	2.6%		7,838	1.4%	
minority interest	5,751	1.0%		4,776	0.8%	

	01.01.2013 net equity	2013 Purchase Treasury Shares	2013 change IAS39 Res. Parent Com.	2013 result for year Parent Com.	31.12.2013 net equity
					(Euro/000)
Opening IAS net equity of the parent company before result	94,727	1,538	(136)	12,256	108,385
Opening IAS net equity of the group companies, before result	40,260				42,018
Eliminations of group companies	(5,478)				(6,058)
SUB-TOTAL	**129,508**				**144,345**
Profit of the group companies group share IAS	5,130				6,138
Profit of the group companies minority share IAS	4,777				5,750
Elimination of intercompany profits - group share	(1,126)				(208)
Elimination of intercompany profits - minority share	(1)				1
Elimination of intercompany dividends - group share	(2,329)				(2,631)
Adjust for exchange differences - group share	(36)				(78)
TOTAL CHANGES	**6,416**				**8,972**
TOTAL SHAREHOLDERS' EQUITY	**135,924**				**153,317**
group share	113,964				129,461
minority interest share	21,960				23,856

RECONCILIATION CONSOLIDATED RESULT	Net result	Group holding	Group Profit/loss	Min. Int. Profit/loss	Total Profit/loss
					(Euro/000)
La Doria S.p.A.	12,256	100%	12,256	0	12,256
LDH (La Doria) Ltd.	11,728	51%	5,981	5,747	11,728
Eugea Mediterranea S.p.A.	160	98.34%	157	3	160
TOTAL RESULT	**24,144**		**18,394**	**5,750**	**24,144**
Adj. for change intercompany inventory			(208)	1	(207)
Adj. for exchange differences LDH / Doria			(78)		(78)
Divid. on profits 2012 LDH distributed to Doria			(2,631)		(2,631)
CONSOLIDATED PROFIT INTER-GROUP 2013			**15,477**	**5,751**	**21,228**

	31.12.2013	*of which related parties*	31.12.2012	*of which related parties* (Euro/000)
Trade receivables	71,584	*25,565*	68,051	*24,520*
Inventories	132,971		134,154	
Other current receivables	16,128	*3,490*	18,113	*3,923*
TOTAL CURRENT ASSETS	220,683		220,318	
Trade payables	75,526	*11,974*	88,797	
Other current payables	11,674	*405*	11,842	*23,064*
TOTAL CURRENT LIABILITIES	87,200		100,639	
WORKING CAPITAL	**133,483**		**119,679**	
Net intangible assets	749		497	
Net tangible assets	95,234		95,101	
Investments	4,299		4,297	
Other assets	11,882	*2,651*	12,053	*2,578*
FIXED CAPITAL	**112,164**		**111,948**	
Non-current liabilities	18,891		14,833	
Post-employment benefits and other provisions	11,436		9,912	
Total non-current liabilities	30,327		24,745	
NET CAPITAL EMPLOYED	**215,320**		**206,882**	
Cash and cash equivalents	(22,073)		(13,447)	
Short-term borrowings	78,319		88,688	
Medium/long-term borrowings	50,689		36,914	
NET FINANCIAL POSITION	**106,935**		**112,155**	
Share Capital	40,585		39,544	
Reserves and profit for the year	67,800		55,183	
TOTAL SHAREHOLDERS' EQUITY	**108,385**		**94,727**	

	31.12.2013			31.12.2012		(Euro/000)
			of which related parties			*of which related parties*
REVENUES	**327,385**	**100.0%**	*101,118*	**297,182**	**100.0%**	*98,735*
Changes in inventory of finished and semi-finished products	(12,871)	(3.9)%		4,132	1.4%	
Other revenues	12,518	3.8%	*414*	11,845	4.0%	*1,256*
VALUE OF PRODUCTION	**327,032**	**99.9%**		**313,159**	**105.4%**	
Costs of production	269,052	82.2%	*25,587*	260,264	87.6%	*29,203*
VALUE ADDED	**57,980**	**17.7%**		**52,895**	**17.8%**	
Labour costs	30,527	9.3%	*695*	31,188	10.5%	*699*
EBITDA	**27,453**	**8.4%**		**21,707**	**7.3%**	
Amortisation & Depreciation	10,706	3.3%		9,652	3.2%	
EBIT	**16,747**	**5.1%**		**12,055**	**4.1%**	
Income from investments	2,521	0.8%		2,327	0.8%	
Financial income/(charges)	(4,526)	(1.4%)		(4,350)	(1.5%)	
Exchange gains/(losses)	1,831	0.6%	*(51)*	401	0.1%	*172*
RESULT FROM NORMAL OPERATIONS	**16,573**	**5.1%**		**10,433**	**3.5%**	
PROFIT BEFORE TAXES	**16,573**	**5.1%**		**10,433**	**3.5%**	
Income taxes for the year	4,317	1.3%		4,234	1.4%	
NET PROFIT	**12,256**	**3.7%**		**6,199**	**2.1%**	

CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (EU/IFRS)

(euro/000)	Note	31.12.2013	*of which related parties*	31.12.2012	*of which related parties*
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	1	4,012		3,969	
Property, plant & equipment	2	98,899		99,183	
Goodwill	3	5,435		5,479	
Other investments	4	234		232	
Deferred tax assets	5	3,443		3,743	
Other non-current assets	6	2,760		2,519	
TOTAL NON-CURRENT ASSETS		**114,783**		**115,125**	
CURRENT ASSETS					
Inventories	7	194,143		188,052	
Trade receivables	8	89,034	*156*	90,819	*161*
Other assets	9	20,229		18,767	
Tax receivables	10	4,855		3,802	
Cash and cash equivalents	11	27,867		19,563	
TOTAL CURRENT ASSETS		**336,128**		**321,003**	
TOTAL ASSETS		**450,911**		**436,128**	

(euro/000)	Note	31.12.2013	*of which related parties*	31.12.2012	*of which related parties*
LIABILITIES					
SHAREHOLDERS' EQUITY					
Share capital	12	40,585		39,544	
Reserves and retained earnings	13	73,399		66,582	
Net profit	14	15,477		7,838	
Group Net Equity	15	129,461		113,964	
Minority interest	16	23,856		21,960	
TOTAL SHAREHOLDERS' EQUITY		**153,317**		**135,924**	
NON-CURRENT LIABILITIES					
Financial payables	17	50,689		36,914	
Other non-current liabilities	18	11,144		7,120	
Post-employment benefit and pension provision	19	4,058		4,079	
Deferred tax liabilities	20	9,365		9,551	
Provisions for risks and charges	21	7,507		5,972	
TOTAL NON-CURRENT LIABILITIES		**82,763**		**63,636**	
CURRENT LIABILITIES					
Financial payables	22	85,672		100,640	
Trade payables	23	103,901	*7*	112,849	
Tax payables	24	3,760		5,977	
Other current liabilities:	25	21,498	*405*	17,102	*437*
TOTAL CURRENT LIABILITIES		**214,831**		**236,568**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**450,911**		**436,128**	

(euro/000)	Note	31.12.2013	*of which related parties*	31.12.2012	*of which related parties*
Revenues	26	604,371	*404*	578,941	*458*
Other operating revenues	27	12,709		11,459	
Changes in inventory	28	993		9,413	
of which Finished and Semi-finished		*(4,008)*		*9,860*	
of which Raw materials		*5,001*		*(447)*	
Purchase of raw materials and goods	29	461,520		452,696	
Services	30	65,583	*615*	62,500	*671*
Labour costs	31	39,857	*695*	40,579	*699*
Other operating charges	32	7,749		7,419	
Amortisation, depreciation, write-downs and provisions	33	12,042		11,140	
OPERATING PROFIT		**31,322**		**25,479**	
Financial income	34	6,842		4,534	
Financial charges	35	9,010		9,670	
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**29,154**		**20,343**	
Income taxes	36	7,926		7,729	
NET PROFIT FROM NORMAL OPERATIONS		**21,228**		**12,614**	
NET PROFIT		**21,228**		**12,614**	
of which:					
Group profit		15,477		7,838	
Minority interest profit		5,751		4,776	

EARNINGS PER SHARE – BASIC AND DILUTED	**31,12,2013**	**31,12,2012**
Number of shares net of treasury shares	29,409,689	28,654,875
Profit/(loss) of the group per share	0,53	0,27

(Euro/000)	31.12.2013	31.12.2012
NET PROFIT FOR THE YEAR (GROUP AND MINORITY INTEREST)	**21,228**	**12,614**
Other items of the Comprehensive Income Statement		
Items which may be recognised to the income statement in subsequent periods		
Change in translation reserve of foreign subsidiaries	(605)	734
Change in cash flow hedge reserve net of tax effect of Euro 453 thousand at December 31, 2013 and Euro 563 thousand at December 31, 2012	(1,682)	1,974
PROFIT/(LOSS) RECORDED DIRECTLY TO NET EQUITY NET OF TAX EFFECT	**(2,287)**	**2,708**
Items which may be recognised to the income statement in subsequent periods		
Change IAS 19 reserve	(15)	0
COMPREHENSIVE PROFIT FOR THE YEAR	**18,926**	**15,322**
Pertaining to:		
– Group	14,286	9,109
– Minority interest	4,640	6,213

(euro/000)	31.12.2013		*of which related parties*	31.12.2012		*of which related parties*
Operating activity						
CASH FLOW						
Group and minority interest profit	21,228			12,614		
Depreciation and write downs of tangible assets	9,413			9,689		
Amortisation and write downs of intangible assets	399			373		
TOTAL CASH FLOW	31,040			22,676		
Changes in deferred tax assets and liabilities	(427)			(644)		
Post employment benefits: provisions/(utilisation)	(21)			157		
Provisions for risks and charges: provisions/(utilisation)	1,535			(23)		
Financial income	(3,612)			245		
TOTAL CASH FLOW BEFORE CHANGES IN NET WORKING CAPITAL	**28,515**			**22,411**		
Working capital						
Change in trade receivables	1,785		*5*	(9,918)		*90*
Change in inventories	(6,091)			(11,662)		
Change in other current assets	(2,515)			626		
Change in trade payables	(8,948)		*7*	9,625		*(1)*
Change in taxes payable	(2,217)			3,423		
Change in other current liabilities	8,720		*(32)*	2,641		*0*
Translation differences	(605)			734		
Change in working capital	**(9,871)**			**(4,531)**		
CASH GENERATED FROM OPERATING ACTIVITY	**18,644**	**(a**		**17,880**	**(a**	
Investing activities						
Change in divestments/(investment) in tangible fixed assets	(9,129)			(12,037)		
Change in divestment/(investment) in intangible fixed assets	(442)			(176)		
Disposal of other non current assets	0			320		
Goodwill	44			(48)		
Investments in equity holdings net of divestments	(2)			(180)		
Interest received	3,612			(245)		
CASH GENERATED/(ABSORBED) FROM INVESTMENT ACTIVITY	**(5,917)**	**(b**		**(12,366)**	**(b**	
Financing activities						
Medium/long term loans	12,093			(9,902)		
Change in short term loans	(14,968)			10,805		
Dividends paid	(4,388)		*(1,316)*	(2,237)		*0*
Change in purchase and sale of treasury shares	2,840			(804)		
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**(4,423)**	**(c**		**(2,138)**	**(c**	
	8,304	**(a+b+c)**		**3,376**	**(a+b+c)**	
Change in the net financial position						
Cash and cash equivalents at beginning of the year	19,563			16,187		
Cash and cash equivalents at end of the year	27,867			19,563		

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	GROUP						
	SHARE CAPITAL	SHARE PREMIUM RESERVE	LEGAL RESERVE	OTHER (+) RESERVES	RESERVES IAS 39	RESERVES IAS 32	OTHER PROFIT RESERVES
Balance at 01.01.12	35,529	15,327	3,381	11,599	(1,486)	610	39,137
Dividends							
Allocation of 2011 result							4,093
Purchase/Sale of treasury shares	(576)						(228)
Reclassified							
Change IAS 39 (other comprehensive income)					855		
La Doria Share Capital increase from other profit reserves	4,591						(4,591)
Change in translation reserve (other comprehensive income)							
Profit at 31.12. 2012							
BALANCE AT 31.12.2012	**39,544**	**15,327**	**3,381**	**11,599**	**(631)**	**610**	**38,411**

(Euro/000)

CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MINORITY INT. MIN. INT. CAPITAL & RESERVES	MINORITY INT. MIN. INT. RESULT	MIN. INT. NET EQUITY	TOTAL NET EQUITY
	(2,490)	4,093	105,700	13,395	4,548	17,943	123,643
				(2,237)		(2,237)	(2,237)
		(4,093)		4,548	(4,548)		
			(804)				(804)
			855	1,119		1,119	1,974
	375		375	359		359	734
		7,838	7,838		4,776	4,776	12,614
0	**(2,115)**	**7,838**	**113,964**	**17,184**	**4,776**	**21,960**	**135,924**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	GROUP							
	SHARE CAPITAL	SHARE PREMIUM RESERVE	LEGAL RESERVE	OTHER (+) RESERVES	RESERVE IAS 39	RESERVE IAS 32	RESERVE IAS 19	OTHER PROFIT RESERVES
Balance at 01.01.13	39,544	15,327	3,381	11,511	(631)	610	88	38,411
Dividends								(1,860)
Allocation of results 2012								7,838
Purchase/Sale of treasury shares	1,042							496
Reclassified								
Change IAS 39 (other comprehensive income)					(652)			
Variazione IAS 32						1,317		
Change in translation reserve (other comprehensive income)								
Change IAS 19 reserve							(15)	
Profit at 31.12. 2013								
BALANCE AT 31.12.2013	**40,586**	**15,327**	**3,381**	**11,511**	**(1,283)**	**1,927**	**73**	**44,885**

(Euro/000)

				MIN. INT:			
CONSOL. RESERVE	**TRANSLATION RESERVE**	**RESULT FOR THE YEAR**	**GROUP NET EQUITY**	**MIN. INT. CAPITAL & RESERVES**	**MIN. INT. RESULT**	**MIN. INT. NET EQUITY**	**TOTAL NET EQUITY**
	(2,115)	7,838	113,964	17,184	4,776	21,960	135,924
			(1,860)	(2,528)		(2,528)	(4,388)
		(7,838)		4,776	(4,776)		
			1,538				1,538
			(652)	(1,030)		(1,030)	(1,682)
			1,317				1,317
	(309)		(309)	(296)		(296)	(605)
			(15)				(15)
		15,477	15,477		5,751	5,751	21,228
0	**(2,423)**	**15,477**	**129,461**	**18,105**	**5,751**	**23,856**	**153,317**

EXPLANATORY NOTES

EXPLANATORY NOTES TO THE 2013 CONSOLIDATED FINANCIAL STATEMENTS OF THE LA DORIA GROUP

1. GENERAL ASPECTS

La Doria S.p.A. (hereafter "the Company" or "La Doria" or the "Parent Company") and its subsidiaries (hereafter "the Group") operate in the production and marketing of food products particularly in the vegetable and juices processing sector. The Group operates from five production sites and markets its products in Italy and abroad, principally in the United Kingdom, Japan, Austraila and in the Scandinavian countries. La Doria is listed on the Star segment of the Italian Stock Exchange. The present consolidated financial statements were approved by the Board of Directors on March 14, 2014, which authorised their publication on the same date, and were audited by PriceWaterhouseCoopers S.p.A.. The consolidated financial statements were prepared based on the IFRS compliant financial statements prepared by the individual Board of Directors of the companies consolidated.

2. CONTENT AND FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

The present consolidated financial statements at December 31, 2013 comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and the Notes and were prepared in accordance with International Accounting Standards approved at the date of the present consolidated financial statements by the European Commission, hereafter "IAS/IFRS" supplemented by the relative interpretations (Standing Interpretations Committee "SIC" and International Financing Reporting Interpretations Committee "IFRIC") issued by the International Accounting Standard Board (IASB), as well as the provisions of Article 9 of Legislative Decree No. 38 of February 28, 2005. The standards and the accounting principles applied to the present consolidated financial statements are in line with those utilised for the preparation of the consolidated financial statements at December 31, 2012. From January 1, 2013 some amendments were made to the international accounting standards, as commented upon below. The principal changes are outlined in the subsequent paragraph "Form of the financial statements". However, the section "Effects of the changes to the accounting principles adopted" summarises also the accounting standards currently being approved by the European Union, not yet applied by the Group and the accounting standards not yet in force. The general principle adopted in the preparation of the financial statements is the cost method, with the exception of the derivative instruments and some financial assets, for which IAS 39 is obligatory or - limited to financial assets - valuation in accordance with the fair value method is permitted. The financial statements are expressed in thousands of Euro, except where otherwise indicated. The present Consolidated Financial Statements of the Group were prepared on a going concern basis, based on the current performance and the future business plans approved by the Board.

FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

Relating to the form of the financial statements adopted for the present consolidated financial statements the Parent Company opted for the following presentation of the financial statements.

Balance Sheet

The Balance Sheet at December 31, 2013 is prepared with separate indications of the Assets, Liabilities and Shareholders' Equity. The Assets and the Liabilities are classified as current and non-current.

Income Statement

The Income Statement for the year 2013 is presented by the nature of the expenses.

Comprehensive Income Statement

The comprehensive income statement is presented in a separate document, as permitted by IAS 1 Revised.

Cash Flow Statement

The Cash Flow Statement is prepared applying the indirect method. The cash flow statement was detailed further since 2010 with the cash flows from operating activities and cash flows in the finance area subject to a different classification in order to provide a more complete disclosure.

Statement of changes in Shareholders' Equity

The Statement of changes in Shareholders' Equity was prepared according to IAS 1, as amended by the IFRS improvements published in May 2010 and approved by European Union Regulation No. 149 of February 18, 2011. In addition, the following tables are an integral part of the notes to the consolidated financial statements:

- Intangible Assets at December 31, 2013 (Table A);
- Net Tangible Assets and accumulated depreciation at December 31, 2013 (Tables B, B1 and B2);
- Investments in Companies directly and indirectly held (Tables C and C1);
- Remuneration paid to Directors, Statutory Auditors, the General Manager and Management of the Parent Company and subsidiaries and the Independent Audit Company of La Doria SpA and the subsidiary companies (Tables D, E and F), based on Consob Communication No. DEM/11012984 of 24-2-2011 concerning indemnity in the case of the advance conclusion of employment and disclosure on remuneration in accordance with Article 78 of Regulation No. 11971 of May 14, 1999 and subsequent amendments;
- Statements relating to the management of risks in accordance with IFRS 7 (Tables 1 to 12).

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements at December 31, 2013 include the financial statements of the Parent Company La Doria S.p.A. and of the companies included in the consolidation scope of the La Doria Group, prepared in accordance with IFRS. These companies are listed below:

Company	Registered office	Share capital	Holding
LA DORIA S.p.A.	Via Nazionale, 320 84012 Angri (Salerno)	Euro/000 40.585	Parent Company
EUGEA MEDITERRANEA S.p.A.	Strada Consorziata s.n. 85024 Gaudiano di Lavello	Euro/000 1.500	98.34%
LDH (La Doria) Ltd.	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 1.000	51%
LDH Foods (Hellas) Ltd. (subsidiary of LDH (La Doria) Ltd)	32 Omiron Street Athens (Grecia)	Euro/000 18	50.85%
LDH Foods S.L. (in liquidazione) (subsidiary of LDH (La Doria) Ltd)	Av.da De los Castanos, 53 Molina De Segurra (Murcia)	Euro/000 9	51%
ORIENTAL & PACIFIC (subsidiary of LDH (La Doria) Ltd	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 10	51%
MANPINECO (subsidiary of LDH (La Doria) Ltd)	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 0,001	51%

Compared to December 31, 2012, the consolidation scope has not changed.

In particular, there are two types of companies included in consolidation:

a) Food processing companies: La Doria S.p.A., Parent Company and Eugea Mediterranea S.p.A., which is 98.34% owned.

b) Marketing companies: LDH (La Doria) LTD which is 51% owned by the Parent Company and its subsidiaries.

CONSOLIDATION PRINCIPLES AND ACCOUNTING POLICIES

Investments in subsidiaries

The companies in which La Doria S.p.A. exercises control, either due to direct shareholding or the indirect holding of the majority of the voting rights, having the power to determine the financial and operating choices of the company, are consolidated using the line-by-line method. All the subsidiaries are included in the consolidated scope at the date in which the control is acquired by the Group and are consolidated under the line-by-line-method. The companies are excluded from the consolidation scope when the Group no longer has control of the company. The business combinations are recognised applying the “purchase method” in which the buyer acquires the equity and records the assets and liabilities, including the potential liabilities of the company purchased. The cost of the operation is based on the fair value, at the purchase date, of assets given, of liabilities incurred and of any capital instruments issued by the subsidiaries and any other accessory charges. The fair value is also applied in the measurement of the assets/liabilities purchased pertaining to minority interests. Any difference between the cost of the operation and the fair value of the assets and liabilities acquired at the purchase date is residually allocated to goodwill and subject to an impairment test as described below. When the allocation process of the purchase price results in a cost, this is immediately recognised in the income statement at the purchase date. In the case of the purchase of investments not fully controlled, the goodwill is recorded only for the part attributable to the Parent Company. The amounts resulting from operations between consolidated companies are eliminated, in particular in relation to receivables and payables at the balance sheet date, as are costs and revenues as well as other charges and income recognised in the income statement. Gains and losses realised between consolidated companies with the related tax adjustments are also excluded. The gains and losses from operations with minority interests are recorded when significant in the income statement using the “parent theory” for these operations. The mergers between Group companies are recorded using the consolidated values from the previous year.

Equity investments in other companies
These consider investments in other companies, where the amount of shares or the holding does not allow significant or dominant influence on the operations of the company, but however relates to a long-term investment. This type of investment is not included in the consolidation.

Identification of the functional currency
The balances included in the annual report of each company of the Group are prepared in the primary currency where they operate (functional currency). The consolidated financial statements were prepared in Euro, which is the functional currency of the Parent Company.

Translation of the financial statements of the companies in currencies other than the operational currency
The balance sheet at December 31, 2013 of the foreign subsidiary LDH (La Doria) Ltd. was converted at the exchange rate prevailing for the GBP at the balance sheet date of Euro 0.8337, and the income statement at the average rate for the year of Euro 0.8492. The difference between the conversion of the net equity items at the exchange rate at the end of the year and the prior year-end exchange rate and between the conversion of the income statement at the average exchange rate and the balance sheet date exchange rate has been recorded under "Translation adjustments" in the Group’s share of the consolidated shareholders' equity and under “Minority interest shareholders’ equity” for the share of minority interests.

In the preparation of the present consolidated financial statements the accounting standards adopted are those as utilised in the preparation of the consolidated financial statements as at December 31, 2012.

For completeness of information, we report that from January 1, 2013 the Company adopted a series of new accounting standards and interpretations, among which we highlight, in particular:

- Amendments to IAS 19 – "Employee benefits". The standard establishes that the costs of defined benefit plans are calculated according to a discount rate of net liabilities/assets relating to the employee benefit plans. All actuarial gains/losses must be classified to Other Comprehensive Income ("OCI"), without any possible recognition to the income statement. The application of this new standard did not result in significant effects.
- Amendments to IAS 1 "Financial statement presentation regarding other comprehensive income" The amendments provide for the grouping of OCI items into two categories, according to whether they may be reclassified to the income statement in a future period. The standard does not alter the possibility to present two income statements and does not specify which items may be reclassified in the income statement. The amendments were approved by the European Union in 2012. They were applied to all periods presented.
- IFRS 13 – "Fair value measurements". The standard precisely defines fair value and comprehensively outlines its measurement. The standard does not extend the use of fair value measurement but rather provides guidelines as to how the measurement should be applied. It was published by the IASB in May 2011 and approved by the European Union in December 2012. This standard did not have a significant impact on the Company Financial Statements, as the fair value measurement processes introduced do not differ from those previously utilised by the Company.
- Amendments to IFRS 7 – "Financial Instruments: Disclosures on offsetting financial assets and financial liabilities". The amendments improved the current disclosure on offsetting in order to facilitate offsetting between companies which prepare financial statements based on IFRS and those utilising US GAAP. The standard, published by the IASB in December 2011, was approved by the European Union in December 2012. It did not have a significant impact on the Company Financial Statements.
- Amendments to IFRS 1 - "First time adoption on government loans". The amendments clarify how companies adopting IFRS for the first time should measure government loans with an interest rate below the market rate. The amendments, approved by the European Union in March 2013, did not have any impact on the Company Financial Statements.

Effects of the amendments in the accounting standards adopted

At the current date, the European Parliament has approved a number of standards and interpretations, not yet compulsory, which will be applied by the Group in future years. The principal amendments and potential effects on the Group are summarised below:

- IFRS 10 – "Consolidated financial statements". The standard is based on pre-existing principles, identifying control as a determining factor for inclusion of a company in the consolidated financial statements. The standard provides further indications on establishing control. It was published by the IASB in May 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. The adoption of this standard will not have a significant impact on the Company Financial Statements.
- IFRS 11 – "Joint arrangements". The standard focuses more on the rights and obligations of an agreement rather than its legal form. It identifies two types of "Joint arrangements". Joint operations concern agreements in which joint Managers who hold joint control have rights on assets and obligations for liabilities under the agreement. Joint ventures are joint control agreements in which the parties, joint venturers, who jointly hold control, maintain rights on the net assets of the agreement. Proportional consolidation is no longer permitted. It was published by the IASB in May 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. The adoption of this standard will not have a significant impact on the Company Financial Statements.
- IFRS 12 – "Disclosures of interests in other entities". The standard outlines the disclosure to be provided for all types of interests in other companies. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. The standard may be adopted in advance. It will not have a significant impact on the Company Financial Statements.
- Amendments IFRS 10, 11 and 12. The amendments provide guidelines for the preparation of comparative data. They were published by the IASB in July 2012, approved by the European Union in April 2013 and are effective for periods beginning January 1, 2014. The standard may be adopted in advance. It will not have a significant impact on the Company Financial Statements.
- IAS 27 (revised 2011) "Separate financial statements". The standard includes the provisions on separate financial statements which remain subsequent to the inclusion in IFRS 10 of provisions concerning control. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. It will not have an impact on the Company Financial Statements.

- IAS 28 (revised 2011) "Associates and joint ventures". The standard establishes the requirements for joint ventures and for associated companies which are measured under the equity method following the issue of IFRS 11. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. It will not have a significant impact on the Company Financial Statements.
- Amendments to IAS 32 "Financial instruments: Presentation on offsetting financial assets and financial liabilities". The amendments clarify a number of requirements necessary for the offsetting of financial assets and liabilities. It was published by the IASB in December 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. It will not have a significant impact on the Company Financial Statements.
- Amendments to IFRS 10, IFRS 12 and IAS 27. The amendments establish that many funds or similar investment companies which satisfy the definition of an "investment company" will be exempted from consolidating most of their subsidiaries. The amendments, not yet approved by the European Union, are applicable from periods beginning January 1, 2014.
- IFRS 2 Revised – Share-based payments, which clarifies the treatment of share-based payments in the case of incentive plans.
- The interpretations IFRIC 12 (Service concession arrangements), IFRIC 15 (Agreements for the construction of real estate), IFRIC 16 (Hedges of a net investment in a foreign operation), IFRIC 17 (Distribution of non-cash assets to owners) and IFRIC 18 (Transfers of assets from customers).
- On May 29, 2013, the IASB issued an amendment to IAS 36 – Disclosure on recoverable amount of non-financial assets, which governs the disclosure on the recoverable value of impaired assets, if this amount is based on the fair value net of selling costs. The amendments must be applied retrospectively from periods beginning January 1, 2014. Advance application is permitted for the periods for which the entity has already applied IFRS 13. This amendment was approved with Regulation No. 1374/2013.
- On June 27, 2013, the IASB issued certain amendments to IAS 39 – Financial Instruments: recognition and measurement, entitled "Novations of derivatives and continuity of Hedge Accounting". The amendments permit continuation of hedge accounting in the case in which a derivative financial instrument, designated as a hedge instrument, is replaced following the application of law or regulations in order to replace the original counterparty so as to guarantee the fulfilment of the obligation assumed and where certain conditions are satisfied. The same amendment will be included also in IFRS 9 – Financial instruments. These amendments approved with Regulation No. 1375/2013 must be applied retrospectively from the years beginning January 1, 2014.

Accounting standards not yet applicable as not yet approved by the European Union

In addition, at the reporting date, the European Union had not yet completed its endorsement process for these standards and amendments:

- On November 12, 2009, the IASB published IFRS 9 – Financial instruments, which was subsequently amended. The standard, having an effective date for mandatory adoption of January 1, 2015 retrospectively, represents the completion of the first part of a project to replace IAS 39 and introduces new requirements for the classification and measurement of financial assets and financial liabilities. The new standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. The most significant effect of the standard regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss. Under the new standard these changes are recognised in Other comprehensive income and are not subsequently reclassified to the income statement.
- On May 20, 2013, the IASB issued IFRIC 21 – Levies, an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. IFRIC 21 provides clarification on when an entity should recognise a liability for the payment of State taxes, with the exception of those already governed by other standards (e.g. IAS 12 – Income taxes). IAS 37 establishes the criteria for the recognition of a liability, one of which is the existence of a present obligation on the entity arising from a past event (known as an obligating event). The interpretation clarifies that the obligating event, which gives rise to a liability for the payment of the tax, is described in the applicable regulation from which the payment arises. IFRIC 21 is effective from the periods beginning January 1, 2014.
- On November 21, 2013, IASB issued the document “Defined Benefit Plans: Employee Contributions (Amendments to IAS 19 Employee Benefits)”. The amendments made to IAS 19 permit (but do not render compulsory) the deduction from the current service cost of the period the contributions paid by the employees and by third parties, which are not related to the number of years of service, in place of the allocation of these contributions over the service period.
- On December 12, 2013, IASB published the document “Annual Improvements to IFRS – 2010-2012 Cycle”. These amendments mainly refer to: (i) IFRS 2, amending the definition of maturation conditions; (ii) IFRS 3, clarifying that a potential payment classified as an asset or liability must be valued at fair value at each reporting date; (iii) IFRS 8, principally requiring disclosure concerning the criteria and evaluation factors considered in determining the level of aggregation of the operating segments within the financial statements (iv) the Basis of Conclusions of IFRS 13, confirming the possibility to recognise short-term receivables and payables which does not explicitly state the implicit interest rate therein, at

their face value, if the effect from not discounting is not significant; (v) IAS 16 and IAS 38, clarifying the manner to determine the gross book value of the assets, in the case of revaluation consequent of the application of the model of the re-determined value; (vi) IAS 24, specifying that an entity is related to a reporting entity if the entity (or a member of the group to which it belongs) provides to the reporting entity (or its parent company) key management personnel services.

- On the same date, the IASB published the document "Annual Improvements to IFRS – 2011-2013 Cycle". These amendments mainly refer to: (i) the Basis of Conclusion of IFRS 1, clarifying the definition of IFRS "in force" for the First-time adopters; (ii) IFRS 3, clarifying the exclusion from application of joint control agreements in the financial statements relating to jointly controlled companies; (iii) IFRS 13, clarifying that the application of the exception as per paragraph 48 of the standard is extended to all contracts within the application of IAS 39, independent of the fact of whether they are within the definition of financial assets or financial liabilities as per IAS 32; (iv) IAS 40, clarifying the inter-relation between IFRS 3 and the standard.

In accordance with the pronouncements issued by IASB, the provisions contained in the above-mentioned documents are effective from the periods which begin on or after July 1, 2014. However, it should be noted that as approval has not yet been obtained from the European Commission, the effective entry into force of these provisions may be deferred.

On November 19, 2013 IASB published the document "IFRS 9 Financial Instruments - Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39", with the relative Basis for Conclusions and Applicable Guideline. These documents: (i) result in a substantial review of the accounting of hedging operations; (ii) in relation to IFRS 9, which requires that changes in the fair value of liabilities designated at fair value through the profit or loss, giving rise to gains or losses deriving from changes in the credit risk of the entity, are recognised in the Other Comprehensive Income Statement, which permits advance application of this regulation compared to other provisions contained in the standard; (iii) eliminates indication of January 1, 2015 as the compulsory entry into force of IFRS 9.

Definite intangible assets and amortisation
An intangible asset is an identifiable non-monetary asset without physical substance, identifiable and capable of generating future economic benefits. Intangible assets are originally recognised at purchase and/or production cost, including the costs of bringing the asset to its current use, net of accumulated amortisation, and any loss in value. Amortisation is calculated using the straight-line method over the estimated period of effective utilisation or future benefit. Where there are indications of a permanent loss in value, a specific impairment test is carried out and any loss in value is charged to the income statement and as a reduc-

tion of the fixed asset, in accordance with the procedures indicated below in the following paragraph. The balance includes concessions, licenses and trademarks, patents and industrial rights and other intangible assets, including the purchase cost of software and intangible assets recorded on business combinations, in accordance with IFRS 3. The costs of research and the cost of maintenance and software management are charged to the income statement.

Intangible assets with an indefinite life

Goodwill

The goodwill stated under intangible assets relates to business combinations made since January 1, 2004 and represents the difference between the cost incurred for the purchase of a company or a business unit and the sum of the values assigned, based on the fair values at the purchase date of the individual assets and liabilities of the company purchased. Goodwill has an indefinite life and therefore is stated at original cost, net of any write-downs. Goodwill, in fact, is not amortised but subject to an impairment test in accordance with IAS 36, on an annual basis, except when there are market and operational indicators identified by the Group, where it is necessary to carry out the test also in relation to the preparation of interim accounts. The goodwill is allocated to the individual cash generating units (CGU), identified with reference to the organisation, management and control structures of the Group. Within each sector, the CGU's are defined as the smallest independent operational and financially independent units, identified, for uniformity of business and operational management, as companies within a determined area of activity together with its subsidiaries. The goodwill is tested in order to identify any loss in value. The test is undertaken on the CGU comparing the book value with the higher between the value in use of the CGU and the recoverable value through sale. In particular, the value in use is determined using the "unlevered" version of the discounted cash flow method, applied on the cash flows from the five-year plans approved by the Directors, projected beyond the explicit period covered by the plan according to the perpetual yield method (so-called Terminal value), utilising growth rates not above those expected for the markets in which the individual CGU's operate. The cash flows utilised are those generated from the company's operating activities, in their current conditions and without including the effects deriving from future restructuring of the business or from future investments aimed at improving performance, before financial charges and income taxes and include capital expenditure and working capital changes, while they do not include cash flows relating to financial management, extraordinary events or dividend payments. The base macroeconomic assumptions are determined, where available, according to external information sources, while the estimates of profitability and growth assumed in the plans are determined by management based on past experience and expectations of developments on the markets in which the Group operates.

Property, plant & equipment

Property, plant and equipment are stated at purchase or production cost, including additional charges allocated to the asset and related to its preparation for use during its useful life, net of accumulated depreciation and any loss in value deriving from the impairment test commented upon in the subsequent paragraph. Land is recorded at purchase cost, net of any loss in value and is not subject to depreciation. In order to determine the purchase cost for buildings the deemed cost method is used corresponding to the "fair value" or the revalued cost at January 1, 2004. "Fair value" as per IFRS 13 concerns the price that would be received from the sale of an asset or would be paid for the transfer of a liability in a transaction settled between market operators at the valuation date. Ordinary maintenance and repairs in the normal course of business are charged to the income statement. Extraordinary maintenance or repairs on owned assets or of third parties are capitalised and depreciated only if clearly identifiable and having future use. The cost of internally produced fixed assets includes the costs of the materials used, labour costs, the initial estimate, where applicable, of the dismantling and removal costs of the asset, and site reclamation costs. When the asset to be depreciated is composed of separately quantifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the "component approach" principle. Finance charges are capitalised only when the requirements of IAS 23 are in place. Buildings available-for-sale are not depreciated as they are not used in the production process and are stated at the lower of cost and fair value less costs to sell. Capital grants are recognised when there is reasonable certainty that they will be received and that they will satisfy the conditions for their approval. Capital grants are recorded as deferred income (deferred income) under other current and non-current liabilities and are recorded as income to the Income Statement, in the account "Other operating income", on a straight basis over the useful life of an asset.

Depreciation of property & equipment

The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset. Depreciation commences when the asset is available for use. In the year in which the asset is recorded for the first time, the depreciation is reduced to take account of the lesser use of the asset. The estimated useful lives are those reported in the attached Table B. In the year in which the asset is recorded for the first time, the depreciation is reduced proportionally to take account of the lesser use of the asset. Land is not depreciated as it has an indefinite life and is subject to an impairment test when there are indications of a loss in value. Applying the principle of the "component approach", when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

Loss in value of tangible and intangible assets (impairment of the assets)
As previously described, assets with an indefinite life are subject, at least annually, to a verification of the recovery of the value recorded in the balance sheet on the basis of the value in use. For depreciated assets, an impairment test is made when there are indications of a loss in value. When, following an impairment test, write-downs should be made (recovery value lower than carrying value in the financial statements) and recognised in the income statement. The value is reinstated in future years, up to the amortised cost - should the reason for any write-down no longer exist. The reinstated amount is also recognised in the income statement. However, in no case is goodwill reinstated following a previous write-down.

Finance Leases
The leasing of buildings in which the group acquires the significant risks and rewards connected to the ownership are classified as "finance leases". The assets under finance leases are originally stated with the recording of a fixed asset and a financial payable at the lower of the fair value of the asset and the current value of the minimum lease payments, due at the commencement date of the contract using the implicit interest rate of the leasing. Thereafter, an amount is charged to the income statement equal to the depreciation of the asset, calculated based on the residual useful life of the asset and the financial charges separated from the lease payments made in the year. The residual amount of the lease payments is recorded as a reduction of the finance lease payables. The Group does not hold assets within this category.

Operating leases
Operating leases are recognised in the income statement in relation to the duration of the contract, in accordance with IAS 17. Operating leases are those relating to fixed assets for which the Group does not acquire the significant risks and rewards connected to their ownership.

Inventories
Inventories are measured at the lower of purchase and/or production cost and net realisable value. Purchase or production costs include the costs incurred in bringing the inventories to the present location and condition and are determined under the "weighted average cost" method. Net realisable value is the selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories have also been adjusted, where necessary, by an allowance for write-downs to account for the physical deterioration of the goods. This provision is eliminated in successive periods if it is no longer necessary.

The Group classifies inventories in the following categories:

- Raw material, ancillary and consumables;
- Products in work-in-progress and semi-finished;
- Finished products;
- Payments on account.

The work in progress is valued at production cost utilising the average weighted cost method, excluding financial charges and overheads.

Financial Assets/Liabilities

The Group classifies financial assets in the following categories:

- assets at fair value through the income statement;
- loans and receivables;
- held-to-maturity investments;
- AFS financial assets.

The classification depends on the reasons for which the asset/liabilities were purchased, by their nature and by the measurement made by management at the purchase date. For the annual accounts and on the preparation of interim accounts, the management of the Group evaluates the existence of indicators of loss in value requiring an impairment test.

Financial assets at fair value through profit or loss

This category includes financial assets purchased for short-term trading, as designated by the Directors, in addition to derivative instruments, for which reference should be made to the paragraph below. The fair value of these instruments is determined with reference to the market value at the balance sheet date. The changes in fair value of the instruments belonging to this category are immediately recognised in the income statement. The classification between current and non-current reflects the expectations of the management on their trading: included under current assets are those in which trading is expected within 12 months. The assets included in this category do not relate to the normal operations of the Group.

Loans and receivables

This category includes assets not represented by derivative instruments and not listed on an active market, not held for trading and for which fixed or determinable payments are expected. Loans and receivables are measured at amortised cost on the basis of the effective interest method, considering write-downs for adjustments of realisable value made analytically on the basis of the expected receipts. The write-downs are recognised in the income statement. These assets/liabilities are classified as current assets/liabilities, except for the portion relating to non-trade receivables/payables with maturity beyond 12 months, which are classified under non-current asset/liabilities. Trade receivables which mature within the normal commercial terms are not discounted.

Held-to-maturity investments
These relate to assets, other than derivative instruments, at pre-fixed maturity, with fixed or determinable payments and for which the Group has the full intention and capacity to maintain in portfolio until maturity. There are no assets belonging to this category held either by the Parent Company or by the other consolidated companies.

AFS financial assets
This category includes financial assets not represented by financial instruments, specifically designated as included in this category or not classified in any of the previous categories. They are measured at fair value, determined with reference to market prices at the balance sheet date or through financial measurement techniques or models. The changes in value are recorded in a specific equity reserve "AFS asset reserve". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2013, the Group does not hold these types of assets.

Assets held for sale and discontinued operations
On the initial classification of the assets held for sale, the non-current assets and group of assets for sale are measured at the lower of the carrying value and the fair value less costs to sell. The losses in value resulting from the initial measurement of an asset classified as held for sale are recognised in the income statement. The same treatment applies to the gains and losses on subsequent measurements. An operating activity discontinued (valued as assets held for sale) is a component of the Group which represents an important independent business division or geographical area or is a subsidiary acquired exclusively for resale. An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. A group being sold may also be included under operating activities discontinued.

Financial instruments
The Company manages the exchange and interest rate risk (limited to "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through forward operations and options (commented upon in the paragraph on Derivatives). The Company manages the cash flow risk through interest rate swap operations which permit the converting of the floating rates relating to the loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge). The above operations relate to:

Derivatives

The derivative instruments continue to be considered as assets held for trading and measured at fair value with recognition in the income statement, except in the case where they are considered, in accordance with IAS/IFRS standards, as appropriate hedging instruments and effective in the neutralisation of the risk of the underlying asset or liability or commitment assumed by the Group. In this case, they are measured in relation to the type of hedge related to the underlying hedge. In particular, the Group uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39 in terms of effectiveness of the hedge. Where not in accordance with these requirements, the operations are considered trading operations and are measured at fair value through profit or loss. If such conditions exist, these operations are measured in accordance with the cash flow hedge method. The current hedging operations of the Group in fact relate to cash flow hedges on the interest rate risk for loans and on the foreign exchange risk related to purchases/payments, commented upon below.

Cash Flow Hedge

The fair value changes of the derivatives designated as cash flow hedges and which qualify as such, are recognised, only for the "effective" part, at the balance sheet date, in a specific equity reserve ("cash flow hedge reserve") with an adjustment of the financial asset/liability hedged. This reserve is subsequently reversed to the income statement at the same time as the economic effects of the asset/liability hedged. The change in the fair value relating to the "ineffective" position are immediately recorded to the income statement. Whenever the derivative instrument is sold or does not qualify as an effective hedge of the risk involved in the operation, or the verification of the underlying operation is no longer considered highly probable, the portion of the reserve from the cash flow hedge is immediately reversed to the income statement.

Measurement of the fair value

The fair value of the instruments listed on public markets is determined with reference to the quotations at the date of recognition ("bid price"). The fair value of non-quoted instruments is measured with reference to financial valuation techniques generally adopted on the basis of standard benchmarks: in particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward/option contracts is determined on the basis of the forward exchange rate at the reference date.

Cash and cash equivalents

This includes cash in had and bank and postal deposit which are available on demand, certain in nature and with no payment expenses. Cash and cash equivalents are stated at fair value.

Shareholders' equity

Share capital

The Share capital at December 31, 2013 is represented by the subscribed and paid-in share capital of the Parent Company less the treasury shares held in portfolio. There are no saving shares, or other types of shares other than ordinary shares. The costs relating to operations on the share capital are recorded as a reduction of equity.

Treasury shares

They are recorded as a decrease in Group equity. In particular, the nominal value is recorded as a deduction in the share capital, while any higher value is recorded in the retained earnings reserve or other available reserves. Gains or losses on sale, issue or cancellation of the treasury shares are allocated directly to equity.

Retained earnings/losses carried forward

The reserve includes the results of previous years for the part not distributed or recorded under other reserves (in the case of profit) or recapitalised (in the case of losses). The account also includes the transfers from other equity reserves when those reserves are no longer required as well as the effects of the recording of changes to accounting policies and material errors.

Translation reserve

Includes the exchange differences deriving from the translation of the liabilities hedging the net investment of the Parent Company in a foreign subsidiary, originally in GBP (British Sterling).

Other reserves

They consist of specific capital reserves of Group companies. They include the cash flow hedge reserve relating to the recording of the value of the portion of cash flow hedged. The account includes the tax effects relating to the items recorded directly to Net Equity.

Trade payables and other liabilities

The trade payables and the other financial liabilities are initially recognised at fair value less transaction costs. Thereafter, they are measured at amortised cost, using the effective interest rate. The trade payables which mature within the normal commercial terms are not discounted. These liabilities are classified as current liabilities, except for the portion relating to non-trade payables with maturity beyond 12 months, which are included under non-current liabilities. Financial liabilities are eliminated from the financial statements when, due to their sale or settlement, the Group is no longer involved in their management, nor holds the relative risks and benefits relating to these instruments settled/sold.

Employee benefits

Post-employment benefits

The liabilities relating to the defined benefit plans (such as the Employee Leaving Indemnity) are determined net of any plan assets, on the basis of actuarial assumptions, and on an accruals basis in line with the employee service necessary to obtain the benefits; the measurement of the liability is made by independent actuaries. The method applied for the determination of the above-stated benefits is defined as the "projected unit credit method", with the recording of the current value of the obligations to employees deriving from the actuarial calculations. The value of the liability recognised in the financial statements is therefore in line with the actuarial valuation with full and immediate recognition of the actuarial gains and losses in the period in which they arise in the comprehensive income statement through a specific equity reserve ("IAS 19 Reserve"). In the calculation of the liabilities account is taken of the changes made by Law 296 of December 27, 2006 ("2007 Finance Law") and subsequent Decrees and Regulations issued during 2007 which introduced, in relation to the pension reform system, significant amendments on the allocation of the employee leaving indemnity provision maturing.

Other employee benefits

The Group does not recognise other forms of long-term benefits to employees, nor benefits under the form of share capital participation. However, benefits are recognised for the termination of employment (leaving incentive etc.). These benefits are recorded when there is a formal plan, with details of the identification of functions, the number of employees concerned, the amount of the incentive recognised and the period for the realisation of the plan. The liabilities for vacation due but not taken and performance bonuses are recorded on the basis of the amounts matured at the year-end. In particular, the performance bonuses are provided for when there is a legal or implicit obligation for their recognition.

Provisions for risks and charges

The other provisions for risks and charges include provisions for employment and legal disputes, including fiscal, arising from a past event for which a payment is probable to meet the obligation, provided that a reliable estimate can be made of the relative amount.

The provisions for risks and charges are recorded to cover known or likely losses or liabilities, the timing and extent of which are not known with certainty at the balance sheet date. The provisions for risks and charges are only recorded when a current obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate, based on available information, on the amount to be paid to settle the obligation. Possible risks that may result in a liability are disclosed in the notes without any amounts being set aside. Account is not taken however of the risks for which the probability of employing resources to produce economic benefits is remote.

Costs and revenues

Costs and revenues are recorded in accordance with the probability that the Group will receive economic benefits and the amount can be determined reliably. The revenues are recorded at the fair value of the amount received less returns, discounts and allowances in accordance with the accruals principle. Revenues relating to the sale of goods are recognised when the Group has transferred to the buyer all the significant risks and rewards related to the ownership, which in many cases coincides with the transfer of the ownership and/or possession by the buyer and when the amount of the revenue can be reliably determined. Costs are recorded in accordance with the accruals principal.

Financial income and charges

Financial income and expenses are recorded on an accruals basis on the interest matured on the net value of the relative financial assets and liabilities and utilising the effective interest rate. The Group reports net exchange gains and losses under net financial income/(charges) in accordance with IAS 1Revised, paragraph 35.

Income taxes

The Group tax charge is based on current taxes and deferred taxes. Where relating to components recognised to income and charges recorded to net equity within the comprehensive income statement, such taxes are recorded to the same account.

Current taxes are calculated based on tax regulations in force at the financial reporting date; any risks concerning different interpretations of positive or negative income components, such as any disputes with tax authorities, are valued at least quarterly in order to adjust the financial statement provisions. In particular, in the determination of the income taxes of the Group, consideration was taken of the effects deriving from the IAS tax reform introduced by Law 244 of December 24, 2007 and, in particular, the provisions of Article 83 of the Consolidated Finance Act which now requires that for parties that apply international accounting standards they must utilise, even where exempted by the provisions of the Consolidated Finance Act, "the criteria of qualification, accruals accounting and classification in the accounts in accordance with these accounting standards".

The deferred taxes, recorded in the accounts at their nominal value, are calculated based on the temporary differences between the book value of the assets and liabilities and the corresponding value for tax purposes, with the exception of temporary differences on the initial recording of the goodwill, of the initial recording of assets or liabilities which do not have an impact on the profit for accounting or tax purposes and the differences relating to investments in subsidiary companies in which it is probable, in the future, that the temporary differences will not reverse. The valuation of deferred tax assets and liabilities is carried out applying the expected tax rate when the temporary differences will reserve, on the basis of the current tax regulations at the reporting date. Deferred tax assets are recognised for the amount it is probable that, in the years in which the relative temporary differences reverse, assessable income exists at least equal to the amount of the differences. The deferred tax assets and liabilities are classified under non-current assets and liabilities.

Utilisation of estimates

The preparation of the consolidated financial statements at December 31, 2013 requires the use of estimates and specific valuations by the Directors based on historical data and on the expectations of events which will reasonably occur based on current information available. The principal account in the financial statements utilising valuations and assumptions of particular significance is goodwill, in relation to which, as previously indicated, the Group makes an analysis of the recoverable value at least on an annual basis (impairment test), which requires utilisation of estimates, which are described in paragraph 3 "Goodwill". It is possible that the actual results will be different from the assumptions, which may result in an adjustment to the carrying value of the goodwill, recorded in the financial statements at December 31, 2013 for a value of Euro 5,435 thousand.

Impairment of the goodwill

As previously described, the Group annually makes an analysis of recoverable value of goodwill ("Impairment test"). This test is based on calculations of its value in use, which requires the use of estimates. These estimates are detailed in the paragraph relating to the goodwill. It is possible that the actual results will be different from the assumptions which may result in an adjustment to the carrying value of the goodwill.

Earnings/(loss) per share

IAS 33 "Earnings per share" provides that those entities whose ordinary shares or potential ordinary shares are traded on financial markets must provide information in the financial statements on the earnings/(loss) per share, and disclose the following information:

(a) Basic

The basic earnings/(loss) per share is calculated by dividing the result by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

b) Diluted

The diluted earnings/(loss) per share is calculated by dividing the result by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

In order to calculate the diluted earnings/(loss) per share, the average weighted number of shares outstanding is adjusted assuming the exercise of all the rights which have a potentially diluting effect, while the net profit or loss of the Company is adjusted to take into account the effects, net of income taxes, of the exercise of these rights.

The basic earnings/(loss) per share and the diluted earnings/(loss) per share are reported in the income statement attached to the present financial statements.

Stock options

The Group does not have stock option plans in place.

OPERATING SEGMENTS

The Company considers the "operating segment" in accordance with IFRS 8 as the segment of activity where the risks and benefits for the company are based on the products and services provided. Information in relation to the geographic areas where the risks and benefits for the company are based on the geographic area in which the Group operates are also provided. The results by operating segment are reported in the income statement section of the notes. The data are recorded under the criteria adopted for the valuation of the financial statements and those applied for segment information in the previous year.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS – IFRS 7

In accordance with IFRS 7 and subsequent amendments, information relating to the exposure to and management of financial risks and the utilisation of financial instruments in furtherance of the exchange and interest risks management policy are provided below. In relation to the amendments introduced by IFRS 7 from January 1, 2012, concerning the additional disclosure to be provided on the transfer of financial assets not eliminated or in the case of a residual holding in transferred assets and the amendments to IFRS 7 from January 1, 2013, there are no effects in the present financial statements, as the circumstances requiring additional disclosure are not present.

A brief analysis of the nature of the risks and the risk management employed by the Group is provided below.

Financial instruments
IFRS 7 requires additional disclosures on financial instruments in relation to the performance and to the financial position of an entity. These disclosures incorporate some requirements previously included in accounting standard IAS 32 – Financial instruments: disclosure and presentation". The accounting standard also requires information relating to the exposure of risk deriving from the use of financial instruments, and a description of the objectives, policies and procedures implemented by Management in order to manage these risks.

The La Doria Group in its normal operating activities is exposed to the following risks:

a) **market risk**, principally interest rate and exchange rate connected respectively to the financial liabilities assumed and the operations in areas with currencies other than the Euro.
b) **liquidity risk** relating to the availability of financial resources and access to the credit market in an adequate manner for its operations and the repayment of liabilities assumed.
c) **credit risk** deriving from the normal commercial operations carried out by the La Doria Group.

The Group monitors in a specific manner each of the financial risks stated, intervening with the objective of minimising them in a timely manner and also through the utilisation of financial hedging instruments.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS

The paragraphs below analyse, also through sensitivity analysis, the potential impact on the results deriving from fluctuations in the parameters. These analysis are based upon, in accordance with IFRS 7, simplified scenarios applied to the actual data of the periods taken and, by their nature, may not be considered indicators of the real effects of future changes in the parameters against a different financial structure and different market conditions. At December 31, 2013, the consolidated accounts considered as financial instruments in accordance with IFRS 7 are those indicated in the table “Financial Instruments – IFRS 7.8” – Consol. Att. 1. and Consol. Att. 2.

Market risk
The strategy applied for this type of risk aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and “best market practices”.

In relation to La Doria S.p.A., the company manages the exchange and interest rate risk (limited to the “cash-flow risk”) relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through derivative hedging instruments and forward operations. The notional values and Fair Value of the operations above at 31/12/2013 are reported in the “Hedging Valuation” table at Consol. Att. 3. In March 2011, the IASB issued an amendment to IFRS 7, among the most significant modifications was the creation of the so-called “hierarchy of fair value”. In particular, the amendment defines three levels of fair value (IFRS 7, par. 27A):

- level 1: if the financial instrument is listed on an active market;
- level 2: if the fair value is calculated based on valuation techniques which utilise market parameters, other than the listed price of the financial instrument;
- level 3: if the fair value is calculated based on valuation techniques which utilise non-market parameters.

The hedging operations undertaken by the Parent Company are all considered as "level 2" operations in that the fair value is calculated in an indirect manner from market input data (exchange rates, interest rates, forward prices, volatility curves) through the utilisation of valuation techniques (discounting cash flow model, or more advanced models for options). No changes were made to the valuation procedures from the previous year.

In relation to the subsidiary LDH (La Doria) Ltd, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), selling in the national market and therefore invoicing in GBP. The policy of LDH consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices without the exchange risk.

Interest rate risk
Within the Group, the subsidiary LDH (La Doria) Ltd does not have an interest risk as the financial position of the company is prevalently positive while La Doria S.p.A. manages the cash flow risk through interest rate swap (IRS) operations which permits the conversion of

variable rates, on medium-long term loans received, into fixed rates, through the payment of differentials on the single loan repayment maturity dates (cash flow hedge). The company therefore has in place Interest Rate Swaps (IRS) with the objective, therefore, to reduce the net debt subject to changes in the interest rates.

All these contracts are made with notional and expiry date lower than or equal to those of the underlying financial liabilities, thus each variance in the fair value and/or in the expected revenue streams of these contracts is offset by a corresponding variance of the fair value and/or of the expected revenue streams from the underlying position. The fair value of the interest rate swap is measured discounting the expected revenue streams.

At December 31, 2013, against a medium-long term exposure (including repayments within the next 12 months) of Euro 74,450 thousand, the IRS hedge undertaken by La Doria S.p.A. hedged 74.8% of the medium/long term Group debt from interest rate risk.

The Group medium/long situation at 31/12/2013 with a EURIBOR Rate at 3 months of 0.29% is the following:

Loans at 31.12.13	Total part hedged	Final rate on hedge	Total part not hedged	Final rate on part not hedged	Average rate Total
74,450 (B)	55,698 (A)	4.28%	18,752	3.92%	4.19%

(A)/(B) x 100 = 74.8%

The situation at 31/12/2012 with a 3-month EURIBOR of 0.19% was the following:

Loans at 31.12.12	Total part hedged	Final rate on hedge	Total part not hedged	Final rate on part not hedged	Average rate Total
53,787 (B)	44,704 (A)	3.83%	9,083	3.11%	3.71%

The situation at December 31 relating to IRS hedging positions is outlined in the Table "Hedging Valuation" which reports also the comparative data of the previous year at Consol. Attachments 3 and 4.

Sensitivity Analysis on Interest Rates

Due to that stated above, the sensitivity analysis on the interest rates is only of significance for La Doria S.p.A.. In 2013, at an average 3-month EURIBOR of 0.22%, the Group paid an interest rate on medium/long term debt of 2.70%, with IRS hedging at 4.00%, and on short-term debt of 2.86%. Assuming a change in average annual interest rates of +/-50 bps the impact on the balance sheet would have been that shown in the Consol. Attachment 5 "Sensitivity Analysis-IFRS 7.40-42".

During the year 2012, however, against a 3-month EURIBOR of 0.59%, the Group paid an interest rate on the medium-long term debt of 2.85% reported with the IRS hedges at 3.83% and on the short-term debt of 3.14%. Assuming an average change in annual interest rates of +/-50 bps, the impact on the balance sheet would have been that shown in Consol. Attachment 6 "Sensitivity Analysis-IFRS 7.40-42" .

Currency risk

The La Doria Group, as previously described, uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least twice per year). The subsidiary LDH (La Doria) Ltd carries out forward currency operations at the same time and for the same amount as the purchase contracts; these operations come under the conditions of IAS 39 and can be considered hedges for accounting purposes and therefore recorded at fair value under net equity.

LDH (La Doria) Ltd monitors half-yearly the efficacy of the hedges through prospective and retrospective tests. The hedging operations carried out by La Doria S.p.A. based on budgeted exchange rates are not considered hedges as per IAS 39 and therefore are recorded at fair value in the income statement.

The principal exchange rates the Group is exposed to are:

- EUR/USD: relating principally to the purchase of raw materials on the Asian or American markets and from other markets in which the Dollar is the currency for commercial trade.
- EUR/GBP: due to the fact that the 51% subsidiary LDH is included in the consolidation area whose accounts are in UK Sterling.

  From the year 2008 and throughout 2013 commercial transactions with the subsidiary LDH, principally relating to certain supplies of tomatoes and vegetables, were mainly invoiced in GBP and no longer in Euro.
- EUR/AUD: relating to the residual and insignificant part of commercial trade undertaken in the Australian Dollar area.

In the operating procedures of the Parent Company, the foreign currency hedges are made based on a planning of payments in foreign currencies relating to payables recorded in the accounts to which are added all future commitments in foreign currency communicated by the purchases office. This payment situation is utilised together with historical statistical data to determine a reliable foreign currency payments plan. The primary objective is to hedge the level of foreign exchange as established in the budget.

In relation to the subsidiary LDH (La Doria) Ltd, however, the company acquires the majority of its products in currencies other than Sterling (especially in the Euro and US Dollar area), reselling these products on the national market in GBP. The policy of LDH (La Doria) Ltd consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices without the exchange risk. In this manner, the fixing of the commercial margins does not contain any exchange risks.

Sensitivity Analysis
In 2013, in relation to La Doria S.p.A., against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2013 would have been as per Consol. Attachment "Sensitivity Analysis - IFRS 7.40-42".

In 2012, also for La Doria S.p.A., against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2012 would have been as per Consol. Attachment "Sensitivity Analysis - IFRS 7.40-42".

For the subsidiary LDH, however, the sensitivity analysis of the changes in the exchange rate of the Sterling with the EURO, USD and CAD currencies is shown in the table "Sensitivity analysis - IFRS 7.40-42" Consol. Attachment 7 bis, for 2013, and "Sensitivity analysis - IFRS 7.40-42" Consol. Attachment 8 bis for 2012.

The Group, as already stated, is also exposed to the "conversion risk", which is the risk that assets and liabilities of companies consolidated in currencies other than the Euro (for example, U.K. Sterling) may be translated into Euro at varying exchange rates, whose amount is recorded in the "translation reserve" under equity. The Group monitors this trend - however no hedging operations are undertaken.

In relation to the valuation of the foreign exchange hedges existing at December 31, 2013 and at December 31, 2012, the position is shown in the table "Hedge Valuation" – Consol. Attachments 3 and Table 4.

Liquidity Risk
The liquidity risk represents the risk that the financial resources available cannot adequately support the commercial and investment actions, in addition to the risk of not being able to repay payables on the maturity dates. In order to be prudent against these risks the La Doria Group adopted an optimisation between short and medium-long term debt and within the short-term lines a diversification policy of the credit lines and banking institutions.

The situation at December 31, 2013 compared to December 31, 2012 is as follows:

	31.12.2013				31.12.2012			
	Total	La Doria	Eugea	LDH	Total	La Doria	Eugea	LDH
Medium/long term debt (Includ. repayables within 12 months)	74,450	74,450			53,787	53,418	369	
Short term debt	61,911	54,558	7,353		83,767	72,184	11,512	71
Cash & cash equivalents	(27,867)	(22,073)	(169)	(5,625)	(19,563)	(13,447)	(426)	(5,690)
TOTAL NFP	**108,494**	**106,935**	**7,185**	**(5,625)**	**117,991**	**112,155**	**11,455**	**(5,619)**

In relation to the medium-long term loans, the current situation and the repayments to be made at December 31, 2013, compared with the previous year, are as follows:

	Balance 31.12.13	Within 12 months	Within 24 months	Within 36 months	Within 48 months	Beyond > 5 years
Medium/long term debt	74,450	23,761	21,722	13,027	9,205	6,735
	Balance 31.12.12	**Within 12 months**	**Within 24 months**	**Within 36 months**	**Within 48 months**	**Beyond > 5 years**
Medium/long term debt	53,787	16,873	16,826	12,229	4,683	3,176

For a number of the medium/long-term loans, the company is bound by a number of financial covenants based on the Group financial statements. Further details are reported in the notes. At December 31, 2013, all the conditions contained in the financial covenants had been complied with.

The short-term financial payables are divided between different banking institutions utilising bank overdrafts, import and export finance and invoice financing. The short-term loans have a maximum duration of 180 days. At December 31, 2013"non-recourse factoring" IAS compliant contracts are in place for a total value of Euro 8 million. In relation to the subsidiary Eugea Mediterranea S.p.A., a "without recourse" factoring contract is in place concerning the only third party client other than the parent company for a value of Euro 1.8 million.

Credit Risk

The exposure of the La Doria Group to the credit risks is essentially connected to the commercial sales activities carried out by the Group both on the domestic market and on the foreign market. In order to control and monitor this risk La Doria S.p.A. applies two strategies:

– Insurance of credit

– Credit Policy

Regarding the first point, the trade receivables on the domestic and international market are insured up to the credit limits communicated by the insurance company. The receivables insured naturally exclude inter-company receivables and a total of 29% of receivables relating to clients although not insured provide guarantee conditions (advance payment and hedge with guarantees) or are considered extremely reliable by the Parent Company in view of the long-standing nature of the relationship, and in very reliable markets. The insurance covers the risk up to 85% of the credit limit both on the domestic and the international market.

In relation to the organisation and the monitoring of the credit risk, La Doria S.p.A. has implemented within the Credit Management function under the Administration and Finance Department, a Credit Policy which governs and coordinates together with the insurance company, the evaluation of the Credit Standing of the clientele, the monitoring of the relative expected cash flows, the appropriate solicitation actions and concession of extended payment terms supported by adequate guarantees and any recovery actions. The payment terms granted to clients provide for varying terms in line with market standards.

In relation to the subsidiary LDH (La Doria) Ltd, which operates exclusively in the UK market, the company derives 89.6% of its turnover from 5 clients; this situation is due to the distribution configuration of the UK market which is very concentrated in a small number of supermarket chains which control the largest part of the market. The five “top clients” served by LDH (La Doria) Ltd have high levels of financial reliability.

The ageing of receivables at December 31, 2013 and December 31, 2012 is shown in the Attachments “Current and non-current receivables (overdue and not yet overdue) IFRS 7.37” – Consol. Attachments 9 and 10.

The concentration of the receivables at December 31, 2013 and 2012 is shown in the table “Concentration of receivables” (Consol. Attachments 11 and 12).

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

These amount to Euro 4,012 thousand, with a net increase of Euro 43 thousand compared to December 31, 2012. The changes in the year are reported in attachment Table A. The account principally relates to the residual value of the fair value of the concession contract of Eugea Mediterranea S.p.A. for the production site at Lavello (Euro 3,240 thousand), software capitalised by the Parent Company for Euro 404 thousand and by the foreign subsidiary LDH (La Doria) Ltd for Euro 23 thousand and intangible asset investments for Euro 345 thousand.

2. Property, plant & equipment

The account amounts to Euro 98,899 thousand with a net decrease of Euro 284 thousand compared to 31/12/2012. The details of the movements for the year are shown in Table B. Table B1 reports the movements in gross investments at 31/12/2013 while Table B2 reports the movements in the relative accumulated depreciation. The increase in capital investments in the year of Euro 9,159 thousand principally relates to the Parent Company for Euro 8,577 thousand (of which investments in buildings and light construction of Euro 1,039 thousand, plant and machinery of Euro 5,442 thousand, assets under construction of Euro 1,325 thousand and Euro 781 thousand principally relating to EDP equipment). The remaining investments of Euro 582 thousand refer to the subsidiary LDH (La Doria) Ltd. for Euro 261 thousand, principally relating to EDP equipment and Euro 324 thousand principally related to equipment and machinery of the subsidiary Eugea Mediterranea S.p.A..

The decreases in the year of Euro 10,123 thousand (essentially relating to the Parent Company), principally relates to the depreciation in 2013 of Euro 9,413 thousand. Table B1 provides an analysis of the gross value of tangible assets and Table B2 shows accumulated depreciation.

The account "Land" refers for Euro 4,840 thousand to the factory at Sarno, for Euro 3,207 thousand to the factory at Angri, for Euro 5,897 thousand to the factory at Fisciano and for Euro 4,876 thousand to the factory at Faenza.

The account "Industrial buildings/light construction" principally refers for Euro 19,167 thousand to the factory at Sarno, for Euro 11,653 thousand to the factory at Angri, for Euro 11,988 thousand to the factory at Fisciano and for Euro 4,543 thousand to the factory at Faenza, all owned by La Doria S.p.A..

Also on the basis of the opinion provided by an independent expert for the determination of the present market value of the Land, Buildings, annexes and infrastructures and of the general plant and equipment owned by La Doria S.p.A., the Company estimated a market value of the industrial complexes owned at Angri (SA), Sarno (SA), Fisciano (SA) and Faenza (RA) above the book value recorded in the present financial statements.

The "Plant and machinery" principally refers to specific plant utilised for production by the Company and in particular for Euro 1,114 thousand to the PET plant, for Euro 1,885 thousand to the packaging system, for Euro 1,885 thousand to the Brik line 200 Mid Angri, for Euro

2,701 thousand to the new combisafe line and for Euro 1,726 thousand to the completion of the A3SPEED project.

In application of the revised IAS 23 "Borrowing costs", the Group valued the possible financial charges to be capitalised deriving from loans from primary credit institutions concerning the realisation of fixed assets. At December 31, 2013 no borrowing costs were capitalised given the immaterial amounts involved.

With Board of Directors' motion of August 29, 2013 the Parent Company La Doria S.p.A. reviewed the estimated residual useful life of the buildings at the factories of Angri, Sarno, Fisciano and Faenza. The estimated residual useful life was modified compared to the previous year, also on the basis of an independent expert's valuation. The residual useful life of the factories was estimated at approx. 23 residual years for the factory at Angri, 39 residual years for the factory at Sarno, 38 residual years for the factory at Fisciano and 28 residual years for the factory at Faenza as of January 1, 2013. The increase in the estimated useful life resulted in lower depreciation recorded in the 2013 Financial Statements of Euro 549 thousand. Therefore, the result for the year and the net equity, where the buildings at Angri, Sarno and Fisciano had continued to be depreciated utilising the previous depreciation rates, would be lower for an amount of Euro 549 thousand, net of the fiscal effect.

In May 2009, in relation to the tender offer in the Regional Programme Contracts, the Campania Regional Council approved the admissibility of the investment plan of the Parent Company La Doria S.p.A.. On August 22, 2012 with Executive Decree No. 64 the La Doria S.p.A. programme was granted a loan for Euro 5,759 thousand, concerning 30% of admitted expenditure (Euro 19,195 thousand) concerning productive investments and technological transfer (Article 11 of the Technical Regulation) and infrastructure investments in the support and management of common services (Article 12 of the Technical Regulation). On October 31, 2012, a Regulatory Contract was signed between the Campania Region and La Doria S.p.A., establishing for 2012 a plant capital grant of Euro 471 thousand. Against the contributions determined by the Regulatory Contract on March 19, 2013 the first payment of 30% amounting to Euro 1,728 thousand was received. The deadline for the completion of investments and the project is June 30, 2014.

3. Goodwill

Goodwill amounted to Euro 5,435 thousand, a decrease of Euro 44 thousand on the previous year and relates to:

– Euro 669 thousand relating to the incorporation into La Doria S.p.A. of the subsidiary Pomagro S.r.l., company operating exclusively in the tomato-based product sector; the amount represents the difference between the higher value paid for the acquisition of the residual share and the values allocated, based on the fair values at the date of the acquisition, of the individual assets and liabilities of the company acquired. The acquisition of Pomagro S.r.l. concerns substantially the purchase of the Fisciano plant in which the specific production is developed for the entire Japanese market and for some English clients. The production site – the only site within the Group – also produces the cherry tomato line. In accordance with IAS 36, management carried out an impairment test on the goodwill resulting from the acquisition of Pomagro utilising a model based on the financial cash flows. In particular, the expected cash flow generated from the business was divided into two periods:

- the forecasted period relating to the years 2014-2018 which utilised as reference the cash flows from production exclusively referring to the Fisciano plant contained in the 2014-2018 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 13, 2014;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2018.

The fixed assets were identified based on the assets ledger of La Doria S.p.A. concerning all assets at the Fisciano plant. These cash flows are discounted utilising a discount rate (WACC) determined applying the Capital Asset Pricing Model. The recoverable value of the goodwill was calculated through discounting the Free Cash Flow from Operations (FCFO) utilising a Weighted Average Cost of Capital (WACC) of 7.04% and the long-term growth rate of 1%; the impairment test resulted in a recoverable value of the "Pomagro Red Line" CGU of Euro 98,500 thousand, against net capital employed of Euro 32,200 thousand and a book value of goodwill of Euro 669 thousand. The recoverable value of the CGU was therefore much greater than the sum of the net capital employed and the goodwill and, therefore, no impairment was incurred. The company carried out a sensitivity analysis which takes into consideration a WACC which varies from 7.04% to 8.04% and a growth rate of cash flows (g) which varies from 0% to 2%.

The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

(in Euro millions)		WACC				
Sensitivity analysis		**7.04%**	**7.29%**	**7.54%**	**7.79%**	**8.04%**
Growth rate	0.0%	87.5	84.7	82.0	79.6	77.3
of cash flows (g)	0.5%	92.6	89.4	86.4	83.6	81.0
	1.0%	98.5	94.8	91.4	88.2	85.3
	1.5%	105.5	101.1	97.2	93.5	90.2
	2.0%	113.9	108.7	104.0	99.8	95.9

– for Euro 2,035 thousand relating to the acquisition by LDH (La Doria) LTD of the subsidiary Oriental & Pacific Ltd., with a decrease on 31/12/2012 of Euro 44 thousand, deriving from the application of the different Euro/GBP exchange rate at 31/12/2013 compared to 31/12/2012. The goodwill derives - in addition to the amounts recorded on the acquisition of the first 70% in 2008 - from the exercise in 2010 by the Group of the Call option on 30% of the holding (whose effects were already included at December 31, 2009) and the payment in 2009 of a further amount on the 70% acquired in 2008, based on the results achieved by Oriental & Pacific Ltd. In accordance with IAS 36, management carried out impairment tests on the goodwill resulting from the acquisition of Oriental & Pacific by LDH (La Doria) Ltd utilising a model based on the financial cash flows. In particular, the expected cash flow generated from the business was divided into two periods:

- the forecasted period relating to the years 2014-2018 which utilised as reference the cash flows from trading activities carried out by the parent company of LDH (La Doria) Ltd contained in the 2014-2018 Budget Plan of LDH (La Doria) Ltd approved by the Board of Directors of the Company on February 13, 2014;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2018;

These cash flows are discounted utilising a discount rate (WACC) determined applying the Capital Asset Pricing Model. The valuation was carried out through discounting the Free Cash Flow from Operations (FCFO) method, utilising a WACC of 9.17% and a long-term growth rate of 1%; the recoverable value of the CGU under the impairment test was GBP 88.7 million against a net capital employed of GBP 42.0 million and a book value of goodwill of GBP 1.7 million (approx. Euro 2.0 million): the recoverable value of the CGU is therefore much greater than the sum of the net capital employed and of the goodwill recognised in the financial statements and, therefore, no impairment was recorded. The company carried out a sensitivity analysis which takes into consideration a WACC which varies from 9.17% to 10.17% and a growth rate of cash flows (g) which varies from 0% to 2%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

(in Euro millions)		WACC				
Sensitivity analysis		**9.17%**	**9.42%**	**9.67%**	**9.92%**	**10.17%**
Growth rate	0.0%	81.4	79.3	77.4	75.5	73.8
of cash flows (g)	0.5%	84.9	82.6	80.4	78.4	76.5
	1.0%	88.7	86.2	83.8	81.6	79.5
	1.5%	93.1	90.3	87.6	85.1	82.8
	2.0%	98.1	94.9	91.9	89.2	86.5

– Euro 2,679 thousand relating to the acquisition of the Sanafrutta Group, subsequently merged into the Parent Company La Doria S.p.A. and Euro 52 thousand relating to the initial conferment in 1999 received by the company, now incorporated, Confruit G S.p.A.. This goodwill is allocated to the business unit relating to the production of fruit juices, currently undertaken in the plants at Angri, Sarno and Faenza, hereafter also the "Fruit line". For the impairment test of the goodwill of the fruit line, the Company calculated the value in use through the DCF (Discounted Cash Flow) method previously utilised for the valuation of the company on the acquisition at December 31, 2003. In accordance with IAS 36, management carried out an impairment test on the goodwill utilising a model based on the financial cash flows. In particular, the expected cash flow generated from the business was divided into two periods:

- the forecasted period relating to the years 2014-2018 which utilised as reference the cash flows contained in the 2014-2018 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 13, 2014;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2018.

These cash flows are discounted utilising a discount rate (WACC) determined applying the Capital Asset Pricing Model. The valuation was made through the discounting of the FCFO (Free Cash Flow from Operations) utilising an interest rate WACC (Weighted average cost of capital) of 6.47% and the long-term growth rate was 2%. The impairment test resulted in a recoverable value of the CGU of Euro 41,078 thousand against a net capital employed of Euro 26,267 thousand and a book value of the goodwill recognised to the financial statements of Euro 5,263 thousand and to the Group consolidated financial statements of Euro 2,731 thousand. The recoverable value of the CGU was therefore greater than the sum of the value of net capital employed and goodwill. The company carried out a sensitivity analysis which takes into consideration a WACC which varies from 6.47% to 7.47% and a growth rate of cash flows (g) which varies from 0.5% to 2.5%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

(in Euro millions)		WACC				
Sensitivity analysis		**6.47%**	**6.72%**	**6.97%**	**7.22%**	**7.47%**
Growth rate	0.5%	31.9	30.5	29.2	28.0	26.9
of cash flows (g)	1.0%	34.4	32.8	31.3	29.9	28.6
	1.5%	37.4	35.5	33.7	32.1	30.7
	2.0%	41.1	38.8	36.7	34.8	33.1
	2.5%	45.7	42.8	40.3	38.0	36.0

The impairment procedures, carried out by the Company together with an independent expert, concerning the goodwill allocated to the “Pomagro Red Line" CGU, the “Fruit Line" and for the purposes of the goodwill recognised to the consolidated financial statements on the "LDH" CGU include detailed reports on the assumptions of the plans, the estimation methodology and the parameters utilised. These impairment procedures were approved by the Board of Directors of La Doria SpA on February 13, 2014, independently and in advance of the approval of the Annual Report, as required by the Bank of Italy/Consob/Isvap document No. 4 of March 3, 2010.

4. Equity investments in other companies

These relate to minority investments of Euro 234 thousand; the amount principally concerns the holding in Tfc S.p.A., a company held by the Parent Company for 15.29%, recorded for Euro 209 thousand. The remaining Euro 25 thousand concerns investments in consortiums held by the Parent Company and by the subsidiary Eugea Mediterranea S.p.A.

5. Deferred tax assets

This account refers to deferred tax assets in respect of IRES and IRAP taxes on the temporary differences between recognition of taxable income for book and tax purposes. The balance at year-end was Euro 3,443 thousand, with a total decrease of Euro 330 thousand on December 31, 2012. The movements in deferred tax assets in 2013 are reported below.

The deferred tax assets refers to IRES and IRAP taxes, paid in advance of the recognition period in the statutory financial statements, concerning the Parent Company for Euro 3,207 thousand, a decrease of Euro 284 thousand on 31/12/2012.

Deferred tax asset (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2012	10,121	5,988
Utilisations 2013	(5,073)	(3,435)
Provisions 2013	4,673	2,575
Assessable 2013	9,721	5,128
Average rate	27.50%	4.97%
Total Group IRES - IRAP 2013	**2,672**	**254**
TOTAL STATUTORY GROUP IRES - IRAP 2013	**2,926**	
Total Ires -Irap (non current assets)IAS for 2013	296	21
Total IRES IAS 39 for 2013	200	
Total IRES and IRAP deferred tax asset at 31.12.2013	**3,443**	

The breakdown of the temporary differences giving rise to deferred tax assets are reported below.

DEFERRED TAX ASSETS

	December 31, 2012				December 31, 2013					
(Euro/000)	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Amount recognised to P & L RES and RAP	Amount recognised to equity RES and RAP
AS Parent Company	893	246	462	23	1,075	296	432	21	49	-
RS adj	1,309	360	-	-	728	200	-	-	-	(160)
Doubtfu debt prov s on	1,218	335	-	-	1,165	320	-	-	(15)	-
Bu d ng wr te-down	116	32	116	6	-	-	-	-	(38)	-
Exchange osses	250	69	-	-	84	23	-	-	(46)	-
Prov s ons for r sks and charges	3,093	851	2,215	110	4,807	1,322	3,345	166	527	-
Tax for waste remova	82	23	-	-	114	31	-	-	9	-
Tax ASL oan	-	-	-	-	2	-	-	-	-	-
D rectors fees	172	47	-	-	207	57	-	-	10	-
Emp oyee bonus	801	220	-	-	865	238	-	-	17	-
nventory wr te-down	3,650	1,004	3,600	179	1,600	440	1,600	78	(664)	-
Cap ta grants Law 64	58	16	58	3	53	15	54	3	(1)	-
Ma ntenance and repa r	680	187	-	-	647	178	-	-	(9)	-
Recovery pr or year taxes	-	-	-	-	129	36	129	6	42	
2013 Property tax pa d 2014 - 2013 Stab ty Law	-	-	-	-	11	3	-	-	3	
Adjustments subs d ary (La Dor a)Ltd	132	33	-	-	38	9	-	-	-	
TOTAL	**12,455**	**3,422**	**6,450**	**321**	**11,525**	**3,168**	**5,560**	**275**	**(115)**	**(160)**

6. Other non current assets

This account totalling Euro 2,760 thousand (Euro 2,519 thousand at December 31, 2012) relates to the non-current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria) Ltd..

CURRENT ASSETS

7. Inventories

The account amounts to Euro 194,143 thousand, an increase of Euro 6,091 thousand compared to December 31, 2012, broken down as follows:

(Euro/000)	**31.12.13**	**31.12.12**	**Δ**
Raw material, ancillary and consumables	22,636	17,636	5,000
Work in progress and semi-finished goods	14,292	12,842	1,450
Finished and semi-finished products	155,947	161,065	(5,118)
Payments on account	2,868	159	2,709
Obsolescence provision	(1,600)	(3,650)	2,050
TOTAL	**194,143**	**188,052**	**6,091**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	**31.12.2013**
Opening balance	3,650
Utilisation in the year	(3,650)
Provision in the year	1,600
TOTAL	**1,600**

The decrease in the provision derives from the obsolescence estimate relating to goods to be destroyed and seconds essentially relating to the Parent Company and to the utilisation of the provision made in 2012.

At December 31, 2013 no inventory was subject to secured guarantees on loans received by the company.

8. Trade receivables

They amount to Euro 89,034 thousand at December 31, 2013, a decrease of Euro 1,785 thousand compared to December 31, 2012.

These receivables refer for Euro 46,176 thousand to the Parent Company, for Euro 320 thousand to Eugea Mediterranea S.p.A. and for Euro 42,358 thousand to LDH (La Doria) Ltd..

This amount is net of the provision for doubtful debts of Euro 1,030 thousand which shows a net decrease of Euro 53 thousand compared to December 31, 2012.

The changes in the doubtful debt provision are as follows:

(Euro/000)	31.12.2013
Beginning balance 01.01.2013	1,083
Utilisation in the year	(103)
Provisions in the year	50
Provision at 31.12.2013	**1,030**

The Provision at December 31, 2013, exclusively relating to the Parent Company, in the first instance concerns the risk of non payment from Clients with disputes in place, and in the second place to clients with positions overdue by more than 90 days.

9. Other assets

These amount to Euro 20,229 thousand, a net increase of Euro 1,462 thousand compared to December 31, 2012, consisting of:

a) Parent Company receivables for Euro 9,177 thousand, broken down as follows:

- Employee receivables for Euro 380 thousand for additional IRPEF matured in the year and which will be paid in subsequent years;
- Other receivables for Euro 2,105 thousand relating for Euro 1,813 thousand to the Mark to Market on currency hedging operations to offset the exchange risk existing beyond December 31, 2013, and for Euro 292 thousand other minor receivables.

– Receivables from the State for Euro 6,692 thousand, of which:

  - Euro 3,885 thousand from the Campania Region for the Regulatory Agreement signed on October 31, 2012 based on Executive Decree No. 64 of August 22, 2012 of the A.G.C. 12 – Sector 1, supplemented by the subsequent Executive Decree No. 67 of September 11, 2012 of A.G.C. 12 – Sector 1 and the Executive Decree No. 625 of October 30, 2012 of the A.G.C. 09 – Sector 2. As previously illustrated this Regulatory Agreement involved the disbursements to the Parent Company of grants for a total of Euro 5,759 thousand in the form of plant capital grants under the Operational Objective 2.3 of the P.O.R. F.E.S.R Campania 2007-2013. The grant concerns 30% of the “Intervention Plan” for Euro 19,195 thousand approved by the Campania Region with Resolution No. 888 of May 15, 2009, based on the common strategies of the plan with the Regional programme guidelines. The receivable from the Campania Region decreased during the year for Euro 1,728 thousand following the payment of the first instalment received on March 19, 2013, following the Executive Decree No. 12 of February 25, 2013 by AGC 09 sector 02, amended by Executive Decree No. 41 of March 8, 2013 of AGC 09 sector 02.
  - Euro 2,627 thousand for the recognition of the partial exemption for IRPEG tax for the years from 1993 through 1997, recorded in previous years. The Company will undertake all necessary actions to obtain the residual tax receivables recognised, including interest matured at 31/12/2013 of Euro 984 thousand;
  - Euro 95 thousand receivable from INAIL for higher payments on accounts paid in previous years;
  - Other receivables from the Public Administration for Euro 85 thousand.

b) Prepayments of the Parent Company for Euro 252 thousand;

c) Receivables of the subsidiary LDH (La Doria) Ltd for Euro 10,530 thousand concerning the current portion of higher amount of prepayments principally relating to promotional contributions granted to the major English supermarket chains for sales which will be recorded in 2014.

d) Other receivables relating to the subsidiary Eugea Mediterranea S.p.A. for Euro 256 thousand and prepayments of the same company for Euro 14 thousand.

10. Tax receivables

The account amounts to Euro 4,855 thousand and increased by Euro 1,053 thousand compared to December 31, 2012 and principally relates to:

- VAT receivables at December 31, 2013 of Euro 1,181 thousand, of which Euro 1,024 thousand relating to the Parent Company and Euro 157 thousand relating to the subsidiary Eugea Mediterranea S.p.A.;
- Tax receivables of Euro 2,113 thousand, entirely related to the Parent Company, of which Euro 718 thousand for provisional payments made against disputed assessments for the years 2005, 2006 and 2007 not yet definitive and for Euro 1,395 thousand for the IRES reimbursement relating to the recovery of the IRAP deductibility on personnel costs for the years 2008-2012;
- Tax receivable of Euro 79 thousand relating to higher IRES payments on account made by the subsidiary Eugea Mediterranea S.p.A.;
- Tax receivable of Euro 95 thousand for higher IRAP payments on account made by the Parent Company;
- VAT receivable from the tax authorities by the subsidiary LDH (La Doria) LTD of Euro 1,387 thousand.

11. Cash and cash equivalents

The account amounts to Euro 27,867 thousand, an increase of Euro 8,304 thousand compared to December 31, 2012 and relates to the liquidity held in bank current accounts in Euro and foreign currencies.

LIABILITIES AND SHAREHOLDERS' EQUITY

12. Share Capital

The share capital of La Doria S.p.A is fully paid-in and at December 31, 2013 amounts to Euro 40,585 thousand, divided into 29,409,689 ordinary shares of a nominal value of Euro 1.38 each. The share capital in 2013 recorded a net increase of Euro 1,042 thousand following the acquisition of 186,633 treasury shares at an average price of Euro 1.75 for a total payment of Euro 326 thousand and the sale of 941,447 shares at an average price of Euro 1.98. At December 31, 2013, the treasury shares in Portfolio numbered 1,590,311 and were recorded as a reduction in the share capital.

13. Reserves and retained earnings

These total Euro 73,399 thousand, an increase of Euro 6,816 thousand compared to December 31, 2012. The reserves at 31/12/2013 include the changes in the IAS 19 Reserve due to the introduction of IAS 19 Revised which requires the recognition of the actuarial gain/losses directly under equity reserves with immediate recognition to the Comprehensive Income Statement, while the interest cost component is recorded directly under financial income/charges in the Income Statement. The introduction of IAS 19 Revised for the year ended December 31, 2013 resulted in a decrease in the IAS 19 Reserve of Euro 15 thousand related to actuarial gains/losses.

14. Profit for the year

This amounts to Euro 15,477 thousand, an increase of Euro 7,639 thousand compared to 2012 (Euro 7,838 thousand).

15. Shareholders' Equity

This amounts overall to Euro 153,317 thousand, of which Euro 129,461 thousand Group equity and Euro 23,856 thousand minority interests' equity. The total movement is an increase of Euro 17,393 thousand. The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

– dividends were distributed in 2013 to shareholders relating to the year 2012 of Euro 1,860 thousand in accordance with the Shareholders' Meeting motion of May 21, 2013;
– the Change in the IAS 39 Reserve (other comprehensive income statement items) for Euro (1,682) thousand includes the amounts relating to profits and losses on "cash flow hedge" instruments.
– adjustment to translation reserve (other comprehensive income statement items) for Euro (605) thousand relating to the loss from the translation of the IFRS financial statements of the subsidiary LDH (La Doria) Ltd.

16. Minority interest

The balance amounts to Euro 23,856 thousand (Euro 21,960 thousand at December 31, 2012) and refers to the Shareholders' Equity pertaining to the Minority Shareholders.

NON-CURRENT LIABILITIES

17. Financial payables

The account amounts to Euro 50,689 thousand, an increase of Euro 13,775 thousand on December 31, 2012 and concerning a residual payable with maturity beyond 31/12/2014 of La Doria S.p.A..

The principal characteristics of all the loans at the balance sheet date were as follows;

- Euro 10,609 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on July 29, 2013 from the Banca del Mezzogiorno – MedioCredito Centrale for a total amount of Euro 12 million, repayable in 16 quarterly instalments, the first of which due on September 30, 2014 and the last due on June 30, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.83%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,391 thousand.
- Euro 4,127 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on July 29, 2013 from the Banca del Mezzogiorno – MedioCredito Centrale for a total amount of Euro 8 million, repayable in 12 quarterly instalments, the first of which due on September 30, 2013 and the last due on June 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 2,609 thousand.
- Euro 2,856 thousand for instalments due beyond December 31, 2014 relating to the new loan provided with value date of August 1, 2013 by Banca della Campania for a total amount of Euro 3.5 million, repayable in 10 half-yearly instalments, the first of which on February 1, 2014, with the last repayment on August 1, 2018. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.93%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 644 thousand.
- Euro 4,000 thousand for instalments due beyond 31/12/2014 concerning a new loan granted on September 12, 2013 by Mediocredito Italiano for Euro 5 million, repayable in 10 quarterly instalments, with the first instalment due on February 28, 2014 and the last on

August 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.07%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,000 thousand.

– Euro 1,633 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on December 6, 2013 from the Monte dei Paschi di Siena for a total amount of Euro 2 million, repayable in 10 half-yearly instalments, the first of which due on June 30, 2014 and the last due on December 31, 2018. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 367 thousand.

– Euro 7,378 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on December 20, 2013 from ICCREA BancaImpresa S.p.A. as a synidated loan with other credit institutions for a total amount of Euro 8.3 million, repayable in 9 half-yearly instalments, the first of which due on December 15, 2014 and the last due on December 15, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.86%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 922 thousand.

– Euro 4,082 thousand for instalments due beyond December 31, 2014 concerning a loan granted on December 14, 2012 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2014 and the last on December 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.675%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 918 thousand.

– Euro 1,556 thousand for instalments due beyond December 31, 2014 concerning a loan granted on June 30, 2011 by Mediocredito Italiano S.p.A. for Euro 7 million, repayable in 9 quarterly instalments, with the first instalment due on December 31, 2011 and the last on December 31, 2015. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 2.46%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,556 thousand.

- Euro 3,850 thousand for instalments due beyond December 31, 2014 concerning a loan granted on July 12, 2011 by Unicredit S.p.A. for Euro 7 million, repayable in 20 quarterly instalments, with the first instalment due on October 31, 2012 and the last on July 31, 2017. Also this loan provides for financial covenants from 2012, calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap which converts the variable rate into a fixed rate of 2.32%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,400 thousand.
- Euro 1,112 thousand for instalments due beyond December 31, 2014 concerning a loan granted on August 8, 2011 by Banca Carime S.p.A. for Euro 3 million, repayable in 20 quarterly instalments, with the first instalment due on November 8, 2011 and the last on August 8, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 605 thousand.
- Euro 3,600 thousand for instalments due beyond December 31, 2014 concerning a loan granted on November 30, 2011 of Euro 9 million by Cassa di Risparmio di Parma e Piacenza S.p.A.. Sace S.p.A. provided an additional guarantee to the Bank. The loan is repayable in 20 quarterly instalments, the first due on February 29, 2012 and the last on November 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap with the same financial institution which converts the variable rate into a fixed rate at 1.46%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,800 thousand.
- Euro 4,889 thousand for instalments due beyond December 31, 2014 concerning a loan granted on July 13, 2010 by Monte dei Paschi di Siena Capital Service S.p.A with other credit institutions, for a total amount of Euro 22 million, repayable in 9 half-yearly instalments, the first of which due on July 13, 2011 and the last on July 13, 2015. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.825%. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 4,889 thousand.
- Euro 1 million for instalments due beyond December 31, 2014 concerning a loan granted on December 2, 2010 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quar-

terly instalments, with the first instalment due on March 31, 2011 and the last on December 31, 2015. The total amount of this loan is hedged by an Interest Rate Swap which converts the variable rate into a fixed rate of 1.92%. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. These financial covenants had all been complied with at December 31, 2013. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,000 thousand.

18 Other non-current liabilities

They amount to Euro 11,144 thousand, an increase compared to December 31, 2012 of Euro 4,024 thousand and refer, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Parent Company and the subsidiary Eugea.

19. Post-employment benefit and pension provision

The post-employment benefit provision amounts to Euro 4,058 thousand, a decrease of Euro 21 thousand compared to December 31, 2012, of which Euro 3,971 thousand relates to the Parent Company and Euro 87 thousand to Eugea Mediterranea S.p.A..
In relation to this provision, the new IAS rules were applied and specifically those concerning IAS 19 Revised approved by the European Commission in June 2012. The standard provides for recognition under Equity Reserves, and therefore the immediate recognition to the Comprehensive Income Statement, of the actuarial gains/losses which for the year 2013 amounted to Euro 15 thousand and the classification under financial income/charges of the interest cost component for Euro 26 thousand.

Provision for employee termin. pay	**31.12.2013**	(Euro/000)
Balance at 1.01.2013	4,079	
Utilisation for departures	(83)	
of which INPS fund	79	
Provisions at 31.12.13	829	
of which INPS fund	(674)	
Deductions at 31.12.13	(91)	
of which INPS fund	6	
Discounting provision	41	
TOTAL	**4,186**	
Utilisation for advances	(128)	
BALANCE AT 31.12.2013	**4,058**	

The principal actuarial assumptions, indicated below, adopted by the Company in accordance with Article 78 of IAS 19, refer to the market yields of "high quality corporate bonds", securities with a contained credit risk.

	31.12.2013	31.12.2012
Discount rate	EUR Composit A	EUR Composit A
Rate of inflation	2%	2%
% of advances requested	100%	100%

20. Deferred tax liabilities

The account totaling Euro 9,365 thousand decreased by Euro 186 thousand compared to December 31, 2012 and relates to the deferment of income taxes.

The majority of deferred tax liabilities relate to the Parent Company (Euro 8,346 thousand), a decrease of Euro 131 thousand on December 31, 2012; the residual deferred tax payable of Euro 1,019 thousand relates to the subsidiary Eugea Mediterranea S.p.A.. The amount principally refers to the higher value of the land and buildings recorded by the parent company La Doria S.p.A. (IAS 16 and 17) and to the value of the ministerial concessions of the Lavello plant in Eugea Mediterranea S.p.A.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2012	134	163
Utilisations 2013	(111)	(140)
Provisions 2013	309	101
Assessable 2013	332	124
Rate	27.50%	4.97%
Total IRES - IRAP Group Statutory 2013	**91**	**6**
Deferred tax liability from IAS reversal at 31.12.2013	9,268	
Total IRES and IRAP deferred tax liability at 31.12.2013	**9,365**	

The breakdown of the temporary differences giving rise to deferred tax liabilities are reported below.

DEFERRED TAX L AB L T ES

	December 31, 2012				December 31, 2013				
(Euro/000)	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Amount Recog. to P&L RES and RAP
AS adjustments	28,418	7,815	12,425	617	27,795	7,644	12,171	605	(184)
Non-rea sed exchange ga ns	94	26	-	-	208	57	-	-	-
Cap ta grants	40	11	40	2	37	10	37	2	(1)
Acce erated deprec at on taxed over 6 years for RAP	40	-	123	6	-	-	-	-	-
Concess on on factory	3,420	941	3,420	133	3,245	892	3,245	127	(55)
Recovery tax for year 2012	-	-	-	-	87	24	87	4	28
TOTAL	**32,012**	**8,792**	**16,008**	**759**	**31,372**	**8,627**	**15,540**	**738**	**(211)**

21. Provisions for risks and charges

The provision at December 31, 2013 amounts to Euro 7,507 thousand, an increase of Euro 1,535 thousand compared to December 31, 2012.

(Euro/000)	Other risks	Employee bonus	Agents	Total
Beginning balance	5,041	802	129	5,972
Utilisation for losses	(561)	(802)	0	(1,363)
Provision for the year	2,011	878	9	2,898
Provision at 31.12.2013	**6,491**	**878**	**138**	**7,507**

The amount of the provisions represents the best estimate by the Directors, on the basis of the information available at the time of the preparation of the present accounts, and of charges matured against the Group at year-end. The balance at December 31, 2013 comprises:

- Euro 6,491 thousand relating to other risk provisions, which covers the risks related to civil disputes in course for Euro 6,462 thousand of the Parent Company and Euro 29 thousand relating to Eugea Mediterranea S.p.A.; the change in the year is principally due to the utilisation of the Risk Provision for Euro 560 thousand for the finalisation of disputes with employees and disputes of a tax nature concerning the Parent Company, while the provision in 2013 of Euro 2,011 thousand includes provisions made against disputes with employees and disputes of a civil and tax nature.
- Euro 878 thousand relating to the employee bonus provision; this provision follows the signing of a supplementary Company agreement which provides for the payment of a bonus to staff if certain corporate objectives are reached, including a certain profit level achieved in the year by the parent company.
- Euro 138 thousand, concerning La Doria SpA, of a provision for supplementary severance indemnities to agents.

CURRENT LIABILITIES

22. Financial payables

They amount to Euro 85,672 thousand and have decreased by Euro 14,968 thousand compared to December 31, 2012 and comprise of:

- Euro 44,188 thousand relating to short-term advances on contracts for Euro 36,840 thousand to the Parent Company and Euro 7,348 thousand to the subsidiary Eugea Mediterranea S.p.A.;

- Euro 17 thousand for bank overdrafts relating to the Parent Company;
- Euro 7,634 thousand relating to advances to suppliers, imports and hot money of the Parent Company;
- Euro 355 thousand to be debited by banks of which Euro 349 thousand relating to the Parent Company and Euro 6 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 8,990 thousand for advances on with recourse factoring and reverse factoring with maturity of the Parent Company.
- Euro 23,761 thousand for the portion beyond 12 months of the long-term loans of the Parent Company;
- Euro 728 thousand relating to the Fair Value at December 31, 2013 of interest rate hedging contracts of the Parent Company which resulted in a payable recorded in the financial statements.

(Euro/000)	**Notional**	**Mark to market 31.12.2013**	**Mark to market 31.12.2012**
EFIBANCA	0	0	(14)
AKROS	377	(2)	(20)
MPS	2,500	(29)	(90)
AKROS	12,000	(48)	0
AKROS	3,500	(18)	0
BANCO DI NAPOLI	5,000	(43)	0
UNICREDIT	5,000	9	0
UNICREDIT	0	0	(7)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
DEUTSCHE	9,778	(179)	(346)
UNICREDIT	2,000	(36)	(82)
BANCO NAPOLI	3,111	(79)	(170)
UNICREDIT	5,250	(194)	(330)
CARIPARMA	5,400	(83)	(158)
TOTAL	**55,698**	**(728)**	**(1,309)**

23. Trade payables

They amount to Euro 103,901 thousand, a decrease of Euro 8,948 thousand compared to December 31, 2012 and are net of credit notes to be received from suppliers for discounts, price/quantity discounts on supply of goods and/or services relating to the period.

24. Tax payables

The account amounts to Euro 3,760 thousand, a decrease of Euro 2,217 thousand compared to December 31, 2012. The account essentially comprises:

- Euro 1,274 thousand for withholding taxes on salaries, of which Euro 1,227 thousand concerning the Parent Company and Euro 48 thousand the subsidiary Eugea Mediterranea S.p.A.;
- Euro 853 thousand for payables for IRES taxes entirely relating to the Parent Company;
- Euro 230 thousand for charges to be received, of which Euro 83 thousand relating to previous year income taxes of the Parent Company, Euro 92 thousand relating to local taxes also of the Parent Company and Euro 55 thousand relating to taxes of the subsidiary Eugea Mediterranea S.p.A..
- Euro 1,403 thousand for tax payables of the subsidiary LDH (La Doria) Ltd..

25. Other current liabilities

These amount to Euro 21,498 thousand and have increased by Euro 4,396 thousand compared to December 31, 2012. They principally include:

- Euro 43 thousand for payments on accounts received from clients by the Parent Company;
- Euro 1,059 thousand for payables to social security and pension organisations, of which Euro 635 thousand relates to the Parent Company;
- Euro 4,650 thousand relating to employee payables not yet paid (wages and salaries for December 2013, vacation days due, thirteenth and fourteenth month) concerning the Parent Company for Euro 4,495 thousand and Euro 155 thousand concerning the subsidiary Eugea Mediterranea S.p.A.;
- Euro 432 thousand for insurance payables against indemnities due to the Parent Company;

– Euro 2,451 thousand relating to the Mark to Market liabilities for currency hedging operations, which will be completed beyond 2013, undertaken in order to offset the Parent Company currency risk;

– Euro 215 thousand relating to the subsidiary Eugea Mediterranea S.p.A. for the renewal project of the purification plant for the treatment of fruit and tomato waste to be charged to the Bonifica Vulture Consortium – Alto Bradano;

– Euro 483 thousand of other payables - of which Euro 405 thousand concerning the Parent Company and Euro 78 thousand concerning the subsidiary Eugea Mediterranea S.p.A.;

– Euro 5,826 thousand relating to other liabilities of the subsidiary LDH (La Doria) Ltd.;

– Euro 1,158 thousand principally comprising the current portion of the grant on plant for future periods, of which Euro 994 thousand referring to the Parent Company and Euro 164 thousand to the subsidiary Eugea Mediterranea S.p.A.;

– Euro 5,217 thousand concerning the portion of contributions for client commercial activities concerning the subsidiary LDH (La Doria) Ltd.

Commitments and guarantees

These total Euro 46,971 thousand and relate to:

– Euro 20,930 thousand for guarantees and comfort letters by the Parent Company La Doria S.p.A. on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;

– Euro 6,057 thousand for the amount at December 31, 2013 of guarantees given on behalf of banks by the Parent Company La Doria S.p.A. for loans made to the subsidiary LDH (La Doria) Ltd;

– Euro 5,144 thousand for guarantees given in favour of the subsidiary Eugea Mediterranea S.p.A. on receivables from the public administration;

– Euro 4,500 thousand for guarantees given by Sace S.p.A. in favour of Cariparma S.p.A. to partially cover the loan of Euro 9 million disbursed on November 30, 2011 by Cariparma to La Doria S.p.A.;

– Euro 4,113 thousand for guarantees on La Doria S.p.A. and Eugea Mediterranea receivables to the public administration;

– Euro 4,031 thousand for the guarantees provided by leading insurance companies on November 16, 2012 and February 27, 2013 under that required by the Regulatory Agreement signed with the Campania Region;

– Euro 1,961 thousand for sureties on payments terms from suppliers;

– Euro 235 thousand for guarantees issued in favour of the Customs Office and Campania Region against customs duties and taxes.

INCOME STATEMENT

26. Revenues

Revenues from sales and services amount to Euro 604,371 thousand, an increase of Euro 25,430 thousand compared to 2012.

In relation to the profit of the group, this is divided into two parts:

a) sale of products from industrial production;

b) sales of products marketed.

Industrial production is related to the activities of the company La Doria S.p.A. and Eugea Mediterranea S.p.A. while the English subsidiary LDH (La Doria) Ltd is a trading company and therefore is involved only in the sale of parent company products and other products acquired from third party suppliers.

The consolidated turnover of the Group is divided as follows:

1) "red line", comprising the products having tomatoes as their main raw material, recorded an increase in sales volume both on the Italian market and on foreign markets and a significant decrease in prices, particularly overseas;

2) "fruit line", comprising the products having fruit and/or fruit purée as their main raw material, recorded a decrease principally due to the decline in fruit juice volumes and prices sold on the domestic market.

3) "pulses line" comprising the products with pulses as their main raw material, other vegetables and canned pasta products, recording strong growth in volumes, mainly thanks to the foreign markets, in particular Great Britain, where new clients were gained.

4) "other lines" that include all the other products not included above. In particular, all of the products marketed by the subsidiary LDH (La Doria) LTD are included, i.e. canned tuna and salmon, canned pasta, chocolate confectionary and others.

The EBITDA margin is summarised in the following table (the product lines indicated as "Fish", "Dried Pasta" and "Others" concern exclusively products sold by LDH (La Doria) Ltd):

(Euro/000)	Red Line	Fruit Line	Legumes Line	Fish Line	Dry pasta Line	Other lines	Total
Consolidated revenues	**155,537**	**90,781**	**161,912**	**85,985**	**81,846**	**28,310**	**604,371**
Consolidated ebitda	18,214	3,035	13,292	3,974	3,331	1,464	43,310
% on revenues	**11.7%**	**3.3%**	**8.2%**	**4.6%**	**4.1%**	**5.2%**	**7.2%**

The clients contributing more than 10% of consolidated revenues are Tesco UK and Asda, essentially concerning the purchase of red line, vegetable line and other lines sold by LDH.

27. Other operating revenues

Other operating revenues amount to Euro 12,709 thousand, increasing Euro 1,250 thousand compared to December 31, 2012 and comprise:

- Euro 947 thousand for investment grants, of which Euro 740 thousand (concerning the factories at Angri, Fisciano and Faenza) relating to the Parent Company and Euro 207 thousand (concerning the Lavello factory) relating to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 3,650 thousand for the reversal of the inventory obsolescence provision, of which Euro 3,600 thousand concerning the Parent Company and Euro 50 thousand relating to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 694 thousand for Revenues from the sale of scrap, relating to revenues of the Parent Company for Euro 672 thousand and the remaining concerning the subsidiary Eugea Mediterranea S.p.A.;
- Euro 228 thousand for the sale of stack dividers, of which Euro 227 thousand concerning the Parent Company and the remaining relating to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 465 thousand for revenues from sale of pallets, of which Euro 463 thousand concerning the Parent Company and Euro 2 thousand the subsidiary Eugea Mediterranea S.p.A.;
- Euro 1,814 thousand for non-recurring income, relating to the Parent Company for Euro 1,600 thousand and the subsidiary Eugea Mediterranea S.p.A. for Euro 214 thousand;
- Euro 628 thousand for revenues from damage claims, relating to the parent company for Euro 513 thousand and Euro 114 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 4,283 thousand for other revenues, essentially concerning the Parent Company.

28. Change in inventories

The account decreased from Euro 9,413 thousand at December 31, 2012 to Euro 993 thousand at December 31, 2013. The account reflects the economic impact of the changes in the inventories of raw materials, packaging, finished products and semi-finished products.

29. Purchase of raw materials and goods

The costs for raw materials and goods in 2013 amount to Euro 461,520 thousand, an increase of Euro 8,824 thousand compared to the previous year. The increase in the amount is due to the general increase in raw material costs and turnover.

30. Services

In 2013 the account amounted to Euro 65,583 thousand, increasing Euro 3,083 thousand on 2012. The account includes service costs of Euro 63,725 thousand (Euro 60,452 thousand in 2012) and rent, lease and similar costs of Euro 1,858 thousand (Euro 2,048 thousand in 2012).

31. Labour costs

Labour costs in 2013 amounted to Euro 39,857 thousand, a decrease of Euro 722 thousand compared to 2012.

(Euro/000)	**31.12.13**	**31.12.12**	**Δ**
Wages and salaries	28,257	28,338	(81)
Social charges	8,210	8,343	(133)
Post-employment benefit	1,574	1,852	(278)
Other costs	1,816	2,046	(230)
TOTAL	**39,857**	**40,579**	**(722)**

The account "other costs" refers for Euro 1,395 thousand to the Parent Company (of which Euro 865 thousand provisions for employee bonuses, Euro 143 thousand for temporary labour, Euro 272 thousand for leaving incentives, Euro 86 thousand for interns and Euro 30 thousand relating to employee transfers) and Euro 34 thousand concerning Eugea Mediterranea S.p.A. principally relating to employee bonuses and temporary labour.

32. Other operating costs

The account amounts to Euro 7,749 thousand, an increase of Euro 330 thousand on 2012. The account includes non-recurring charges of Euro 977 thousand, of which Euro 885 thousand concerning the Parent Company and Euro 92 thousand Eugea Mediterranea S.p.A. and other operating charges of Euro 6,864 thousand, of which Euro 6,421 thousand relating to the Parent Company.

33. Amortisation, depreciation, write-downs and provisions

This account amounts to Euro 12,042 thousand and has increased by Euro 902 thousand compared to 2012. It includes:

(Euro/000)	**31.12.13**	**31.12.12**	**Δ**
Amortisation of intangible assets	399	373	26
Depreciation of fixed assets	9,413	9,689	(276)
Doubtful debt provision	78	402	(324)
Provisions for risks and other provisions	2,152	676	1,476
TOTAL	**12,042**	**11,140**	**902**

With Board of Directors' motion of August 29, 2013 the Parent Company La Doria S.p.A. reviewed the estimated residual useful life of the buildings at the factories of Angri, Sarno and Fisciano. The estimated residual useful life was modified compared to the previous year, also on the basis of an independent expert's valuation. The residual useful life of the factories was estimated at approx. 23 residual years for the factory at Angri, 39 residual years for the factory at Sarno, 38 residual years for the factory at Fisciano and 28 residual years for the factory at Faenza as of January 1, 2013. The increase in the estimated useful life resulted in lower depreciation recorded in the 2013 Financial Statements of Euro 549 thousand. Therefore, the result for the year and the net equity, where the buildings at Angri, Sarno and Fisciano had continued to be depreciated utilising the previous depreciation rates, would be lower for an amount of Euro 549 thousand.

In relation to the "Doubtful debt provision" and the "Provisions for risks", reference is made to the comments on the specific balance sheet accounts "Trade receivables" (Note 8) and "Provisions for risks and charges" (Note 21).

34. Financial income

These total Euro 6,842 thousand and relate to:

- Euro 211 thousand of interest on temporary liquidity on current accounts and on interest from receivables due from the State;
- Euro 5,642 thousand for income deriving from currency gains and swap and derivative operations during 2013;
- Euro 989 thousand of currency gains of the foreign subsidiary LDH (La Doria) Ltd..

35. Financial charges

The account amounts to Euro 9,010 thousand and relates to:

- Euro 4,559 thousand for charges of the Parent Company on the medium/long-term debt;
- Euro 26 thousand for the interest cost component relating to the discounting of Post-employment benefits in accordance with IAS 19 Revised;
- Euro 224 thousand for charges of the subsidiary Eugea Mediterranea S.p.A. principally deriving from short-term debt;
- Euro 3,811 thousand of Parent Company currency losses and swap and derivative operations in 2013;
- Euro 301 thousand of loan charges of the subsidiary LDH (La Doria) Ltd.;

36. Income taxes

These total Euro 7,926 thousand, an increase of Euro 197 thousand compared to the previous year. Income taxes in 2013/2012 are detailed below:

(Euro/000)	**31.12.13**	**31.12.12**	**Δ**
Income taxes for year	9,606	8,371	1,235
Deferred tax charge	(186)	(424)	238
Deferred tax income	115	(218)	333
Taxes from prior years	(1,609)	0	(1,609)
TOTAL	**7,926**	**7,729**	**197**

Prior year taxes in 2013 refer to the repayment of IRES on IRAP paid on the labour cost for the years 2008-2012.

For changes in deferred tax assets and liabilities reference should be made to the specific balance sheet accounts.

EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit (loss) by the weighted average number of ordinary shares outstanding in the year (net of treasury shares).

Earnings per share	**31.12.2013**	**31.12.2012**
Number of shares net of treasury shares	29,409,689	28,654,875
Profit of the group per share	0.53	0.27

L'utile per azione diluito al 31 dicembre 2013 corrisponde all'utile per azione base in quanto non sono presenti effetti diluitivi.

Dividends

Dividends were distributed by the Parent Company in 2013 totalling Euro 1,860 thousand, in accordance with Shareholders' Meeting motion of May 21, 2013 relating to the 2012 Annual Accounts.

TRANSACTIONS WITH RELATED PARTIES

All transactions of a financial or economic nature with related parties of the Company for the years 2012 and 2013 are reported below:

Year 2012

(Euro/000) 31.12.2012	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current liabilities
Balance sheet						
Trade receivables	161					
Trade payables						
Directors					437	
Shareholders						
TOTAL	**161**	**0**	**0**	**0**	**437**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 161 thousand for operations of a commercial nature:

Other current liabilities: Concerns payables to Directors for Euro 437 thousand and remuneration, salary and bonuses matured in the year and still not paid.

(Euro/000) 31.12.2012	Revenues	Other operating revenues	Costs	Other operating costs	Dividends
Income statement					
Revenues	458				
Costs			15		
Directors				1,355	
Shareholders					
TOTAL	**458**	**0**	**15**	**1,355**	**0**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 458 thousand;

Costs: Concerns costs for the acquisition of services for Euro 15 thousand;

Other operating charges: These amount to Euro 1,355 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in the year.

Year 2013

(Euro/000) 31.12.2013	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current liabilities
Balance sheet						
Trade receivables	156					
Trade payables				7		
Directors					405	
Shareholders						
TOTAL	**156**	**0**	**0**	**7**	**405**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 156 thousand for operations of a commercial nature;

Trade payables: Concerns payables to suppliers for services of Euro 7 thousand;

Other current liabilities: Concerns payables to Directors for Euro 405 thousand and refers to remuneration, salary and bonuses matured in the year and not yet paid.

(Euro/000) 31.12.2013	Revenues	Other operating revenues	Costs	Other operating costs	Dividends
Income statement					
Revenues	404				
Costs			13		
Directors				1,297	
Shareholders					1,316
TOTAL	**404**	**0**	**13**	**1,297**	**1,316**

Revenues: Relates to revenues deriving from the sale of finished products and amounts to Euro 404 thousand;

Costs: Concerns costs for the acquisition of services for Euro 13 thousand;

Other operating charges: These amount to Euro 1,297 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in the year.

Dividends: In 2013 related party shareholders matured dividends of Euro 1,316 thousand on the 2012 net profit.

KEY MANAGEMENT PERSONNEL REMUNERATION

The remuneration of those holding positions with authority and responsibility for planning, management and control of the Company, including Executive and Non-Executive Directors, is reported in Tables D and E.

Such remuneration concerns emoluments and all other payments, including the portion carried by the Company, of a remunerative, pension-related or social security nature deriving from the role of Director or Statutory Auditor of the Parent Company and other companies within the consolidation scope, which resulted in a cost for the Group.

DISCLOSURE PURSUANT TO ARTICLE 149 DUODECIES OF THE CONSOB ISSUER'S REGULATION

Table F, prepared pursuant to Article 149 duodecies of the CONSOB Issuer's Regulations, reports the payments made in 2013 for audit, declaration, tax consultancy and other services carried out by the independent audit firm and associated entities.

SUBSEQUENT EVENTS

In relation to the subsequent events, reference should be made to the comments in the Directors' Report. In any case, there are no subsequent events that had an effect on the values of the consolidated financial statements at December 31, 2013 which have not already been taken into consideration in the accounts.

ATTACHMENTS TO THE NOTES

The net financial position required by CONSOB communication of July 28, 2006. DEM/6064293 and by CESR recommendation of February 10, 2005 "Recommendations for the standard application of the European Commission Regulation on disclosure statements" is as follows:

NET DEBT AS PER CONSOB DEM/6064293 OF 28/07/2006 (Euro/000)

		31.12.2013	31.12.2012
A.	Cash	4	3
B.	Other cash and cash equivalents (Bank and postal deposits)	27,863	19,560
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**27,867**	**19,563**
E.	**Current Financial Receivables**	**-**	**-**
F.	Current Bank payables	52,921	72,478
G.	Current portion of non-current debt	23,761	16,873
H.	Other current financial payables	8,990	11,289
I.	**Current debt (F+G+H)**	**85,672**	**100,640**
J.	**Current net debt (+I-E-D)**	**57,805**	**81,077**
K.	Bank payables – non-current portion	50,689	36,914
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**50,689**	**36,914**
O.	**Net debt (+J+N)**	**108,494**	**117,991**

TABLE A
INTANGIBLE ASSETS AT 31.12.2013

(Euro/000)

CATEGORY	Historical cost	Acc. amort	Opening balances LDH traslation diff. (*)	Amort. 31.12.13 (**)	Invest. 31.12.13	Divest. 31.12.13	Adjust. 01.01.13	Reclass. 31.12.13	Net total
Software costs	5,260	4,837	1	219	121			101	427
Regist. trademark costs	10	10							
Other deferred charges	5,040	1,620		180					3,240
Brands	44	44							0
Assets in progress	125				321	101	0	0	345
TOTAL	**10,479**	**6,511**	**1**	**399**	**442**	**101**	**0**	**101**	**4,012**

(*) Relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

(**) The account includes the foreign currency differences of Euro/000 0.

TABLE B
NET TANGIBLE ASSETS AT 31.12.2013

(Euro/000)

CATEGORY	Depr. rate	Historical cost at 1.1.13	Reval. pr. years	Depr. pr. years at 1.1.13	Opening balacens LDH hist. cost. translation diff. (**)	Opening balances LDH acc. depr. translation diff. (**)	Divest. provision 31.12.13	Depr. 31.12.13 (***)	Invest. 31.12.13	Divest. 31.12.13	Reclass. 31.12.13	Net total
Land		18,820	0	0			0	0	0	0	0	18,820
Ind. buildings/light const.	*	61,946	0	13,844	8	6	0	1,663	1,146	4	802	48,381
Plant and machinery	7,50%-14%	138,007	1,454	110,500			365	7,016	5,690	370	691	28,321
Minor equipment	20%	7,604	194	7,070			325	319	336	336	0	734
EDP	20%	3,476	0	2,856	18	15	0	261	490	0	86	932
Internal transport	20%	892	23	864			0	26	54	0	0	79
Motor vehicles	25%	582	0	436	8	5	0	80	29	0	0	92
Furniture & other equipment	7,50%-12%	872	12	803	4	2	0	48	98	0	88	217
Assets in progress	0%	1,674	0	0			0	0	1,316	0	(1,667)	1,323
TOTAL		**233,873**	**1,683**	**136,373**	**38**	**28**	**690**	**9,413**	**9,159**	**710**	**0**	**98,899**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the differences arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd

*** The account includes the exchange difference at year-end of Euro/000 -2

TABLE B1

TANGIBLE ASSETS AT 31.12.13

(Euro/000)

CATEGORY	Depr. rate	Hist. cost at 01.01.13	Opening balances LDH historical costi translation diff. (**)	Increases 31.12.13	Reclass. 31.12.13	Decreases 31.12.13	Cost 31.12.13
Land		18,820					18,820
Ind. buildings/light construction	*	61,946	(8)	1,058	802	4	63,794
Plant and machinery	7,50% 14%	139,461		5,690	691	370	145,472
Minor equipment	20%	7,798		336		336	7,798
EDP	20%	3,476	(18)	490	86		4,034
Internal transport	20%	915		54			969
Motor vehicles	25%	584	(8)	29			605
Furniture & other equipment	7,50% 12%	887	(4)	186	88		1,157
Assets in progress	0%	1,674		1,316	(1,667)		1,323
TOTAL		**235,561**	**(38)**	**9,159**	**0**	**710**	**243,972**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the differences arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

TABLE B2

ACCUMULATED DEPRECIATION AT 31.12.13 (Euro/000)

CATEGORY	Depr. rate	Hist. cost at 01.01.13	Opening balances LDH acc. depr. translation diff. (**)	Ordinary depr. 31.12.13	Utilisation 31.12.13	Accum depr. 31.12.13
Land		0	0			0
Ind. buildings/light construction	*	13,844	(6)	1,663	0	15,501
Plant and machinery	7,50% 14%	110,500	0	7,016	366	117,150
Minor equipment	20%	7,070	0	319	325	7,064
EDP	20%	2,856	(15)	261	0	3,103
Internal transport	20%	864	0	26	0	890
Motor vehicles	25%	438	(5)	80	0	513
Furniture & other equipment	7,50% 12%	806	(2)	48	0	852
TOTAL		**136,378**	**(28)**	**9,413**	**691**	**145,073**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the differences arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES

(Euro/000)

	Balance 01.01.13	Decrease	Write-down	New contr.	Balance 31.12.13	Prevision	Net equity	% held
LDH (La Doria) Ltd.	764				764		48,692 (1)	51%
Eugea Mediterranea S.p.A.	3,304				3,304		5,434 (2)	98,34%
	4,068				**4,068**			

(1) LDH (La Doria) Ltd. 519 North Gate Alconbury Airfield
Alconbury Huntingdon Cambridgeshire PE 28 4WX England (GB)
Share Capital GBP 1,000,000 in 1,000,000 shares of GBP 1 each
Net equity at 31.12.2013 of GBP 40,595 thousand
Including net profit for year of GBP 9,961 thousand.
Net equity based on exchange rate at 31.12.2013

(2) EUGEA MEDITERRANEA S.p.A. Strada Consorziata s.n.c. Gaudiano di Lavello (PZ)
Share Capital Euro 1,500 thousand 15,000 shares of Euro 100.00 each
Net equity of Euro 5.434 thousand at 31.12.2013
Profit at 31.12.2013 Euro 160 thousand

TABLE C1
HOLDINGS IN INDIRECT SUBSIDIARIES (GBP)

	Net equity	% Held	Share of net equity
LDH Foods (Hellas) Ltd (in liquidation) 32 Omiron Street Athens (Greece) Investment acquired on May 14, 1998 Share capital Euro 18 thousand Investment eliminated at December 31, 2007 on ceasing of activities	0	50.85%	0
LDH Foods S.L. (in liquidation) Av.da De Los Castanos, 53 Urb. El Chorrico Molina De Segura (Murcia) Share capital Euro 9 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	51%	0
Manpineco 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 1 The company was incorporated in January 2008 by the subsidiary LDH (La Doria) Ltd..	1	51%	0,51
Oriental & Pacific Frozen Food Co. Ltd. 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 10 thousand LDH (La Doria) Ltd holds 100% since 1/4/2008.	10,000	51%	5,100

TABLE D

REMUNERATION OF DIRECTORS, STATUTORY AUDITORS, THE GENERAL MANAGER AND EXECUTIVES WITH STRATEGIC RESPOSIBILITIES OF LA DORIA SpA

(Euro)

PERSON	DESCRIPTION OF OFFICE			REMUNERATION					
Name	Office	Duration (*)		Emoluments for office	Emoluments monetary benfits	Bonus other incentives	Emoluments for ICC	Emoluments for supervisory comm.	Other remunerat.
Persico Sergio	Chairman of BOD	11/05/2011	31/12/2013	95,000			10,000	5,000	18,243
Sampietro Giorgio	Vice Chairman of BOD	11/05/2011	31/12/2013	35,160			10,000	10,000	
Ferraioli Antonio	Director	11/05/2011	31/12/2013	26,000	5,406	107,350			318,243
Ferraioli Andrea	Director	11/05/2011	31/12/2013	26,000	5,287	107,350			318,243
Ferraioli Iolanda	Director	11/05/2011	31/12/2013	26,000	2,853	10,000			95,035
Diretto Giuseppe	Director	11/05/2011	31/12/2013	29,243			10,000		
Cecere Fabio	Chair. Board of Stat. Auditors	11/05/2011	31/12/2013	100,549					
De Caprio Antonio	Statutory Auditor	11/05/2011	31/12/2013	72,056					
D'Amore Maurizio	Statutory Auditor	11/05/2011	31/12/2013	73,697					
TOTALE				**483,705**	**13,546**	**224,700**	**30,000**	**15,000**	**749,764**

Other remuneration **Ferraioli Antonio** **Executive**
Other remuneration **Ferraioli Andrea** **Executive**
Other remuneration **Ferraioli Iolanda** **Executive**

(*) Until approval of 2013 Annual Accounts

TABLE E

REMUNERATION TO DIRECTORS AND STATUTORY AUDITORS BY SUBSIDIARES (Euro)

PERSON	DESCRIPTION OF OFFICE		REMUNERATION		
Name	Office held	Duration of office	Emoluments for office	Non monetary benefits	Bonus and other incent.
LDH (La Doria) Ltd.					
Ferraioli Antonio	Chairman of BOD	19/02/97 until revoked	8,243		
Persico Sergio	Director	19/02/97 until revoked	8,243		
Ferraioli Rosa	Director	04/2009 until revoked	8,243		
Festa Alberto	Director	01/2010 until revoked	8,243		
Ferraioli Andrea	Director	02/03/98 until revoked	8,243		
TOTAL			**41,215**		

Remuneration of GBP 35,000 at average December 2013 exchange rate 0,84925

PERSON	DESCRIPTION OF OFFICE		REMUNERATION		
EUGEA MEDITERRANEA S.p.A.					
Ferraioli Antonio	Chairman of BOD	29/04/2013 29/04/2016	10,000		
Ferraioli Andrea	Director	29/04/2013 29/04/2016	10,000		
Festa Alberto	Director	29/04/2013 29/04/2016	10,000		
Persico Sergio	Director	29/04/2013 29/04/2016	10,000		
TOTAL			**40,000**		

DISCLOSURE PURSUANT TO ARTICLE 149 OF THE CONSOB ISSUERS REGULATION

The following table, prepared pursuant to article 149 of the Consob Issuers Regulations, reports the payments made in 2013 for audit and other services carried out by the audit firm and entities associated with the audit firm.

TABLE F
INDEPENDENT AUDITORS FEES

(Euro/000)

	Party providing the service	Company	Fees 2013
Audit	PricewaterhouseCoopers S.p.A.	Parent company La Doria S.p.A.	80
	PricewaterhouseCoopers S.p.A.	Subsidiary companies	8
	Deloitte & Touche S.p.A.	Subsidiary companies	7
	Rete PricewaterhouseCoopers	Subsidiary companies	53
Certification work	PricewaterhouseCoopers S.p.A.	Parent company La Doria S.p.A.	
	PricewaterhouseCoopers S.p.A.	Subsidiary companies	
	Rete PricewaterhouseCoopers	Subsidiary companies	
Other services	PricewaterhouseCoopers	Parent company La Doria S.p.A.	20
	Rete PricewaterhouseCoopers Advisory S.r.l.	Subsidiary companies	19
	PricewaterhouseCoopers S.p.A.	Subsidiary companies	6
TOTAL			**193**

TABLE 1 CONS.
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.13	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets AFS	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries							Subsidiaries	
Receivables			89,034			89,034	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			4,855			4,855	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	808		8,625			9,433	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		50,689	50,689	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries				Subsidiary payables	
Payables				Payments on account	
Payables		103,901	103,901	Trade payables	
Payables		3,760	3,760	Tax payables	
Payables		1,059	1,059	Social security payables	
Current financial payables		76,682	76,682	Bank payables	
Current financial payables		8,990	8,990	Factoring payables	
Derivatives	728		728	Bank payables	
Other Liabilities	3,890	10,131	14,021	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2013 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 2 CONS.
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.12	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries							Subsidiaries	
Receivables			90,819			90,819	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			3,802			3,802	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	2,023		10,299			12,322	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		36,914	36,914	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries				Subsidiary payables	
Payables				Payments on account	
Payables		112,849	112,849	Trade payables	
Payables		5,977	5,977	Tax payables	
Payables		1,004	1,004	Social security payables	
Current financial payables		89,351	89,351	Bank payables	
Current financial payables		11,289	11,289	Factoring payables	
Derivatives	1,309		1,309	Bank payables	
Other Liabilities	262	9,834	10,096	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2012 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 3 CONS.
HEDGE VALUATION

(Currency/000)

at 31.12.13 LDH (La Doria) Ltd.			Amount in GBP			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected						
Purchases expected	18,280	17,625	74,256	72,858	82	81
TOTAL	**18,280**	**17,625**	**74,256**	**72,858**	**82**	**81**

at 31.12.13 La Doria S.p.A.			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected			9,876	795	75,250	(270)
Purchases expected	66,750	(1,143)				
TOTAL	**66,750**	**(1,143)**	**9,876**	**795**	**75,250**	**(270)**

Note

The hedge policy of LDH provides for the hedging on all purchases subject to exchange risk. As they are fixed in this manner, the margins are not impacted by exchange risks. The La Doria SpA options were signed for purchases in USD and sales in GBP planned in the coming 12 months.

at 31.12.13		Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV
Loans granted		
Loans received	55,698	728
TOTAL	**55,698**	**728**

Note

The La Doria IRS options were signed for partial hedging of the Medium/long loans.

TABLE 4 CONS.
HEDGE VALUATION

(Currency/000)

at 31.12.12 LDH (La Doria) Ltd.			Amount in GBP			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected						
Purchases expected	14,617	14,372	67,896	68,631	310	300
TOTAL	**14,617**	**14,372**	**67,896**	**68,631**	**310**	**300**

at 31.12.12 La Doria S.p.A.			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected			6,089	168	61,500	1,207
Purchases expected	37,250	(203)				
TOTAL	**37,250**	**(203)**	**6,089**	**168**	**61,500**	**1,207**

Note

The hedge policy of LDH provides for the hedging on all purchases subject to exchange risk. As they are fixed in this manner, the margins are not impacted by exchange risks. The La Doria SpA options were signed for purchases in USD and sales in GBP planned in the coming 12 months.

at 31.12.12		Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV
Loans granted		
Loans received	44,704	1,309
TOTAL	**44,704**	**1,309**

Note

The La Doria IRS options were signed for partial hedging of the Medium/long loans.

TABLE 5 CONS.

SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.13	Reference to balance-sheet item	Carrying amount	Impact of different assumptions Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from related parties (La Doria)				
Non current receivables from related parties (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from related parties (La Doria)				
Current receivables from related parties (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash at Bank	27,867		
NON-CURRENT LIABILITIES				
Non current payables to related parties (La Doria)				
Non current payables to related parties (Others)				
Non current financial liabilities	Loans M/L	50,689	37	(37)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank Overdraft	85,672	424	(424)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash flow hedge reserve				
Net income			(461)	461
Minority interest				

Euribor 2013 at 3 months average 0.22%

Hyp1 Average interest rate curve higher than 50 bps 3.80%+0.5% on M/L; +3.36%+0.5% on short term

The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/13 of Euro 18,752 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.80% 0.5% on M/L; +2.36% 0.5% on short term

TABLE 6 CONS.

SENSITIVITY ANALYSIS (IFRS 7.40-42)

(Euro/000)

at 31.12.12	Reference balance-sheet item	Carrying amount	Impact of different assumptions Hyp1	Impact of different assumptions Hyp2
NON CURRENT ASSETS				
Non current receivables from related parties (La Doria)				
Non current receivables from related parties (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from related parties (La Doria)				
Current receivables from related parties (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash at Bank	19,563		
NON-CURRENT LIABILITIES				
Non current payables to related parties (La Doria)				
Non current payables to related parties (Others)				
Non current financial liabilities	Loans M/L	36,914	36	(36)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank Overdraft	100,640	400	(400)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash flow hedge reserve				
Net income			(436)	436
Minority interest				

Euribor 2012 at 3 months average 0.59%

Hyp1 Average interest rate curve higher than 50 bps 3.03%+0.5% on M/L; +3.64%+0.5% on short term

The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/12 of Euro 9,083 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.08% 0.5% on M/L; +2.64% 0.5% on short term

TABLE 7 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.13	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non current receivables from hold. comp. (La Doria)								
Non current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non current receivables from third parties								
CURRENT ASSETS								
Current receivables from related parties (La Doria)								
Current receivables from related parties (Others)								
Trade receivables	Trade receivables	24,494		19,433	6	1,962	(1,079)	1,386
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Cash at Bank	10,950		5,993	4,309	983	(521)	577
NON CURRENT LIABILITIES								
Non-current payables to related parties (La Doria)								
Non-current payables to related parties (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Payables to related parties (La Doria)								
Payables to related parties (Others)								
Trade payables	Trade payables	4,230		668	4,682	2	(232)	188
Financial liabilities	Bank Overdraft					0	0	0
Derivatives								
Other liabilities								
EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net income							(1,368)	1,774
Minority interest								

Checks

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,8337
USD/€	Actual rate	1,3791
AUD/€	Actual rate	1,5423
USD/€	€ increases by 5%	1,448055
USD/€	€ decreases by 5%	1,310145
GBP/€	€ increases by 5%	0,875385
GBP/€	€ decreases by 5%	0,792015
AUD/€	€ increases by 5%	1,619415
AUD/€	€ decreases by 5%	1,465185

TABLE 7 bis CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

As of 31.12.13	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination €	GBP	USD	CAN$	Impact of different assuptions €1	€2	USD1	USD2	Can $1	Can $2
NON CURRENT ASSETS												
Non current receivables from related parties (La Doria)												
Non current receivables from related parties (Others)												
Non current financial assets at fair value												
Receivables												
Non current receivables from third parties												
CURRENT ASSETS												
Current receivables from related parties (La Doria)	Intercompany receivable	589		589								
Current receivables from related parties (Others)		335		350								
Trade receivables	Trade receivables	35,129	1,029	32,720	1,380	0	(49)	54	(66)	73		
Current financial assets at fair value												
Financial receivables	Other receivables	4,544		4,544								
Derivatives	Forward contracts											
Other current assets												
Cash and cash equivalents	Cash at Bank	4,689	367	4,206	116	0	(17)	19	(6)	6		
NON-CURRENT LIABILITIES												
Non-current payables to related parties (La Doria)												
Non-current payables to related parties (Others)												
Non-current financial liabilities												
Other non-current liabilities												
CURRENT LIABILITIES												
Payables to related parties (La Doria)	Intercompany payable	20,386	953	19,433	0	0	45	(50)	0	0	0	0
Payables to related parties (Others)		9,398	5,303	3,821	274		253	(279)	13	(14)		
Trade payables	Trade payables	19,652	8,506	6,444	4,702		405	(448)	224	(247)		
Financial liabilities	Bank Overdraft									(928)		
Derivatives	Forward contracts	2,054	1,398		655		3,469	(3,835)	839			
Other liabilities	Other liabilities	7,490		7,490								
EQUITY												
Currency translation reserve												
Cash-flow hedge reserve		(1,236)	(1,108)		(442)		2,159	(2,387)	(166)	184		0
Net income	Profit/(loss)						(6,265)	6,925	(839)	927	0	0
Minority interest												

Exampes of Assumpions:		€/currency
GBP/€	Actual rate	1,1995
GBP/USD	Actual rate	1,6530
GBP/CAN$	Actual rate	1,7629
€1	€ increases by 5%	1,2594
€2	€ decreases by 5%	1,1395
USD1	$ increases by 5%	1,7357
USD2	$ decreases by 5%	1,5704
CAN1	$ increases by 5%	1,8510
CAN2	$ decreases by 5%	1,6748

Exampes of Assumpions:		€/currency
GBP/€	Forex average revalued	1,1982
GBP/USD	Forex average revalued	1,6519
GBP/CAN$	Forex average revalued	1,7629
€1	€ increases by 5%	1,2581
€2	€ decreases by 5%	1,1383
USD1	$ increases by 5%	1,7345
USD2	$ increases by 5%	1,5693
CAN1	$ increases by 5%	1,8510
CAN2	$ increases by 5%	1,6748

TABLE 8 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.12	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination				Impact of different hypotheses	
			Euro	GBP	USD	AUD	EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non current receivables from hold. comp. (La Doria)								
Non current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non current receivables from third parties								
CURRENT ASSETS								
Current receivables from related parties (La Doria)								
Current receivables from related parties (Others)								
Trade receivables	Trade receivables	19.392		14.134	5	2.315	(1.160)	759
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Cash at Bank	3.227		1.875	669	537	(154)	170
NON-CURRENT LIABILITIES								
Non-current payables to related parties (La Doria)								
Non-current payables to related parties (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Payables to related parties (La Doria)								
Payables to related parties (Others)								
Trade payables	Trade payables	3.660		663	3.641	17	(245)	114
Financial liabilities	Bank Overdraft	1.403		1.145		0	(67)	74
Derivatives								
Other liabilities								
EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net income							(1.001)	741
Minority interest								

Checks

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,8161
USD/€	Actual rate	1,3194
AUD/€	Actual rate	1,2712
USD/€	€ increases by 5%	1,38537
USD/€	€ decreases by 5%	1,25343
GBP/€	€ increases by 5%	0,856905
GBP/€	€ decreases by 5%	0,775295
AUD/€	€ increases by 5%	1,33476
AUD/€	€ decreases by 5%	1,20764

TABLE 8 bis CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

As of 31.12.12	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination €	GBP	USD	CAN$	Impact of different assuptions €1	€2	USD1	USD2	Can $1	Can $2
NON CURRENT ASSETS												
Non current receivables from related parties (La Doria)												
Non current receivables from related parties (Others)												
Non current financial assets at fair value												
Receivables												
Non current receivables from third parties												
CURRENT ASSETS												
Current receivables from related parties (La Doria)	Intercompany receivable	516		516								
Current receivables from related parties (Others)		350		350								
Trade receivables	Trade receivables	38,038	1,018	35,104	1,915	0	(25)	79	(91)	101		
Current financial assets at fair value												
Financial receivables	Other receivables	1,808		1,808								
Derivatives	Forward contracts	481	735		(244)	(10)	(3,268)	3,612	(684)	756	(14)	16
Other current assets												
Cash and cash equivalents	Cash at Bank	4,644	144	4,500	0	0	(7)	8	(0)	0		
NON-CURRENT LIABILITIES												
Non-current payables to related parties (La Doria)												
Non-current payables to related parties (Others)												
Non-current financial liabilities												
Other non-current liabilities												
CURRENT LIABILITIES												
Payables to related parties (La Doria)	Intercompany payable	16,002	1,869	14,134	0	0	89	(98)	0	0	0	0
Payables to related parties (Others)		10,805	5,612	3,469	1,724		267	(295)	82	(91)		
Trade payables	Trade payables	21,163	8,728	9,238	3,197		416	(459)	152	(168)		
Financial liabilities	Bank Overdraft	58			58				3	(3)		
Derivatives	Forward contracts											
Other liabilities	Other liabilities	7,118		7,118								
EQUITY												
Currency translation reserve												
Cash-flow hedge reserve		506	382		(147)	(10)	1,965	(3,265)	364	(402)	14	(16)
Net income	Profit/(loss)						564	419	175	(193)	0	0
Minority interest												

Exampes of Assumpions:		€/currency
GBP/€	Actual rate	1,2253
GBP/USD	Actual rate	1,6167
GBP/CAN$	Actual rate	1,6097
€1	€ increases by 5%	1,2866
€2	€ decreases by 5%	1,1641
USD1	$ increases by 5%	1,6975
USD2	$ decreases by 5%	1,5359
CAN1	$ increases by 5%	1,6902
CAN2	$ decreases by 5%	1,5292

Exampes of Assumpions:		€/currency
GBP/€	Forex average revalued	1,2237
GBP/USD	Forex average revalued	1,6163
GBP/CAN$	Forex average revalued	1,6125
€1	€ increases by 5%	1,2849
€2	€ decreases by 5%	1,1625
USD1	$ increases by 5%	1,6971
USD2	$ increases by 5%	1,5355
CAN1	$ increases by 5%	1,6931
CAN2	$ increases by 5%	1,5319

TABLE 9 CONS.
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.13	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	90,064	Trade receivables		74,480	13,702	960	429	493	90,064
Tax Receivables	4,855	Tax receivables		4,855	0	0	0	0	4,855
Other Receivables	9,433	Other receivables		6,806	0	0	0	2,627	9,433
Gross Receivables	**104,352**			**86,141**	**13,702**	**960**	**429**	**3,120**	**104,352**
Write-down of Receivables	1,030	Bad debt provision	1,030						1,030
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**103,322**		**1,030**	**86,141**	**13,702**	**960**	**429**	**3,120**	**103,322**

TABLE 10 CONS.
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37 (Euro/000)

at 31.12.12	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	91,902	Trade receivables		67,158	21,663	2,387	335	360	91,902
Tax Receivables	3,802	Tax receivables		3,802	0	0	0	0	3,802
Other Receivables	12,322	Other receivables		9,332	397	0	0	2,593	12,322
Gross Receivables	**108,026**			**80,292**	**22,060**	**2,387**	**335**	**2,953**	**108,026**
Write-down of Receivables	1,083	Bad debt provision	1,083						1,083
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**106,943**		**1,083**	**80,292**	**22,060**	**2,387**	**335**	**2,953**	**106,943**

TABLE 11 CONS.
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.13	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	90,064	Trade receivables	29,114	17,070	12,428	12,595	18,857	90,064
Other Receivables	9,433	Other receivables	6,750	1.567	859	257		9,433
Receivables	**99,497**		**35,864**	**18,637**	**13,287**	**12,852**	**18,857**	**99,497**

By Country at 31.12.13	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	90,064	Trade receivables	39,179	39,988	816	4,305	326	5,449	90,064
Other receivables	9,433	Other receivables	9,433						9,433
Receivables	**99,497**		**48,612**	**39,988**	**816**	**4,305**	**326**	**5,449**	**99,497**

TABLE 12 CONS.
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.12	Book value	Reference Account Balance Sheet	Due from: First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	91,902	Trade receivables	28,696	17,850	12,967	10,614	21,776	91,902
Other Receivables	12,322	Other receivables	8,895	1,487	1,356	583	1	12,322
Receivables	**104,224**		**37,591**	**19,337**	**14,323**	**11,197**	**21,777**	**104,224**

By Country at 31.12.12	Book value	Reference Account Balance Sheet	Due from: EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	91,902	Trade receivables	36,549	45,051	386	3,423	521	5,972	91,902
Other receivables	12,322	Other receivables	12,322						12,322
Receivables	**104,224**		**48,871**	**45,051**	**386**	**3,423**	**521**	**5,972**	**104,224**

DECLARATION AS PER ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999 AND SUBSEQUENT MODIFICATIONS AND INTEGRATIONS

Declaration of the consolidated financial statements as per Article 81-*ter* of Consob Regulation No. 11971 of May 14, 1999 and subsequent modifications and integrations

1. The undersigned Antonio Ferraioli, CEO, and Alberto Festa, executive responsible for the preparation of the corporate accounting documents of La Doria S.p.A., affirms, and also in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the accuracy of the information on company operations and
- the effective application of the administrative and accounting procedures for the preparation of the separate and consolidated financial statements for the period from January 1, 2013 to December 31, 2013.

2. The adequacy of the administrative and accounting procedures was verified through an assessment of the internal control system underlying the preparation of the financial statements, the interim financial statements and all financial reporting. This evaluation utilised the criteria established in the "Internal Controls -Integrated Framework" issued by the Committee of sponsoring Organizations of the Treadway Commission (CoSO framework) which represents a standard framework generally accepted at international level. No significant issues were identified in the assessment of the internal control system.

3. It is also noted that:

3.1 The Parent Company/Consolidated Financial Statements:
a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002, and the interpretations of the International Financial Reporting Interpretations Committee and the Standing Interpretations Committee;
b) correspond to the underlying accounting documents and records;
c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.
3.2 The Directors' Report includes a reliable analysis on the performance and operating result as well as the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Angri, 13.03.2014

Antonio Ferraioli	Alberto Festa
Director	Executive responsible for the preparation of the accounting documents

INDEPENDENT AUDITORS' REPORT

pwc

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the Shareholders of
La Doria SpA

1 We have audited the consolidated financial statements of La Doria SpA and its subsidiaries ("La Doria Group") as of 31 December 2013, which comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and related notes. The directors of La Doria SpA are responsible for the preparation of these consolidated financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our audit opinion.

For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference is made to our report dated 28 March 2013.

3 In our opinion, the consolidated financial statements of the La Doria Group as of 31 December 2013 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n°38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of the La Doria Group for the year then ended.

4 The directors of La Doria SpA are responsible for the preparation of the report on operations and the report on corporate governance and shareholding structure, published in section "Investor & Media Relations - Corporate Governance" of the Internet site of La Doria SpA, in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in

PricewaterhouseCoopers SpA

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.812.000,00 i.v., C .F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 - **Bologna** 40126 Via Angelo Finelli 8 Tel. 0516186211 - **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Dante 7 Tel. 01029041 - **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43100 Viale Tanara 20/A Tel. 0521275911 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Verona** 37135 Via Francia 21/C Tel.0458263001

www.pwc.com/it

paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree N° 58/98 presented in the report on corporate governance and shareholding structure, with the consolidated financial statements, as required by law. For this purpose, we have performed the procedures required under Auditing Standard n° 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by CONSOB. In our opinion the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree N° 58/98 presented in the report on corporate governance and shareholding structure are consistent with the consolidated financial statements of the La Doria Group as of 31 December 2013.

Naples, 31 March 2014

PricewaterhouseCoopers SpA

Signed by

Pier Luigi Vitelli
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

LA DORIA S.p.A.

FINANCIAL STATEMENTS OF THE PARENT COMPANY PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (EU/IFRS)

(Euro)	Note	31.12.2013	31.12.2012
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1	748,953	497,240
Property, plant & equipment	2	95,233,778	95,101,817
Goodwill	3	5,984,008	5,984,008
Investments in subsidiaries and associated companies	4	4,068,404	4,068,404
Other investments	5	231,222	228,715
Other non-current assets	6	2,690,961	2,578,281
of which related parties		*2,650,914*	*2,578,281*
Deferred tax assets	7	3,206,527	3,490,244
TOTAL NON-CURRENT ASSETS		**112,163,853**	**111,948,709**
CURRENT ASSETS			
Inventories	8	132,970,812	134,153,604
Trade receivables	9	71,584,647	68,051,827
of which related parties		*25,564,523*	*24,520,230*
Other assets	10	12,917,144	15,825,889
of which related parties		*3,489,756*	*3,922,613*
Tax receivables	11	3,210,058	2,285,679
Cash and cash equivalents	12	22,072,922	13,447,333
TOTAL CURRENT ASSETS		**242,755,583**	**233,764,332**
TOTAL ASSETS		**354,919,436**	**345,713,041**

(Euro)	Note	31.12.2013	31.12.2012
LIABILITIES			
SHAREHOLDERS' EQUITY			
Share capital	13	40,585,371	39,543,728
Reserves and retained earnings	14	55,543,106	48,983,121
Net profit	15	12,255,941	6,199,341
TOTAL SHAREHOLDERS' EQUITY		**108,384,418**	**94,726,190**
NON-CURRENT LIABILITIES			
Financial payables	16	50,689,109	36,914,047
Other non-current liabilities	17	10,545,145	6,356,351
Post-employment benefit provisions	18	3,970,516	3,991,372
Deferred tax liabilities	19	8,345,853	8,477,420
Provisions for risks and charges	20	7,465,376	5,920,452
TOTAL NON-CURRENT LIABILITIES		**81,015,999**	**61,659,642**
CURRENT LIABILITIES			
Financial payables	21	78,319,155	88,687,568
Trade payables	22	75,525,762	88,797,072
of which related parties		*11,973,824*	*22,628,174*
Tax payables	23	2,254,757	3,915,721
Other current liabilities	24	9,419,345	7,926,848
of which related parties		*404,735*	*436,829*
TOTAL CURRENT LIABILITIES		**165,519,019**	**189,327,209**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**354,919,436**	**345,713,041**

(Euro)	Note	31.12.2013	31.12.2012
Revenues	25	327,384,940	297,181,849
of which related parties		*101,117,853*	*98,684,728*
Other operating revenues	26	12,517,770	11,845,048
of which related parties		*414,038*	*1,255,858*
Changes in inventory	27	(7,564,844)	3,296,500
of which related parties		*(1,500,000)*	*(3,600,000)*
Purchase of raw materials and goods	28	216,456,448	203,871,812
of which related parties		*21,168,585*	*24,456,598*
Services	29	50,595,989	48,474,150
of which related parties		*4,333,545*	*4,399,470*
Labour costs	30	30,527,118	31,187,608
of which related parties		*695,035*	*699,358*
Other operating charges	31	7,306,771	7,082,312
of which related parties		*85,263*	*347,486*
Amortisation, depreciation, write-downs and provisions	32	10,705,111	9,651,807
OPERATING PROFIT		**16,746,429**	**12,055,708**
Financial income	33	5,701,571	4,084,221
of which related parties			*172,172*
Financial charges	34	8,396,011	8,033,379
of which related parties		*51,260*	
Dividends	35	2,520,758	2,326,914
of which related parties		*2,520,758*	*2,326,914*
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**16,572,747**	**10,433,464**
Income taxes	36	4,316,806	4,234,123
NET PROFIT FROM NORMAL OPERATIONS		**12,255,941**	**6,199,341**
NET PROFIT FOR THE YEAR		**12,255,941**	**6,199,341**

(Euro/000)	31.12.2013	31.12.2012
NET PROFIT FOR THE YEAR	**12.256**	**6.199**
Other comprehensive income	**-**	**-**
Items which may be reversed to the income statement in subsequent years		
Change in cash flow hedge reserve net of tax effect for Euro 202 thousand at December 31, 2013 and for Euro 49 thousand at December 31, 2012	421	(310)
PROFITS/(LOSSES) RECOGNISED DIRECTLY TO NET EQUITY, NET OF FISCAL EFFECT	**421**	**(310)**
Items which may not be reversed to the income statement in subsequent years		
Change IAS 19 reserve	(15)	0
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR	**12.662**	**5.889**

(Euro/000)	31.12.2013	*of which related parties*	31.12.2012	*of which related parties*
Operating activity				
CASH FLOW				
Net profit	12.256		6.199	
Depreciation and write downs of tangible assets	8.427		8.575	
Amortisation and write downs of intangible assets	191		150	
TOTAL CASH FLOW	**20.874**		**14.924**	
Changes in deferred tax assets and liabilities	153		(736)	
Post employment benefits:				
provisions/(utilisation)	(20)		154	
Provisions for risks and charges:				
provisions/(utilisation)	1.544		(35)	
Financial income	(3.612)		245	
TOTAL CASH FLOW BEFORE CHANGES IN WORKING CAPITAL	**18.939**		**14.552**	
Working capital				
Change in trade receivables	(3.533)	*(1.045)*	(6.317)	*(297)*
Change in inventories	1.183		(4.388)	
Change in other current assets	1.985	*433*	(1.886)	*(138)*
Change in trade payables	(13.271)	*(10.653)*	7.124	*1.042*
Change in taxes payable	(1.661)		2.848	
Change in other current liabilities	5.569	(32)	2.530	
Change in working capital	**(9.728)**		**(89)**	
CASH GENERATED FROM OPERATING ACTIVITY	**9.211 (a**		**(14.463) (a**	
Investing activities				
Divestment/(investment) in tangible fixed assets net of divestments/investments	(8.560)		(11.572)	
Divestment/(investment) in intangible fixed assets net of divestments/investments	(443)		(153)	
Disposal of other non current assets	0		320	
Goodwill	0		0	
Investments in equity holdings net of divestments	(2)		(180)	
Interest received	3.612		(245)	
CASH GENERATED/(ABSORBED) FROM INVESTMENT ACTIVITY	**(5.393) (b**		**(11.830) (b**	
Financing activities				
Medium/long term loans	14.182		(11.815)	
Change in short term bank debt	(10.369)		11.521	
Dividends distributed	(1.860)	*(1.316)*	0	
Change in purchase and sale of treasury shares	2.855		(804)	
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**4.808 (c**		**(1.098) (c**	
	8.626 (a+b+c)		**1.535 (a+b+c)**	
Change in the net financial position				
Cash and cash equivalents at the beginning of the year	13.447		11.912	
Cash and cash equivalents at the end of the year	22.073		13.447	

SHAREHOLDERS' EQUITY

(Euro/000)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Reserve IAS 39	Losses previous years	Profits previous years ex Pomagro	Retained earnings	Net profit/ loss for the year	Total shareholders equity
Balance at 01.01.2012	35,529	15,327	4,482	14,238	(639)	(2,160)	2,913	19,432	519	89,641
Reclassifications										0
Allocation of the result	4,591		26					(4,098)	(519)	0
Dividends distributed										0
Purchase/sale of treasury shares	(576)							(228)		(804)
Utilisations in the year					(310)					(310)
Result for the year									6,199	6,199
Change in IAS 39 (other comprehensive income)										0
Balance at 31.12.2012	**39,544**	**15,327**	**4,508**	**14,238**	**(949)**	**(2,160)**	**2,913**	**15,106**	**6,199**	**94,726**

OTHER RESERVES

(Euro/000)

	Reserve for Casmez grants	Reserve for Casmez grants from 1.1.93	Regional reserve grants L. 43/92	Reserve grants L.64 1/3/86	Reserve grants L.64 1/3/86 from 1.1.93	Reserve VAT deduction. Law 675	Reserve grants Prisma	Reserve grants Law 219/81	Reserve L.488	Reserve IAS	TOTAL
Balance at 01.01.2012									4,724	9,514	14,238
Reclassifications											
Utilisations in the year											
Balance at 31.12.2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**9,514**	**14,238**

SHAREHOLDERS' EQUITY

(Euro/000)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Reserve IAS 39	Losses previous years	Profits previous years ex Pomagro	Retained earnings	Net profit/ loss for the year	Total shareholders equity
Balance at 01.01.2013	39,544	15,327	4,508	14,238	(949)	(2,160)	2,913	15,106	6,199	94,726
Reclassifications										0
Allocation of the result			310					5,889	(6,199)	0
Dividends distributed								(1,860)		(1,860)
Purchase/sale of treasury shares	1,042			1,317				497		2,856
Change in IAS 19 reserve				(15)						(15)
Utilisations in the year										
Result for the year									12,256	12,256
Change in IAS 39 reserve (other comprehensive income)					421					421
Balance at 31.12.2013	**40,586**	**15,327**	**4,818**	**15,540**	**(528)**	**(2,160)**	**2,913**	**19,633**	**12,256**	**108,385**

OTHER RESERVES

(Euro/000)

	Reserve for Casmez grants	Reserve for Casmez grants from 1.1.93	Regional reserve grants L. 43/92	Reserve grants L.64 1/3/86	Reserve grants L.64 1/3/86 from 1.1.93	Reserve VAT deduction. Law 675	Reserve grants Prisma	Reserve grants Law 219/81	Reserve L.488	Reserve IAS	TOTAL
Balance at 01.01.2013									4,724	10,288	15,012
Reclassifications											
Utilisations in the year											
Balance at 31.12.2013	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**10,288**	**15,012**

BALANCE SHEET AS PER ART. 2424 CIVIL CODE

(Euro/000)

Nature/description	Amount	Possibility of utilisation	Quota distributable	Summary of utilisations made in the previous years 2009 - 2013: For coverage of losses	For other reasons
Share Capital	40,585				
Capital reserves:					
Share premium reserve	15,327	A B	15,327		
Reserve for Casmez grants		A B C			
Reserve for Casmez grants from 01.01.1993		A B C			
Reserve regional grants Law 43/92		A B C			
Reserve grants Law 64/86		A B C			
Reserve grants Law 64/86 from 01.01.1993		A B C			
Reserve VAT deduction Law 675		A B C			
Reserve Prisma grants		A B C			
Reserve grants Law 219/81		A B C			
IAS reserve	10,288	A B C	10,288		
Profit reserves:					
Legal reserve	4,818	B			
Reserve Law 488	4,724	A B C	4,724		
Retained earnings	20,387	A B C	20,387		
TOTAL	**96,129**		**50,726**		
QUOTA NON DISTRIBUTABLE			**4,724**		
QUOTA DISTRIBUTABLE			**46,002**		

Key
A: for share capital increase
B: for losses
C: for distribution to shareholders

EXPLANATORY NOTES

EXPLANATORY NOTES TO THE 2013 SEPARATE FINANCIAL STATEMENTS OF LA DORIA S.P.A.

1. GENERAL ASPECTS

La Doria S.p.A. (hereafter also the "Company") operates in the production and marketing of food products – in particular in the vegetable and juices processing sector. The Company operates from five production sites and markets its products in Italy and abroad, principally in the United Kingdom, Japan, Australia and in the Scandinavian countries.

La Doria S.p.A. is listed on the Star segment of the Italian Stock Exchange.

The present financial statements were approved by the Board of Directors on March 14, 2014, which authorised their publication on the same date, and were audited by PriceWaterhouseCoopers S.p.A..

The Company is not subject to direction or management by other companies or entities.

2. CONTENT AND FORM OF THE FINANCIAL STATEMENTS OF LA DORIA SPA

INTRODUCTION

The present consolidated financial statements at December 31, 2013 comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and the Notes and were prepared in accordance with International Accounting Standards approved at the date of the present financial statements by the European Commission, hereafter "IAS/IFRS", supplemented by the relative interpretations (Standing Interpretations Committee SIC and International Financing Reporting Interpretations Committee –IFRIC) issued by the International Accounting Standard Board (IASB), as well as the provisions of Article 9 of Legislative Decree No. 38 of February 28, 2005. The standards and the accounting principles applied to the present financial statements are in line with those utilised for the preparation of the financial statements at December 31, 2012. From January 1, 2013 some amendments were made to the international accounting standards. The principal changes are outlined in the subsequent paragraph "Form of the financial statements". In the section "Effects of the changes to the accounting principles adopted" summarises the accounting standards currently being approved by the European Union, not yet applied by the Company and the accounting standards not yet in force.

The general principle adopted in the preparation of the financial statements is the cost method, with the exception of the derivative instruments and some financial assets, for which IAS 39 is obligatory or - limited to financial assets - valuation in accordance with the fair value method is permitted. The financial statements are prepared in Euro. All amounts in the notes are expressed in thousands of Euro, except where otherwise indicated. The present Financial Statements were prepared on a going concern basis, based on the current performance and the future business plans approved by the Board.

FORM OF THE FINANCIAL STATEMENTS

Relating to the form of the financial statements, the company elected for the following presentation of the financial statements. The amounts with related parties are shown in a separate column for all of the tables.

Balance Sheet

The Balance Sheet at December 31, 2013 is prepared with separate indications of the Assets, Liabilities and Equity. The Assets and the Liabilities are classified as current and non-current.

Income Statement

The Income Statement for the year 2013 is presented by the nature of the expenses.

Comprehensive Income Statement

The Comprehensive Income Statement is presented in a separate document, as permitted by IAS 1 Revised.

Cash Flow Statement

The Cash Flow Statement is prepared applying the indirect method. The cash flow statement was detailed further since 2010 with the cash flows from operating activities and cash flows in the finance area subject to a different classification in order to provide a more complete disclosure.

Statement of changes in Shareholders' Equity

The Statement of changes in Shareholders' Equity was prepared according to IAS 1, as amended by the IFRS improvements published in 2010 and approved by European Union Regulation No. 149 of February 18, 2011. In addition, the following tables are an integral part of the notes to the financial statements:

- Intangible Assets at December 31, 2013 (Table A);
- Property, plant and equipment and accumulated depreciation at December 31, 2013 (Tables B, B1 and B2);
- Investments in Companies directly and indirectly held (Table C and C1);

- Remuneration paid to Directors, Statutory Auditors, the General Manager and Management of La Doria S.p.A. and its subsidiaries and to the Independent Audit Firm (Tables D, D1 and E), based on Consob Communication No. DEM/11012984 of 24/2/2011 concerning indemnity in the case of the advance conclusion of employment and disclosure on remuneration in accordance with Article 78 of Regulation No. 11971 of May 14, 1999 and subsequent amendments;
- Statements relating to the management of risks in accordance with IFRS 7 and subsequent amendments (Tables 1 to 12).

Identification of the functional currency

The present financial statements are presented in Euro (the functional currency of the Company).

Effects of the amendments in the accounting standards adopted

Accounting principles adopted

In the preparation of the present financial statements the accounting standards adopted are those as utilised in the preparation of the financial statements at December 31, 2012 and the half-year report at June 30, 2013.

For completeness of information, we report that from January 1, 2013 the Company adopted a series of new accounting standards and interpretations, among which we highlight, in particular:

- Amendments to IAS 19 – "Employee benefits". The standard establishes that the costs of defined benefit plans are calculated according to a discount rate of net liabilities/assets relating to the employee benefit plans. All actuarial gains/losses must be classified to Other Comprehensive Income ("OCI"), without any possible recognition to the income statement. The application of this new standard did not result in significant effects.
- Amendments to IAS 1 "Financial statement presentation regarding other comprehensive income" The amendments provide for the grouping of OCI items into two categories, according to whether they may be reclassified to the income statement in a future period. The standard does not alter the possibility to present two income statements and does not specify which items may be reclassified in the income statement. The amendments were approved by the European Union in 2012. They were applied to all periods presented.

- IFRS 13 – "Fair value measurements". The standard precisely defines fair value and comprehensively outlines its measurement. The standard does not extend the use of fair value measurement but rather provides guidelines as to how the measurement should be applied. It was published by the IASB in May 2011 and approved by the European Union in December 2012. This standard did not have a significant impact on the Company Financial Statements, as the fair value measurement processes introduced do not differ from those previously utilised by the Company.
- Amendments to IFRS 7 – "Financial Instruments: Disclosures on offsetting financial assets and financial liabilities". The amendments improved the current disclosure on offsetting in order to facilitate offsetting between companies which prepare financial statements based on IFRS and those utilising US GAAP. The standard, published by the IASB in December 2011, was approved by the European Union in December 2012. It did not have a significant impact on the Company Financial Statements.
- Amendments to IFRS 1 - "First time adoption on government loans". The amendments clarify how companies adopting IFRS for the first time should measure government loans with an interest rate below the market rate. The amendments, approved by the European Union in March 2013, did not have any impact on the Company Financial Statements.

Effects of the amendments in the accounting standards adopted

At the current date, the European Parliament has approved a number of standards and interpretations, not yet compulsory, which will be applied by the Company in future years. The principal amendments and potential effects on the Company are summarised below:

- IFRS 10 – "Consolidated financial statements". The standard is based on pre-existing principles, identifying control as a determining factor for inclusion of a company in the consolidated financial statements. The standard provides further indications on establishing control. It was published by the IASB in May 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. The adoption of this standard will not have a significant impact on the Company Financial Statements.
- IFRS 11 – "Joint arrangements". The standard focuses more on the rights and obligations of an agreement rather than its legal form. It identifies two types of "Joint arrangements". Joint operations concern agreements in which joint Managers who hold joint control have rights on assets and obligations for liabilities under the agreement. Joint ventures are joint control agreements in which the parties, joint venturers, who jointly hold control, maintain rights on the net assets of the agreement. Proportional consolidation is no longer permitted. It was published by the IASB in May 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. The

adoption of this standard will not have a significant impact on the Company Financial Statements.

- IFRS 12 – "Disclosures of interests in other entities". The standard outlines the disclosure to be provided for all types of interests in other companies. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. The standard may be adopted in advance. It will not have a significant impact on the Company Financial Statements.
- Amendments IFRS 10, 11 and 12. The amendments provide guidelines for the preparation of comparative data. They were published by the IASB in July 2012, approved by the European Union in April 2013 and are effective for periods beginning January 1, 2014. The standard may be adopted in advance. It will not have a significant impact on the Company Financial Statements.
- IAS 27 (revised 2011) "Separate financial statements". The standard includes the provisions on separate financial statements which remain subsequent to the inclusion in IFRS 10 of provisions concerning control. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. It will not have an impact on the Company Financial Statements.
- IAS 28 (revised 2011) "Associates and joint ventures". The standard establishes the requirements for joint ventures and for associated companies which are measured under the equity method following the issue of IFRS 11. It was published by the IASB in May 2011, approved by the European Union and is effective for periods beginning not beyond January 1, 2014. It will not have a significant impact on the Company Financial Statements.
- Amendments to IAS 32 "Financial instruments: Presentation on offsetting financial assets and financial liabilities". The amendments clarify a number of requirements necessary for the offsetting of financial assets and liabilities. It was published by the IASB in December 2011, approved by the European Union in December 2012 and is effective for periods beginning January 1, 2014. It will not have a significant impact on the Company Financial Statements.
- Amendments to IFRS 10, IFRS 12 and IAS 27. The amendments establish that many funds or similar investment companies which satisfy the definition of an "investment company" will be exempted from consolidating most of their subsidiaries. The amendments, not yet approved by the European Union, are applicable from periods beginning January 1, 2014.
- IFRS 2 Revised – Share-based payments, which clarifies the treatment of share-based payments in the case of incentive plans.
- The interpretations IFRIC 12 (Service concession arrangements), IFRIC 15 (Agreements for the construction of real estate), IFRIC 16 (Hedges of a net investment in a foreign operation), IFRIC 17 (Distribution of non-cash assets to owners) and IFRIC 18 (Transfers of assets from customers).

- On May 29, 2013, the IASB issued an amendment to IAS 36 – Disclosure on recoverable amount of non-financial assets, which governs the disclosure on the recoverable value of impaired assets, if this amount is based on the fair value net of selling costs. The amendments must be applied retrospectively from periods beginning January 1, 2014. Advance application is permitted for the periods for which the entity has already applied IFRS 13. This amendment was approved with Regulation No. 1374/2013.
- On June 27, 2013, the IASB issued certain amendments to IAS 39 – Financial Instruments: recognition and measurement, entitled "Novations of derivatives and continuity of Hedge Accounting". The amendments permit continuation of hedge accounting in the case in which a derivative financial instrument, designated as a hedge instrument, is replaced following the application of law or regulations in order to replace the original counterparty so as to guarantee the fulfilment of the obligation assumed and where certain conditions are satisfied. The same amendment will be included also in IFRS 9 – Financial instruments. These amendments approved with Regulation No. 1375/2013 must be applied retrospectively from the years beginning January 1, 2014.

Accounting standards not yet applicable as not yet approved by the European Union

In addition, at the reporting date, the European Union had not yet completed its endorsement process for these standards and amendments:

- On November 12, 2009, the IASB published IFRS 9 – Financial instruments, which was subsequently amended. The standard, having an effective date for mandatory adoption of January 1, 2015 retrospectively, represents the completion of the first part of a project to replace IAS 39 and introduces new requirements for the classification and measurement of financial assets and financial liabilities. The new standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. The most significant effect of the standard regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss. Under the new standard these changes are recognised in Other comprehensive income and are not subsequently reclassified to the income statement.
- On May 20, 2013, the IASB issued IFRIC 21 – Levies, an interpretation of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. IFRIC 21 provides clarification on when an entity should recognise a liability for the payment of State taxes, with the exception of those already governed by other standards (e.g. IAS 12 – Income taxes). IAS 37 establishes the criteria for the recognition of a liability, one of which is the existence of a present obligation on the entity arising from a past event (known as an obligating event).

The interpretation clarifies that the obligating event, which gives rise to a liability for the payment of the tax, is described in the applicable regulation from which the payment arises. IFRIC 21 is effective from the periods beginning January 1, 2014.

- On November 21, 2013, IASB issued the document "Defined Benefit Plans: Employee Contributions (Amendments to IAS 19 Employee Benefits)". The amendments made to IAS 19 permit (but do not render compulsory) the deduction from the current service cost of the period the contributions paid by the employees and by third parties, which are not related to the number of years of service, in place of the allocation of these contributions over the service period.
- On December 12, 2013, IASB published the document "Annual Improvements to IFRS – 2010-2012 Cycle". These amendments mainly refer to: (i) IFRS 2, amending the definition of maturation conditions; (ii) IFRS 3, clarifying that a potential payment classified as an asset or liability must be valued at fair value at each reporting date; (iii) IFRS 8, principally requiring disclosure concerning the criteria and evaluation factors considered in determining the level of aggregation of the operating segments within the financial statements (iv) the Basis of Conclusions of IFRS 13, confirming the possibility to recognise short-term receivables and payables which does not explicitly state the implicit interest rate therein, at their face value, if the effect from not discounting is not significant; (v) IAS 16 and IAS 38, clarifying the manner to determine the gross book value of the assets, in the case of revaluation consequent of the application of the model of the re-determined value; (vi) IAS 24, specifying that an entity is related to a reporting entity if the entity (or a member of the group to which it belongs) provides to the reporting entity (or its parent company) key management personnel services.
- On the same date, the IASB published the document "Annual Improvements to IFRS – 2011-2013 Cycle". These amendments mainly refer to: (i) the Basis of Conclusion of IFRS 1, clarifying the definition of IFRS "in force" for the First-time adopters; (ii) IFRS 3, clarifying the exclusion from application of joint control agreements in the financial statements relating to jointly controlled companies; (iii) IFRS 13, clarifying that the application of the exception as per paragraph 48 of the standard is extended to all contracts within the application of IAS 39, independent of the fact of whether they are within the definition of financial assets or financial liabilities as per IAS 32; (iv) IAS 40, clarifying the inter-relation between IFRS 3 and the standard.

In accordance with the pronouncements issued by IASB, the provisions contained in the above-mentioned documents are effective from the periods which begin on or after July 1, 2014. However, it should be noted that as approval has not yet been obtained from the European Commission, the effective entry into force of these provisions may be deferred.

On November 19, 2013 IASB published the document "IFRS 9 Financial Instruments - Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39", with the relative Basis for Conclusions and Applicable Guideline. These documents: (i) result in a substantial review of the accounting of hedging operations; (ii) in relation to IFRS 9, which requires that changes in the fair value of liabilities designated at fair value through the profit or loss, giving rise to gains or losses deriving from changes in the credit risk of the entity, are recognised in the Other Comprehensive Income Statement, which permits advance application of this regulation compared to other provisions contained in the standard; (iii) eliminates indication of January 1, 2015 as the compulsory entry into force of IFRS 9.

Definite intangible assets and amortisation

An intangible asset is an identifiable non-monetary asset without physical substance, identifiable and capable of generating future economic benefits. Intangible assets are originally recognised at purchase and/or production cost, including the costs of bringing the asset to its current use, net of accumulated amortisation, and any loss in value. Amortisation is calculated using the straight-line method over the estimated period of effective utilisation or future benefit. Where there are indications of a permanent loss in value, a specific impairment test is carried out and any loss in value is charged to the income statement and as a reduction of the fixed asset, in accordance with the procedures indicated below in the following paragraph. The balance includes assets clearly identifiable and measurable, capable of generating future economic benefits for the company and includes concessions, licenses and trademarks, patents and industrial rights and other intangible assets, including the purchase cost of software and intangible assets recorded on business combinations, in accordance with IFRS 3. The costs of research and the cost of maintenance and software management are charged to the income statement.

Intangible assets with an indefinite life

Goodwill

The goodwill stated under intangible assets relates to business combinations made since January 1, 2004, whose results are included in the financial statements following the mergers, and represents the difference between the cost incurred for the purchase of a company and the sum of the values assigned, based on the fair values at the purchase date of the individual assets and liabilities of the company purchased. Goodwill has an indefinite life and therefore is stated at original cost, net of any write-downs. Goodwill, in fact, is not amortised but subject to an impairment test in accordance with IAS 36, on an annual basis, except when there are market and operational indicators identified by the Company, in which case it is necessary to carry out the test also in relation to the preparation of the interim accounts. The goodwill is allocated to the individual cash generating units (CGU), identified with reference to the organisation, management and control structures of the Group. Within each sector, the CGU's are defined as the smallest independent operational and financially independent units, identified, for uniformity of business and operational management, as companies within a determined area of activity together with its subsidiaries. The goodwill is tested in order to identify any loss in value. The test is undertaken on the CGU comparing the book value with the higher between the value in use of the CGU and the recoverable value through sale. In particular, the value in use is determined using the "unlevered" version of the discounted cash flow method, applied on the cash flows from the five-year plans approved by the Directors, projected beyond the explicit period covered by the plan according to the perpetual yield method (so-called Terminal value), utilising growth rates not above those expected for the markets in which the individual CGU's operate. The cash flows utilised are those generated from the company's operating activities, in their current conditions and without including the effects deriving from future restructuring of the business or from future investments aimed at improving performance, before financial charges and income taxes and include capital expenditure and working capital changes, while they do not include cash flows relating to financial management, extraordinary events or dividend payments. The base macroeconomic assumptions are determined, where available, according to external information sources, while the estimates of profitability and growth assumed in the plans are determined by management based on past experience and expectations of developments on the markets in which the Company operates.

Property, plant & equipment

Property, plant and equipment are stated at purchase or production cost, including additional charges allocated to the asset and related to its preparation for use during its useful life, net of accumulated depreciation and any loss in value deriving from the impairment test commented upon in the subsequent paragraph. Land is recorded at purchase cost, net of any loss in value and is not subject to depreciation. In order to determine the purchase cost for buildings the deemed cost method is used corresponding to the "fair value" or the revalued cost at January 1, 2004. "Fair value" as per IFRS 13 concerns the price that would be received from the sale of an asset or would be paid for the transfer of a liability in a transaction settled between market operators at the valuation date. Ordinary maintenance and repairs in the normal course of business are charged to the income statement. Extraordinary maintenance or repairs on owned assets or of third parties are capitalised and depreciated only if clearly identifiable and having future use. The cost of internally produced fixed assets includes the costs of the materials used, labour costs, the initial estimate, where applicable, of the dismantling and removal costs of the asset, and site reclamation costs. When the asset to be depreciated is composed of separately quantifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the "component approach" principle. The amendments to IAS 23 eliminated the option to record to the income statement the borrowing costs related to the purchase, construction or production of assets which require a significant period of time to be ready for use or for sale (qualifying assets). Finance charges are capitalised only when the requirements of IAS 23 are in place. Buildings available-for-sale are not depreciated as they are not used in the production process and are stated at the lower of cost and fair value less costs to sell. The capital grants are recognised when there is reasonable certainty that they will be received and that they will satisfy the conditions for their approval. They are recorded under liabilities and credited to the income statement, in line with the depreciation process of the assets to which they refer.

Depreciation of property & equipment

The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset. Depreciation commences when the asset is available for use. In the year in which the asset is recorded for the first time, the depreciation is reduced to take account of the lesser use of the asset. The estimated useful lives are those reported in Table B. Land, as already described, is not depreciated as it has an indefinite life and is subject to an impairment test when there are indications of a loss in value. Applying the principle of the "component approach", when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

Loss in value of tangible and intangible assets (impairment of the assets)

As previously described, assets with an indefinite life are subject, at least annually, to a verification of the recovery of the value recorded in the balance sheet on the basis of the value in use. For depreciated assets, an impairment test is made when there are indications of a probable loss in value. When, following an impairment test, write-downs should be made (recovery value lower than carrying value in the financial statements) and recognised in the income statement. The value is reinstated in future years, up to the amortised cost - should the reason for any write-down no longer exist. The reinstated amount is also recognised in the income statement. However, in no case is goodwill reinstated following a previous write-down.

Finance Leases

The leasing of buildings in which the Company acquires the significant risks and rewards connected to the ownership are classified as "finance leases". The assets under finance leases are originally stated with the recording of a fixed asset and a financial payable at the lower of the fair value of the asset and the current value of the minimum lease payments, due at the commencement date of the contract using the implicit interest rate of the leasing. Thereafter, an amount is charged to the income statement equal to the depreciation of the asset, calculated based on the residual useful life of the asset and the financial charges separated from the lease payments made in the year. The residual amount of the lease payments is recorded as a reduction of the finance lease payables. The Company does not hold assets within this category.

Operating leases

Operating leases are recognised in the income statement in relation to the duration of the contract, in accordance with IAS 17. Operating leases are those relating to fixed assets for which the Company does not acquire the significant risks and rewards connected to their ownership.

Equity investments

The equity investments relate to:

- "subsidiaries", in which the Company has the power to determine the financial and operating policies, and to obtain the relative benefits;
- "associated companies", in which the investee company exercises significant influence (assumed when at least 20% of the votes at the Shareholders' Meeting may be exercised). The account also relates to jointly-controlled companies (joint ventures);
- "other companies" which are not classified in any of the categories above.

The investments held for sale, such as those acquired with the sole purpose to be sold within twelve months, are classified, where applicable, separately in the account "assets held for sale".

The subsidiaries (including jointly held), associated and other companies, with the exception of those classified under "assets held for sale", are valued at acquisition cost or subscription cost. The cost basis remains with the exception of a loss in value or any recovery in value following a change in the economic destination or capital operations. Investments available-for-sale are measured at the lower of cost and fair value, less costs to sell.

Inventories

Inventories are measured at the lower of purchase and/or production cost and net realisable value. Purchase or production costs include the costs incurred in bringing the inventories to the present location and condition and are determined under the "weighted average cost" method. Net realisable value is the selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories have also been adjusted, where necessary, by an allowance for write-downs to account for the physical deterioration of the goods. This provision is eliminated in successive periods if it is no longer necessary. The Company classifies inventories in the following categories:

- Raw material, ancillary and consumables;
- Products in work-in-progress and semi-finished;
- Finished products;
- Payments on account.

The work in progress is valued at production cost utilising the average weighted cost method, excluding financial charges and overheads.

Financial Assets/Liabilities
The Company classifies financial assets in the following categories:

- assets at fair value through the income statement;
- loans and receivables;
- held-to-maturity investments;
- AFS financial assets.

The classification depends on the reasons for which the asset/liabilities were purchased, by their nature and by the measurement made by management at the purchase date. For the annual accounts, the management of the Company evaluates the existence of indicators of loss in value requiring an impairment test.

Financial assets at fair value through profit or loss
This category, as established by the Directors, includes financial assets acquired for short-term trading. The fair value of these instruments is determined with reference to the market value at the balance sheet date. The changes in fair value of the instruments belonging to this category are immediately recognised in the income statement. The classification between current and non-current reflects the expectations of the management on their trading: included under current assets are those in which trading is expected within 12 months. The assets included in this category do not relate to the normal operations of the Company.

Loans and receivables
This category includes, in addition to trade receivables, assets not represented by derivative instruments and not listed on an active market, not held for trading and for which fixed or determinable payments are expected. Loans and receivables are measured at amortised cost on the basis of the effective interest method, considering write-downs for adjustments of realisable value made analytically on the basis of the expected receipts. The write-downs are recognised in the income statement. These assets are classified as current assets, except for the portion relating to non-trade receivables with maturity beyond 12 months, which are included in non-current assets. Trade receivables which mature within the normal commercial terms are not discounted.

Held-to-maturity investments
These relate to assets, other than derivative instruments, at pre-fixed maturity, with fixed or determinable payments and for which the Company has the full intention and capacity to maintain in portfolio until maturity. The Company does not hold assets within this category.

AFS financial assets

This category includes financial assets not represented by financial instruments, specifically designated as included in this category or not classified in any of the previous categories. They are measured at fair value, determined with reference to market prices at the balance sheet date or through financial measurement techniques or models. The changes in value are recorded in a specific equity reserve "reserve for assets available for sale". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2013, the company does not hold these types of assets.

Assets held for sale and discontinued operations

In order to classify the asset as held for sale, the book values of the assets (and of all the assets and liabilities of a group for sale) are measured in accordance with IFRS/EU. On the initial classification of the assets held for sale, the non-current assets and group of assets for sale are measured at the lower of the carrying value and the fair value less costs to sell. The losses in value resulting from the initial measurement of an asset classified as held for sale are recognised in the income statement. The same treatment applies to the gains and losses on subsequent measurements. An operating activity discontinued (valued as assets held for sale) is a component of the Company which represents an important independent business division or geographical area or is a subsidiary acquired exclusively for resale. An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. A company being sold may also be included under operating activities discontinued.

Financial instruments

The Company manages the exchange and interest rate risk (limited to "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through forward operations (commented upon in the paragraph on Derivatives). The Company manages the cash flow risk through interest rate swap operations which permit the converting of the floating rates relating to the loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge). The above operations relate to:

Derivatives

The derivative instruments continue to be considered as assets held for trading and measured at fair value with recognition in the income statement, except in the case where they are considered, in accordance with EU/IFRS standards, as appropriate hedging instruments to neutralise the risk of the underlying asset or liability or commitment assumed by the Company. In this case, they are measured in relation to the type of hedge related to the underlying hedge. In particular, the Company uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39 in terms of effective hedges. Therefore, hedge accounting may not be applied. These operations, therefore, are considered trading operations and are measured at fair value through profit or loss.

Cash Flow Hedge

The fair value changes of the derivatives designated as cash flow hedges and which qualify as such, are recognised, at the balance sheet date, in a specific equity reserve ("cash flow hedge reserve") with an adjustment of the financial asset/liability hedged. This reserve is reversed to the income statement at the same time as the economic effects of the asset/liability hedged.

Measurement of the fair value

The fair value of the instruments listed on public markets is determined with reference to the quotations at the date of recognition ("bid price"). The fair value of non-listed instruments is established through financial valuation techniques, in particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward/option contracts is determined on the basis of the forward exchange rate at the reference date.

Cash and cash equivalents

This includes cash in hand and bank and postal deposits which are available on demand, certain in nature and with no payment expenses. Cash and cash equivalents are stated at fair value.

Shareholders' equity

Share capital

The Share Capital at December 31, 2013 is represented by the subscribed and paid-in share capital less the treasury shares held in portfolio. There are no saving shares, or other types of shares other than ordinary shares. The costs relating to operations on the share capital are recorded as a reduction of equity.

Treasury shares

They are recorded as a decrease in equity. In particular, the nominal value is recorded as a deduction in the share capital, while any higher value is recorded in the retained earnings reserve or other available reserves. Gains or losses on sale, issue or cancellation of the treasury shares are allocated directly to equity.

Retained earnings/losses carried forward

The reserve includes the results of previous years for the part not distributed or recorded under other reserves (in the case of profit) or recapitalised (in the case of losses). The account also includes the transfers from other equity reserves when those reserves are no longer required as well as the effects of the recording of changes to accounting policies and material errors.

Other reserves

They consist of specific capital reserves. They include the cash flow hedge reserve relating to the recording of the value of the portion of cash flow hedged.

Trade payables and other liabilities

Trade payables are initially recognised at fair value. Thereafter, they are measured at amortised cost, using the effective interest rate. The trade payables which mature within the normal commercial terms are not discounted. These liabilities are classified as current liabilities, except for the portion relating to non-trade payables with maturity beyond 12 months, which are included under non-current liabilities. Financial liabilities are eliminated from the financial statements when, due to their sale or settlement, the Company is no longer involved in their management, nor holds the relative risks and benefits relating to these instruments settled/sold.

Employee benefits

Post-employment benefits

The liabilities relating to the defined benefit plans (such as the Employee Leaving Indemnity) are determined net of any plan assets, on the basis of actuarial assumptions, and on an accruals basis in line with the employee service necessary to obtain the benefits; the measurement of the liability is made by independent actuaries. The method applied for the determination of the above-stated benefits is defined as the “projected unit credit method”, with the recording of the current value of the obligations to employees deriving from the actuarial calculations. The value of the liability recognised in the financial statements is therefore in line with the actuarial valuation with full and immediate recognition of the actuarial gains and losses in the period in which they arise in the comprehensive income statement through a specific equity reserve (“IAS 19 Reserve”). In the calculation of the liabilities account is taken of the changes made by Law 296 of December 27, 2006 ("2007 Finance Law") and subsequent Decrees and Regulations issued during 2007 which introduced, in relation to the pension reform system, significant amendments on the allocation of the employee leaving indemnity provision maturing.

Other employee benefits
The Company does not recognise other forms of long-term benefits to employees, nor benefits under the form of share capital participation. However, benefits are recognised for the termination of employment (leaving incentive etc.). These benefits are recorded when there is a formal plan, with details of the identification of functions, the number of employees concerned, the amount of the incentive recognised and the period for the realisation of the plan. The liabilities for vacation due but not taken and performance bonuses are recorded on the basis of the amounts matured at the period end. In particular, the performance bonuses are provided for when there is a legal or implicit obligation for their recognition.

Provisions for risks and charges
The other provisions for risks and charges include provisions for employment and legal disputes, including fiscal, arising from a past event for which a payment is probable to meet the obligation, provided that a reliable estimate can be made of the relative amount.

The provisions for risks and charges are recorded when a current obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate, based on available information, on the amount to be paid to settle the obligation. Possible risks that may result in a liability are disclosed in the notes without any amounts being set aside. Account is not taken however of the risks for which the probability of employing resources to produce economic benefits is remote.

Foreign currency transactions
Foreign currency transactions are translated at the exchange rate at the date of the transaction. The exchange differences arising on the receipt and/or payment are recognised in the income statement. The monetary accounts existing at the balance sheet date are translated using the year-end exchange rate. The exchange differences are recorded in the income statement. The non-monetary accounts measured at historical cost in foreign currencies are translated using the exchange rate at the transaction date. The non-monetary accounts measured at fair value in foreign currencies are translated using the exchange rate when the fair value was determined.

Costs and revenues
Costs and revenues are recorded in accordance with the probability that the company will receive economic benefits and the amount can be determined reliably. The revenues are recorded at the fair value of the amount received less returns, discounts and allowances in accordance with the accruals principle. Revenues relating to the sale of goods are recognised when the company has transferred to the buyer all the significant risks and rewards related

to the ownership, which in many cases coincides with the transfer of the ownership and/or possession by the buyer and when the amount of the revenue can be reliably determined. Costs are recorded in accordance with the accruals principal.

Dividends

Dividends payable are represented as changes in shareholders' equity in the year in which they are approved by the Shareholders' Meeting. Dividends to be received are recorded on the date of the shareholders' resolution.

Financial income and charges

Financial income and expenses are recorded on an accruals basis on the interest matured on the net value of the relative financial assets and liabilities and utilising the effective interest rate. The Company reports net exchange gains and losses under net financial income/(charges) in accordance with IAS 1 Revised, paragraph 35.

Income taxes

The Company tax charge is based on current taxes and deferred taxes. Where relating to components recognised to income and charges recorded to net equity within the comprehensive income statement, such taxes are recorded to the same account.

Current taxes are calculated based on tax regulations in force at the financial reporting date; any risks concerning different interpretations of positive or negative income components, such as any disputes with tax authorities, are valued at least quarterly in order to adjust the financial statement provisions. In particular, in the determination of the income taxes of the Company, consideration was taken of the effects deriving from the IAS tax reform introduced by Law 244 of December 24, 2007 and, in particular, the provisions of Article 83 of the Consolidated Finance Act which now requires that for parties that apply international accounting standards they must utilise, even where exempted by the provisions of the Consolidated Finance Act, "the criteria of qualification, accruals accounting and classification in the accounts in accordance with these accounting standards".

The deferred taxes, recorded in the accounts at their nominal value, are calculated based on the temporary differences between the book value of the assets and liabilities and the corresponding value for tax purposes, with the exception of temporary differences on the initial recording of the goodwill, of the initial recording of assets or liabilities which do not have an impact on the profit for accounting or tax purposes and the differences relating to investments in subsidiary companies in which it is probable, in the future, that the temporary differences will not reverse. The valuation of deferred tax assets and liabilities is carried out applying the expected tax rate when the temporary differences will reserve, on the basis of the current tax regulations at the reporting date. Deferred tax assets are recognised for the amount it is probable that, in the years in which the relative temporary differences reverse, assessable income exists at least equal to the amount of the differences. Deferred tax assets and liabilities are classified under non-current assets and liabilities.

Utilisation of estimates

The preparation of the financial statements at December 31, 2013 requires the use of estimates and specific valuations by the Directors, based on historical data and on the expectations of events which will reasonably occur based on current information available. The principal account in the financial statements utilising valuations and assumptions of particular significance is goodwill, in relation to which, as previously indicated, the Company makes an analysis of the recoverable value at least on an annual basis (impairment test), which requires utilisation of estimates, which are described in paragraph 3 "Goodwill". It is possible that the actual results will be different from the assumptions, which may result in an adjustment to the carrying value of the goodwill, recorded in the financial statements at December 31, 2013 for a value of Euro 5,984 thousand.

Impairment of googwill

As previously described, the Company annually makes an analysis of recoverable value of goodwill ("Impairment test"). This test is based on calculations of its value in use, which requires the use of estimates. These estimates are detailed in the paragraph relating to the goodwill. It is possible that the actual results will be different from the assumptions which may result in an adjustment to the carrying value of the goodwill.

Earnings/(loss) per share

IAS 33 "Earnings per share" provides that those entities whose ordinary shares or potential ordinary shares are traded on financial markets must provide information in the financial statements on the earnings/(loss) per share, and disclose the following information:

(a) Basic

The basic earnings/(loss) per share is calculated by dividing the result by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

(b) Diluted

The diluted earnings/(loss) per share is calculated by dividing the result by the weighted average number of ordinary shares outstanding during the year, excluding any treasury shares.

In order to calculate the diluted earnings/(loss) per share, the average weighted number of shares outstanding is adjusted assuming the exercise of all the rights which have a potentially diluting effect, while the net profit or loss of the Company is adjusted to take into account the effects, net of income taxes, of the exercise of these rights.
The basic earnings/(loss) per share and the diluted earnings/(loss) per share are reported in the income statement attached to the present financial statements.

Stock options

The Group does not have stock option plans in place.

OPERATING SEGMENTS

The Company considers the “operating segment” in accordance with IFRS 8 as the segment of activity where the risks and benefits for the company are based on the products and services provided. Information in relation to the geographic areas where the risks and benefits for the company are identified based on the geographic area in which the Company operates are also provided. The results by operating segment are reported in the income statement section of the notes. The data are recorded under the criteria adopted for the valuation of the financial statements and those applied for segment information in the previous year.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS – IFRS 7

In accordance with IFRS 7 and subsequent amendments, information relating to the exposure to and management of financial risks and the utilisation of financial instruments in furtherance of the exchange and interest risks management policy are provided below. In relation to the amendments introduced by IFRS 7 from January 1, 2012, concerning the additional disclosure to be provided on the transfer of financial assets not eliminated or in the case of a residual holding in transferred assets and the amendments to IFRS 7 from January 1, 2013, there are no effects in the present financial statements, as the circumstances requiring additional disclosure are not present.

A brief analysis of the nature of the risks and the risk management employed by La Doria S.p.A. is provided below.

Financial instruments

IFRS 7 requires additional disclosures on financial instruments in relation to the performance and to the financial position of an entity. These disclosures incorporate some requirements previously included in accounting standard IAS 32 – Financial instruments: disclosure and presentation”. The accounting standard also requires information relating to the exposure of risk deriving from the use of financial instruments, and a description of the objectives, policies and procedures implemented by Management in order to manage these risks.

La Doria S.p.A. in its normal operating activities is exposed to the following risks:

a) **market risk**, principally interest rate and exchange rate connected respectively to the financial liabilities assumed and the operations in areas with currencies other than the Euro;

b) **liquidity risk** relating to the availability of financial resources and access to the credit market in an adequate manner for its operations and the repayment of liabilities assumed;

c) **credit risk** deriving from the normal commercial operations carried out by La Doria.

The Company monitors each of the above-mentioned financial risks, undertaking action to minimise in a timely manner, also with reference to the market risk, through the utilisation of hedging instruments.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS

The paragraphs below analyse, also through sensitivity analysis, the potential impact on the results deriving from fluctuations in the parameters. These analysis are based upon, in accordance with IFRS 7, simplified scenarios applied to the actual data of the periods taken and, by their nature, may not be considered indicators of the real effects of future changes in the parameters against a different financial structure and different market conditions.

At December 31, 2013, the accounts considered as financial instruments in accordance with IFRS 7 are those indicated in the table “Financial Instruments – IFRS 7.8” – Table 1 and Table 2.

Market risk

The strategy applied for this type of risk aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and “best market practices”.

The exchange risk relates in particular to commercial transactions in US Dollars (for imports) and UK Sterling and to a lesser degree Australian Dollars (for exports) and is managed through options and forward operations. The notional values and Fair Value of the operations above at 31/12/12 are reported in the “Hedging Valuation” at Table 3. In March 2011, the IASB issued an amendment to IFRS 7, among the most significant modifications was the creation of the so-called “hierarchy of fair value”. In particular, the amendment defines three levels of fair value (IFRS 7, par. 27A):

- level 1: if the financial instrument is listed on an active market;
- level 2: if the fair value is calculated based on valuation techniques which utilise market parameters, other than the listed price of the financial instrument;
- level 3: if the fair value is calculated based on valuation techniques which utilise non-market parameters.

The hedging operations undertaken by La Doria S.p.A. are all considered as "level 2" operations in that the fair value is calculated in an indirect manner from market input data (exchange rates, interest rates, forward prices, volatility curves) through the utilisation of valuation techniques (discounting cash flow model, or more advanced models for options). No changes were made to the valuation procedures from the previous year.

Interest rate risk

The Company manages the cash flow risk through interest rate swap operations (IRS amortising) which permit the conversion of the floating rates relating to the medium-long term

loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge).
With the objective, therefore, to reduce the net debt subject to changes in the interest rates, Interest Rate Swap (IRS) contracts were put in place. All these contracts are made with notional and expiry dates lower than or equal to those of the underlying financial liabilities, thus each variance in the fair value and/or in the expected revenue streams of these contracts is offset by a corresponding variance of the fair value and/or of the expected revenue streams from the underlying position. The fair value of the interest rate swap is measured discounting the expected revenue streams.

The continued economic crisis had significant impacts on lending conditions in 2013; in particular, in the second half of the year banks took a stricter approach to business lending preferring - in terms of loan approvals and rates - enterprises better placed internationally.

The EURIBOR 3-month rate in December 2013 was 0.27% compared to 0.19% in December 2012.

In this financial environment La Doria S.p.A. availed of its extensive range of credit lines granted by banking institutions, utilising only the most competitive short-term credit lines, much lower than the market average, and leaving unused the less competitive credit lines. La Doria was granted medium/long-term loans totaling Euro 38.8 million.

In quantitative terms, against a medium/long term exposure (including repayments within the next 12 months) at December 31, 2013 of Euro 74,450 thousand, the IRS hedging on the debt reduced from 83.7% at the end of 2012 to 74.8% at the end of 2013.

The situation at December 31, 2013 with a EURIBOR interest rate at 3 months of 0.29% was the following:

Loans at 31.12.13	Total part hedged	Final rate on hedged	Total part not hedged	Final rate on part not hedged	Average rate total
74,450	55,698	4.28%	18,752	3.92%	4.19%

The situation at December 31, 2012 with a 3-month EURIBOR of 0.19% was the following:

Loans at 31.12.13	Total part hedged	Final rate on hedged	Total part not hedged	Final rate on part not hedged	Average rate total
53,418	44,704	3.83%	8,714	3.19%	3.73%

In relation to the valuation of the foreign exchange hedges existing at December 31, 2013, the position is shown in the table "Hedge Valuation" – Tables 3 and 4.

Sensitivity Analysis on Interest Rates

During 2013, against an average 3-month EURIBOR of 0.22%, La Doria S.p.A. paid an interest rate on the medium/long term debt of 2.71%, with IRS hedging at 4.00% and on the short-term debt of 2.83% (rate including charges). Assuming a change in average annual interest rates of +/-50 bps the impact on the balance sheet would have been that as shown in Table 5 "Sensitivity Analysis-IFRS 7.40-42".

During the year 2012, against an average 3-month EURIBOR rate of 0.59%, La Doria S.p.A. paid an interest rate on the medium/long term debt of 2.86%, with IRS hedging at 3.83% and on the short-term debt of 3.09% (rate including charges). Assuming an average change in annual interest rates of +/-50 bps, the impact on the balance sheet would have been that shown in Table 6 "Sensitivity Analysis-IFRS 7.40-42".

Currency risk

La Doria S.p.A., as previously described, uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations, identifiable as cash flow hedges, is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39. Therefore, hedge accounting may not be applied. These operations, therefore, are considered trading operations and are measured at fair value through profit or loss.

The principal exchange rates the Company is exposed to are:

– EUR/USD: relating principally to the purchase of raw materials on the Asian market and from other markets in which the Dollar is the currency for commercial trade.
– EUR/GBP: due to the fact that the 51% subsidiary LDH (La Doria) Ltd is included in the consolidation area whose accounts are in UK Sterling. From 2008 - and also during 2013 - commercial transactions with the subsidiary LDH (La Doria) Ltd, particularly in relation to the supply of tomatoes and vegetables, were invoiced almost completely in GBP Sterling and no longer in Euro; the need to invoice in Sterling became apparent in recent years firstly due to the depreciation of the UK currency and secondly as a centralised exchange risk management strategy of the Parent Company. In the operating procedures, the foreign currency hedges are made based on a planning of payments in foreign currencies, firstly based on the approved budget and subsequently relating to payables recorded in

the accounts to which are added all future commitments in foreign currency communicated by the purchases office. This payment situation is utilised together with historical statistical data to determine a reliable foreign currency payments plan. The primary objective of the Company is to hedge the level of foreign exchange as established in the budget.

A similar procedure is utilised on the export side for sales in GBP to our subsidiary LDH (La Doria) Ltd; in this case, after the approval of the Annual Budget, the "Planning of foreign sales" department provides the monthly updated positions relating to contracts and the relative planning of deliveries in foreign currencies.

In 2013 La Doria S.p.A. received payments of GBP 70 million compared to GBP 73 million in 2012; at the same time payments of USD 61 million were made compared to USD 50 million in 2012. This increase in the Company's exchange rate risk was managed by increasing the notional amount of hedging derivatives, while maintaining a very prudent approach on the fixed cross rates in the budget. At the end of 2013, La Doria S.p.A. had hedging in place for 2014 of a notional maximum amount of USD 67 million and GBP 75 million. These hedges were undertaken with a number of competing banks and through various structures, also in order to diversify the time periods and the type of our exchange risk. La Doria S.p.A. favours a structure without "leverage" and without KO, utilising leverage only in the case of significant variance from budget and in any case with minimum risk.

– EUR/AUD: relating to the residual and insignificant part of commercial trade undertaken in the Australian Dollar area.

Sensitivity Analysis on Exchange Rates

In 2013, against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2013 would have been that shown in Table 7 "Sensitivity Analysis - IFRS 7.40-42".

In the previous year, however, against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at 31/12/2012 would have been that shown in Table 8 "Sensitivity Analysis - IFRS 7.40-42".

In relation to the valuation of the foreign exchange hedges existing at December 31, 2013 and at December 31, 2012, the position is shown in Tables 3 and 4 "Hedge Valuation" .

Liquidity Risk

The liquidity risk represents the risk that the financial resources available cannot adequately support the commercial and investment actions, in addition to not being able to repay payables on the maturity dates. In order to be prudent against these risks La Doria S.p.A. adopted an optimisation between short and medium-long term debt and within the short-term lines a diversification policy of the credit lines and banking institutions.

The situation at 31/12/2013 compared to 31/12/2012 is as follows:

(Euro/000)	**31.12.13**	**31.12.12**
Medium/long-term payables (includ. repayables within 12 months)	74,450	53,418
Short-term payables	54,558	72,184
Cash & cash equivalents	(22,073)	(13,447)
TOTAL NFP	**106,935**	**112,155**

In relation to the medium/long term loans, the current situation and the repayments made in recent years to December 31, 2013, and also compared with the previous year, are as follows:

	Balance 31.12.13	**Within 12 months**	**Within 24 months**	**Within 36 months**	**Within 48 months**	**Beyond > 5 years**
Medium/long term debts	74,450	23,761	21,722	13,027	9,205	6,735

	Balance 31.12.12	**Within 12 months**	**Within 24 months**	**Within 36 months**	**Within 48 months**	**Beyond > 5 years**
Medium/long term debts	53,418	16,504	16,826	12,229	4,683	3,176

The medium/long-term loans received for Euro 38.8 million are outlined in detail in the present explanatory notes at paragraph 17 “Financial payables”.

The short-term financial payables are divided between different banking institutions utilising bank overdrafts, import and export finance and invoice financing. At December 31, 2013 “non-recourse factoring” IAS compliant contracts are in place for a total value of Euro 8 million. At December 31, 2013 the percentage of the bank overdrafts utilised compared to those accorded was 34% (58% at December 31, 2012). The improvement in percentage terms relates to the increase in short-term credit lines and new medium/long-term loans agreed with the banks in 2013.

Credit Risk

The exposure of La Doria S.p.A. to the credit risks is essentially connected to the commercial sales activities carried out by the Company both on the domestic market and on the foreign market. In order to control and monitor this risk La Doria S.p.A. applies two strategies:

– Insurance of credit;

– Credit Policy.

Regarding the first point, the trade receivables on the domestic and international market are insured up to the credit limits communicated by the insurance company. The receivables insured naturally exclude inter-company receivables and a total of 29% of receivables relating to clients although not insured provide guarantee conditions (advance payment and hedge with guarantees) or are considered extremely reliable by the Company in view of the long-standing nature of the relationship. The insurance covers the risk up to 85% of the credit limit both on the domestic and the international market.

In relation to the organisation and the monitoring of the credit risk, La Doria S.p.A. has implemented within the Credit Management section of the Administration and Finance Department, a Credit Policy which governs and coordinates together with the insurance company, the evaluation of the Credit Standing of the client base, the monitoring of the relative expected cash flows, the appropriate solicitation actions and concession of extended payment terms supported by adequate guarantees and any recovery actions. The payment terms granted to clients provide for varying terms in line with market standards.

The ageing of the receivables of La Doria S.p.A. at December 31, 2013 and December 31, 2012 is shown in Tables 9 and 10 - "Current and non-current receivables (overdue and not yet overdue) IFRS 7.37".

The concentration of the receivables at December 31, 2013 and 2012 is shown in Tables 11 and 12"Concentration of receivables".

The amount of La Doria S.p.A. receivables in dispute at December 31, 2013 was Euro 1,194 thousand; this amount is covered by a doubtful debt provision of Euro 1,030 thousand.

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

These amount to Euro 749 thousand, with a net increase of Euro 252 thousand compared to December 31, 2012. The changes in the year are reported in Attachment A. The increase concerns for Euro 222 thousand software, principally for inventory management and the computer virtualisation process. The decrease in the account amounted to Euro 190 thousand and related to amortisation in the year. In addition, net fixed assets in progress in the year totaled Euro 220 thousand, also concerning software purchases.

2. Property, plant & equipment

The account amounts to Euro 95,233 thousand, with a net decrease of Euro 132 thousand compared to December 31, 2012. The details of the movements for the year are shown in Attachment B. The increase in the year is due principally for Euro 5,442 thousand to plant and machinery, including packaging plant for the Angri production site (Euro 1,855 thousand), for Euro 1,039 to Buildings (essentially concerning the restructuring of the Angri and Sarno offices) and for Euro 1,315 thousand to assets in progress and advances, concerning principally a new pulses line (Euro 652 thousand).

The decreases in the year, of Euro 9,028 thousand, comprises principally Euro 8,427 thousand of depreciation and total divestments of Euro 411 thousand. Attachment B1 provides an analysis of the gross value and Attachment B2 shows accumulated depreciation.

The account "Land" refers for Euro 4,840 thousand to the factory at Sarno, for Euro 3,207 thousand to the factory at Angri, for Euro 5,897 thousand to the factory at Fisciano and for Euro 4,876 thousand to the factory at Faenza.

The account "Industrial buildings/light construction" principally refers for Euro 19,167 thousand to the factory at Sarno, for Euro 11,653 thousand to the factory at Angri, for Euro 11,988 thousand to the factory at Fisciano and for Euro 4,543 thousand to the factory at Faenza, all owned by La Doria S.p.A..

Also on the basis of the opinion provided by an independent expert for the determination of the present market value of the Land, Buildings, annexes and infrastructures and of the general plant and equipment owned by La Doria S.p.A., the Company estimated a market value of the industrial complexes owned at Angri (SA), Sarno (SA), Fisciano (SA) and Faenza (RA) above the book value recorded in the present financial statements.

The "Plant and machinery" principally refers to specific plant utilised for production by the Company and in particular for Euro 1,114 thousand to the PET plant, for Euro 1,885 thousand to the packaging system, for Euro 1,885 thousand to the Brik line 200 Mid Angri, for Euro 2,701 thousand to the new combisafe line and for Euro 1,726 thousand to the completion of the A3SPEED project.

In application of the revised IAS 23 "Borrowing costs", the Group valued the possible financial charges to be capitalised deriving from loans from primary credit institutions concerning the realisation of fixed assets. At December 31, 2013 no borrowing costs were capitalised given the immaterial amounts involved.

With Board of Directors' motion of August 29, 2013 the Parent Company La Doria S.p.A. reviewed the estimated residual useful life of the buildings at the factories of Angri, Sarno Fisciano and Faenza. The estimated residual useful life was modified compared to the previous year, also on the basis of an independent expert's valuation. The residual useful life of the factories was estimated at approx. 23 residual years for the factory at Angri, 39 residual years for the factory at Sarno, 38 residual years for the factory at Fisciano and 28 residual years for the factory at Faenza as of January 1, 2013. The increase in the estimated useful life resulted in lower depreciation recorded in the 2013 Financial Statements of Euro 549 thousand. Therefore, the result for the year and the net equity, where the buildings at Angri, Sarno and Fisciano had continued to be depreciated utilising the previous depreciation rates, would be lower for an amount of Euro 549 thousand, net of the fiscal effect.

In May 2009, in relation to the tender offer for the Regional Regulatory Agreements, the Campania Regional Council approved the admissibility of the investment plan of the Parent Company La Doria S.p.A.. On August 22, 2012 with Executive Decree No. 64 the La Doria S.p.A. programme was granted a loan for Euro 5,759 thousand, concerning 30% of admitted expenditure (Euro 19,195 thousand) for productive investments and technological transfer (Article 11 of the Technical Regulation) and infrastructure investments in the support and management of common services (Article 12 of the Technical Regulation). On October 31, 2012, a Regulatory Contract was signed between the Campania Region and La Doria S.p.A., establishing for 2012 a plant capital grant of Euro 471 thousand. Against the contributions determined by the Regulatory Contract on March 19, 2013 the first payment of 30% amounting to Euro 1,728 thousand was received. The deadline for the completion of investments and the project is June 30, 2014.

3. Goodwill

Goodwill amounted to Euro 5,984 thousand, unchanged on the previous year and relates to:

– Euro 669 thousand relating to the incorporation into La Doria S.p.A. of the subsidiary Pomagro S.r.l., company operating exclusively in the tomato-based product sector; the amount represents the difference between the higher value paid for the acquisition of the residual share and the values allocated, based on the fair values at the date of the acquisition, of the individual assets and liabilities of the company acquired. The acquisition of Pomagro S.r.l. concerns substantially the purchase of the Fisciano plant in which the specific production is developed for the entire Japanese market and for some English clients. The production site – the only site within the Group – also produces the cherry tomato line. In accordance with IAS 36, management carried out an impairment test on the goodwill resulting from the acquisition of Pomagro utilising a model based on the financial cash flows. In particular, the expected cash flow generated from the business was divided into two periods:

- the forecasted period relating to the years 2014-2018 which utilised as reference the cash flows from production exclusively referring to the Fisciano plant contained in the 2014-2018 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 13, 2014;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2018.

The fixed assets were identified based on the assets ledger of La Doria S.p.A. concerning all assets at the Fisciano plant. These cash flows are discounted utilising a discount rate (WACC) determined applying the Capital Asset Pricing Model. The recoverable value of the goodwill was calculated through discounting the Free Cash Flow from Operations (FCFO) utilising a Weighted Average Cost of Capital (WACC) of 7.04% and the long-term growth rate of 1%; the impairment test resulted in a recoverable value of the "Pomagro Red Line" CGU of Euro 98,500 thousand, against net capital employed of Euro 32,200 thousand and a book value of goodwill of Euro 669 thousand. The recoverable value of the CGU was therefore much greater than the sum of the net capital employed and the goodwill and, therefore, no impairment was incurred. The company carried out a sensitivity analysis which takes into consideration a WACC which varies from 7.04% to 8.04% and a growth rate of cash flows (g) which varies from 0% to 2%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

(in Euro millions)		WACC				
Sensitivity analysis		**7.04%**	**7.29%**	**7.54%**	**7.79%**	**8.04%**
Growth rate	0.0%	87.5	84.7	82.0	79.6	77.3
of cash flows (g)	0.5%	92.6	89.4	86.4	83.6	81.0
	1.0%	98.5	94.8	91.4	88.2	85.3
	1.5%	105.5	101.1	97.2	93.5	90.2
	2.0%	113.9	108.7	104.0	99.8	95.9

– Euro 5,263 thousand relating to the acquisition of the Sanafrutta Group, subsequently merged into the Parent Company La Doria S.p.A. and Euro 52 thousand relating to the initial conferment in 1999 received by the company, now incorporated, Confruit G S.p.A.. This goodwill is allocated to the business unit relating to the production of fruit juices, currently undertaken in the plants at Angri, Sarno and Faenza, hereafter also the "Fruit line". For the impairment test of the goodwill of the fruit line, the Company calculated the value in use through the DCF (Discounted Cash Flow) method previously utilised for the valuation of the company on the acquisition at December 31, 2003. In accordance with IAS 36, management carried out an impairment test on the goodwill utilising a model based on the financial cash flows. In particular, the expected cash flow generated from the business was divided into two periods:

- the forecasted period relating to the years 2014-2018 which utilised as reference the cash flows contained in the 2014-2018 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 13, 2014;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2018.

These cash flows are discounted utilising a discount rate (WACC) determined applying the Capital Asset Pricing Model. The valuation was made through the discounting of the FCFO (Free Cash Flow from Operations) utilising an interest rate WACC (Weighted average cost of capital) of 6.47% and the long-term growth rate was 2%. The impairment test resulted in a recoverable value of the CGU of Euro 41,078 thousand against a net capital employed of Euro 26,267 thousand and a book value of the goodwill recognised to the financial statements of Euro 5,263 thousand and to the Group consolidated financial statements of Euro 2,731 thousand. The recoverable value of the CGU was therefore greater than the sum of the value of net capital employed and goodwill. The company carried out a sensitivity analysis which takes into consideration a WACC which varies from 6.47% to 7.47% and a growth rate of cash flows (g) which varies from 0.5% to 2.5%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

(in Euro millions)		WACC				
Sensitivity analysis		**6.47%**	**6.72%**	**6.97%**	**7.22%**	**7.47%**
Growth rate	0.5%	31.9	30.5	29.2	28.0	26.9
of cash flows (g)	1.0%	34.4	32.8	31.3	29.9	28.6
	1.5%	37.4	35.5	33.7	32.1	30.7
	2.0%	41.1	38.8	36.7	34.8	33.1
	2.5%	45.7	42.8	40.3	38.0	36.0

The impairment procedures, carried out by the Company together with an independent expert, concerning the goodwill allocated to the "Pomagro Red Line" and the "Fruit Line" CGU's include detailed reports on the assumptions of the plans, the estimation methodology and the parameters utilised. These impairment procedures were approved by the Board of Directors of La Doria SpA on February 13, 2014, independently and in advance of the approval of the Annual Report, as required by the Bank of Italy/Consob/Isvap document No. 4 of March 3, 2010.

4. Investments in subsidiary companies

The account, amounting to Euro 4,068 thousand, remains unchanged from the previous year. The account was entirely comprised of:

- 51% investment in LDH (La Doria) LTD, a UK marketing company, with share capital of GBP 1,000,000, carried for Euro 764 thousand. The financial statements of the company, approved by the Board of Directors on February 20, 2014, show an IAS compliant financial statements net profit for the year ended December 31, 2013 of GBP 9,961 thousand and net equity of GBP 40,595 thousand which, translated at the reference exchange rates (average annual rate for net profit and year-end rate for net equity) resulted in a net profit of Euro 11,728 thousand and a net equity of Euro 44,692 thousand. The company holds investments in subsidiaries and associated companies, details of which are shown in Attachment C1.
- 98.34% investment in Eugea Mediterranea S.p.A., carried in the accounts for Euro 3,304 thousand. The company produces tomato-based products and fruit purées. The financial statements at December 31, 2013, prepared in the accordance with Italian GAAP, were approved by the relative Board of Directors. Net equity, based on the international accounting standards adopted by La Doria S.p.A., amounted to Euro 5,434 thousand, with a share capital of Euro 1,500 thousand and a net profit for the year of Euro 160 thousand.

The principal information concerning the subsidiary companies is reported in Attachment C.

5. Other investments

The account principally refers to non-significant minority holdings, amounting to Euro 231 thousand, and increased Euro 2 thousand compared to the previous year. The account includes:

- Consorzio Acciaio (Steel consortium) for Euro 0.5 thousand, unchanged on the previous year, a national consortium which has been assigned by law the disposal of waste from tin plate processing;
- CONAI Consorzio (National Packaging Consortium) for Euro 5 thousand - this obligatory investment is the result of the enactment of Legislative Decree No. 22 of February 5, 1997 (better known as the Ronchi Decree) implementing the European Community objectives on recovery and recycling packaging materials;
- Manifesto S.p.A recorded for Euro 2 thousand, has not changed from the previous year. The subscription was made in December 2003 by the subsidiary Adriatica Conserve S.r.l.;
- Consorzio Utilities Ravenna, recorded for Euro 0.5 thousand;
- Consorzio Prodotti Biologici, recorded for Euro 3 thousand;
- Consorzio Faentino, recorded for Euro 0.1 thousand;

- T.F.C. S.p.A., for Euro 209 thousand, holding 15.29% of the share capital of the company;
- Fondazione della Comunità Salernitana, acquired in 2009 and recorded for Euro 3 thousand;
- CFV società cooperativa consortile, subscribed in 2011 for Euro 0.5 thousand.
- Tradizione Italiana-Italian Food Tradition S.c.a.r.l, subscribed in 2012 for Euro 5 thousand.
- Campania Bioscienze SCARL subscribed in 2013 for Euro 2 thousand.

6. Other non-current assets

These amount to Euro 2,691 thousand and relate principally to prepayments over 12 months concerning promotional contributions recognised to the subsidiary LDH (La Doria) Ltd for a total amount of Euro 6,141 thousand against the future supply of tomato-based and products and pulses.

7. Deferred tax assets

They amount to Euro 3,207 thousand and decreased by Euro 284 thousand compared to December 31, 2012 and refer to costs and/or revenues on which taxes have been paid in advance of their recognition for accounting purposes. The movements in deferred tax assets in the year are detailed below:

Deferred tax asset (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2012	9,330	5,958
Utilisations 2013	(5,073)	(3,435)
Provisions 2013	4,618	2,476
Assessable at 31.12.2013	8,875	4,999
Average Rate	27,50%	4,97%
Total Group IRES - IRAP 31.12.2013	**2,441**	**249**
Statutory Group IRES - IRAP 31.12.2013	**2,690**	
Total IRES -IRAP (non current assets) IAS 31.12.2013	317	
Total IRES IAS for 2013	200	
Total IRES and IRAP deferred tax asset at 31.12.2013	**3,207**	

The amount refers principally to taxes on risk provision, write-downs of inventories and receivables.

The breakdown of the temporary differences giving rise to deferred tax assets are reported below.

DEFERRED TAX ASSETS

	31 dicembre 2012				31 dicembre 2013					
(Euro/000)	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Amount recognised to P & L RES and RAP	Amount recognised to equity RES and RAP
AS Parent Company adj	893	246	462	23	1,075	296	432	21	49	-
RS Parent Company adj	1,309	360	-	-	728	200	-	-	-	(160)
Doubtfu debt prov s on	1,218	335	-	-	1,165	321	-	-	(14)	-
Bu d ng wr te-down	116	32	116	6	-	-	-	-	(38)	-
Exchange osses	250	69	-	-	84	23	-	-	(46)	-
Prov s ons for r sks and charges	3,063	842	2,185	109	4,778	1,314	3,316	165	528	-
Tax for waste treatment	82	23	-	-	101	28	-	-	5	-
Sa es rep	-	-	-	-	-	-	-	-	-	-
ASL tax	-	-	-	-	2	-	-	-	-	-
D rectors' fees	161	44	-	-	197	54	-	-	10	-
Emp oyee bonus	781	215	-	-	865	238	-	-	23	-
nventory wr te-down	3,600	990	3,600	178	1,500	413	1,500	75	(681)	-
P ant wr te-down										
Cap ta grants Law 64	58	16	58	3	53	15	54	3	(1)	-
Goodw amort sat on	-	-	-	-	-	-	-	-	-	-
Tax recover es 2012	-	-	-	-	129	36	129	6	42	-
TOTAL	**11,532**	**3,172**	**6,420**	**319**	**10,677**	**2,937**	**5,431**	**270**	**(124)**	**(160)**

CURRENT ASSETS

8. Inventories

The account increased Euro 1,183 thousand compared to December 31, 2012, particularly due to the increase of finished products. The inventory obsolescence provision accounts for the physical deterioration of goods, considering the current composition of inventories, the value of goods to be destroyed and slow moving goods. The decrease in the provision derives from the obsolescence estimate relating to goods to be destroyed and seconds, net of the utilisation of that accrued in 2012. The composition of the inventory compared to the previous year is shown below:

Inventory (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Raw material, ancillary and consumables	22,035	16,729	5,306
Work-in-progress and semi-finished goods	13,332	12,274	1,058
Finished & semi-fin. prods.	96,232	108,661	(12,429)
Payments on account	2,808	84	2,784
Obsolescence provision	(1,500)	(3,600)	2,100
Diesel for motor vehicles	4	6	(2)
TOTAL	**132,971**	**134,154**	**(1,183)**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Opening balance	3,600	2,000	1,600
Utilisation for the year	(3,600)	(1,004)	(2,596)
Provision in the year	1,500	2,604	(1,104)
BALANCE AT 31.12.2013	**1,500**	**3,600**	**(2,100)**

At December 31, 2013 no inventory was subject to secured guarantees on loans received by the Company.

9. Trade receivables

Trade receivables amounted to Euro 71,585 thousand, increasing Euro 3,533 thousand on December 31, 2012 and are reported net of the relative doubtful debt provision of Euro 1,030 thousand. The account includes receivables from subsidiaries of Euro 25,409 thousand, commented upon in the paragraph “Transactions with related parties”.
The changes in the doubtful debt provision are as follows:

Doubtful debt provision (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Beginning balance	1,083	1,908	(825)
Utilisation for losses during the year	(103)	(1,227)	1,124
Provision in the year	50	402	(352)
Provision at 31.12.2013	**1,030**	**1,083**	**(53)**

The provision in the year takes account of the risk of non-payment from clients with exposure beyond a certain date, while the utilisation of the above-mentioned provision refers to the bad debts in 2013. The doubtful debt provision in 2013 at the year-end only includes provisions for receivables from third parties as there is no risk of non recovery from subsidiaries.

10. Other assets

These amount to Euro 12,917 thousand, a decrease of Euro 2,909 thousand compared to December 31, 2012. The balance at December 31, 2013 principally includes:

- Employee receivables for Euro 380 thousand (in particular additional IRPEF matured in the year and which will be paid in instalments in subsequent years);
- Euro 2,105 thousand for other receivables, principally comprising Euro 1,813 thousand for the Mark to Market concerning currency hedging operations at December 31, 2013, principally options, to offset the exchange rate risk on commercial operations beyond 2013 and Euro 162 thousand of receivables on provisional payments concerning disputes in progress awaiting judgment; these risks are considered in the other risks provision;
- Euro 3,741 thousand for prepayments principally relating to promotional contributions recognised to the subsidiary LDH (La Doria) Ltd against the supply of tomato-based products and pulses;
- Euro 6,691 thousand for Public Administration receivables, of which:
  - Euro 3,885 thousand to the Campania Region for the Regulatory Agreement signed on October 31, 2012 based on Executive Decree No. 64 of August 22, 2012 of the A.G.C. 12 – Sector 1, supplemented by the subsequent Executive Decree No. 67 of September 11, 2012 of A.G.C. 12 – Sector 1 and the Executive Decree No. 625 of October 30, 2012 of the A.G.C. 09 – Sector 2. As previously illustrated this Regulatory Agreement involved the disbursements to the Company of grants for a total of Euro 5,759 thousand in the form of plant capital grants under the Operational Objective 2.3 of the P.O.R. F.E.S.R Campania 2007-2013. The grant concerns 30% of the “Intervention Plan” for Euro 19,195 thousand approved by the Campania Region with Resolution No. 888 of May 15, 2009, based on the common strategies of the plan with the Regional programme guidelines. The receivable from the Campania Region decreased during the year for Euro 1,728 thousand following the payment of the first instalment received on March 19,

2013 under Executive Decree No. 12 of February 25, 2013 by AGC 09 sector 02, amended by Executive Decree No. 41 of March 8, 2013 of AGC 09 sector 02.

- Euro 2,627 thousand for the recognition of the partial exemption for IRPEG tax for the years from 1993 through 1997, recorded in previous years. The Company will undertake all necessary actions to obtain the residual tax receivables recognised, including interest matured at 31/12/2013 of Euro 984 thousand;
- Euro 95 thousand receivable from INAIL for higher payments on accounts paid in previous years;
- Other receivables from the Public Administration for Euro 85 thousand.

11. Tax receivables

The account amounts to Euro 3,210 thousand and increased by Euro 924 thousand compared to December 31, 2012 and includes:

- VAT receivable at December 31, 2013 of Euro 1,024;
- Tax receivables of Euro 2,113 thousand, of which Euro 718 thousand for provisional payments made against disputed assessments for the years 2005, 2006 and 2007 not yet definitive and for Euro 1,395 thousand for the IRES reimbursement relating to the recovery of the IRAP deductibility on personnel costs paid for the years 2008-2012;
- Tax receivable of Euro 73 thousand for higher IRAP payments on account made by the Parent Company;

12. Cash and cash equivalents

The account amounts to Euro 22,073 thousand, an increase of Euro 8,626 thousand compared to December 31, 2012 and relates to the temporary surplus of liquidity held in bank current accounts in Euro and foreign currencies (Euro 22,071 thousand) and cash (Euro 2 thousand).

LIABILITIES AND SHAREHOLDERS' EQUITY

13. Share Capital

The share capital of La Doria S.p.A is fully paid-in and at December 31, 2013 amounts to Euro 40,585 thousand, divided into 29,409,689 ordinary shares of a nominal value of Euro

1.38 each. The share capital in 2013 recorded a net increase of Euro 1,042 thousand following the acquisition of 186,633 treasury shares at an average price of Euro 1.75 for a total payment of Euro 326 thousand and the sale of 941,447 shares at an average price of Euro 1.98. At December 31, 2013, the treasury shares in portfolio numbered 1,590,311 and were recorded as a reduction in the share capital.

14. Reserves and retained earnings

These total Euro 55,543 thousand, an increase of Euro 6,560 thousand compared to December 31, 2012. The reserves at 31/12/2013 include the changes in the IAS 19 Reserve due to the introduction of IAS 19 Revised which requires the recognition of the actuarial gain/losses directly under equity reserves with consequent immediate recognition to the Comprehensive Income Statement, while the interest cost component is recorded directly under financial income/charges in the Income Statement. The introduction of IAS 19 Revised for the year ended December 31, 2013 resulted in a decrease in the IAS 19 Reserve of Euro 15 thousand related to actuarial gains/losses.

In relation to the provision as per Law 488/92 of Euro 4,724 thousand the distributability and availability condition was fulfilled as the investment programme in relation to which it was drawn up was completed.

15. Profit for the year

This amounted to Euro 12,256 thousand, an increase of Euro 6,057 thousand compared to 2012.

Shareholders' equity

The account totals Euro 108,384 thousand, an increase of Euro 13,658 thousand.

The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

- dividends were distributed in 2013 to shareholders relating to the year 2012 of Euro 1,860 thousand in accordance with the Shareholders' Meeting motion of May 21, 2013;
- the Change in the IAS 39 Reserve (other comprehensive income statement items) for Euro 421 thousand includes the amounts relating to profits and losses on "cash flow hedge" instruments.

NON-CURRENT LIABILITIES

16. Financial payables

This account amounts to Euro 50,689 thousand, an increase of Euro 13,775 thousand compared to December 31, 2012 and constitutes the part due beyond 31/12/2014 of medium/long-term loans. During 2013 unsecured loans were received of Euro 38,800 thousand.

(Euro/000)	31.12.13	31.12.12	Change
Long term	50,689	36,914	13,775
TOTAL	**50,689**	**36,914**	**13,775**

The principal characteristics of all the loans at the balance sheet date were as follows;

- Euro 10,609 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on July 29, 2013 from the Banca del Mezzogiorno – MedioCredito Centrale for a total amount of Euro 12 million, repayable in 16 quarterly instalments, the first of which due on September 30, 2014 and the last due on June 30, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.83%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,391 thousand.
- Euro 4,127 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on July 29, 2013 from the Banca del Mezzogiorno – MedioCredito Centrale for a total amount of Euro 8 million, repayable in 12 quarterly instalments, the first of which due on September 30, 2013 and the last due on June 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 2,609 thousand.
- Euro 2,856 thousand for instalments due beyond December 31, 2014 relating to the new loan provided with value date of August 1, 2013 by Banca della Campania for a total amount of Euro 3.5 million, repayable in 10 half-yearly instalments, the first of which on February 1, 2014, with the last repayment on August 1, 2018. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.93%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 644 thousand.
- Euro 4,000 thousand for instalments due beyond 31/12/2014 concerning a new loan granted on September 12, 2013 by Mediocredito Italiano for Euro 5 million, repayable in 10

quarterly instalments, with the first instalment due on February 28, 2014 and the last on August 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.07%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,000 thousand.

– Euro 1,633 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on December 6, 2013 from the Monte dei Paschi di Siena for a total amount of Euro 2 million, repayable in 10 half-yearly instalments, the first of which due on June 30, 2014 and the last due on December 31, 2018. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 367 thousand.

– Euro 7,378 thousand for instalments due beyond December 31, 2014 relating to the new loan drawn down on December 20, 2013 from ICCREA BancaImpresa S.p.A. as a synidated loan with other credit institutions for a total amount of Euro 8.3 million, repayable in 9 half-yearly instalments, the first of which due on December 15, 2014 and the last due on December 15, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.86%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 922 thousand.

– Euro 4,082 thousand for instalments due beyond December 31, 2014 concerning a loan granted on December 14, 2012 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2014 and the last on December 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.675%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 918 thousand.

– Euro 1,556 thousand for instalments due beyond December 31, 2014 concerning a loan granted on June 30, 2011 by Mediocredito Italiano S.p.A. for Euro 7 million, repayable in 9 quarterly instalments, with the first instalment due on December 31, 2011 and the last on December 31, 2015. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 2.46%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,556 thousand.

– Euro 3,850 thousand for instalments due beyond December 31, 2014 concerning a loan granted on July 12, 2011 by Unicredit S.p.A. for Euro 7 million, repayable in 20 quarterly instalments, with the first instalment due on October 31, 2012 and the last on July 31, 2017. Also this loan provides for financial covenants from 2012, calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap which converts the variable rate into a fixed rate of 2.32%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,400 thousand.

– Euro 1,112 thousand for instalments due beyond December 31, 2014 concerning a loan granted on August 8, 2011 by Banca Carime S.p.A. for Euro 3 million, repayable in 20 quarterly instalments, with the first instalment due on November 8, 2011 and the last on August 8, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 605 thousand.

– Euro 3,600 thousand for instalments due beyond December 31, 2014 concerning a loan granted on November 30, 2011 of Euro 9 million by Cassa di Risparmio di Parma e Piacenza S.p.A.. Sace S.p.A. provided an additional guarantee to the Bank. The loan is repayable in 20 quarterly instalments, the first due on February 29, 2012 and the last on November 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2013, these financial covenants were complied with.
  This loan was fully hedged by an Interest Rate Swap which converts the variable rate into a fixed rate of 1.46%. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,800 thousand.

– Euro 4,889 thousand for instalments due beyond December 31, 2014 concerning a loan granted on July 13, 2010 by Monte dei Paschi di Siena Capital Service S.p.A with other credit institutions, for a total amount of Euro 22 million, repayable in 9 half-yearly instalments, the first of which due on July 13, 2011 and the last on July 13, 2015. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.825%. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. At December 31, 2013, these financial covenants were complied with. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 4,889 thousand.

– Euro 1 million for instalments due beyond December 31, 2014 concerning a loan granted on December 2, 2010 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2011 and the last on December 31, 2015. The total amount of this loan is hedged by an Interest Rate Swap which converts the variable rate into a fixed rate of 1.92%.

The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. These financial covenants had all been complied with at December 31, 2013. Instalments due by December 31, 2014, included in current liabilities, amount to Euro 1,000 thousand.

17. Other non-current liabilities

They amount to Euro 10,545 thousand, an increase compared to December 31, 2012 of Euro 4,189 thousand and refer, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Company. In particular, the increase in other non-current liabilities relates to the advanced invoicing concerning the surface area rights granted to third parties for installation of photovoltaic plant at the Sarno and Fisciano production sites.

18. Post-employment benefit and pension provision

The post-employment benefit provision amounts to Euro 3,971 thousand, a decrease of Euro 20 thousand compared to December 31, 2012. The new IAS 19 Revised standard approved by the European Commission in June 2012 was applied to the provision. The standard provides for recognition under Equity Reserves, and therefore the immediate recognition to the Comprehensive Income Statement, of the actuarial gains/losses which amounted to Euro 15 thousand and the classification under financial income/charges of the interest cost component for Euro 26 thousand.

The movements in the year are shown below:

Provision post-employment benefits (Euro/000)	**31.12.13**
Balance at 1.01.2013	3,991
Utilisations for departures	(69)
of which transferred to INPS	69
Provisions at 31.12.2013	772
of which transferred to INPS	(624)
Deductions at 31.12.2013	(86)
of which transferred to INPS	5
Discounting provision	41
TOTAL	**4,099**
Utilisation for advances	(128)
BALANCE AT 31.12.2013	**3,971**

The principal actuarial assumptions, indicated below, adopted by the Company in accordance with Article 78 of IAS 19, refer to the market yields of "high quality corporate bonds", securities with a contained credit risk.

	AT 31.12.13	AT 31.12.12
Discount rate	EUR Composit A	EUR Composit A
Rate of inflation	2%	2%
% of advances requested	100%	100%

19. Deferred tax liabilities

The amount recorded of Euro 8,346 thousand decreased by Euro 132 thousand compared to December 31, 2012 and relates to the deferment of income taxes.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2012	134	163
Utilisations 2013	(111)	(140)
Provisions 2013	309	101
Assessable at 31.12.2013	332	124
Rate	27.5%	4.97%
Total IRES - IRAP Group statutory 2013	**91**	**6**
Deferred tax liability from IAS reversal at 31.12.2013	8,249	
Total IRES and IRAP deferred tax liability at 31.12.2013	**8,346**	

The amount refers essentially to the provision for the revaluation of land and buildings recorded in accordance with IAS 16 and 17.

The breakdown of the temporary differences giving rise to deferred tax liabilities are reported below.

DEFERRED TAX L AB L T ES

	December 31, 2012				December 31, 2013				
(Euro/000)	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Amount Recog. to P&L RES and RAP
IAS adjustments	28,418	7,815	12,425	617	27,795	7,644	12,171	605	(184)
Non-realised exchange gains	94	26	0	0	208	57	0	0	31
Capital grants	40	11	40	2	37	10	37	2	(1)
Accelerated depreciation taxable for IRAP in six equal instalments	0	0	123	6	0	0	0	0	(6)
Tax recoveries 2012	0	0	0	0	87	24	87	4	28
TOTAL	**28,552**	**7,852**	**12,588**	**625**	**28,127**	**7,735**	**12,295**	**611**	**(131)**

20. Provisions for risks and charges

The provision at December 31, 2013 amounts to Euro 7,465 thousand, a net increase of Euro 1,545 thousand compared to December 31, 2012. The account principally includes:

- Other risk provisions, which covers the risks related to civil disputes in course for Euro 6,462 thousand; the change in the year is principally due to the utilisation for Euro 560 thousand for the finalisation of disputes with employees and disputes of a tax nature, while the provision in 2013 of Euro 2,011 thousand includes provisions made against disputes with employees and disputes of a civil and tax nature.
- Employee bonus provision of Euro 865 thousand. This provision is based on the supplementary company agreement which provides for the payment by the company of a bonus to staff if certain corporate objectives are reached, including a profit target for the year. The movement in the year is based on the payment of that provisioned in the previous year, with consequent recognition to the income statement of any differences between the amount provisioned and the amount paid, in addition to the provision of the amounts matured in 2013 to be paid in the following year.
- Agent severance indemnity provision. This provision amounts to Euro 138 thousand, increasing Euro 9 thousand compared to December 31, 2012.

The movements in the year are shown below:

(Euro/000)	Other risks	Employee bonus	Agents	TOTAL
Beginning balance	5,011	781	129	5,921
Utilisation for losses	(560)	(781)	0	(1,341)
Provision for the year	2,011	865	9	2,885
PROVISION AT 31.12.13	**6,462**	**865**	**138**	**7,465**

CURRENT LIABILITIES

21. Financial payables

The account amounts to Euro 78,319 thousand, a decrease of Euro 10,368 thousand compared to December 31, 2012. The breakdown is as follows:

- Euro 36,840 thousand for advances on foreign invoices in Euro;
- Euro 4,300 thousand for advances on supplier payments and hot money;

- Euro 3,334 thousand for advances on imports;
- Euro 23,761 thousand for the portion due within 12 months of the medium/long-term loans;
- Euro 17 thousand relating to bank overdrafts;
- Euro 349 thousand for interest on short-term bank payables;
- Euro 728 thousand relating to the fair value of the IRS operations at December 31, 2013;
- Euro 8,990 thousand for reverse factoring with maturity.

The notional values and the fair values at December 31, 2013 on interest rate hedge contracts which generated the payable of Euro 728 thousand in the accounts, are shown below (at December 31, 2012 – Euro 1,309 thousand):

(Euro/000)	**Notional**	**Mark to market 31.12.2013**	**Mark to market 31.12.2012**
EFIBANCA	0	0	(14)
AKROS	377	(2)	(20)
MPS	2,500	(29)	(90)
AKROS	12,000	(48)	0
AKROS	3,500	(18)	0
BANCO DI NAPOLI	5,000	(43)	0
UNICREDIT	5,000	9	0
UNICREDIT	0	0	(7)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
INTESA SAN PAOLO	446	(6)	(23)
DEUTSCHE	9,778	(179)	(346)
UNICREDIT	2,000	(36)	(82)
BANCO NAPOLI	3,111	(79)	(170)
UNICREDIT	5,250	(194)	(330)
CARIPARMA	5,400	(83)	(158)
TOTAL	**55,698**	**(728)**	**(1,309)**

22. Trade payables

They amount to Euro 75,526 thousand, a decrease of Euro 13,271 thousand compared to December 31, 2012 and are net of credit notes to be received from suppliers for discounts, price/quantity discounts on supply of goods and/or services relating to the year. The amount includes the payables to subsidiaries, commented on in the section "Transactions with Related Parties", for Euro 11,967 thousand. The reduction in payables follows the entry into force of Article 62 of Legislative Decree No. 1/2002, converted into Law 27/2012, which governs food supply chain payment times.

23. Tax payables

The account amounts to Euro 2,255 thousand and decreased by Euro 1,661 thousand compared to December 31, 2012. It comprises:

– Euro 853 thousand relating to IRES payables for the year (Euro 3,844 thousand) net of payments on account in 2013 (Euro 2,986 thousand) and withholding taxes on bank interest (Euro 5 thousand);

– Euro 1,227 thousand of Tax payables, relating for Euro 837 thousand to withholdings by the Company for substitute taxes, paid in January and February 2014, for Euro 375 to additional regional and municipal taxes to be paid in 2014, for Euro 13 thousand to withholding taxes on salaries and consultants fees and Euro 2 thousand for withholding taxes on the revaluation of Post-Employment Benefits;

– Euro 175 thousand relating to Public Administration payables for local taxes.

24. Other current liabilities

These amount to Euro 9,419 thousand and have increased by Euro 1,492 thousand compared to December 31, 2012. They principally include:

• payments on account by clients for Euro 43 thousand;

• payables to social security institutions of Euro 635 thousand;

• payables to employees not yet paid at December 31, 2013 for Euro 4,495 thousand, of which Euro 1,342 thousand for salaries and wages for the month of December 2014, Euro 2,066 thousand for vacation days matured at December 31, 2013 and Euro 1,084 thousand for the provision for fourteenth month matured in 2013;

• other charges to receive Euro 182 thousand;

• the Mark to Market of Euro 2,415 thousand relating to currency hedging operations at December 31, 2013 to mitigate currency risks beyond 2013;

• Euro 432 thousand for insurance payables for insurance indemnities to be paid;

• current portion of the grants on plant relating to future periods of Euro 994 thousand.

Commitments and guarantees

These total Euro 45,973 thousand and relate to:

- Euro 20,930 thousand for guarantees and comfort letters by the Parent Company La Doria S.p.A. on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 6,057 thousand for the amount at December 31, 2013 of guarantees given on behalf of banks by the Parent Company La Doria S.p.A. for loans made to the subsidiary LDH (La Doria) Ltd;
- Euro 5,144 thousand for guarantees given in favour of the subsidiary Eugea Mediterranea S.p.A. on receivables from the public administration;
- Euro 4,500 thousand for guarantees given by Sace S.p.A. in favour of Cariparma S.p.A. to partially cover the loan of Euro 9 million disbursed on November 30, 2011 by Cariparma to La Doria S.p.A.;
- Euro 3,477 thousand for guarantees on La Doria S.p.A. receivables from the public administration;
- Euro 4,031 thousand for the guarantees provided by leading insurance companies on November 16, 2012 and February 27, 2013 under that required by the Regulatory Agreement signed with the Campania Region;
- Euro 1,600 thousand for sureties on payments terms from suppliers;
- Euro 235 thousand for guarantees issued in favour of the Customs Office and Campania Region against customs duties and taxes.

INCOME STATEMENT

Segment information as per IFRS 8

2013 revenues by product line are detailed below (in Euro):

TURNOVER LA DORIA S.P.A. BY PRODUCT LINE

(Euro/000) Product line	2013 Net of year end discounts	2012 Net of year end discounts	Change total
Total red line	135,516	124,952	10,564
Total fruit line	61,638	64,437	(2,799)
Total legumes line	126,730	102,901	23,829
Total other lines	3,501	4,892	(1,391)
Total revenues	**327,385**	**297,182**	**30,203**

The principal client was the English subsidiary LDH (La Doria) Ltd accounting for 30% of revenues.

25. Revenues

Revenues from sales and services amount to Euro 327,385 thousand, an increase of Euro 30,203 thousand compared to 2012.

Revenues from sales	31.12.13	31.12.12	Change
Italy	133,184	116,057	17,127
Overseas	196,398	183,099	13,299
Loyalty discount provision	(2,197)	(1,974)	(223)
TOTAL	**327,385**	**297,182**	**30,203**

26. Other operating revenues

Other operating revenues amount to Euro 12,518 thousand, increasing Euro 673 thousand compared to December 31, 2012 and principally comprise:

- Non-recurring income of Euro 2,114 thousand, reducing Euro 531 thousand compared to 2012; this refers to prior year income of Euro 1,586 thousand, damage claims of Euro 513 thousand and discounts of Euro 15 thousand;
- Revenues and other income of Euro 10,209 thousand, essentially concerning the release from the inventory obsolescence provision of Euro 3,600 thousand, for Euro 1,691 thousand the sale of raw material and packaging materials, for Euro 672 thousand the sale of scrap and recovery materials, for Euro 740 thousand the share of investment contracts for the year and miscellaneous income of Euro 765 thousand. The account increased by Euro 1,009 thousand on the previous year.

27. Change in inventories

The net decrease in inventories at December 31, 2013 was Euro 10,862 thousand and was broken down as follows:

(Euro/000)	31.12.13	31.12.12	Change
Finished, semi-fin. and inter. products			
Semi-processed products	1,058	(512)	1,570
Finished & semi-fin. prods.	(12,429)	7,248	(19,677)
Inventory obsolescence provision	(1,500)	(2,604)	1,104
TOTAL	**(12,871)**	**4,132**	**(17,003)**
Raw material, ancillary and consumables			
Raw materials	(4,701)	757	(5,458)
Packaging	(567)	127	(694)
Other supplies	(38)	(49)	11
TOTAL	**(5,306)**	**835**	**(6,141)**
CHANGE	**(7,565)**	**3,297**	**(10,862)**

28. Purchase of raw materials and goods

The costs for raw materials and goods amounted to Euro 214,456 thousand in 2013, an increase of Euro 12,584 thousand compared to the previous year.

The breakdown compared to the previous year is shown below:

Cost of production, raw materials, ancillary, consumables and goods (Euro/000)	31.12.13	31.12.12	Change
Raw materials	100,532	82,404	18,128
Semi-processed products	17,355	17,611	(256)
Finished & semi-finished products	17,395	20,551	(3,156)
Packaging	57,714	59,754	(2,040)
Energy consumption	5,147	5,598	(451)
Maintenance & repair charges	3,272	2,700	572
Ancillary materials	18,057	18,780	(723)
TOTAL	**219,472**	**207,398**	**12,074**
Discounts on materials	(3,016)	(3,526)	510
TOTAL	**216,456**	**203,872**	**12,584**

29. Services

These total Euro 50,596 thousand, an increase of Euro 2,122 compared to the previous year. The account includes service costs of Euro 48,895 thousand and the rent, lease and similar costs of Euro 1,701 thousand. The breakdown is shown below:

Production costs services (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Maintenance and repair charges	2,106	1,946	160
Outside contracters	2,922	2,696	226
Travel expenses	94	145	(51)
Employee transfers	130	116	14
Entertaining expenses	43	48	(5)
Internal transport	1,620	344	1,276
Tolls	41	40	1
Commissions and relative charges	768	795	(27)
Transport	22,289	22,119	170
Professional fees	842	754	88
Directors and statutory auditors	669	659	10
Audit fees	84	90	(6)
Telephone and fax	162	180	(18)
Postage	6	5	1
Insurance	1,115	1,037	78
Membership fees	77	85	(8)
Commercial costs	7,199	7,284	(85)
Cleaning on industrial structures	1,021	960	61
Electricity	4,961	5,074	(113)
Water consumption	25	30	(5)
Water purification	130	120	10
Water disposal	399	408	(9)
Warehousing	601	525	76
Loading and unloading	1,483	1,028	455
Software maintanance	119	131	(12)
TOTAL	**48,906**	**46,619**	**2,287**
Discounts on purchases	(11)	(20)	9
TOTAL	**48,895**	**46,599**	**2,296**

In 2013, La Doria S.p.A. was subject to, in accordance with Resolution No.11/07 and subsequent amendments of the Electricity and Gas Authority, for companies operating in the electrical energy and gas sector in Italy, the preparation of "separate annual accounts for gas and electricity activities" for the year 2012, on which PricewaterhouseCoopers S.p.A. issued its opinion on July 19, 2013.

Cost of production rents, leases and similar costs (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Buildings	226	229	(3)
Machine and plant	557	643	(86)
EDP license	68	66	2
Lift trucks	411	474	(63)
EDP	74	103	(29)
Pallet	54	60	(6)
Auto-vehicles	251	273	(22)
Garments	63	32	31
Premium and discounts	(3)	(5)	2
TOTAL	**1,701**	**1,875**	**(174)**

30. Labour costs

Labour costs for the year amount to Euro 30,527 thousand, a decrease of Euro 660 thousand on 2012. The breakdown of the account is as follows:

Cost of production Salaries & wages (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Executives	2,124	2,069	55
White collar	6,425	5,830	595
Foremen	34	64	(30)
Blue collar	6,752	5,631	1,121
Seasonal staff	5,523	7,313	(1,790)
Self employed associates	78	23	55
TOTAL	**20,936**	**20,930**	**6**

Cost of production social security contr. (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Executives	704	686	18
White collar	1,919	1,758	161
Foremen	12	22	(10)
Blue collar	2,170	1,884	286
Seasonal staff	1,945	2,523	(578)
Self employed associates	12	4	8
TOTAL	**6,762**	**6,877**	**(115)**

Cost of production post-employment benefits (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Executives	164	166	(2)
White collar	481	454	27
Foremen	3	6	(3)
Blue collar	462	420	42
Discounting provision post-employment	0	263	(263)
Seasonal staff	324	403	(79)
TOTAL	**1,434**	**1,712**	**(278)**

Cost of production other costs (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Donations	5	4	1
Trainee remuneration	70	41	29
Trainee expenses	16	11	5
Employee bonuses	865	781	84
Life assurance	9	8	1
Temporary personnel	142	272	(130)
Incentives departure	272	270	2
Add. leaving indemnity	0	257	(257)
INPS redundancy	7	13	(6)
Travel and transfer	9	12	(3)
TOTAL	**1,395**	**1,669**	**(274)**

Other labour costs amount to Euro 1,395 thousand, a decrease on 2012 of Euro 274 thousand and principally relate to employees incentives of Euro 865 thousand and part-time workers of Euro 142 thousand.

At December 31, 2013 the breakdown of the workforce was as follows:

Work force	31.12.13	31.12.12	Change
Executives/White-collar	175	168	7
Foremen/Blue-collar	219	197	22
Seasonal, temporary and self-employed	43	82	(39)
TOTAL	**437**	**447**	**(10)**

31. Other operating costs

The account amounts to Euro 7,307 thousand, an increase of Euro 224 thousand compared to 2012. The account includes other management charges of Euro 6,422 thousand and non-recurring management charges of Euro 885 thousand. The principal components are shown below:

Costs of production **other charges** (Euro/000)	31.12.13	31.12.12	Change
Sundry consumables and smalltools	2,864	2,928	(64)
Various services	1,719	1,581	138
Taxes	887	738	149
Losses	952	491	461
TOTAL	**6,422**	**5,738**	**684**

Extraordinary income and charges **Extraordinary charges** (Euro/000)	31.12.13	31.12.12	Change
Prior year costs	201	281	(80)
Non-recurring costs	4	0	4
Other prior year items	142	280	(138)
Prior year revenues - italy	8	32	(24)
Prior years revenues foreign	1	(11)	12
Losses on asset disposals	1	0	1
Penalties and fines	9	15	(6)
Rebates	1	1	0
Amnesty taxes prior years	0	1	(1)
Losses on loans	0	285	(285)
Contract penalties	12	53	(41)
Damage compensation	506	408	98
TOTAL	**885**	**1,345**	**(460)**

32. Amortisation, depreciation, write-downs and provisions

This account amounts to Euro 10,705 thousand and increased by Euro 1,053 thousand compared to 2012. It includes:

Amortisation, depreciation and write-downs (Euro/000)	**31.12.13**	**31.12.12**	**Change**
Amortisation of intangible assets	191	150	41
Depreciation of tangible assets	8,427	8,575	(148)
Other write-downs of fixed assets	0	0	0
Write-downs included in current assets	76	402	(326)
Doubtful debt provision for subsidiary companies	0	0	0
Provision for risks	2,011	525	1,486
TOTAL	**10,705**	**9,652**	**1,053**

33. Financial income

These total Euro 5,702 thousand and relate to:

– Euro 59 thousand of interest on temporary liquidity on current accounts and on interest from receivables due from the State;

– Euro 2,038 thousand for income deriving from exchange gains and swap and derivative gains during 2013;

– Euro 3,605 thousand for exchange gains from commercial and financial operations.

34. Financial charges

These amount to Euro 8,396 thousand and include:

- charges relating to medium/long-term and short-term payables for Euro 4,559 thousand;
- exchange losses on swap and derivative operations during 2013 of Euro 3,811 thousand;
- financial charges concerning the Interest Cost under IAS 19 Revised "Employee benefits" for Euro 26 thousand.

35. Dividends

During 2013, dividends were received relating to the year 2012 for a total amount of Euro 2,521 thousand from the subsidiary LDH (La Doria) Ltd, with an increase of Euro 194 thousand on the dividend received in the previous year.

36. Income taxes

These total Euro 4,317 thousand (Euro 4,234 thousand in 2012). The account includes current income taxes of Euro 5,776 thousand, deferred tax income of Euro 124 thousand, deferred tax charge of Euro 132 thousand and the recovery of prior year income taxes of Euro 1,452 thousand, substantially relating to the repayment from IRES of IRAP paid on labour costs for the years 2008-2012.

The following is a reconciliation of the tax expense on net profit and the tax charge.

Reconciliation of the theoretical and effective tax charge for IRES

Description (IRES) (Euro/000)		**Assessable**	**Income tax**	**Theoretical charge**	**Effective charge**
Profit before taxes					
Theoretical tax charge		**16,573**	**4,558**	**27.5%**	
Values not recorded fiscally for the application of the IFRS					
Inventories change	109				
Other accrued revenues	(21)				
Amortisation and Depreciation	64				
Discounting post-employment benefit provision	26				
Capitalisation of deferred charges	349				
Total		**527**	**145**		
Exchange gains/losses not realised including reversal in previous year	(279)				
Total		**(279)**	**(77)**		
Temporary difference assessable in future years					
Doubtful debt provision	50				
Interest expense					
Obsolescence provision	1,500				
Employee bonus provision	865				
Provisions for other risks	2,011				
Others	390				
Total		**4,816**	**1,324**		

Description (IRES) (Euro/000)		**Assessable**	**income tax**	**Theoretical charge**	**Effective charge**
Reversal of prior year temporary differences					
Use of inventory provision	(3,600)				
Utilisation of provision for other risks	(5)				
Utilisation of employee bonus provision and mobility	(781)				
Others	(389)				
Total decrease		**(4,775)**	**(1,313)**		
Differences not reversing in future years					
Non-deductible costs	1,753				
Purchase of goods and services black list countries	11				
Total increase		**1,764**	**485**		
Changes Differences not reversing in future years					
Dividends	(2,395)				
Purchase of goods and services black list countries					
Others	(1,908)				
Total decrease		**(4,303)**	**(1,183)**		
Imponibile fiscale		**14,323**	**3,939**		
Recovery of fiscal losses	-	-	-		
Not assessable Monti Law	344	(344)	(95)		
Assessable income		**13,979**	**3,844**		**23.2%**

Reconciliation of the theoretical and effective tax charge for IRAP

Description (IRAP) (Euro/000)		Assessable	Income Tax	Theoretical charge	Effective charge
Difference between value and cost of production		**15,518**			
Costs not recorded for IRAP					
Labour costs	30,125				
Services as per Art. 49 (temporary services)	3				
Total increases		**30,128**			
Total		**45,646**			
Theoretical charge			2,258	4.95%	
Temporary differences assessable in future years					
Obsolescence provision	1,500				
Risk provision	2,011				
Others	9				
Total increases		**3,520**			
Reversal of prior years' temporary differences					
Use of inventory provision	3,600				
Write-down prior years, disposal 2012	5				
Other					
Total decreases		**3,605**			
Differences not reversing in future years					
INAIL contributions	529				
Deduction cost categories protected	283				
Tax amnesty	2,578				
CTR deductions	4,407				
Costs deductible not included in value of production	1,147				
Revenues not related to value of production	669				
Total decreases		**9,613**			
Differences not reversing in future years					
Assessable revenues not included in value of production	1,735				
Costs not deductible	1,354				
Total increases		**3,089**			
IRAP assessable		**39,037**			
IRAP current year			**1,931**		**4.23%**

Transactions with related parties

Transactions with related parties are undertaken at normal market conditions between independent parties. There were no operations of an typical and/or unusual nature. The transactions with related parties, in accordance with IAS 24 revised, relate to normal operations and are conducted at normal market conditions. The transactions are in accordance with the most recent "corporate governance" regulations adopted by the Company. In accordance with Article 2391 bis of the Civil Code, with CONSOB regulation in relation to related parties approved with resolution No. 17221 of March 12, 2010, subsequently amended with resolution No. 17389 of 23.06.2010 and that recommended by Article 9.C.1 of the Self-Governance Code for listed companies, the Board of Directors of La Doria S.p.A. on November 11, 2010 adopted the Regulation for the governance of transactions with related parties which defines the guidelines and criteria for the identification, approval and execution of the transactions with related parties undertaken by the Company, directly or through subsidiary companies, in order to ensure transparency and substantial and procedural correctness of the transactions.

All transactions of a financial or economic nature with other related parties of the Company for the years 2012 and 2013 are reported below:

Year 2012

(Euro/000) 31.12.2012	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current payables	Guarantees
Balance sheet						
Subsidiaries						
Eugea Mediterranea S.p.A.	4,750			21,994	30,074	
LDH (La Doria) Ltd.	19,608	3,923	2,578	633	6,188	
TOTAL	**24,358**	**3,923**	**2,578**	**22,627**	**36,262**	**-**
% on total balance	37%	25%	100%	25%	78%	0%

LDH (La Doria) Ltd.

Trade receivables: Receivables from the subsidiary LDH (La Doria) Ltd for Euro 19,608 thousand for operations of a commercial nature;

Other current and non-current assets: This account relates to the non-current and current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria) Ltd.

Trade payables: Payables to the subsidiary LDH (La Doria) Ltd. for Euro 633 thousand, of a commercial nature;

Guarantees: Euro 6,188 thousand for the equivalent amount at 31/12/2012 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;

Eugea Mediterranea S.p.A.

Trade receivables: Receivables from the subsidiary Eugea Mediterranea S.p.A. for Euro 4,750 thousand, of a commercial nature;

Trade payables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 21,994 thousand, of a commercial nature;

Guarantees: Euro 24,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A..

(Euro/000) 31.12.2012	Revenues	Other operating revenues	Costs	Other operating costs	Financial income	Financial charges	dividends
P&L transactions							
Subsidiaries							
Eugea Mediterranea S.p.A.	4,933	454	24,413				
LDH (La Doria) Ldt.	93,294	802	43	4,077			2,327
TOTAL	**98,227**	**1,256**	**24,456**	**4,077**	**-**	**-**	**2,327**
% on total balance	33%	11%	10%	7%			100%

LDH (La Doria) Ltd.

Revenues: Revenues for the sale of finished products of Euro 93,294 thousand;

Other operating revenues: Recharges for damage and recovery of expenses of Euro 802 thousand;

Costs: Costs for semi-finished purchases Euro 43 thousand;

Other operating charges: Service costs and damage reimbursements for Euro 4,077 thousand, of which Euro 3,619 thousand relating to promotional contributions;

Dividends: Dividends distributed by the subsidiary LDH (La Doria) Ltd., in relation to the year 2012 for Euro 2,327 thousand.

Eugea Mediterranea S.p.A.

Revenues: Revenues for the sale of finished and semi-finished products of Euro 4,933 thousand;

Other operating revenues: Raw material and packaging revenues for Euro 454 thousand, services of Euro 120 thousand and raw material and packaging purchases of Euro 121 thousand and various recharges of Euro 213 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 24,413 thousand;

Year 2013

(Euro/000) 31.12.2013	Trade receivables	Other current assets	Other non-current assets	Trade payables	Guarantees	Commit.
Balance sheet						
Subsidiaries						
Eugea Mediterranea S.p.A.	956			11,260	20,930	
LDH (La Doria) Ltd.	24,452	3,490	2,651	707	6,057	
TOTAL	**25,408**	**3,490**	**2,651**	**11,967**	**26,987**	**-**
% on total balance	37%	27%	99%	16%	59%	0%

LDH (La Doria) Ltd.

Trade receivables: Receivables from the subsidiary LDH (La Doria) Ltd for Euro 24,452 thousand for operations of a commercial nature;

Other current and non-current assets: This account relates to the non-current and current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria).

Trade payables: Payables to the subsidiary LDH (La Doria) Ltd. for Euro 707 thousand, of a commercial nature;

Guarantees: Euro 6,057 thousand for the equivalent amount at 31/12/2013 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;

Eugea Mediterranea S.p.A.

Trade receivables: Receivables from the subsidiary Eugea Mediterranea S.p.A. for Euro 956 thousand, of a commercial nature;

Trade payables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 11,260 thousand, of a commercial nature;

Guarantees: Euro 20,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A..

(Euro/000) 31.12.2013	Revenues	Other operating revenues	Costs	Other operating costs	Financial income	Financial charges	dividends
P&L transactions							
Subsidiaries							
Eugea Mediterranea S.p.A.	3,605	393	21,169	3			
LDH (La Doria) Ldt.	97,109	21		3,749			2,521
TOTAL	**100,714**	**414**	**21,169**	**3,752**	**-**	**-**	**2,521**
% on total balance	31%	3%	10%	6%	0%	0%	100%

LDH (La Doria) Ltd.

Revenues: Revenues for the sale of finished products of Euro 97,109 thousand;

Other operating revenues: Recharges for damage and recovery of expenses of Euro 21 thousand;

Other operating charges: Service costs and damage reimbursements for Euro 3,749 thousand, of which Euro 3,644 thousand relating to promotional contributions;

Dividends: Dividends distributed by the subsidiary LDH (La Doria) Ltd., in relation to the year 2012 for Euro 2,521 thousand.

Eugea Mediterranea S.p.A.

Revenues: Revenues for the sale of finished and semi-finished products of Euro 3,605 thousand;

Other operating revenues: Revenues from the sale of raw materials and packaging of Euro 48 thousand, services of Euro 130 thousand and various recharges of Euro 215 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 21,169 thousand;

Other operating charges: Packaging costs of Euro 3 thousand.

Transactions with other related parties

All transactions of a financial or economic nature with related parties of the Company for the years 2013 and 2012 are reported below:

Year 2012

(Euro/000) 31.12.2012	Trade receivables	Other current assets	Other non-curren assets	Trade payables	Other current payables	Other non-current payables
Balance sheet						
Receivables from customers	161					
Payables to suppliers						
Directors					437	
Shareholders						
TOTAL	**161**	**0**	**0**	**0**	**437**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 161 thousand for operations of a commercial nature:

Other current liabilities: Concerns payables to Directors for Euro 437 thousand and remuneration, salary and bonuses matured in the year and still not paid.

(Euro/000) 31.12.2012	Revenues	Other operating revenues	Costs	Other operating costs	Dividends
P&L transactions					
Revenues	458				
Costs			15		
Directors				1,355	
Shareholders					
TOTAL	**458**	**0**	**15**	**1,355**	**0**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 458 thousand;

Costs: Concerns costs for the acquisition of services for Euro 15 thousand;

Other operating charges: These amount to Euro 1,355 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in the year.

Year 2013

(Euro/000) 31.12.2013	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current
Year-end balance						
Receivables from customers	156					
Payables to suppliers				7		
Directors					405	
Shareholders						
TOTAL	**156**	**0**	**0**	**7**	**405**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 156 thousand for operations of a commercial nature:

Trade payables: Concerns payables to suppliers for services of Euro 7 thousand;

Other current liabilities: Concerns payables to Directors for Euro 405 thousand and remuneration, salary and bonuses matured in the year and still not paid.

(Euro/000) 31.12.2013	Revenues	Other operating revenues	Costs	Other operating charges	Dividends
P&L transactions					
Revenues	404				
Costs			13		
Directors				1,297	
Shareholders					1,316
TOTAL	**404**	**0**	**13**	**1,297**	**1,316**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 404 thousand;

Costs: Concerns costs for the acquisition of services for Euro 13 thousand;

Other operating charges: These amount to Euro 1,297 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in 2013.

Dividends: In 2013 related party shareholders matured dividends of Euro 1,316 thousand on the 2012 net profit.

KEY MANAGEMENT PERSONNEL REMUNERATION

The remuneration of those holding positions with authority and responsibility for planning, management and control of the Company, including Executive and Non-Executive Directors, is reported in Tables D and D1.

Such remuneration concerns emoluments and all other payments, including the portion carried by the Company, of a remunerative, pension-related or social security nature deriving from the role of Director or Statuotry Auditor of the Parent Company and other companies within the consolidation scope, which resulted in a cost for the Group.

DISCLOSURE PURSUANT TO ARTICLE 149 DUODECIES OF THE CONSOB ISSUER'S REGULATION

Table E, prepared pursuant to Article 149 duodecies of the CONSOB Issuer's Regulations, reports the payments made in 2013 for audit, declaration, tax consultancy and other services carried out by the independent audit firm and associated entities.

SUBSEQUENT EVENTS

In relation to the subsequent events, reference should be made to the comments in the Directors' Report. In any case, there are no subsequent events that had an effect on the amounts in the financial statements at December 31, 2013 which have not already been taken into consideration in the accounts.

ATTACHMENTS TO THE NOTES TO THE FINANCIAL STATEMENTS

The net financial position required by CONSOB communication of July 28, 2006 DEM/6064293 and by CESR recommendation of February 10, 2005 "Recommendations for the standard application of the European Commission Regulation on disclosure statements" is as follows:

NET DEBT
CONSOB NO. DEM/6064293 OF 28/07/2006

(Euro/000)

		31.12.2013	31.12.2012
A.	Cash	2	1
B.	Other cash and cash equivalents (Bank and postal deposits)	22,071	13,446
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**22,073**	**13,447**
E.	**Current Financial Receivables**	**-**	**-**
F.	Current bank payables	45,568	60,895
G.	Current portion of non-current debt	23,761	16,504
H.	Other current fin. payables	8,990	11,289
I.	**Current debt (F+G+H)**	**78,319**	**88,688**
J.	**Current net debt (+I-E-D)**	**56,246**	**75,241**
K.	Bank payables – non-current portion	50,689	36,914
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**50,689**	**36,914**
O.	**Net debt (+J+N)**	**106,935**	**112,155**

TABLE A
INTANGIBLE ASSETS AT 31.12.2013

(Euro/000)

CATEGORY	Historical cost	Acc. amort.	Decreases Amort. 31.12.13	Invest. 31.12.13	Divest. 31.12.13	Reclass. 31.12.13	Net total
Software costs	4,948	4,576	190	121		101	404
Brands	44	44					0
Assets in progress	125			321	101		345
TOTAL	**5,117**	**4,620**	**190**	**442**	**101**	**101**	**749**

TABLE B
TANGIBLE ASSETS AT 31.12.2013

(Euro/000)

CATEGORY	Depre. rate	Hist. cost at 1.1.13	Reval. pr. years	Decreases Depr. pr. years at 1.1.13	Decreases Divest provision at 31.12.13	Depr. at 31.12.13	Invest. at 31.12.13	Divest. at 31.12.13	Reclass. at 31.12.13	Net total
Land		18,820								18,820
Ind. buildings/light construction	*	59,457		12,827		1,518	1,127	4	802	47,037
Plant and machinery	7.50%-14%	125,295	1,454	100,088	366	6,379	5,442	370	691	26,411
Minor equipment	20%	6,234	194	5,731	216	305	324	227		705
EDP	20%	2,276		1,738		179	234		86	679
Internal transport	20%	882	23	856		24	55			80
Motor vehicles	25%	41		36		5	0			0
Furniture & other equipment	7.50%-12%	639	12	623		17	80		88	179
Assets in progress	0%	1,674					1,315		(1,667)	1,322
TOTAL		**215,318**	**1,683**	**121,899**	**582**	**8,427**	**8,577**	**601**	**0**	**95,234**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE B1

TANGIBLE ASSETS AT 31.12.2013 (Euro/000)

CATEGORY	Depr. rate	Cost at 1.1.13	Increases at 31.12.13	Reclass. at 31.12.13	Decreases at 31.12.13	Cost at 31.12.13
Land		18,820				18,820
Industrial buildings	*	59,457	1,127	802	4	61,382
Plant and machinery	7.50% 14%	126,748	5,442	691	370	132,511
Minor equipment	20%	6,428	324		227	6,525
EDP	20%	2,276	234	86		2,596
Internal transport	20%	909	55			964
Motor vehicles	25%	41				41
Furniture & other equipment	7.50% 12%	650	80	88		818
Assets in progress	0%	1,674	1,315	(1,667)		1,322
TOTAL		**217,003**	**8,577**	**0**	**601**	**224,979**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE B2
ACCUMULATES DEPRECIATION AT 31.12.2013

(Euro/000)

CATEGORY	Depr. rate	Accum. depr. at 1.1.13	Ordinary depr. at 31.12.13	Utilis. at 31.12.13	Accum. depr. at 31.12.13
Land					
Industrial buildings	*	12,827	1,518		14,345
Plant and machinery	7.50% 14%	100,088	6,379	367	106,100
Minor equipment	20%	5,731	305	216	5,820
EDP	20%	1,738	179		1,917
Internal transport	20%	859	24		883
Motor vehicles	25%	36	5		41
Furniture & other equipment	7.50% 12%	622	17		639
TOTAL		**121,901**	**8,427**	**583**	**129,745**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES (Euro/000)

	Balance 01.01.13	Decrease	Write-down	New contr.	Balance 31.12.13	Write-down provision	Net equity	% held
LDH (La Doria) Ltd.	764				764		48,692 (1)	51%
Eugea Mediterranea S.p.A.	3,304				3,304		5,434 (2)	98,34%
	4,068				**4,068**			

(1) LDH (La Doria) Ltd. 519 North Gate Alconbury Airfield
Alconbury Huntingdon Cambridgeshire PE 28 4WX England (GB)
Share Capital GBP 1,000,000 in 1,000,000 shares of GBP 1 each
Net equity at 31.12.2013 of GBP 40,595 thousand
Including net profit for year of GBP 9,961 thousand.
Net equity based on exchange rate at 31.12.2013

(2) EUGEA MEDITERRANEA S.p.A. Strada Consorziata s.n.c. Gaudiano di Lavello (PZ)
Share Capital Euro 1,500 thousand 15,000 shares of Euro 100.00 each
Net equity of Euro 5.434 thousand at 31.12.2013
Profit at 31.12.2013 Euro 160 thousand

TABLE C1
HOLDINGS IN INDIRECT SUBSIDIARIES (GBP)

	Net equity	% Held	Share of net equity
LDH Foods (Hellas) Ltd (in liquidation) 32 Omiron Street Athens (Greece) Investment acquired on May 14, 1998 Share capital Euro 18 thousand Investment eliminated at December 31, 2007 on ceasing of activities	0	50.85%	0
LDH Foods S.L. (in liquidation) Av.da De Los Castanos, 53 Urb. El Chorrico Molina De Segura (Murcia) Share capital Euro 9 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	51%	0
Manpineco 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 1 The company was incorporated in January 2008 by the subsidiary LDH (La Doria) Ltd..	1	51%	0,51
Oriental & Pacific Frozen Food Co. Ltd. 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 10 thousand LDH (La Doria) Ltd holds 100% since 1/4/2008.	10,000	51%	5,100

TABLE D

REMUNERATION OF DIRECTORS, STATUTORY AUDITORS, THE GENERAL MANAGER AND EXECUTIVES WITH STRATEGIC RESPOSIBILITIES OF LA DORIA SpA

(Euro)

PERSON	DESCRIPTION OF OFFICE			REMUNERATION					
Name	Office	Duration (*)		Emoluments for office	Emoluments monetary benfits	Bonus other incentives	Emoluments for ICC	Emoluments for supervisory comm.	Other remunerat.
Persico Sergio	Chairman of BOD	11/05/2011	31/12/2013	95,000			10,000	5,000	18,243
Sampietro Giorgio	Vice Chairman of BOD	11/05/2011	31/12/2013	35,160			10,000	10,000	
Ferraioli Antonio	Director	11/05/2011	31/12/2013	26,000	5,406	107,350			318,243
Ferraioli Andrea	Director	11/05/2011	31/12/2013	26,000	5,287	107,350			318,243
Ferraioli Iolanda	Director	11/05/2011	31/12/2013	26,000	2,853	10,000			95,035
Diretto Giuseppe	Director	11/05/2011	31/12/2013	29,243			10,000		
Cecere Fabio	Chair. Board of Stat. Auditors	11/05/2011	31/12/2013	100,549					
De Caprio Antonio	Statutory Auditor	11/05/2011	31/12/2013	72,056					
D'Amore Maurizio	Statutory Auditor	11/05/2011	31/12/2013	73,697					
TOTALE				**483,705**	**13,546**	**224,700**	**30,000**	**15,000**	**749,764**

Other remuneration	**Ferraioli Antonio**	**Executive**
Other remuneration	**Ferraioli Andrea**	**Executive**
Other remuneration	**Ferraioli Iolanda**	**Executive**

(*) Until approval of 2013 Annual Accounts

TABLE D1

REMUNERATION TO DIRECTORS AND STATUTORY AUDITORS BY SUBSIDIARES

(Euro)

PERSON	DESCRIPTION OF OFFICE		REMUNERATION		
Name	Office held	Duration of office	Emoluments for office	Non monetary benefits	Bonus and other incent.
LDH (La Doria) Ltd.					
Ferraioli Antonio	Chairman of BOD	19/02/97 until revoked	8,243		
Persico Sergio	Director	19/02/97 until revoked	8,243		
Ferraioli Rosa	Director	04/2009 until revoked	8,243		
Festa Alberto	Director	01/2010 until revoked	8,243		
Ferraioli Andrea	Director	02/03/98 until revoked	8,243		
TOTAL			**41,215**		

Remuneration of GBP 35,000 at average December 2013 exchange rate 0,84925

EUGEA MEDITERRANEA S.p.A.						
Ferraioli Antonio	Chairman of BOD	29/04/2013	29/04/2016	10,000		
Ferraioli Andrea	Director	29/04/2013	29/04/2016	10,000		
Festa Alberto	Director	29/04/2013	29/04/2016	10,000		
Persico Sergio	Director	29/04/2013	29/04/2016	10,000		
TOTAL				**40,000**		

DISCLOSURE PURSUANT TO ARTICLE 149 OF THE CONSOB ISSUERS REGULATION

The following table, prepared pursuant to article 149 of the CONSOB Issuers Regulations reports the payments made in 2013 for audit and other services carried out by the audit firm and entities associated with the audit firm.

TABLE E
AMOUNTS PAID TO THE AUDIT FIRM

(Euro/000)

	Party providing the service	Fee 2013
Revisione legale	PricewaterhouseCoopers S.p.A.	80
Servizi di attestazione	PricewaterhouseCoopers S.p.A.	
Altri servizi	Rete PricewaterhouseCoopers	39
TOTAL		**119**

TABLE 1

FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.13	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets AFS	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries			25,409			25,409	Subsidiaries	
Trade receivables			46,176			46,176	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			3,210			3,210	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	808		8,369			9,177	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		50,689	50,689	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries		11,967	11,967	Subsidiary payables	
Payables				Payments on account	
Payables		63,559	63,559	Trade payables	
Payables		2,255	2,255	Tax payables	
Payables		635	635	Social security payables	
Current financial payables		69,329	69,329	Bank payables	
Current financial payables		8,990	8,990	Factoring payables	
Derivatives	728		728	Bank payables	
Other Liabilities	1,426	6,321	7,747	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2013 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 2

FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.12	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries			24,359			24,359	Subsidiaries	
Receivables			43,693			43,693	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			2,286			2,286	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	1,434		10,191			11,625	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		36,914	36,914	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries		22,627	22,627	Subsidiary payables	
Payables				Payments on account	
Payables		66,170	66,170	Trade payables	
Payables		3,916	3,916	Tax payables	
Payables		631	631	Social security payables	
Current financial payables		77,399	77,399	Bank payables	
Current financial payables		11,289	11,289	Factoring payables	
Derivatives	1,309		1,309	Bank payables	
Other Liabilities	262	6,131	6,393	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2012 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 3
HEDGE VALUATION

(currency/000)

Hedging of payments to Suppliers
The following table shows the contractual maturity of payments to suppliers valued at when payment is expected.

Derivatives

at 31.12.13			Amount (thousand) in GBP			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected			9,876	795	75,250	(270)
Purchases expected	66,750	(1,143)				
TOTAL	**66,750**	**(1,143)**	**9,876**	**795**	**75,250**	**(270)**

Note
The La Doria options were signed for partial hedging of the purchases in USD and of sales in GBP and AUD in the coming 12 months.

at 31.12.13			Amount (thousand)			
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	Notional	FV	Notional	FV
Loans granted						
Loans received with IRS	55,698	728				
TOTAL	**55,698**	**728**				

Note
The La Doria IRS options were signed for partial hedging of the Medium/long loans.

TABLE 4
HEDGE VALUATION

(currency/000)

Hedging of payments to Suppliers
The following table shows the contractual maturity of payments to suppliers valued at when payment is expected.

Derivatives

at 31.12.12			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EUR** FV	**AUD** Notional	**EUR** FV	**GBP** Notional	**EUR** FV
Sales expected			6,089	168	61,500	1,207
Purchases expected	37,250	(203)				
TOTAL	**37,250**	**(203)**	**6,089**	**168**	**61,500**	**1,207**

Note

The La Doria options were signed for partial hedging of the purchases in USD and of sales in GBP and AUD in the coming 12 months.

at 31.12.12			Amount			
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	Notional	FV	Notional	FV
Loans Granted						
Loans Received with IRS	44,704	1,309				
TOTAL	**44,704**	**1,309**				

Note

The La Doria IRS operations were agreed for partial hedging of Medium/Long term loans.

TABLE 5

SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.13	Referenc account balance sheet	Book value	Exchange rate interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from related parties (La Doria)				
Non current receivables from related parties (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from related parties (La Doria)				
Current receivables from related parties (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	22,073		
NON-CURRENT LIABILITIES				
Non current payables to related parties (La Doria)				
Non current payables to related parties (Others)				
Non current financial liabilities	Med./long term debt	50,689	35	(35)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank payables	78,319	392	(392)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash flow hedge reserve				
Net income			(427)	427
Minority interest				

Euribor 2013 at 3 months average 0.22%

Hyp1 Average interest rate curve higher than 50 bps 3.80%+0.5% on M/L; +3.33%+0.5% on short term

The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/13 of Euro 18,752 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.80% 0.5% on M/L; +2.33% 0.5% on short term

TABLE 6

SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.12	Referenc account balance sheet	Book value	Exchange rate interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from related parties (La Doria)				
Non current receivables from related parties (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from related parties (La Doria)				
Current receivables from related parties (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	13,447		
NON-CURRENT LIABILITIES				
Non current payables to related parties (La Doria)				
Non current payables to related parties (Others)				
Non current financial liabilities	Med./long term debt	36,914	30	(30)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank payables	88,688	356	(356)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash flow hedge reserve				
Net income			(386)	386
Minority interest				

Euribor 2012 at 3 months average 0.59%

Hyp1 Average interest rate curve higher than 50 bps 3.08%+0.5% on M/L; +3.59%+0.5% on short term

The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/12 of Euro 8,714 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.08% 0.5% on M/L; +2.59% 0.5% on short term

TABLE 7
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.13	Reference to balance-sheet	Book value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non current receivables from hold. comp. (La Doria)								
Non current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non current receivables from third parties								
CURRENT ASSETS								
Current receivables from related parties (La Doria)								
Current receivables from related parties (Others)								
Trade receivables	Trade receivables	24,494		19,433	6	1,962	(1,079)	1,386
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency	10,950		5,993	4,309	983	(521)	577
NON-CURRENT LIABILITIES								
Non-current payables to related parties (La Doria)								
Non-current payables to related parties (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Payables to related parties (La Doria)								
Payables to related parties (Others)								
Trade payables	Trade payables	4,230		668	4,682	2	(232)	188
Financial liabilities	GBP Loan					0	0	0
Derivatives								
Other liabilities								
SHAREHOLDERS´ EQUITY								
Translation reserve								
Cash flow of valuation reserves								
Net profit/(loss)							(1,368)	1,774
Minority interest share								

Examples of assumptions		€/currency
GBP/€	Actual rate	0,8337
USD/€	Actual rate	1,3791
AUD/€	Actual rate	1,5423
USD/€	€ increases by 5%	1,448055
USD/€	€ decreases by 5%	1,310145
GBP/€	€ increases by 5%	0,875385
GBP/€	€ decreases by 5%	0,792015
AUD/€	€ increases by 5%	1,619415
AUD/€	€ decreases by 5%	1,465185

TABLE 8
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.12	Reference account balance sheet	Book value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non current receivables from hold. comp. (La Doria)								
Non current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non current receivables from third parties								
CURRENT ASSETS								
Current receivables from related parties (La Doria)								
Current receivables from related parties (Others)								
Receivables from clients	Trade receivables	19,392		14,134	5	2,315	(1,160)	759
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency	3,227		1,875	669	537	(154)	170
NON-CURRENT LIABILITIES								
Non-current payables to related parties (La Doria)								
Non-current payables to related parties (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Payables to related parties (La Doria)								
Payables to related parties (Others)								
Trade payables	Trade payables	3,660		663	3,641	17	(245)	114
Financial payables	Finimport Gbp	1,403		1,145		0	(67)	74
Derivatives								
Other payables								
SHAREHOLDERS¨ EQUITY								
Translation reserve								
Cash flow of valuation reserves								
Net profit/(loss)							(1.001)	741
Minority interest share								

Checks

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,8161
USD/€	Actual rate	1,3194
AUD/€	Actual rate	1,2712
USD/€	€ increases by 5%	1,38537
USD/€	€ decreases by 5%	1,25343
GBP/€	€ increases by 5%	0,856905
GBP/€	€ decreases by 5%	0,775295
AUD/€	€ increases by 5%	1,33476
AUD/€	€ decreases by 5%	1,20764

TABLE 9

CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.13	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	47,206	Trade receivables		39,158	6,344	782	429	493	47,206
Receivables subsidiaries (Others)	25,409	Receivables from subsidiaries		25,334	70	5			25,409
Tax receivables	3,210	Tax receivables		3,210					3,210
Other receivables	9,177	Other receivables		6,550				2,627	9,177
Gross receivables	**85,002**			**74,252**	**6,414**	**787**	**429**	**3,120**	**85,002**
Write-down of receivables	1,030	Bad debt provision		1,030					1,030
Write-down of receivables from subsidiaries		Bad debt provision							
Write-down of other receivables		Write-down of other receivables							
Net receivables	**83,972**			**73,222**	**6,414**	**787**	**429**	**3,120**	**83,972**

NON-CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.13	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables									
Receivables from holding (La Doria SpA)									
Receivables subsidiaries (Others)									
Tax receivables for deferred tax assets	3,207	Deferred tax asset		3,207					3,207
Other receivables									
Gross receivables	**3,207**			**3,207**					**3,207**
Write-down of receivables									
Write-down of receivables from subsidiaries									
Write-down of other receivables									
Net receivables	**3,207**			**3,207**					**3,207**

TABLE 10

CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.12	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	44,776	Trade receivables		30,365	12,018	1,698	335	360	44,776
Receivables subsidiaries (Others)	24,359	Receivables from subsidiaries		24,139	53	167			24,359
Tax receivables	2,286	Tax receivables		2,286					2,286
Other receivables	11,625	Other receivables		8,635	397			2,593	11,625
Gross receivables	**83,046**			**65,425**	**12,468**	**1,865**	**335**	**2,953**	**83,046**
Write-down of receivables	1,083	Bad debt provision		1,083					1,083
Write-down of receivables from subsidiaries		Bad debt provision							
Write-down of other receivables		Write-down of other receivables							
Net receivables	**81,963**			**1,083**	**12,468**	**1,865**	**335**	**2,953**	**81,963**

NON-CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.12	Book value	Reference Account Balance Sheet	Write-downs	OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables									
Receivables from holding (La Doria SpA)									
Receivables subsidiaries (Others)									
Tax receivables for deferred tax assets	3,490	Deferred tax asset		3,490					3,490
Other receivables									
Gross receivables	**3,490**			**3,490**					**3,490**
Write-down of receivables									
Write-down of receivables from subsidiaries									
Write-down of other receivables									
Net receivables	**3,490**			**3,490**					**3,490**

TABLE 11
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.13	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	47,206	Trade receivables	6,945	5,810	6,817	9,377	18,257	47.206
Other Receivables	9,177	Other receivables	6,513	1,550	857	257		9.177
Receivables	**56,383**		**13,458**	**7,360**	**7,674**	**9,634**	**18,257**	**56.383**

By Country at 31.12.13	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	47,206	Trade receivables	36,328	468	816	3,846	326	5,422	47,206
Other receivables	9,177	Other receivables	9,177						9,177
Receivables	**56,383**		**45,505**	**468**	**816**	**3,846**	**326**	**5,422**	**56,383**

TABLE 12
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.12	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	44,776	Trade receivables	4,001	5,318	6,594	7,819	21,044	44,776
Other Receivables	11,625	Other receivables	8,206	1,479	1,356	583	1	11,625
Receivables	**56,401**		**12,207**	**6,797**	**7,950**	**8,402**	**21,045**	**56,401**

By Country at 31.12.12	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	44,776	Trade receivables	34,304	391	386	3,385	521	5,789	44,776
Other receivables	11,625	Other receivables	11,625						11,625
Receivables	**56,401**		**45,929**	**391**	**386**	**3,385**	**521**	**5,789**	**56,401**

BOARD OF STATUTORY AUDITORS' REPORT

BOARD OF STATUTORY AUDITORS' REPORT FOR THE SHAREHOLDERS' MEETING TO APPROVE THE 2013 ANNUAL REPORT

Dear Shareholders of La Doria S.p.A.,

Article 153 of Legislative Decree No. 58 of 24/2/1998 establishes the obligation on the Board of Statutory Auditors to report to the Shareholders' Meeting called for the approval of the financial statements, on the supervisory activities carried out, on the omissions or significant events, and also establishes the faculty to make proposals in relation to the approval of the financial statements, in relation to the issues within its remit.
With regard to this obligation, we report that:

1. We attended the meetings of the Board of Directors, obtaining from the Directors, at least on a quarterly basis, information on the activities carried out by the Company and its subsidiaries, and on the most important economic and financial operations undertaken. In this regard, we ascertained that the operations approved and implemented were in conformity with law and the By-Laws and were not in potential conflict of interest or contrary to the motions passed by the Shareholders' Meeting, or such as to compromise the integrity of the company assets. We also supervised compliance with the By-Laws, legislation and applicable regulations concerning the corporate boards and compliance with the law relating to the drawing up and publication of the half-year financial statements and the quarterly reports, as well as their presentation.
2. We have acquired information on the activities of subsidiary companies, as well as the instructions given by the company to the subsidiaries with reference to the information required for the preparation of the financial statements, pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998.
3. We have obtained information and monitored, within the scope of our duties, the adequacy of the organisational structure of the company and compliance with the principles of correct administration through direct observations, the gathering of information from the persons in charge of the various departments and through meetings with the Independent Audit Firm for the reciprocal exchange of important data and information. We consider the administrative structure adequate and functional in terms of the company's size and requirements.
4. We examined and reviewed the application and updating of the conduct rules in terms of their correspondence with Corporate Governance best practice, the adequacy of the

internal control system and the administrative and accounting system, in addition to the reliability of the latter system to correctly represent operating events through:

a. attendance at the Control and Risks Committee meetings - an internal Board committee,

b. review of the Internal Audit reports and the disclosure received on the results of the corrective actions identified during the controls,

c. the review of company documents and the results on the work carried out by the Independent Audit Firm.

5. During the verifications, as described above, no irregularities or citable facts emerged.

6. In relation to inter-company transactions, the Directors' Report highlights that such fall within the ordinary operations of the company and are at normal market conditions, also in terms of the company procedure on transactions with related parties. From the work carried out and the information acquired, no extraordinary, atypical and/or unusual transactions or transactions or with related parties emerged.

7. In executing its supervisory activities, the Board of Statutory Auditors met 9 times in the year. In addition, the Board of Statutory Auditors attended 6 Board of Directors' meetings, 6 meetings of the Control and Risks Committee and 4 meetings of the Remuneration Committee.

8. During 2013, no petitions were received by the Board of Statutory Auditors from Shareholders.

9. Finally, with particular regard to our work in respect of the annual statutory financial statements, we state that:

   – the laws relating to the formation and presentation of the financial statements and the directors' report on operations have been followed; the format of the financial statements and the accounting policies, described in the notes, are in compliance with the provisions of law and are considered adequate with respect to the activities of the company;

   – the financial statements present the facts and information which the Board of Statutory Auditors ascertained during the year in the course of their duties and from the controls undertaken;

   – the Directors' Report on operations has been prepared in accordance with Article 2428 of the Italian Civil Code and corresponds with the data and the results presented in the financial statements; it provides full disclosure on the activities of the company and its subsidiaries and of inter-company and related party transactions, as well as the process to conform the organisation of the company to the principles of Corporate Governance, in agreement with the Self-Governance Code of listed companies, to which the Company subscribes;

– we have also examined the results of the consolidated financial statements of the Group;

– The report of the Independent Audit Firm PricewaterhouseCoopers S.p.A. does not highlight significant issues or draw the attention to any matters.

10. We therefore express a favourable opinion on the approval of the financial statements and the proposal by the Board of Directors to allocate the result for the year.

Angri, March 31, 2014

THE BOARD OF
STATUTORY AUDITORS
Fabio Cecere
Maurizio D'Amore
Antonio De Caprio

INDEPENDENT AUDITORS' REPORT

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the Shareholders of
La Doria SpA

1 We have audited the separate financial statements of La Doria SpA as of 31 December 2013, which comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and related notes. The directors of La Doria SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these separate financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the separate financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the separate financial statements of the prior year, which are presented for comparative purposes, reference is made to our report dated 28 March 2013.

3 In our opinion, the separate financial statements of La Doria SpA as of 31 December 2013 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n°38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of La Doria SpA for the year then ended.

4 The directors of La Doria SpA are responsible for the preparation of the report on operations and the report on corporate governance and shareholding structure, published in section "Investor & Media Relations - Corporate Governance" of the Internet site of La Doria SpA, in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree N°58/98, presented in the report on corporate governance and shareholding structure, with the financial statements, as required by law. For this purpose, we have performed the

procedures required under Auditing Standard n°001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree N°58/98 presented in the report on corporate governance and shareholding structure are consistent with the separate financial statements of La Doria SpA as of 31 December 2013.

Naples, 31 March 2014

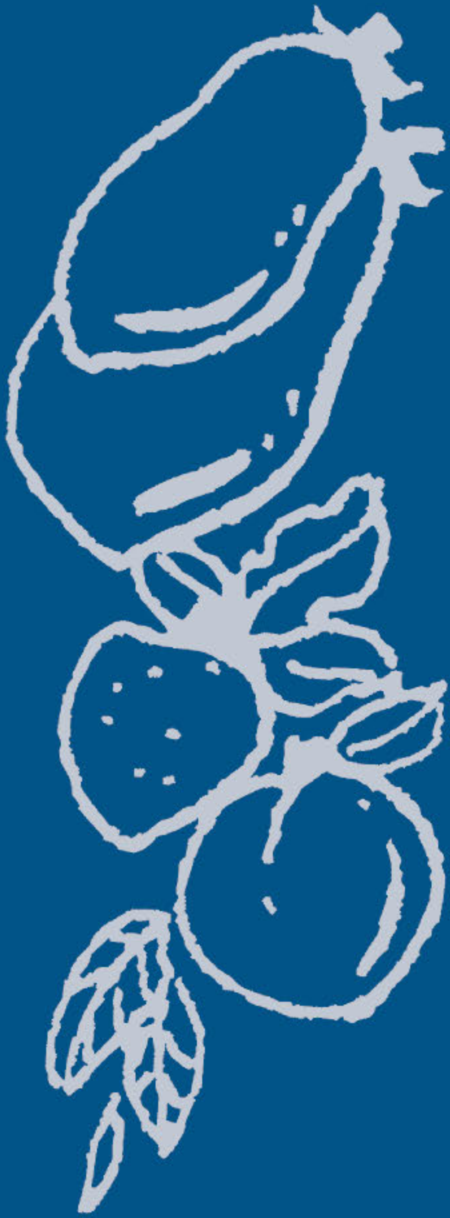
PricewaterhouseCoopers SpA

Signed by

Pier Luigi Vitelli
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

Attachment A-4 - No 3.3: Annual Report 31 December 2012



ANNUAL REPORT

2012

2012 ANNUAL REPORT

CONTENTS

Board of Directors

Chairman	Sergio Persico
Vice Chairman	Giorgio Sampietro (independent)
Chief Executive Officer	Antonio Ferraioli
Directors	Giuseppe Diretto (independent)
	Andrea Ferraioli
	Iolanda Ferraioli

Board of Statutory Auditors

Chairman	Fabio Cecere
Statutory Auditors	Maurizio D'Amore
	Antonio De Caprio

Independent audit firm

PricewaterhouseCoopers S.p.A.
Period 2007/2015

Executive in charge of the preparation of corporate accounting documents

Alberto Festa

Control and risk committee

Members	Sergio Persico (Chairman)
	Giuseppe Diretto
	Giorgio Sampietro

Remuneration Committee

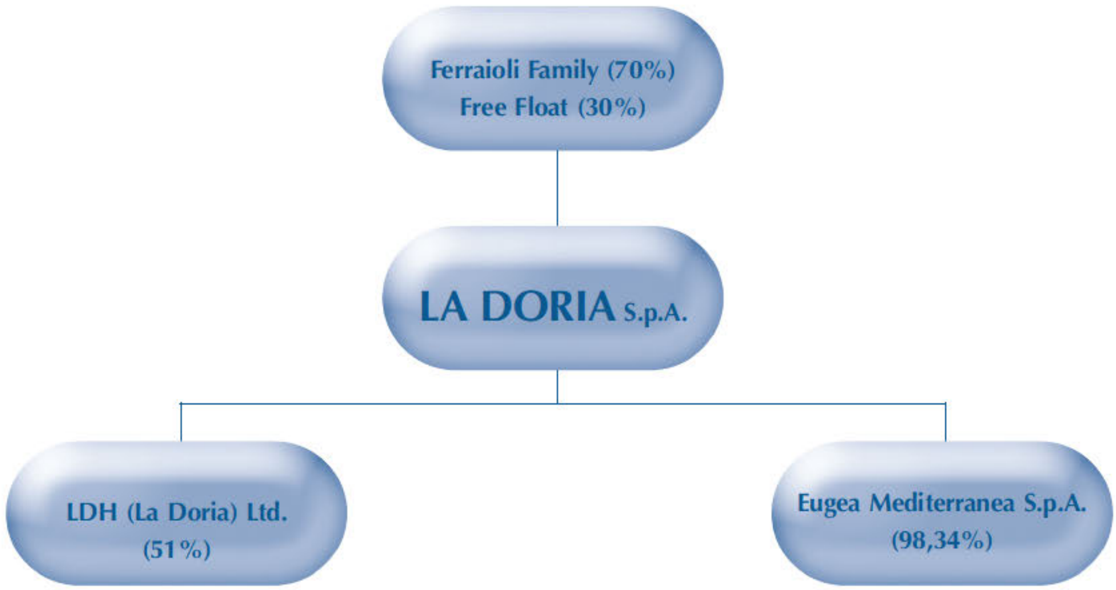
Members	Sergio Persico (Chairman)
	Giuseppe Diretto
	Giorgio Sampietro

Supervisory Committee

Members	Giorgio Sampietro (Chairman)
	Sergio Persico
	Elena Maggi (Internal Audit)

LA DORIA S.p.A.
Registered office: Angri (SA) – Via Nazionale, 320
Share Capital: Euro 42,780,000 (fully paid-in) - Exporters' Role: No. 398
Companies Registration Office of Salerno 423/93; VAT No. 00180700650

STRUCTURE OF THE GROUP



Dear Shareholders,

2012 was a very strong year for our Group, which continued to grow market share even amid an extensive economic-financial crisis and a drop in household food consumption levels which, in certain countries, even affected commodity products such as processed food/vegetables, which are generally anti-cyclical.

Our products, principally Supermarket private labels, benefitted from the general growth of the sector, facilitated by a shift in consumer purchasing behaviour toward alternatives to branded products which focus on both quality and price.

Gains in market share were seen in all three of the principal product categories in which we are present.

The significant increase in consolidated sales (+19.5%) to Euro 579 million was driven particularly by the strong performance of the "canned pulses and vegetables line" (+20.4%) and the "tomato-based products" line (+13.4%). Strong growth rates were reported also by the "other lines" (+30.4%), principally concerning products sold by the English subsidiary LDH (La Doria) Ltd.. Growth, although not as strong, was also seen in the "fruit line" (+8.6%), even amid a highly competitive Italian juice market.

The international markets (+80.8%) led revenue growth of 23%. Particularly strong performances were reported in Germany (+52%) and the United Kingdom (+26%), the largest group market, thanks to an undisputed leadership in the private label segment and long-standing stable relations with the English supermarket chains.

Non-European results were also very strong, in particular in Japan with growth of 24% in an extremely high potential market for the Group, where for many years we have enjoyed uninterrupted growth.

The results achieved without doubt highlight that the Made in Italy brand can still compete and succeed on the overseas markets which represents a key aspect of the Group's strategy and affirm that geographic diversification is a competitive advantage in offsetting risks and providing new opportunities, particularly amid stagnating internal demand.

The Group reported growth, although at lower rates, also on the Italian market (+7%), countering the general domestic consumption figures, which were strongly impacted by the continued economic crisis. In particular, leadership in the private labels fruit juice and beverage market strengthened and market share increased in the processed pulses market, while sales volumes contracted in the tomato-based product market in which the company was present principally

through own brands in the mid and low price points of the market, particularly impacted by the drop in household spending.
Group results in 2012 were very satisfying also in terms of margins, with double-digit growth - particularly in light of the challenging global economic environment.

EBITDA increased 18% to Euro 36.6 million (6.3% revenue margin), with EBIT increasing 39% to Euro 25.5 million, (4.4% revenue margin) and net profit improving 46.5% to Euro 12.6 million. The minority interest profit totaled Euro 4.8 million, in line with 2011.

The Group improved profitability, thanks principally to sales volume growth and the increase in prices after the contraction of 2011. This was achieved despite higher industrial costs, partly due to significant rises in the price of a number of raw materials and increased energy costs.

The net financial position also improved, even amid strong revenue growth and investment activity.

The 2012 results highlight the strength of our Business and the leadership established by the Group in the market. We are now the leading Italian producers of pulses and peeled and chopped tomatoes and the second largest producer of fruit juices and beverages, in which we lead the private label segment. We also enjoy a consolidated leadership in Great Britain for tomato-based products and private label pulses and lead the tomato-based product sector in the two equally demanding markets of Japan and Australia.

Our experience confirms the strategic choice to focus on private labels and further global expansion.

The Private Labels in fact remain strong also in a difficult year for overall consumption levels, both in Italy, where overall growth of 7.3% achieved a market share of between 17 and 18%, and in the other European countries, in which significant growth rates continue to be achieved in the newer markets and also on the more mature markets.

In particular, in Italy the private labels have continued to grow for more than ten years. Between 2003 and 2012 private label product spending increased from 11.3% to 17.6% of the total, with a market share increase of 3.5% in the last 4 years. The growth is not just continuous, but increasingly sustained. The leader and follower brands in the same time span particularly have lost market share, respectively from 30.1% to 26.1% and from 26.3% to 24.6%.

The success of the private labels lies with consumer behaviour, which today is based not just on price, but in large part on the awareness of consumers in relation to the quality and guarantees that the private label products can provide. The Large Supermarkets are also increasingly focused on products which can gain the loyalty of clients through recognised quality and competitiveness.

Quality and price are the principal drivers of our competitivity which, together with a capacity to supply large volumes and a wide and segmented range of products, have allowed us to develop over time long-standing consolidated relationships with the major domestic and international Supermarket chains.

In 2012 we continued to work on innovations for the private labels, through the development of products with high service content and more responsive to the demand of the modern consumer for healthy products, such as ready-made sauces, healthy fruit-based juices and beverages, ready-made soups and enriched pulses. At the same time, we continued to innovate in terms of packaging with retortable carton packaging and new formats, in line with market demand.

Purchasing efficiency actions also continued, as did projects to ensure high quality standards and improved purchasing conditions, in addition to the strengthening of relations with strategic suppliers in order to control the supply chain, with the continued implementation also of an energy efficiency policy which links development with respect for the environment, through the use of alternative energy sources, such as for example, photovoltaic energy and energy-saving initiatives.

In 2012, in addition, in order to respond to the increased demand levels from clients, the Group made significant investments to increase the production capacity and productivity in the fruit juices area and in the pulses and tomatoes area; this latter with a new retortable carton production plant which will allow also the implementation of a process to reduce the seasonality of the production site at Fisciano.

In 2013, the Group will continue to focus on quality, innovation and international expansion - strategic factors which we will continue to focus on to ensure continued growth and competitiveness.

The principal objectives over the coming years therefore concern the development of increasingly innovative products and packaging, in line with branded product innovations and the demands of the Trade and consumers, expansion into new markets, particularly emerging markets such as Brazil, China, Russia, the United Arab Emirates and Saudi Arabia, increasing market share in countries in which we are currently under-represented such as the United States, France and Germany and further growth in the countries where we are already leader.

With these goals in mind "Tradizione Italiana" was recently established, an export Consortium of which we are founder members, with a mission to bring the best of Made in Italy food to knowledgeable and demanding consumers in international markets - particularly emerging markets - in the firm belief that the coming together of enterprises and the sharing of experience, objectives and information is a winning strategy to securely and successfully establish ourselves in new markets.
The Consortium which brings together 12 leading Italian food companies in South Italy, including Besana, D'Amico, De Nigris, Di Martino, Ferrarelle, Olio Dante, Kimbo and Strega Alberti, offers a product portfolio comprising a wide range of specialties in the best Italian tradition, from a wide range of food categories with the objective also to develop production, commercial and distribution synergies among members based on economies of scale.

The La Doria Group will focus also on growing market share in Italy, where significant room for growth exists in the private label tomato-based products and processed pulses segments, where, unlike in the fruit juices and beverage market, we are not yet market leaders.

We will of course continue to pursue greater industrial and operating efficiencies, with particular attention on the financial structure, to ensure the best opportunities are exploited for the future development of the Group.

The Chief Executive Officer
Antonio Ferraioli

MAIN ECONOMIC DATA AND FINANCIAL POSITION

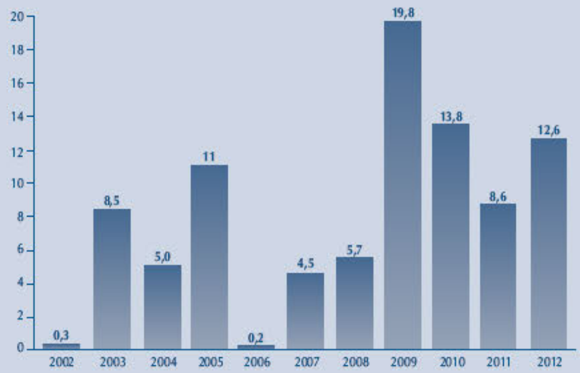
LA DORIA GROUP

SALES

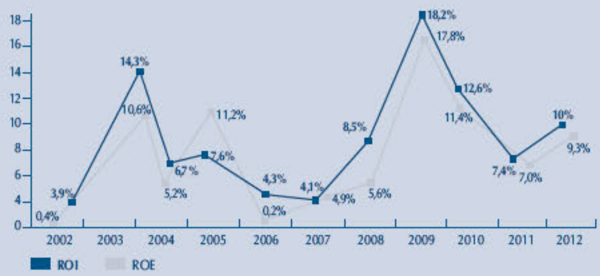
SALES BY MARKET

R.O.S.

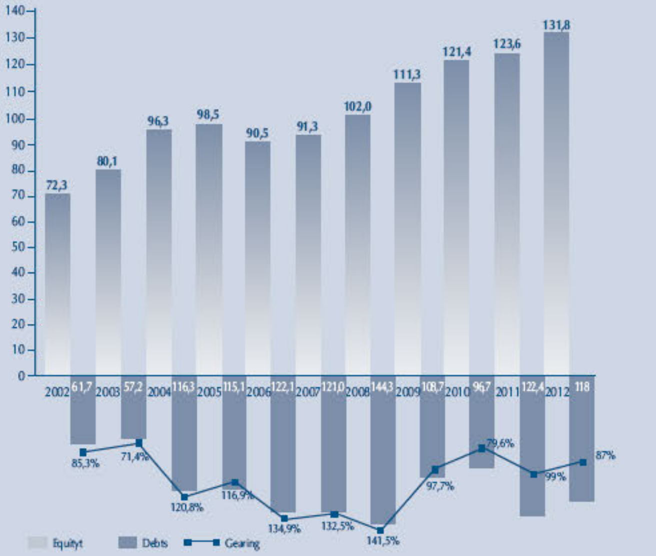
NET PROFIT



ROI - ROE



GEARING



(Euro millions)
Since 2004 figures are in accordance with EU/IFRS.

LA DORIA GROUP

DIRECTORS' REPORT

DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31/12/2012

Introduction

Macroeconomic background

Italian economic data for 2012 highlights the recessionary environment and the strong degree of uncertainty persisting.

Italian GDP contracted 2.4% to below 2001 levels. The drop in the last year has almost cancelled out the increases in the preceding two years (+0.4% in 2011 and +1.7% in 2010), bringing GDP volumes slightly below the 2009 level.

GDP was particularly impacted by domestic demand levels (-4.8%), with a significant drop in household spending and investments, while reduced stock levels impacted for 0.6%. On the other hand, the trade surplus contributed significantly (+3%).

The available data for the major developed economies reports an increase in GDP in the US (2.2%), Japan (1.9%), Germany (0.7%) and in the United Kingdom (0.2%).

In relation to Italian productivity, 2012 reported a contraction of 6.7% compared to zero growth in 2011. The food, beverage and tobacco industries reported a contraction of 1.4% compared to a reduction of 1.1% in 2011.

Revenues and orders also contracted (-4.3% and -9.8% respectively). The drop in revenues is broken down between overseas growth of 2.6% and a reduction of 7.6% domestically.

Exports grew. In 2012 exports increased 9.2% in the non-EU region (+11.4% in 2011) and contracted 0.7% in the EU (+8.8% in 2011), while imports reduced overall by 5.7%. Food and beverage products (+6.7%) were among the manufactured products which reported growth overseas. In the first six months of 2012 tomato-based product exports reduced in volume terms by 4.6% on the previous year, while fruit and vegetable export volumes increased by 7.3% in the first half year.

Domestic sales again suffered due to the curtailed purchasing power of Italian households.

In 2012 the consumption index decreased 2.2% on 2011 (-1.3%), due to a reduction in food product sales (-0.8%) against flat growth in the previous year and a more significant contraction among non-food products (-2.8%).

For the large supermarkets, sales reduced by 0.9%, while smaller supermarkets reported a greater contraction of 3.1%.

The average annual inflation rate in 2012 was 3.0%, increasing by 0.2% on 2.8% in 2011. This is the highest level since 2008 (3.3%). Inflation of food products and non-alcoholic beverages was 2.5%.

Only one indicator improved: the public deficit/GDP ratio, reducing in 2012 to 3%, improving by 0.8% on 3.8% on 2011.

Food processing sector performance

Tomato based products

The tomato-based product market in 2012 was significantly impacted by the 2011 summer processing campaign. The decrease in domestic production of 3% on 2010 (with sharper contractions for peeled and chopped tomatoes) and of 5.6% on the average of the three-year 2008-2010 period, lower sector stock levels, together with significant production cost increases - due principally to a significant increase in the cost of fresh tomatoes and tin plates utilised for the production of cans - prompted in the first 7/8 months of the year a significant rise in sales prices compared to the previous year in which prices had contracted considerably.

The 2012 summer tomato processing campaign saw a reduction, lower than expectations, of fresh tomatoes processed (-7.8%), following the reduced number of hectares dedicated to production and the summer drought. Overall, tomatoes processed in Italy totaled 4.7 million tonnes compared to 5.1 million tonnes in the 2011 campaign, a contraction which resulted in stability for the finished product sales price, significantly influenced by volumes coming to the market. The expected increase in prices did not occur as the sector continues to be affected by over-production in previous years. The effects of the 2012 summer processing campaign will be seen particularly in 2013 when the majority of "red" production will be sold.

The drop in Italian tomato production is on the one hand due to the common industrial and agricultural objective to avoid surpluses which damage both industry and farmers, and on the other is due to the European Fruit and Vegetable Reform which was fully implemented in 2011, which provides grants to farmers independently of the type of crop grown and no longer, as was the case in the past, based on the quantity of tomatoes grown, with a consequent containment of areas planted.

In terms of cost, the 2012 tomato processing campaign reported a lower raw material price, after a significant increase in 2011 and a reduction in the purchase price of the tin plates used for the production of cans. On the other hand, the sector, in particular in the South, reported lower average industrial yields and reduced production efficiency due to the non-optimal quality of tomatoes and a lack of availability in some periods of the campaign.

In terms of consumption, the Italian tomato market continues to decline. According to the Iri Infoscan data, in 2012 volumes contracted 1.7%, particularly affecting peeled and chopped tomatoes (-4%), with stability for purée tomatoes. The market in value terms grew overall by 4%. For 2012, stability was reported for private label tomato-based product sales. In relation to the foreign markets, the British market, which is the largest Group market, in 2012 according to Kantar WorldPanel reported growth of 8.2% in value terms and 6% in volume terms. This growth concerns specifically the private labels segment, which grew 2.6%, increasing its volume share of the market from 66.3% to 68.9%.

Japan and Australia and the emerging countries, such as Brazil, Russia, South Africa and the United Arab Emirates also reported growth, although this latter on still low consumption numbers.

Fruit juices and beverages

For the Italian fruit juice and beverage market, the first 6-8 months were impacted by an increase in the cost of fruit pureés from the 2011 summer campaign, utilised in the period for the production of nectars.

The 2012 summer fruit processing campaign was noted however for a reduction in the procurement price of apricots, which reported particularly strong yields, with the reduction more than offset by the increase in the cost of pears.

In relation to orange and banana concentrates used for the production of 100% juices and fruit beverages, the sector reported substantial stability in terms of raw material costs. In 2012, the Italian fruit juice and beverage market again saw significant increases in the price of a number of ingredients, such as sugar.

Sales prices continued their contained increase which began in the second half of 2011, after years of significantly depressed prices, particularly in the private label segment.

In relation to domestic consumption, fruit juices and beverages reported a decrease in consumption volumes of 4% and in value terms 2.4%. The private labels segments reported however increased volumes of 0.8%.

Processed pulses

In the processed pulses sector, 2012 saw a sustained increase in the raw material cost, related in part to the reduction in harvest yields in North America in 2011, the principal producing area of white broad beans, and increasing sales prices. The 2012 summer yield reported however an increase on the previous year. The cost of the raw material in North America was consequently slightly reduced. In relation to pulse yields in China, 2012 saw however a reduction, in particular for dark red kidney beans, with a consequent increase in the procurement price.

In relation to consumption levels, the Italian processed pulses market reported in 2012 a slight increase in volume terms (+0.7%) and in value terms (+3.6%) according to the Infoscan figures. The private label segment also reported growth in volume terms (+0.6%).

For the overseas markets the British baked beans market in 2012 reported value growth of 5% and volume growth of 3% (Kantar WorldPanel figures). The private labels segment reported slight growth in market share from 34.4% to 34.7%.

Group sales performance

Revenues

Consolidated sales in 2012 amounted to Euro 578.9 million, a significant increase (+19.5%) compared to Euro 484.3 million in the previous year. Revenues benefitted from a significant increase in volumes sold (+8%) and increased sales prices (+6%). On like-for-like exchange rates of the English subsidiary LDH (La Doria Ltd), revenues amounted to Euro 554.2 million (+14.4% on 2011).
A breakdown of sales is shown in the table below.

BREAKDOWN OF CONSOLIDATED SALES BY PRODUCT LINE Euro millions

	2012	2011	change %	% on 2012 sales	% on 2011 sales
Red line	143.0	126.1	+13,4%	24,7%	26,0%
Fruit line	96.7	89.0	+8,6%	16,7%	18,4%
Pulses, canned veg./pasta line	142.8	118.6	+ 20,4%	24,7%	24,5%
Others lines	196.4	150.6	+30,4%	33,9%	31,1%
TOTAL LINES	**578.9**	**484.3**	**+19,5%**	**100%**	**100%**

The red line reported a slight increase in volume sold (+2.6%) on the foreign markets, while a slight contraction was reported on the domestic market where the Company is present particularly with own brands in the medium and low price segments, particularly affected by the contraction in consumption due to the difficult economic environment. Tomato-based products benefitted from the recovery in sales prices (7.4%) after a significant drop in 2011.

The sales of recently introduced products were particularly strong, such as the ready-made sauces in which the company has invested, offering large international supermarkets highly innovative private label products, in line with new consumer trends and innovations developed within the industry.

The Cook Italian product range also reports strong sales figures, launched in the middle of 2011 on the English market and drawing on the reputation for quality and tradition of Italian food products and extending the Supermarket offer in Britain, comprising principally of private label products, with highest quality premium brand products.

The fruit line which includes juices, beverages and canned fruit, reported a satisfying increase in sales volumes for juices and beverages produced solely for the domestic market, despite lower consumer demand and a reduction in canned fruit volumes sold by the subsidiary LDH (La Doria) Ltd.

On the other hand sales prices increased (+6%) to recover the rising costs, despite the highly competitive environment, particularly on the domestic market for fruit juices due to a surplus of production capacity over demand. Amid such heightened competition, the Company has targeted increased productivity with the launching of two new Tetra Brik 200ml fruit juice lines, also responding to the recovery in demand among our client base.

The pulses, canned vegetables and pasta line reports significant growth thanks to a considerable increase in volumes sold (+10%), both in Italy and to a greater degree abroad, and an increase in prices (+5%) following the significant increase in raw material costs.

In recent years, the Company has achieved strong growth for these products thanks to innovation and segmentation of the entire line through new formats, innovative packaging and high added value and increased service content products, in line with market trends, such as soups, minestrone and enriched baked beans and traditional pulses in Tetra Brik packaging.

Finally, other lines, referring principally to the products sold by the subsidiary LDH, grew significantly - principally thanks to increased sales of dried pasta, canned tuna, corn and pet food.

In relation to the breakdown of revenues by geographic area, the Italian market accounted for 19.2% (21.4% in 2011), while the export market accounted for 80.8% (78.6% in 2011).

Northern Europe, principally Great Britain and the Scandinavian countries, absorbs the largest part of the export turnover.

Foreign markets grew in 2012 by 23%. The performance in the United Kingdom (+26%) was particularly strong, the leading market for the Group, as were the German (+52%) and Japanese (+24%) performances.

The domestic market also reported growth, although more contained (7%), compared to the reduction in Italian consumption of tomato-based products and fruit juices and substantial stability of processed pulses.

BREAKDOWN OF CONSOLIDATED SALES BY GEOGRAPHIC AREA Euro millions

	2012	% on total	2011	% on total
NORTH EUROPE	392.2	67,7%	314.0	64,8%
OTHER EUROPEAN COUNTRIES	136	23,5%	126.1	26,0%
of which Italy	*111*	*19,2%*	*103.6*	*21,4%*
AUSTRALIA AND NEW ZEALAND	20.4	3,6%	19.7	4,1%
ASIA	23.5	4,1%	18.1	3,7%
AFRICA	4.2	0,7%	4.2	0,9%
CENTRAL AMERICA AND CANADA	2.6	0,4%	2.2	0,5%
TOTAL	**578.9**	**100%**	**484.3**	**100%**

Principal alternative performance indicators

The Group evaluates performance based on some indicators not covered by the IFRS. The components of these indicators relating to the Group are described below as required by the Communication CESR/05-178b.

– Gross operating result or EBITDA – earnings before interest, taxes, depreciation and amortisation: the pre-tax result before amortisation, depreciation, write-downs and financial income and charges. EBITDA also excludes income and charges from investments and shares, as well as the results from the sale of investments, classified in the financial statements under "financial income and charges".

– Net operating result or EBIT – earnings before interest, taxes: the pre-tax result before financial income and charges, without any adjustment. EBIT also excludes income and charges from investments and securities, as well as the results from the sale of investments, classified in the financial statements under "financial income and charges".
– Net Capital Employed: the sum of non-current assets, non-current liabilities and Net Working Capital.
– Net Financial Debt: the format for the calculation is in accordance with paragraph 127 of the CESR/05-054b recommendations implementing EU Regulation 809/2004.

Consolidated results in accordance with EU/IFRS

The 2012 results improved significantly on the previous year, both in terms of revenues and margins, thanks to the strong sales performance, with significant increases particularly for canned pulses and products sold by the English subsidiary. The recovery in prices, after the contraction in 2011, contributed significantly to these results.

The significant improvement in profitability was achieved despite the increase in industrial costs, due essentially to significant increases of certain raw material prices, such as dried pulses and sugar utilised for fruit juices and beverages, the increase in energy costs and reduced production efficiency during the tomato processing campaign due to the non-optimal quality of the raw material and its lack of availability in certain periods of the campaign, which resulted in lower industrial yields, an increased direct labour requirement for the selection of fresh tomatoes and higher energy consumption due to the stop-and-go of plant.

2012 was impacted also by increased promotional activity by the Company, particularly on a number of foreign markets, due to the initiatives promoted by the Supermarkets to offset the reduction in consumption levels and the loss of market share, in addition to an increase in labour costs, due essentially to the development of the production and technical structure of the Parent Company.

Important objectives were achieved in 2012 also in relation to the net debt with a reduction in financial payables, even with a significant increase in revenues and investment expenditure.

Income Statement

In relation to the results below, reference should be made to the reclassified income statement attached to the present report.

Consolidated revenues in 2012 amounted to Euro 578.9 million, growth of 19.5% on Euro 484.3 million in the previous year.

Group Ebitda in 2012 was Euro 36.6 million, an improvement of 17.7% on Euro 31.1 million in 2011. The Ebitda margin was therefore 6.3%, in line with 6.4% in 2011.

Amortisation, depreciation, write-downs and provisions amounted to Euro 11.1 million (Euro 12.7 million in the previous year), of which Euro 9.7 million concerning depreciation of property, plant and equipment (same as 2011), Euro 0.4 million concerning amortisation of intangible assets (Euro 1.5 million in 2011) and Euro 1.1 million concerning other risks (Euro 1.5 million in 2011).

The EBIT amounted to Euro 25.5 million, up 39.9% on Euro 18.3 million in 2011. The Ebit margin increased therefore from 3.8% to 4.4%.

Net financial charges amounted to Euro 4.6 million, a decrease compared to Euro 5.7 million in 2011. Financial charges in 2011 included discounts for advance payments by a number of clients for Euro 2.2 million; in 2012 this account, totaling Euro 1.8 million, was subtracted from revenues. Net interest charges in 2012 of Euro 4.6 million compared with Euro 3.5 million in 2011, increasing due to the higher average debt and the increased cost of money.

Exchange losses were also recorded of Euro 534 thousand compared to gains of Euro 1.9 million in the previous year. Profit before taxes amounted to Euro 20.3 million, a strong improvement on Euro 14.5 million in 2011.

The consolidated net profit in 2012 amounted to Euro 12.6 million, up 46.5%, despite the presence of exchange losses, compared to Euro 8.6 million in the previous year which however benefitted from exchange gains. The minority interest share of net profit amounted to Euro 4.8 million, a slight increase on Euro 4.5 million in 2011.

The cash flow for the year (net profit + amortisation/depreciation and write-downs) amounted to Euro 23.7 million compared to Euro 21.3 million in 2011.

Balance sheet and financial position

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position at December 31, 2012 reported net fixed assets of Euro 115.1 million, a slight increase on Euro 112.5 million at December 31, 2011, following investments made. Working capital totaled Euro 165.5 million and increased on Euro 157 million at December 31, 2011. This increase principally relates to higher inventory and trade receivables based on higher turnover levels.

Net capital employed was thus Euro 253.9 million, an increase compared to Euro 246.1 million at 31/12/2011.

The net debt amounted to Euro 118 million, a decrease on Euro 122.4 million at December 31, 2011, despite increased working capital needs and the investments made, thanks to the cash flow generated.

Finally, net equity amounts to Euro 135.9 million, an increase compared to Euro 123.6 million at the end of 2011.

An improvement was seen in the debt/equity ratio from 0.99 to 0.87 and in the debt/EBITDA ratio from 3.93 in 2011 to 3.22. The ROI (operating net profit/net capital employed) was 10% compared to 7.4% in the previous year.

Also the ROE (net profit/net equity) improved to 9.3% from 6.96% in 2011.

Investments

The Group's capital investments in 2012 amounted to Euro 12.3 million (Euro 22 million in 2011).

These concern principally the Parent Company La Doria S.p.A. (for Euro 11.6 million) and primarily for expanded production capacity to respond to the increasing demand from clients, the increase in productivity and technological improvements to establish even greater production process efficiencies.

Specifically, a new line for the production of 200ml carton brick fruit juices was introduced, together with new plant for the production of tomato-based products in cardboard, which will enable the Fisciano production facility - exclusively dedicated to the production of "red" lines during the summer months - to reduce the seasonality of the production site.

The new combisafe plant, in line with the strategic objective to move towards more innovative products with lower environmental impact packaging, in the future will also produce pulses and vegetables currently produced at the Sarno production site.

Group intangible asset investments amounted to Euro 210 thousand (Euro 270 thousand in 2011) and principally relates to IT systems.

Workforce

Group employees at 31/12/2012 numbered 453 full-time employees and 480 seasonal workers.

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
22	217	1	213	**453**	**480**

The workforce consisted entirely of full-time employees at December 31, 2012. The number of seasonal workers is calculated on an annual average and includes blue collar, temporary and contract employees.

A summary of the Group workforce compared to 31.12.2011 is shown below.

	2012	2011
Full-time employees	453	415
Seasonal staff (average on monthly basis)	480	427

The increase in the full-time workforce is due to the expansion of the parent company technical and production facilities.

Human resources

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51/EC, for information relating to the workforce, staff turnover, remuneration composition and the data relating to the health and security of the Subsidiary Companies, reference is made, for the Parent Company to the paragraph "Human resources" and for Eugea Mediterranea and LDH to the paragraphs "Eugea Mediterranea S.p.A." and "LDH (La Doria) Ltd" respectively.

Environment

Following changes to the management of waste disposal concerning the removal of topsoil from tomatoes before processing, together with a disparate interpretation of the existing regulation, La Doria in 2010 was subject to a preliminary investigation by the Court which issued notices of investigation to some senior Executives. In the meantime, despite not

agreeing with the charges made, the Company in 2010 and 2011 complied with that indicated by the Court.
According to the legal representatives of the Company, the charges do not have a sound basis. An opinion was expressed by the relative Ministry – together with regulatory amendments – which in relation to the specific issue would exclude the imposition of a penalty. In addition, as a civil case is not expected to be taken, there are no third party actions in place against the company (or against its representatives or employees) which may result in potential liabilities. The confirmation of this the surveys do no longer report any development.

Research and Development

Research and development expenses in 2012 were entirely expensed to the income statement. The research and development activities focused particularly on the development of new products such as ready-made sauces, soups in cardboard and enriched baked beans, which over the last two years report significant sales volumes and with a strong outlook for future years.

In 2012, the Parent Company was involved in the incorporation of the consortium company "Campania Bioscience", an advanced technology district involving 47 enterprises, 7 research organisations and 3 technology transfer structures.

The objective of the Company is to work with greater efficacy on project for the development of innovative products through synergies achieved between enterprises, universities and centres of excellence, leveraging on the various skills and knowledge available.

Shares of the Parent Company

The subsidiaries and associated companies did not hold shares in the parent company at 31.12.2012, nor have they bought and/or sold La Doria S.p.A. shares during the year, either through trustee companies or third parties.

Information on compliance with the code of conduct

The Company has adopted the Self Governance Code on Corporate Governance of companies listed on the Italian Stock Exchange. The corporate governance report for 2012 is available on the Company's website www.gruppoladoria.it, Investor Relations, within the Corporate Governance section.

Disclosure as per Article 123 bis of Legislative Decree No. 58/98

The information in accordance with Article 123 bis of Legislative Decree 58/98 (Consolidated Finance Act) relating to the ownership structure, corporate governance, risk management and internal control systems within the financial disclosure process, the shareholders' meetings and the administrative and control boards, are reported in the previously mentioned Corporate Governance Report for 2012.

Information in accordance with article 123 bis, paragraph 2, letter b) of Legislative Decree 58/98 relating to the risk management and internal control systems within the financial disclosure process

An integral and essential part of the Internal Control System of the La Doria Group is the existing risk management and internal control system also in relation to the financial reporting process, prepared together with the Executive Responsible for the preparation of corporate accounting documents.

This system introduced by La Doria S.p.A., concerns an analysis of the internal control system which oversees the preparation of the financial statements, the interim financial statements and all financial disclosure.

This system aims to guarantee that the administrative – accounting procedures adopted and their application are adequate to ensure, with reasonable certainty, the reliability of the financial disclosures and the appropriateness of the financial statement preparation process in producing reliable and timely accounting and financial information, in accordance with applicable accounting standards. The analysis of the internal control system was carried out in line with the Committee of Sponsoring Organisations principles and incorporated the principles outlined in the publication "internal control for reliable financial reporting". Project 262 was introduced for La Doria at the end of 2009 while at the beginning of 2010 the system was completed with an analysis of the internal control system within the IT processes, with particular reference to those put in place to support the Financial Reporting processes. The analyses were based on the principles set out in the "Control Objectives for Information and related Technology" ("COBIT") document. In addition, at the end of 2010, this analysis was extended to the strategic subsidiary LDH, and it is expected to be completed in the 2013-2014 period.

The Internal Audit Manager prepares a summary of the audit activities in order that the Executive Appointed and the Chief Executive Officer may assess the adequacy and the effective application of the administrative – accounting procedures for the preparation of the Consolidated and Separate Financial Statements.

A description of the principal characteristics of the risk management and internal control system in place in relation to Group financial disclosure follows.

1.Risk management and internal control system phases
For the completion of the system, a risk assessment was undertaken in order to identify and evaluate the risk areas which could arise such as to compromise the reliability of the financial disclosure.

The approach taken for the analysis of the system is broken down into 5 phases, each of which relating to a specific element of the Internal Control System (control environment, risk assessment, control activity, information systems and communication flows and monitoring activities) as defined by the benchmark framework in order to guarantee the completeness of the analysis and provide adequate support to the Executive Responsible and the Chief Executive Officer for the declarations required by Article 154 of the CFA.

The approach was broken down into 5 phases:

- Identification of financial statement accounts and of the processes analysed ("Scoping"): in this phase the financial statement accounts and the "significant" processes related to them are identified.
- Analysis of the principles relating to operational controls ("Entity level controls"): once the intervention priorities are defined (so-called "Top down risk based" approach), the internal control principles which operate at entity level to cover the components of internal control such as Control Environment, Information and Communications and Monitoring are recorded.
- Recording and verification of relative controls of processes subject to analysis: in this phase, beginning with the identification of risks, defined as potential events, accidental or due to fraud, which may compromise the reaching of the System objectives (accuracy, completeness, reliability and trustworthiness of the financial disclosure), the control of processes subject to analysis were recorded. In this phase, the adequacy of the control documentation is evaluated, identifying the controls which are inadequate or which must be improved and identifying the critical areas and the relative corrective actions.
- Tests on the effectiveness of controls centre on:
  - key controls identified;
  - control frequency;
  - the category of control (preventive or subsequent);
  - the method of control (automatic or manual).

the test plan and the type of test to be carried out in order to verify the effectiveness of the controls in place have been drawn up.

A "Remediation Plan" is subsequently produced, in which the areas to be improved, the relative corrective actions to be taken and the ambit of responsibility for such are reported.

- Preparation and release of the declaration: Based on the documentation and verification of the effectiveness of the controls and the analysis of the critical areas and the status of the corrective actions, the Executive Responsible releases the declaration in accordance with article 154 of the CFA.

2.Maintenance of the System and Roles and Responsibility

In order to maintain over time the effectiveness of the controls, both from the formulation and operational viewpoints, the controls are subject to monitoring on the one hand by the Manager responsible for significant processes/activities (line monitoring) and on the other by the Internal Audit Department (independent monitoring activities) based on the predefined Activity Plan; this monitoring establishes a process of "continuous improvement", creating an increasingly reliable control system for financial disclosure.

The Internal Audit Manager, together with the Executive Responsible for the preparation of the corporate accounting documents, informs Senior Management on the adequacy of the System through the Report to the Control and Risks Committee, indicating the deficiencies uncovered, the corrective actions to be taken and the relative responsibility. The identification and the evaluation process of the above-stated risks is reviewed at least annually.

Transactions with related parties

In accordance with Article 2391 bis of the Civil Code, with CONSOB regulation in relation to related parties approved with resolution No. 17221 of March 12, 2010, subsequently amended with resolution No. 17389 of 23.06.2010, the Board of Directors of La Doria S.p.A. in 2011 adopted the Regulation for the governance of transactions with related parties.

This Regulation sets out the guidelines and the criteria for the identification, approval and execution of transactions with related parties carried out by La Doria S.p.A., directly or through subsidiaries, in order to ensure both the substantial and procedural transparency and correctness of such transactions. The governance of Transactions with Related Parties is exclusively within the remit of the Board of Directors, except whether otherwise established.

The Board therefore receives, sufficiently in advance, complete and adequate information on the fundamental characteristics of the Transactions, such as the nature of correlation, the financial conditions, the operational and timing conditions, the evaluative process, the interests of the Company served and any economic, legal or fiscal risks.

The Board of Directors receives a non-binding prior opinion from a Committee, even specifically constituted for the purpose, comprising exclusively of non-related and non-executive directors, a majority of whom independent, on the interest of the Company with regard to the transaction, as well as the formal correctness and material benefits of the conditions. The duties of this Committee may be carried out by the Internal Control and Risks Committee, providing that the above-stated composition requirements are in place.

For the purposes of the non-binding opinion, the Committee comprising Non-Related Independent Directors must receive, sufficiently in advance, complete and adequate information relating to the fundamental characteristics of the Transactions.

The Board of Directors and the Board of Statutory Auditors receive complete disclosure at least quarterly on the execution of Transactions in the period.

Risks and uncertainties

Within its industrial activities, the La Doria Group is exposed to a series of risks, whose identification, evaluation and management involve the Chief Executive Officer, also as Executive Director, in accordance with the Self-Governance Code of Borsa Italiana S.p.A., and the business area and central administration managers.

Within this process, the different types of risks are classified based on the evaluation of their impact on achieving the objectives, that is to say based on the consequences which may arise from the risk in strategy, operating, financial and/or regulatory terms, as well as their probability of occurrence and the level of efficiency of the actions undertaken against their occurrence. The risk assessment has the objective to assign a priority to the factors of risk identified and to the actions taken to reduce such risks. The effective management of risk is a key factor in maintaining the value of the Group over time, especially in view of the current economic difficulties. In light of this, in 2012 the Boards and Departments appointed to oversee the internal control system stepped up the audit and oversight of company processes subject to greatest risk, with particular attention on the implementation of the corrective actions identified, in order to lay the basis for an ongoing improvement process of the internal control system.

In order to undertake a mapping of the risks and the annual update which is as close as possible to the business operations, the Parent Company La Doria S.p.A. undertook a methodological approach which begins with the identification of the objectives to the identification and evaluation of the potential risks, highlighting those that were defined as critical risks. Considering the traditional definition of the risk as "an event arising that would affect the achievement of predefined objectives" outlined above, the characteristics of the activities undertaken and the competitive environment in which the company operates, the risks were identified and subdivided into four categories:

- Strategic: these are risks related to undertaking non favourable business decisions or incorrect implementation of the strategic decisions undertaken. In this regard the company was exposed to the risk of responding to the quality/price/service needs of clients in an effective and efficient manner. The high value and volumes of private label product sales requires timely response to clients' demands, with the introduction also of innovative products. If the company were unable to respond in such a manner repercussions on market share and results would be inevitable.
- External and Compliance: these are external risks related to competition and new technology and a lack of monitoring of, and compliance with, regulations which the Group must adhere to. La Doria is exposed to the external risk of fluctuating margins based on downturns in the market following surpluses in the offer and/or surplus production. This risk is related to the corporate mission to supply Private Labels and low price products to the Large Supermarket and Discount chains. To offset this risk, within this Mission, the Company may undertake a branding Policy which reduces margin volatility. Therefore, in 2011 the Company launched on the British Market, through its Subsidiary LDH, the "Cook Italian" brand, an Umbrella brand comprising typical Made in Italy products (pasta, olive oil and tomatoes).

  In relation to legal compliance monitoring risks, in recent years particular significance has been placed on the monitoring and compliance with security legislation and the new Security Act introduced, as well as the administrative responsibility of the Company in accordance with Legislative Decree 231/01 and Law 262 of 2005.

  For the first two aspects, the production activity of the Group companies, the introduction of increasingly stringent regulations concerning the environment and security and product characteristics, together with frequent inspections which the company is subject to due to its size (compared to other competitors), has made it necessary to closely monitor these issues, implementing all necessary actions to mitigate such risks. In 2008-2009, as highlighted in previous reports, following changes to the management of waste disposal concerning the removal of topsoil from tomatoes before processing, together with a disparate interpretation of the existing regulation, La Doria in 2010 was subject to a preliminary investigation by the Court. In the meantime, despite not agreeing with the accusations made, La Doria in 2010 complied with that indicated by the Court. Our legal team hold that liabilities shall not arise.

- Operations: these are risks relating to the occurrence of accidents, malfunctions and breakdowns, with damage to individuals, the quality of the product and the environment, with a consequent impact on results. The quality of the product, the safeguarding of our consumers health and their full satisfaction are Company priorities which, in order to guarantee the quality of its products, has procedures and controls in place which govern all procurement of raw material processes to the processing and distribution of the finished product, which are applied at all production sites. The Company operates at 5 Production Sites, of which two seasonal facilities are exposed to the risk concerning the optimisation and efficiency of the existing production capacity and concerning their industrial capacity in general. If this objective were not met, an impact would be felt on the absorption of industrial overhead costs with consequent repercussions on the income statement. High production volumes require increasingly stringent product and process quality control, resulting in the need to improve the control process to reduce non-compliance, guaranteeing food safety.
- Financial: these are risks related to inefficient management in the financial operations of the company. The La Doria group in its normal operating activities is exposed to various financial risks. For a detailed analysis of risks and the relative financial instruments, reference is made to the section in the Notes to the financial statements where the disclosure required by IFRS 7 is reported.

Information relating to financial instruments

The Group aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and "best market practices".

In relation to La Doria S.p.A., the company manages the exchange and interest rate risk (limited to the "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through options and forward operations.

In relation to the subsidiary LDH LTD, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), selling in the national market and therefore invoicing in GBP. The policy of LDH (La Doria) Ltd consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices.

CONSOLIDATED COMPANIES (the figures were prepared in accordance with the EU/IFRS accounting standards utilised for the consolidation). The companies prepare the individual financial statements in accordb6ance with local accounting standards.

Eugea Mediterranea S.p.A.
Lavello (PZ)
(held 98.34%)

Eugea Mediterranea S.p.A. produces tomato-based products and fruit purées.
In 2012 the revenues of Eugea totaled Euro 26.2 million, 93% of which generated with the Parent Company, against Euro 28.7 million in 2011.

The Ebitda amounted to Euro 1.9 million, a slight increase compared to Euro 1.7 million in 2011.

The Ebit, after amortisation/depreciation and write-downs of Euro 1.1 million (Euro 1.5 million in 2011), amounts to Euro 788 thousand compared to Euro 208 thousand in 2011.

The net result, after net financial charges of Euro 339 thousand (Euro 296 thousand in 2011), recorded a profit of Euro 164 thousand, compared to a loss of Euro 162 thousand in 2011.

The balance sheet reports shareholders' equity of Euro 5.3 million at December 31, 2012, in line with Euro 5.1 million at 31/12/2011.

The net financial position was a debt position of Euro 11.4 million, compared to Euro 12.7 million recorded at the end of the previous year.

The workforce at 31/12/2012 numbered 24 full-time and 116 seasonal employees (average over the year), compared to 24 full-time and 91 seasonal employees at 31/12/2011.

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51 the following information is provided in relation to Human Resources:

Composition of the workforce in 2012:

Composition	Executive	Managers	White collar	Blue collar
Men (number)	1	1	2	17
Women (number)	0	0	3	0
Average age	54	55	50	55
Full-time employees	1	1	5	17
Temporary employees	0	0	0	0
Other types	0	0	0	0

Composition of staff turnover in 2012:

Turnover	01.01.2012	New recruits	Departures and retirements	Category reclassification	31.12.2012
Full-time employees					
Executives	1	0	0	0	1
Managers	1	0	0	0	1
White collar	5	0	0	0	5
Blue collar	17	0	0	0	17
Other	0	0	0	0	0
Temporary employees					
Executives	0	0	0	0	0
Managers	0	0	0	0	0
White collar	0	1	1	0	0
Blue collar	0	336	336	0	0
Other	0	0	0	0	0

Composition of remuneration in 2012 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	80.000	52.524	28.548	31.088
Average remuneration temporary emplyee	0	0	11.648	4.002
Average remuneration Other	0	0	0	0

Data relating to health/safety in 2012 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full- time employee	183	0	0	0
Temporary emplyee	52	22	0	0
Part time employee	0	0	0	0
Other types	0	0	0	0

LDH (La Doria) Ltd.
Huntingdon (Great Britain)
(held 51%)

In 2012, the consolidated sales of LDH (La Doria) Ltd (including the subsidiaries Oriental & Pacific and Manpineco), companies engaged in the marketing of tomato, fruit, pulses, canned tuna and salmon, pet food and other products in the United Kingdom was GBP 306.8 million, strong growth of 18% on GBP 260.2 million in the previous year, thanks to a significant increase in volumes sold (+12%), particularly of tomatoes, pulses, dried pasta, canned tuna and pet food, accompanied also by an increase in sales prices of 5.5%, after the reduction in 2011.

The Ebitda in 2012 was GBP 11.6 million (margin of 3.8%) compared to GBP 12.6 million in 2011 (margin of 4.8%).

The Ebit amounted to GBP 11.3 million (3.7% of sales), compared to GBP 12.3 million in 2011 (4.7% of sales).

Net financial income totaled GBP 70 thousand, against net financial charges of GBP 1.6 million in 2011.

As outlined for the Group, in 2011 financial charges included discounts for advance payment by a number of clients, while in 2012 this item was recorded as a reduction of revenues.

Exchange losses were also recorded of GBP 867 thousand compared to gains of GBP 315 thousand in the previous year. The exchange losses and gains take account of the market valuation of foreign currency hedging operations made by the company, in accordance with IAS/IFRS.

Finally, the net profit was GBP 7.9 million, in line with GBP 8.1 million in 2011.
The balance sheet of LDH reports net equity of GBP 36.6 million, an increase on GBP 30.6 million at 31/12/2011.

The net financial position was a cash position of GBP 4.5 million, an increase on GBP 3.3 million at 31.12.2011.

The results of LDH (La Doria) Ltd are considered very satisfying. In 2012 the Company continued to increase market share, confirming the leadership position reached and the close commercial relations with the leading English distribution chains. In addition, the results were achieved within a highly competitive market and increased procurement costs.

LDH is now the leader on the British market for private label tomato-based products and canned pulses.

The workforce at 31/12/2012 numbered 64 full-time employees compared to 63 at December 31, 2011.

Sales to 28/2/2013 were GBP 51.8 million, an increase of 11.6% compared to GBP 46.4 million in the same period of the previous year.

PERFORMANCE SUBSEQUENT TO THE END OF THE YEAR

Sales

Consolidated sales in the first two months of 2013 amounted to Euro 101.4 million, an increase of 15.4% on Euro 87.8 million in the same period of the previous year.

Outlook

2013 is again expected to be a strong year for the La Doria Group. Estimates indicate further revenue and margin increases on 2012 thanks on the one hand to the forecast volume and sales price increases and on the other to the substantial stability of the supply cost of a number of food raw materials and the reduction in energy costs.

In 2013, the Group will continue to concentrate on the containment of costs and the improvement of industrial and operating efficiency.

INFORMATION ON THE PERFORMANCE OF LA DORIA S.P.A.

Sales performance

Revenues of the Parent Company in 2012 amounted to Euro 297.2 million, a significant increase (+14.2%) on Euro 260.2 million in 2011, thanks to the increase both in sales volumes (+8.4%) and the recovery in prices (+5.4%), after a contraction in 2011.

38.4% of sales were achieved on the domestic market (40.7% in 2011) and grew 7.7%, thanks principally to the improvement in the fruit juices and beverages line and in the pulses and vegetables line, with the remaining 61.6% on foreign markets (59.3% in the previous year), significant growth (+18.7%) thanks to the strong performance of the "red" line and the pulses line.

Sales by product line are shown in the table below.

ANALYSIS OF SALES BY PRODUCT LINE (summarised table) Euro millions

	2012	2011	change %	% of 2012 sales	% of 2011 sales
Red line	124.9	112.9	+10.7%	42.0%	43.4%
Fruit line	64.4	58.8	+9.6%	21.7%	22.6%
Pulses, canned veg./pasta line	102.9	83.8	+22.8%	34.6%	32.2%
Others lines	4.9	4.7	+3.2%	1.6%	1.8%
TOTAL LINES	**297.2**	**260.2**	**14.2%**	**100%**	**100%**

The red line in 2012 saw a significant recovery in prices (+13%) after the stated reduction in 2011 and a slight fall in sales volumes (-1.9%), due essentially to the contraction in the Italian market in which the Group is present particularly with own brands in the medium and low price range, primarily affected by the drop in domestic consumption within the current crisis. Volumes of tomato-based products on the international markets however increased, in particular in Great Britain, Japan and Germany.
Volumes in the fruit line produced solely for the domestic market increased by 5.5%, with prices recovering 4% - a satisfying result in light of the contraction in consumption and the strong competition on the Italian fruit juice and beverage market.
The pulses, vegetables and canned pasta line, which includes cooked vegetables, ready-made soups, carrots and canned pasta, grew significantly over the previous year, thanks to the considerable increase in volumes (+15%), in particular overseas, and an increase in sales prices (+6.8%).
Finally, the other lines, which include tin cans sold to the subsidiary Eugea Mediterranea S.p.A., report substantial stability.

Results (prepared in accordance with EU/IFRS)

The results of the Parent Company in 2012 improved significantly on 2011, both in revenue and margin terms.

EBITDA grew 54%, with an EBITDA margin improving by two percentage points, while EBIT recovered significantly (+278%) and the margin improving 2.9%. The net profit also recovered strongly, increasing from Euro 519 thousand to Euro 6.2 million.

These results follow the growth in sales volumes and the recovery in prices, which reduced in 2011 and, as stated for the Group, in spite of an increase in industrial costs and lesser production efficiency during the tomato processing campaign due to the non-optimal quality of the raw material and its scarcity in certain periods in the campaign.

The improvement in the margin was in addition achieved amid increased labour costs, due essentially to the expansion of the technical and production facilities.

The equity and financial situation significantly improved also with a low level of debt and a strengthened debt/equity ratio.

Income Statement

In relation to the results below, reference should be made to the reclassified income statement attached to the present report.

In 2012, the Ebitda of the Parent Company amounted to Euro 21.7 million, an increase on Euro 14.1 million in 2011. The Ebitda margin was 7.3%, improving on 5.4% in the previous year.

The EBIT, after amortisation, depreciation and write-downs of Euro 9.6 million (Euro 10.9 million in 2011), amounted to Euro 12 million, also significant growth compared to Euro 3.2 million in 2011. The sales margin therefore increased from 1.2% to 4.1%.

Net financial charges in 2012 amounted to Euro 2 million (net financial charges, investment income) compared to Euro 1.8 million in 2011.

The most significant accounts were net interest expense which amounted to Euro 4.3 million, an increase on Euro 3.6 million in the previous year, due to high average debt levels and interest rates.

The investment income amounted however to Euro 2.3 million, an increase compared to Euro 1.7 million in 2011. This income derives from dividends of the subsidiary LDH.

Exchange losses amount to Euro 401 thousand compared to gains of Euro 1.5 million in 2011.

The pre-tax profit amounted to Euro 10.4 million, compared to Euro 2.9 million in 2011.

The net profit amounted to Euro 6.2 million, a strong recovery on a net profit of Euro 519 thousand in 2011.

Balance sheet and financial position

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position at December 31, 2012 reported net fixed assets of Euro 111.9 million, an increase on Euro 107.9 million at December 31, 2011, following investments made.

The working capital increased to Euro 119.7 million from Euro 116.6 million in 2011, substantially as a result of increased working capital requirements related to improved revenues.

Net capital employed was Euro 206.9 million, an increase on Euro 203.3 million at the end of 2011.

Financial payables reduced to Euro 112.1 million from 113.7 million in 2011, thanks to the cash flow generated.

Finally, net equity amounts to Euro 94.7 million, an increase compared to Euro 89.6 million at the end of 2011.

An improvement was seen in the debt/equity ratio from 1.26 to 1.18 and in the debt/Ebitda ratio from 8.1 in 2011 to 5.16.

Production information

The net amount processed totaled 404,674 tonnes (+1.95%) compared to 396,935 tonnes in 2011, due essentially to the increase in production of pulses and fruit juices and beverages.

The tomatoes processed by the Parent Company amounted to 126,737 tonnes, a decrease of 5% compared to 133,443 tonnes in the previous year.

In addition, 105,830 tonnes of juices and fruit beverages were produced – an increase of 7.8% on 98,191 tonnes in 2011.

Finally, 156,054 tonnes of vegetables were produced, an increase of 5% on 148,623 tonnes in 2011 and 9,528 tonnes of canned pasta (10,440 tonnes in the previous year).

Investments

Capital expenditure by the Parent Company in 2012 amounted to Euro 11.6 million, compared to Euro 21.4 million in 2011 and, as extensively described in the equivalent paragraph for the Group, concerned largely the increase in the productive capacity and productivity. A new line for the production of 200ml carton brick fruit juices was introduced, together with new plant for the production of tomato-based products in cardboard, which will enable the Fisciano production facility - exclusively dedicated to the production of "red" lines during the summer months - to reduce the seasonality of the production site with production throughout the entire year.

The intangible fixed asset investments amounted to Euro 188 thousand (Euro 237 thousand in 2011), and principally related to IT systems.

Employment data

The number of employees of La Doria S.p.A. at 31/12/2012 was as follows:

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
13	155	1	196	365	364

The workforce consisted entirely of full-time employees at December 31. The number of seasonal workers is calculated on an annual average and includes blue collar, temporary and contract employees.

The workforce compared with 31/12/2011 is shown below:

	2012	2011
Full-time employees	365	328
Seasonal staff (average on monthly basis)	364	336

The increase in the full-time workforce is due to the expansion of the technical and production facilities.

Human resources

In accordance with Legislative Decree 32/2007, enacting EU directive 2003/51 the following information is provided.

Composition of the workforce in 2012:

Composition	Executive	Managers	White collar	Blue collar	Other categories
Men (number)	12	17	101	251	0
Women (number)	1	5	38	20	2
Average age	49	46	39	42	38
Full-time employees	13	22	133	197	0
Temporary employees	0	0	6	74	0
Other types	0	0	0	0	2

Composition of staff turnover in 2012:

Turnover	01.01.2012	New recruits	Departures and retirements	Category reclassification	31.12.2012
Full-time employees					
Executives	14	0	1	0	13
Managers	19	3	0	0	22
White collar	130	5	2	0	133
Blue collar	173	18	2	8	197
Other	2	1	1	0	2
Temporary employees					
Executives	0	0	0	0	0
Managers	0	0	0	0	0
White collar	13	21	28	0	6
Blue collar	70	774	762	8	90
Other	0	0	0	0	0

Composition of remuneration in 2012 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	151.658	57.611	30.576	25.864
Average remuneration temporary emplyee	-	-	10.710	6.482

Data relating to health/safety in 2011 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full- time employee	1.489	243	412	261
Temporary employee	609	40	63	73

Environment

Reference should be made to that described for the Group.

Research and Development

Research and development expenses in 2012 were entirely expensed to the income statement. The research and development activities focused particularly on the development of new products such as ready-made sauces, soups in cardboard and enriched baked beans, which over the last two years report significant sales volumes and with a strong outlook for future years.

In 2012, the Parent Company was involved in the incorporation of the consortium company "Campania Bioscience", an advanced technology district involving 47 enterprises, 7 research organisations and 3 technology transfer structures.

The objective of the Company is to work with greater efficacy on project for the development of innovative products through synergies achieved between enterprises, universities and centres of excellence, leveraging on the various sector skills and knowledge available.

Principal subsidiaries and/or holdings

The investments held at December 31, 2012 are as follows:

Subsidiaries

LDH (La Doria) Ltd (51%). This is a trading company which sells the products of the Group on the British market. At 31.12.2012, the share capital and consolidated net equity amounted, respectively, to GBP 1 million and GBP 36.6 million.
Consolidated sales totaled GBP 306.8 million and the net profit was GBP 7.9 million. The investment is recorded in the accounts for Euro 764 thousand.

Oriental & Pacific Frozen Food Company (100% indirect control through LDH), a company that markets frozen fish, tuna and pet food products on the UK market. The company was purchased by LDH in April 2008. The share capital and shareholders' equity of Oriental & Pacific at 31.12.2012 amounted respectively to GBP 10 thousand and GBP 961,003. The sales amounted to GBP 265,445 and the net profit was GBP 26,208.

Manpineco Ltd (100% indirect control through LDH), a company that markets canned pineapples on the UK market. The share capital of the company at 31/12/2012 amounts to GBP 1 and the shareholders' equity amounts to GBP 1. The sales amounted to GBP 736,795 and the net profit was GBP 14,377.

Eugea Mediterranea S.p.A. (direct control of 98.34%). This company produces tomato-based products and fruit purées. At 12/31/2012, the share capital and net equity amounted to Euro 1.5 million and Euro 5.3 million respectively. The sales amounted to Euro 26.2 million and the net profit Euro 164 thousand. The investment is carried in the balance sheet at Euro 3.3 million.

Other investments

TFC S.p.A. (direct holding of 15.29%). At 31.12.2011, the share capital amounted to Euro 260 thousand and the shareholders' equity amounted to Euro 1.2 million. The sales amounted to Euro 1.7 million and the net loss was Euro 16,290. The investment is recorded in the accounts for Euro 209 thousand.

The financial statements of the subsidiaries were prepared in accordance with IFRS/EU accounting standards utilised for the consolidation. The companies prepare the individual financial statements in accordance with the local accounting standards. The figures of TFC S.p.A. were prepared in accordance with Italian accounting standards.

Transactions with related parties

In relation to transactions in the year with the subsidiaries LDH (La Doria) Ltd and Eugea Mediterranea S.p.A, the following transactions took place:

Year-end balance

Current receivables (Euro/000)	**31.12.2012**	**31.12.2011**
Financial receivables	0	0
Trade receivables	24.358	24.222
Bad debt provision	0	0
Other receivables	3.923	3.785
TOTAL	**28.281**	**28.007**

Non-current receivables (Euro/000)	**31.12.2012**	**31.12.2011**
Other receivables	2.578	1.770
TOTAL	**2.578**	**1.770**

Current payables (Euro/000)	**31.12.2012**	**31.12.2011**
Financial payables	0	0
Trade payables	22.627	21.585
Other	0	0
TOTAL	**22.627**	**21.585**
Guarantees	**36.262**	**37.529**

Income Statement (Euro/000)	**31.12.2012**	**31.12.2011**
Revenues	98.227	77.391
Other operating revenues	1.256	514
Costs	(24.456)	(27.130)
Other operating costs	(4.077)	(5)
TOTAL	**70.950**	**50.770**

The above commercial transactions, in substance and form, took place at market conditions and were entered into solely in order to fulfil the strategic and trading objectives of the company.

The information relating to inter-group transactions is provided in accordance with CONSOB Regulation concerning related parties approved with resolution No.17221 of March 12, 2010, subsequently modified with resolution No.17389 of 23.06.2010. For further information reference should be made to the notes to the financial statements.

Tax situation

Disputes:

- in relation to the Assessment for the 2004 fiscal year, the Commission, following the hearing of 3/3/2011, on 24/3/2011 passed judgment No. 285, filed on 7/4/2011, partially accepting the appeal declaring against the recovery of taxation of Euro 86 thousand.

  The company appeal was heard before the Naples Regional Commission on May 4, 2012. The Commission through judgment No. 261/17/12, filed on 02/08/2012 and only partially accepting the appeal of the Company, declared against the recovery of taxation of Euro 232,049.00.

  Despite the partial acceptance of the appeal, the previous risk provision of Euro 469 thousand was not reduced, but increased by Euro 9 thousand for interest matured in 2012;

- for the Assessment concerning the fiscal year 2005, concerning IRES-IRAP and VAT, the Company previously provisioned Euro 533 thousand to the taxes, penalties and interest risk provision, which is detailed in the previous report. The Company appeal was heard on June 13, 2011. With decision of the President of the Commission, the Appeal was again discussed at the same section No 14 on 20/10/2012. The commission has reserved its judgment and not yet filed the Decision.

  The Risk Fund was increased by Euro 12 thousand for interest matured in 2012;

- for the Assessment relating to 2006, the appeal was discussed on 06/11/2012 at section No. 22 of the Provincial Tax Court.

  The Commission, with judgment No. 84/22/13, filed on 19/02/2013, partially accepted the appeal, confirming the recovery of IRES and IRAP taxes for a total assessable amount of Euro 663,190.00.

  Despite the partial acceptance of the Appeal, the Risks Provision previously in place of Euro 486 thousand was increased by Euro 6 thousand for interest matured in 2012;

- On 16/11/2012 an Assessment for 2007 was notified for higher IRES and IRAP of Euro 1,326,238.84 and higher VAT of Euro 175,962.36.

Following the Assessment the Company produced customary and timely appeal on 14/01/2013 with hearing at the PTC on 25/01/2013.

The allocation to the Risks Provision made previously, following the Assessment of 2009 and subsequent Questionnaire, of Euro 109 thousand was increased by Euro 62 thousand for penalties and interest matured in 2012;

– on 28/12/2011, following the inspection of the Regional Tax Office, an Assessment notice for 2008 concerning the following issues was notified: higher assessable taxes of Euro 1,995 thousand, concerning IRES, and Euro 556 thousand concerning IRAP, in addition to additional VAT due for Euro 29 thousand. In 2011, Euro 393 thousand was provisioned to the Risk Provision for taxes, penalties and interests, against the issues raised with the exclusion of one issue, considered unfounded, concerning the purchase of assets by parties resident in tax privileged countries, for an assessable amount of Euro 1,363 thousand and VAT of Euro 29 thousand, covered by a previous assessment already cancelled by the Tax Commission at first and second levels. The amount provisioned in 2011 was increased by Euro 5 thousand for interest matured in 2012.

We highlight also that on 15/11/2011, the Company was notified of a TARSU (waste disposal tax) Assessment for the years between 2006 and 2011. The Assessment, issued by SOGET S.p.A., an agent of the Angri Municipality, provides for the relevant years the payment of a total tax of Euro 2,430 thousand, in addition to penalties and interest for Euro 1,717 thousand. Considering the assessment unfounded, also based on the procedure implemented by the Municipality for the awarding of the license, the Company appealed to the Regional Administrative Court and the Tax Commission. The Commission heard the application for suspension of the assessment. At the hearing held on 4.07.2012, the Commisssion with sentence No. 172/4/2013, filed on 11/3/2013, fully accepted the appeal, ruling that SOGET also pay expenses incurred. The Regional Administrative Court has however not yet announced judgment on the appeal made by the Company.

Despite the unfounded nature of the charge, confirmed by the first level judgment of the Tax Commission, the Company, for purely prudential purposes, in the 2011 financial statements, allocated Euro 790 thousand to the Risks Provision, of which Euro 450 thousand expensed to the income statement in 2011, calculated estimating the higher areas taxable, compared to those already taxed over a number of years, relating only to the product warehousing area whose tax applicability, in relation to the levy under discussion, has been subject to judicial rulings at times of an opposing nature. The amount provisioned in 2011 was increased by Euro 140 thousand for inclusion in the prudent provision of 2012 and for interest matured;

In relation to the IRES – IRAP dispute concerning the years 2003 and 2004, the Tax Authorities appealed to the Court of Cassation against the Provincial Court judgement which rejected the Agency's appeal of the overturning of the previous judgment of the court.

The company counter-claimed within the established timeframe.

In relation to the VAT dispute concerning the years 2001/2004, the Tax Authorities appealed to the Court of Cassation against the Provincial Court judgment which rejected the Agency's appeal of the overturning of the previous judgment of the court.

The company counter-claimed within the established timeframe.

The years still open to Assessments:

– IRES – IRAP 2008/2011;

– VAT 2008/2011;

Tax receivables:

– for tax receivables of the company, Reference should be made to the previous reports;

– on 28/07/2012, the Pagani Tax Agency informed by telephone the preparation of payment orders relating to the following company receivables:

• IRPEG 1993 and 1995, respectively equal to, capital portions of Euro 342,546.00 and Euro 321,163.00;

• ILOR 1993,1994 and 1995, respectively equal to, capital portions of Euro 66,871.00, Euro 176,082.00 and Euro 13,699.00;

The relative bank credit for a total of Euro 1,480,490, including interest as per law, was made on August 10, 2012.

For the residual receivables of the Company for IRPEG relating to the following years:

• 1994 for Euro 584,771.00;

• 1996 for Euro 492,987.00;

• 1997 for Euro 607,400.00;

also concerning the capital portions, latterly in January, the relative Campania Regional Tax Agency was requested payment.

For the VAT receivable held by the Company for 2001 for a capital portion of Euro 413,165.00, last January payment was again requested from the Campania Regional Tax Agency and from the Salerno Regional Tax Agency.

Allocation of the 2012 result

In relation to the net profit of Euro 6,199,341, the following allocation is proposed:

– to the legal reserve Euro 309,967;

– dividend to be distributed to shareholders of Euro 0.06 per share, Euro 1,860,000;

– to the retained earnings reserve, Euro 4,029,374;

Treasury shares

The Parent Company carried out share purchase operations for 467,552 shares and a total value of Euro 804,033. In the same period the Company did not carry out any treasury share sale operations.

The operations comply with the share buy-back authorisations conferred to the Board of Directors by the Shareholders' Meetings of 2011 and 2012.

At December 31, 2012, the Group, following specific shareholders' meeting resolutions, holds 2,345,125 treasury shares in portfolio, equal to 7.5649% of the share capital, purchased at an average price of Euro 2.00 including fees. At May 7, 2013, the official price was Euro 1.7016.

Share performance

An analysis of the share performance of La Doria S.p.A. in 2012 shows an average annual daily price of Euro 1.7075. The lowest price was on March 16, 2012 at Euro 1.603, while the highest price was on May 7, 2012 at Euro 1.859. The average daily volume traded was 8,603 shares.

Information in accordance with Article 2428, paragraph 5 of the Civil Code

La Doria S.p.A. does not have any secondary offices.

Other information

In relation to use by the Group of financial instruments in relation to the evaluation of the balance sheet, financial situation and result for the year, reference is made to the paragraph "Information relating to financial instruments".

PERFORMANCE SUBSEQUENT TO THE END OF THE YEAR

Sales

Sales of the Parent Company to 28/2/2013 were Euro 54.8 million, an increase of 15% compared to Euro 47.5 million in the corresponding period of the previous year.

Outlook

In relation to the forecasts of the Parent Company for the year 2013, reference should be made to the comments for the Group.

ATTACHMENTS TO THE DIRECTOR'S REPORT

	31.12.2012	31.12.2011
		(Euro/000)
Trade receivables	90,819	80,901
Inventories	188,052	176,390
Other current receivables	22,569	23,195
TOTAL CURRENT ASSETS	301,440	280,486
Trade payables	112,849	103,224
Other current payables	23,079	20,266
TOTAL CURRENT LIABILITIES	135,928	123,490
WORKING CAPITAL	**165,512**	**156,996**
Net intangible assets	3,969	4,166
Net tangible assets	99,183	96,835
Investments	232	52
Other assets	11,741	11,425
FIXED CAPITAL	**115,125**	**112,478**
Non-current liabilities	16,671	13,476
Post-employment benefit provisions	10,051	9,917
Total non-current liabilities	26,722	23,393
NET CAPITAL EMPLOYED	**253,915**	**246,081**
Cash and cash equivalents	(19,563)	(16,187)
Short-term debt	100,640	89,835
Medium/long term debt	36,914	48,789
NET FINANCIAL POSITION	**117,991**	**122,437**
Group net equity	113,964	105,701
Minority interest net equity	21,960	17,943
TOTAL SHAREHOLDERS´ NET EQUITY	**135,924**	**123,644**

	31.12.2012		31.12.2011	
				(Euro/000)
REVENUES	**578,941**	**100,0%**	**484,275**	**100,0%**
Changes in inventory of finished and semi-finished products	9,860	1.7%	28,288	5.8%
Other revenues	11,459	2.0%	14,630	3.0%
VALUE OF PRODUCTION	**600,260**	**103.7%**	**527,193**	**108.9%**
Cost of production	523,062	90.3%	459,207	94.8%
VALUE ADDED	**77,198**	**13.3%**	**67,986**	**14.0%**
Labour costs	40,579	7.0%	36,922	7.6%
EBITDA	**36,619**	**6.3%**	**31,064**	**6.4%**
Amortisation & Depreciation	11,140	1.9%	12,734	2.6%
EBIT	**25,479**	**4.4%**	**18,330**	**3.8%**
Financial income/(charges)	(4,602)	(0.8%)	(5,705)	(1.2%)
Exchange gains/(losses)	(534)	(0.1%)	1,861	0.4%
RESULT FROM NORMAL OPERATIONS	**20,343**	**3.5%**	**14,486**	**3.0%**
Gain/(loss) on discontinued operations	-	-	-	-
PROFIT BEFORE TAXES	**20,343**	**3.5%**	**14,486**	**3.0%**
Income taxes	7,729	1.3%	5,845	1.2%
NET PROFIT	**12,614**	**2.2%**	**8,641**	**1.8%**
of which Group	7,838	1.4%	4,093	0.8%
Minority interest	4,776	0.8%	4,548	0.9%

	01.01.2012 Net equity	2012 Purchase Treasury Shares	2012 Change IAS39 Res. parent	2012 Result for year parent	31.12.2012 Net equity
					(Euro/000)
Opening IAS net equity of the parent company before result	89,641	(804)	(310)	6,199	94,727
Opening IAS net equity of the group companies, before result	29,845				40,260
Eliminations of group companies	(3,965)				(5,478)
SUB- TOTAL	**115,521**				**129,508**
Profit of the group companies group share IAS	4,574				5,130
Profit of the group companies minority share IAS	4,548				4,777
Elimination of intercompany profits - group share	547				(1,126)
Elimination of intercompany profits - minority share	0				(1)
Elimination of intercompany dividends - group share	(1,789)				(2,329)
TEC adjustments elimination	170				0
Gains on Eugea share purchases	0				0
Adjust for exchange differences - group share	72				(36)
Adjust for exchange differences - minority share	0				0
TOTAL CHANGES	**8,122**				**6,416**
TOTAL SHAREHOLDERS' EQUITY	**123,644**				**135,924**
group share	105,701				113,964
minority interest share	17,943				21,960

RECONCILIATION CONSOLIDATED RESULT	Net result	Group holding	Group Profit/loss	Min. Int. Profit/loss	Total Profit/loss
					(Euro/000)
La Doria S.p.A.	6,199	100%	6,199	0	6,199
LDH (La Doria) Ltd.	9,743	51%	4,969	4,774	9,743
Eugea Mediterranea S.p.A.	164	98,34%	161	3	164
TOTAL RESULT FOR YEAR	**16,106**		**11,329**	**4,777**	**16,106**
Adj. for change intercompany inventory			(1,126)	(1)	(1,127)
Adj. for exchange differences LDH / La Doria			(36)		(36)
Dividends on profits 2011 LDH distributed to La Doria			(2,329)		(2,329)
CONSOLIDATED PROFIT INTER-GROUP 2012			**7,838**	**4,776**	**12,614**

	31.12.2012	31.12.2011
		(Euro/000)
Trade receivables	68,051	61,734
Inventories	134,154	129,766
Other current receivables	18,113	16,227
TOTAL CURRENT ASSETS	220,318	207,727
Trade payables	88,797	81,673
Other current payables	11,842	9,482
TOTAL CURRENT LIABILITIES	100,639	91,155
WORKING CAPITAL	**119,679**	**116,572**
Net Intangible assets	497	494
Net tangible assets	95,101	92,104
Investments	4,297	4,117
Other assets	12,053	11,198
FIXED CAPITAL	**111,948**	**107,913**
Non-current liabilities	14,833	11,376
Post-employment and other provisions	9,912	9,793
Total non-current liabilities	24,745	21,169
NET CAPITAL EMPLOYED	**206,882**	**203,316**
Cash and cash equivalents	(13,447)	(11,912)
Short-term borrowings	88,688	77,167
Medium/long-term borrowings	36,914	48,420
NET FINANCIAL POSITION	**112,155**	**113,675**
Share Capital	39,544	35,529
Reserves and profit for the year	55,183	54,112
TOTAL SHAREHOLDERS' EQUITY	**94,727**	**89,641**

	31.12.2012		31.12.2011	
				(Euro/000)
REVENUES	**297,182**	**100,0%**	**260,174**	**100,0%**
Changes in inventories of finished and semi-finished products	4,132	1.4%	13,476	5.2%
Other revenues	11,845	4.0%	11,156	4.3%
VALUE OF PRODUCTION	**313,159**	**105.4%**	**284,806**	**109.5%**
Cost of production	260,264	87.6%	242,615	93.3%
VALUE ADDED	**52,895**	**17.8%**	**42,191**	**16.2%**
Labour costs	31,188	10.5%	28,086	10.8%
EBITDA	**21,707**	**7.3%**	**14,105**	**5.4%**
Depreciation, amort, and write-downs	9,652	3.2%	10,880	4.2%
EBIT	**12,055**	**4.1%**	**3,225**	**1.2%**
Income from equity investments	2,327	0.8%	1,747	0.7%
Financial income/(charges)	(4,350)	(1.5%)	(3,563)	(1.4%)
Exchange gains/(losses)	401	0.1%	1,481	0.6%
RESULT FROM NORMAL OPERATIONS	**10,433**	**3.5%**	**2,890**	**1.1%**
PROFIT BEFORE TAXES	**10,433**	**3.5%**	**2,890**	**1.1%**
Income taxes	4,234	1.4%	2,371	0.9%
NET PROFIT	**6,199**	**2.1%**	**519**	**0.2%**

CONSOLIDATED FINANCIAL STATEMENTS IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (EU/IFRS)

(Euro/000)	Notes	31.12.2012	31.12.2011
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1	3,969	4,166
Property, plant & equipment	2	99,183	96,835
Goodwill	3	5,479	5,431
Other investments	4	232	52
Deferred tax assets	5	3,743	3,374
Other non-current assets	6	2,519	2,300
TOTAL NON-CURRENT ASSETS		**115,125**	**112,158**
Non-current assets held for sale	7	0	320
CURRENT ASSETS			
Inventories	8	188,052	176,390
Trade receivables	9	90,819	80,901
Other assets	10	18,767	15,293
Tax receivables	11	3,802	7,902
Cash & cash equivalents	12	19,563	16,187
TOTAL CURRENT ASSETS		**321,003**	**296,673**
TOTAL ASSETS		**436,128**	**409,151**

(Euro/000)	Notes	31.12.2012	31.12.2011
LIABILITIES AND SHAREHOLDERS´ EQUITY			
SHAREHOLDERS' EQUITY			
Share capital	13	39,544	35,529
Reserves and retained earnings	14	66,582	66,079
Net profit	15	7,838	4,093
Group net equity	16	113,964	105,701
Minority interest	17	21,960	17,943
TOTAL SHAREHOLDERS' EQUITY		**135,924**	**123,644**
NON-CURRENT LIABILITIES			
Financial payables	18	36,914	48,789
Other non-current liabilities	19	7,120	3,500
Post-employment benefit and pension provision	20	4,079	3,922
Deferred tax liabilities	21	9,551	9,976
Provisions for risks and charges	22	5,972	5,995
TOTAL NON-CURRENT LIABILITIES		**63,636**	**72,182**
CURRENT LIABILITIES			
Financial payables	23	100,640	89,835
Trade payables	24	112,849	103,224
Tax payables	25	5,977	2,554
Other current liabilities	26	17,102	17,712
TOTAL CURRENT LIABILIITES		**236,568**	**213,325**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**436,128**	**409,151**

(Euro/000)	Notes	31.12.2012	31.12.2011
Revenues	27	578,941	484,275
Other operating revenues	28	11,459	14,630
Changes in inventory	29	9,413	33,910
of which: Finished and Semi-finished		*9,860*	*28,288*
of which: Raw materials		*(447)*	*5,622*
Purchase of raw materials and goods	30	452,696	397,885
Services	31	62,500	57,372
Labour costs	32	40,579	36,922
Other operating costs	33	7,419	9,572
Amortisation, depreciation, write-downs and provisions	34	11,140	12,734
OPERATING PROFIT		**25,479**	**18,330**
Financial income	35	4,534	5,354
Financial charges	36	9,670	9,198
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**20,343**	**14,486**
Income taxes	37	7,729	5,845
NET PROFIT FROM NORMAL OPERATIONS		**12,614**	**8,641**
of which:			
Group profit		7,838	4,093
Minority interest profit		4,776	4,548

(Euro/000)	31.12.2012	31.12.2011
NET PROFIT FOR THE YEAR (GROUP AND MINORITY INTEREST)	**12,614**	**8,641**
Other items of the Comprehensive Income Statement		
Change in translation reserve of foreign subsidiaries	734	1,209
Change in cash flow hedge reserve	1,974	(2,850)
PROFIT/(LOSS) DIRECTLY RELATED TO NET EQUITY, NET OF TAX EFFECT	**2,708**	**(1,641)**
COMPREHENSIVE PROFIT FOR THE YEAR	**15,322**	**7,000**
Pertaining to:		
– Group	9,109	3,054
– Minority interest	6,213	3,947

(Euro/000)	31.12.2012		31.12.2011	
Operating activity				
CASH FLOW				
Group and minority profit	12,614		8,641	
Depreciation and write-downs of tangible assets	9,689		9,717	
Amortisation and write-downs of intangible assets	373		1,467	
TOTAL CASH FLOW	**22,676**		**19,825**	
Changes in deferred tax assets and liabilities	(794)		141	
Post-employment benefits:				
provisions/(utilisations)	157		135	
Provisions for risks and charges:				
provisions/(utilisations)	(23)		949	
Financial income	245		(1,481)	
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	**22,261**		**19,570**	
Working capital				
Change in trade receivables	(9,918)		(10,188)	
Change in inventories	(11,662)		(37,264)	
Change in other current assets	626		(478)	
Change in trade payables	9,625		24,859	
Change in taxes payable	3,423		(400)	
Change in other current liabilities	2,791		5,439	
Change in working capital	**(5,115)**		**(18,032)**	
CASH GENERATED FROM OPERATING ACTIVITY	**17,146**	**(a**	**1,538**	**(a**
Investing activities				
Divestment/(investment) in tangible fixed assets net of investments/divestments	(12,037)		(21,966)	
Divestment/(investment) in intangible fixed assets net of investments/divestments	(176)		(1,355)	
Disposal of other non-current assets	320		0	
Goodwill	(48)		1.033	
Investments in equity holdings net of divestments	(180)		0	
Interest received	(245)		1,481	
CASH GENERATED/(ABSORBED) FROM INVESTING ACTIVITY	**(12,366)**	**(b**	**(20,807)**	**(b**
Financing activities				
Medium/long term loans	(11,875)		6,592	
Change in net equity accounts	2,707		(1,640)	
Change in short-term loans	10,805		25,798	
Dividends paid	(2,237)		(4,508)	
Change in purchase and sale of treasury shares	(804)		(280)	
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**(1,404)**	**(c**	**(25,961)**	**(c**
	3,376	**(a+b+c)**	**(6,692)**	**(a+b+c)**
Change in the net financial position				
Cash and cash equivalents at the beginning of the year	16,187		9,495	
Cash and cash equivalents at the end of the year	19,563		16,187	

STATEMENT OF CHANGE IN SHAREHOLDERS´ EQUITY

	GROUP						
	SHARE CAPITAL	**SHARE PREMIUM. RESERVE**	**LEGAL RESERVE**	**OTHER (+) RESERVE**	**RESERVE IAS 39**	**RESERVE IAS 32**	**OTHER PROFIT RESERVES**
Balance at 1.01.10	35,208	15,327	3,381	11,599	(126)	481	18,962
Dividends							(3,720)
Allocation of 2009 result							15,493
Purchase /Sale Treasury Shares	542					129	400
Change reserve IAS 39 (other comprehensive income)					265		
Change in translation reserve (other comprehensive income)							
Profit at 31.12.2010							
BALANCE AT 31.12.10	**35,750**	**15,327**	**3,381**	**11,599**	**139**	**610**	**31,135**

(Euro/000)

CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MINORITY INTEREST MIN. INT. CAPITAL & RESERVES	MINORITY INTEREST MIN. INT. RESULT	MIN. INT. NET EQUITY	TOTAL NET EQUITY
(47)	(3,496)	15,493	96,781	10,253	4,278	14,531	111,312
			(3,720)	(2,245)		(2,245)	(5,965)
		(15,493)		4,278	(4,278)		
			1,071				1,071
	264	171		171	435		
0	390		391	375		375	765
		10,898	10,898		2,914	2,914	13,812
(47)	**(3,106)**	**10,898**	**105,685**	**12,832**	**2,914**	**15,746**	**121,431**

STATEMENT OF CHANGE IN SHAREHOLDERS´ EQUITY

	GROUP						
	SHARE CAPITAL	SHARE PREMIUM. RESERVE	LEGAL RESERVE	OTHER (+) RESERVE	RESERVE IAS 39	RESERVE IAS 32	OTHER PROFIT RESERVES
Balance at 1.01.11	35,750	15,327	3,381	11,599	139	610	31,135
Dividends							(2,790)
Allocation of 2010 result							10,898
Purchase /Sale Treasury Shares	(221)						(59)
Reclassified							(47)
Change reserve IAS 39 (other comprehensive income)					(1,625)		
Change in translation reserve (other comprehensive income)							
Profit at 31.12.2011							
BALANCE AT 31.12.11	**35,529**	**15,327**	**3,381**	**11,599**	**(1,486)**	**610**	**39,137**

(Euro/000)

				MINORITY INTEREST			
CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MIN. INT. CAPITAL & RESERVES	MIN. INT. RESULT	MIN. INT. NET EQUITY	TOTAL NET EQUITY
(47)	(3,106)	10,898	105,685	12,832	2,914	15,746	121,431
			(2,790)	(1,718)		(1,718)	(4,508)
		(10,898)		2,914	(2,914)		
			(280)				(280)
47							
	(1,625)	(1,225)		(1,225)	(2,850)		
0	616		616	593		593	1,209
		4,093	4,093		4,548	4,548	8,641
0	**(2,490)**	**4,093**	**105,701**	**13,395**	**4,548**	**17,943**	**123,644**

STATEMENT OF CHANGE IN SHAREHOLDERS´ EQUITY

	GROUP						
	SHARE CAPITAL	SHARE PREMIUM. RESERVE	LEGAL RESERVE	OTHER (+) RESERVE	RESERVE IAS 39	RESERVE IAS 32	OTHER PROFIT RESERVES
Balance at 1.01.12	35,529	15,327	3,381	11,599	(1,486)	610	39,137
Dividends							
Allocation of 2011 result							4,093
Purchase /Sale Treasury Shares	(576)						(228)
Reclassified							
Change reserve IAS 39 (other comprehensive income)					855		
Share capital increase La Doria from retained earnings	4,591						(4,591)
Change in translation reserve (other comprehensive income)							
Profit at 31.12.2012							
BALANCE AT 31.12.12	**39,544**	**15,327**	**3,381**	**11,599**	**(631)**	**610**	**38,411**

(Euro/000)

				MINORITY INTEREST			
CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MIN. INT. CAPITAL & RESERVES	MIN. INT. RESULT	MIN. INT. NET EQUITY	TOTAL NET EQUITY
	(2.490)	4.093	105.700	13.395	4.548	17.943	123.643
				(2.237)		(2.237)	(2.237)
		(4.093)		4.548	(4.548)		
			(804)				(804)
			855	1.119		1.119	1.974
	375		375	359		359	734
		7.838	7.838		4.776	4.776	12.614
0	**(2.115)**	**7.838**	**113.964**	**17.184**	**4.776**	**21.960**	**135.924**

EXPLANATORY NOTES

EXPLANATORY NOTES - LA DORIA GROUP

1. GENERAL ASPECTS

La Doria S.p.A. (hereafter "the Company" or "La Doria") and its subsidiaries (hereafter "the Group") operate in the production and marketing of food products, particularly in the vegetable and juices processing sector. The Group operates from five production sites and markets its products in Italy and abroad, principally in the United Kingdom, Japan, Australia and in the Scandinavian countries. La Doria is listed on the Star segment of the Italian Stock Exchange. The present consolidated financial statements were approved by the Board of Directors on March 15, 2013 and audited by PriceWaterhouseCoopers. These consolidated financial statements were prepared based on the IFRS financial statements approved by the individual boards of the consolidated companies.

2. CONTENT AND FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

The present consolidated financial statements at December 31, 2012 comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and the Notes and were prepared in accordance with International Accounting Standards approved at the date of the present consolidated financial statements by the European Commission, hereafter "IAS/IFRS", supplemented by the relative interpretations (Standing Interpretations Committee SIC and International Financing Reporting Interpretations Committee –IFRIC) issued by the International Accounting Standard Board (IASB), as well as the provisions of Article 9 of Legislative Decree No. 38 of February 28, 2005. The standards and the accounting principles applied to the present consolidated financial statements are in line with those utilised for the preparation of the consolidated financial statements at December 31, 2011. From January 1, 2011 some amendments were made to the international accounting standards. The principal changes are outlined in the subsequent paragraph "Form of the financial statements". The section "Effects of the changes to the accounting principles adopted" summarises the accounting standards currently being approved by the European Union, not yet applied by the Group. The general principle adopted in the preparation of the financial statements is the cost method, with the exception of the derivative instruments and some financial assets, for which IAS 39 is obligatory or - limited to financial assets - valuation in accordance with the fair value method is permitted. The financial statements are expressed in thousands of Euro, except where otherwise indicated. The present Consolidated Financial Statements of the Group were prepared on a going concern basis, based on the current performance and the future business plans approved by the Board.

FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

Relating to the form of the financial statements adopted for the present consolidated financial statements the Parent Company opted for the following presentation of the financial statements.

Balance Sheet

The Balance Sheet at December 31, 2012 is prepared with separate indications of the Assets, Liabilities and Shareholders' Equity. The Assets and the Liabilities are classified as current and non-current.

Income Statement

The Income Statement for the year 2012 is presented by the nature of the expenses.

Comprehensive Income Statement

The comprehensive income statement is presented in a separate document, as permitted by IAS 1 Revised. Specifically, the updated version of IAS 1 relating to the presentation of financial statements requires specific indication in the income statement of income/charges of transactions carried out with "non shareholders" previously recorded directly under changes in shareholders' equity reserves. All the changes (such as gains and losses deriving from the translation of financial statements of a foreign entity or of the valuation of financial assets held for sale, or the values relating to the efficient part of the gains or losses on "cash flow hedge" instruments) may be included in a single statement together with the income statement or in a separate statement. The changes must be shown separately also in the Statement of changes in shareholders' equity. The Group applied this standard from January 1, 2009, indicating the changes in a separate statement (the "Comprehensive Income Statement"), compared to the Income Statement. The Company consequently amended the presentation of the Statement of changes in Shareholders' Equity.

Cash Flow Statement

The Cash Flow Statement is prepared applying the indirect method. The cash flow statement was detailed further since 2010 with the cash flows from operating activities and cash flows from financing activities subject to a different classification in order to provide a more complete disclosure.

Statement of change in Shareholders' Equity

The Statement of changes in Shareholders' Equity was prepared according to IAS 1, as amended by the IFRS improvements published in May 2010 and approved by European Union Regulation No. 149 of February 18, 2011. In addition, the following tables are an integral part of the notes to the consolidated financial statements:

- Intangible Assets at December 31, 2012 (Table A);

- Net Tangible Assets and accumulated depreciation at December 31, 2012 (Tables B, B1 and B2);
- Investments in Companies directly and indirectly held (Table C and C1);
- Remuneration paid to Directors, Statutory Auditors, the General Manager and Management of the Parent Company and subsidiaries and the Independent Audit Company of La Doria SpA and the subsidiary companies (Tables D, E and F), based on Consob Communication No. DEM/11012984 of 24-2-2011 concerning indemnity in the case of the advance conclusion of employment and disclosure on remuneration in accordance with Article 78 of Regulation No. 11971 of May 14, 1999 and subsequent amendments;
- Statements relating to the management of risks in accordance with IFRS 7 (Attachments 1 to 12).

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements at December 31, 2012 include the financial statements of the Parent Company La Doria SpA and of the companies included in the consolidation scope, prepared in accordance with IFRS. These companies are listed below:

Company	Registered Office	Share Capital	Holding
LA DORIA S.p.A.	Via Nazionale, 320 84012 Angri (Salerno)	Euro/000 39.544	Parent Company
EUGEA MEDITERRANEA S.p.A.	Strada Consorziata s.n. 85024 Gaudiano di Lavello	Euro/000 1.500	98,34%
LDH (La Doria) Ltd.	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 1.000	51%
LDH Foods (Hellas) Ltd. (in liquidation) (subsidiary of LDH (La Doria) Ltd.)	32 Omiron Street Athens (Grecia)	Euro/000 18	50,85%
LDH Foods S.L. (in liquidation) (subsidiary of LDH (La Doria) Ltd.)	Av.da De los Castanos, 53 Molina De Segurra (Murcia)	Euro/000 9	51%
ORIENTAL & PACIFIC (subsidiary of LDH (La Doria) Ltd.)	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 10	51%
MANPINECO (subsidiary of LDH (La Doria) Ltd.)	519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE28 4WX	GBP/000 0,001	51%

In comparison to December 31, 2011 the company TEC TRADING EXPORT COMPANY SRL in liquidation was not included in the consolidation scope following the winding-up with Shareholders' Meeting resolution of December 21, 2011. The Group companies are engaged in the production and marketing of processed foods, in particular:

a) Food processing companies : La Doria S.p.A., Parent Company and Eugea Mediterranea S.p.A., which is 98.34% owned.

b) Marketing companies: LDH (La Doria) LTD which is 51% owned by the Parent Company and its subsidiaries.

CONSOLIDATION PRINCIPLES AND ACCOUNTING POLICIES

Investments in subsidiary companies

The companies in which La Doria S.p.A. exercises control, either due to direct shareholding or the indirect holding of the majority of the voting rights, having the power to determine the financial and operating choices of the company, are consolidated using the line-by-line method. All the subsidiaries are included in the consolidated scope at the date in which the control is acquired by the Group and are consolidated under the line-by-line-method. The companies are excluded from the consolidation scope when the Group no longer has control of the company. The business combinations are recognised applying the "purchase method" in which the buyer acquires the equity and records the assets and liabilities, including the potential liabilities of the company purchased. The cost of the operation is based on the fair value, at the purchase date, of assets given, of liabilities incurred and of any capital instruments issued by the subsidiaries and any other accessory charges. The fair value is also applied in the measurement of the assets/liabilities purchased pertaining to minority interests. Any difference between the cost of the operation and the fair value of the assets and liabilities acquired at the purchase date is residually allocated to goodwill and subject to an impairment test as described below. When the allocation process of the purchase price results in a cost, this is immediately recognised in the income statement at the purchase date. In the case of the purchase of investments not fully controlled, the goodwill is recorded only for the part attributable to the Parent Company. The amounts resulting from operations between consolidated companies are eliminated, in particular in relation to receivables and payables at the balance sheet date, as are costs and revenues as well as other charges and income recognised in the income statement. Gains and losses realised between consolidated companies with the related tax adjustments are also excluded. The gains and losses from operations with minority interests are recorded when significant in the income statement using the "parent theory" for these operations. The mergers between Group companies are recorded using the consolidated values from the previous year.

Equity investments in other companies

These consider investments in other companies, where the amount of shares or the holding does not allow significant or dominant influence on the operations of the company, but however relates to a long-term investment. This type of investment is not included in the consolidation.

Identification of the functional currency

The balances included in the annual report of each company of the Group are prepared in the primary currency where they operate (functional currency). The consolidated financial statements were prepared in Euro, which is the functional currency of the Parent Company.

Segment information

The Group considers the "operating segment" in accordance with IFRS 8 as the segment of activity where the risks and benefits for the company are based on the products and services provided. Information in relation to the geographic areas where the risks and benefits for the company are based on the geographic area in which the Group operates are also provided. The results by segment are reported in the notes on "revenues" in the income statement. The data are recorded under the criteria adopted for the valuation of the financial statements and those applied for segment information in the previous year.

Translation of the financial statements of the companies in currencies other than the operational currency

The balance sheet at December 31, 2012 of the foreign subsidiary LDH (La Doria) Ltd was converted at the exchange rate prevailing for the GBP at the balance sheet date of Euro 0.8161, and the income statement at the average rate for the period of Euro 0.8111. The difference between the conversion of the net equity items at the exchange rate at the end of the year and the prior year-end exchange rate and between the conversion of the income statement at the average exchange rate and the balance sheet date exchange rate has been recorded under "translation adjustments" in the Group's share of the consolidated shareholders' equity and under "Minority interest shareholders' equity" for the share of minority interests.

Accounting principles adopted

In the preparation of the present consolidated financial statements the accounting standards adopted are those as utilised in the preparation of the consolidated financial statements as at December 31, 2011 and the half-year report at June 30, 2012.

New documents issued by the IASB and approved by the EU to be adopted mandatorily for financial statements for the accounting periods beginning January 1, 2012

IFRS IFRIC Interpretation	Description	Effects on Group
Amendments		
Amendments to IFRS 7	Financial instruments: additional disclosure Transfer of financial assets	This standard defines additional information to be disclosed on the transfer of financial assets not eliminated in the accounts or in the case of a residual involvement in the assets transferred. This amendment does not have an impact on disclosure in the present financial statements as the required circumstances are not in place. There are no significant effects for the Group.

IAS/IFRS and relative SIC/FRIC interpretations applicable to the financial statements which begin after January 1, 2012

For periods beginning January 1, 2012 the European Union approved the following standards, not yet obligatory, which will be applied in subsequent periods. Advanced application is not expected by the Group.

IFRS SIC/IFRIC interpretations	Description	Effects on Group
IFRS 10	Consolidated Financial Statements	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The application of this stan dard will produce effects from Ja nuary 1, 2014. No significant effects are expected for the Group.
IFRS 11	Joint Arrangements	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The application of this stan dard will produce effects from Ja nuary 1, 2014. No significant effects are expected for the Group.
IFRS 12	Disclosures of Interests in Other Entities	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The application of this stan dard will produce effects from Ja nuary 1, 2014. No significant effects are expected for the Group.
IFRS 13	Fair Value Measurement	This standard was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The application of this stan dard will produce effects from Ja nuary 1, 2013. No significant effects are expected for the Group.
IAS 27 (revised 2011)	Separate Financial Statements	This standard was replaced by IFRS 10, which was approved with Regula tion No .1254 of 11/12/2012 (effecti ve in the EU from January 1, 2012). The application of this standard will produce effects from January 01, 2014. No significant effects are ex pected for the Group.
IAS 28 (revised 2011)	Investments in Associates and Joint Ventures	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The application of this stan dard will produce effects from Ja nuary 1, 2014. No significant effects are expected for the Group.
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	This document was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The document will produce ef fects from January 1, 2013. The stan dard is not applicable for the Group.

Amendments		
IAS 1	Presentation of items of Other Comprehensive Income	This amendment was approved with Regulation No. 475 of 5/6/2012 (effective in the EU from July 1, 2012). The application of this standard will produce effects from January 1, 2013. No significant effects are expected for the Group.
IAS 12	Deferred tax: Recovery of Underlying Assets	This amendment was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The application of this standard will produce effects from January 1, 2013. No significant effects are expected for the Group.
IAS 19	Employee Benefits	This amendment was approved with Regulation No. 475 of 5/6/2012 (effective in the EU from July 1, 2012). The application of this standard will produce effects from January 1, 2013. No significant effects are expected for the Group.
IAS 32	Financial instruments: Presentation Offsetting financial assets and financial liabilities	This amendment was approved with Regulation No. 1256 of 13/12/2012 (effective in the EU from January 1, 2014). The application of this standard will produce effects from January 1, 2014. No significant effects are expected for the Group.
IFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First Time Adopters	This amendment was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The document will produce effects from January 1, 2013. The amendment is not applicable for the Group.
IFRS 7	Financial instruments: Disclosures Offsetting financial assets and financial liabilities	This amendment was approved with Regulation No. 1256 of 13/12/2012 (effective in the EU from January 1, 2013). The application of this standard will produce effects from January 1, 2013. No significant effects are expected for the Group.

Documents not yet approved by the EU at December 31, 2012

IFRS Interpretations SIC/IFRIC - Amendments	Description	Effects on Group
Amendments to IFRS 1	First time adoption Government loans	Not applicable.
Amendments to IFRS 10	Consolidated Financial Statements	The application of the standard by the Group is scheduled from the date of approval by the EU. No significant ef fects are expected for the Group.
Amendments to IFRS 11	Joint Arrangements	The application of the standard by the Group is scheduled from the date of approval by the EU. No significant ef fects are expected for the Group.
Amendments to IFRS 12	Disclosure of Interests in Other Entities	The application of the standard by the Group is scheduled from the date of approval by the EU. No significant ef fects are expected for the Group.

A number of standards or amendments of existing standards issued by the IASB or new interpretations of the International Financial Reporting Interpretations Committee (IFRIC) are currently under review and approval. Included among these are:

- *IFRS 9 Financial Instruments* – through this standard the IASB proposes to significantly amend the treatment of financial instruments. This definitive version of the standard will replace IAS 39. The IASB has amended the requirements concerning the classification and measurement of financial assets currently applied by IAS 39 and has published a document concerning the principles for the measurement at amortised cost of financial instruments and for establishing whether any impairment has occurred. The new governance of financial instruments is however overall subject to discussion by the various relevant authorities and the date of adoption is currently uncertain. The current version of IFRS 9 will be applicable, following approval by the European Union, from January 1, 2015;
- *Annual improvements 2009 2011*, which introduces improvements to the various standards, including IFRS 1 (First time adoption), IAS 1 (Financial statements presentation), IAS 16 (Property, plant and equipment) and IAS 32 (Financial instruments: Presentation) and IAS 34 (Interim financial reporting).

Definite intangible assets and amortisation

An intangible asset is an identifiable non-monetary asset without physical substance, identifiable and capable of generating future economic benefits. Intangible assets are originally recognised at purchase and/or production cost, including the costs of bringing the asset to its current use, net of accumulated amortisation, and any loss in value. Amortisation is calculated using the straight-line method over the estimated period of effective utilisation or future benefit. Where there are indications of a permanent loss in value, a specific impairment test is carried out and any loss in value is charged to the income statement and as a reduction of the fixed asset, in accordance with the procedures indicated below in the following paragraph. The balance includes concessions, licenses and trademarks, patents and industrial rights and other intangible assets, including the purchase cost of software and intangible assets recorded on business combinations, in accordance with IFRS 3. The costs of research and the cost of maintenance and software management are charged to the income statement.

Intangible assets with an indefinite life

Goodwill

The goodwill stated under intangible assets relates to business combinations made since January 1, 2004 and represents the difference between the cost incurred for the purchase of a company or a business unit and the sum of the values assigned, based on the fair values at the purchase date of the individual assets and liabilities of the company purchased. Goodwill has an indefinite life and therefore is stated at original cost, net of any write-downs. Goodwill, in fact, is not amortised but subject to an impairment test in accordance with IAS 36, on an annual basis, except when there are market and operational indicators identified by the Group, where it is necessary to carry out the test also in relation to the preparation of interim accounts. For the purpose of the impairment test, the goodwill is allocated to the individual cash generating units (CGU), which are the smallest units financially independent through which the Group operates in the different market segments, which are related to the individual business areas.

Property, plant & equipment

Property, plant and equipment are stated at purchase or production cost, including additional charges allocated to the asset and related to its preparation for use during its useful life, net of accumulated depreciation and any loss in value deriving from the impairment test commented upon in the subsequent paragraph. The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset. Land is recorded at purchase cost, net of any loss in value and is not subject to depreciation. For buildings, the deemed cost method is used corresponding to the fair value or the revalued cost at January 1, 2004. Fair value is deemed to be the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Ordinary maintenance and repairs in the normal course of business are charged to the income statement. Extraordinary maintenance or repairs on owned assets or of third parties are capitalised and depreciated only if clearly identifiable and having future use. The cost of internally produced fixed assets includes the costs of the materials used, labour costs, the initial estimate, where applicable, of the dismantling and removal costs of the asset, and site reclamation costs. When the asset to be depreciated is composed of separately quantifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the "component approach" principle. Finance charges are capitalised only when the requirements of IAS 23 are in place. Buildings available-for-sale are not depreciated as they are not used in the production process and are stated in a separate account of the current assets at the lower of cost and fair value less costs to sell. Capital grants are recognised when there is reasonable certainty that they will be received and that they will satisfy the conditions for their approval. Capital grants are recorded as deferred income (deferred income) under other current and non-current liabilities and are recorded as income to the Income Statement, in the account "Other operating income", on a straight basis over the useful life of an asset.

Depreciation of property, plant & equipment

Property, plant and equipment are depreciated using the straight-line method over their useful lives. Depreciation commences when the asset is available for use. In the year in which the asset is recorded for the first time, the depreciation is reduced to take account of the lesser use of the asset. The depreciation rates are shown in Table B. In the year in which the asset is recorded for the first time, the depreciation is reduced proportionally to take account of the lesser use of the asset. The land, as already described, is not depreciated as it has an indefinite life and is subject to an impairment test when there are indications of a loss in value. Applying the principle of the "component approach", when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

Loss in value of tangible and intangible assets (impairment of the assets)

As previously described, assets with an indefinite life are subject, at least annually, to a verification of the recovery of the value recorded in the balance sheet on the basis of the value in use. For depreciated assets, an impairment test is made when there are indications of a loss in value. When, following an impairment test, write-downs should be made (recovery value lower than carrying value in the financial statements) and recognised in the income statement. The value is reinstated in future years, up to the amortised cost - should the reason for any write-down no longer exist. The reinstated amount is also recognised in the income statement. However, in no case is goodwill reinstated following a previous write-down.

Finance Leases

The leasing of buildings in which the group acquires the significant risks and rewards connected to the ownership are classified as "finance leases". The assets under finance leases are originally stated with the recording of a fixed asset and a financial payable at the lower of the fair value of the asset and the current value of the minimum lease payments, due at the commencement date of the contract using the implicit interest rate of the leasing. Thereafter, an amount is charged to the income statement equal to the depreciation of the asset, calculated based on the residual useful life of the asset and the financial charges separated from the lease payments made in the year. The residual amount of the lease payments is recorded as a reduction of the finance lease payables. The Group does not hold assets within this category.

Operating leases

Operating leases are recognised in the income statement in relation to the duration of the contract, in accordance with IAS 17. Operating leases are those relating to fixed assets for which the Group does not acquire the significant risks and rewards connected to their ownership.

Inventories

Inventories are measured at the lower of purchase and/or production cost and net realisable value. Purchase or production costs include the costs incurred in bringing the inventories to the present location and condition and are determined under the "weighted average cost" method. Net realisable value is the selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories have also been adjusted, where necessary, by an allowance for write-downs to account for the physical deterioration of the goods. This provision is eliminated in successive periods if it is no longer necessary.

The Group classifies inventories in the following categories:

- Raw material, ancillary and consumables;
- Products in work-in-progress and semi-finished;
- Finished products;
- Advances

The work in progress is valued at production cost utilising the average weighted cost method, excluding financial charges and overheads.

Financial Assets/Liabilities

The Group classifies financial assets in the following categories:

- assets at fair value through the income statement;
- loans and receivables;
- held-to-maturity investments;
- AFS financial assets.

The classification depends on the reasons for which the asset/liabilities were purchased, by their nature and by the measurement made by management at the purchase date. For the annual accounts and on the preparation of interim accounts, the management of the Group evaluates the existence of indicators of loss in value requiring an impairment test.

Financial assets at fair value through profit or loss

This category includes financial assets purchased for short-term trading, as designated by the Directors, in addition to derivative instruments, for which reference should be made to the paragraph below. The fair value of these instruments is determined with reference to the market value at the balance sheet date. The changes in fair value of the instruments belonging to this category are immediately recognised in the income statement. The classification between current and non-current reflects the expectations of the management on their trading: included under current assets are those in which trading is expected within 12 months. The assets included in this category do not relate to the normal operations of the Group.

Loans and receivables

This category includes assets not represented by derivative instruments and not listed on an active market, not held for trading and for which fixed or determinable payments are expected. Loans and receivables are measured at amortised cost on the basis of the effective interest method, considering write-downs for adjustments of realisable value made analytically on the basis of the expected receipts. The write-downs are recognised in the income statement. These assets/liabilities are classified as current assets/liabilities, except for the portion relating to non-trade receivables/payables with maturity beyond 12 months, which are classified under non-current asset/liabilities. Trade receivables which mature within the normal commercial terms are not discounted.

Held-to-maturity investments

These relate to assets, other than derivative instruments, at pre-fixed maturity, with fixed or determinable payments and for which the Group has the full intention and capacity to maintain in portfolio until maturity. There are no assets belonging to this category held either by the Parent Company or by the other consolidated companies.

AFS financial assets

This category includes financial assets not represented by financial instruments, specifically designated as included in this category or not classified in any of the previous categories.

They are measured at fair value, determined with reference to market prices at the balance sheet date or through financial measurement techniques or models. The changes in value are recorded in a specific equity reserve "AFS asset reserve". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2012, the Group does not hold these types of assets.

Assets held for sale and discontinued operations

On the initial classification of the assets held for sale, the non-current assets and group of assets for sale are measured at the lower of the carrying value and the fair value less costs to sell. The losses in value resulting from the initial measurement of an asset classified as held for sale are recognised in the income statement. The same treatment applies to the gains and losses on subsequent measurements. An operating activity discontinued (valued as assets held for sale) is a component of the Group which represents an important independent business division or geographical area or is a subsidiary acquired exclusively for resale. An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. A group being sold may also be included under operating activities discontinued.

Financial instruments

The Company manages the exchange and interest rate risk (limited to "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through forward operations and options (commented upon in the paragraph on Derivatives). The Company manages the cash flow risk through interest rate swap operations which permit the converting of the floating rates relating to the loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge). The above operations relate to:

Derivatives

The derivative instruments continue to be considered as assets held for trading and measured at fair value with recognition in the income statement, except in the case where they are considered, in accordance with IAS/IFRS standards, as appropriate hedging instruments and effective in the neutralisation of the risk of the underlying asset or liability or commitment assumed by the Group. In this case, they are measured in relation to the type of hedge related to the underlying hedge. In particular, the Group uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39 in terms of effectiveness of the hedge. Where not in accordance with these requirements, the operations are considered trading operations and are measured at fair value through profit or loss. If such conditions exist, these operations are measured in accordance with the cash flow hedge method. The current hedging operations of the Group in fact relate to cash flow hedges on the interest rate risk for loans and on the foreign exchange risk related to purchases/payments, commented upon below.

Cash Flow Hedge

The fair value changes of the derivatives designated as cash flow hedges and which qualify as such, are recognised, only for the "effective" part, at the balance sheet date, in a specific equity reserve ("cash flow hedge reserve") with an adjustment of the financial asset/liability hedged. This reserve is subsequently reversed to the income statement at the same time as the economic effects of the asset/liability hedged. The change in the fair value relating to the "ineffective" position are immediately recorded to the income statement. Whenever the derivative instrument is sold or does not qualify as an effective hedge of the risk involved in the operation, or the verification of the underlying operation is no longer considered highly probable, the portion of the reserve from the cash flow hedge is immediately reversed to the income statement.

Measurement of the fair value

The fair value of the instruments listed on public markets is determined with reference to the quotations at the date of recognition ("bid price"). The fair value of non-quoted instruments is measured with reference to financial valuation techniques generally adopted on the basis of standard benchmarks: in particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward/option contracts is determined on the basis of the forward exchange rate at the reference date.

Cash and cash equivalents

This includes cash in hand and bank and postal deposits which are available on demand, certain in nature and with no payment expenses. Cash and cash equivalents are stated at fair value.

Shareholders' equity

Share capital

The Share capital at December 31, 2012 is represented by the subscribed and paid-in share capital of the Parent Company less the treasury shares held in portfolio. There are no saving shares, or other types of shares other than ordinary shares. The costs relating to operations on the share capital are recorded as a reduction of equity.

Treasury shares
They are recorded as a decrease in Group equity. In particular, the nominal value is recorded as a deduction in the share capital, while any higher value is recorded in the retained earnings reserve or other available reserves. Gains or losses on sale, issue or cancellation of the treasury shares are allocated directly to equity.

Retained earnings/losses carried forward
The reserve includes the results of previous years for the part not distributed or recorded under other reserves (in the case of profit) or recapitalised (in the case of losses). The account also includes the transfers from other equity reserves when those reserves are no longer required as well as the effects of the recording of changes to accounting policies and material errors.

Translation reserve
Includes the exchange differences deriving from the translation of the liabilities hedging the net investment of the Parent Company in a foreign subsidiary, originally in GBP (British Sterling).

Other reserves
They consist of specific capital reserves of Group companies. They include the cash flow hedge reserve relating to the recording of the value of the portion of cash flow hedged. The account includes the tax effects relating to the items recorded directly to Net Equity.

Trade payables and other liabilities
The trade payables and the other financial liabilities are initially recognised at fair value less transaction costs. Thereafter, they are measured at amortised cost, using the effective interest rate. The trade payables which mature within the normal commercial terms are not discounted. These liabilities are classified as current liabilities, except for the portion relating to non-trade payables with maturity beyond 12 months, which are included under non-current liabilities. Financial liabilities are eliminated from the financial statements when, due to their sale or settlement, the Group is no longer involved in their management, nor holds the relative risks and benefits relating to these instruments settled/sold.

Employee benefits

Post-employment benefits
The liabilities relating to the defined benefit plans (such as the Employee Leaving Indemnity) are determined net of any plan assets, on the basis of actuarial assumptions, and on an accruals basis in line with the employee service necessary to obtain the benefits; the measu-

rement of the liability is made by independent actuaries. The method applied for the determination of the above-stated benefits is defined as the "projected unit credit method", with the recording of the current value of the obligations to employees deriving from the actuarial calculations. At the end of each year, the La Doria Group records the changes deriving from this statistical/actuarial calculation in the income statement. In the calculation of the liabilities account is taken of the changes made by Law 296 of December 27, 2006 ("2007 Finance Law") and subsequent Decrees and Regulations issued during 2007 which introduced, in relation to the pension reform system, significant amendments on the allocation of the employee leaving indemnity provision maturing.

Other employee benefits

The Group does not recognise other forms of long-term benefits to employees, nor benefits under the form of share capital participation. However, benefits are recognised for the termination of employment (leaving incentive etc.). These benefits are recorded when there is a formal plan, with details of the identification of functions, the number of employees concerned, the amount of the incentive recognised and the period for the realisation of the plan. The liabilities for vacation due but not taken and performance bonuses are recorded on the basis of the amounts matured at the year-end. In particular, the performance bonuses are provided for when there is a legal or implicit obligation for their recognition.

Provisions for risks and charges

The provisions for risks and charges are recorded to cover known or likely losses or liabilities, the timing and extent of which are not known with certainty at the balance sheet date. The provisions for risks and charges are only recorded when a current obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate, based on available information, on the amount to be paid to settle the obligation. Possible risks that may result in a liability are disclosed in the notes without any amounts being set aside. Account is not taken however of the risks for which the probability of employing resources to produce economic benefits is remote.

Costs and revenues

Costs and revenues are recorded in accordance with the probability that the Group will receive economic benefits and the amount can be determined reliably. The revenues are recorded at the fair value of the amount received less returns, discounts and allowances in accordance with the accruals principle. Revenues relating to the sale of goods are recognised when the Group has transferred to the buyer all the significant risks and rewards related to the ownership, which in many cases coincides with the transfer of the ownership and/or possession by the buyer and when the amount of the revenue can be reliably determined. Costs are recorded in accordance with the accruals principal.

Financial income and expenses
Financial income and expenses are recorded on an accruals basis on the interest matured on the net value of the relative financial assets and liabilities and utilising the effective interest rate. The Group reports net exchange gains and losses under net financial income/(charges) in accordance with IAS 1Revised, para. 35.

Income taxes
The Group tax charge is based on current taxes and deferred taxes. Where relating to components recognised to income and charges recorded to net equity within the comprehensive income statement, such taxes are recorded to the same account.

Current taxes are calculated based on tax regulations in force at the financial reporting date; any risks concerning different interpretations of positive or negative income components, such as any disputes with tax authorities, are valued at least quarterly in order to adjust the financial statement provisions. In particular, in the determination of the income taxes of the Group, consideration was taken of the effects deriving from the IAS tax reform introduced by Law 244 of December 24, 2007 and, in particular, the provisions of Article 83 of the Consolidated Finance Act which now requires that for parties that apply international accounting standards they must utilise, even where exempted by the provisions of the Consolidated Finance Act, "the criteria of qualification, accruals accounting and classification in the accounts in accordance with these accounting standards".

The deferred taxes, recorded in the accounts at their nominal value, are calculated based on the temporary differences between the book value of the assets and liabilities and the corresponding value for tax purposes, with the exception of temporary differences on the initial recording of the goodwill, of the initial recording of assets or liabilities which do not have an impact on the profit for accounting or tax purposes and the differences relating to investments in subsidiary companies in which it is probable, in the future, that the temporary differences will not reverse. The valuation of deferred tax assets and liabilities is carried out applying the expected tax rate when the temporary differences will reserve, on the basis of the current tax regulations at the reporting date. Deferred tax assets are recognised for the amount it is probable that, in the years in which the relative temporary differences reverse, assessable income exists at least equal to the amount of the differences. Deferred tax assets and liabilities are classified under non-current assets and liabilities.

Utilisation of estimates
The preparation of the consolidated financial statements at December 31, 2012 requires the use of estimates and specific valuations by the Directors based on historical data and on the expectations of events which will reasonably occur based on current information available. The principal account in the financial statements utilising valuations and assumptions of par-

ticular significance is goodwill, in relation to which, as previously indicated, the Group makes an analysis of the recoverable value at least on an annual basis (impairment test), which requires utilisation of estimates, which are described in paragraph 3 "Goodwill". It is possible that the actual results will be different from the assumptions, which may result in an adjustment to the carrying value of the goodwill, recorded in the financial statements at December 31, 2012 for a value of Euro 5,479 thousand.

Impairment of the goodwill

As previously described, the Group annually makes an analysis of recoverable value of goodwill ("Impairment test"). This test is based on calculations of its value in use, which requires the use of estimates. These estimates are detailed in the paragraph relating to the goodwill. It is possible that the actual results will be different from the assumptions which may result in an adjustment to the carrying value of the goodwill.

OPERATING SEGMENTS

The Company considers the "operating segment" in accordance with IFRS 8 as the segment of activity where the risks and benefits for the company are based on the products and services provided. Information in relation to the geographic areas where the risks and benefits for the company are based on the geographic area in which the Group operates is also provided. The results by operating segment are reported in the income statement section of the notes. The data are recorded under the criteria adopted for the valuation of the financial statements and those applied for segment information in the previous year.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS – IFRS 7

In accordance with the new IFRS 7 international accounting standard and subsequent amendments, information relating to the exposure to and management of financial risks and the utilisation of financial instruments in furtherance of the exchange and interest risks management policy are provided below. In relation to the amendments introduced by IFRS 7 from January 1, 2012, concerning the additional disclosure to be provided on the transfer of financial assets not eliminated or in the case of a residual holding in transferred assets, there are no effects in the present financial statements, as the circumstances requiring additional disclosure are not present.

A brief analysis of the nature of the risks and the risk management employed by the Group is provided below.

Financial instruments
IFRS 7 requires additional disclosures on financial instruments in relation to the performance and to the financial position of an entity. These disclosures incorporate some requirements previously included in accounting standard IAS 32 – Financial instruments: disclosure and presentation". The accounting standard also requires information relating to the exposure of risk deriving from the use of financial instruments, and a description of the objectives, policies and procedures implemented by Management in order to manage these risks. The La Doria Group in its normal operating activities is exposed to:

a) **market risk**, principally interest rate and exchange rate connected respectively to the financial liabilities assumed and the operations in areas with currencies other than the Euro.
b) **liquidity risk** relating to the availability of financial resources and access to the credit market in an adequate manner for its operations and the repayment of liabilities assumed.
c) **credit risk** deriving from the normal commercial operations carried out by the La Doria group.

The Company monitors each of the above-mentioned financial risks, undertaking action to minimise in a timely manner including through the utilisation of hedging instruments.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS

The paragraphs below analyse, also through sensitivity analysis, the potential impact on the results deriving from fluctuations in the parameters. These analysis are based upon, in accordance with IFRS 7, simplified scenarios applied to the actual data of the periods taken and, by their nature, may not be considered indicators of the real effects of future changes in the parameters against a different financial structure and different market conditions. At December 31, 2012, the consolidated accounts considered as financial instruments in accordance with IFRS 7 are those indicated in the table "Financial Instruments – IFRS 7.8" – Consol. Att. 1. and Consol. Att. 2.

Market risk
The strategy applied for this type of risk aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and "best market practices".
In relation to La Doria S.p.A., the company manages the exchange and interest rate risk (limited to the "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through derivative hedging instruments and forward operations. The notional values and Fair Value of the operations above at 31/12/12 are reported in the "Hedging Valuation" table at Att. 3

Cons.. In March 2011, the IASB issued an amendment to IFRS 7, among the most significant modifications was the creation of the so-called "hierarchy of fair value". In particular, the amendment defines three levels of fair value (IFRS 7, par. 27A):

- level 1: if the financial instrument is listed on an active market;
- level 2: if the fair value is calculated based on valuation techniques which utilise market parameters, other than the listed price of the financial instrument;
- level 3: if the fair value is calculated based on valuation techniques which utilise non-market parameters.

The hedging operations undertaken by the Parent Company are all considered as "level 2" operations in that the fair value is calculated in an indirect manner from market input data (exchange rates, interest rates, forward prices, volatility curves) through the utilisation of valuation techniques (discounting cash flow model, or more advanced models for options). No changes were made to the valuation procedures from the previous year.
In relation to the subsidiary LDH (La Doria) Ltd, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), selling in the national market and therefore invoicing in GBP. The policy of Ldh consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices without the exchange risk.

Interest rate risk
Within the Group, the subsidiary LDH (La Doria) Ltd does not have an interest risk as the financial position of the company is prevalently positive while La Doria S.p.A. manages the cash flow risk through interest rate swap operations which permits the conversion of variable rates, on medium-long term loans received, into fixed rates, through the payment of differentials on the single loan repayment maturity dates (cash flow hedge); Interest Rate Swap contracts are undertaken therefore to reduce the amount of net debt subject to interest rate changes.

All these contracts are made with notional and expiry date lower than or equal to those of the underlying financial liabilities, thus each variance in the fair value and/or in the expected revenue streams of these contracts is offset by a corresponding variance of the fair value and/or of the expected revenue streams from the underlying position. The fair value of the interest rate swap is measured discounting the expected revenue streams.

At December 31, 2012, against a medium-long term exposure (including repayments within the next 12 months) of Euro 53,787, the IRS hedge undertaken by La Doria SpA hedged 83% of the medium/long term Group debt from interest rate risk.

The Group medium/long situation at 31/12/2012 with a EURIBOR Rate at 3 months of 0.19% is the following:

Loans at 31.12.12	Total part hedged	Final rate on hedged	Total part not hedged	Final rate on part not hedged	Average rate on total
53,787 (B)	44,704 (A)	3.83%	9,083	3.11%	3.71%

(A)/(B) x 100 = 83%

The situation at 31/12/11 with a 3-month EURIBOR of 1.37% was the following:

Loans at 31.12.11	Total part hedged	Final rate on hedged	Total part not hedged	Final rate on part not hedged	Average rate on total
67,923	58,572	3.82%	9,351	2.79%	3.67%

The situation at December 31 relating to IRS hedging positions is outlined in the Table "Hedging Valuation" which reports also the comparative data of the previous year at Att. 3 Cons and 4 Cons.

Sensitivity Analysis on Rates

Due to that stated above, the sensitivity analysis on the interest rates is only of significance for La Doria S.p.A. and Eugea Mediterranea S.p.A. In 2012, at an average 3-month EURIBOR of 0.59%, the Group paid an interest rate on medium/long term debt of 2.85%, with IRS hedging at 3.83%, and on short-term debt of 3.14%. Assuming an average movement in the annual interest rate of +/-50 bps the impact on the balance sheet would have been that shown in table "Sensitivity Analysis-IFRS 7.40-42" – Att. 5 Cons.

During the year 2011, however, against a 3-month EURIBOR of 1.41%, the Group paid an interest rate on the medium-long term debt of 2.96% and on the short-term of 2.79%. Assuming an average movement in the annual interest rate of +/-50 bps the impact on the balance sheet would have been that shown in the table "Sensitivity Analysis-IFRS 7.40-42" – Att. 6 Cons.

Currency risk

The La Doria Group, as previously described, uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least twice per year). The subsidiary LDH (La Doria Ltd) carries out forward currency operations at the same time and for the same amount as the purchase contracts; these operations come under the conditions of IAS 39 and can be considered hedges for accounting purposes and therefore recorded at fair value under net equity.

LDH (La Doria) monitors half-yearly the efficacy of the hedges through prospective and retrospective tests. The hedging operations carried out by La Doria S.p.A. based on budgeted

exchange rates are not considered hedges as per IAS 39 and therefore are recorded at fair value in the income statement.
The principal exchange rates the Group is exposed to are:

– EUR/USD : relating principally to the purchase of raw materials on the Asian or American markets and from other markets in which the Dollar is the currency for commercial trade.
– EUR/GBP : due to the fact that the 51% subsidiary LDH is included in the consolidation area whose accounts are in UK Sterling.
  From the year 2008 and throughout 2012 commercial transactions with the subsidiary LDH, principally relating to certain supplies of tomatoes and vegetables, were mainly invoiced in GBP and no longer in Euro.
– EUR/AUD: relating to the residual and insignificant part of commercial trade undertaken in the Australian Dollar area.

In the operating procedures of the Parent Company, the foreign currency hedges are made based on a planning of payments in foreign currencies relating to payables recorded in the accounts to which are added all future commitments in foreign currency communicated by the purchases office. This payment situation is utilised together with historical statistical data to determine a reliable foreign currency payments plan. The primary objective is to hedge the level of foreign exchange as established in the budget.

In relation to the subsidiary LDH (La Doria) Ltd, however, as already mentioned, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), reselling these products on the national market in GBP. The policy of LDH Ltd consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices without the exchange risk. In this manner, the fixing of the commercial margins does not contain any exchange risks.

Sensitivity Analysis
In 2012, in relation to La Doria S.p.A., against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2012 would have been as per the table "Sensitivity Analysis - IFRS 7.40-42" – Att. 7 Cons.

In 2011, also for La Doria S.p.A., against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2011 would have been as per the table "Sensitivity Analysis - IFRS 7.40-42" – Att. 8 Cons.

For the subsidiary LDH, however, the sensitivity analysis of the changes in the exchange rate of the Sterling with the EURO, USD and CAD currencies is shown in the table "Sensitivity analysis - IFRS 7.40-42" Att.7 bis Cons, for 2012, and "Sensitivity analysis - IFRS 7.40-42" Att. 8 bis Cons for 2011.

The Group, as already stated, is also exposed to the "conversion risk", which is the risk that assets and liabilities of companies consolidated in currencies other than the Euro (for example, U.K. Sterling) may be translated into Euro at varying exchange rates, whose amount is recorded in the "translation reserve" under equity. The Group monitors this trend - however no hedging operations are undertaken.

In relation to the valuation of the foreign exchange hedges existing at December 31, 2012 and at December 31, 2011, the position is shown in the table "Hedge Valuation" – Att. 3 Cons and Att. 4 Cons.

Liquidity Risk:
The liquidity risk represents the risk that the financial resources available cannot adequately support the commercial and investment actions, in addition to not being able to repay payables on the maturity dates. In order to be prudent against these risks the La Doria Group adopted an optimisation between short and medium-long term debt and within the short-term lines a diversification policy of the credit lines and banking institutions.

The situation at December 31, 2012 compared to December 31, 2011 is as follows:

	31.12.2012					31.12.2011				
	Total	**La Doria**	**Eugea**	**LDH**	**Tec**	**Total**	**La Doria**	**Eugea**	**LDH**	**Tec**
Medium/long term debt (Includ. repayables within 12 months)	53,787	53,418	369			67,923	66,175	1,748		
Short term debt	83,767	72,184	11,512	71		70,701	59,412	11,289		
Cash and cash equivalents	(19,563)	(13,447)	(426)	(5,690)		(16,187)	(11,911)	(303)	(3,973)	
TOTAL NFP	**117,991**	**112,155**	**11,455**	**(5,619)**		**122,437**	**113,676**	**12,734**	**(3,973)**	

In relation to the medium-long term loans, the current situation and the repayments to be made at December 31, 2012, compared with the previous year, are as follows:

	Balance 31.12.12	**Repayments 12 months**	**Repayments 24 months**	**Repayments 36 months**	**Repayments 48 months**	**Repayments > 5 years**
M/L Debt	53,787	16,873	16,826	12,229	4,683	3,176
	Balance 31.12.11	**Repayments 12 months**	**Repayments 24 months**	**Repayments 36 months**	**Repayments 48 months**	**Repayments > 5 years**
M/L Debt	67,923	19,134	16,875	15,908	11,271	4,735

For the loan undertaken in 2012 of Euro 5,000 thousand, the company is bound by a number of financial covenants based on the Group financial statements. Further details are reported in the notes. We highlight also that at December 31, 2012 financial covenants are in place on loans from previous years to be calculated on the Group consolidated financial statements. At December 31, 2012, all financial covenant conditions had been complied with.

The short-term financial payables are divided between different banking institutions utilising bank overdrafts, import and export finance and invoice financing. The short-term loans have a maximum duration of 180 days. At December 31, 2012, three "recourse factoring" IAS compliant contracts are in place and two "without recourse" contracts; these latter for a total value of Euro 10 million. In relation to the subsidiary Eugea Mediterranea S.p.A., a "without recourse" factoring contract is in place concerning the only third party client other than the parent company.

Credit Risk:
The exposure of the La Doria Group to the credit risks is essentially connected to the commercial sales activities carried out by the Group both on the domestic market and on the foreign market. In order to control and monitor this risk, La Doria S.p.A. applies two directives:

– Insurance of credit
– Credit Policy

Regarding the first point, the trade receivables on the domestic and international market are insured up to the credit limits communicated by the insurance company. The receivables insured naturally exclude inter-company receivables and a total of 22% of receivables relating to clients although not insured provide guarantee conditions (advance payment and hedge with guarantees) or are considered extremely reliable by the Parent Company in view of the long-standing nature of the relationship. The insurance covers the risk up to 85% of the credit limit both on the domestic and the international market.
In relation to the organisation and the monitoring of the credit risk, La Doria S.p.A. has implemented within the Credit Management function under the Administration and Finance Department, a Credit Policy which governs and coordinates together with the insurance company, the evaluation of the Credit Standing of the clientele, the monitoring of the relative expected cash flows, the appropriate solicitation actions and concession of extended payment terms supported by adequate guarantees and any recovery actions. The payment terms granted to clients provide for varying terms in line with market standards.

In relation to the subsidiary LDH (La Doria) Ltd, which operates exclusively in the UK market, the company derives 89.4% of its turnover from 5 clients; this situation is due to the distribution configuration of the UK market which is very concentrated in a small number of supermarket chains which control the largest part of the market. The five "top clients" served by LDH (La Doria) Ltd have high levels of financial reliability.

The ageing of receivables at December 31, 2012 and December 31, 2011 is shown in the table "Current and non-current receivables (overdue and not yet overdue) IFRS 7.37" - Att.9 Cons and Att.10 Cons.

The concentration of the receivables at December 31, 2012 and 2011 is shown in the table "Concentration of receivables" - Att. 11 Cons and Att. 12 Cons.

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

They amount to Euro 3,969 thousand, with a net decrease of Euro 197 thousand on December 31, 2011. The changes in the year are reported in attachment Table A. The account principally relates to the residual value of the fair value of the concession contract of Eugea Mediterranea SpA for the production site at Lavello (Euro 3,420 thousand), software capitalised by the Parent Company for Euro 372 thousand and by the subsidiary Eugea Mediterranea for Euro 52 thousand and intangible asset investments for Euro 125 thousand.

2. Property, plant & equipment

The account amounts to Euro 96,183 thousand with an increase of Euro 2,348 thousand compared to December 31, 2011. The details of the movements for the year are shown in Table B. Table B1 reports the movements in gross investments at 31.12.2012 while Table B2 reports the movements in the relative accumulated depreciation. The increase in investments of Euro 12,056 thousand is principally due to the Parent Company for Euro 11,601 thousand (of which investments in light construction of Euro 1,285 thousand, in plant and machinery for Euro 8,312 thousand and investments in progress of Euro 1,325 thousand). The remaining investments refer for Euro 171 thousand essentially to motor vehicles and EDP of the subsidiary LDH (La Doria) Ltd. and Euro 284 thousand principally concerning plant and machinery of the subsidiary Eugea Mediterranea S.p.A.

The decreases in the year of Euro 10,271 thousand (essentially relating to the Parent Company), principally relates to the depreciation in 2012 of Euro 9,689 thousand. Table B1 provides an analysis of the gross value of tangible assets and Table B2 shows accumulated depreciation.

In application of the revised IAS 23 "Borrowing costs", an evaluation was carried out of possible financial charges to be capitalised deriving from loans from primary credit institutions concerning the realisation of fixed assets in 2011. At December 31, 2012 no borrowing costs were capitalised given the immaterial amounts involved.

In May 2009, in relation to the tender offer in the Regional Programme Contracts, the Campania Regional Council approved the admissibility of the investment plan of the Parent Company La Doria S.p.A.. On August 22, 2012 with Executive Decree No. 64 the La Doria S.p.A. programme was granted a loan for Euro 5,759 thousand, concerning 30% of admitted expenditure (Euro 19,195 thousand) concerning productive investments and technological transfer (Article 11 of the Technical Regulation) and infrastructure investments in the support and management of common services (Article 12 of the Technical Regulation). On October 31, 2012, a Programme Contract was signed between the Campania Region and La Doria S.p.A., establishing for 2012 a plant capital grant of Euro 1,061 thousand, of which Euro 594 thousand concerning investments made under the contract since 2011. The deadline for the completion of investments and the project is December 31, 2013.

3. Goodwill

Goodwill amounted to Euro 5,479 thousand, an increase of Euro 48 thousand on the previous year and relates to:

– Euro 669 thousand relating to the incorporation into La Doria SpA of the subsidiary Pomagro S.r.l., a company operating exclusively in the tomato-based product sector; the amount represents the difference between the higher value paid for the acquisition of the residual share and the values allocated, based on the fair values at the date of the acquisition, of the individual assets and liabilities of the company acquired. The acquisition of Pomagro S.r.l. concerns substantially the purchase of the Fisciano plant in which the specific production is developed for the entire Japanese market and for some English clients. The production site – the only site within the Group – also produces the cherry tomato line. In accordance with IAS 36, management carried out an impairment test on goodwill deriving from the acquisition of Pomagro. The revenues and EBIT for 2013 were extracted from the La Doria S.p.A. budget with reference to the production from the Fisciano plant. The plan growth rates are based on the overall growth rates for the Parent Company La Doria. The fixed assets were identified based on the assets ledger of La Doria S.p.A. concerning all assets at the Fisciano plant. The recoverable value of the goodwill was calculated through discounting the Free Cash Flow from Operations (FCFO) utilising a Weighted Average Cost of Capital (WACC) of 8.83%; based on the criteria applied the recoverable value of the "Pomagro Red Line" CGU was Euro 54,600 thousand, against net capital employed of Euro 31,200 thousand and a book value of the goodwill in the financial statements of Euro 669 thousand. The recoverable value of the CGU was therefore much greater than the sum of the net capital employed and the goodwill and, therefore, no impairment in the period.

– for Euro 2,079 thousand relating to the acquisition by LDH LTD of the subsidiary Oriental & Pacific Ltd., with an increase on 31/12/2011 of Euro 49 thousand, deriving from the application of the different Euro/GBP exchange rate at 30/12/2012 compared to 31/12/2011. The goodwill derives - in addition to the amounts recorded on the acquisition of the first 70% in 2008 - from the exercise in 2010 by the Group of the Call option on 30% of the holding (whose effects were already included at December 31, 2009) and the payment in 2009 of a further amount on the 70% acquired in 2008, based on the results achieved by O&P LTD. In accordance with IAS 36, for 2012 an impairment test was carried out on the goodwill deriving from the acquisition of Oriental & Pacific by LDH; this impairment test was carried out on the current and future financial cash flows of the CGU, which is identified as undertaking the trading activities of the Parent Company LDH. Based on the 2013 budget, LDH drew up a 5 year plan with prudent growth rates, despite the significant increases reported by the company in recent years. The valuation was carried out through discounting the Free Cash Flow from Operations (FCFO) method, utilising a WACC of 10.85%; in light of the criteria utilised the recoverable value of the CGU was GBP 76.5 million against a net capital employed of GBP 33.4 million and a book value of the goodwill of GBP 1.7 million (Euro 2.1 million): the recoverable value of the CGU is therefore much greater than the sum of the net capital employed and of the goodwill recognised in the financial statements and, therefore, no impairment was recorded.

– Euro 2,679 thousand relating to the acquisition of the Sanafrutta Group, subsequently merged into the Parent Company La Doria S.p.A. and Euro 52 thousand relating to the initial conferment in 1999 received by the company, now incorporated, Confruit G S.p.A. This goodwill is allocated to the business unit relating to the production of fruit juices, currently undertaken in the plants at Angri, Sarno and Faenza, hereafter also the "Fruit line". The criteria used for the valuation of the goodwill of the Fruit Line was the value in use calculated by an independent expert, in accordance with the Discounted Cash Flow (DCF) method already used for the valuation of the company on the acquisition, with reference to December 31, 2003. The projections for the application of the DCF related to the period 2013-2017, taking into consideration the budget figures or business plan prepared by the management of the Parent Company with reference to the preliminary results as at December 31, 2012 as the commencement basis and approved by the Board of Directors on March 1, 2013. The main assumptions of the impairment test refer to turnover and operating results which, starting with the 2012 preliminary result is prudent for 2013, then expecting an improvement in 2014 onwards as the actions taken to improve profitability of the fruit line business become evident; the principal actions include the purchase of the new Tetra Brik packaging lines in place of the previous lower productivity lines. Revenues, in light of these considerations, will grow by an annual average of 5.4% from 2013, while the EBITDA with a small loss in 2013 will reach Euro 6,087 thousand in 2017. Naturally the organisational and operative synergies deriving from the transfer of the fruit juice production begun in previous years to the Angri and Sarno plants are being exploited, in addition to the extensive actions taken with the suppliers of raw materials and packaging focused on containing costs and therefore increasing the margin. In addition to these actions begun in recent years, is the acquisition of the new high productivity Tetra Brik lines in 2012. The impairment valuation was calculated through discounting of the FCFO (Free Cash Flow from Operations) utilising a discount rate of 7.64%, extrapolated from specific analysis made by independent experts and corresponding to the WACC (Weighted average cost of capital) using the average cost of equity and debt capital. The discount rate of future cash flows (g) was taken as 2% as used in the previous year. The discount rate (WACC) was significantly impacted by financial market volatility, with extensive stress tests applied on the goodwill recorded in the financial statements under the impairment procedures. These financial assumptions, in light of the valuation criteria applied resulted in a recoverable value of the CGU of Euro 29,420 thousand against a net capital employed of Euro 28,390 thousand and a book value of the goodwill recognised to the financial statements of Euro 5,263 thousand and to the Group consolidated financial statements of Euro 2,731 thousand. The recoverable value of the CGU was therefore greater than the sum of the value of net capital employed and goodwill. The report received from the independent expert contains also a sensitivity analysis which takes into consideration a WACC which varies from 7.64% to 8.64% and a growth rate of cash flows (g) which varies from 0% to 2%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

		WACC				
Total Value		**7.64%**	**7.89%**	**8.14%**	**8.39%**	**8.64%**
Cash flow growth	0%	23,180	22,480	21,825	21,211	20,635
(g)	0.5%	24,413	23,622	22,886	22,199	21,556
	1%	25,831	24,930	24,095	23,320	22,598
	1.5%	27,479	26,443	25,487	24,604	23,785
	2%	29,421	28,212	27,106	26,089	25,152

The impairment procedures, carried out by an independent expert, concerning the goodwill allocated to the “Pomagro Red Line" CGU, the “Fruit Line" and for the purposes of the goodwill recognised to the consolidated financial statements on the "LDH" CGU include detailed reports on the assumptions of the plans, the estimation methodology and the parameters utilised. These impairment procedures were approved by the Board of Directors of La Doria SpA on March 1, 2013, independently and in advance of the approval of the Annual Report, as required by the Bank of Italy/Consob/Isvap document No. 4 of March 3, 2010.

4. Other investments

These concern minority shareholdings, recognised for Euro 232 thousand; the balance principally concerns the holding in Tfc S.p.A., in which the Parent Company has a stake of 15.29% and recognised for Euro 209 thousand, increasing Euro 175 thousand compared to the previous year due to the acquisition, on September 6, 2012, of 229 shares of a nominal value of Euro 26.00 each, comprising 2.29% of the share capital of the above-stated company, exercising the pre-emption right in relation to the declared interest of the minority shareholder " Fiege Borruso " to sell their shares. The remaining Euro 23 thousand concerns investments in consortiums held by the Parent Company and by the subsidiary Eugea Mediterranea S.p.A.

5. Deferred tax assets

This account refers to deferred tax assets in respect of IRES and IRAP taxes on the temporary differences between recognition of taxable income for book and tax purposes. The balance at year-end amounted to Euro 3,743 thousand, a total increase of Euro 369 thousand on December 31, 2011. The movements in deferred tax assets in 2012 are reported below.

The deferred tax assets refers to IRES and IRAP taxes, paid in advance of the recognition period in the statutory financial statements, principally concerning the Parent Company, for Euro 3,491 thousand, an increase of Euro 367 thousand on 31.12.2011. The deferred tax assets fully relate to non-current assets.

Deferred tax assets (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2011	9,281	4,634
Utilisation 2012	(4,112)	(1,482)
Provisions 2012	5,084	2,836
Assessable at 31.12.2012	10,253	5,988
Average rate	27,50%	4,97%
Total Group IRES - IRAP 2012	**2,816**	**298**
Total statutory Group IRES - IRAP 2012	**3,114**	
Total Ires -Irap (non-current asset) IAS 2012	269	
Total IRES IAS 39 for 2012	360	
Total Ires and Irap deferred tax asset at 31.12.2012	**3,743**	

The breakdown of the temporary differences giving rise to deferred tax assets are reported below.

DEFERRED TAX ASSETS

(Euro/000)	December 31, 2011				December 31, 2012					
	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Amount of temporary difference RES	Amount of tax asset RES	Amount of temporary difference RAP	Amount of tax asset RAP	Of which ncome Taxes recorded to Profit and Loss RES andV RAP	Of which ncome Taxes recorded to Net Equity RES and RAP
AS Parent Company adj	1,040	286	539	27	893	246	462	23	(44)	-
AS subs d ary adj Eugea Med S p A	121	38	-	-	-	-	-	-	(38)	-
RS adj	881	242	-	-	1,309	360	-	-	-	118
Doubtfu debt prov s on	1,908	525	-	-	1,218	335	-	-	(190)	-
Bu d ng wr te-down	116	32	116	6	116	32	116	6	-	-
Exchange osses	199	55	-	-	250	69	-	-	14	-
Prov s ons for r sks and charges	3,294	903	2,397	119	3,093	851	2,215	110	(61)	-
Tax for waste remova	61	17	-	-	82	23	-	-	6	-
Sa es rep	-	-	-	-	-	-	-	-	-	-
Apartment renta	-	-	-	-	-	-	-	-	-	-
D rectors fees	208	57	-	-	172	47	-	-	(10)	-
Emp oyee bonus	730	201	-	-	801	220	-	-	20	-
nventory wr te-down	2,050	564	2,000	99	3,650	1,004	3,600	179	520	-
P ant wr te-down	1	-	-	-	-	-	-	-	(0)	-
Cap ta grants Law 64	62	17	62	3	58	16	58	3	(1)	-
Goodw amort sat on	1	-	1	-	-	-	1	-	(0)	-
Ma ntenance & repa rs	661	182	59	2	680	187	-	-	3	-
Adjustments subs d ary LDH (La Dor a) Ltd	-	-	-	-	132	33	-	-	33	
TOTAL	**11,322**	**3,118**	**5,173**	**256**	**12,455**	**3,422**	**6,450**	**321**	**250**	**118**

6. Other non current assets

This account totalling Euro 2,519 thousand relates to the non-current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria) SpA to the principal UK clients.

7. Non-current assets held for sale

The account balance is nil in 2012 (Euro 320 thousand at December 31, 2011). The previous year balance included the value of the building originally acquired by Adriatica Conserve S.r.l for which a preliminary sales contract had been signed, establishing consideration of Euro 320 thousand. The sales operation was completed in 2012 with the disposal in favor of Nuova Agricola Italiana S.r.l. against the established consideration.

CURRENT ASSETS

8. Inventories

The account amounts to Euro 188,052 thousand, an increase of Euro 11,662 thousand compared to December 31, 2011, broken down as follows:

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Raw material, ancillary and consumables	17,636	18,080	(444)
Work in progress and semi-finished goods	12,842	12,787	55
Finished & semi-fin. products	161,065	147,573	13,492
Payments on account	159	0	159
Obsolescence provision	(3,650)	(2,050)	(1,600)
TOTAL	**188,052**	**176,390**	**11,662**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	AT 31.12.12
Beginning balance	2,050
Utilisation in the year	(1,042)
Provision for the year	2.642
TOTAL	**3,650**

The decrease in the provision derives from the obsolescence estimate relating to goods to be destroyed and seconds essentially relating to the Parent Company and to utilisation of part of the provision made in 2011.

9. Trade receivables

They amount to Euro 90,918 thousand at December 31, 2012, an increase of Euro 9,918 thousand compared to December 31, 2011. This amount is net of the provision for doubtful debts of Euro 1,083 thousand which shows a net decrease of Euro 825 thousand compared to December 31, 2011.

The changes in the doubtful debt provision are as follows:

(Euro/000)	AT 31.12.12
Beginning balance Jan 1, 2012	1,908
Utilisation in the year	(1,227)
Provision for the year	402
PROVISION AT Dec. 31, 2012	**1,083**

The Provision at December 31, 2012, exclusively relating to the Parent Company, in the first instance concerns the risk of non payment from Clients with disputes in place, and in the second place to clients with positions overdue by more than 90 days.

10. Other assets

These amount to Euro 18,767 thousand, a net increase of Euro 3,474 thousand compared to December 31, 2011, consisting of:

a) Parent Company Receivables of Euro 11,904 thousand and broken down as follows:

– Employee receivables for Euro 341 thousand for additional IRPEF matured in the year and which will be paid in subsequent years;

– Other receivables of Euro 2,978 thousand concerning foreign currency hedges for Euro 2,328 thousand and for Euro 650 thousand concerning other smaller receivables.

– Receivables from the State for Euro 8,306 thousand relating to:

– Euro 5,612 thousand to the Campania Region for the Programme contract signed on October 31, 2012 based on Executive Decree No. 64 of August 22, 2012 of the A.G.C. 12 – Sector 1, supplemented by the subsequent Executive Decree No. 67 of September 11, 2012 of A.G.C. 12 – Sector 1 and the Executive Decree No. 625 of October 30, 2012 of the A.G.C. 09 – Sector 2. As previously illustrated this Programme Contract involved the disbursements to the Parent Company of grants for a total of Euro 5,759 thousand in the form of plant capital grants under the Operational Objective 2.3 of the P.O.R. F.E.S.R Campania 2007-2013. The grant concerns 30% of the "Intervention Plan" for Euro 19,195 thousand approved by the Campania Region with Resolution No. 888 of May 15, 2009, based on the common strategies of the plan with the Regional programme guidelines. The receivable from the Campania Region concerns 30% of the total investment carried out at the reporting date in (Euro 18,707 thousand);

- Euro 2,594 thousand for the recognition of the partial exemption for IRPEG tax for the years from 1993 through 1997, recorded in previous years. In 2012, Euro 1,066 thousand was received (of which Euro 402 thousand for interest), concerning the years 1993, 1994 and 1995. The Company will undertake all necessary actions to obtain the residual tax receivables recognised, including interest matured at 31.12.2012 of Euro 915 thousand. At December 31, 2012 the ILOR receivable was settled (Euro 456 thousand at 31.12.2011) as repaid during the year.
- Other receivables from the Public Administration for Euro 100 thousand.
- Prepayments for Euro 279 thousand;

b) Receivables of the subsidiary LDH (La Doria) Ltd for Euro 6,705 thousand concerning:

- Prepayments for Euro 6,116 thousand concerning the higher amount of promotional contributions granted to the major UK supermarket chains for sales which will be recorded in 2013.
- Other receivables for Euro 589 thousand.

c) Other receivables relating to the subsidiary Eugea Mediterranea SpA for Euro 108 thousand and prepayments of the same company for Euro 50 thousand.

11. Tax receivables

The account amounts to Euro 3,802 thousand and decreased by Euro 4,100 thousand compared to December 31, 2011 and principally relates to:

- VAT receivable at December 31, 2012 of Euro 953 thousand of the Parent Company;
- VAT reimbursement claim of Euro 480 thousand (of which Euro 428 thousand relating to the parent company and Euro 52 thousand relating to the subsidiary Eugea Mediterranea SpA);

– Tax receivables of Euro 905 thousand for provisional payments made against tax assessments for the years 2004, 2005 and 2006 not yet definitive relating to the Parent Company.
– VAT receivable from the tax authorities by the subsidiary LDH (La Doria) LTD of Euro 1,325 thousand.

12. Cash and cash equivalents

The account amounts to Euro 19,563 thousand, an increase of Euro 3,376 thousand compared to December 31, 2011 and relates to the liquidity held in bank current accounts in Euro and foreign currencies.

LIABILITIES AND SHAREHOLDERS' EQUITY

13. Share Capital

The share capital of La Doria S.p.A is fully paid-in and at December 31, 2012 amounts to Euro 39,544 thousand, divided into 28,654,875 ordinary shares of a nominal value of Euro 1.38 each. In 2012, the share capital increased by Euro 4,960 thousand due to the Scrip issue under Regional Law Number 12 of November 28, 2007 (the Campania Region Operating Programme F.E.S.R. 2007-2013). The capital increase was approved by the Board of Directors on October 30, 2012 and carried out through the partial use of the Retained Earnings Reserve and the increase in the nominal value of each of the 31 million ordinary shares from Euro 1.22 to Euro 1.38 each. The share capital in 2012 decreased by Euro 576 thousand following the acquisition of 467,552 treasury shares at an average price per share of Euro 1.72, for a total payment of Euro 804 thousand. At December 31, 2012, the treasury shares in Portfolio numbered 3,236,273 and recorded as a reduction in the share capital.

14. Reserves and retained earnings

These amounted to Euro 66,582 thousand, an increase of Euro 504 thousand on December 31, 2011.

15. Profit for the year

This amounts to Euro 7,838 thousand, increasing by Euro 3,745 thousand compared to the profit in 2011 of Euro 4,093 thousand.

16. Shareholders' Equity

This amounts to Euro 135,924 thousand, of which Euro 113,964 thousand pertaining to the Group and Euro 21,960 thousand relating to minority interests. The total movement is an increase of Euro 12,280 thousand. The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

- in 2012, there was no distribution of dividends to Shareholders concerning the year 2011;
- the Change in the IAS 39 reserve (other comprehensive income statement items) for Euro 1,974 thousand includes the amounts relating to the effective part of profits and losses on "cash flow hedge" instruments.
- adjustment to translation reserve (other comprehensive income statement items) for Euro 734 thousand relating to profits from the translation of the IFRS financial statements of the subsidiary LDH (La Doria) Ltd.

17. Minority interest

The balance amounts to Euro 21,960 thousand (Euro 17,943 thousand at December 31, 2011) and refers to the Shareholders' Equity pertaining to the Minority Shareholders.

NON-CURRENT LIABILITIES

18. Financial payables

The account amounts to Euro 36,914 thousand, a decrease of Euro 11,876 thousand on December 31, 2011 and concerning a residual payable with maturity beyond 31/12/2013 of La Doria S.p.A..
The principal characteristics of all loans are illustrated below. The guarantees are reported in the section "commitments and guarantees" where not commented upon below.
Medium/long term loans of La Doria SpA attributable to:

- Euro 5 million for instalments due beyond 31/12/2013 concerning a new loan granted on December 14, 2012 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2014 and the last on December 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap with Unicredit S.p.A. which converts the variable rate into a fixed rate at 0.675%. There are no installments due in 2013.

- Euro 3,111 thousand for instalments due beyond 31/12/2013 concerning a new loan granted on June 30, 2011 by Mediocredito Italiano S.p.A. for Euro 7 million, repayable in 9 quarterly instalments, with the first instalment due on December 31, 2011 and the last on December 31, 2015. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. At December 31, 2012, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap with Banco di Napoli which converts the variable rate into a fixed rate at 2.46%.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,556 thousand.
- Euro 5,250 thousand for instalments due beyond 31/12/2013 concerning a loan granted on July 12, 2011 by Unicredit S.p.A. for Euro 7 million, repayable in 20 quarterly instalments, with the first instalment due on October 31, 2012 and the last on July 31, 2017. Also this loan provides for financial covenants from 2012, calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap with Unicredit which converts the variable rate into a fixed rate at 2.32%.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,400 thousand.
- Euro 1,716 thousand for instalments due beyond 31/12/2013 concerning a loan granted on August 8, 2011 by Banca Carime S.p.A. for Euro 3 million, repayable in 20 quarterly instalments, with the first instalment due on November 8, 2011 and the last on August 8, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 583 thousand.
- Euro 5,400 thousand for instalments due beyond 31/12/2013 concerning a loan granted on November 30, 2011 of Euro 9 million by Cassa di Risparmio di Parma e Piacenza S.p.A.. Sace S.p.A. provided an additional guarantee to the Bank. The loan is repayable in 20 quarterly instalments, the first due on February 29, 2012 and the last on November 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and

on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with.
This loan is fully hedged by an Interest Rate Swap with the same financial institution which converts the variable rate into a fixed rate at 1.46%.
Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,800 thousand.

- Euro 9,778 thousand for instalments due beyond 31/12/2013 concerning a loan granted on July 13, 2010 by Monte dei Paschi di Siena Capital Service S.p.A with other credit institutions, for a total amount of Euro 22 million, repayable in 9 half-yearly instalments, the first of which due on July 13, 2011 and the last on July 13, 2015. This loan is hedged 100% by an Interest Rate Swap signed with DeutscheBank which converts the variable rate into a fixed rate at 1.825%. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. At December 31, 2012, these financial covenants were complied with. Instalments due by 31/12/13, included in current liabilities, amount to Euro 4,889 thousand.

- Euro 2 million for instalments due beyond 31/12/2013 concerning a loan granted on December 2, 2010 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2011 and the last on December 31, 2015. This loan is hedged 100% by an Interest Rate Swap signed with the same financial institution which converts the variable rate into a fixed rate at 1.92%.
  The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. These covenants had all been respected at December 31, 2012. Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,000 thousand.

- Euro 2,500 thousand in instalments due beyond 31/12/2013 for a loan from EFIBANCA S.p.A. granted on June 26, 2006. Repayments are due in three instalments on June 26, 2009 (Euro 2,500 thousand), June 26, 2011 (Euro 2,000 thousand) and June 26, 2014 (Euro 2,500 thousand) with deferred half-yearly interest payment. This loan is hedged 100% by an Interest Rate Swap with Monte dei Paschi di Siena S.p.A. which converts the variable rate into a fixed rate at 2.72%. No installments are due in 2013.

- Euro 1,784 thousand for instalments due beyond 31/12/2013 for loans 1870656, 1870649, 1870662 and 1697609 granted by Intesa San Paolo S.p.A. on September 28, 2007 totalling Euro 8 million (Euro 2 million each). These loans are in the form of a simple payable and are repayable within 84 months of drawdown.
  Instalments due in 2013, included in current liabilities, amount to Euro 1,688 thousand. This loan is fully hedged by an Interest Rate Swap with Banco di Napoli S.p.A. which converts the variable rate into a fixed rate at 2.53%.

– Euro 377 thousand in instalments due beyond 31/12/2013 for a loan granted on June 26, 2009 from Banca della Campania S.p.A. for an original amount of Euro 3,500 thousand, repayable in 60 monthly instalments from July 26, 2009 until June 26, 2014; this loan is hedged 100% by an Interest Rate Swap with Banca Akros S.p.A. which converts the variable rate into a fixed rate of 2.65%.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 735 thousand.

19. Other non-current liabilities

They amount to Euro 7,120 thousand, an increase compared to December 31, 2011 of Euro 3,620 thousand and refer, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Parent Company and the subsidiary Eugea.

20. Employee termination benefit and pension provision

The employee leaving indemnity provision amounts to Euro 4,079 thousand, an increase of Euro 157 thousand compared to December 31, 2011, of which Euro 3,991 thousand relates to the parent company and Euro 88 thousand to Eugea Mediterranea S.p.A..

Provision for employee termination pay	**31.12.2012**	(Euro/000)
Balance at 01.01.2012	**3,922**	
Utilisation for departures	(342)	
of which INPS fund	105	
Provisions at 31.12.12	853	
of which INPS fund	(646)	
Deductions at 31.12.12	(98)	
of which INPS fund	8	
Discounting provision	263	
TOTAL	**4,065**	
Utilisation for advances	14	
BALANCE AT 31.12.2012	**4,079**	

The principal actuarial assumptions, indicated below, adopted by the Company in accordance with Article 78 of IAS 19, refer to the market yields of “high quality corporate bonds”, securities with a contained credit risk.

	AT 31.12.2012	AT 31.12.2011
Discount rate	Curve composit A	Curve composit A
Rate of inflation	2%	2%
% of advances requested	100%	100%

21. Deferred tax liabilities

The amount recorded of Euro 9,551 thousand has decreased by Euro 425 thousand compared to December 31, 2011 and relates to the deferment of income taxes.

The majority of deferred tax liabilities relate to the Parent Company (Euro 8,477 thousand), a decrease of Euro 368 thousand on December 31, 2011; the residual deferred tax payable of Euro 1,074 thousand relates to the subsidiary Eugea Mediterranea SpA. The amount principally refers to the higher value of the land and buildings recorded by the parent company La Doria S.p.A. (IAS 16 and 17) and to the value of the ministerial concessions of the Lavello plant in Eugea Mediterranea S.p.A.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.11	428	289
Utilisations 2012	(402)	(140)
Provisions 2012	108	14
Assessable at 31.12.12	134	163
Rate	27.50%	4.97%
Total IRES - IRAP Group Statutory 2012	**37**	**8**
Deferred tax liability from IAS reversal at 31.12.12	9,786	
Total Ires - Irap 2012	(280)	
Total Ires and Irap deferred tax liability at 31.12.12	**9,551**	

The breakdown of the temporary differences giving rise to deferred tax liabilities are reported below.

DEFERRED TAX L AB L T ES

	December 31, 2011				December 31, 2012				
(Euro/000)	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Amount of temporary differences RES	Amount of tax liability RES	Amount of temporary difference RAP	Amount of tax liability RAP	Of which ncome Taxes recorded to Profit and Loss RES and RAP
AS adjustments	29,343	8,069	12,958	644	28,418	7,815	12,425	617	(281)
Non-rea sed exchange ga ns	386	106	0	0	94	26	0	0	(80)
Cap ta grants	42	11	42	2	40	11	40	2	(1)
Acce erated depre assessab e over 6 years	0	0	247	12	40	0	123	6	(6)
Concess on on factory	3,601	990	3,601	140	3,420	941	3,420	133	(57)
TOTAL	**33,372**	**9,177**	**16,848**	**799**	**32,012**	**8,792**	**16,008**	**759**	**(425)**

22. Provisions for risks and charges

The provision for risks and charges amounted at December 31, 2012 to Euro 5,972 thousand, decreasing by Euro 23 thousand compared to December 31, 2011.

(Euro/000)	Other risks	Employee bonus	Agents	Total
Beginning balance	5,145	729	121	5,995
Utilisation for losses	(632)	(729)	(2)	(1,363)
Provision for the year	528	802	10	1,340
PROVISION AT Dec. 31, 2012	**5,041**	**802**	**129**	**5,972**

The provisions are estimated based on the charges matured at the end of the year; the balance at 31/12/2012 is shown below:

– Euro 5,041 thousand relating to the other risk provision, which covers the risks related to the civil disputes in course for Euro 5,011 thousand concerning the Parent Company and for Euro 30 thousand Eugea Mediterranea SpA; the movements in the year principally relate to the utilisation of the Risks Provision by the parent company for Euro 628 thousand relating to disputes settled with employees while the 2012 provision of Euro 525 thousand includes prudent provisions against disputes with employee and other civil and fiscal disputes.

– Euro 802 thousand relating to the employee bonus provision; this provision follows the signing of a supplementary Company agreement which provides for the payment of a bonus to staff if certain corporate objectives are reached, including a certain profit level achieved in the year by the parent company.

– Euro 129 thousand, concerning La Doria SpA, of a provision for supplementary severance indemnities to agents.

The provisions are estimated based on the charges matured at the end of the period.

CURRENT LIABILITIES

23. Financial payables

They amount to Euro 100,640 thousand and have increased by Euro 10,805 thousand compared to December 31, 2011 and comprise:

– Euro 56,284 thousand relating to short-term advances on contracts for Euro 44,784 thousand to the Parent Company and Euro 11,500 thousand to the subsidiary Eugea Mediterranea S.p.A.;

- Euro 124 thousand for bank overdrafts relating to the Parent Company and the subsidiaries Eugea Mediterranea SpA and Ldh (La Doria) Ltd;
- Euro 14,430 thousand relating to advances on invoices and imports of the Parent Company;
- Euro 332 thousand to be debited by banks of which Euro 320 thousand relating to the Parent Company and Euro 12 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 11,289 thousand for advances on with recourse factoring and reverse factoring with maturity of the Parent Company.
- Euro 16,873 thousand to the part due within 12 months of the long-term loans of which Euro 16,504 thousand referring to the Parent Company and Euro 369 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 1,309 thousand relating to the Fair Value at December 31, 2012 of interest rate hedging contracts of the Parent Company which resulted in a payable recorded in the financial statements.

Bank (Euro/000)	**Notional**	**Mark to market 31.12.2012**	**Mark to market 31.12.2011**
EFIBANCA	859	(14)	(22)
AKROS	1,111	(20)	(30)
MPS	2,500	(90)	(86)
UNICREDIT	582	(7)	(21)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
DEUTSCHE	14,667	(346)	(162)
UNICREDIT	3,000	(82)	(66)
BANCO NAPOLI	4,667	(170)	(147)
UNICREDIT	6,650	(330)	(233)
CARIPARMA	7,200	(158)	5
TOTAL	**44,704**	**(1,309)**	**(881)**

24. Trade payables

They amount to Euro 112,849 thousand, an increase of Euro 9,625 thousand compared to December 31, 2011 and are net of credit notes to be received from suppliers for discounts, price/quantity discounts on supply of goods and/or services relating to the period.

25. Taxes payable

These amount to Euro 5,977 thousand and increased by Euro 3,423 thousand on December 31, 2011 - as follows:

– Euro 1,489 thousand for withholding taxes on salaries, of which Euro 1,438 thousand concerning the Parent Company and Euro 51 thousand the subsidiary Eugea Mediterranea S.p.A.;

– Euro 1,842 thousand of income tax payables - of which Euro 1,745 thousand concerning the Parent Company and the remainder the subsidiary Eugea Mediterranea SpA.;

– Euro 688 thousand of local taxes, of which Euro 661 thousand relating to the Parent Company;

– Euro 1,887 thousand relating to tax payables of the subsidiary LDH (La Doria) Ltd.

26. Other current liabilities

These amount to Euro 17,102 thousand and have decreased by Euro 610 thousand compared to December 31, 2011. They principally include:

– Euro 122 thousand for payments on account received from clients of the Parent Company;

– Euro 1,004 thousand for payables to social security and pension organisations of which Euro 631 thousand relate to the Parent Company;

– Euro 4,631 thousand relating to employee payables (wages and salaries for December 2012, vacation, thirteenth and fourteenth month) concerning the Parent Company for Euro 4,470 thousand and Euro 161 thousand the subsidiary Eugea Mediterranea SpA.;

– Euro 372 thousand for insurance payables against indemnities due to the Parent Company;

– Euro 1,156 thousand relating to liabilities from the valuation of forward operations (principally options) put in place in order to offset exchange rate risks of the Parent Company;

– Euro 170 thousand of other payables - of which Euro 155 thousand concerning the Parent Company and Euro 15 thousand the subsidiary Eugea Mediterranea SpA.;

– Euro 3,391 thousand relating to other liabilities of the subsidiary LDH Ltd;

– Euro 987 thousand principally comprising the current quota of the grant on plant for future periods, of which Euro 780 thousand referring to the Parent Company and Euro 207 thousand the subsidiary Eugea Mediterranea S.p.A.;

– Euro 4,893 thousand concerning the portion of contributions for commercial activities of the subsidiary LDH (La Doria) Ltd.

Commitments and guarantees

These total Euro 46,888 thousand and relate to:

- Euro 24,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 6,188 thousand for the equivalent amount at 31/12/2012 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;
- Euro 5,144 thousand for guarantees given in favour of the subsidiary Eugea Mediterranea S.p.A. on receivables from the public administration;
- Euro 4,500 thousand for guarantees given by Sace S.p.A. in favour of Cariparma S.p.A. to partially cover the loan of Euro 9 million disbursed on November 30, 2011 by Cariparma to La Doria S.p.A.;
- Euro 2,217 thousand for guarantees on Parent Company receivables from the public administration;
- Euro 1,728 thousand for the guarantee provided by Assicurazioni Generali S.p.A. on November 16, 2012 under that requested by the Programme Contract signed with the Campania Region;
- Euro 2,181 thousand for sureties on payments terms from suppliers.

INCOME STATEMENT

27. Revenues

Revenues from sales and services amount to Euro 578,941 thousand, an increase of Euro 94,666 thousand compared to 2011.
In relation to the profit of the group, this is divided into two parts:

a) sale of products from industrial production;

b) sales of products marketed.

Industrial production is related to the activities of the company La Doria SpA and Eugea Mediterranea SpA while the English subsidiary LDH (La Doria) Ltd is a trading company and therefore is involved only in the sale of parent company products and other products acquired from third party suppliers.

The consolidated turnover of the Group is divided as follows:

1) red line, comprising the products having tomatoes as their main raw material, recorded an increase in sales volume both on the Italian market and on foreign markets and a significant decrease in prices, particularly overseas;
2) fruit line, comprising the products having fruit and/or fruit purée as their main raw material, recorded a decrease principally due to the decline in fruit juice volumes and prices sold on the domestic market.
3) legumes, vegetables and canned pasta line, comprising the products with legumes and other vegetables as their main raw material and canned pasta products, recording strong growth in volumes, mainly thanks to the foreign markets, in particular Great Britain, where new clients were gained.
4) other lines that include all the other products not included above. In particular, all of the products marketed by the subsidiary LDH (La Doria) LTD are included, i.e. canned tuna and salmon, canned pasta, chocolate confectionary and others.

The EBITDA margin is summarised in the following table (the product lines indicated as "Fish", "Dried Pasta" and "Others" concern exclusively products sold by LDH (La Doria Ltd.):

(Euro/000)	Red Line	Fruit Line	Legumes	Fish Line	Dried pasta	Other lines	Total
Consolidated revenues	**143,038**	**96,711**	**142,786**	**77,071**	**82,261**	**37,074**	**578,941**
Consolidated EBITDA	20,356	1,727	5,649	3,496	3,750	1,641	36,619
% on revenues	**14.2%**	**1.8%**	**4%**	**4.5%**	**4.6%**	**4.4%**	**6.3%**

The clients contributing more than 10% of consolidated revenues are Tesco UK and Asda, essentially concerning the purchase of red line, vegetable line and other lines sold by LDH.

28. Other operating revenues

Other operating revenues total Euro 11,459 thousand, decreasing by Euro 3,171 thousand compared to December 31, 2011 and comprised:

– Euro 1,178 thousand for investment grants, of which Euro 874 thousand (concerning the factories at Angri, Fisciano and Faenza) relating to the Parent Company and Euro 304 thousand (concerning the Lavello factory) relating to the subsidiary Eugea Mediterranea SpA;

– Euro 1,042 thousand for the reversal of the inventory obsolescence provision, of which Euro 1,004 thousand concerning the Parent Company and Euro 47 thousand the subsidiary Eugea Mediterranea SpA;

- Euro 838 thousand for Revenues from the sale of scrap, relating to revenues of the Parent Company for Euro 796 thousand and the remaining the subsidiary Eugea Mediterranea SpA;
- Euro 437 thousand for the sale of stack dividers, of which Euro 430 thousand concerning the Parent Company and Euro 126 thousand the subsidiary Eugea Mediterranea SpA;
- Euro 619 thousand for revenues from sale of pallets, of which Euro 600 thousand concerning the Parent Company and Euro 82 thousand the subsidiary Eugea Mediterranea SpA;
- Euro 1,934 for non-recurring income concerning the Parent Company for Euro 1,868 thousand and the subsidiary Eugea Mediterranea S.p.A. for Euro 66 thousand;
- Euro 752 thousand for revenues from damage claims, relating to the Parent Company for Euro 751 thousand and Euro 1 thousand to the subsidiary Eugea Mediterranea SpA;
- Euro 4,659 thousand for other revenues, essentially concerning the Parent Company.

29. Change in inventories

The account changed from Euro 33,910 thousand at December 31, 2011 to Euro 9,413 thousand at December 31, 2012.
The account summarises the economic impact of the changes in the inventories of raw materials, packaging, finished products and semi-finished products.

30. Purchase of raw materials and goods

The costs for raw materials and goods in 2012 amounts to Euro 452,696 thousand, an increase of Euro 54,811 thousand compared to the previous year. The increase in the amount is due to the general increase in raw material costs and turnover.

31. Services

These amount to Euro 62,500 thousand in 2012, an increase on 2011 of Euro 5,128 thousand. The account includes service costs of Euro 60,452 thousand (Euro 55,177 thousand in 2011) and rent, lease and similar costs of Euro 2,048 thousand (Euro 2,195 thousand in 2011).

32. Labour costs

Labour costs for the year amount to Euro 40,579 thousand, an increase of Euro 3,657 thousand compared to 2011.

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Wages and salaries	28,338	26,013	2,325
Social charges	8,343	8,013	330
Post-employment benefit	1,852	1,555	297
Other costs	2,046	1,341	705
TOTAL	**40,579**	**36,922**	**3,657**

The item "Other costs" essentially includes Euro 1,669 thousand concerning the Parent Company (of which Euro 781 thousand for employee bonus provisions, Euro 272 thousand for temporary staff, Euro 257 thousand for employee leaving indemnity supplementation, Euro 269 thousand for leaving incentives and Euro 41 thousand for interns) and Euro 21 thousand concerning Eugea Mediterranea S.p.A., essentially relating to employee bonus provisions.

33. Other operating costs

The account amounts to Euro 7,419 thousand, a decrease of Euro 2,153 thousand compared to 2011. The account includes non-recurring charges of Euro 1,383 thousand, of which Euro 1,345 thousand concerning the Parent Company and Euro 38 thousand Eugea Mediterranea S.p.A. and other operating costs of Euro 6,218 thousand, of which Euro 5,855 thousand relating to the Parent Company.

34. Amortisation, depreciation, write-downs and provisions

The account amounts to Euro 11,140 thousand and decreased by Euro 1,594 thousand compared to the previous year, consisting of:

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Amortisation of intangible assets	373	1,467	(1,094)
of which goodwill write down	*0*	*1,083*	*(1,083)*
Depreciation of fixed assets	9,689	9,717	(28)
Doubtful debt provision	402	13	389
Provisions for risks and other provisions	676	1,537	(861)
TOTAL	**11,140**	**12,734**	**(1,594)**

In relation to the “Doubtful debt provision” and the “Provisions for risks”, reference is made to the comments on the specific balance sheet accounts “Trade receivables” (Note 9) and “Provisions for risks and charges” (Note 22).

35. Financial income

The account amounts to Euro 4,534 thousand and relates to:

- Euro 246 thousand of interest on temporary liquidity on current accounts and on interest from receivables from the State;
- Euro 4,021 thousand of income deriving from the fair value of the swap and derivative operations which will be paid out in 2013;
- Euro 267 thousand gains on bills of the foreign subsidiary LDH (La Doria) Ltd.

36. Financial charges

The account amounts to Euro 9,670 thousand and relates to:

- Euro 4,413 thousand for Parent Company interest charges on medium/long-term and short-term payables;
- Euro 3,205 thousand for the fair value valuation of swap and derivative operations of the Parent Company;
- Euro 70 thousand for interest charges of the subsidiary LDH (La Doria) Ltd;
- Euro 1,617 thousand for exchange losses;
- Euro 365 thousand for financial charges of the subsidiary Eugea Mediterranea SpA.

37. Income taxes

These amount to Euro 7,724 thousand, increasing by Euro 1,884 thousand compared to the previous year. Income taxes in 2012/2011 are detailed below:

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Income taxes for year	8,371	5,589	2,782
Deferred tax charge	(424)	424	(848)
Deferred tax income	(218)	(168)	(50)
TOTAL	**7,729**	**5,845**	**1,884**

For changes in deferred tax assets and liabilities reference should be made to the specific balance sheet accounts.

EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit (loss) by the weighted average number of ordinary shares outstanding in the year (net of treasury shares).

Earnings per share	31.12.2012	31.12.2011
Number of shares net of treasury shares	28,654,875	29,122,427
Profit of the group per share	0.27	0.14

Dividends

In 2012 dividends were not distributed by the Parent Company relating to the year 2011.

SUBSEQUENT EVENTS

In relation to the subsequent events, reference should be made to the comments in the Directors' Report. In any case, there are no subsequent events that had an effect on the values of the consolidated financial statements at December 31, 2012 which have not already been taken into consideration in the accounts.

ATTACHMENTS TO THE NOTES

NET DEBT AS PER CONSOB NO. DEM/6064293 OF 28.07.2006 (Euro/000)

		31.12.2012	31.12.2011
A.	Cash	3	3
B.	Other cash and cash equivalents (Bank and postal deposits)	19,560	16,184
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**19,563**	**16,187**
E.	**Current financial receivables**	**-**	**-**
F.	Current Bank payables	72,478	70,701
G.	Current portion of non-current debt	16,873	16,535
H.	Other current financial payables	11,289	2,599
I.	**Current debt (F+G+H)**	**100,640**	**89,835**
J.	**Current net debt (I - E- D)**	**81,077**	**73,648**
K.	Bank payables – non-current portion	36,914	48,789
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**36,914**	**48,789**
O.	**Net debt (+J+N)**	**117,991**	**122,437**

TABLE A

INTANGIBLE ASSETS AT 31/12/2012 (Euro/000)

Category	Historical cost	Acc. amort.	Opening balances LDH translation diff. (*)	Amort. 31.12.12 (**)	Invest. 31.12.12	Divest. 31.12.12	Adjust. 01.01.12	Reclass. 31.12.12	Net total
Software costs	5,043	4,646	1	192	85			133	424
Registration trademark costs	10	10							
Other deferred charges	5,040	1,440		180					3,420
Brands	44	43		1					
Assets in progress	167				125		(34)	(133)	125
TOTAL	**10,304**	**6,139**	**1**	**373**	**210**		**(34)**	**0**	**3,969**

(*) relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd

(**) The account includes the foreign currency differences of Euro/000 0

TABLE B

NET TANGIBLE ASSETS AT 31/12/2012

(Euro/000)

CATEGORY	Depre. rate	Hist. cost at 1.1.12	Reval. pr. years	Depr. pr. years at 1.1.12	Opening balances LDH Hist. cost translation diff. (**)	Opening balances LDH Acc. Dep. translation diff. (**)		Divest. prov. 31.12.12	Depr. 31.12.12 (***)	Invest. 31.12.12	Divest. 31.12.12	Reclass. 31.12.12	Net total
Land		18,820	0	0			0	0	0	0	0	0	18,820
Ind. buildings /light const.	*	60,483	0	11,721	10	7	0	2,117	1,354	1	0	101	48,102
Plant & machinery	7,50%-14%	127,168	1,454	103,705			76	6,871	8,527	93	0	2,405	28,961
Minor equipment	20%	7,502	194	6,975			277	372	379	277	0	0	728
EDP	20%	3,113	0	2,672	19	16	0	168	337	0	0	0	621
Internal transport	20%	880	23	847			3	20	15	3	0	0	51
Motor vehicles	25%	459	0	332	8	5	164	101	116	164	0	0	145
Furniture & other equip.	7,50%-12%	865	12	761	4	2	0	40	3	0	0	0	81
Assets in progress	0%	2,875	0	0			0	0	1,325	46	34	(2,514)	1,674
TOTAL		**222,165**	**1,683**	**127,013**	**41**	**30**	**520**	**9,689**	**12,056**	**584**	**34**	**0**	**99,183**

* The rate applied corresponds to the residual useful life estimated

** Relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

*** The account includes the exchange difference at year-end of eur/000 -2

TABLE B1
TANGIBLE ASSETS AT 31/12/2012

(Euro/000)

CATEGORY	Aliq.	Hist. cost. at 1.1.12	Opening balances LDH Hist. cost translation diff. (**)	Increases 31.12.12	Reclass. 31.12.12	Decreases 31.12.12	Adj. Reclass. at 1.1.12	Cost 31.12.12
Land		18,820						18,820
Ind. buildings /light const.	*	60,483	10	1,354	101	1		61,947
Impianti e macchinari	7.50% 14%	128,622		8,527	2,405	93		139,461
Minor equipment	20%	7,696		379		277		7,798
EDP	20%	3,113	19	337	8			3,478
Internal transport	20%	903		15		3		915
Motor vehicles	25%	459	8	116		164		419
Furniture & other equipment	7.50% 12%	877	4	3				884
Assets in progress	0%	2,875		1,325	(2,514)	46	34	1,674
TOTAL		**223,848**	**41**	**12,056**	**0**	**584**	**34**	**235,396**

* The rate applies corresponds to the residual useful life estimated.

** Relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

TABLE B2
ACCUMULATED DEPRECIATION AT 31/12/2012

(Euro/000)

CATEGORY	Depre. rate	Accum. depre. 1.1.12	Opening balances LDH Acc. Dep. translation diff. (**)	Ordinary depreciation 31.12.12	Utilised 31.12.12	Accum. depre. 31.12.12
Land		0				0
Ind. buildings/light constr.	*	11,721	7	2,117	0	13,845
Plant and machinery	7.50% 14%	103,705	0	6,871	76	110,500
Minor equipment	20%	6,975	0	372	277	7,070
EDP	20%	2,672	16	168	0	2,857
Internal transport	20%	847	0	20	3	864
Motor vehicles	25%	332	5	101	164	274
Furniture & other equipment	7.50% 12%	761	2	40	0	803
TOTAL		**127,013**	**30**	**9,689**	**520**	**136,213**

* The rate applies corresponds to the residual useful life estimated.

** Relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd.

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES

(Euro/000)

	Balance 01.01.12	Decre.	Write down	New contr.	Balance 31.12.12	Provision	Net equity	% held
LDH (La Doria) Ltd.	764				764		44.832 (1)	51%
Eugea Mediterranea S.p.A.	3,304				3,304		5.274 (2)	98,34%
	4,068				**4,068**			

(1) LDH (La Doria) Ltd 519 North Gate Alconbury Airfield
Alconbury Huntingdon Cambridgeshire PE 28 4WX England (GB)
Share Capital GBP 1,000,000 shares of GBP 1 each
Net equity at 31.12.12 of GBP 36.587 thousand
Including net profit for year of GBP 7.901 thousand.
Net equity based on exchange rate at December 31, 2012

(2) EUGEA MEDITERRANEA S.p.A. Strada Consorziata s.n. Gaudiano di Lavello (PZ)
Share Capital Euro 1,500 thousand. 15,000 shares of Euro 100.00 each
Net Equity of Euro 5.274 thousand at 31.12.2012
Profit at 31.12.2012 Euro 164 thousand

TABLE C1
HOLDINGS IN INDIRECT SUBSIDIARIES

(GBP)

	Net equity	% Held	Share of net equity
LDH Foods (Hellas) ldt (in liquidation) 32 Omiron Street Athens (Grecia) Investment acquired on May 14, 1998 Share capital Euro 18 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	50.85%	0
LDH Foods S.L. (in liquidation) Av.da De Los Castanos, 53 Urb. El Chorrico Molina De Segura (Murcia) Share capital Euro 9 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	51%	0
Manpineco 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 1 The company was incorporated in January 2008 by the subsidiary LDH (La Doria) Ltd.	1	51%	0,51
Oriental & Pacific Frozen Food Co. Ltd. 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 10,000 LDH (La Doria) Ltd holds 100% since 1/4/2008.	961.003	51%	490.112

TABLE D

REMUNERATION OF DIRECTORS, STATUTORY AUDITORS, THE GENERAL MANAGER AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES OF LA DORIA SpA

(Euro)

PERSON	DESCRIPTION OF OFFICE			REMUNERATION					
Name	Office	Duration (**)		Emoluments for office	Not monetary benefits	Bonus other incentives	Emoluments for ICC	Emoluments for supervisory committee	Other remun.
Persico Sergio	Chairman of BOD	11/05/2011	31/12/2013	95.000			10.000	5.000	18.630
Sampietro Giorgio	Vice chairman of BOD	11/05/2011	31/12/2013	36.098			10.000	10.000	
Ferraioli Antonio	Director	11/05/2011	31/12/2013	26.000	5.233	135.093			320.634
Ferraioli Andrea	Director	11/05/2011	31/12/2013	26.000	5.218	135.093			320.627
Ferraioli Iolanda	Director	11/05/2011	31/12/2013	26.000	2.861	10.000			95.357
Diretto Giuseppe	Director	11/05/2011	31/12/2013	28.768					
Foti Sergio (*)	Director	11/05/2011	22/03/2012	6.425					
Cecere Fabio	Chair. Board of Stat. Aud.	11/05/2011	31/12/2013	96.467					
De Caprio Antonio	Statutory Auditor	11/05/2011	31/12/2013	70.135					
D'Amore Maurizio	Statutory Auditor	11/05/2011	31/12/2013	73.124					
TOTALE				**484.017**	**13.312**	**280.186**	**20.000**	**15.000**	**755.248**

Other Remuneration	**Ferraioli Antonio**	**Executive**
Other Remuneration	**Ferraioli Andrea**	**Executive**
Other Remuneration	**Ferraioli Iolanda**	**Executive**

(*) Until 22/03/2012

(**) Until approval of 2013 Annual Accounts

TABLE E
REMUNERATION TO DIRECTORS AND STATUTORY AUDITORS BY SUBSIDIARIES

(Euro)

PERSON	DESCRIPTION OF OFFICE			REMUNERATION		
Name	Office held	Duration of office		Emoluments for office	Non monetary benefits	Bonus and other incentives
LDH (La Doria) Ltd.						
Ferraioli Antonio	Chairman of BOD	19/2/97 until revoked		8.630		
Persico Sergio	Director	19/2/97 until revoked		8.630		
Ferraioli Rosa	Director	04/2009 until revoked		8.630		
Festa Alberto	Director	01/2010 until revoked		8.630		
Ferraioli Andrea	Director	02/03/98 until revoked		8.630		
TOTAL				**43.150**		
Remuneration of GBP 35 thousand at average 2012 December rate of 0,8111						
EUGEA MEDITERRANEA S.p.A.						
Ferraioli Antonio	Chairman of BOD	29/04/2010	29/04/2013	10,000		
Ferraioli Andrea	Director	29/04/2010	29/04/2013	10,000		
Festa Alberto	Director	29/04/2010	29/04/2013	10,000		
Persico Sergio	Director	29/04/2010	29/04/2013	10,000		
TOTAL				**40,000**		

DISCLOSURE PURSUANT TO ARTICLE 149 OF THE CONSOB ISSUERS´ REGULATION

The following table, prepared pursuant to article 149 of the Consob Issuer's Regulations, reports the payments made in 2012 for audit and other services carried out by the audit firm and entities associated with the audit firm.

TABLE F

INDEPENDENT AUDITORS´ FEES (Euro/000)

	Party providing the service	Company	Fees 2012
Audit	PricewaterhouseCoopers S.p.A.	Parent company La Doria S.p.A. (*)	95
	PricewaterhouseCoopers S.p.A.	Subsidiary companies (***)	21
	PriceWaterhouseCoopers Network	Subsidiary companies (****)	63
Certification work	PricewaterhouseCoopers S.p.A.	Parent Company La Doria S.p.A.	
	PricewaterhouseCoopers S.p.A.	Subsidiary companies	
	PriceWaterhouseCoopers Network	Subsidiary companies	
Other services	PricewaterhouseCoopers	Parent company La Doria S.p.A. (*)	
	PricewaterhouseCoopers Advisory S.r.l. Network	Subsidiary companies (**)	19
	PricewaterhouseCoopers S.p.A.	Subsidiary companies (***)	5
TOTAL			**203**

(*) of which Euro 42 thousand for services performed in 2012. In addition, in 2012 services performed of Euro 48 thousand relating to 2011.

(**) of which Euro 14 thousand for services performed in the year 2012.

(***) of which Euro 9 thousand for services performed in the year 2012. In addition, in 2012 services performed of Euro 7 thousand relating to 2011.

(****) of which Euro 59 thousand for services performed in the year 2012.

TABLE 1 CONS.
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.12	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries							Subsidiaries	
Receivables			90,819			90,819	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			3,802			3,802	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	2,023		10,299			12,322	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		36,914	36,914	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries				Subsidiary payables	
Payables				Payments on account	
Payables		112,849	112,849	Trade payables	
Payables		5,977	5,977	Tax payables	
Payables		1,004	1,004	Social security payables	
Current financial payables		89,351	89,351	Bank payables	
Current financial payables		11,289	11,289	Factoring payables	
Derivatives	1,309		1,309	Bank payables	
Other Liabilities	262	9,834	10,096	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2012 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 2 CONS.
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.11	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries							Subsidiaries	
Receivables			80,901			80,901	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			7,902			7,902	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	2,184		6,151			8,335	Other Receivables	

	FV P&L	Amortised cost	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		48,789	48,789	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries				Subsidiary payables	
Payables				Payments on account	
Payables		103,224	103,224	Trade payables	
Payables		2,554	2,554	Tax payables	
Payables		1,047	1,047	Social security payables	
Current financial payables		87,236	87,236	Bank payables	
Current financial payables		2,599	2,599	Factoring payables	
Derivatives	881		881	Bank payables	
Other Liabilities	4,686	7,741	12,427	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2011 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 3 CONS.
HEDGE VALUATION

(currency/000)

at 31.12.12 LDH (La Doria) Ltd.			Amount in GBP			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected						
Purchases expected	14.617	14.372	67.896	68.631	310	300
TOTAL	**14.617**	**14.372**	**67.896**	**68.631**	**310**	**300**

at 31.12.12 La Doria S.p.A.			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected			6.089	168	61.500	1.207
Purchases expected	37.250	(203)				
TOTAL	**37.250**	**(203)**	**6.089**	**168**	**61.500**	**1.207**

Note

The hedge policy of LDH provides for the hedging on all purchases subject to exchange risk. As they are fixed in this manner, the margins are not impacted by exchange risks. The La Doria SpA Options were signed for partial hedging of the purchases in USD and sales in GBP and AUD expected in the coming 12 months.

at 31.12.12		Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV
Loans Granted		
Loans Received	44.704	1.309
TOTAL	**44.704**	**1.309**

Note

The La Doria IRS operations were agreed for partial hedging of Medium/Long term loans.

TABLE 4 CONS.
HEDGE VALUATION

(currency/000)

at 31.12.11 LDH (La Doria) Ltd.			Amount in GBP			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected						
Purchases expected	13,254	13,496	74,375	71,720	329	336
TOTAL	**13,254**	**13,496**	**74,375**	**71,720**	**329**	**336**

at 31.12.11 La Doria S.p.A.			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected			6,343	(384)	59,550	(1,421)
Purchases expected	45,125	2,183				
TOTAL	**45,125**	**2,183**	**6,343**	**(384)**	**59,550**	**(1,421)**

Note

The hedge policy of LDH provides for the hedging on all purchases subject to exchange risk. As they are fixed in this manner, the margins are not impacted by exchange risks. The La Doria SpA Options were signed for partial hedging of the purchases in USD and sales in GBP and AUD expected in the coming 12 months.

at 31.12.11			Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	
Loans Granted			
Loans Received	58,572	881	
TOTAL	**58,572**	**881**	

Note

The La Doria IRS operations were agreed for partial hedging of Medium/Long term loans.

TABLE 5 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.12	Reference Account Balance sheet	Book value	Exchange rate effect interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from holding companies (La Doria)				
Non current receivables from subsidiaries (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from holding companies (La Doria)				
Current receivables from subsidiaries (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	19,563		
NON-CURRENT LIABILITIES				
Non current payables holding companies (La Doria)				
Non current payables subsidiaries (Others)				
Non current financial liabilities	M/L debt	36,914	36	(36)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to holding companies (La Doria)				
Payables to subsidiaries (Others)				
Trade payables				
Financial payables	Bank payables	100,640	400	(400)
Derivatives				
Other Payables				
SHAREHOLDERS' EQUITY				
Translation reserve				
Cash flow of valuation reserves				
Net Profit			(436)	436
Minority interest share				

Euribor 2012 at 3 months average 0.59%

Hyp1 Average interest rate curve higher than 50 bps 3.03%+0.5% on M/L; +3.64%+0.5% on short term

The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/12 of Euro 9,083 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.08% 0.5% on M/L; +2.64% 0.5% on short term

TABLE 6 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.11	Reference Account Balance sheet	Book value	Exchange rate effect interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from holding companies (La Doria)				
Non current receivables from subsidiaries (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from holding companies (La Doria)				
Current receivables from subsidiaries (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	16,187		
NON-CURRENT LIABILITIES				
Non current payables holding companies (La Doria)				
Non current payables subsidiaries (Others)				
Non current financial liabilities	M/L debt	48,789	75	(75)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to holding companies (La Doria)				
Payables to subsidiaries (Others)				
Trade payables				
Financial payables	Bank payables	89,835	278	(278)
Derivatives				
Other Payables				
SHAREHOLDERS' EQUITY				
Translation reserve				
Cash flow of valuation reserves				
Net Profit			(353)	353
Minority interest share				

Euribor 2011 at 3 months average 1.41%
Hyp1 Average interest rate curve higher than 50 bps 3.03%+0.5% on Medium/Long term; +3.29%+0.5% on Short term
Hyp2 Average interest rate curve lower than 50 bps 2.03% 0.5% on Medium/Long term; +2.29% 0.5% on Short term

TABLE 7 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.11	Reference Account Balance Sheet	Book Value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non-current receivables from hold. comp. (La Doria)								
Non-current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non-current receivables from third parties								
CURRENT ASSETS								
Current receivables from holding companies (La Doria)								
Current receivables from subsidiaries (Others)								
Trade receivables	Trade receivables	19,392		14,134	5	2,315	(1,160)	759
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency Accounts	3,227		1,875	669	537	(154)	170
NON-CURRENT LIABILITIES								
Non-current payables - holding companies (La Doria)								
Non-current payables - subsidiaries (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Current payables - holding companies (La Doria)								
Current payables - subsidiaries (Others)								
Trade payables	Trade payables	3,660		663	3,641	17	(245)	114
Financial payables	Amounts USD	1,403		1,145		0	(67)	74
Derivatives								
Other payables								
SHAREHOLDERS' EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net result							(1,001)	741
Minority interest share								

Examples of assumptions		€/currency
GBP/€	Actual rate	0,8161
USD/€	Actual rate	1,3194
AUD/€	Actual rate	1,2712
USD/€	€ increases by 5%	1,38537
USD/€	€ decreases by 5%	1,25343
GBP/€	€ increases by 5%	0,856905
GBP/€	€ decreases by 5%	0,775295
AUD/€	€ increases by 5%	1,33476
AUD/€	€ decreases by 5%	1,20764

TABLE 7 bis CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

As of 31.12.12	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination €	GBP	USD	CAN$	Impact of different assuptions €1	€2	USD1	USD2	Can $1	Can $2
NON CURRENT ASSETS												
Non current receivables from related parties (La Doria)	n/a											
Non current receivables from related parties (Others)	n/a											
Non current financial assets at fair value	n/a											
Receivables	n/a											
Non current receivables from third parties	n/a											
CURRENT ASSETS												
Current receivables from related parties (La Doria)	Intercompany receivable	516		516								
Current receivables from related parties (Others)	n/a	350		350								
Trade receivables	Trade receivables	38,038	1,018	35,104	1,915	0	(25)	79	(91)	101		
Current financial assets at fair value	n/a											
Financial receivables	Other receivables	1,808		1,808								
Derivatives	Forward contracts	481	735		(244)	(10)	(3,268)	3,612	(684)	756	(14)	16
Other current assets	n/a											
Cash and cash equivalents	Cash at Bank	4,644	144	4,500	0	0	(7)	8	(0)	0		
NON CURRENT LIABILITIES												
Non current payables to related parties (La Doria)	n/a											
Non current payables to related parties (Others)	n/a											
Non current financial liabilities	n/a											
Other non current liabilities	n/a											
CURRENT LIABILITIES												
Payables to related parties (La Doria)	Intercompany payable	16,002	1,869	14,134	0	0	89	(98)	0	0	0	0
Payables to related parties (Others)		10,805	5,612	3,469	1,724		267	(295)	82	(91)		
Trade payables	Trade payables	21,163	8,728	9,238	3,197		416	(459)	152	(168)		
Financial liabilities	Bank Overdraft	58			58				3	(3)		
Derivatives	Forward contracts											
Other liabilities	Other liabilities	7,118		7,118								
EQUITY												
Currency translation reserve	n/a											
Cash-flow hedge reserve	n/a	506	382		(147)	(10)	1,965	(3,265)	364	(402)	14	(16)
Net income	Profit/(loss)						564	419	175	(193)	0	0
Minority interest	n/a											

Exampes of Assumpions:		€/currency
GBP/€	Actual rate	1,2253
GBP/USD/€	Actual rate	1,6167
GBP/CAN/€	Actual rate	1,6097
€1	€ increases by 5%	1,2866
€2	€ decreases by 5%	1,1641
USD1	€ increases by 5%	1,6975
USD2	€ decreases by 5%	1,5359
CAN1	€ increases by 5%	1,6902
CAN2	€ decreases by 5%	1,5292

Exampes of Assumpions:		€/currency
GBP/€	Forex average revalued	1,2237
GBP/USD	Forex average revalued	1,6163
GBP/CAN$	Forex average revalued	1,6125
€1	€ increases by 5%	1,2849
€2	€ decreases by 5%	1,1625
USD1	$ increases by 5%	1,6971
USD2	$ increases by 5%	1,5355
CAN1	$ increases by 5%	1,6931
CAN2	$ increases by 5%	1,5319

TABLE 8 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.11	Reference Account Balance Sheet	Book Value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non-current receivables from hold. comp. (La Doria)								
Non-current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non-current receivables from third parties								
CURRENT ASSETS								
Current receivables from holding companies (La Doria)								
Current receivables from subsidiaries (Others)								
Trade receivables	Trade receivables	14,794		11,601	19	1,616	(343)	1,178
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency Accounts	3,002		645	2,877	8	(143)	158
NON-CURRENT LIABILITIES								
Non-current payables - holding companies (La Doria)								
Non-current payables - subsidiaries (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Current payables - holding companies (La Doria)								
Current payables - subsidiaries (Others)								
Trade payables	Trade payables	5,035		1,461	4,466	2	(81)	441
Financial payables	Amounts USD	659		0	853	0	(31)	35
Derivatives								
Other payables								
SHAREHOLDERS' EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net result							(375)	860
Minority interest share								

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,8353
USD/€	Actual rate	1,2939
AUD/€	Actual rate	1,2723
USD/€	€ increases by 5%	1,358595
USD/€	€ decreases by 5%	1,229205
GBP/€	€ increases by 5%	0,877065
GBP/€	€ decreases by 5%	0,793535
AUD/€	€ increases by 5%	1,335915
AUD/€	€ decreases by 5%	1,208685

TABLE 8 bis CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

As of 31.12.11	Reference to balance-sheet item	Carrying amount	Amount by currency of denomination €	GBP	USD	CAN$	Impact of different assuptions €1	€2	USD1	USD2	Can $1	Can $2
NON CURRENT ASSETS												
Non current receivables from related parties (La Doria)	n/a											
Non current receivables from related parties (Others)	n/a											
Non current financial assets at fair value	n/a											
Receivables	n/a											
Non current receivables from third parties	n/a											
CURRENT ASSETS												
Current receivables from related parties (La Doria)	Intercompany receivable	1,312		1,312								
Current receivables from related parties (Others)	n/a											
Trade receivables	Trade receivables	36,199	762	35,321	116		(65)	9	(2)	10		
Current financial assets at fair value	n/a											
Financial receivables	Other receivables	3,160		3,160								
Derivatives	Forward contracts											
Other current assets	n/a											
Cash and cash equivalents	Cash at Bank	3,319	517	2,085	717		(25)	27	(34)	38		
NON CURRENT LIABILITIES												
Non current payables to related parties (La Doria)	n/a											
Non current payables to related parties (Others)	n/a											
Non current financial liabilities	n/a											
Other non current liabilities	n/a											
CURRENT LIABILITIES												
Payables to related parties (La Doria)	Intercompany payable	15,178	3,577	11,601			170	(188)				
Payables to related parties (Others)		7,545	4,604	2,941			219	(242)				
Trade payables	Trade payables	23,636	9,297	11,141	2,990	208	443	(489)	142	(157)	10	(11)
Financial liabilities	Bank Overdraft											
Derivatives	Forward contracts	2,406	2,655		(242)	(7)	(3,415)	3,775	(643)	710	(16)	18
Other liabilities	Other liabilities	6,963		6,963								
EQUITY												
Currency translation reserve	n/a											
Cash-flow hedge reserve	n/a	(1,390)	(1,833)		144	7	1,896	(2,096)	368	(406)		0
Net income	Profit/(loss)						776	(795)	169	(195)	(6)	(7)
Minority interest	n/a											

Exampes of Assumpions:		**€/currency**
GBP/€	Actual rate	1,1972
GBP/USD/€	Actual rate	1,5490
GBP/CAN/€	Actual rate	1,5821
€1	€ increases by 5%	1,2571
€2	€ decreases by 5%	1,1373
USD1	€ increases by 5%	1,6265
USD2	€ decreases by 5%	1,4716
CAN1	€ increases by 5%	1,6612
CAN2	€ decreases by 5%	1,5030

Exampes of Assumpions:		**€/currency**
GBP/€	Forex average revalued	1,1932
GBP/USD	Forex average revalued	1,5478
GBP/CAN$	Forex average revalued	1,5833
€1	€ increases by 5%	1,2528
€2	€ decreases by 5%	1,1335
USD1	$ increases by 5%	1,6252
USD2	$ increases by 5%	1,4704
CAN1	$ increases by 5%	1,6625
CAN2	$ increases by 5%	1,5041

TABLE 9 CONS.
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

				ANALYSIS: OVERDUE AND NOT YET DUE					
at 31.12.12	**Book value**	**Reference Account Balance Sheet**	**Write-downs**	**Not yet due**	**Overdue <2 mths**	**Overdue 2mths<x<1yr**	**Overdue 1yr<x<5yrs**	**Overdue > 5 yrs**	**Total**
Receivables	91,902	Trade receivables		67,158	21,663	2,387	335	360	91,902
Tax Receivables	3,802	Tax receivables		3,802	0	0	0	0	3,802
Other Receivables	12,322	Other receivables		9,332	397	0	0	2,593	12,322
Gross Receivables	**108,026**			**80,292**	**22,060**	**2,387**	**335**	**2,953**	**108,026**
Write-down of Receivables	1,083	Bad debt provision	1,083						1,083
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**106,943**		**1,083**	**80,292**	**22,060**	**2,387**	**335**	**2,953**	**106,943**

TABLE 10 CONS.
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.11	Book value	Reference Account Balance Sheet	Write-downs	ANALYSIS: OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	82,809	Trade receivables		60,456	18,719	1,316	2,155	162	82,809
Tax Receivables	7,902	Tax receivables		7,902	0	0	0	0	7,902
Other Receivables	8,335	Other receivables		3,716	28	14	499	4,078	8,335
Gross Receivables	**99,046**			**72,074**	**18,747**	**1,330**	**2,654**	**4,240**	**99,046**
Write-down of Receivables	1,908	Bad debt provision	1,908						1,908
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**97,138**		**1,908**	**72,074**	**18,747**	**1,330**	**2,654**	**4,240**	**97,138**

TABLE 11 CONS.
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.12	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	91,902	Trade receivables	28,696	17,850	12,967	10,614	21,776	91,902
Other Receivables	12,322	Other receivables	8,895	1,487	1,356	583	1	12,322
Receivables	**104,224**		**37,591**	**19,337**	**14,323**	**11,197**	**21,777**	**104,224**

By Country at 31.12.12	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	91,902	Trade receivables	36,549	45,051	386	3,423	521	5,972	91,902
Other receivables	12,322	Other receivables	12,322						12,322
Receivables	**104,224**		**48,871**	**45,051**	**386**	**3,423**	**521**	**5,972**	**104,224**

TABLE 12 CONS.
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.11	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	82,809	Trade receivables	26,861	13,111	12,244	8,534	22,060	82,809
Other Receivables	8,335	Other receivables	5,286	1,995	824	230		8,335
Receivables	**91,144**		**32,147**	**15,106**	**13,068**	**8,764**	**22,060**	**91,144**

By Country at 31.12.11	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	82,809	Trade receivables	34,078	40,092	300	1,973	378	5,988	82,809
Other receivables	8,335	Other receivables	8,334					1	8,335
Receivables	**91,144**		**42,412**	**40,092**	**300**	**1,973**	**378**	**5,989**	**91,144**

DECLARATION AS PER ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999 AND SUBSEQUENT MODIFICATIONS AND INTEGRATIONS

Declaration of the consolidated financial statements as per Article 81-*ter* of Consob Regulation No. 11971 of May 14, 1999 and subsequent modifications and integrations

1. The undersigned Antonio Ferraioli, CEO, and Alberto Festa, executive responsible for the preparation of the corporate accounting documents of La Doria S.p.A., affirms, and also in consideration of Article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the accuracy of the information on company operations and
- the effective application of the administrative and accounting procedures for the preparation of the separate and consolidated financial statements for the period from January 1, 2012 to December 31, 2012.

2. The adequacy of the administrative and accounting procedures was verified through an assessment of the internal control system underlying the preparation of the financial statements, the interim financial statements and all financial reporting. This evaluation utilised the criteria established in the "Internal Controls -Integrated Framework" issued by the Committee of sponsoring Organizations of the Treadway Commission (CoSO framework) which represents a standard framework generally accepted at international level. No significant issues were identified in the assessment of the internal control system.

3. It is also noted that:

3.1 The Parent Company/Consolidated Financial Statements:
a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002, and the interpretations of the International Financial Reporting Interpretations Committee and the Standing Interpretations Committee;
b) correspond to the underlying accounting documents and records;
c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.
3.2 The Directors' Report includes a reliable analysis on the performance and operating result as well as the situation of the issuer and of the companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Angri, 12.03.2013

Antonio Ferraioli	Alberto Festa
Director	Executive responsible for the preparation of the accounting documents

INDEPENDENT AUDITORS' REPORT

pwc

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
La Doria SpA

1 We have audited the consolidated financial statements of La Doria SpA and its subsidiaries ("La Doria Group") as of 31 December 2012, which comprise the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows and related explanatory notes. The directors of La Doria SpA are responsible for the preparation of these consolidated financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our audit opinion.

For the opinion on the consolidated financial statements of the prior year, which are presented for comparative purposes, reference is made to our report dated 30 March 2012.

3 In our opinion, the consolidated financial statements of the La Doria Group as of 31 December 2012 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of the La Doria Group for the year then ended.

4 The directors of La Doria SpA are responsible for the preparation of the report on operations and the report on corporate governance and shareholding structure, published in section "Investor & Media Relations - Corporate Governance" of the Internet site of La Doria SpA, in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in

PricewaterhouseCoopers SpA

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.812.000,00 i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 - **Bologna** Zola Predosa 40069 Via Tevere 18 Tel. 0516186211 - **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Dante 7 Tel. 01029041 - **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43100 Viale Tanara 20/A Tel. 0521242848 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Verona** 37135 Via Francia 21/C Tel.0458263001

www.pwc.com/it

paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and shareholding structure, with the consolidated financial statements, as required by law. For this purpose, we have performed the procedures required under Auditing Standard n° 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and shareholding structure are consistent with the consolidated financial statements of the La Doria Group as of 31 December 2012.

Naples, 28 March 2013

PricewaterhouseCoopers SpA

Signed by

Pier Luigi Vitelli
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

LA DORIA S.p.A.

FINANCIAL STATEMENTS OF THE PARENT COMPANY PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING PRINCIPLES (IFRS/EU)

(Euro)	Notes	31.12.2012	31.12.2011
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	1	497,240	493,228
Property, plant & equipment	2	95,101,817	92,104,238
Goodwill	3	5,984,008	5,984,008
Investments in subsidiaries and ass. companies	4	4,068,404	4,068,404
Other investments	5	228,715	49,148
Other non-current assets	6	2,578,281	1,769,711
of which related parties		*2,578,281*	*1,769,711*
Deferred tax assets	7	3,490,244	3,123,510
TOTAL NON-CURRENT ASSETS		**111,948,709**	**107,592,247**
Non-current assets held for sale	8	0	320,000
CURRENT ASSETS			
Inventories	9	134,153,604	129,766,290
Trade receivables	10	68,051,827	61,733,532
of which related parties		*24,358,783*	*24,221,604*
Other assets	11	15,825,889	12,136,345
of which related parties		*3,922,613*	*3,784,873*
Tax receivables	12	2,285,679	4,091,182
Cash and cash equivalentss	13	13,447,333	11,911,300
TOTAL CURRENT ASSETS		**233,764,332**	**219,638,649**
TOTAL ASSETS		**345,713,041**	**327,550,896**

(Euro)	Notes	31.12.2012	31.12.2011
LIABILITIES AND SHAREHOLDERS´ EQUITY			
SHAREHOLDERS’ EQUITY			
Share capital	14	39,543,728	35,529,361
Reserves and retained earnings	15	48,983,121	53,592,540
Net profit	16	6,199,341	519,477
TOTAL SHAREHOLDERS’ EQUITY		**94,726,190**	**89,641,378**
NON-CURRENT LIABILITIES			
Financial payables	17	36,914,047	48,420,138
Other non-current liabilities	18	6,356,351	2,530,195
Post-employment benefit provisions	19	3,991,372	3,836,992
Deferred tax liabilities	20	8,477,420	8,845,189
Provisions for risks and charges	21	5,920,452	5,956,140
TOTAL NON-CURRENT LIABILITIES		**61,659,642**	**69,588,654**
CURRENT LIABILITIES			
Financial payables	22	88,687,568	77,166,944
Trade payables	23	88,797,072	81,671,645
of which related parties		*22,626,979*	*21,584,806*
Tax payables	24	3,915,721	1,068,278
Other current liabilities	25	7,926,848	8,413,997
TOTAL CURRENT LIABILIITES		**189,327,209**	**168,320,864**
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**345,713,041**	**327,550,896**

(Euro)	Notes	31.12.2012	31.12.2011
Revenues	26	297,181,849	260,173,713
of which related parties		*98,227,029*	*77,390,753*
Other operating revenues	27	11,845,048	11,157,136
of which related parties		*1,255,858*	*513,666*
Changes in inventory	28	3,296,500	19,068,226
net of write-down provision		*(3,600,000)*	*(2,000,000)*
Purchase of raw materials and goods	29	203,871,812	199,529,208
of which related parties		*24,456,598*	*27,129,943*
Services	30	48,474,150	42,159,172
of which related parties		*3,728,831*	*0*
Labour costs	31	31,187,608	28,085,212
Other operating costs	32	7,082,312	6,520,673
of which related parties		*347,486*	*4,942*
Amortisation, depreciation, write-downs and provisions	33	9,651,807	10,879,921
OPERATING PROFIT		**12,055,708**	**3,224,889**
Financial income	34	4,084,221	4,880,165
Financial charges	35	8,033,379	6,961,572
Dividends	36	2,326,914	1,746,652
of which related parties		*2,326,914*	*1,746,652*
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**10,433,464**	**2,890,134**
Income taxes	37	4,234,123	2,370,657
NET PROFIT FROM NORMAL OPERATIONS		**6,199,341**	**519,477**
NET PROFIT		**6,199,341**	**519,477**

(Euro/000)	31.12.2012	31.12.2011
NET PROFIT FOR THE YEAR	**6,199**	**519**
Other items of the Comprehensive Income Statement		
Change in IAS - Mark to market IRS on loans	(310)	(349)
Net total effect of other components in the income statement	**(310)**	**(349)**
COMPREHENSIVE PROFIT RECORDED FOR THE YEAR	**5,889**	**170**

(Euro/000)	31.12.2012	of which related parties	31.12.2011	of which related parties
Operating activity				
CASH FLOW				
Net profit	6,199		519	
Depreciation and write downs of tangible assets	8,575		8,203	
Amortisation and write downs of intangible assets	150		1,234	
TOTAL CASH FLOW	**14,924**		**9,956**	
Changes in deferred tax assets and liabilities	(736)		177	
Post employment benefits:				
provisions/(utilisations)	154		133	
Provisions for risks and charges:				
provisions/(utilisations)	(35)		1,194	
Financial income	245		(1,481)	
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	**14,552**		**9,979**	
Working capital				
Change in trade receivables	(6,317)	*(136)*	(215)	*(2,093)*
Change in inventories	(4,388)		(21,397)	
Change in other current assets	(1,886)	*(3,923)*	(6,610)	*(5,555)*
Change in trade payables	7,124	*1,042*	14,882	*1,606*
Change in taxes payable	2,848		37	
Change in other current liabilities	2,530		(784)	
Change in working capital	**(89)**		**(14,087)**	
CASH GENERATED FROM OPERATING ACTIVITY	**14,463 (a**		**(4,108) (a**	
Investing activities				
Divestment/(investment) in tangible fixed assets net of investments/divestments	(11,572)		(21,381)	
Divestment/(investment) in intangible fixed assets net of investments/divestments	(153)		(1,321)	
Disposal of other non current assets	320		0	
Goodwill	0		1,084	
Investments in equity holdings net of divestments	(180)		0	
Interest received	(245)		1,481	
CASH GENERATED/(ABSORBED) FROM INVESTING ACTIVITY	**(11,830) (b**		**(20,137) (b**	
Financing activities				
Medium/long term loans	(11,506)		7,797	
Change in net equity accounts	(309)		(349)	
Change in short term loans	11,521		25,925	
Dividends distributed	0		(2,790)	
Change in purchase and sale of treasury shares	(804)		(280)	
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**(1,098) (c**		**30,303 (c**	
	1,535 (a+b+c)		**6,058 (a+b+c)**	
Change in the net financial position				
Cash and cash equivalents at the beginning of the year	11,912		5,854	
Cash and cash equivalents at the end of the year	13,447		11,912	

SHAREHOLDERS' EQUITY

(Euro/000)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Riserve IAS 39	Losses previous years	Profits previous years ex Pomagro	Retained earnings	Net profit/ loss for the year	Total shareholders' equity
Balance at 01.01.2010	35,208	15,327	3,357	13,556	(376)	(2,160)	2,913	4,786	13,101	85,711
Allocation of the result			655					8,726	(9,381)	0
Dividends distributed									(3,720)	(3,720)
Purchase / sale of treasury shares	542			529						1,071
Utilisations in the year										0
Result for the year									9,391	9,391
Change in IAS 39 (other comprehensive income)					87					87
Balance at 31.12.2010	**35,750**	**15,327**	**4,012**	**14,085**	**(289)**	**(2,160)**	**2,913**	**13,512**	**9,391**	**92,541**

OTHER RESERVES

(Euro/000)

	Reserve for Casmez grants	Reserve for Casmez grants from 1.1.93	Regional reserve grants L. 43/92	Reserve grants L.64 1/3/86	Reserve grants L.64 1/3/86 from 1.1.93	Reserve VAT deduction. Law 675	Reserve grants Prisma	Reserve grants Law 219/81	Reserve L.488	Reserve IAS	TOTAL
Balance at 01.01.2010									4,724	9,008	13,732
Increases in year										215	215
Utilisations in the year											
Balance at 31.12.2010	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4,724**	**9,223**	**13,947**

SHAREHOLDERS' EQUITY

(Euro/000)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Riserve IAS 39	Losses previous years	Profits previous years ex Pomagro	Retained earnings	Net profit/ loss for the year	Total shareholders equity
Balance at 01.01.2011	35,750	15,327	4,012	14,085	(289)	(2,160)	2,913	13,512	9,391	92,541
Reclassifications				153				(153)		0
Allocation of the result			470					6,131	(6,601)	0
Dividends distributed									(2,790)	(2,790)
Purchase/sale of treasury shares	(221)							(58)		(279)
Utilisations in the year										0
Result for the year									519	519
Change in IAS 39 (other comprehensive income)					(350)					(350)
Balance at 31.12.2011	**35,529**	**15,327**	**4,482**	**14,238**	**(639)**	**(2,160)**	**2,913**	**19,432**	**519**	**89,641**

OTHER RESERVES

(Euro/000)

	Reserve for Casmez grants	Reserve for Casmez grants from 1.1.93	Regional reserve grants L. 43/92	Reserve grants L.64 1/3/86	Reserve grants L.64 1/3/86 from 1.1.93	Reserve VAT deduction. Law 675	Reserve grants Prisma	Reserve grants Law 219/81	Reserve L.488	Reserve IAS	TOTAL
Balance at 01.01.2011									4,724	9,361	14,085
Reclassifications										153	153
Utilisations in the year											
Balance at 31.12.2011	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**9,514**	**14,238**

SHAREHOLDERS' EQUITY

(Euro/000)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Riserve IAS 39	Losses previous years	Profits previous years ex Pomagro	Retained earnings	Net profit/ loss for the year	Total shareholders equity
Balance at 01.01.2012	35,529	15,327	4,482	14,238	(639)	(2,160)	2,913	19,432	519	89,641
Reclassifications										0
Allocation of the result	4,591		26					(4,098)	(519)	0
Dividends distributed										0
Purchase/sale of treasury shares	(576)							(228)		(804)
Utilisations in the year					(310)					(310)
Result for the year									6,199	6,199
Change in IAS 39 (other comprehensive income)										0
Balance at 31.12.20112	**39,544**	**15,327**	**4,508**	**14,238**	**(949)**	**(2,160)**	**2,913**	**15,106**	**6,199**	**94,726**

OTHER RESERVES

(Euro/000)

	Reserve for Casmez grants	Reserve for Casmez grants from 1.1.93	Regional reserve grants L. 43/92	Reserve grants L.64 1/3/86	Reserve grants L.64 1/3/86 from 1.1.93	Reserve VAT deduction. Law 675	Reserve grants Prisma	Reserve grants Law 219/81	Reserve L.488	Reserve IAS	TOTAL
Balance at 01.01.2012									4,724	9,514	14,238
Reclassifications											
Utilisations in the year											
Balance at 31.12.2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**9,514**	**14,238**

BALANCE SHEET AS PER ART. 2424 CIVIL CODE

(Euro/000)

Nature/description	Amount	Possibility of utilisation	Summary of utilisations made in the previous years 2008 - 2012 Quota distributable	For coverage of losses	For other reasons (*)
Share Capital	39,544				
Capital reserves:					
Share premium reserve	15,327	A B	15,327		
Reserve for Casmez grants		A B C			
Reserve for Casmez grants from 01.01.1993		A B C			
Reserve regional grants Law 43/92		A B C			
Reserve grants Law 64/86		A B C			
Reserve grants Law 64/86 from 01.01.1993		A B C			
Reserve VAT deduction Law 675		A B C			
Reserve Prisma grants		A B C			
Reserve grants Law 219/81		A B C			
IAS reserve	8,565	A B C	8,565		
Profit reserves:					
Legal reserve	4,508	B			
Reserve Law 488	4,724	A B C	4,724		
Retained earnings	15,860	A B C	15,860		4,960
TOTAL	**88,528**		**44,476**		**4,960**
QUOTA NON DISTRIBUTABLE			**4,508**		
QUOTA DISTRIBUTABLE			**44,476**		

Key
A: for share capital increase
B: for losses
C: for distribution to shareholders

(*) Utilisation of the retained earnings for the Scrip capital increase following the Board of Directors resolution of October 31, 2012 through the increase of the nominal value of each of the 31,000,000 ordinary shares from Euro 1.22 to Euro 1.38.

EXPLANATORY NOTES

EXPLANATORY NOTES

1. GENERAL ASPECTS

La Doria S.p.A. (hereafter also the "Company") operates in the production and marketing of food products – in particular in the vegetable and juices processing sector. The Company operates from five production sites and markets its products in Italy and abroad, principally in the United Kingdom, Japan, Australia and in the Scandinavian countries. La Doria S.p.A. is listed on the Star segment of the Italian Stock Exchange. The present Financial Statements were approved by the Board of Directors on March 15, 2013 and audited by PriceWaterhouseCoopers S.p.A.. The Company is not subject to direction or management by other companies or entities.

2. CONTENT AND FORM OF THE FINANCIAL STATEMENTS OF LA DORIA S.p.A.

INTRODUCTION

The present consolidated financial statements at December 31, 2012 comprise the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the Statement of Changes in Shareholders' Equity and the Notes and were prepared in accordance with International Accounting Standards approved at the date of the present financial statements by the European Commission, hereafter "IAS/IFRS", supplemented by the relative interpretations (Standing Interpretations Committee SIC and International Financing Reporting InterpretationsCommittee –IFRIC) issued by the International Accounting Standard Board (IASB), as well as the provisions of Article 9 of Legislative Decree No. 38 of February 28, 2005. The standards and the accounting principles applied to the present financial statements are in line with those utilised for the preparation of the financial statements at December 31, 2011. From January 1, 2012 some amendments were made to the international accounting standards. The principal changes are outlined in the subsequent paragraph "Form of the financial statements". The section "Effects of the changes to the accounting principles adopted" summarises the accounting standards currently being approved by the European Union, not yet applied by the Company. The general principle adopted in the preparation of the financial statements is the cost method, with the exception of the derivative instruments and some financial assets, for which IAS 39 is obligatory or - limited to financial assets - valuation in accordance with the fair value method is permitted. The financial statements are prepared in Euro. All amounts in the notes are expressed in thousands of Euro, except where otherwise indicated. The present Financial Statements were prepared on a going concern basis, based on the current performance and the future business plans approved by the Board.

FORM OF THE FINANCIAL STATEMENTS

Relating to the form of the financial statements, the company elected for the following presentation of the financial statements. The amounts with related parties are shown in a separate column for all of the tables.

Balance Sheet

The Balance Sheet at December 31, 2012 is prepared with separate indications of the Assets, Liabilities and Equity. The Assets and the Liabilities are classified as non-current and current.

Income Statement

The Income Statement for the year 2012 is presented by the nature of the expenses.

Comprehensive Income Statement

The Comprehensive Income Statement is presented in a separate document, as permitted by IAS 1 Revised. Specifically, the updated version of IAS 1 relating to the presentation of financial statements requires specific indication in the income statement of income/charges of transactions carried out with "non shareholders" previously recorded directly under changes in shareholders' equity reserves. All the changes (such as gains and losses deriving from the translation of financial statements of a foreign entity or of the valuation of financial assets held for sale, or the values relating to the efficient part of the gains or losses on "cash flow hedge" instruments) may be included in a single statement together with the income statement or in a separate statement. The changes must be shown separately also in the Statement of changes in shareholders' equity. The Company applied this standard from January 1, 2009, indicating the changes in a separate statement (the "Comprehensive Income Statement"), compared to the Income Statement. The Company consequently amended the presentation of the Statement of changes in Shareholders' Equity.

Cash Flow Statement

The Cash Flow Statement is prepared applying the indirect method. The cash flow statement was detailed further since 2010 with the cash flows from operating activities and cash flows in the finance area subject to a different classification in order to provide a more complete disclosure.

Statement of change in Shareholders' Equity

The Statement of changes in Shareholders' Equity was prepared according to IAS 1, as amended by the IFRS improvements published in 2010 and approved by European Union Regulation No. 149 of February 18, 2011. In addition, the following tables are an integral part of the notes to the financial statements:

- Intangible Assets at December 31, 2012 (Table A);

- Property, plant and equipment and accumulated depreciation at December 31, 2012 (Tables B, B1 and B2);
- Investments in companies directly and indirectly held (Tables C and C1);
- Remuneration paid to Directors, Statutory Auditors, the General Manager and Management of La Doria S.p.A. and its subsidiaries and to the Independent Audit Firm ((Tables D, D1 and E), based on Consob Communication No. DEM/11012984 of 24/2/2011 concerning indemnity in the case of the advance conclusion of employment and disclosure on remuneration in accordance with Article 78 of Regulation No. 11971 of May 14, 1999 and subsequent amendments;
- Statements relating to the management of risks in accordance with IFRS 7 (Attachments 1 to 12).

Identification of the functional currency

The present financial statements are presented in Euro (the functional currency of the Company).

Effects of the amendments in the accounting standards adopted

From January 1, 2011 the Company adopted a series of new accounting standards and interpretations within the 2010 improvement process (EU Regulation 149/2011 of February 18, 2011), among which we highlight IAS 1 (Presentation of Financial Statements).
In particular the amendments concern the disclosure in the statement of changes in shareholders' equity or in the notes relating to the other comprehensive income statement components by type and amount of dividends recorded in the year as a distribution to shareholders and the relative amount per share.

The amendment to IFRS 7 (“Disclosures – Transfers of Financial Assets”) is applicable from January 1, 2012 in accordance with Regulation 1205/2011 of November 22, 2011. This standard defines additional information to be disclosed on the transfer of financial assets not eliminated in the accounts or in the case of a residual involvement in the assets transferred. This amendment does not have an impact on disclosure in the present financial statements as the required circumstances are not in place.

Accounting principles adopted

In the preparation of the present consolidated financial statements, the same accounting principles and criteria adopted in the financial statements at December 31, 2011 and for the Half-Year Report at June 30, 2012 were applied, with the exception of the application, from the present consolidated financial statements, of the amendments to IAS 1 “Statement of changes in Shareholders’ Equity” as indicated below.

New documents issued by the IASB and approved by the EU to be adopted mandatorily for financial statements for the accounting periods beginning January 1, 2012

IFRS IFRIC Interpretation	Description	Effects on the Company
Amendments		
Amendments to IFRS 7	Financial instruments: additional disclosure Transfer of financial assets	This standard defines additional information to be disclosed on the transfer of financial assets not elimina ted in the accounts or in the case of a residual involvement in the assets transferred. This amendment does not have an impact on disclosure in the present financial statements as the re quired circumstances are not in place. There are no significant effects for the Company.

IAS/IFRS and relative SIC/FRIC interpretations applicable to the financial statements which begin after January 1, 2012

For periods beginning January 1, 2012 the European Union approved the following standards, not yet obligatory, which will be applied in subsequent periods. Advanced application is not expected by the Group.

IFRS SIC/IFRIC interpretations	Description	Effects on the Company
IFRS 12	Disclosures of Interests in Other Entities	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The application of this stan dard will produce effects from Ja nuary 1, 2014. The standard requires all investments to be reported in the explanatory notes, including associa tes, joint ventures and special purpo se vehicles. No significant effects are expected for the Company.
IFRS 13	Fair Value Measurement	This standard was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The application of this stan dard will produce effects from Ja nuary 1, 2013. The standard aims to eliminate the complexity and the risk of incorrect determination of the fair value in the application of other In ternational Accounting Standards. No significant effects are expected for the Company.

IFRS SIC/IFRIC interpretations	Description	Effects on the Company
IAS 27 (revised 2011)	Separate Financial Statements	This standard was replaced by IFRS 10, which was approved with Regula tion No .1254 of 11/12/2012 (effecti ve in the EU from January 1, 2014), limited the application only to sepa rate financial statements. The effects of the application of the standard will commence from January 1, 2014. In consideration of the nature of the change no significant effects are ex pected for the
IAS 28 (revised 2011)	Investments in Associates and Joint Ventures	This standard was approved with Regulation No. 1254 of 11/12/2012 (effective in the EU from January 1, 2014). The effects of the application of the standard will commence from January 1, 2014. The standard was re vised with some changes in the appli cation of the net equity method. No significant effects are expected for the Company.
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	This document was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The document will produce ef fects from January 1, 2013. The amend ment is not applicable for the Com pany.

Amendments		
IAS 1	Presentation of items of Other Comprehensive Income	This amendment was approved with Regulation No. 475 of 5/6/2012 (effective in the EU from July 1, 2012). The effects of the application of the standard will commence from January 1, 2013. The amendments to the stan dard have the objective of greater cla rity in the accounts recorded in the comprehensive income statement, with classification depending on whether the accounts could be reclassified in the separate income statement. No si gnificant effects are expected for the Company.
IAS 12	Deferred tax: Recovery of Underlying Assets	This amendment was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The effects of the application of the standard will commence from January 1, 2013. The standard inclu des an exemption to the current va luation methods of the deferred taxes relating to the fair value of property investments. No significant effects are expected for the Company.

Amendments

IAS 19	Employee Benefits	This amendment was approved with Regulation No. 475 of 5/6/2012 (effective in the EU from July 1, 2012). The effects of the application of the standard will commence from January 1, 2013. The amendment to IAS 19 eliminates the "corridor method" option. Therefore, all the actuarial gains and losses will be immediately recorded in the comprehensive income statement. In addition, the cost relating to past employment services must be recognised immediately. The cost for interest net of the expected returns on the plan assets will be replaced by the net interest cost, determined applying the interest rate to the net liabilities. No significant effects are expected for the Company.
IAS 32	Financial instruments: Presentation Offsetting financial assets and financial liabilities	This amendment was approved with Regulation No. 1256 of 13/12/2012 (effective in the EU from January 1, 2014). The effects of the application of the standard will commence from January 1, 2014. The amendment clarifies when it is possible to offset financial assets and liabilities as per IAS 32. No significant effects are expected for the Company.
IFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First Time Adopters	This amendment was approved with Regulation No. 1255 of 11/12/2012 (effective in the EU from January 1, 2013). The document will produce effects from January 1, 2013. The amendment is not applicable for the Company.
IFRS 7	Financial instruments: Disclosures Offsetting financial assets and financial liabilities	This amendment was approved with Regulation No. 1256 of 13/12/2012 (effective in the EU from January 1, 2013). The effects of the application of the standard will commence from January 1, 2013. The amendment requires information on the effects or potential effects of remuneration on the financial assets and liabilities in the balance sheet. No significant effects are expected for the Company.

Documents not yet approved by the EU at December 31, 2012

IFRS SIC/IFRIC Interpretations - Amendments	Description	Effects on the Company
Amendments to IFRS 1	First time adoption Government loans	The amendment is not applicable for the Company.
Amendments to IFRS 12	Disclosure of Interests in Other Entities	The application of the standard by the Company is scheduled from the date of approval by the EU. The standard requires all investments to be repor ted in the explanatory notes, inclu ding associates, joint ventures and special purpose vehicles. No signifi cant effects are expected for the Com pany.

A number of standards or amendments of existing standards issued by the IASB or new interpretations of the International Financial Reporting Interpretations Committee (IFRIC) are currently under review and approval. Included among these are:

- *IFRS 9 Financial Instruments* – through this standard the IASB proposes to significantly amend the treatment of financial instruments. This definitive version of the standard will replace IAS 39. The IASB has amended the requirements concerning the classification and measurement of financial assets currently applied by IAS 39 and published a document concerning the principles for the measurement at amortised cost of financial instruments and to establish if any impairment has occurred. The new governance of financial instruments is however overall subject to discussion by the various relevant authorities and the date of adoption is currently uncertain. The current version of IFRS 9 will be applicable, following approval by the European Union, from January 1, 2015;
- *Annual improvements 2009 2011*, which introduces improvements to the various standards, including IFRS 1 (First time adoption), IAS 1 (Financial statements presentation), IAS 16 (Property, plant and equipment) and IAS 32 (Financial instruments: Presentation) and IAS 34 (Interim financial reporting).

Definite intangible assets and amortisation

An intangible asset is an identifiable non-monetary asset without physical substance, identifiable and capable of generating future economic benefits. Intangible assets are originally recognised at purchase and/or production cost, including the costs of bringing the asset to its current use, net of accumulated amortisation, and any loss in value. Amortisation is calculated using the straight-line method over the estimated period of effective utilisation or future benefit. Where there are indications of a permanent loss in value, a specific impairment test is carried out and any loss in value is charged to the income statement and as a reduction of the fixed asset, in accordance with the procedures indicated below in the following paragraph. The balance includes assets clearly identifiable and measurable, capable of generating future economic benefits for the company and includes concessions, licenses and trademarks, patents and industrial rights and other intangible assets, including the purchase cost of software and intangible assets recorded on business combinations, in accordance with IFRS 3. The costs of research and the cost of maintenance and software management are charged to the income statement.

Intangible assets with an indefinite life

Goodwill

The goodwill stated under intangible assets relates to business combinations made since January 1, 2004, whose results are included in the financial statements following the mergers, and represents the difference between the cost incurred for the purchase of a company and the sum of the values assigned, based on the fair values at the purchase date of the individual assets and liabilities of the company purchased. Goodwill has an indefinite life and therefore is stated at original cost, net of any write-downs. Goodwill, in fact, is not amortised but subject to an impairment test in accordance with IAS 36, on an annual basis, except when there are market and operational indicators identified by the Company, in which case it is necessary to carry out the test also in relation to the preparation of the interim accounts. For the purpose of the impairment test, the goodwill is allocated to the individual cash generating units (CGU), which are the smallest units/business lines financially independent through which the Company operates in the different market segments, and which management utilises to evaluate operating performance.

Property, plant & equipment

Property, plant and equipment are stated at purchase or production cost, including additional charges allocated to the asset and related to its preparation for use during its useful life, net of accumulated depreciation and any loss in value deriving from the impairment test commented upon in the subsequent paragraph. The value of an asset is adjusted by straight-line depreciation, calculated on the basis of the residual useful life of the asset. Land is recorded at purchase cost, net of any loss in value and is not subject to depreciation. For buildings, the deemed cost method is used corresponding to the fair value or the revalued cost at January 1, 2004. Fair value is deemed to be the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Ordinary maintenance and repairs in the normal course of business are charged to the income statement. Extraordinary maintenance or repairs on owned assets or of third parties are capitalised and depreciated only if clearly identifiable and having future use. The cost of internally produced fixed assets includes the costs of the materials used, labour costs, the initial estimate, where applicable, of the dismantling and removal costs of the asset, and site reclamation costs. When the asset to be depreciated is composed of separately quantifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is made separately for each part of the asset, with the application of the "component approach" principle. The amendments to IAS 23 eliminated the option to record to the income statement the borrowing costs related to the purchase, construction or production of assets which require a significant period of time to be ready for use or for sale (qualifying assets). La Doria SpA availed of the option to apply the new standard from January 1, 2009; no significant effects in the year were recorded due to the nature of investments in 2012. The capital grants are recognised when there is reasonable certainty that they will be received and that they will satisfy the conditions for their approval. They are recorded under liabilities and credited to the income statement, in line with the depreciation process of the assets to which they refer.

Depreciation of property, plant & equipment

Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Depreciation commences when the asset is available for use. In the year in which the asset is recorded for the first time, the depreciation is reduced to take account of the lesser use of the asset. The depreciation rates are shown in Table B. Land, as already described, is not depreciated as it has an indefinite life and is subject to an impairment test when there are indications of a loss in value. Applying the principle of the "component approach", when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

Loss in value of tangible and intangible assets (impairment of the assets)

As previously described, assets with an indefinite life are subject, at least annually, to a verification of the recovery of the value recorded in the balance sheet on the basis of the value in use. For depreciated assets, an impairment test is made when there are indications of a probable loss in value. When, following an impairment test, write-downs should be made (recovery value lower than carrying value in the financial statements) and recognised in the income statement. The value is reinstated in future years, up to the amortised cost - should the reason for any write-down no longer exist. The reinstated amount is also recognised in the income statement. However, in no case is goodwill reinstated following a previous write-down.

Finance Leases

The leasing of buildings in which the Company acquires the significant risks and rewards connected to the ownership are classified as "finance leases". The assets under finance leases are originally stated with the recording of a fixed asset and a financial payable at the lower of the fair value of the asset and the current value of the minimum lease payments, due at the commencement date of the contract using the implicit interest rate of the leasing. Thereafter, an amount is charged to the income statement equal to the depreciation of the asset, calculated based on the residual useful life of the asset and the financial charges separated from the lease payments made in the year. The residual amount of the lease payments is recorded as a reduction of the finance lease payables. The Company does not hold assets within this category.

Operating leases

Operating leases are recognised in the income statement in relation to the duration of the contract, in accordance with IAS 17. Operating leases are those relating to fixed assets for which the Company does not acquire the significant risks and rewards connected to their ownership.

Equity investments

The equity investments relate to:

- "subsidiaries", in which the Company has the power to determine the financial and operating policies, and to obtain the relative benefits;
- "associated companies", in which significant influence is exercised (which is presumed to be a holding of at least 20% of the voting rights in an Ordinary Shareholders' Meeting). The account also includes companies under joint control (joint ventures);
- "other companies" which are not classified in any of the categories above.

The investments held for sale, such as those acquired with the sole purpose to be sold within twelve months, are classified, where applicable, separately in the account "assets held for sale".

The subsidiaries (including jointly held), associated and other companies, with the exception of those classified under "assets held for sale", are valued at acquisition cost or subscription cost. The cost basis remains with the exception of a loss in value or any recovery in value following a change in the economic destination or capital operations. Investments available-for-sale are measured at the lower of cost and fair value, less costs to sell.

Inventory

Inventories are measured at the lower of purchase and/or production cost and net realisable value. Purchase or production costs include the costs incurred in bringing the inventories to the present location and condition and are determined under the "weighted average cost" method. Net realisable value is the selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories have also been adjusted, where necessary, by an allowance for write-downs to account for the physical deterioration of the goods. This provision is eliminated in successive periods if it is no longer necessary. The Company classifies inventories in the following categories:

- Raw material, ancillary and consumables;
- Products in work-in-progress and semi-finished;
- Finished products;
- Payments on account.

The work in progress is valued at production cost utilising the average weighted cost method, excluding financial charges and overheads.

Financial Assets/Liabilities
The Company classifies financial assets in the following categories:

- assets at fair value through the income statement;
- loans and receivables;
- held-to-maturity investments;
- AFS financial assets.

The classification depends on the reasons for which the asset/liabilities were purchased, by their nature and by the measurement made by management at the purchase date. For the annual accounts, the management of the Company evaluates the existence of indicators of loss in value requiring an impairment test.

Financial assets at fair value through profit or loss
This category, as established by the Directors, includes financial assets acquired for short-term trading. The fair value of these instruments is determined with reference to the market value at the balance sheet date. The changes in fair value of the instruments belonging to this category are immediately recognised in the income statement. The classification between current and non-current reflects the expectations of the management on their trading: included under current assets are those in which trading is expected within 12 months. The assets included in this category do not relate to the normal operations of the Company.

Loans and receivables
This category includes, in addition to trade receivables, assets not represented by derivative instruments and not listed on an active market, not held for trading and for which fixed or determinable payments are expected. Loans and receivables are measured at amortised cost on

the basis of the effective interest method, considering write-downs for adjustments of realisable value made analytically on the basis of the expected receipts. The write-downs are recognised in the income statement. These assets are classified as current assets, except for the portion relating to non-trade receivables with maturity beyond 12 months, which are included in non-current assets. Trade receivables which mature within the normal commercial terms are not discounted.

Held-to-maturity investments

These relate to assets, other than derivative instruments, at pre-fixed maturity, with fixed or determinable payments and for which the Company has the full intention and capacity to maintain in portfolio until maturity. The Company does not hold assets within this category.

AFS financial assets

This category includes financial assets not represented by financial instruments, specifically designated as included in this category or not classified in any of the previous categories. They are measured at fair value, determined with reference to market prices at the balance sheet date or through financial measurement techniques or models. The changes in value are recorded in a specific equity reserve "reserve for assets available for sale". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2012, the company does not hold these types of assets.

Assets held for sale and discontinued operations

In order to classify the asset as held for sale, the book values of the assets (and of all the assets and liabilities of a group for sale) are measured in accordance with IFRS/EU. On the initial classification of the assets held for sale, the non-current assets and group of assets for sale are measured at the lower of the carrying value and the fair value less costs to sell. The losses in value resulting from the initial measurement of an asset classified as held for sale are recognised in the income statement. The same treatment applies to the gains and losses on subsequent measurements. An operating activity discontinued (valued as assets held for sale) is a component of the Company which represents an important independent business division or geographical area or is a subsidiary acquired exclusively for resale. An operating activity is classified as discontinued at the moment of the sale or when the conditions have been satisfied for classification in the category "held for sale", if prior. A company being sold may also be included under operating activities discontinued.

Financial instruments

The Company manages the exchange and interest rate risk (limited to "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through forward operations (commented upon in the paragraph on Derivatives). The Company manages the cash flow risk through interest rate swap operations which permit the converting of the floating rates relating to the loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge). The above operations relate to:

Derivatives

The derivative instruments continue to be considered as assets held for trading and measured at fair value with recognition in the income statement, except in the case where they are considered, in accordance with EU/IFRS standards, as appropriate hedging instruments to neutralise the risk of the underlying asset or liability or commitment assumed by the Company. In this case, they are measured in relation to the type of hedge related to the underlying hedge. In particular, the Company uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39 in terms of effective hedges. Therefore, hedge accounting may not be applied. These operations, therefore, are considered trading operations and are measured at fair value through profit or loss.

Cash Flow Hedge

The fair value changes of the derivatives designated as cash flow hedges and which qualify as such, are recognised, at the balance sheet date, in a specific equity reserve ("cash flow hedge reserve") with an adjustment of the financial asset/liability hedged. This reserve is reversed to the income statement at the same time as the economic effects of the asset/liability hedged.

Measurement of the fair value

The fair value of the instruments listed on public markets is determined with reference to the quotations at the date of recognition ("bid price"). The fair value of non-listed instruments is established through financial valuation techniques, in particular, the fair value of the interest rate swaps is measured discounting the expected cash flows, while the fair value of currency forward/option contracts is determined on the basis of the forward exchange rate at the reference date.

Cash

This includes cash in hand and bank and postal deposits which are available on demand, certain in nature and with no payment expenses. Cash and cash equivalents are stated at fair value.

Shareholders' equity

Share capital

The Share Capital at December 31, 2012 is represented by the subscribed and paid-in share capital less the treasury shares held in portfolio. There are no saving shares, or other types of shares other than ordinary shares. The costs relating to operations on the share capital are recorded as a reduction of equity.

Treasury shares

They are recorded as a decrease in equity. In particular, the nominal value is recorded as a deduction in the share capital, while any higher value is recorded in the retained earnings reserve or other available reserves. Gains or losses on sale, issue or cancellation of the treasury shares are allocated directly to equity.

Retained earnings/losses carried forward

The reserve includes the results of previous years for the part not distributed or recorded under other reserves (in the case of profit) or recapitalised (in the case of losses). The account also includes the transfers from other equity reserves when those reserves are no longer required as well as the effects of the recording of changes to accounting policies and material errors.

Other reserves

They consist of specific capital reserves. They include the cash flow hedge reserve relating to the recording of the value of the portion of cash flow hedged.

Trade payables and other liabilities

Trade payables are initially recognised at fair value. Thereafter, they are measured at amortised cost, using the effective interest rate. The trade payables which mature within the normal commercial terms are not discounted. These liabilities are classified as current liabilities, except for the portion relating to non-trade payables with maturity beyond 12 months, which are included under non-current liabilities. Financial liabilities are eliminated from the financial statements when, due to their sale or settlement, the Company is no longer involved in their management, nor holds the relative risks and benefits relating to these instruments settled/sold.

Employee benefits

Post-employment benefits

The liabilities relating to the defined benefit plans (such as the Employee Leaving Indemnity) are determined net of any plan assets, on the basis of actuarial assumptions, and on an accruals basis in line with the employee service necessary to obtain the benefits; the measurement of the liability is made by independent actuaries. In the calculation of the liabilities account is taken of the changes made by Law 296 of December 27, 2006 ("2007 Finance Law") and subsequent Decrees and Regulations issued during 2007 which introduced, in relation to the pension reform system, significant amendments on the allocation of the employee leaving indemnity provision maturing.

Other employee benefits

The Company does not recognise other forms of long-term benefits to employees, nor benefits under the form of share capital participation. However, benefits are recognised for the termination of employment (leaving incentive etc.). These benefits are recorded when there is a formal plan, with details of the identification of functions, the number of employees concerned, the amount of the incentive recognised and the period for the realisation of the plan. The liabilities for vacation due but not taken and performance bonuses are recorded on the basis of the amounts matured at the period end. In particular, the performance bonuses are provided for when there is a legal or implicit obligation for their recognition.

Provisions for risks and charges

The provisions for risks and charges are recorded when a current obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate, based on available information, on the amount to be paid to settle the obligation. Possible risks that may result in a liability are disclosed in the notes without any amounts being set aside. Account is not taken however of the risks for which the probability of employing resources to produce economic benefits is remote.

Foreign currency transactions

Foreign currency transactions are translated at the exchange rate at the date of the transaction. The exchange differences arising on the receipt and/or payment are recognised in the income statement. The monetary accounts existing at the balance sheet date are translated using the year-end exchange rate. The exchange differences are recorded in the income statement. The non-monetary accounts measured at historical cost in foreign currencies are translated using the exchange rate at the transaction date. The non-monetary accounts measured at fair value in foreign currencies are translated using the exchange rate when the fair value was determined.

Costs and revenues

Costs and revenues are recorded in accordance with the probability that the company will receive economic benefits and the amount can be determined reliably. The revenues are recorded at the fair value of the amount received less returns, discounts and allowances in accordance with the accruals principle. Revenues relating to the sale of goods are recognised when the company has transferred to the buyer all the significant risks and rewards related to the ownership, which in many cases coincides with the transfer of the ownership and/or possession by the buyer and when the amount of the revenue can be reliably determined. Costs are recorded in accordance with the accruals principal.

Dividends

Dividends payable are represented as changes in shareholders' equity in the year in which they are approved by the Shareholders' Meeting. Dividends to be received are recorded on the date of the shareholders' resolution.

Financial income and expenses

Financial income and expenses are recorded on an accruals basis on the interest matured on the net value of the relative financial assets and liabilities and utilising the effective interest rate. The Company reports net exchange gains and losses under net financial income/(charges) in accordance with IAS 1 Revised, para. 35.

Income taxes

The Company tax charge is based on current taxes and deferred taxes. Where relating to components recognised to income and charges recorded to net equity within the comprehensive income statement, such taxes are recorded to the same account.

Current taxes are calculated based on tax regulations in force at the financial reporting date; any risks concerning different interpretations of positive or negative income components, such as any disputes with tax authorities, are valued at least quarterly in order to adjust the financial statement provisions. In particular, in the determination of the income taxes of the Company, consideration was taken of the effects deriving from the IAS tax reform introduced by Law 244 of December 24, 2007 and, in particular, the provisions of Article 83 of the Consolidated Finance Act which now requires that for parties that apply international accounting standards they must utilise, even where exempted by the provisions of the Consolidated Finance Act, "the criteria of qualification, accruals accounting and classification in the accounts in accordance with these accounting standards".

The deferred taxes, recorded in the accounts at their nominal value, are calculated based on the temporary differences between the book value of the assets and liabilities and the corresponding value for tax purposes, with the exception of temporary differences on the initial recording of the goodwill, of the initial recording of assets or liabilities which do not have an impact on the profit for accounting or tax purposes and the differences relating to investments in subsidiary companies in which it is probable, in the future, that the temporary differences will not reverse. The valuation of deferred tax assets and liabilities is carried out applying the expected tax rate when the temporary differences will reserve, on the basis of the current tax regulations at the reporting date. Deferred tax assets are recognised for the amount it is probable that, in the years in which the relative temporary differences reverse, assessable income exists at least equal to the amount of the differences. Deferred tax assets and liabilities are classified under non-current assets and liabilities.

UTILISATION OF ESTIMATES

The preparation of the financial statements at December 31, 2012 requires the use of estimates and specific valuations by the Directors, based on historical data and on the expectations of events which will reasonably occur based on current information available. The principal account in the financial statements utilising valuations and assumptions of particular significance is goodwill, in relation to which, as previously indicated, the Company makes an analysis of the recoverable value at least on an annual basis (impairment test), which requires utilisation of estimates, which are described in paragraph 3 "Goodwill". It is possible that the actual results will be different from the assumptions, which may result in an adjustment to the carrying value of the goodwill, recorded in the financial statements at December 31, 2012 for a value of Euro 5,984 thousand.

IMPAIRMENT OF GOODWILL

As previously described, the Company annually makes an analysis of recoverable value of goodwill ("Impairment test"). This test is based on calculations of its value in use, which requires the use of estimates. These estimates are detailed in the paragraph relating to the goodwill. It is possible that the actual results will be different from the assumptions which may result in an adjustment to the carrying value of the goodwill.

OPERATING SEGMENTS

The Company considers the "operating segment" in accordance with IFRS 8 as the segment of activity where the risks and benefits for the company are based on the products and services provided. Information in relation to the geographic areas where the risks and benefits for the company are identified based on the geographic area in which the Company operates are also provided. The results by operating segment are reported in the income statement section of the notes. The data are recorded under the criteria adopted for the valuation of the financial statements and those applied for segment information in the previous year.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS – IFRS 7

In accordance with IFRS 7 international accounting standard and subsequent amendments, information relating to the exposure to and management of financial risks and the utilisation of financial instruments in furtherance of the exchange and interest risks management policy are provided below. In relation to the amendments introduced by IFRS 7 from January 1, 2012, concerning the additional disclosure to be provided on the transfer of financial assets not eliminated or in the case of a residual holding in transferred assets, there are no effects in the present financial statements, as the circumstances requiring additional disclosure are not present.

A brief analysis of the nature of the risks and the risk management employed by La Doria S.p.A. is provided below.

Financial instruments

IFRS 7 requires additional disclosures on financial instruments in relation to the performance and to the financial position of an entity. These disclosures incorporate some requirements previously included in accounting standard IAS 32 – Financial instruments: disclosure and presentation". The accounting standard also requires information relating to the exposure of risk deriving from the use of financial instruments, and a description of the objectives, policies and procedures implemented by Management in order to manage these risks.

La Doria S.p.A. in its normal operating activities is exposed to:

a) **market risk**, principally interest rate and exchange rate connected respectively to the financial liabilities assumed and the operations in areas with currencies other than the Euro;

b) **liquidity risk** relating to the availability of financial resources and access to the credit market in an adequate manner for its operations and the repayment of liabilities assumed;

c) **credit risk** deriving from the normal commercial operations carried out by La Doria.

The Company monitors each of the above-mentioned financial risks, undertaking action to minimise in a timely manner, also with reference to the market risk, through the utilisation of hedging instruments.

INFORMATION ON THE MANAGEMENT OF FINANCIAL RISKS

The paragraphs below analyse, also through sensitivity analysis, the potential impact on the results deriving from fluctuations in the parameters. These analysis are based upon, in accordance with IFRS 7, simplified scenarios applied to the actual data of the periods taken and, by their nature, may not be considered indicators of the real effects of future changes in the parameters against a different financial structure and different market conditions.

At December 31, 2012, the accounts considered as financial instruments in accordance with IFRS 7 are those indicated in the table "Financial Instruments – IFRS 7.8" – Attachments 1 and 2.

Market risk:

The strategy applied for this type of risk aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and "best market practices".

The exchange risk relates in particular to commercial transactions in US Dollars (for imports) and UK Sterling and to a lesser degree Australian Dollars (for exports) and is managed through options and forward operations. The notional values and Fair Value of the operations above at 31/12/12 are reported in the “Hedging Valuation” table at Att. 3 Cons.. In March 2011, the IASB issued an amendment to IFRS 7, among the most significant modifications was the creation of the so-called “hierarchy of fair value”. In particular, the amendment defines three levels of fair value (IFRS 7, par. 27A):

- level 1: if the financial instrument is listed on an active market;
- level 2: if the fair value is calculated based on valuation techniques which utilise market parameters, other than the listed price of the financial instrument;
- level 3: if the fair value is calculated based on valuation techniques which utilise non-market parameters.

The hedging operations undertaken by La Doria S.p.A. are all considered as "level 2" operations in that the fair value is calculated in an indirect manner from market input data (exchange rates, interest rates, forward prices, volatility curves) through the utilisation of valuation techniques (discounting cash flow model, or more advanced models for options). No changes were made to the valuation procedures from the previous year.

Interest rate risk:

The Company manages the cash flow risk through interest rate swap operations (IRS amortising) which permit the conversion of the floating rates relating to the medium-long term loans received to fixed rates, through the settlement of differentials on the maturity of the loan repayments (cash flow hedge).

With the objective, therefore, to reduce the net debt subject to changes in the interest rates, Interest Rate Swap (IRS) contracts were put in place. All these contracts are made with notional and expiry dates lower than or equal to those of the underlying financial liabilities, thus each variance in the fair value and/or in the expected revenue streams of these contracts is offset by a corresponding variance of the fair value and/or of the expected revenue streams from the underlying position. The fair value of the interest rate swap is measured discounting the expected revenue streams.

In 2012, the financial markets saw the continuation of the so-called “credit crunch”. The banks, still concerned by country risk, on the one hand significantly increased average interest rates on short-term lending, through an increase in the spreads applied, and on the other hand significantly restricted the granting of medium-long/term loans.

The 3-month EURIBOR in December 2012 was 0.19% compared to 1.46% in December 2011.

In this financial environment La Doria S.p.A. availed of its extensive range of credit lines recognised by banking institutions, utilising only the most competitive short-term credit lines, much lower than the market average, and leaving unutilised the less competitive credit lines. In consideration of the high spreads on the medium/long-term loans, the Company limited the request of new loans to only Euro 5 million to support the investments of the Programme Contract with the Campania Region.

In quantitative terms, against a medium/long term exposure (including repayments within the next 12 months) at 31/12/12 of Euro 53,418 thousand, the IRS hedging on the debt reduced from 88.5% at the end of 2011 to 83.7% at the end of 2012.

The situation at December 31, 2012 with a 3-month EURIBOR of 0.19% was the following:

(euro/000):

Loans at 31.12.12	Total part hedged	Final rate on hedged	Total part not hedged	Total rate on part not hedged	Average rate on total
53,418	44,704	3.83%	8,714	3.19%	3.73%

The situation at 31/12/11 with a 3-month EURIBOR of 1.37% was the following:

Loans at 31.12.11	Total part hedged	Final rate on hedged	Total part not hedged	Total rate on part not hedged	Average rate on total
66,175	58,572	3.82%	7,603	2.89%	3.71%

In relation to the valuation of the foreign exchange hedges existing at December 31, 2012, the position is shown in the table "Hedge Valuation" – Attachments 3 and 4.

Sensitivity Analysis on rates

During 2012, against an average 3-month EURIBOR of 0.59%, La Doria paid an interest rate on the medium/long term debt of 2.86%, with IRS hedging at 3.83% and on the short-term debt of 3.09% (rate including charges). Assuming a change in average annual interest rates of +/-50 bps the impact on the balance sheet would have been that shown in the table "Sensitivity Analysis-IFRS 7.40-42" Att. 5.

During the year 2011, against an average 3-month EURIBOR rate of 1.41%, La Doria paid an interest rate on the medium/long term debt of 2.98%, with IRS hedging at 3.82% and on the short-term debt of 2.75% (rate including charges). Assuming a change in the average annual interest rates of +/-50 bps the impact on the balance sheet would have been that shown in the table "Sensitivity Analysis-IFRS 7.40-42" Att. 6.

Currency risk:

La Doria S.p.A., as previously described, uses derivative instruments to manage the risk of changes in the expected cash flows relating to defined contractual operations (cash flow hedge). The effectiveness of the hedging operations, identifiable as cash flow hedges, is analysed and documented both at the beginning of the operation and periodically (at least on the publication of annual or interim accounts). The forward currency operations, carried out within the management of the exchange risk and considered hedges from an operational viewpoint, do not have the requirements for hedges as per IAS 39. Therefore, hedge accounting may not be applied. These operations, therefore, are considered trading operations and are measured at fair value through profit or loss.

The principal exchange rates the Company is exposed to are:

- EUR/USD : relating principally to the purchase of raw materials on the Asian market and from other markets in which the Dollar is the currency for commercial trade.
- EUR/GBP : due to the fact that the 51% subsidiary LDH (La Doria) Ltd is included in the consolidation area whose accounts are in UK Sterling. From 2008 - and also during 2012 - commercial transactions with the subsidiary LDH (La Doria) Ltd, particularly in relation to the supply of tomatoes and vegetables, were invoiced almost completely in GBP Sterling and no longer in Euro; the need to invoice in Sterling became apparent in recent years firstly due to the depreciation of the UK currency and secondly as a centralised exchange risk management strategy of the Parent Company.

  In the operating procedures, the foreign currency hedges are made based on a planning of payments in foreign currencies, firstly based on the approved budget and subsequently relating to payables recorded in the accounts to which are added all future commitments in foreign currency communicated by the purchases office. This payment situation is utilised together with historical statistical data to determine a reliable foreign currency payments plan. The primary objective of the Company is to hedge the level of foreign exchange as established in the budget.

  A similar procedure is utilised on the export side for sales in GBP to our subsidiary LDH (La Doria) Ltd; in this case, after the approval of the Annual Budget, the "Planning of foreign sales" department provides the monthly updated positions relating to contracts and the relative planning of deliveries in foreign currencies.

  In 2012, La Doria S.p.A. received payments of over GBP 73 million compared to GBP 48 million in 2011 and at the same time made payments of USD 50 million compared to USD 46 million in 2011. This significant increase in the Company's exchange rate risk was managed by increasing the notional amount of hedging derivatives, while maintaining a very prudent approach on the fixed cross rates in the budget. At the end of 2012, La Doria S.p.A. had hedging in place for 2013 of a notional maximum amount of USD 37 million and GBP 61 million. These hedges were undertaken with a number of competing banks and through various structures, also in order to diversify the time periods and the type of our exchange risk. La Doria S.p.A. favours a structure without "leverage" and without KO, utilising leverage only in the case of significant variance from budget and in any case with minimum risk.

– EUR/AUD: relating to the residual and insignificant part of commercial trade undertaken in the Australian Dollar area.

Sensitivity Analysis on Exchange Rates:
In 2012, against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2012 would have been as per the table "Sensitivity Analysis - IFRS 7.40-42" Att. 7.

In the previous year, however, against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at 31/12/2011 would have been as per the table "Sensitivity Analysis - IFRS 7.40-42" Att. 8.

In relation to the valuation of the foreign exchange hedges existing at December 31, 2012 and at December 31, 2011, the position is shown in the table "Hedge Valuation" – Att. 3 and Att. 4.

Liquidity Risk:
The liquidity risk represents the risk that the financial resources available cannot adequately support the commercial and investment actions, in addition to not being able to repay payables on the maturity dates. In order to be prudent against these risks La Doria S.p.A. adopted an optimisation between short and medium-long term debt and within the short-term lines a diversification policy of the credit lines and banking institutions.

The situation at 31/12/2011 compared to 31/12/2010 is as follows:

(Euro/000)	AT 31.12.12	AT 31.12.11
Medium/long-term payables (Includ. repayables within 12 months)	53,418	66,175
Short term payables	72,184	59,412
Cash and cash equivalents	(13,447)	(11,911)
TOTALE NFP	**112,155**	**113,676**

In relation to the medium/long term loans, the current situation and the repayments made in recent years to December 31, 2012, and also compared with the previous year, are as follows:

	Balance 31.12.12	Repayments 12 months	Repayments 24 months	Repayments 36 months	Repayments 48 months	Repayments > 5 years
M/L Debt	53.418	16.504	16.826	12.229	4.683	3.176

	Balance 31.12.11	Repayments 12 months	Repayments 24 months	Repayments 36 months	Repayments 48 months	Repayments > 5 years
M/L Debt	66.175	17.755	16.506	15.908	11.271	4.735

The medium/long-term loan received from Unicredit S.p.A. in December 2012 for Euro 5 million includes financial covenants which are outlined in detail in the present explanatory notes at paragraph 17 "Financial payables".

The short-term financial payables are divided between different banking institutions utilising bank overdrafts, import and export finance and invoice financing. At December 31, 2012, three "recourse factoring" IAS compliant contracts are in place and two "without recourse" contracts; these latter for a total value of Euro 10 million. At December 31, 2012, the percentage of the short-term credit lines utilised was 58%; it is highlighted that this percentage in December represents a substantially higher than average value for the year considering the seasonality of the tomato and fruit sector with the highest levels of financing required at the year-end.

This percentage was 61% at December 31, 2011.

Credit Risk:

The exposure of La Doria S.p.A. to the credit risks is essentially connected to the commercial sales activities carried out by the Company both on the domestic market and on the foreign market. In order to control and monitor this risk La Doria S.p.A. applies two directives:

– Insurance of credit

– Credit Policy.

Regarding the first point, the trade receivables on the domestic and international market are insured up to the credit limits communicated by the insurance company. The receivables insured naturally exclude inter-company receivables and a total of 22% of receivables relating to clients although not insured provide guarantee conditions (advance payment and hedge with guarantees) or are considered extremely reliable by the Company in view of the long-standing nature of the relationship. The insurance covers the risk up to 85% of the credit limit both on the domestic and the international market.

In relation to the organisation and the monitoring of the credit risk, La Doria S.p.A. has implemented within the Credit Management function under the Administration and Finance Department, a Credit Policy which governs and coordinates together with the insurance company, the evaluation of the Credit Standing of the clientele, the monitoring of the relative expected cash flows, the appropriate solicitation actions and concession of extended payment terms supported by adequate guarantees and any recovery actions. The payment terms granted to clients provide for varying terms in line with market standards.

The ageing of the receivables of La Doria SpA at December 31, 2012 and December 31, 2011 is shown in the table "Current and non-current receivables (overdue and not yet overdue) IFRS 7.37" – Att. 9 and 10.

The concentration of the receivables at December 31, 2012 and 2011 is shown in the table "Concentration of receivables" - Att. 11 and 12.

The situation of the amounts of La Doria S.p.A. in dispute at December 31, 2012 was Euro 1,063 thousand; this amount is covered by a doubtful debt provision of Euro 1,083 thousand.

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

They amount to Euro 497 thousand, with a change of Euro 4 thousand on December 31, 2011. The changes in the year are reported in Attachment A. The increase in the year of Euro 63 thousand relates to software for payroll and maintenance management. The decrease in the account of Euro 150 thousand relates to amortisation in the period; a reclassification of Euro 34 thousand also took place from intangible assets in course to tangible assets in course relating to the year 2011.

2. Property, plant & equipment

The account amounts to Euro 95,101 thousand with a change of Euro 2,997 thousand compared to December 31, 2011. The details of the movements for the year are shown in Attachment B. The increase in the year is due for Euro 8,312 thousand to plant and machinery, including packaging plant at Fisciano (Euro 4,840 thousand) and for Euro 1,325 thousand as-

sets in progress and advances concerning mainly the restructuring of the offices at Angri (Euro 500 thousand).
The decreases in the year, of Euro 8,986 thousand, comprises principally Euro 8,575 thousand of depreciation and total divestments of Euro 411 thousand. Attachment B1 provides an analysis of the gross value and Attachment B2 shows accumulated depreciation. In application of IAS 23 "Borrowing costs", an evaluation was carried out of financial charges to be capitalised deriving from loans from primary credit institutions concerning the realisation of fixed assets in 2012. The analysis regarded some high value property, plant and equipment. At December 31, 2012, no borrowing costs were capitalised given the immaterial amounts involved.

In May 2009, in relation to the tender offer in the Regional Programme Contracts, the Campania Regional Council approved the admissibility of the investment plan of the Parent Company La Doria S.p.A.. On August 22, 2012 with Executive Decree No. 64 the La Doria S.p.A. programme was granted a loan for Euro 5,759 thousand, concerning 30% of admitted expenditure (Euro 19,195 thousand) concerning productive investments and technological transfer (Article 11 of the Technical Regulation) and infrastructure investments in the support and management of common services (Article 12 of the Technical Regulation). On October 31, 2012 a Programme Contract was signed between the Campania Region and La Doria S.p.A. establishing for 2012 a capital grant of Euro 1,061 thousand, of which Euro 594 thousand concerning prior year income as relating to investments made under the contract since 2011. The deadline for the completion of investments and the project is December 31, 2013.

3. Goodwill

Goodwill amounted to Euro 5,984 thousand, unchanged on the previous year and relates to:

– Euro 669 thousand relating to the incorporation into La Doria SpA of the subsidiary Pomagro S.r.l., a company operating exclusively in the tomato-based product sector; the amount represents the difference between the higher value paid for the acquisition of the residual share and the values allocated, based on the fair values at the date of the acquisition, of the individual assets and liabilities of the company acquired. The acquisition of Pomagro S.r.l. concerns substantially the purchase of the Fisciano plant in which the specific production is developed for the entire Japanese market and for some English clients. The production site – the only site within the Group – also produces the cherry tomato line. In accordance with IAS 36, at December 31, 2012 management carried out an impairment test on goodwill deriving from the acquisition of Pomagro. The revenues and EBIT for 2013 were extracted from the La Doria S.p.A. budget with reference to the production from the Fisciano plant. The plan growth rates are based on the overall growth rates for the Company. The fixed assets were identified based on the assets ledger of La Doria S.p.A. concerning all assets at the Fisciano plant. The recoverable value of the goodwill was calculated through discounting the Free Cash Flow from Operations (FCFO) utilising a Weighted Average Cost of Capital (WACC) of 8.83%; based on the criteria applied the recoverable value of the "Pomagro Red Line" CGU was Euro 54,600 thousand, against net capital employed of Euro 31,200 thousand and a book value of the goodwill in the financial statements of Euro 669 thousand. The recoverable value of the CGU was therefore much greater than the sum of the net capital employed and the goodwill and, therefore, no impairment in the period.

– Euro 5,263 thousand relating to the acquisition of the Sanafrutta Group, subsequently merged into the Parent Company La Doria S.p.A. and Euro 52 thousand relating to the initial conferment in 1999 received by the company, now incorporated, Confruit G S.p.A. This goodwill is allocated to the business unit relating to the production of fruit juices, currently undertaken in the plants at Angri, Sarno and Faenza, hereafter also the "Fruit line". The criteria used for the valuation of the goodwill of the Fruit Line was the value in use calculated by an independent expert, in accordance with the Discounted Cash Flow (DCF) method already used for the valuation of the company on the acquisition, with reference to December 31, 2003. The projections for the application of the DCF related to the period 2013-2017, taking into consideration the budget figures or the business plan prepared by the management of La Doria S.p.A. with reference to the preliminary results as at December 31, 2012 as the commencement basis and approved by the Board of Directors on March 1, 2013. The main assumptions of the impairment test refer to turnover and operating results which, starting with the 2012 preliminary result is prudent for 2013, then expecting an improvement in 2014 onwards as the actions taken to improve profitability of the fruit line business become evident; the principal actions include the purchase of the new Tetra Brik packaging lines in place of the previous lower productivity lines. Revenues, in light of these considerations, will grow by an annual average of 5.4% from 2013, while the EBITDA with a small loss in 2013 will reach Euro 6,087 thousand in 2017. Naturally the organisational and operative synergies deriving from the transfer of the fruit juice production begun in previous years to the Angri and Sarno plants are being exploited, in addition to the extensive actions taken with the suppliers of raw materials and packaging focused on containing costs and therefore increasing the margin. In addition to these actions begun in recent years, is the acquisition of the new high productivity Tetra Brik lines in 2012. The impairment valuation was calculated through discounting of the FCFO (Free Cash Flow from Operations) utilising a discount rate of 7.64%, extrapolated from specific analysis made by independent experts and corresponding to the WACC (Weighted average cost of capital) using the average cost of equity and debt capital. The discount rate of future cash flows (g) was taken as 2% as used in the previous year. The discount rate (WACC) was significantly impacted by financial market volatility, with extensive stress tests applied on the goodwill recorded in the financial statements under the impairment procedures. These financial assumptions, in light of the valuation criteria applied resulted in a recoverable value of the CGU of Euro 29,420 thousand against a net capital employed of Euro 28,390 thousand and a book value of the goodwill recognised to the financial statements of Euro 5,263 thousand and to the consolidated financial statements of Euro 2,732 thousand. The recoverable value of the CGU was therefore greater than the sum of the net capital employed and goodwill. The report received from the independent expert contains also a sensitivity analysis which takes into consideration a WACC which varies from 7.64% to 8.64% and a growth rate of cash flows (g) which varies from 0% to 2%. The Table below shows the changes in the results of the impairment test from changes in the assumptions of the WACC and the discount rate:

				WACC		
Total Value		**7.64%**	**7.89%**	**8.14%**	**8.39%**	**8.64%**
Cash flow growth	0%	23,180	22,480	21,825	21,211	20,635
(g)	0.5%	24,413	23,622	22,886	22,199	21,556
	1%	25,831	24,930	24,095	23,320	22,598
	1.5%	27,479	26,443	25,487	24,604	23,785
	2%	29,421	28,212	27,106	26,089	25,152

The impairment procedures, carried out by an independent expert, concerning the goodwill allocated to the “Pomagro Red Line" CGU, the “Fruit Line" and for the purposes of the goodwill recognised to the consolidated financial statements on the "LDH" CGU include detailed reports on the assumptions of the plans, the estimation methodology and the parameters utilised. These impairment procedures were approved by the Board of Directors of La Doria SpA on March 1, 2013, independently and in advance of the approval of the Annual Report, as required by the Bank of Italy/Consob/Isvap document No. 4 of March 3, 2010.

4. Investments in subsidiary companies

The account amounting to Euro 4,068 thousand remains unchanged from the previous year. The account was entirely comprised of:

– 51% investment in LDH (La Doria) LTD, a UK marketing company, with share capital of GBP 1,000,000, carried for Euro 764 thousand. The financial statements of the company, approved by the Board of Directors on February 18, 2013, show an IAS compliant financial statements net profit for the year ended December 31, 2012 of GBP 7,901 thousand and net equity of GBP 36,587 thousand which, translated at the reference exchange rates (average annual rate for net profit and year-end rate for net equity) resulted in a net profit of Euro 9,743 thousand and a net equity of Euro 44,832 thousand. The company holds investments in subsidiaries and associated companies, details of which are shown in Attachment C1.

– 98.34% investment in Eugea Mediterranea S.p.A., carried in the accounts for Euro 3,304 thousand. The company produces tomato-based products and fruit purées. The financial statements at December 31, 2012, prepared in the accordance with Italian GAAP, was approved by the relative Board of Directors. Net equity, based on the international accounting standards adopted by La Doria S.p.A., amounted to Euro 5,274 thousand, with a share capital of Euro 1,500 thousand and a profit for the year of Euro 164 thousand.

The principal information concerning the subsidiary companies is reported in Attachment C.

5. Other investments

The account principally refers to non-significant minority holdings, amounting to Euro 229 thousand, and increased Euro 180 thousand compared to the previous year. The account includes:

– Acciaio Consorzio (Steel consortium) for Euro 0.5 thousand, a national consortium which, by law, was assigned the disposal of waste from tin plate processing, unchanged compared to the prior year;

– CONAI Consorzio (National Packaging Consortium) for Euro 5 thousand - this obligatory investment is the result of the enactment of Legislative Decree No. 22 of February 5, 1997 (better known as the Ronchi Decree) implementing the European Community objectives on recovery and recycling packaging materials;

– Manifesto S.p.A recorded for Euro 2 thousand, has not changed from the previous year. The subscription was made in December 2003 by the subsidiary Adriatica Conserve S.r.l.;

– Consorzio Utilities Ravenna, recorded for Euro 0.5 thousand;

– Consorzio Prodotti Biologici, recorded for Euro 3 thousand;

– Consorzio Faentino, recorded for Euro 0.1 thousand;

– T.F.C. S.p.a. recorded for Euro 209 thousand, equal to 15.29% of the share capital. On September 6, 2012, La Doria S.p.A. acquired, for Euro 175 thousand, 229 shares of a nominal value of Euro 26.00 each, comprising 2.29% of the share capital of the above-stated company, exercising the pre-emption right in relation to the declared interest of the minority shareholder "Fiege Borruso" to sell their shares;

– Fondazione della Comunità Salernitana, acquired in 2009 and recorded for Euro 3 thousand;

– CFV società cooperativa consortile, subscribed in 2011 for Euro 0.5 thousand.

– Tradizione Italiana-Italian Food Tradition S.c.a.r.l, subscribed in 2012 for Euro 5 thousand.

6. Other non-current assets

These amount to Euro 2,578 thousand and relate to prepayments over 12 months concerning promotional contributions recognised to the subsidiary LDH (La Doria) Ltd for a total amount of Euro 6,501 thousand against the future supply of tomato-based and vegetable products.

7. Deferred tax assets

They amount to Euro 3,491 thousand and increased by Euro 367 thousand compared to December 31, 2011 and refer to costs and/or revenues on which taxes have been paid in advance of their recognition for accounting purposes. The movements in deferred tax assets in the year are detailed below:

Deferred tax asset (Euro/000)	**Taxes**	**Taxes**
Assessable 2011	8,519	4,544
Util. 2012	(3,881)	(1,422)
Provisions 2012	4,692	2,836
Assessable at 31.12.12	9,330	5,958
Rate	27.50%	4.97%
Total IRES - IRAP statutory 31.12.12	**2,566**	**296**
Total IRES - IRAP statutory 31.12.12	**2,862**	
Total Ires -Irap (non-current) IAS at 31.12.12	269	
Total Ires from IAS 39 at 31.12.12	360	
Total Ires and Irap deferred tax asset at 31.12.12	**3,491**	

The amount refers principally to taxes on risk provision, write-downs of inventories and receivables.

The breakdown of the temporary differences giving rise to deferred tax assets are reported below.

DEFERRED TAX ASSETS

	December 31, 2011				December 31, 2012					
(Euro/000)	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary differences RAP	Amount of tax asset RAP	Amount of temporary differences RES	Amount of tax asset RES	Amount of temporary differences RAP	Amount of tax asset RAP	Of which ncome Taxes recorded to Profit and Loss RES and RAP	Of which ncome Taxes recorded to Net Equity RES and RAP
AS Parent Company changes	1,040	286	539	27	893	246	462	23	(44)	-
RS Parent Company changes	881	242	-	-	1,309	360	-	-	-	118
Doubtfu debt prov s on	1,908	525	-	-	1,218	335	-	-	(190)	-
Bu d ng wr te-down	116	32	116	6	116	32	116	6	-	-
Exchange osses	199	55	-	-	250	69	-	-	14	-
Prov s ons for r sks and charges	3,253	894	2,366	118	3,063	842	2,185	109	(61)	-
Tax for waste remova	61	17	-	-	82	23	-	-	6	-
Sa es rep	-	-	-	-	-	-	-	-	-	-
Apartment renta	-	-	-	-	-	-	-	-	-	-
D rectors fees	198	54	-	-	161	44	-	-	(10)	-
Emp oyee bonus	721	198	-	-	781	215	-	-	16	-
nventory wr te-down	2,000	550	2,000	99	3,600	990	3,600	178	519	-
P ant wr te-down	1	-	-	-	-	-	-	-	-	-
Cap ta grants Law 64	62	17	62	3	58	16	58	3	(1)	-
Goodw amort sat on	1	-	1	-	-	-	-	-	-	-
Ma ntenance & repa rs	-	-	-	-	-	-	-	-	-	-
TOTAL	**11,478**	**3,155**	**4,978**	**247**	**11,532**	**3,172**	**6,420**	**319**	**249**	**118**

8. Non-current assets held for sale

The account balance is nil at December 31, 2012 (Euro 320 thousand at December 31, 2011). The previous year balance included the value of the building originally acquired by Adriatica Conserve S.r.l for which a preliminary sales contract had been signed, establishing consideration of Euro 320 thousand. The sales operation was completed in 2012 with the disposal in favour of Nuova Agricola Italiana S.r.l. against the established consideration.

CURRENT ASSETS

9. Inventories

The account increased by Euro 4,388 thousand compared to December 31, 2011, due in particular to an increase in finished products; the inventory allowance accounts for the physical deterioration of goods, as the current composition of inventories takes into account the effects of the destruction or slow moving goods. The increase in the provision derives from the obsolescence estimate relating to goods to be destroyed and seconds, net of the utilisation of part of the provision made in 2011.

The composition of the inventory compared to the previous year is shown below:

Inventories (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Raw material, ancillary and consumables	16,729	17,565	(836)
Work-in-progress and semi-finished goods	12,274	12,786	(512)
Finished & semi-fin. products	108,661	101,413	7,248
Payments on accounts	84	0	84
Obsolescence provision	(3,600)	(2,000)	(1,600)
Diesel for motor vehicles	6	3	3
TOTAL	**134,154**	**129,766**	**4,388**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Beginning balance	2,000	4,200	(2,200)
Utilised for losses during the year	(1,004)	(2,400)	1,396
Provision for the year	2,604	200	2,404
PROVISION AT 31/12/2012	**3,600**	**2,000**	**1,600**

10. Trade receivables

Trade receivables amount to Euro 68,052 thousand, an increase of Euro 6,318 thousand compared to December 31, 2011 and are shown net of the doubtful debt provision of Euro 1,083 thousand. This account includes receivables from subsidiaries, commented upon in the paragraph "Transactions with related parties" for Euro 24,359 thousand.

Doubtful debt provision (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Beginning balance	1,908	2,480	(572)
Utilised for losses during the year	(1,227)	(602)	(625)
Provision for the year	402	30	372
PROVISION AT 31/12/2012	**1,083**	**1,908**	**(825)**

The provision in the year takes account of the risk of non-payment from clients with exposure beyond a certain date, while the utilisation of the above-mentioned provision refers to the bad debts in 2012. The doubtful debt provision in 2012 at the year-end only includes provisions for receivables from third parties as there is no risk of non recovery from subsidiaries.

11. Other assets

These amount to Euro 15,826 thousand, an increase of Euro 3,690 thousand compared to December 31, 2011. The balance at December 31, 2012 principally includes:

- Employee receivables for Euro 341 thousand (in particular additional IRPEF matured in the year and which will be paid in instalments in subsequent years);
- Euro 2,978 thousand for other receivables, principally comprising for Euro 2,328 thousand forward operations at December 31, 2012, principally options, put in place to offset the exchange rate risk, and for Euro 162 thousand of receivables of provisional payments concerning disputes in course for which a judgment is expected; these risks are considered in the other risks provision;
- Euro 4,202 thousand for prepayments principally relating to promotional contributions recognised to the subsidiary LDH (La Doria) Ltd against the supply of tomato and legume products;
- Euro 8,306 thousand for receivables from the State relating to:
  - Euro 5,612 thousand to the Campania Region for the Programme Contract signed on October 31, 2012 based on Executive Decree No. 64 of August 22, 2012 of the A.G.C.

12 – Sector 1, supplemented by the subsequent Executive Decree No. 67 of September 11, 2012 of A.G.C. 12 – Sector 1 and the Executive Decree No. 625 of October 30, 2012 of the A.G.C. 09 – Sector 2. As previously illustrated this Programme Contract involved the disbursements to the Company of grants for a total of Euro 5,759 thousand in the form of plant capital grants under the Operational Objective 2.3 of the P.O.R. F.E.S.R. Campania 2007 – 2013. The grant concerns 30% of the "Intervention Plan" for Euro 19,195 thousand approved by the Campania Region with Resolution No. 888 of May 15, 2009, based on the common strategies of the plan with the Regional programme guidelines. The receivable from the Campania Region concerns 30% of the total investment carried out at the reporting date (Euro 18,707 thousand);

- Euro 2,594 thousand for the recognition of the partial exemption for IRPEG tax for the years from 1993 through 1997, recorded in previous years. In 2012, Euro 1,066 thousand was received (of which Euro 402 thousand for interest), concerning the years 1993, 1994 and 1995: The Company is undertaking all necessary actions to obtain the residual tax receivables recognised, including interest matured at 31.12.2012 of Euro 915 thousand. At December 31, 2012 the ILOR receivable was settled (Euro 456 thousand at 31.12.2011) as repaid during the year;
- Other receivables from the Public Administration for Euro 100 thousand.

12. Tax receivables

This account, totaling Euro 2,286 thousand, reports a net increase of Euro 1,806 thousand compared to December 31, 2011 and includes:

- VAT receivable amounting overall to Euro 1,381 thousand, relating for Euro 413 thousand to an interim VAT repayment request of 2001, for Euro 15 thousand relating to the European Court judgment concerning the deductibility of company vehicle costs, for Euro 953 thousand of the VAT receivable matured in 2012 within the Group VAT procedure;
- Tax receivable for provisional payments against Tax assessments in dispute concerning the years 2004, 2005 and 2006 of Euro 905 thousand.

13. Cash and cash equivalents

The account amounts to Euro 13,447 thousand, an increase of Euro 1,536 thousand compared to December 31, 2011 and relates to the temporary surplus of liquidity held in bank current accounts in Euro and foreign currencies (Euro 13,446 thousand) and cash (Euro 1 thousand).

LIABILITIES AND SHAREHOLDERS' EQUITY

14. Share Capital

The share capital of La Doria S.p.A is fully paid-in and at December 31, 2012 amounts to Euro 39,544 thousand, divided into 28,654,875 ordinary shares of a nominal value of Euro 1.38 each. In 2012, the share capital increased by Euro 4,960 thousand due to the Scrip issue under Regional Law Number 12 of November 28, 2007 (the Campania Region Operating Programme F.E.S.R. 2007-2013). The capital increase was approved by the Board of Directors on October 30, 2012 and carried out through the partial use of the Retained Earnings Reserve and the increase in the nominal value of each of the 31 million ordinary shares from Euro 1.22 to Euro 1.38 each. The share capital in 2012 decreased by Euro 576 thousand following the acquisition of 467,552 treasury shares at an average price per share of Euro 1.72, for a total payment of Euro 804 thousand. At December 31, 2012, the treasury shares in Portfolio numbered 3,236,273 and recorded as a reduction in the share capital.

15. Reserves and retained earnings

These amounted to Euro 48,984 thousand, a decrease of Euro 4,609 thousand on December 31, 2011. In relation to the provision as per Law 488/92 of Euro 4,724 thousand, the distribution and availability condition was fulfilled as the investment programme in relation to which it was drawn up was completed.

16. Profit for the year

This amounts to Euro 6,199 thousand, an increase of Euro 5,680 compared to the previous year.

Shareholders' equity

These amounted to Euro 94,727 thousand, an increase of Euro 5,086 thousand on December 31, 2011.

The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

- In 2012 no dividends were distributed relating to the year 2011;
- The negative change in the IAS 39 reserve (other comprehensive income statement items) for Euro 310 thousand includes the amounts relating to the effective part of profits and losses on "cash flow hedge" instruments.

NON-CURRENT LIABILITIES

17. Financial payables

This account amounts to Euro 36,914 thousand, a decrease of Euro 11,506 thousand compared to December 31, 2011 and constitutes the part due beyond 31/12/2013 of medium/long-term loans. During the year 2012 unsecured loans were received of Euro 5 million.

Financial payables (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Δ**
Long-term	36,914	48,420	11,506
TOTAL	**36,914**	**48,420**	**11,506**

The principal characteristics of all the loans at the balance sheet date were as follows;

– Euro 5 million for instalments due beyond 31/12/2013 concerning a new loan granted on December 14, 2012 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2014 and the last on December 31, 2018. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with. This loan is hedged 100% by an Interest Rate Swap with Unicredit S.p.A. which converts the variable rate into a fixed rate at 0.675%. There are no installments due in 2013.

– Euro 3,111 thousand for instalments due beyond 31/12/2013 concerning a new loan granted on June 30, 2011 by Mediocredito Italiano S.p.A. for Euro 7 million, repayable in 9 half-yearly instalments, with the first instalment due on December 31, 2011 and the last on December 31, 2015. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with. This loan is fully hedged by an Interest Rate Swap with Banco di Napoli which converts the variable rate into a fixed rate at 2.46%. Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,556 thousand.

– Euro 5,250 thousand for instalments due beyond 31/12/2013 concerning a loan granted on July 12, 2011 by Unicredit S.p.A. for Euro 7 million, repayable in 20 quarterly instalments, with the first instalment due on October 31, 2012 and the last on December 31, 2017. Also this loan provides for financial covenants from 2012, calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these fi-

nancial covenants were complied with. This loan is fully hedged by an Interest Rate Swap with Unicredit S.p.A. which converts the variable rate into a fixed rate at 2.32%.
Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,400 thousand.

- Euro 1,716 thousand for instalments due beyond 31/12/2013 concerning a loan granted on August 8, 2011 by Banca Carime S.p.A. for Euro 3 million, repayable in 20 quarterly instalments, with the first instalment due on November 8, 2011 and the last on August 8, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 583 thousand.

- Euro 5,400 thousand for instalments due beyond 31/12/2013 concerning a loan granted on November 30, 2011 of Euro 9 million by Cassa di Risparmio di Parma e Piacenza S.p.A.. Sace S.p.A. provided an additional guarantee to the Bank. The loan is repayable in 20 quarterly instalments, the first due on February 29, 2012 and the last on November 30, 2016. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the consolidated debt/equity ratio. At December 31, 2012, these financial covenants were complied with.
  This loan is fully hedged by an Interest Rate Swap with the same financial institution which converts the variable rate into a fixed rate at 1.46%.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,800 thousand.

- Euro 9,778 thousand for instalments due beyond 31/12/2013 concerning a loan granted on July 13, 2010 by Monte dei Paschi di Siena Capital Service S.p.A with other credit institutions, for a total amount of Euro 22 million, repayable in 9 half-yearly instalments, the first of which due on July 13, 2011 and the last on July 13, 2015. This loan is hedged 100% by an Interest Rate Swap signed with DeutscheBank which converts the variable rate into a fixed rate at 1.825%. The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on the debt/equity ratio. At December 31, 2012, these financial covenants were complied with. Instalments due by 31/12/13, included in current liabilities, amount to Euro 4,889 thousand.

- Euro 2 million for instalments due beyond 31/12/2013 concerning a loan granted on December 2, 2010 by Unicredit S.p.A. for Euro 5 million, repayable in 20 quarterly instalments, with the first instalment due on March 31, 2011 and the last on December 31, 2015. This loan is hedged 100% by an Interest Rate Swap signed with the same financial institution which converts the variable rate into a fixed rate at 1.92%.
  The loan provides for financial covenants calculated on the La Doria Consolidated Financial Statements and based on the net financial position as a multiple of EBITDA and on

the debt/equity ratio. These covenants had all been respected at December 31, 2012. Instalments due by 31/12/13, included in current liabilities, amount to Euro 1,000 thousand.

- Euro 2,500 thousand in instalments due beyond 31/12/2013 for a loan from EFIBANCA S.p.A. granted on June 26, 2006. Repayments are due in three instalments on June 26, 2009 (Euro 2,500 thousand), June 26, 2011 (Euro 2,000 thousand) and June 26, 2014 (Euro 2,500 thousand) with deferred half-yearly interest payment. This loan is hedged 100% by an Interest Rate Swap with Monte dei Paschi di Siena S.p.A. which converts the variable rate into a fixed rate at 2.72%. No installments are due in 2013.
- Euro 1,784 thousand for instalments due beyond 31/12/2013 for loans 1870656, 1870649, 1870662 and 1697609 granted by Intesa San Paolo S.p.A. on September 28, 2007 totalling Euro 8 million (Euro 2 million each). These loans are in the form of a simple payable and are repayable within 84 months of drawdown.
  Instalments due in 2013, included in current liabilities, amount to Euro 1,688 thousand. This loan is fully hedged by an Interest Rate Swap with Banco di Napoli S.p.A. which converts the variable rate into a fixed rate at 2.53%.
- Euro 377 thousand in instalments due beyond 31/12/2013 for a loan granted on June 26, 2009 from Banca della Campania S.p.A. for an original amount of Euro 3,500 thousand, repayable in 60 monthly instalments from July 26, 2009 until June 26, 2014; this loan is hedged 100% by an Interest Rate Swap with Banca Akros S.p.A. which converts the variable rate into a fixed rate of 2.65%.
  Instalments due by 31/12/13, included in current liabilities, amount to Euro 735 thousand.

18. Other non-current liabilities

They amount to Euro 6,356 thousand, an increase compared to December 31, 2011 of Euro 3,826 thousand and refer, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Company. In particular, the increase in the non-current liabilities is due to the grants approved by the Campania Region against the Programme Contract as illustrated in paragraph 2 “Property, Plant and Equipment”.

19. Employee termination benefit and pension provision

The employee leaving indemnity provision amounts to Euro 3,991 thousand, an increase of Euro 154 thousand compared to 31/12/2011.

The movements in the year are shown below:

Provision for employee termination pay (Euro/000)	**AT 31.12.12**
Balance at Jan. 1, 2012	**3,837**
Utilisation for departures	(342)
INPS for leaving indemnity	(482)
Provisions at 31.12.12	794
Deductions at 31.12.12	(93)
Discounting provision	263
TOTAL	**3,977**
Utilisation for advances	14
BALANCE AT 31.12.2012	**3,991**

The principal actuarial assumptions, indicated below, adopted by the Company in accordance with Article 78 of IAS 19, refer to the market yields of "high quality corporate bonds", securities with a contained credit risk.

	AT 31.12.12	**AT 31.12.11**
Discount rate	Composit EURO Curve A	Composit EURO Curve A
Rate of inflation	2%	2%
% of advances requested	100%	100%

20. Deferred tax liabilities

The amount recorded of Euro 8,477 thousand has decreased by Euro 368 thousand compared to December 31, 2011 and relates to the deferment of income taxes.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.12	428	289
Utilisation 2012	(402)	(140)
Provisions 2012	108	14
Assessable at 31.12.12	134	163
Rate	27.5%	4.97%
Total IRES - IRAP statutory 31.12.12	**37**	**8**
Deferred tax liability from IAS reversal at 31.12.12	8,713	
Total Ires - Irap statutory 31.12.12	(281)	
Total IRES and IRAP deferred tax liabilities at 31.12.2012	**8,477**	

The amount refers essentially to the provision for the revaluation of land and buildings recorded in accordance with IAS 16 and 17.

The breakdown of the temporary differences giving rise to deferred tax liabilities are reported below.

DEFERRED TAX LIABILITIES

	December 31, 2011				December 31, 2012				
(Euro/000)	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary differences IRAP	Amount of tax liability IRAP	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary differences IRAP	Amount of tax liability IRAP	Of which Income Taxes recorded to Profit and Loss IRES and IRAP
IAS adjustments	29,343	8,069	12,958	644	28,418	7,815	12,425	617	(281)
Non-realised exchange gains	386	106	0	0	94	26	0	0	(80)
Capital Grants	42	11	42	2	40	11	40	2	(1)
Accelereted depreciation over six years	0	0	247	12	0	0	123	6	(6)
TOTAL	**29,771**	**8,187**	**13,247**	**658**	**28,552**	**7,852**	**12,588**	**625**	**(368)**

21. Provisions for risks and charges

The provision for risks and charges amounted at December 31, 2012 to Euro 5,921 thousand, decreasing by Euro 35 thousand compared to December 31, 2011. The account includes:

– Euro 5,011 thousand for other risk provisions to cover civil litigation in course;

  The changes in the year are due to the utilisation of the provision, which amounts to Euro 628 thousand and principally relates to the definition of disputes with former employees and suppliers, and the provision in 2012, which amounts to Euro 525 thousand and refers to disputes with employees and other disputes of a civil and fiscal nature.

– Employee bonus provision of Euro 781 thousand; this provision follows the signing of a supplementary Company agreement which provides for the payment of a bonus to staff if certain corporate objectives are reached, including a certain profit level achieved in the year. The movement in the year is based on the payment of that provisioned in the previous year, with consequent recognition to the income statement of any differences between the amount provisioned and the amount paid, in addition to the provision of the amounts matured in 2012 to be paid in the following year.

– Agent severance indemnity provision. This provision amounts to Euro 129 thousand and increased by Euro 8 thousand compared to December 31, 2011; the changes in the year is due to the utilisation for Euro 2 thousand and provision of Euro 10 thousand

The movements in the year are shown below:

(Euro/000)	Other risks	Employee Bonuses	Agents	TOTAL
Beginning balance	5,114	721	121	5,956
Utilisation for losses during the year	(628)	(721)	(2)	(1,351)
Provision for the year	525	781	10	1,316
PROVISION AT 31.12.2012	**5,011**	**781**	**129**	**5,921**

CURRENT LIABILITIES

22. Financial payables

These amount to Euro 88,688 thousand and increased by Euro 11,521 thousand on December 31, 2011 - as follows:

- Euro 44,784 thousand for advances on foreign invoices in Euro;
- Euro 7,503 thousand for advances of supplier payments;
- Euro 6,927 thousand for advances on imports;
- Euro 16,504 thousand for the portion due within 12 months of the medium/long-term loans;
- Euro 53 thousand relating to bank overdrafts;
- Euro 320 thousand for interest on short-term bank payables;
- Euro 1,309 thousand relating to the fair value of the IRS operations at December 31, 2012;
- Euro 11,289 thousand for reverse factoring with maturity

The notional values and the fair values at 31/12/12 on interest rate hedge contracts which generated the payable of Euro 1,309 thousand in the accounts, are shown below (at December 31, 2011 – Euro 881 thousand):

Bank (Euro/000)	**Notional**	**Mark to market 31.12.2012**	**Mark to market 31.12.2011**
EFIBANCA	859	(14)	(22)
AKROS	1,111	(20)	(30)
MPS	2,500	(90)	(86)
UNICREDIT	582	(7)	(21)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
INTESA SAN PAOLO	867	(23)	(30)
DEUTSCHE	14,667	(346)	(162)
UNICREDIT	3,000	(82)	(66)
BANCO NAPOLI	4,667	(170)	(147)
UNICREDIT	6,650	(330)	(233)
CARIPARMA	7,200	(158)	5
TOTAL	**44,704**	**(1,309)**	**(881)**

23. Trade payables

They amount to Euro 88,797 thousand, an increase of Euro 7,125 thousand compared to December 31, 2011 and are net of credit notes to be received from suppliers for discounts, price/quantity discounts on supply of goods and/or services relating to the period. The amount includes the payables to subsidiaries, commented on in the section “Transactions with Related Parties”, for Euro 22,623 thousand.

24. Taxes payable

These amount to Euro 3,916 thousand and increased by Euro 2,848 thousand on December 31, 2011 - as follows:

– Euro 1,745 thousand relating to IRES payables for the year (Euro 2,055 thousand) net of payments on account in 2012 (Euro 307 thousand) and withholding taxes on bank interest (Euro 3 thousand);

– Euro 661 thousand relating to IRAP payables for the year (Euro 1,956 thousand) net of payments on account in 2012 (Euro 1,295 thousand);

– Euro 1,439 thousand relating to tax payables for Euro 1,069 thousand on withholdings by the Company as a substitute tax, paid in January and February 2013, for Euro 357 thousand of additional regional and municipal taxes to be paid in 2013 and for Euro 13 thousand to withholding taxes on salaries and consultants fee;

– Euro 71 thousand relating to public administration tax payables.

25. Other current liabilities

These amount to Euro 7,926 thousand and have decreased by Euro 488 thousand compared to December 31, 2011. They principally include:

- Euro 122 thousand for payments on accounts received from clients;
- Euro 631 thousand payables to pension and social security institutions;
- payables to employees not yet paid at December 31, 2012 ,for Euro 4,470 thousand, of which Euro 1,393 thousand for salaries and wages for the month of December 2012, Euro 2,029 thousand vacation days matured at December 31, 2012 and Euro 1,047 thousand provision for fourteenth month matured in 2012;
- other charges to receive Euro 155 thousand;
- The recording of the Mark to Market, for Euro 1,158 thousand, relating to currency hedging operations;
- Euro 372 thousand for insurance payables for insurance indemnities to be paid;
- current portion of the grants on plant relating to future periods of Euro 780 thousand.

Commitments and guarantees

These total Euro 46,528 thousand and relate to:

– Euro 24,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;

- Euro 6,188 thousand for the equivalent amount at 31/12/2012 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;
- Euro 5,144 thousand for guarantees given in favour of the subsidiary Eugea Mediterranea S.p.A. on receivables from the public administration;
- Euro 4,500 thousand for guarantees given by Sace S.p.A. in favour of Cariparma S.p.A. to partially cover the loan of Euro 9 million disbursed on November 30, 2011 by Cariparma to La Doria S.p.A.;
- Euro 2,217 thousand for guarantees on La Doria S.p.A. receivables from the public administration;
- Euro 1,728 thousand for the guarantee provided by Assicurazioni Generali S.p.A. on November 16, 2012 under that requested by the Programme Contract signed with the Campania Region;
- Euro 1,821 thousand for sureties on payments terms from suppliers.

INCOME STATEMENT

Segment information as per IFRS 8

The breakdown of 2012 revenues by product line are shown below:

31.12.2012 (Euro/000) **Product line**	**2011 net of year end discounts**	**2012 net of year end discounts**	**Change Total**
Total red line	112,890	124,952	12,062
Total fruit line	58,773	64,437	5,664
Total legumes lines	83,769	102,901	19,132
Total other lines	4,742	4,892	150
Total revenues	**260,174**	**297,182**	**37,008**

The principal client was the English subsidiary LDH (La Doria) Ltd accounting for 31% of revenues.

26. Revenues

Revenues from sales and services amounted to Euro 297,182 thousand, an increase of Euro 37,008 thousand compared to December 31, 2011:

Revenues from sales	AT 31.12.12	AT 31.12.11	Change
Italy	116,057	107,880	8,177
Overseas	183,099	154,221	28,878
Loyalty discount provision	(1,974)	(1,927)	(47)
TOTAL	**297,182**	**260,174**	**37,008**

27. Other operating revenues

Other operating revenues total Euro 11,845 thousand, increasing by Euro 688 thousand compared to December 31, 2011 and comprised:

- Non-recurring income of Euro 2,645 thousand, a decrease of Euro 282 thousand on 2011; this refers to prior year income of Euro 1,878 thousand, damage claims of Euro 751 thousand and discounts of Euro 16 thousand;
- revenues and other income of Euro 9,200 thousand, essentially concerning for Euro 1,004 thousand the reversal of the inventory obsolescence provision, for Euro 1,390 thousand sale of raw material and packaging materials, for Euro 796 thousand the sale of scrap and recovery materials and for Euro 874 thousand the share of investment contracts for the period and other income of Euro 1,815 thousand. The account increased by Euro 973 thousand on the previous year.

28. Change in inventories

The net change in inventories at December 31, 2012 was Euro 3,297 thousand and was broken down as follows:

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Raw material, ancillary and consumable			
Raw materials	757	(4,700)	5,457
Packaging	127	(858)	985
Other supplies	(49)	(35)	(14)
TOTAL	**835**	**(5,593)**	**6,428**
Finished, semi-fin. and inter. products			
Semi-processed products	(512)	1,556	(2,068)
Finished & semi-fin. products	7,248	12,120	(4,872)
Inventory obsolescence provision	(2,604)	(200)	(2,404)
TOTAL	**4,132**	**13,476**	**(9,344)**
CHANGE	**(3,297)**	**(19,069)**	**15,772**

29. Purchase of raw materials and goods

The costs for raw materials and goods in 2012 amounts to Euro 203,872 thousand, an increase of Euro 4,343 thousand compared to the previous year.

The breakdown compared to the previous year is shown below:

Costs of production Raw materials, ancillary, consumables and goods (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Raw materials	82,404	84,242	(1,838)
Semi processed products	17,611	16,855	756
Finished and semi-finished products	20,551	21,409	(858)
Packaging	59,754	55,783	3,971
Energy consumption	5,598	4,838	760
Maintanance repair materials	2,700	2,497	203
Ancillary materials	18,780	16,200	2,580
TOTAL	**207,398**	**201,824**	**5,574**
Discounts on materials	(3,526)	(2,295)	(1,231)
TOTAL	**203,872**	**199,529**	**4,343**

30. Services

These amounted to Euro 48,474 thousand, an increase of Euro 6,315 thousand on 2011. The aggregate of the service costs amount to Euro 46,599 thousand and the rental, lease and similar amount to Euro 1,875 thousand. The breakdown is shown below:

Costs of productions Services (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Maintanance and repairs	1,946	1,663	283
Outside contractors	2,696	2,604	92
Travel expenses	145	147	(2)
Employee transfers	116	115	1
Entertainment expenses	48	31	17
Internal transport	344	140	204
Tolls	40	38	2
Commissions	795	843	(48)
Transport	22,119	20,588	1,531
Professional fees	754	1,452	(698)
Directors and stat. auditors	659	639	20
Audit fees	90	66	24
Telephone and fax	180	176	4
Postage	5	5	0

Costs of production **Services** (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Insurance	1,037	1,014	23
Membership fees	85	81	4
Commercial costs	7,284	3,044	4,240
Loading and unloading	1,028	1,033	(5)
Cleaning on industrial structures	960	950	10
Electricity	5,074	4,183	891
Water consumption	30	1	29
Water purification	120	129	(9)
Water disposal	408	379	29
Warehousing	525	748	(223)
Software maintanance	131	88	43
TOTAL	**46,619**	**40,157**	**6,462**
Discounts on purchases	(20)	(22)	2
TOTAL	**46,599**	**40,135**	**6,464**

In 2012, La Doria SpA was subject to, in accordance with Resolution No.11/07 and subsequent amendments of the Electricity and Gas Authority, for companies operating in the electrical energy and gas sector in Italy, the preparation of "separate annual accounts for gas and electricity activities" for the year 2011 on which PricewaterhouseCoopers Sp.A. issued its opinion on July 19, 2012.

Costs of production **Rents, leases and similar costs** (Euro/000)	**AT 31.12.12**	**AT 31.12.11**	**Change**
Buildings	229	233	(4)
Machinery and plant	643	867	(224)
EDP license	66	64	2
Lift trucks	474	431	43
EDP	103	96	7
Pallets	60	68	(8)
Auto vehicles	273	270	3
Garments	32	0	32
Premiums and discounts	(5)	(5)	0
TOTAL	**1,875**	**2,024**	**(149)**

31. Labour costs

Total labour costs for the year amount to Euro 31,188 thousand, an increase of Euro 3,102 thousand on the previous year. Breakdown of this category is shown below:

Costs of production **Salaries and wages** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Executives	2,069	2,056	13
White-collar	5,830	5,150	680
Foremen	64	65	(1)
Blue collar	5,631	4,997	634
Seasonal staff	7,313	6,875	438
Self employed associates	23	12	11
TOTAL	**20,930**	**19,155**	**1,775**

Costs of production **Social security contr.** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Executives	686	726	(40)
White-collar	1,758	1,619	139
Foremen	22	23	(1)
Blue collar	1,884	1,753	131
Seasonal staff	2,523	2,406	117
Self employed associates	4	2	2
TOTAL	**6,877**	**6,529**	**348**

Cost of production **Post-employment benefits** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Executives	166	165	1
White-collar	454	413	41
Foremen	6	7	(1)
Blue collar	420	395	25
Discoutin provision post-employment	263	40	223
Seasonal staff	403	394	9
TOTAL	**1,712**	**1,414**	**298**

Cost of production **Other costs** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Donations	4	4	0
Trainee remuneration	41	29	12
Trainee expenses	11	7	4
Employee bonuses	781	721	60
Life assurance	8	7	1
Temporary personnel	272	211	61
Incentives departure	270	0	270
Add. leaving indemnity	257	0	257
Inps redundancy	13	0	13
Travel and transfer	12	8	4
TOTAL	**1,669**	**987**	**682**

The other labour costs amount to Euro 1,669 thousand, an increase compared to December 31, 2011 of Euro 682 thousand, principally relating to employees incentives of Euro 781 thousand and part-time workers of Euro 272 thousand.

Workforce	AT 31.12.12	AT 31.12.11	Change
Executives/White-collar	168	153	15
Foremen/Blue-collar	197	175	22
Seasonal, temporary and self-employed	82	85	(3)
TOTAL	**447**	**413**	**34**

32. Other operating costs

The account amounts to Euro 7,083 thousand, an increase of Euro 562 thousand on the previous year. The account includes other management charges of Euro 5,738 thousand and non-recurring management charges of Euro 1,345 thousand. The principal components are shown below:

Costs of production **Other charges** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Sundry consumables and small tools	2,928	3,181	(253)
Various services	1,581	1,405	176
Income taxes	738	510	228
Losses	491	759	(268)
TOTAL	**5,738**	**5,855**	**(117)**

Extraordinary income and charges **Extraordinary charges** (Euro/000)	AT 31.12.12	AT 31.12.11	Change
Prior year costs	281	268	13
Non-recurring costs	0	0	0
Other prior year items	280	54	226
Adj. prior years revenues - Italy	32	31	1
Adj. prior years revenues - foreign	(11)	19	(30)
Losses on asset disposals	0	13	(13)
Penalties and fines	15	23	(8)
Rebates	1	1	0
Amnesty taxes prior years	1	81	(80)
Losses on loans	285	0	285
Contract penalties	53	1	52
Damage compensation	408	175	233
TOTAL	**1,345**	**666**	**679**

33. Amortisation, depreciation, write-downs and provisions

The account amounts to Euro 9,652 thousand and increased by Euro 1,228 thousand on the previous year. The account includes:

(Euro/000)	AT 31.12.12	AT 31.12.11	Change
Amortisation of intangible assets	150	151	(1)
Depreciation of tangiible assets	8,575	8,203	372
Other writedowns of fixed assets	0	1,083	(1,083)
Write-downs included in current assets	402	30	372
Doubtful debt provision for subsidiary companies	0	0	0
Provision for risks	525	1,413	(888)
TOTAL	**9,652**	**10,880**	**(1,228)**

34. Financial income

These total Euro 4,084 thousand and consist of:

– Euro 63 thousand of interest on temporary liquidity on current accounts and on interest from receivables due from the State;

– Euro 4,021 thousand of income deriving from the fair value of the swap and derivative operations which will be paid out in 2013;

35. Financial charges

The account amounts to Euro 8,033 thousand and relates to:

– Interest charges of Euro 4,413 thousand relating to medium/long term and short-term payables;

– charges from the fair value valuation of swap and derivative operations for Euro 3,205 thousand;

– Euro 415 thousand for exchange gains from commercial and financial operations.

36. Dividends

During 2012, dividends were received relating to the year 2011 for a total amount of Euro 2,327 thousand from the subsidiary LDH (La Doria) Ltd, with an increase of Euro 580 thousand on the dividend received in the previous year.

37. Income taxes

They amount to Euro 4,234 thousand (Euro 2,371 thousand in 2011). The account includes current income taxes of Euro 4,851 thousand, deferred income of Euro 249 thousand and a deferred tax charge of Euro 368 thousand.

Reconciliation of the theoretical and effective tax charge for IRES

Description (IRES) (Euro/000)		**Assess.**	**Income tax**	**Theoretical charge**	**Effective charge**
Profit before taxes					
Theoretical tax charge		**10,433**	**2,868**	**27.5%**	
Values not recorded fiscally for the application of the IFRS					
Inventories change	(14)				
Other accrued revenues	(21)				
Amortisation and Depreciation	359				
Discounting post-employment benefit provision	263				
Capitalisation of deferred charges	71				
Total		**657**	**181**		
Exchange gains/losses not realised including reversal in previous year	342				
Total		**342**	**94**		
Temporary differences assessable in future years					
Doubtful debt provision	402				
Interest expense					
Final obsolescence provision	2,604				
Employee bonus provision	781				
Provisions for other risks	525				
Others	223				
Total		**4,535**	**1,247**		

Description (IRES) (Euro/000)		Assess.	Income tax	Theoretical charge	Effective charge
Reversal of prior year temporary differences					
Use of inventory provision	1,004				
Util. provision for other risks	628				
Utilisation of employee bonus provision and mobility	721				
Others	1,454				
Total decrease		**(3,807)**	**(1,046)**		
Differences not reversing in future years					
Non-deductible costs	1,676				
Purchase of goods and services black list countries					
Total increase		**1,676**	**461**		
Differences not reversing in future years					
Dividends	2,211				
Purchase of goods and services black list countries					
Others	1,082				
Total decrease		**(3,293)**	**(906)**		
Assessable income		**10,543**	**2,899**		
Recovery of fiscal losses	-	-	-		
Not assessable Monti Law	16	(16)	(4)		
Assessable income		**10,527**	**2,895**		**27.7%**

Reconciliation of the theoretical and effective tax charge for IRAP

Description		Assess.	Income tax	Theoretical charge	Effective charge
Difference between value and cost of production		**10.756**			
Costs not recorded for IRAP					
Personnel costs	26,811				
Services as per Art. 49 (temporary services)					
Total increases		**26,811**			
Total		**37,566**			
Theoretical charge			1,858	4.95%	
Temporary differences assessable in future years					
Obsolescence provision	2,604				
Risk provision	525				
Doubtful debt provision	402				
Total increases		**3,531**			
Reversal of prior year temporary differences					
Use of inventory provision	(1,004)				
Write-down prior years, disposal 2012	(116)				
Other					
Total decreases		**(1,120)**			
Differences not reversing in future years					
INAIL contributions	(552)				
Deduction cost categories protected	(229)				
Tax amnesty	(2,275)				
Costs deductible not included in value of production	(1,000)				
Revenues not relating to value of production	(326)				
Total decreases		**(4,382)**			
Differences not reversing in future years					
Assessable revenues not included in value of production	2,474				
Costs not deductible	1,475				
Total increases		**3,949**			
IRAP assessable		**39,544**			
IRAP current year			**1,956**		**5.21%**

Transactions with related parties

Transactions with related parties are undertaken at normal market conditions between independent parties. There were no operations of an typical and/or unusual nature. The transactions with related parties, in accordance with IAS 24 revised, relate to normal operations and are conducted at normal market conditions. The transactions are in accordance with the most recent "corporate governance" regulations adopted by the Company. In accordance with Article 2391 bis of the Civil Code, with CONSOB regulation in relation to related parties approved with resolution No. 17221 of March 12, 2010, subsequently amended with resolution No. 17389 of 23.06.2010 and that recommended by Article 9.C.1 of the Self-Governance Code for listed companies, the Board of Directors of La Doria S.p.A. on November 11, 2010 adopted the Regulation for the governance of transactions with related parties which defines the guidelines and criteria for the identification, approval and execution of the transactions with related parties undertaken by the Company, directly or through subsidiary companies, in order to ensure transparency and substantial and procedural correctness of the transactions.

All transactions of a financial or economic nature with related parties of the Company for the years 2012 and 2011 are reported below:

Year 2011

at 31.12.2011 (Euro/000)	**Trade receivables**	**Other current receivables**	**Trade payables**	**Other current payables**	**Guarantees**	**Commitments**
Balance sheet						
Subsidiaries						
Eugea Mediterranea S.p.A.	6,051			20,013	28,483	
LDH (La Doria) Ltd.	18,171	3,785	1,770	1,571	9,046	
Tec S.r.l. in liquidation						
TOTAL	**24,222**	**3,785**	**1,770**	**21,585**	**37,529**	**-**
% on total balance	39%	31%	100%	26%	83%	0%

LDH (La Doria) Ltd.:

Trade receivables: Receivables from the subsidiary company LDH (La Doria) Ltd for Euro 18,171 thousand, of a commercial nature;

Other non-current assets: This account relates to the non-current and current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria).

Trade payables: Payables to the subsidiary LDH (La Doria) Ltd. for Euro 1,571 thousand, of a commercial nature;

Guarantees: Euro 9,046 thousand for the equivalent amount at December 31, 2011 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;

Eugea Mediterranea S.p.A.:

Trade receivables: Receivables from the subsidiary Eugea Mediterranea S.p.A. for Euro 6,051 thousand, of a commercial nature;

Trade payables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 20,013 thousand, of a commercial nature;

Guarantees: Euro 4,590 thousand for sureties to the subsidiary Eugea Mediterranea S.p.A. to guarantee receivables from the public administration; Euro 23,893 thousand for sureties and patronage letters provided to banking institutions to guarantee short and medium term loans to Eugea Mediterranea S.p.A.;

Tec S.r.l. in liquidation:

Trade receivables: Receivables from the subsidiary Tec S.r.l. and the relative doubtful debt provision reduced to zero following the conclusion of the liquidation procedure in December 2011.

at 31.12.2011 (Euro/000)	**Revenues**	**Other operating revenues**	**Costs**	**Other operating costs**	**Financial income**	**Financial charges**	**Dividends**
P&L transactions							
Subsidiaries							
Eugea Mediterranea S.p.A.	4,741	493	26,391				
LDH (La Doria) Ldt.	72,650	21	739	5			1,747
Tec S.r.l.							
TOTAL	**77,391**	**514**	**27,130**	**5**	**-**	**-**	**1,747**
% on total balance	30%	5%	14%	0%			100%

LDH (La Doria) Ltd.:

Revenues: They refer entirely to sales of finished products for Euro 72,650 thousand;

Other operating revenues: Recharges for damage and recovery of expenses of Euro 21 thousand;

Costs: Semi-finished products purchases Euro 492 thousand, for the purchase of accessory materials Euro 29 thousand, for services Euro 85 thousand and for recharges for damage claims of Euro 133 thousand;

Other operating charges: Prior year costs for Euro 5 thousand;

Dividends: Dividends distributed by the subsidiary Ldh (La Doria) Ltd., in relation to the year 2010 for Euro 1,747 thousand.

Eugea Mediterranea S.p.A.:

Revenues: Revenues for the sale of finished, semi-finished and intermediate products of Euro 4,741 thousand;

Other operating revenues: Raw material and packaging revenues for Euro 173 thousand, services of Euro 120 thousand and various recharges of Euro 200 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 26,391 thousand;

Year 2012

at 31.12.2012 (Euro/000)	**Trade receivables**	**Other current assets**	**Other non-current assets**	**Trade payables**	**Guarantees**	**Commitments**
Balance sheet						
Subsidiaries						
Eugea Mediterranea S.p.A.	4,750			21,994	30,074	
LDH (La Doria) Ltd.	19,608	3,923	2,578	633	6,188	
TOTAL	**24,358**	**3,923**	**2,578**	**22,627**	**36,262**	**-**
% on total balance	37%	25%	100%	25%	78%	0%

LDH (La Doria) Ltd.:

Trade receivables: Receivables from the subsidiary LDH (La Doria) Ltd for Euro 19,608 thousand for operations of a commercial nature;

Other non-current assets: This account relates to the non-current and current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria).

Trade payables: Payables from the subsidiary company LDH (La Doria) Ltd for Euro 633 thousand, of a commercial nature;

Guarantees: Euro 6,188 thousand for the equivalent amount at 31/12/2012 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;

Eugea Mediterranea S.p.A.:

Trade receivables: Receivables from the subsidiary Eugea Mediterranea S.p.A. for Euro 4,750 thousand, of a commercial nature;

Trade payables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 21,994 thousand, of a commercial nature;

Guarantees: Euro 24,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;

at 31.12.2012 (Euro/000)	**Revenues**	**Other operating revenues**	**Costs**	**Other operating costs**	**Financial income**	**Financial charges**	**Dividends**
P&L transactions							
Subsidiaries							
Eugea Mediterranea S.p.A.	4,933	454	24,413				
LDH (La Doria) Ldt.	93,294	802	43	4,077			2,327
TOTAL	**98,227**	**1,256**	**24,456**	**4,077**	**-**	**-**	**2,327**
% on total balance	33%	11%	10%	7%	0%	0%	100%

LDH (La Doria) Ltd.:

Revenues: Revenues for the sale of finished products of Euro 93,294 thousand;

Other operating revenues: Recharges for damage and recovery of expenses of Euro 802 thousand;

Costs: Costs for semi-finished purchases Euro 43 thousand;

Other operating charges: Service costs and damage reimbursements for Euro 4,077 thousand, of which Euro 3,619 thousand relating to promotional contributions;

Dividends: Dividends distributed by the subsidiary LDH (La Doria) Ltd., in relation to the year 2011 for Euro 2,327 thousand.

Eugea Mediterranea S.p.A.:

Revenues: Revenues for the sale of finished, semi-finished and intermediate products of Euro 4,933 thousand;

Other operating revenues: Raw material and packaging revenues for Euro 454 thousand, services of Euro 120 thousand and raw material and packaging purchases of Euro 121 thousand and various recharges of Euro 213 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 24,413 thousand;

Transactions with related parties:
The remuneration to those holding positions with authority and responsibility of planning, management and control of the Company, including Executive and Non-Executive Directors are illustrated in Table D attached to the present explanatory notes.

There were no other transactions with related parties other than those illustrated above.

SUBSEQUENT EVENTS

In relation to the subsequent events, reference should be made to the comments in the Directors' Report. In any case, there are no subsequent events that had an effect on the amounts in the financial statements at December 31, 2012 which have not already been taken into consideration in the accounts.

ATTACHMENTS TO THE NOTES
TO THE FINANCIAL STATEMENTS

NET DEBT AS PER CONSOB NO. DEM/6064293 OF 28.07.2006

(Euro/000)

		31.12.2012	31.12.2011
A.	Cash	1	1
B.	Other cash and cash equivalents (Bank and postal deposits)	13,446	11,911
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**13,447**	**11,912**
E.	**Current financial receivables**	**-**	**-**
F.	Current Bank payables	60,895	59,412
G.	Current portion of non-current debt	16,504	15,156
H.	Other current financial payables	11,289	2,599
I.	**Current debt (F+G+H)**	**88,688**	**77,167**
J.	**Current net debt (I - E- D)**	**75,241**	**65,255**
K.	Bank payables – non-current portion	36,914	48,420
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**36,914**	**48,420**
O.	**Net debt (+J+N)**	**112,155**	**113,675**

TABLE A
INTANGIBLE ASSETS AT 31/12/2012

(Euro/000)

CATEGORY	Historical cost	Acc. amort.	Decreases Amort. 31.12.12	Invest. 31.12.12	Divest. 31.12.12	Adjust. 01.01.12	Reclass. 31.12.12	Net total
Software costs	4,752	4,427	149	63			133	372
Brands	44	43	1					0
Assets in progress	167			125		(34)	(133)	125
TOTAL	**4,963**	**4,470**	**150**	**188**	**0**	**(34)**	**0**	**497**

TABLE B
NET TANGIBLE ASSETS AT 31/12/2012

(Euro/000)

CATEGORY	Depre. rate	Hist. cost at 1.1.12	Reval. pr. years	Decreases Depr. pr. years at 1.1.12	Divest prov. 31.12.12	Depr. 31.12.12	Invest. 31.12.12	Divest. 31.12.12	Adjust. Historical al 01.01.12	Provision al 01.01.12	Reclass. 31.12.12	Total net
Land		18,820										18,820
Ind. buildings /light const.	*	58,072		10,853		1,975	1,285	1			101	46,629
Plant & machinery	7.50%-14%	114,671	1,454	94,067	76	6,097	8,312	93			2,405	26,661
Minor equipment	20%	6,146	194	5,655	271	347	359	271				697
EDP	20%	1,966		1,619		119	302				8	538
Internal transport	20%	867	23	838		18	15					49
Motor vehicles	25%	41		26		10	0					5
Furniture & other equipment	7.50%-12%	636	12	614		9	3					28
Assets in progress	0%	2,875					1,325	46	34		(2,514)	1,674
TOTAL		**204,094**	**1,683**	**113,672**	**347**	**8,575**	**11,601**	**411**	**34**	**0**	**0**	**95,101**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE B1
TANGIBLE ASSETS AT 31/12/2012 (Euro/000)

CATEGORY	Depre. rate	Hist. cost at 1.1.12	Increases 31.12.12	Reclass. 31.12.12	Decr. riclass.	Decreases 31.12.12	Adjust. at 1.1.12	Cost 31.12.12
Land		18,820						18,820
Ind. buildings /light const.	*	58,072	1,285	101		1		59,457
Plant & machinery	7.50% 14%	116,125	8,312	2,405		93		126,749
Minor equipment	20%	6,340	359			271		6,428
EDP	20%	1,966	302	8				2,276
Internal transport	20%	890	15					905
Motor vehicles	25%	41						41
Furniture & other equipment	7.50% 12%	647	3					650
Assets in progress	0%	2,875	1,325	(2,514)		46		1,640
TOTAL		**205,776**	**11,601**	**0**	**0**	**411**	**0**	**216,966**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE B2
ACCUMULATED DEPRECIATION AT 31.12.2012

(Euro/000)

CATEGORY	Depre. rate	Accum depre. at 1.1.12	Ordinary depreciation 31.12.12	Utilis. 31.12.12	Adjust. at 1.1.12	Accum. depre. 31.12.12
Land						
Ind. buildings/light constr.	*	10,853	1,975			12,828
Plant and machinery	7.50% 14%	94,067	6,097	76		100,088
Minor equipment	20%	5,655	347	271		5,731
EDP	20%	1,619	119			1,738
Internal transport	20%	838	18			856
Motor vehicles	25%	26	10			36
Furniture & other equipment	7.50% 12%	613	9			622
TOTAL		**113,671**	**8,575**	**347**	**0**	**121,899**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES

(Euro/000)

	Balance 01.01.12	Decre.	Write down	New contr.	Balance 31.12.12	Provision	Net equity	% held
LDH (La Doria) Ltd.	764				764		44.832 (1)	51%
Eugea Mediterranea S.p.A.	3,304				3,304		5.274 (2)	98,34%
	4,068				**4,068**			

(1) LDH (La Doria) Ltd   519 North Gate   Alconbury Airfield
Alconbury   Huntingdon   Cambridgeshire PE 28 4WX   England (GB)
Share Capital   GBP 1,000,000 shares of GBP 1 each
Net equity at 31.12.12 of GBP 36.587 thousand
Including net profit for year of GBP 7.901 thousand.
Net equity based on exchange rate at December 31, 2012

(2) EUGEA MEDITERRANEA S.p.A.   Strada Consorziata s.n.   Gaudiano di Lavello (PZ)
Share Capital Euro 1,500 thousand. 15,000 shares of Euro 100.00 each
Net Equity of Euro 5.274 thousand at 31.12.2012
Profit at 31.12.2012 Euro 164 thousand

TABLE C1
HOLDINGS IN INDIRECT SUBSIDIARIES (GBP)

	Net equity	% Held	Share of net equity
LDH Foods (Hellas) ldt (in liquidation) 32 Omiron Street Athens (Grecia) Investment acquired on May 14, 1998 Share capital Euro 18 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	50.85%	0
LDH Foods S.L. (in liquidation) Av.da De Los Castanos, 53 Urb. El Chorrico Molina De Segura (Murcia) Share capital Euro 9 thousand Investment eliminated at December 31, 2007 on ceasing of activities.	0	51%	0
Manpineco 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 1 The company was incorporated in January 2008 by the subsidiary LDH (La Doria) Ltd.	1	51%	0.51
Oriental & Pacific Frozen Food Co. Ltd. 519 North Gate Alconbury Airfield Alconbury Huntingdon Cambridgeshire PE 284 WX Share capital GBP 10,000 LDH (La Doria) Ltd holds 100% since 1/4/2008.	961,003	51%	490,112

TABLE D

REMUNERATION OF DIRECTORS, STATUTORY AUDITORS, THE GENERAL MANAGER AND EXECUTIVES WITH STRATEGIC RESPONSIBILITIES OF LA DORIA SpA

(Euro)

PERSON	DESCRIPTION OF OFFICE			REMUNERATION					
Name	Office	Duration (**)		Emoluments for office	Not monetary benefits	Bonus other incentives	Emoluments for ICC	Emoluments for supervisory committee	Other remun.
Persico Sergio	Chairman of BOD	11/05/2011	31/12/2013	95,000			10,000	5,000	18,630
Sampietro Giorgio	Vice chairman of BOD	11/05/2011	31/12/2013	36,098			10,000	10,000	
Ferraioli Antonio	Director	11/05/2011	31/12/2013	26,000	5,233	135,093			320,634
Ferraioli Andrea	Director	11/05/2011	31/12/2013	26,000	5,218	135,093			320,627
Ferraioli Iolanda	Director	11/05/2011	31/12/2013	26,000	2,861	10,000			95,357
Diretto Giuseppe	Director	11/05/2011	31/12/2013	28,768					
Foti Sergio (*)	Director	11/05/2011	22/03/2012	6,425					
Cecere Fabio	Chair. Board of Stat. Aud.	11/05/2011	31/12/2013	96,467					
De Caprio Antonio	Statutory Auditor	11/05/2011	31/12/2013	70,135					
D'Amore Maurizio	Statutory Auditor	11/05/2011	31/12/2013	73,124					
TOTALE				**484,017**	**13,312**	**280,186**	**20,000**	**15,000**	**755,248**

Other Remuneration **Ferraioli Antonio** **Executive**
Other Remuneration **Ferraioli Andrea** **Executive**
Other Remuneration **Ferraioli Iolanda** **Executive**

(*) Until 22/03/2012

(**) Until approval of 2013 Annual Accounts

TABLE D1
REMUNERATION TO DIRECTORS AND STATUTORY AUDITORS BY SUBSIDIARIES

(Euro)

PERSON	DESCRIPTION OF OFFICE		REMUNERATION		
Name	Office held	Duration of office	Emoluments for office	Non monetary benefits	Bonus and other incentives
LDH (La Doria) Ltd.					
Ferraioli Antonio	Chairman of BOD	19/2/97 until revoked	8,630		
Persico Sergio	Director	19/2/97 until revoked	8,630		
Ferraioli Rosa	Director	04/2009 until revoked	8,630		
Festa Alberto	Director	01/2010 until revoked	8,630		
Ferraioli Andrea	Director	02/03/98 until revoked	8,630		
TOTAL			**43,150**		
Remuneration of GBP 35 thousand at average 2011 December rate of 0,8111					
EUGEA MEDITERRANEA S.p.A.					
Ferraioli Antonio	Chairman of BOD	29/04/2010 29/04/2013	10,000		
Ferraioli Andrea	Director	29/04/2010 29/04/2013	10,000		
Festa Alberto	Director	29/04/2010 29/04/2013	10,000		
Persico Sergio	Director	29/04/2010 29/04/2013	10,000		
TOTAL			**40,000**		

DISCLOSURE PURSUANT TO ARTICLE 149 OF THE CONSOB ISSUERS´ REGULATION

The following table, prepared pursuant to article 149 of the CONSOB Issuer's Regulations, reports the ayments made in 2012 for audit and other services carried out by the audit firm and entities associated with the audit firm.

TABLE E

INDEPENDENT AUDITORS´ FEES (Euro/000)

	Party providing the service	Fees 2012
Audit	PricewaterhouseCoopers S.p.A. (*)	95
Certification work	PricewaterhouseCoopers S.p.A.	
Other services	PricewaterhouseCoopers (*)	19
TOTAL		**114**

(*) of which Euro 42 for services in the year 2012. In 2012, Serviced provided of Euro 48 thousand related to the year 2011.

(**) of which Euro 14 for services in the year 2012.

TABLE 1
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.12	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries			24,359			24,359	Subsidiaries	
Receivables			43,693			43,693	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			2,286			2,286	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	1,434		10,191			11,625	Other Receivables	

	FV P&L	Amortised cost	TOTAL		Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		36,914	36,914	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries		22,627	22,627	Subsidiary payables	
Payables				Payments on account	
Payables		66,170	66,170	Trade payables	
Payables		3,916	3,916	Tax payables	
Payables		631	631	Social security payables	
Current financial payables		77,399	77,399	Bank payables	
Current financial payables		11,289	11,289	Factoring payables	
Derivatives	1,309		1,309	Bank payables	
Other Liabilities	262	6,131	6,393	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2012 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 2
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.11	Financial instruments Fair Value P&L Assets	Financial instruments Fair Value P&L Liabilities	Loans & Receivables	Investments held to maturity	Financial assets available for sale	TOTAL	Reference account balance sheet	Fair Value
NON-CURRENT ASSETS								
Held-to-maturity investment securities								
Non-current receivables from holding companies								
Non-current receivables from subsidiaries								
Non-current financial assets at fair value								
Non-current receivables								
Non-current receivables from third parties								
Derivatives								
CURRENT ASSETS								
Current receivables from holding companies								
Current receivables from subsidiaries			24,222			24,222	Subsidiaries	
Receivables			37,512			37,512	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value							Cash & equi.	
Receivables			4,091			4,091	Tax receivables	
Derivatives							Bank receivables	
Other current receivables	2,184		5,938			8,122	Other Receivables	

	FV P&L	Amortised cost	TOTAL		Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		48,420	48,420	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to holding companies					
Payables to subsidiaries		21,585	21,585	Subsidiary payables	
Payables				Payments on account	
Payables		60,087	60,087	Trade payables	
Payables		1,068	1,068	Tax payables	
Payables		669	669	Social security payables	
Current financial payables		74,568	74,568	Bank payables	
Current financial payables		2,599	2,599	Factoring payables	
Derivatives	881		881	Bank payables	
Other Liabilities	1,806	5,352	7,158	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2011 of the IRS to hedge the Loans.
The Fair Values of the foreign exchange hedges for both the Export (GBP and AUD) and the Import (USD) are shown as other receivables for the Asset Fair Value and as other payables for the negative values.

TABLE 3
HEDGE VALUATION

(currency/000)

Hedging of payments to Suppliers
The following table shows the contractual maturity of payments to suppliers valued at when payment is expected.

at 31.12.12			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EUR** FV	**AUD** Notional	**EUR** FV	**GBP** Notional	**EUR** FV
Sales expected			6,089	168	61,500	1,207
Purchases expected	37,250	(203)				
TOTAL	**37,250**	**(203)**	**6,089**	**168**	**61,500**	**1,207**

Note

The La Doria options were signed for partial hedging of the purchases in USD and of sales in GBP and AUD in the coming 12 months.

at 31.12.12			Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	
Loans Granted			
Loans Received with IRS	44,704	1,309	
TOTAL	**44,704**	**1,309**	

Note

The La Doria IRS operations were agreed for partial hedging of Medium/Long term loans.

TABLE 4
HEDGE VALUATION

(currency/000)

Hedging of payments to Suppliers
The following table shows the contractual maturity of payments to suppliers valued at when payment is expected.

at 31.12.11			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EUR** FV	**AUD** Notional	**EUR** FV	**GBP** Notional	**EUR** FV
Sales expected			6,343	(384)	59,550	(1,421)
Purchases expected	45,125	2,183				
TOTAL	**45,125**	**2,183**	**6,343**	**(384)**	**59,550**	**(1,421)**

Note

The La Doria options were signed for partial hedging of the purchases in USD and of sales in GBP and AUD in the coming 12 months.

at 31.12.11		Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV
Loans Granted		
Loans Received with IRS	58,572	881
TOTAL	**58,572**	**881**

Note

The La Doria IRS operations were agreed for partial hedging of Medium/Long term loans.

TABLE 5
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.12	Reference Account Balance Sheet	Book Value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non-current receivables from hold. comp. (La Doria)								
Non-current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non-current receivables from third parties								
CURRENT ASSETS								
Current receivables from holding companies (La Doria)								
Current receivables from subsidiaries (Others)								
Trade receivables	Trade receivables	19,392		14,134	5	2,315	(1,160)	759
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency Accounts	3,227		1,875	669	537	(154)	170
NON-CURRENT LIABILITIES								
Non-current payables - holding companies (La Doria)								
Non-current payables - subsidiaries (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Current payables - holding companies (La Doria)								
Current payables - subsidiaries (Others)								
Trade payables	Trade payables	3,660		663	3,641	17	(245)	114
Financial payables	Amounts USD	1,403		1,145		0	(67)	74
Derivatives								
Other payables								
SHAREHOLDERS' EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net result							(1,001)	741
Minority interest share								

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,8161
USD/€	Actual rate	1,3194
AUD/€	Actual rate	1,2712
USD/€	€ increases by 5%	1,38537
USD/€	€ decreases by 5%	1,25343
GBP/€	€ increases by 5%	0,856905
GBP/€	€ decreases by 5%	0,775295
AUD/€	€ increases by 5%	1,33476
AUD/€	€ decreases by 5%	1,20764

TABLE 6
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.11	Reference Account Balance Sheet	Book Value	Amount in original currency Euro	GBP	USD	AUD	Impact of different hypotheses EUR1+5% VS.USD, GBP, AUD	EUR2-5% VS.USD, GBP, AUD
NON-CURRENT ASSETS								
Non-current receivables from hold. comp. (La Doria)								
Non-current receivables from subsidiaries (Others)								
Non current financial assets at fair value								
Receivables								
Non-current receivables from third parties								
CURRENT ASSETS								
Current receivables from holding companies (La Doria)								
Current receivables from subsidiaries (Others)								
Trade receivables	Trade receivables	14,794		11,601	19	1,616	(343)	1,178
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency Accounts	3,002		645	2,877	8	(143)	158
NON-CURRENT LIABILITIES								
Non-current payables - holding companies (La Doria)								
Non-current payables - subsidiaries (Others)								
Non-current financial liabilities								
Other non-current liabilities								
CURRENT LIABILITIES								
Current payables - holding companies (La Doria)								
Current payables - subsidiaries (Others)								
Trade payables	Trade payables	5,035		1,461	4,466	2	(81)	441
Financial payables	Amounts USD	659		0	853	0	(31)	35
Derivatives								
Other payables								
SHAREHOLDERS' EQUITY								
Currency translation reserve								
Cash-flow hedge reserve								
Net result							(375)	860
Minority interest share								

Examples of assumptions		€/currency
GBP/€	Actual rate	0,8353
USD/€	Actual rate	1,2939
AUD/€	Actual rate	1,2723
USD/€	€ increases by 5%	1,358595
USD/€	€ decreases by 5%	1,229205
GBP/€	€ increases by 5%	0,877065
GBP/€	€ decreases by 5%	0,793535
AUD/€	€ increases by 5%	1,335915
AUD/€	€ decreases by 5%	1,208685

TABLE 7

SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.12	Reference Account Balance sheet	Book value	Exchange rate effect interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from holding companies (La Doria)				
Non current receivables from subsidiaries (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from holding companies (La Doria)				
Current receivables from subsidiaries (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	13,447		
NON-CURRENT LIABILITIES				
Non current payables holding companies (La Doria)				
Non current payables subsidiaries (Others)				
Non current financial liabilities	M/L term debt	36,914	30	(30)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to holding companies (La Doria)				
Payables to subsidiaries (Others)				
Trade payables				
Financial payables	Bank payables	88,688	356	(356)
Derivatives				
Other Payables				
SHAREHOLDERS' EQUITY				
Translation reserve				
Cash flow of valuation reserves				
Net Profit			(386)	386
Minority interest share				

Euribor 2012 at 3 months average 0.59%

Hyp1 Average interest rate curve higher than 50 bps 3.08%.+0.5% on M/L; 3.59.%+0.5% on short term
The change +/ 0.5% is measured only on the part of the loan not hedged at 31/12/12 of Euro 8,714 thousand

Hyp2 Average interest rate curve lower than 50 bps 2.08% 0.5% on M/L; 2.59% 0.5% on short term

TABLE 8
SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.11	Reference Account Balance sheet	Book value	Exchange rate effect interest rate Hyp1	Hyp2
NON-CURRENT ASSETS				
Non current receivables from holding companies (La Doria)				
Non current receivables from subsidiaries (Others)				
Non current financial assets at fair value				
Receivables				
Non current receivables from third parties				
CURRENT ASSETS				
Current receivables from holding companies (La Doria)				
Current receivables from subsidiaries (Others)				
Trade receivables				
Current financial assets at fair value				
Financial receivables				
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	11,911		
NON-CURRENT LIABILITIES				
Non current payables holding companies (La Doria)				
Non current payables subsidiaries (Others)				
Non current financial liabilities	M/L term debt	48,420	63	(63)
Other non current liabilities				
CURRENT LIABILITIES				
Payables to holding companies (La Doria)				
Payables to subsidiaries (Others)				
Trade payables				
Financial payables	Bank payables	77,167	232	(232)
Derivatives				
Other Payables				
SHAREHOLDERS' EQUITY				
Translation reserve				
Cash flow of valuation reserves				
Net Profit			(295)	295
Minority interest share				

Euribor 2011 at 3 months average 1.41%
Hyp1 Average interest rate curve higher than 50 bps 3.03%+0.5% on Medium/Long term; +3.25%+0.5% on Short term
Hyp2 Average interest rate curve lower than 50 bps 2.03% 0.5% on Medium/Long term; +2.25% 0.5% on Short term

TABLE 9
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.12	Book value	Reference Account Balance Sheet	Write-downs	ANALYSIS: OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	44,776	Trade receivables		30,365	12,018	1,698	335	360	44,776
Receivables from subsidiaries (Others)	24,359	Receivables from subsidiaries		24,139	53	167			24,359
Tax Receivables	2,286	Tax receivables		2,286					2,286
Other Receivables	11,625	Other receivables		8,635	397			2,593	11,625
Gross Receivables	**83,046**			**65,425**	**12,468**	**1,865**	**335**	**2,953**	**83,046**
Write-down of Receivables	1,083	Bad debt provision	1,908						1,908
Write-down of Receivables from subsidiaries									
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**81,963**		**1,083**	**65,425**	**12,468**	**1,865**	**335**	**2,953**	**81,963**

NON-CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

at 31.12.12	Book value	Reference Account Balance Sheet	Write-downs	ANALYSIS: OVERDUE AND NOT YET DUE Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables									
Receivables from holding companies (La Doria SpA)									
Receivables from subsidiaries (Others)									
Tax Receivables for deferred tax assets	3,490	Deferred tax asset		3,490					3,490
Other Receivables									
Gross Receivables	**3,490**			**3,490**					**3,490**
Write-down of Receivables									
Write-down of Receivables from subsidiaries									
Write-down of Other Receivables									
Net Receivables	**3,490**			**3,490**					**3,490**

TABLE 10
CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

				ANALYSIS: OVERDUE AND NOT YET DUE					
at 31.12.11	Book value	Reference Account Balance Sheet	Write-downs	Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables	39,420	Trade receivables		26,267	9,540	1,296	2,155	162	39,420
Receivables from holding companies (La Doria SpA)		Receivables from holding company							
Receivables from subsidiaries (Others)	24,222	Receivables from subsidiaries		23,605	346	271			24,222
Tax Receivables	4,091	Tax receivables		4,091					4,091
Other Receivables	8,122	Other receivables		3,623		14	407	4,078	8,122
Gross Receivables	**75,855**			**57,586**	**9,886**	**1,581**	**2,562**	**4,240**	**75,855**
Write-down of Receivables	1,908	Bad debt provision	1,908						1,908
Write-down of Receivables from subsidiaries									
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**73,947**		**1,908**	**57,586**	**9,886**	**1,581**	**2,562**	**4,240**	**73,947**

NON-CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

				ANALYSIS: OVERDUE AND NOT YET DUE					
at 31.12.11	Book value	Reference Account Balance Sheet	Write-downs	Not yet due	Overdue <2 mths	Overdue 2mths<x<1yr	Overdue 1yr<x<5yrs	Overdue > 5 yrs	Total
Receivables									
Receivables from holding companies (La Doria SpA)									
Receivables from subsidiaries (Others)									
Tax Receivables for deferred tax assets	3,124	Deferred tax asset		3,124					3,124
Other Receivables									
Gross Receivables	**3,124**			**3,124**					**3,124**
Write-down of Receivables									
Write-down of Receivables from subsidiaries									
Write-down of Other Receivables									
Net Receivables	**3,124**			**3,124**					**3,124**

TABLE 11
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.12	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	44,776	Trade receivables	4,001	5,318	6,594	7,819	21,044	44,776
Other Receivables	11,625	Other receivables	8,206	1,479	1,356	583	1	11,625
Receivables	**56,401**		**12,207**	**6,797**	**7,950**	**8,402**	**21,045**	**56,401**

By Country at 31.12.12	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	44,776	Trade receivables	34,304	391	386	3,385	521	5,789	44,776
Other receivables	11,625	Other receivables	11,625						11,625
Receivables	**56,401**		**45,929**	**391**	**386**	**3,385**	**521**	**5,789**	**56,401**

TABLE 12
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.11	Book value	Reference Account Balance Sheet	Due from First 2 Clients	From 3 to 5 Clients	From 6 to 10 Clients	From 11 to 20 Clients	Other Clients	Total
Receivables	39,420	Trade receivables	2,928	3,736	5,008	6,526	21,222	39,420
Other Receivables	8,122	Other receivables	5,121	1,950	821	230		8,122
Receivables	**47,542**		**8,049**	**5,686**	**5,829**	**6,756**	**21,222**	**47,542**

By Country at 31.12.11	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	39,420	Trade receivables	30,844	41	300	1,869	378	5,988	39,420
Other receivables	8,122	Other receivables	8,122						8,122
Receivables	**47,542**		**38,966**	**41**	**300**	**1,869**	**378**	**5,988**	**47,542**

BOARD OF STATUTORY AUDITORS' REPORT

BOARD OF STATUTORY AUDITORS' REPORT FOR THE SHAREHOLDERS' MEETING TO APPROVE THE 2012 ANNUAL ACCOUNTS

Dear Shareholders of La Doria S.p.A.,

Article 153 of Legs. Decree No. 58 of 24.2.1998 establishes the obligation that the Board of Statutory Auditors reports on the supervisory activities carried out, in accordance with Article 149 of Legs. Decree 58/98 and Article 19 of Legs. Decree 39/2010, with the Conduct Principles recommended by the Italian Accounting Profession (Consigli Nazionali dei Dottori Commercialisti ed Esperti contabili) and Consob recommendations No. 1025564 dated April 6, 2001, as amended and integrated with recommendation No. 3021582 of April 4, 2003.

In particular we report that:

1. We attended the Shareholders' and Board of Directors' meetings in order to:

a. establish compliance with the by-laws, legislation and applicable regulations concerning the corporate boards and compliance with the law relating to the drawing up and publication of the half-year financial statements and the quarterly reports, as well as their presentation;

b. attain from directors, at least quarterly, information on activities carried out by the company in the various sectors in which it operates, also through subsidiary companies and on the most significant financial and economic operations undertaken, ensuring that the resolutions passed comply with law and the by-laws and are not in potential conflict of interest or in contrast to the resolutions passed by the shareholders' meeting or such as to compromise the company's assets.

2. We have acquired information on the activities of subsidiary companies, as well as the instructions given by the company to the subsidiaries with reference to the information required for the preparation of the financial statements and pursuant to Article 114, paragraph 2, of Legislative Decree No. 58/1998.

3. We have obtained information and supervised, to the extent of our authority, on:

   - the application and updating of the Rules of Conduct in accordance with recognised Corporate Governance regulations;

- the adequacy of the organisational structure of the company and compliance with the principles of correct administration through direct observations, gathering of information from the persons in charge of the operating departments and meetings with the audit firm for the reciprocal exchange of important data and information;
- the reliability and adequacy of the internal control system and the administrative and accounting system to correctly represent operating events;

4. During the verifications, as described above, no irregularities or citable facts emerged.
5. We noted no unusual or atypical transactions. The intercompany transactions fall within the ordinary operations of the company, are at normal market conditions and are reported in the director's report. There were no extraordinary transactions with related parties.
6. Since the approval of the 2011 financial statements to date, seven meetings of the Board of Directors, eight meetings of the Board of Statutory Auditors and five meetings of the Control and Risk Committee have been held.
7. During 2012 no petitions were received by the Board of Statutory Auditors from Shareholders.
8. We inform you that we complied with the Consob procedures concerning the indication of offices held in large companies as per art. 148- bis CFA.
9. Finally, with particular regard to our work in respect of the annual statutory financial statements, we state that:

– the laws relating to the formation and presentation of the financial statements and the directors' report on operations have been followed; the format of the financial statements and the accounting policies, described in the notes, agree with the provisions of law and are considered adequate with respect to the activities of the company;

– the financial statements present the facts and information which the Board of Statutory Auditors ascertained during the year in the course of their duties and from the verifications and controls undertaken;

– the Directors' Report on operations has been prepared in accordance with Article 2428 of the Italian Civil Code and agrees with the data and the results presented in the financial statements; it provides full disclosure on the activities of the company and its subsidiaries and of intercompany and related party transactions, as well as the process to conform the organisation of the company to the principles of Corporate Governance, in agreement with the Self-Governance Code of listed companies, to which the Company subscribes;

– we have also examined the results of the consolidated financial statements of the Group;

– we have been informed there were no exceptions reported in the external auditors' report prepared in accordance with Article 156 of Legislative Decree No. 58/98.

10. We therefore express a favourable opinion on the approval of the financial statements, the proposal by the Board of Directors concerning the allocation of the result for the year and the dividend distribution.

Angri, March 28, 2013

THE BOARD OF STATUTORY AUDITORS
Fabio Cecere
Maurizio D'Amore
Antonio De Caprio

INDEPENDENT AUDITORS' REPORT

pwc

AUDITORS' REPORT IN ACCORDANCE WITH ARTICLES 14 AND 16 OF LEGISLATIVE DECREE N° 39 OF 27 JANUARY 2010

To the shareholders of
La Doria SpA

1 We have audited the financial statements of La Doria SpA as of 31 December 2012, which comprise the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows and related explanatory notes. The directors of La Doria SpA are responsible for the preparation of these financial statements in compliance with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005. Our responsibility is to express an opinion on these financial statements based on our audit.

2 We conducted our audit in accordance with the auditing standards and criteria recommended by Consob, the Italian Commission for listed Companies and the Stock Exchange. Those standards and criteria require that we plan and perform the audit to obtain the necessary assurance about whether the financial statements are free of material misstatement and, taken as a whole, are presented fairly. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors. We believe that our audit provides a reasonable basis for our audit opinion.

For the opinion on the financial statements of the prior year, which are presented for comparative purposes, reference is made to our report dated 30 March 2012.

3 In our opinion, the financial statements of La Doria SpA as of 31 December 2012 comply with the International Financial Reporting Standards as adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree n° 38/2005; accordingly, they have been prepared clearly and give a true and fair view of the financial position, result of operations and cash flows of La Doria SpA for the year then ended.

4 The directors of La Doria SpA are responsible for the preparation of the report on operations and the report on corporate governance and shareholding structure, published in section "Investor & Media Relations - Corporate Governance" of the Internet site of La Doria SpA, in compliance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the report on operations and of the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree n° 58/98, presented in the report on corporate governance and shareholding structure, with the financial statements, as required by law. For this purpose, we have performed the

PricewaterhouseCoopers SpA

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. Euro 6.812.000,00 i.v., C.F. e P.IVA e Reg. Imp. Milano 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 0712132311 - **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 - **Bologna** Zola Predosa 40069 Via Tevere 18 Tel. 0516186211 - **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 - **Catania** 95129 Corso Italia 302 Tel. 0957532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 - **Genova** 16121 Piazza Dante 7 Tel. 01029041 - **Napoli** 80121 Piazza dei Martiri 58 Tel. 08136181 - **Padova** 35138 Via Vicenza 4 Tel. 049873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 - **Parma** 43100 Viale Tanara 20/A Tel. 0521242848 - **Roma** 00154 Largo Fochetti 29 Tel. 06570251 - **Torino** 10122 Corso Palestro 10 Tel. 011556771 - **Trento** 38122 Via Grazioli 73 Tel. 0461237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 - **Udine** 33100 Via Poscolle 43 Tel. 043225789 - **Verona** 37135 Via Francia 21/C Tel.0458263001

www.pwc.com/it

procedures required under Auditing Standard n° 001 issued by the Italian Accounting Profession (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili) and recommended by Consob. In our opinion the report on operations and the information referred to in paragraph 1, letters c), d), f), l), m) and paragraph 2, letter b) of article 123-bis of Legislative Decree n° 58/98 presented in the report on corporate governance and shareholding structure are consistent with the financial statements of La Doria SpA as of 31 December 2012.

Naples, 28 March 2013

PricewaterhouseCoopers SpA

Signed by

Pier Luigi Vitelli
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.

EXTRACT OF THE MINUTES OF THE SHAREHOLDERS' MEETING

EXTRACT OF THE MINUTES OF THE SHAREHOLDERS' MEETING

On May 21, 2013, at 11.15 AM, pursuant to the Notice published on March 29, 2013 on the internet site of the company and in the national distributed daily newspaper Il Sole 24 Ore, the ordinary session of the Shareholders' Meeting of the company La Doria S.p.A. met at the Stazione Sperimentale per le Conserve Alimentari in Angri, Via Nazionale 121/123, to discuss and pass resolutions on the following Agenda:

1. Approval of the Financial Statements at 31/12/2012, presentation of the Consolidated Financial Statements at 31/12/2012; resolutions thereon.
2. Allocation of the 2012 net profit; resolutions thereon.
3. Appointment of a Director to complete the Board or, alternatively, the reduction of the number of Board members; resolutions thereon.
4. Remuneration Report in accordance with Article 123 ter of Legislative Decree No. 58/1998; resolutions thereon.
5. Authorisation for the purchase and utilisation of treasury shares in accordance with Articles 2357 and 2357-ter of the Civil Code; resolutions theron.

The Shareholders' Meeting was presided over by the Chairman of the Board of Directors, Mr. Sergio Persico, while the minutes were prepared by the public notary Aniello Calabrese. 70.03% of the share capital was represented by the shareholders or by proxy, with a quorum, in accordance with the provisions of Article 2357 ter of the Civil Code, of 78.19%. Preliminarily, the Chairman announced to the Shareholders' Meeting that the shareholder Mr. Carlo Fabris, not present at the Meeting and holder of 5 company shares, in accordance with Article 127 ter of Legs. Decree 58/1998 drew up questions on the matters on the Agenda, to which the Company responded comprehensively and in a timely manner, as contained in the documentation provided to attending shareholders and attached to the present minutes.
Therefore, on the first matter on the Agenda, concerning the approval of the financial statements at 31/12/2012 of the company and the presentation of the consolidated financial statements at 31/12/2012, as proposed by the Chairman, the Shareholders' Meeting, after exhaustive discussions and the contributions of some shareholders, heard the Directors' Report on operations, took note of the Board of Statutory Auditors' Report and the Auditors' Report and

RESOLVES

unanimously, with favourable votes cast by the seven persons present at the time representing 10 shareholders for a total 21,708,796 shares equal to 70.03% of the share capital, to approve the financial statements at 31/12/2012 and the Director's Report.
In relation to the second matter on the Agenda, the Meeting, concerning the allocation of the 2012 result, on the proposal of the Chairman

RESOLVES

unanimously, with favourable votes cast by the seven persons present at the time representing 10 shareholders for a total 21,708,796 shares equal to 70.03% of the share capital to approve:

- the allocation of 5%, equal to Euro 309,967, to the Legal Reserve;
- the distribution of a gross dividend of Euro 0.06 per share for a total of Euro 1,860,000 with allocation to the remunerable shares of an effective gross dividend of Euro 0.06533 as per article 2357 ter of the civil code, to be paid from 13/6/2013 with coupon No. 13;
- the allocation of the residual Euro 4,029,374 to Retained Earnings.

On the third matter on the Agenda, concerning the appointment of a Director to complete the Board or, alternatively, the reduction of the number of Board members, considering the absence of candidates, the Meeting, on the proposal of the Chairman

RESOLVES

by majority, with the favourable vote of 6 attendees representing 9 shareholders with 21,701,700 shares equal to 70.00% of the share capital and the opposition of 1 attendee representing 1 shareholder with 7,096 shares to approve the reduction of the number of board members from 7 (seven) as discussed by the Shareholders' Meeting of May 11, 2011 to 6 (six).
On point 4 of the Agenda , concerning the Remuneration Report in accordance with Article 123 ter of Legislative Decree No. 58/1998, the Meeting

RESOLVES

by majority, with the favourable vote of 6 attendees present at the time of voting representing 9 shareholders with a total of 21,701,700 shares equal to 70.00% of the share capital and the opposition of 1 attendee representing 1 shareholder with 7,096 shares to approve the Remuneration Report.

On the fifth matter on the Agenda, relating to the renewal of the authorisation to purchase and utilise treasury shares in accordance with Articles 2357 and 2357 ter of the Civil Code, after brief discussion, the Shareholders' Meeting, on the proposal of the Chairman

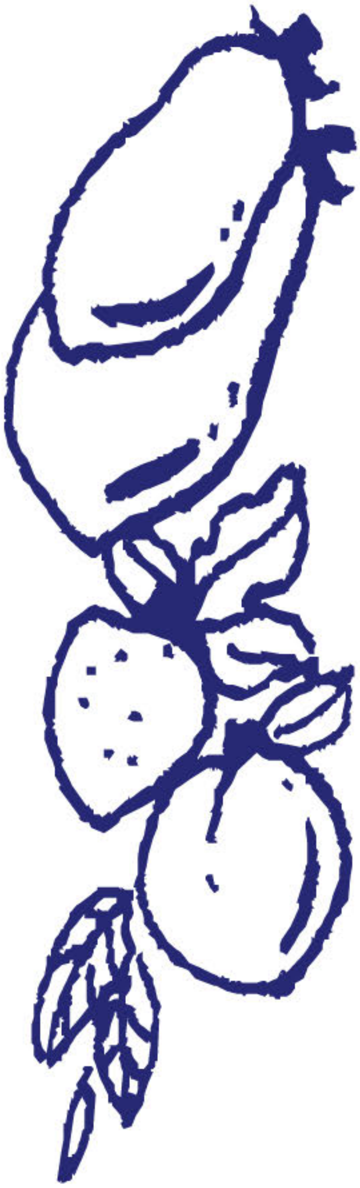
RESOLVES

by majority, with favourable votes cast by 6 attendees present at the time of voting representing 9 shareholders, for a total of 21,701,700 shares equal to 70.00 % of the share capital and the opposing vote of 1 attendee, representing 1 shareholder holding 7,096 shares, to authorise the Board of Directors and on its behalf the Chief Executive Officer, to purchase within 12 months from the date of the resolution, in accordance with the conditions defined in the report prepared by the Board of Directors, up to a maximum of 6,200,000 shares of the company in accordance with Article 2357 and thereafter of the Civil Code.
To authorise, also for a period of 12 months from the date of the resolution, the utilisation of the shares acquired in accordance with the terms contained in the report prepared by the Board of Directors.
The Shareholders' Meeting concluded at 12.50 PM.

The Notary appointed	**The Chairman**
(Notary Aniello Calabrese)	(Sergio Persico)

Created by Brain Storm - Napoli

Attachment A-4 - No 3.4: Half-Year Audited Report 30 June 2014



LA DORIA

ANGRI

HALF-YEAR REPORT

June 30

2014

LA DORIA GROUP
HALF-YEAR REPORT AT June 30, 2014

CONTENTS

Board of Directors

Chairman	Sergio Persico
Vice Chairman	Giorgio Sampietro (independent)
Chief Executive Officer	Antonio Ferraioli
Directors	Elena David (Independent)
	Andrea Ferraioli
	Iolanda Ferraioli
	Enzo Diodato Lamberti
	Michele Preda (Independent)

Board of Statutory Auditors

Chairman	Antonio De Caprio
Standing Auditors	Adele Caldarelli
	Maurizio D'Amore

Executive responsible for the preparation of the accounting documents	Alberto Festa

Internal Control & Risk Committee

Chairman	Giorgio Sampietro
Members	Elena David
	Sergio Persico

Remuneration & Nominations Committee

Chairman	Giorgio Sampietro
Members	Sergio Persico
	Michele Preda

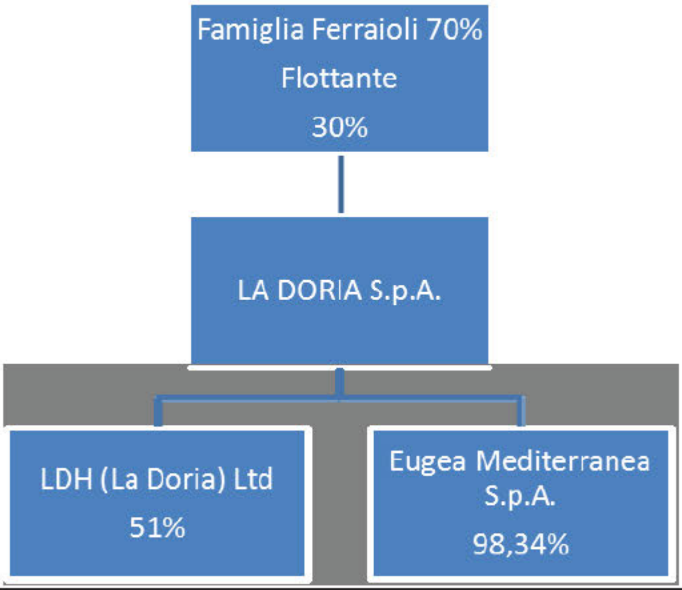
Supervisory Board

Chairman	Giorgio Sampietro
Members	Sergio Persico
	Elena Maggi (Internal Audit)

Independent Audit Firm	PricewaterhouseCoopers S.p.A.

LA DORIA S.P.A..
Registered office: Angri (SA) – Via Nazionale, 320
Share Capital: Euro 42,780,000 (fully paid-in) - Exporters' Role: No. 398
Companies Registration Office of Salerno 423/93; VAT No. 00180700650

STRUCTURE OF THE GROUP



LA DORIA GROUP

DIRECTORS' REPORT

OPERATIONAL OVERVIEW
ON THE
FIRST HALF-YEAR 2014

DIRECTORS' REPORT ON OPERATIONS OF THE LA DORIA GROUP IN THE FIRST HALF OF 2014

Introduction

The key Italian economic indicators highlight the continued recession in the first half of 2014.

According to the ISTAT estimates, Gross Domestic Product in Q2 contracted 0.2% on the preceding quarter and 0.3% on Q2 2013. GDP is expected to contract by 0.3% in 2014 (-1.9% in 2013 and -2.4% in 2011).

Italy continues to lag behind the rest of the European Union and the major economies.
In the same period GDP increased in the US by 1% and 0.8% in the United Kingdom. Q2 GDP in Germany is expected to be stagnant, with growth of 0.3% estimated for France. The only exception among the major economies was Japan whose growth came to an abrupt halt (-1.7%).
GDP forecasts for the second quarter of 2014 indicate economic growth of 0.1% on the preceding period and 0.8% on the previous year. The Eurozone reported a slight slowdown, with growth in the first quarter of 0.2% and 0.9% on an annual basis.

Domestic industrial production increased 0.2% in the first six months of the year. The "food, beverage and tobacco industries" however reported more sustained growth of 1%.

Industrial revenues and orders increased in the first 5 months of 2014, respectively 0.5% and 2.3%, thanks principally to the foreign market contribution (+2.4% for revenues and +5.2% for orders). The domestic market revenue and order figures however were either negative or stagnant (-0.5% and +0.2% respectively).

Exports were stable in the January-May 2014 period (+1.3%) compared to the same period of 2013, with on the one hand a decrease in non-EU sales (-2%) and on the other improved EU sales (+4.1%). Imports in the first five months of the year however reduced 2.5% - substantially due to the significant drop in purchases from non-EU countries (-5.2%).

The retail sector confirms the considerable reduction in household spending.
Between January and May 2014, retail sales in Italy decreased in fact by 0.7% on the same period of 2013. Food product sales reported a reduction of 0.4%, with non-food products decreasing 0.8%. For the Large Supermarkets, sales remained largely unchanged (+0.1%), while small supermarkets reported a 1.4% contraction.

At European level, according to the Eurostat figures retail sales in the first half of 2014 improved on the same month of the previous year by 2.4% in the Eurozone and 2.5% in the EU 28. Specifically, food, beverage and tobacco products grew 2% in the Eurozone and 1.8% in the EU 28.

Italian inflation in the first half of 2014 slowed further, clearly highlighting the weakness of the recovery and the risk of deflation. Annual price growth was stagnant at 0.3% compared to June 2013 and 0.5% compared to May.

Performance of the food-vegetable processing sector

Tomato-based products

The tomato-based product market in H1 2014 was impacted by the 2013 summer processing campaign which featured a significant drop in the quantity of fresh tomatoes processed to 4.1 million tonnes, reducing 12.8% compared to 4.7 million processed in 2012 and 19.6% compared to the average for the 2008–2012 five-year period of 5.1 million tonnes.

2013 summer tomato production featured significantly higher raw material costs. Amid a contraction in supply, low sector stock levels and increased raw material costs, finished product prices rose.

In recent years Italian tomato production has contracted, due to a number of structural factors: the European Food and Vegetable Reform which was fully implemented in 2011, providing grants to farmers independently of the type of crop grown and no longer, as was the case in the past, based on the quantity of tomatoes grown, leading inefficient farmers to gradually cut back the planting of tomatoes which requires significant investment; the acceleration of the sector restructuring process, in course for a number of years, following the financial crisis which is significantly impacting the smaller and less competitive food processing industries; the common objective of the various chain actors, primarily in the industrial agricultural field, to avoid surpluses which damage both the industries and farmers, which was achieved through a reduction in tomato-planted areas.

This was evident with the establishment in 2014 of the Central/South Italy tomato production cluster which is one of two Italian production hubs giving rise to a supply chain created by agricultural and industrial enterprises operating independently and promoting the co-ordination and integration of the various chain actors to improve the efficiency and competitivity of the entire sector. This co-operation seeks, among other issues, to improve production planning based on market demand, also with a view to avoiding the production surpluses seen in previous years.

In 2015 the measures of the 2014-2020 Common Agricultural Policy (CAP) will be applicable, concerning the partial return of coupled aid to support the competitivity and sustainability of the

Italian tomato sector. The coupled subsidy which will be granted to farmers (in addition to the current decoupled subsidy which will be reduced with the entry into force of the new measures) is estimated at Euro 160/ha. It acts as a financial support to further stimulate the re-organisation of the entire chain in terms of rules and increased efficiency and competitivity, while at the same time not creating a future risk of overproduction due to its limited size.

In terms of consumption, the Italian tomato market continues to slowly contract. According to the Iri Infoscan figures (including the Discount channel), in fact in the year to June 2014 volumes contracted 2.6%, with values remaining stable. Specifically, the data highlights in the period stability for puréed tomatoes volumes, a slight reduction for chopped tomato volumes (-3.5%) and a sharper drop for peeled tomatoes (-8.5%). The private label market share grew however, which in the year to April 2014 increased 1.1 basis points, at the expense of the majority of the industrial brands.

A number of the larger export markets for the company expanded, such as Great Britain, where - according to the KantarWorldPanel figures for Q1 2014 the tomato-based product market grew slightly (+0.5%) in volume terms on the same period of 2013. Private label market share increased (+0.5%), with the brands share reducing.

Fruit juices and beverages

The Italian fruit juice and beverage market in the first half of 2014 was principally impacted, specifically concerning nectars, by the 2013 processing campaign which featured a significant increase in the procurement price of apricots and, to a lesser extent, of peaches and nectarines following the significant production shortfalls due to adverse climatic conditions, in addition to stable pear volumes and prices.

In relation to orange, banana and grapefruit concentrates used for the production of 100% juices and fruit beverages, the sector in H1 2014 reported substantial stability in terms of raw material costs.

Finished products prices recovered slightly as raw material costs rose, following years of sharp contraction, particularly in the private labels segment, due to surplus production capacity and heightened competition.

In relation to domestic consumption, in the year to June 2014 fruit juices and beverages reported, according to the Iri-Infoscan figures, a decrease in volume and value terms of 4.1%. The private labels segment however grew market share by 1.3% in the year to April 2014.

Processed pulses

In relation to the processed pulses sector, the first six months of 2014 were impacted by the 2013 summer harvest which featured a significant drop in volumes for cannellini and dark red kidney beans, due both to drought and floods in the supplying regions, with a consequent increase in the raw material cost. Also for broad beans in North America, used for the production of baked beans, the harvest was poor - causing an increase in the procurement price.

Finished product market prices are rising following increased raw material costs.

In relation to consumption levels, according to the Iri Infoscan figures, in the year to June 2014 the Italian processed vegetables market saw volumes reduce (-4.3%), with a slight increase in value terms (+1.1%). The private labels segment however increased volume market share in the year to April 2014 by 2.3%.

In relation to the international markets, the British baked beans market, according to the Kantar World Panel figures for Q1 2014 reported slight volume growth (+0.5%) compared to the same period of 2013. Private label market share increased (+0.5%), with the brands share reducing.

Group sales performance

Consolidated sales in the first half of 2014 amounted to Euro 314.7 million, an increase of 3.3% compared to Euro 304.8 million in the same period in the previous year.

The sales performance featured reduced volumes of 2.2%, essentially following a contraction in volumes sold by the English subsidiary LDH and increased sales prices of 3.4%, principally following the increase in the costs of some raw materials.

On like-for-like exchange rates (€/£) of the English subsidiary LDH (La Doria) Ltd, revenues would amount to Euro 308.1 million (+1.1% on H1 2013).

A breakdown of sales is provided in the table below.

Breakdown of consolidated sales by product line

Millions of Euro	H1 2014	H1 2013	Change %	% of total H1 14	% of total H1 13
RED LINE	87.9	78.3	+8.0%	28.0%	25.7%
FRUIT LINE	44.0	47.8	-7.8%	14.0%	15.7%
PULSES, VEG./CANNED PASTA	86.8	78.7	+10.3%	27.5%	25.8%
OTHER LINES	96.0	100	-1.0%	30.5%	32.8%
TOTAL LINES	**314.7**	**304.8**	**+3.3%**	**100.0%**	**100.0%**

The *red line* reported a slight increase in sales volumes and increased prices following the significant rise in the cost of the raw material utilised during the 2013 summer processing campaign. The strong performance of more innovative and/or low environmental impact products continues, such as ready sauces in glass containers and "combisafe" cartons.
The Cook Italian product range also reported a strong performance, launched in the second half of 2011 on the English market and drawing on the reputation for quality and tradition of Italian food products and extending the Supermarket offer in Britain, comprising principally of private label products, with highest quality premium brand products.

The *fruit juices and beverages line* which includes juices, beverages and canned fruit, contracted significantly in volume terms with lower syrup fruit volumes sold by the English subsidiary in Great Britain, due to reduced consumption of this product on the market. Fruit juices produced and sold by the Parent Company on the Italian market reported a slight reduction, in line with the lower consumption levels on the domestic market.

The *pulses, vegetables and canned pasta line,* including cooked vegetables, ready-made soups, carrots and canned pasta, continued to perform very strongly. Compared to the same period of the previous year, in fact, a significant improvement was reported thanks to further growth in volumes, after significant progress over the last two years and the increase in the sales price applied against higher raw material costs. The performance of brik packaged pulses was particularly strong, in which the company is focusing investment in response to the shift in consumer demand towards easy-to-use products and lower environmental impact packaging.

Finally, the other lines, which refer principally to the products sold by the subsidiary LDH on the British market, reported a reduction, essentially due to lower sales of dry pasta, pet food and other products, as a result of heightened competition, and particularly following the growth in Discount stores.

The domestic market in the first half of 2014 accounted for 20.5% (22% in the first half of 2013), while the export market accounted for 79.5% (78% in the first half of the previous year). Northern Europe, principally Great Britain and the Scandinavian countries, absorbs the largest part of the export turnover.

The foreign market grew in the first six months by 5.2%, with the domestic market contracting 3.7%, substantially due to lower sales of tomato-based products.

International markets reporting the most vibrant growth were Germany (+43%), continuing to grow at double-digit figures thanks to the gaining of new clients and the extension of the product range for existing clients, Australia (+21.3%), Japan (+19.7%) and the Scandinavian countries (+17%). France also reported strong progress (+54%), as did South Africa (+50%) and USA (+37%), although these still represent small markets for the company.

Breakdown of consolidated sales by geographic area

Euro millions	**H1 2014**	% of total	**H1 2013**	% of total
NORTH EUROPE	197.4	62.7%	193.2	63.4%
OTHER EUROPEAN COUNTRIES	84.3	26.8%	82.7	27.1%
of which Italy	*64.6*	*20.5%*	*67.1*	*22.0%*
AFRICA	2.0	0.6%	1.5	0.5%
AUSTRALIA AND NEW ZEALAND	12.4	4.0%	10.8	3.5%
ASIA	16.8	5.3%	14.7	4.8%
USA AND CANADA	1.8	0.6%	1.9	0.7%
TOTAL	**314.7**	**100%**	**304.8**	**100.0%**

Principal alternative performance indicators

The La Doria Group (hereafter also the "Group") evaluates performance based on some indicators not covered by the IFRS. The components of these indicators relating to the Group are described below as required by the Communication CESR/05-178b.

- Gross Operating Result or EBITDA - earnings before interest, taxes, depreciation and amortisation: the pre-tax result before amortisation, depreciation, write-downs and financial income and charges. EBITDA also excludes income and charges from investments and securities, as well as the results from the sale of investments, classified in the financial statements under “financial income and charges”.

- Net operating result or EBIT – earnings before interest, taxes: the pre-tax result before financial income and charges, without any adjustment. EBIT also excludes income and charges from investments and securities, as well as the results from the sale of investments, classified in the financial statements under “financial income and charges”.
- Net Capital Employed: the sum of non-current assets, non-current liabilities and Net Working Capital.
- Net Debt: the format for the calculation is in accordance with paragraph 127 of the CESR/05-054b recommendations implementing EU Regulation 809/2004.

Results (prepared in accordance with EU/IFRS)

The La Doria Group in the first half of 2014 reported results ahead of budget and a significant improvement on the first half of 2013. The first half figures however do not represent the full year performance as the majority of production is concentrated in the second half of the year.

Within the still challenging global economy, featuring a reduction in household consumption - including food products in many countries - the Group has increased revenues and profitability.
The increase in revenues is principally due to the growth of the “pulses and vegetables” and “tomato-based products” lines and the contribution of the international markets.
This improvement was achieved despite an increase in the cost of dried pulses and increased 2013 summer tomato processing campaign costs due to the significant rise in the raw material cost.
In the first six months of the year, due to the seasonality of some production - which, as stated previously, is principally carried out in the second half of the year - a number of indirect production costs concerning the “red” line will be absorbed from the third quarter of the year, when production is carried out.
The improvement of the Group margin in the period was due to the capacity to transfer the increased costs onto sales prices, in addition to greater industrial efficiency.

Operating results

In relation to the results below, reference should be made to the reclassified income statement attached to the present report.

The Group Ebitda (operating profit before amortisation, depreciation, write-downs and provisions) in the first half of 2014 was Euro 23.8 million (7.6% of sales), up 34.5% on Euro 17.7 million in the first half of 2013 (5.8% of sales).

Ebit (net operating profit) in the first half year, after amortisation/depreciation and write-downs of Euro 5.9 million (Euro 5.8 million in the first half of 2013), was Euro 18 million, also significantly improving (+51.3%) on Euro 11.9 million in the same period of 2013. The margin was therefore 5.7% (3.9% in the first half of 2013).

Financial management in the first half year resulted in net interest charges of Euro 2.2 million, in line with Euro 2.4 million in the first half of 2013.

Currency losses, in addition, of Euro 1.6 million were reported against currency gains of Euro 3.4 million in the same period of the previous year, deriving largely from the valuation at market prices of currency hedging operations for the period subsequent to June 30 carried out by the Company, as established by IFRS/EU in order to protect budget exchange rates.

The pre-tax profit therefore totalled Euro 14.1 million, improving 9.3% on Euro 12.9 million in the first half of 2013, despite significant currency losses, as mentioned above, compared to currency gains in the same period of the previous year.

The Group net profit, finally, amounted to Euro 7.3 million, in line with the first half of 2013, which however benefitted from extraordinary income of Euro 1.5 million relating to the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012.

The Group net profit in the first half of 2014 therefore improved 26% on the normalised Group net profit for the first half of 2013 of Euro 5.8 million.

The minority interest net profit share in H1 2014 was Euro 2.3 million compared to Euro 3 million in the same period of the previous year.

Balance sheet

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position at 30.6.2014 reports fixed assets of Euro 116.5 million, an increase on Euro 114.4 million at 30.06.2013 and Euro 114.8 million at 31.12.2013, principally due to capital expenditure.

The working capital increased from Euro 158.4 million at June 30, 2013 to Euro 162.9 million. The decrease in working capital on the end of the previous year (Euro 179.1 million at December 31, 2013) is principally due to the reduction in tomato-based product inventory following sales made in the half-year.

Net capital employed was thus Euro 247.3 million, compared to Euro 245.8 million at 30.06.2013 and Euro 261.8 million at December 31, 2013.

The net financial position reports a debt of Euro 82.3 million, significantly improving on Euro 105.3 million at 30.06.2013 and Euro 108.5 million at 31.12.2013, principally due to operating resources generated.

Finally, the shareholders' equity was Euro 165 million, a significant increase compared to Euro 140.5 million at June 30, 2013 and Euro 153.3 million recorded at the end of the previous year. The debt-equity ratio therefore reduced from 0.749 at 30.06.2013 to 0.499 at 30.06.2014 (0.707 at 31.12.2013).

Investments

The Group's capex investments amounted to Euro 6.4 million, compared to Euro 5.3 million in the first half of 2013.

These relate principally to La Doria S.p.A. (hereafter also the "Company" or the "Parent Company"), for Euro 6.3 million and regard largely a new line for the production of soups and canned pulses, a new plant for the production of 1.5 ml brik format gemina juices and the canned production line.

The Group intangible asset investments amounted to Euro 385 thousand, compared to 166 thousand in H1 2013 and relate to Parent Company IT systems.

Employment data

The number of Group employees at 30.06.2014 was 508 full-time employees and 140 seasonal employees; this latter is recorded on an annual average basis. The number of employees in the first half of 2013 was 487 full-time employees and an average of 158 seasonal workers. The expansion of the full-time workforce is principally due to the conversion of a number of temporary contracts into long-term contracts.

The Environment

Following changes to the management of waste disposal concerning the removal of topsoil from tomatoes before processing, together with a disparate interpretation of the existing regulation, La Doria S.p.A. in 2010 was subject to a preliminary investigation by the Court which issued notices of investigation to some senior Executives. In the meantime, despite not agreeing with the charges made, the Company from 2010 complied with that indicated by the Court.

According to the legal representatives of the Company, the charges do not have a sound basis. An opinion was expressed by the relative Ministry – together with regulatory amendments – which in relation to the specific issue would exclude the imposition of a penalty. In addition, as a civil case is not expected to be taken, there are no third party actions in place against the company (or against its representatives or employees) which may result in potential liabilities. With Decree of July 22, 2014 the preliminary hearing was finally fixed for November 7, 2014.

Research and Development

Research and development costs in the first half of 2014 were entirely expensed to the income statement. The research and development activity is carried out in order to continually improve recipes and to support the development of new products, also on the request of the Supermarket Chains.

In 2012, the Parent Company was involved in the incorporation of the consortium company "Campania Bioscience", an advanced technology district involving 47 enterprises, 7 research organisations and 3 technology transfer structures.

The objective of the Company is to work with greater efficacy on projects for the development of innovative products through synergies achieved between enterprises, universities and centres of excellence, leveraging on the various skills and knowledge available.

Shares of the Parent Company

The subsidiaries and associated companies do not hold shares of the Parent Company at 30.06.2014, nor have they bought and/or sold La Doria S.p.A. shares during the period, either through trustee companies or third parties. The Parent Company in the first half of 2014 acquired 8,680 treasury shares at an average price of Euro 5.81 for total payment of Euro 50 thousand and sold 1,220,500 shares at an average price of Euro 5.977. At June 30, 2014 the treasury shares held in portfolio numbered 378,491.

Information relating to financial instruments

The Group aims, where possible, for the elimination and reduction of the interest and exchange risk and to the optimisation of the borrowing costs. The management of these risks is made in accordance with prudent principles and "best market practices".

In relation to La Doria S.p.A., the company manages the exchange and interest rate risk (limited to the "cash-flow risk") relating to its normal operations. The exchange risk relates in particular to commercial transactions in US Dollars and UK Sterling and is managed through options and forward operations.

In relation to the subsidiary LDH (La Doria) Ltd, the company acquires almost all of its products in currencies other than Sterling (especially in the Euro and US Dollar area), selling in the national market and therefore invoicing in GBP. The policy of LDH (La Doria) Ltd consists in fixing the exchange rate through hedges at the moment of purchase of all products, fixing the relating sales mark ups on these purchase prices.

Risks and uncertainties

Within its industrial activities, the La Doria Group is exposed to a series of risks, whose identification, evaluation and management involve the Chief Executive Officer (CEO) and the business area and central administration heads and/or managers.

Within this process, the different types of risks are classified based on the evaluation of their impact on achieving the objectives, that is to say based on the consequences which may arise from the risk in strategy, operating, financial and/or regulatory terms, as well as their probability of occurrence and the level of efficiency of the actions undertaken against their occurrence. The risk assessment has the objective to assign a priority to the factors of risk identified and to the actions taken to reduce such risks. The effective management of risk is a key factor in maintaining the value of the Group over time, especially in view of the continued current economic difficulties.

In order to undertake a mapping of the risks and the annual update which is as close as possible to the business operations, the Parent Company La Doria S.p.A. undertook a methodological approach which beginning with the identification of the objectives, highlights and evaluates the potential and critical risks. Considering the traditional definition of the risk as "an event arising that would affect the achievement of predefined objectives", the characteristics of the activities undertaken and the competitive environment in which the company operates, the risks were identified and subdivided into four categories:

- ***Strategic***: these are risks related to undertaking non favourable business decisions or incorrect implementation of the strategic decisions undertaken. In this regard the company was exposed to the risk of responding to the quality/price/service needs of clients in an effective and efficient manner. The high value and volumes of private label product sales requires timely response to clients' demands, with the introduction also of innovative products which maintain the usual high quality standards. If the company were unable to respond in such a manner repercussions on market share are results would be inevitable.
- ***External and Compliance:*** these are external risks related to competition, the timely introduction of new technology and a lack of monitoring of - and compliance with - regulations which the Group must adhere to. La Doria S.p.A. is exposed to the external risk of fluctuating margins based on downturns in the market following surpluses in supply. This risk relates to the corporate mission to supply Private Labels and low price products to the Large Supermarket and Discount chains, in addition to tomato business line concerns which, in previous years, saw surplus supply on the market following a lowering of the price and the line margin. To offset this risk, the Company on the one hand is expanding the pulses business line, which is entirely separate from tomato line dynamics, and on the other was involved in the establishment of a tomato growing region in the Centre-South of Italy to achieve a common objective of the agricultural and industrial sectors to avoid surplus production which would damage the entire chain; in this regard, the EU fruit and vegetable reform of 2011 - which based grants to farmers independently of the type of crop grown and no longer, as was the case in the past, according to the quantity of tomatoes grown - accelerated the sector consolidation process which in the medium-term should result in more stable profit levels for the tomato line and therefore the company overall.
  In relation to legal compliance monitoring risks, in recent years particular importance has been placed on the monitoring of and compliance with safety and environmental legislation, the Administrative Responsibility of the Company, with Legislative Decree 231/01 and Law 262 of 2005; in addition, over recent years, local Public Bodies have acquired an increasing degree of control concerning regional taxation due to a subjective interpretation of the applicable Regulation by such Bodies, which imposes upon the Company continuous monitoring in relation to tax compliance.

With regard to safety and environmental compliance, the production activity of the Group companies, the introduction of increasingly stringent regulations concerning the environment and safety and product characteristics, together with frequent inspections which the company is subject to due to its size (compared to other competitors), has made it necessary to closely monitor these issues, implementing all necessary actions to mitigate such risks.

- ***Operations:*** these are risks relating to the occurrence of accidents, malfunctions and breakdowns, with damage to individuals, the quality of the product and the environment, with a consequent impact on results. The quality of the product, the safeguarding of our consumers health and their full satisfaction are Company priorities which, in order to guarantee them, has procedures and controls in place which govern all procurement of raw material processes to the processing and distribution of the finished product, which are applied at all production sites. The Company operates at 5 Production Sites, of which two seasonal facilities are exposed to the risk concerning the efficiency of the production capacity and the optimisation of the industrial capacity in general. If this objective were not met, an impact would be felt on the absorption of industrial overhead costs with consequent repercussions on the income statement. High production volumes in addition require increasingly stringent product and process quality control, resulting in the need to improve the control process to reduce non-compliance, guaranteeing food safety. In this regard, after the introduction in 2013 of the SAP Quality Management project which enabled greater traceability of inward goods controls and on those produced internally, increasing importance will be placed in the current year on process improvements to avoid non-compliant production with the total quality policy.
- ***Financial Risks***: these are risks related to inefficient management in the financial operations of the company. The La Doria Group, through its ordinary operations, is exposed to various financial risks, including, in particular, market risk, concerning its principle variables such as volatility in interest rates and exchange rates, liquidity risk and credit risk. The management of these risks is handled by the Treasury and Receivables department of the Parent Company which, together with the Chief Financial Officer ("CFO") of the Group and the Chief Executive Officer (CEO), evaluates all principal financial operations, the relative hedging strategies and the monitoring and management of credit.

The Consolidated Companies (the figures were prepared in accordance with EU/IFRS accounting standards)

LDH (La Doria) Ltd
Huntingdon (Great Britain)
(held 51%)

LDH (La Doria) Ltd is a company engaged in the marketing of canned tomatoes, fruit, pulses, canned salmon and tuna, canned pasta, pet food and other products in the United Kingdom.
Consolidated revenues in the first half of 2014 totalled GBP 155.3 million, slightly decreasing (-1.8%) compared to GBP 158.1 million in the first half of 2013, principally due to the lower volumes of fruit in syrups, in line with the market contraction and, to a lesser degree, the reduction in sales of dried pasta, pet food and other products. With the drop in volumes, sales prices increased, substantially due to the higher procurement costs of a number of products sold.

The Ebitda was GBP 6.2 million (4% of sales), an increase of 6.9% on GBP 5.8 million (3.7% of sales) in the same period of the previous year.

The Ebit, after amortisation/depreciation and write-downs of GBP 168 thousand (GBP 172 thousand in the first half of 2013) was GBP 6 million, also an increase (+7%) on GBP 5.6 million in the first half of 2013. The Ebit margin therefore was 3.9% compared to 3.6%.

Net financial charges were GBP 36 thousand, compared to net financial charges of GBP 40 thousand in the first half of the previous year.
Currency losses were also recorded of GBP 968 thousand compared to gains of GBP 1.2 million in the same period of the previous year. Currency gains/losses are generated from the market valuation of foreign currency hedging operations made by the company, in accordance with IFRS/EU.

The pre-tax profit amounted to GBP 5 million, reducing on GBP 6.8 million in the first half of 2013 as a result of the above-mentioned currency losses, against currency gains in the previous year.
The net profit was GBP 3.9 million – compared to GBP 5.2 million in the same period of the previous year.

The balance sheet and financial position of LDH (La Doria) Ltd report a consolidated shareholders' equity of GBP 39.6 million, an increase compared to GBP 38.1 million at 30.06.2013 and a slight reduction on GBP 40.6 million at December 31, 2013.

The net financial position was a cash position of GBP 3.9 million against a cash position of GBP 6.5 million at June 30, 2013 and GBP 4.6 million at December 31, 2013.

The results of LDH (La Doria) Ltd for the first half of 2014 are considered satisfying in view of the highly competitive market - in particular the growth of the Discounters. This confirms the leadership position reached and the strong commercial relations with the leading English distribution chains.

LDH (La Doria) Ltd is now the leader on the British market for private label tomato-based products and pulses, dry pasta and canned tuna.

Eugea Mediterranea S.p.A.
Lavello (PZ)
(held 98.34%)

Eugea Mediterranea S.p.A. produces tomato-based products and fruit purées.

In the first half of 2014 revenues of Eugea Mediterranea S.p.A., generated mainly through sales to the Parent Company, amounted to Euro 1 million compared to Euro 196 thousand in the first half of 2013.

The substantial absence of revenues in the period considered, evident also in the same period of the previous year, is due to the decision taken in previous years, also to adequately support the centralised stock planning and management by the purchasing Parent Company La Doria S.p.A., to proceed with the sale and the consequent invoicing of production ordered and comprising tomato-based products and fruit purées by the end of the year in which, during the summer processing campaign, the production is carried out.

Ebitda in the half year was a loss of Euro 711 thousand compared to a loss of Euro 906 thousand in the first half of the previous year.

The Ebit after amortisation, depreciation and write-downs of Euro 218 thousand (Euro 215 thousand in H1 2013), reported a loss of Euro 929 thousand, compared to a loss of Euro 1.1 million in the first half of 2013.

The net result, after net financial charges of Euro 45 thousand (Euro 146 thousand in the first half of 2013) was a loss of Euro 718 thousand compared to a loss of Euro 778 thousand in H1 2013.

The balance sheet and financial position at June 30, 2014 reports shareholders' equity of Euro 4.7 million compared to Euro 4.5 million at June 30, 2013 and Euro 5.4 million at December 31, 2013. The net financial position reports a debt of Euro 1.5 million, reducing compared to Euro 4.6 million at June 30, 2013 and against a debt of Euro 7.2 million at December 31, 2013.

The results in the first half of 2014 for Eugea Mediterranea S.p.A. were affected by the seasonality of production, with activity primarily carried out in the second half of the year, incurring therefore some indirect "red" line production costs which will be absorbed from the third quarter, the period in which this production is carried out.

The number of employees of Eugea Mediterranea S.p.A. at 30.6.2014 was 24 full-time employees and 15 seasonal employees (annual average), in line with 24 full-time and 12 seasonal employees at June 30, 2013.

With regard to the tomato processing campaign, Eugea Mediterranea S.p.A. expects to process an additional 20% than the 59,400 tonnes of 2013.

For further information on the harvest for the current year, reference should be made to the Directors' Report on Group operations after the end of the period.

Transactions with related parties

The only transactions with related parties concern those of the Parent Company La Doria S.p.A. with its subsidiaries. The only transactions with related parties concern those of the Parent Company La Doria S.p.A. with its subsidiaries and with other related parties. Reference should be made to the subsequent relevant paragraph in this regard.

PERFORMANCE SUBSEQUENT TO THE PERIOD END

Processing campaign

Tomato processing campaign

According to forecasts and based on the information currently available concerning volumes contracted by industry and areas cultivated, it is expected that nationally the amount of fresh tomatoes processed will increase, following the significant contraction of 2013. Specifically, approx. 4.8 million tonnes are forecast to be processed, increasing 17% on 4.1 million tonnes processed in 2013, although reducing 2% compared to the 2009-2013 five-year average of 4.9 million tonnes. The production of tomatoes will depend also on climatic conditions in the season which determine the quantity and the quality of the raw material. The prolonged summer rains which delayed the harvest, particularly in Northern Italy, may reduce the quantity of tomatoes processed compared to the 4.8 million tonnes originally forecast.

Considering sector stock levels and consumption, the expected increase in domestic production compared to 2013 does not pose a risk to market supply and demand equilibrium and consequently finished product prices, which were significantly impacted in the past by overproduction and very high stock levels.

For fresh tomato prices, in the current phase of the processing campaign, a slight decrease compared to the previous year is forecast. In terms of finished product sale prices, the market slightly contracted.

Only at the end of the processing campaign will a clear picture of the overall cost and price trend emerge, which will be impacted by climatic issues over the coming months and the consequent agricultural and industrial yields.

Specifically in relation to La Doria Group, 285,000 tonnes of fresh tomatoes is forecast to be processed, increasing 15% on the 248,000 tonnes processed in 2013.

Fruit processing campaign

The 2014 fruit processing campaign featured a decrease in the cost of apricots, peaches and nectarines utilised for nectar juices, after the significant increase in 2013, particularly in relation to apricots.

According to forecasts, pear yields will provide stable volumes and prices compared to the previous campaign.

Outlook

2014 is expected to be a strong year for the La Doria Group. Estimates indicate further revenue and margin increases on 2013, thanks principally to the upward sales price trend and also for a number of food raw materials and packaging materials. The margin will also improve through the ongoing industrial efficiency and cost containment actions implemented by the Group.

PERFORMANCE OF LA DORIA S.P.A. IN THE FIRST HALF OF 2014

Revenues

Sales of the parent company in H1 2014 amounted to Euro 174.6 million, an increase of 4.4% compared to Euro 167.3 million in the first half of 2013. The sales performance featured a drop in volumes sold, essentially due to lower "red line" and fruit juice line sales, in addition to the increase in sales prices, principally following the rise of a number of raw material costs.
Sales derived 38.6% from the domestic market (41.3% in H1 2013), reducing 2.4%, with the remaining 61.4% from foreign markets (58.7% in H1 2013) - reporting growth of 9.2%.

Breakdown of Parent Company sales by product line

Millions of Euro	H1 2014	H1 2013	Change %	% of H1 2014 total	% of H1 2014 total
RED LINE	73.7	72.0	+2.4%	42.2%	43.0%
FRUIT LINE	31.6	32.5	-2.8%	18.1%	19.4%
PULSES, VEG./CANNED PASTA	66.6	60.9	+9.4%	38.1%	36.4%
OTHER LINES	2.7	1.9	+42.1%	1.6%	1.2%
TOTAL	**174.6**	**167.3**	**+4.4%**	**100%**	**100.0%**

The *red line* recorded a reduction in volumes and increased sales prices following the significant rise in the cost of the raw material utilised during the 2013 summer processing campaign.

The fruit juice and beverage line also contracted in volume terms, with sales prices increasing slightly following the rise in the price of fresh fruit processed in summer 2013.

The pulses, vegetables and canned pasta line, including cooked vegetables, ready-made soups, carrots and canned pasta, performed strongly. Compared to the same period of the previous year, in fact, a significant improvement was reported thanks on the one hand to growth of domestic market volumes, in addition to increased sales price applied against higher raw material costs.

Finally, the other lines report a strong increase due to the higher sales of metal cans sold to the subsidiary Eugea Mediterranea S.p.A.

Results (prepared in accordance with EU/IFRS)

For the comment on the H1 2014 results of the Parent Company reference should be made to the previous paragraph relating to the Group "Results (prepared in accordance with IFRS/EU".

Operating results

The Ebitda of the Parent Company (operating profit before amortisation, depreciation, write-downs and provisions) amounted to Euro 17.1 million in H1 2014, an increase of 50% on Euro 11.4 million recorded in the same period of the previous year. The margin increased from 6.8% to 9.8%.

Ebit (operating profit), after amortisation/depreciation and write-downs of Euro 5.5 million (Euro 5.4 million in the first half of 2013), recorded a profit of Euro 11.6 million, also a significant increase (+93.3%) on Euro 6 million in H1 2013. The margin increased from 3.6% to 6.6%.

Net interest expense totalled Euro 2.1 million, in line with Euro 2.2 million in the first half of 2013. Income from investments amounted to Euro 2.7 million compared to Euro 2.5 million in the first half of 2013 and derives from dividends from the subsidiary LDH (La Doria) Ltd.
Currency losses, in addition, of Euro 541 thousand were reported against currency gains of Euro 2.3 million in the same period of the previous year, deriving largely from the valuation at market prices of currency hedging operations for the period subsequent to June 30 carried out by the Company, as established by IFRS/EU in order to protect budget exchange rates.

The pre-tax profit therefore totalled Euro 11.6 million, improving 33.3% on Euro 8.7 million in the first half of 2013, despite significant currency losses, as mentioned above, compared to currency gains in the same period of the previous year.
The net profit amounted to Euro 8.2 million, growing 9.3% on Euro 7.5 million in the first half of 2013, which however benefitted from extraordinary income of Euro 1.5 million relating to the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012.
The net profit in the first half of 2014 therefore improved 36.7% compared to the normalised net profit in the first half of 2013 of Euro 6 million.

Balance sheet and financial position

In relation to the results below, reference should be made to the reclassified balance sheet attached to the present report.

The balance sheet and financial position of the Parent Company at June 30, 2014 reports fixed assets of Euro 114 million, slightly increasing on Euro 111.2 million at June 30, 2013 and Euro 112.2 million at December 31, 2013, following investments made.

Working capital decreased from Euro 122.9 million at June 30, 2013 to Euro 122 million, despite the increase in revenues, thanks to improved management of working capital needs. The decrease in working capital on the end of the previous year (Euro 133.5 million at 31.12.2013) is partly due to the reduction in tomato-based product inventory following sales made in the half-year.

Net capital employed was thus equal to Euro 205.6 million, a decrease on Euro 209 million at 30.6.2013 and compared to Euro 215.3 million at December 31, 2013.

The net financial position reports a debt of Euro 85.6 million, improving on 108.7 million at 30.06.2013 and Euro 106.9 million at 31.12.2013, principally due to operating resources generated. The shareholders' equity was Euro 120 million, an increase compared to Euro 100.3 million at 30.06.2013 and Euro 108.4 million at the end of the previous year.

Production information

The volumes produced by the Parent Company in the first six months of 2014 amounted to 163,218 tonnes, an increase of 3.18% on 158,193 tonnes in the same period in 2013. The production refers to the juices and beverages and canned pulses and pasta lines, as the tomato-based products are only produced in the second half of the year. The production increase is principally related to the increased production of pulses (+7.42%), while a slight reduction in fruit and beverage juices was reported (-3.5%).

Employment data

The number of employees of La Doria S.p.A at 30.06.2013 was 414 full-time employees and 125 seasonal employees; this latter is recorded on an annual average basis. The number of employees in the first half of 2013 was 395 full-time employees and 140 seasonal workers. The expansion of the full-time workforce is principally due to the conversion of a number of temporary contracts into long-term contracts.

Investments

Investments in the period amounted to Euro 6.3 million, compared to Euro 5 million in the first half of 2013 and principally concern, as described previously for the Group, a new soup and canned pulses production line, a new 1.5 ml gemina brik juices production plant and plant for tapered box production.

The intangible asset investments amounted to Euro 385 thousand, compared to 166 thousand in H1 2013 and relate to Parent Company IT systems.

Principal subsidiaries and/or holdings

Investments held at 30.06.2014 were the following:

Subsidiaries

LDH (La Doria) Ltd (hereafter LDH) - 51% direct holding. This is a trading company which principally sells the products of the Group on the British market. At June 30, 2014, the share capital and consolidated shareholders' equity amounted to GBP 1 million and GBP 39.6 million respectively, with a net profit in the period of GBP 3.9 million. The sales of LDH in the period were GBP 155.3 million.

The investment is carried in the balance sheet at Euro 763,605.

Oriental & Pacific Frozen Food Company (100% indirect control through LDH), a company that markets frozen fish, pet food, tuna and tuna-based products on the UK market. The company was purchased by LDH in April 2008. The share capital and shareholders' equity of Oriental & Pacific amounted respectively to GBP 10 thousand. Since 2013 the Company has not carried out trading activity.

Manpineco Ltd (100% indirect control through LDH), a company that markets canned pineapples on the UK market. At 30.06.2013 the share capital and shareholders' equity of the company respectively amounted to GBP 1. Since 2013 the Company has not carried out trading activity.

Eugea Mediterranea S.p.A. (direct control of 98.34%). This company produces tomato-based products and fruit purées. At 30.06.2013, the share capital amounted to Euro 1.5 million and the shareholders' equity was Euro 4.7 million. Sales amounted to Euro 1 million, with a net loss of Euro 717 thousand. The investment is carried in the balance sheet at Euro 3.3 million.

Associated companies

Immobiliare T.F.C. S.p.A. (direct holding of 15.29%). At 31.12.2013, the share capital amounted to Euro 260 thousand and the shareholders' equity amounted to Euro 1.6 million. The sales amounted to Euro 1.7 million and the net profit was Euro 384 thousand. The investment is carried in the balance sheet at Euro 209,367.

The results of the companies, with the exception of TFC S.p.A., are prepared in accordance with EU/IFRS.

Transactions of the Parent Company La Doria S.p.A. with related parties

Transactions with subsidiary companies

Transactions with subsidiaries are undertaken at normal market conditions between independent parties. All transactions of a financial or economic nature with subsidiaries of the Company for the first half of 2014 are reported below:

(in Euro thousand) 30.06.2014	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current payables	Other non-current payables	Guarantees	Commitments
Balance sheet								
Subsidiaries								
Eugea Mediterranea SpA	3 697	0	0	791	0	0	20 074	0
LDH (LA DORIA) Ltd	18 255	2 821	2 068	86	0	0	6 301	0
TOTAL	**21.952**	**2.821**	**2.068**	**877**	**0**	**0**	**26.375**	**0**
% on total balance	*29%*	*18%*	*95%*	*1%*	*0%*	*0%*	*65%*	*0%*

Eugea Mediterranea S.p.A.:

Receivables from customers: Receivables from the subsidiary Eugea Mediterranea S.p.A. for Euro 3,697 thousand, of a commercial nature;

Payables to suppliers: Trade payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 791 thousand, of a commercial nature;

Guarantees: Euro 14,930 thousand for sureties and patronage letters provided to banking institutions to guarantee loans received from the subsidiary Eugea Mediterranea S.p.A. and Euro 5,144 thousand relating to sureties in favour of the subsidiary Eugea Mediterranea S.p.A. to guarantee receivables from the public administration.

LDH (La Doria) Ltd:

Receivables from customers: Receivables from the subsidiary company LDH (La Doria) Ltd. for Euro 18,255 thousand, of a commercial nature;

Other current assets: Other current assets from the subsidiary LDH (La Doria) Ltd for Euro 2,821 thousand for discounts concerning promotional contributions;

Other non-current assets: Other non-current assets from the subsidiary LDH (La Doria) Ltd for Euro 2,068 thousand for discounts concerning promotional contributions;

Payables to suppliers: Trade payables to the subsidiary LDH (La Doria) Ltd for Euro 86 thousand, of a commercial nature;

Guarantees: Euro 6,301 thousand for the equivalent amount at June 30, 2014 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.

(in Euro thousand) 30.06.2014	Revenues	Other operating revenues	Costs	Other operating costs	Financial income	Financial charges	dividends
P&L transactions							
Subsidiaries							
Eugea Mediterranea SpA	2.724	149	1.014	2	0	0	0
LDH (LA DORIA) Ltd	46.259	3	0	2.013	0	0	2.694
TOTAL	**48.983**	**152**	**1.014**	**2.015**	**0**	**0**	**2.694**
% on total balance	*28%*	*3%*	*1%*	*8%*	*0%*	*0%*	*100%*

Eugea Mediterranea S.p.A.:

Revenues: Revenues for the sale of packaging for Euro 2,724 thousand;

Other operating revenues: Service revenues of Euro 149 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 1,014 thousand;

Other operating charges: Costs for the purchase of pallets and stack dividers for Euro 2 thousand.

LDH (La Doria) Ltd.:

Revenues: Revenues for the sale of finished products of Euro 46,259 thousand;

Other operating revenues: Recovery of expenses of Euro 3 thousand;

Other operating charges: Promotional activity costs and extraordinary charges of Euro 2,013 thousand;

Dividends: Dividends distributed by the subsidiary Ldh (La Doria) Ltd., in relation to the year 2013 for Euro 2,694 thousand.

Transactions with other related parties

All transactions of a financial or economic nature with related parties of the Company for H1 2014 are reported below:

(in Euro thousand) 30.06.2014	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current liabilities
Balance sheet						
Receivables from customers	153					
Payables to suppliers				7		
Directors					274	
Shareholders						
TOTAL	**153**	**0**	**0**	**7**	**274**	**0**

Trade receivables: Refers to receivables from clients considered as related parties for Euro 153 thousand for operations of a commercial nature.

Trade payables: Payables to suppliers considered related parties of Euro 7 thousand for the provision of services;

Other current liabilities: Concerns payables to Directors for Euro 274 thousand and remuneration, salary and bonuses matured in H1 2014 and still not paid.

(in Euro thousand) 31.12.2013	Revenues	Other operating revenues	Costs	Other operating charges	Dividends
P&L transactions					
Revenues	206				
Costs			7		
Directors				614	
Shareholders					2.604
TOTAL	**206**	**0**	**7**	**614**	**2.604**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 206 thousand;

Costs: Concerns costs for the acquisition of services for Euro 7 thousand;

Other operating charges: These amount to Euro 614 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in H1 2014.

Dividends: In 2014 related party shareholders matured dividends of Euro 2,604 thousand on the 2013 net profit.

The above transactions with related parties, in substance and form, took place at market terms and were entered into solely in order to fulfil the strategic and trading objectives of the Group.

The information relating to these operations is provided in accordance with CONSOB Regulation concerning related parties approved with resolution No.17221 of March 12, 2010, subsequently modified with resolution No.17389 of 23.06.2010.

Tax situation

Disputes:

- for the Assessment concerning the fiscal year 2005, concerning IRES-IRAP and VAT, the Company previously provisioned Euro 545,000 to the taxes, penalties and interest risk provision. The Company appeal to the Naples Provincial Tax Court was heard on 13/6/2011. With decision of the President of the Commission, the Appeal was again discussed on 29/10/2012. Through judgment No. 174, filed on 18/03/2013, the Commission partially accepted the appeal relating to the recovery of taxation of Euro 213,492.00, rejecting the remainder and reimbursement of expenses.

On 30/10/2013, with hearing on 21/11/2013, the Company appealed to the Campania Regional Tax Court, requesting a reform of the decision.

With Judgement No. 6434/31/14 of 16/06/2014, filed on 24/06/2014, the Regional Tax Commission partially accepted the appeal of the Company, cancelling the taxation recovery for IRES purposes of Euro 677,051.35; the recovery of taxation for IRAP purposes of Euro 556,901.93 and declared the recovery of VAT for Euro 169,600.01 as inapplicable.

The Commission in addition rejected the incidental appeal presented by the Agency.

The provision previously made, following the first level decision of Euro 514,120.00, of which Euro 417,623.00 for taxes and Euro 96,497.00 for interest, despite the favourable outcome of the appeal presented by the Company, was increased by a further Euro 13,552.00 for interest matured;

- for the Assessment relating to 2006, the company appeal to the Naples Provincial Tax Court was discussed on 6/11/2012 at section No. 22.

The Commission, with judgment No. 84/22/13, filed on 19/2/2013, partially accepted the appeal, confirming the recovery of IRES and IRAP taxes for a total assessable amount of Euro 663,190.

With notification of 01/10/2013, the Tax Agency, Campania section, appealed, requesting reform of the judgment.

On 29/11/2013, the company produced a counter claim and an appeal for the rejection of the sections appeal and reform of the appealed judgment for the part concerning the liability of the Company.

The previous Risk Provision of Euro 497,868.00 was increased by Euro 3,014.00 for interest matured in the period;

- on 16/11/2012 an Assessment for 2007 was notified for higher IRES and IRAP of Euro 1,326,238.84 and higher VAT of Euro 175,962.36.

Following the Assessment, the Company on 14/1/2013 produced customary and timely appeal at the Naples Provincial Tax Court, with hearing on 25/01/2013, raising the illegality and unfounded nature of a number of recovery claims based on settlements made by other parties.

On 20/5/2013, the appeal was discussed at section No. 19 of the Provincial Tax Court. The Commission has reserved judgment.

On 20/11/2013 judgment No. 688 was filed, with which the Commission accepted the appeal concerning the illegality of taxation for IRES and IRAP on the assessable amount of Euro 466,394 concerning leasing payments and the non-deductibility of VAT properly charged on such payments for Euro 175,962, rejecting the further issues presented by the Company.

On 18/07/2014, following the Appeal proposed by the Agency, the Company presented a counter appeal.

The Risks Provision previously accrued, following the Assessment of 2009 and subsequent Questionnaire, of Euro 173,200.00 thousand was increased by Euro 1,097.00 for interest in the period;

- on 28.12.2011, following the inspection of the Regional Tax Office, La Doria S.p.A. was sent an Assessment notice for 2008 concerning the following issues: higher assessable taxes of Euro 1,995,000, concerning IRES, Euro 556,000 concerning IRAP, in addition to additional VAT due for Euro 29,000. On 13/6/2013, under reference No. 0029883, the response to Questionnaire No. Q00022/2013 was filed at the office by the company, together with all requested documentation.

On 19/12/2013, the Company was notified of Assessment No. TEB03T100083/2013, under which the Campania Regional Tax Agency in relation to 2008, following the Assessment and Questionnaire response indicated above, assessed:

- higher IRES assessable of Euro 583,485, with corresponding increased taxes due of Euro 160,459;

- higher IRAP assessable of Euro 436,030, with corresponding increased taxes due of Euro 20,829;

- higher VAT due of Euro 29,350; penalties totaling Euro 247,488.

On 14/2/2014, the company settled the Assessment in accordance with Article 15 of Legislative Decree No. 218/97, with consequent payment of a total amount of Euro 285,413, including taxes and penalties reduced to one-sixth and interest. On the same date, the first of 12 pre-chosen instalments for the payment of Euro 25,014.05 was made.

Against the charge relating to the settlement, the previously allocated Risk provision of Euro 398,000 was in surplus, with consequent release in the period of Euro 112,000;

- on 15/11/2011, the Company was notified of a TARSU (waste disposal tax) Assessment for the years between 2006 and 2011. The Assessment, issued by SO.G.E.T. S.p.A., an agent of the Angri Municipality, provides for the relevant years the payment of a total tax of Euro 2,430,000, in addition to penalties and interest for Euro 1,717,000. Considering the assessment unfounded, also based on the procedure implemented by the Municipality for the awarding of the license, the Company appealed to the Regional Administrative Court and the Salerno Provincial Tax Court. The hearing took place on 4/7/2012 and the Commission with judgment No. 172/4/2013 filed on 11/3/2013 accepted the appeal, judging reimbursement of expenses also against SO.G.E.T. S.p.A.. The Regional Administrative Court has not yet announced judgment on the appeal made by the Company.

On 15/10/2013, the Angri Municipality appealed to the Campania Regional Tax Court, requesting an overturn of judgment No. 172/4/13.

The service agent SO.G.E.T. S.p.A. also, on 25/10/2013 appealed to the Campania Regional Tax Court, requesting reform of judgment 172/4/13.

Against the appeals, the company on 30/12/2013 filed a counterclaim and requested rejection of the proposed appeals, with confirmation of judgment No. 172/4/13.

Although the first level judgment confirmed the lack of grounds of the case brought, the Company increased the previous Risks Provision of Euro 1,190,000.00 by Euro 111,201.00 for interest matured in the period;

- on 6/12/2013, the Company was notified of the Assessments issued by SO.G.E.T. S.p.A., the Sarno Municipality agent, for TARSU (waste disposal tax) concerning the years between 2008 and 2012, with a total assessment, for tax, penalties and interest of Euro 7,470,367.

Rejecting the assessment as unfounded and illegitimate, the company on 5/2/2013 proposed separate appeals to the Salerno Provincial Tax Court, citing the unfounded and illegitimate nature of the Assessments, requesting their cancellation.

On 26/03/2014 the company requested the hearing be brought forward. The hearing was held on 2.07.2014 and the decision should be made in September.

Given the sums proposed, the company increased the existing provision of Euro 777,310.00 by Euro 79,694.00 for interest matured in the period.

In relation to the IRES – IRAP dispute concerning the years 2003 and 2004, the Tax Authorities appealed to the Court of Cassation against the Campania Provincial Court judgment which rejected the Agency's appeal of the overturning of the previous judgment of the Salerno Provincial Tax

Court. The company counter-claimed within the established timeframe. In relation to the VAT dispute concerning the years 2001/2004, the Tax Authorities appealed to the Court of Cassation against the Campania Provincial Court judgment which rejected the Agency's appeal of the overturning of the previous judgment of the Salerno court. The company counter-claimed within the established timeframe.

The years still open to Assessments:

– IRES – IRAP 2009 – 2012;

– VAT 2009 – 2012.

In relation to company Tax receivables, on 14/2/2014, the 2001 VAT receivable of Euro 413,165 including interest was paid.

The additional IRPEG Company receivables concern the following years: 1994 - Euro 584,771.00; 1996 - Euro 492,987.00; 1997 - Euro 607,400.00, on March 21 and May 15, 2014 the Tax Agency, Pagani Regional Office notified request for presentation of the policy to guarantee execution of repayments.

Following the appeal of the Company notified to the Campania Regional Tax Agency, the Salerno Provincial Office and the Pagani Territorial Office, on July 9, 2014, the Tax Agency, Campania Regional Office, communicated to having "provided directions to the relevant Office for the issue of repayments concerning the years 1994, 1996 and 1997, without the need for any guarantee".

The payment of sums due to the Company, including interest, therefore should take place shortly.

Treasury shares

At June 30, 2014, the Group, following specific shareholders' meeting resolutions, holds 378,491 treasury shares in portfolio, equal to 1.22% of the share capital, purchased at an average unitary price of Euro 2,060. The official trading price at August 22, 2014 was Euro 6,0033.

PERFORMANCE SUBSEQUENT TO THE PERIOD END

With regard to the tomato processing campaign, the Parent Company will process approx. 213,000 thousand tonnes of raw materials, increasing 13% on 188,112 tonnes in 2013.

For further information on the harvest for the current year, reference should be made to the paragraph 'Performance subsequent to the period end' relating to the Group.

Outlook

In relation to the performance of La Doria S.p.A. in 2014, reference should be made to that reported for the Group in the same paragraph.

LA DORIA GROUP

HALF-YEAR REPORT AT JUNE 30, 2014

CONDENSED CONSOLIDATED AND PARENT COMPANY FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH IFRS/EU ACCOUNTING STANDARDS AND INTERIM REPORT ON OPERATIONS FOR THE FIRST HALF-YEAR OF 2014

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014				
as per IFRS/EU	BALANCE SHEET			
in Euro/000	30.06.2014		31.12.2013	
		of which related parties		*of which related parties*
Trade receivables	106.755	153	89.034	156
Inventories	159.894		194.143	
Other current receivables	19.079		25.084	
Total current assets	**285.728**		**308.261**	
Trade payables	93.638	7	103.901	7
Other current payables	29.144	274	25.258	405
Total current liabilities	**122.782**		**129.159**	
WORKING CAPITAL	**162.946**		**179.102**	
Intangible assets - net	4.170		4.012	
Property, plant & equipment - net	100.467		98.899	
Equity investments	234		234	
Other assets	11.602		11.638	
NON-CURRENT ASSETS	**116.473**		**114.783**	
Non-current liabilities	20.228		20.509	
Post-employment benefits & other provisions	11.897		11.565	
Total non-current liabilities	**32.125**		**32.074**	
NET CAPITAL EMPLOYED	**247.294**		**261.811**	
Cash & cash equivalents	(33.833)		(27.867)	
Short-term borrowings	65.536		85.672	
Medium and long term borrowings	50.617		50.689	
NET FINANCIAL POSITION	**82.320**		**108.494**	
Group net equity	140.802		129.461	
Minority interest net equity	24.172		23.856	
TOTAL NET EQUITY	**164.974**		**153.317**	

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014						
	INCOME STATEMENT					
as per IFRS/EU	H1 2014			H1 2013		
in Euro/000			*related parties*			*related parties*
Sales	**314.748**	**100,0%**	**206**	**304 821**	**100,0%**	
Cge. in inven. of work in prog., semi-fin. & fin. goods	(40.813)	-13,0%		(43.078)	-14,1%	
Other revenues	5.181	1,6%		7 310	2,4%	
Value of production	**279.116**	**88,7%**		**269.053**	**88,3%**	
Costs of production	237.702	75,5%	294	234.827	77,0%	
Value added	**41.414**	**13,2%**		**34 226**	**11,2%**	
Personnel costs	17.585	5,6%	327	16.495	5,4%	
EBITDA	**23.829**	**7,6%**		**17.731**	**5,8%**	
Amortisation, depreciation & write-downs	5.868	1,9%		5.789	1,9%	
EBIT	**17.961**	**5,7%**		**11 942**	**3,9%**	
Financial income (charges)	(2.227)	-0,7%		(2.375)	-0,8%	
Currency gains (losses)	(1.579)	-0,5%		3 385	1,1%	
Result from normal operations	**14.155**	**4,5%**		**12 952**	**4,2%**	
Gain/loss on discontinued operations	0	0,0%		0	0,0%	
Profit before taxes	**14.155**	**4,5%**		**12 952**	**4,2%**	
Income tax	4.503	1,4%		2.632	0,9%	
Net Profit	**9.652**	**3,1%**		**10 320**	**3,4%**	
of which Group	7.350	2,3%		7 333	2,4%	
Minority interest	2.302	0,7%		2 987	1,0%	

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014		
Reconciliation Parent Company and consolidated net equity and result		
in Euro/000	**Net Equity**	**Income Statement**
Net equity of the parent company before result	**119.949**	**8.208**
Net equity of the group companies before result	49.958	
Eliminations of group companies	(6.377)	
Sub total	**163.530**	**8.208**
+ profit of the group companies - group share IAS	1.710	1.710
+ profit of the group companies - minority share IAS	2.309	2.309
Elimination of inter-company profits - group share	(64)	(64)
Elimination of inter-company profits - minority share	(7)	(7)
Elimination of inter-company dividends - group share	(2.699)	(2.699)
Adjustment for exchange differences - group share	195	195
Total changes	**1.444**	**1.444**
Consolidated Net Equity & Result for the period	**164.974**	**9.652**
Group Net Equity & Result for the period	140.802	7.350
Minority interest Net Equity & Result for the period	24.172	2.302

LA DORIA S.p.A. - Condensed Financial Statements at 30.06.2014				
as per IFRS/EU	BALANCE SHEET			
in Euro/000	30.06.2014		31.12.2013	
		related parties		*related parties*
Trade receivables	75.804	21.952	71.584	25.565
Inventories	103.283		132.971	
Other current receivables	15.368	2.821	16.128	3.490
Total current assets	**194.455**		**220.683**	
Trade payables	58.308	877	75.526	11.974
Other current payables	14.109	0	11.674	405
Total current liabilities	**72.417**		**87.200**	
WORKING CAPITAL	**122.038**		**133.483**	
Intangible assets - net	1.005		749	
Property, plant & equipment - net	97.168		95.234	
Equity investments	4.299		4.299	
Other assets	11.527	2.068	11.882	2.651
NON-CURRENT ASSETS	**113.999**		**112.164**	
Non-current liabilities	18.669		18.891	
Post-employment benefits & other provisions	11.780		11.436	
Total non-current liabilities	**30.449**		**30.327**	
NET CAPITAL EMPLOYED	**205.588**		**215.320**	
Cash & cash equivalents	(28.971)		(22.073)	
Short-term borrowings	63.993		78.319	
Medium and long term borrowings	50.617		50.689	
NET FINANCIAL POSITION	**85.639**		**106.935**	
Share Capital	42.258		40.585	
Reserves & profit for the period	77.691		67.800	
TOTAL NET EQUITY	**119.949**		**108.385**	

LA DORIA S.p.A. - Condensed Financial Statements at 30.06.2014						
	INCOME STATEMENT					
as per IFRS/EU	H1 2014			H1 2013		
in Euro/000			*related parties*			*related parties*
Sales	**174.637**	**100,0%**	**48.983**	**167 313**	**100,0%**	**48.294**
Cge. in inven. of work in prog., semi-fin. & fin. goods	(31.065)	-17,8%		(38 594)	-23,1%	
Other revenues	4.762	2,7%	152	7 308	4,4%	169
Value of production	**148.334**	**84,9%**		**136.027**	**81,3%**	
Costs of production	117.556	67,3%	3.079	111 542	66,7%	1.855
Value added	**30.778**	**17,6%**		**24.485**	**14,6%**	
Personnel costs	13.720	7,9%		13.088	7,8%	
EBITDA	**17.058**	**9,8%**		**11 397**	**6,8%**	
Amortisation, depreciation & write-downs	5.446	3,1%		5 371	3,2%	
EBIT	**11.612**	**6,6%**		**6.026**	**3,6%**	
Income from equity investments	2.694	1,5%		2 521	1,5%	
Financial income (charges)	(2.138)	-1,2%	50	(2 182)	-1,3%	3
Currency gains (losses)	(541)	-0,3%		2 329	1,4%	
Result from normal operations	**11.627**	**6,7%**		**8.694**	**5,2%**	
Gain/loss on discontinued operations	0	0,0%		0	0,0%	
Profit before taxes	**11.627**	**6,7%**		**8.694**	**5,2%**	
Income tax	3.419	2,0%		1 222	0,7%	
Net Profit	**8.208**	**4,7%**		**7.472**	**4,5%**	

LA DORIA GROUP

CONDENSED CONSOLIDATED 2014 HALF-YEAR FINANCIAL STATEMENTS

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014					
Prepared in accordance with IFRS/EU (Euro/000)	BALANCE SHEET				
ASSETS	NOTE	30.06.2014	*of which related parties*	31.12.2013	*of which related parties*
NON-CURRENT ASSETS					
Intangible assets	1	4.170		4.012	
Property, plant & equipment	2	100.467		98.899	
Goodwill	3	5.517		5.435	
Other investments	4	234		234	
Deferred tax assets	5	3.914		3.443	
Other non-current assets	6	2.171		2.760	
TOTAL NON-CURRENT ASSETS		116.473		114.783	
CURRENT ASSETS					
Inventories	7	159.894		194.143	
Trade receivables	8	106.755	153	89.034	156
Other assets	9	15.897		20.229	
Tax receivables	10	3.182		4.855	
Other financial assets	11	804		-	
Cash and cash equivalents	12	33.833		27.867	
TOTAL CURRENT ASSETS		320.365		336.128	
TOTAL ASSETS		436.838		450.911	

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014					
Prepared in accordance with IFRS/EU (Euro/000)	BALANCE SHEET				
LIABILITIES	**NOTE**	**30.06.2014**	*of which related parties*	**31.12.2013**	*of which related parties*
SHAREHOLDERS' EQUITY					
Share capital	13	42.258		40.585	
Reserves and retained earnings	14	91.194		73.399	
Net profit	15	7.350		15.477	
Group Net Equity	16	140.802		129.461	
Minority interest	17	24.172		23.856	
TOTAL SHAREHOLDERS' EQUITY		164.974		153.317	
NON-CURRENT LIABILITIES					
Financial payables	18	50.617		50.689	
Other non-current liabilities	19	10.893		11.144	
Post-employment benefits	20	3.917		4.058	
Deferred tax liabilities	21	9.335		9.365	
Provisions for risks and charges	22	7.980		7.507	
TOTAL NON-CURRENT LIABILITIES		82.742		82.763	
CURRENT LIABILITIES					
Financial payables	23	66.340		85.672	
Trade payables	24	93.638	7	103.901	7
Tax payables	25	7.022		3.760	
Other current liabilities	26	22.122	274	21.498	405
TOTAL CURRENT LIABILITIES		189.122		214.831	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		436.838		450.911	

LA DORIA GROUP - Condensed Consolidated Financial Statements at 30.06.2014					
INCOME STATEMENT Prepared in accordance with IFRS/EU (Euro/000)	**NOTE**	**H1 2014**	*of which related parties*	**H1 2013**	*of which related parties*
Revenues	27	314.748	206	304.821	
Other operating revenues	28	5.181		7.310	
Changes in inventory	29	(36.492)		(44.719)	
of which: Finished and Semi-finished products		(40 813)		(43 078)	
of which: Raw materials		4 321		(1 641)	
Purchase of raw materials and goods	30	210.425		202.412	
Services	31	28.297	294	27.291	
Labour costs	32	17.585	327	16.495	
Other operating charges	33	3.301		3.483	
Amortisation, depreciation, write-downs and provisions	34	5.868		5.789	
OPERATING PROFIT		17.961		11.942	
Financial income	35	2.988		5.846	
Financial charges	36	6.794		4.836	
PROFIT BEFORE TAXES		14.155		12.952	
Income taxes	37	4.503		2.632	
Net profit on operating activities		9.652		10.320	
Profit/losses on discontinued operations or held-for-sale		-		-	
PROFIT FOR THE PERIOD		9.652		10.320	
of which:					
Group profit		7.350		7.333	
Minority interest profit		2.302		2.987	

Earnings per share		30.06.2014	30.06.2013
Number of shares net of treasury shares	38	30.621.509	28.468.242
Group profit per share		0,24	0,26

COMPREHENSIVE INCOME STATEMENT (in Euro/000)	H1 2014	H1 2013
Net profit (Group and minority interest)	**9.652**	**10.320**
Other comprehensive income		
Items which may subsequently be recognised to profit or loss		
Translation difference of foreign subsidiaries	1.920	(1.916)
Change in cash flow hedge reserve, net of tax effect of Euro -292 thousand at June 30, 2014 and Euro 321 thousand at June 30, 2013	(847)	851
Profit recorded directly to net equity, net of tax effect	**1.073**	**(1.065)**
Items which may not be subsequently recognised to profit or loss	**10.725**	**9.255**
Pertaining to:		
- Group	8.035	6.540
- Minority interest	2.690	2.715

Cash Flow Statement
(in €/000)

	June 30, 2014	*of which related parties*		June 30, 2013	*of which related parties*	
Operating activities						
Cash flow						
Group and minority interest net profit	9 652			10 320		
Depreciation and write-downs of tangible assets	4 074			4 204		
Amortisation and write-downs of intangible assets	219			196		
Total cash flow	**13.945**			**14.720**		
Change in deferred tax assets and liabilities	559			669		
Post-employment and other benefits: provisions /(utilisations)	(141)			(39)		
Provisions for risks and charges: provisions (utilisations)	473			759		
Financial income	(389)			(808)		
Total cash flow from operating activities before changes in working capital	**14.447**			**15.301**		
Working capital						
Change in trade receivables	(17 721)	(153)		(7 286)		
Change in inventories	34 249			41 273		
Change in other current assets	6 005			(4 572)		
Change in trade payables	(10 263)	(7)		(20 688)		
Change in tax payables	3 262			(2 555)		
Change in other current liabilities	(98)	(274)		762		
Change in translation differences	1 920			(1 916)		
Change in working capital	**17.354**			**5.018**		
Cash generated from operating activities		**31.801** (a			**20.319** (a	
Investing activities						
Net divestment/(investment) in property, plant & equipment	(5 642)			(4 555)		
Net divestment/(investment) in intangible fixed assets	(377)			(164)		
Disposal of other non-current assets	0			0		
Goodwill	(82)			100		
Equity investments net of divestments	0			(2)		
Interest received	389			808		
Cash generated/(absorbed) from investing activities		**(5.712)** (b			**(3.813)** (b	
Financing activities						
Medium/long term loans	(919)			(8 981)		
Change in short-term bank debt	(20 136)			632		
Dividends paid	(6 313)	(2 604)		(4 388)		
Purchase and sale of treasury shares	7 245			(326)		
Total cash generated/(absorbed) from financing activities		**(20.123)** (c	**5.966** (a+b+c)		**(13.063)** (c	**3.443** (a+b+c)
Change in the net financial position						
Cash and cash equivalents at beginning of period	27 867			19 563		
Cash and cash equivalents at end of period	33 833			23 006		
	5.966			**3.443**		

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	GROUP							
	Share capital	Share premium reserve	Legal reserve	Other (+) reserves	IAS 39 Reserves	IAS 32 Reserves	IAS 19 Reserves	Retained earnings
Balance at 01.01.14	**40.586**	**15.327**	**3.381**	**11.511**	**(1.283)**	**1.927**	**73**	**44.885**
Dividends								(3.720)
Allocation of 2013 result								15.477
Purchase/Sale of treasury shares	1.672							693
Reclassifications								
Change in IAS 39 (other comprehensive income)					(514)			
Change in IAS 32						4.879		
Change in translation reserve (other comprehensive income)								1
Change in IAS 19 Reserve								
Profit at 30.06.2014								
Balance at 30.06.2014	**42.258**	**15.327**	**3.381**	**11.511**	**(1.796)**	**6.806**	**73**	**57.337**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	GROUP				MIN. INTEREST			
	Consolid. reserve	Translation reserve	Result	Group net equity	Capital and reserves	Result	Min. interest net equity	Total net equity
Balance at 01.01.14		**(2.423)**	15.477	**129.461**	18.105	**5.751**	**23.856**	**153.317**
Dividends				**(3.720)**	(2.593)		**(2.593)**	**(6.313)**
Allocation of 2013 result			(15.477)		5.751	(5.751)		
Purchase/Sale of treasury shares				**2.365**				**2.365**
Reclassifications								
Change in IAS 39 (other comprehensive income)				**(514)**	(333)		(333)	**(847)**
Change in IAS 32				**4.879**				**4.879**
Change in translation reserve (other comprehensive income)		979		980	941		941	**1.921**
Change in IAS 19 Reserve								
Profit at 30.06.2014			7.350	7.350		2.302	2.302	**9.652**
Balance at 30.06.2014		**(1.444)**	**7.350**	**140.802**	**21.870**	**2.302**	**24.172**	**164.974**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	GROUP						
	Share capital	Share premium reserve	Legal reserve	Other (+) reserves	IAS 39 Reserves	IAS 32 Reserves	Retained earnings
Balance at 01.01.13	**39.544**	**15.327**	**3.381**	**11.599**	**(631)**	**610**	**38.411**
Dividends							(1 860)
Allocation of 2012 result							7 838
Purchase/Sale of treasury shares	(258)						(68)
Reclassifications							
Change in IAS 39 (other comp income)					597		
Change in translation reserve (other comprehensive income)							
Profit at 30 06 2014							
Balance at 30.06.2014	**39.286**	**15.327**	**3.381**	**11.599**	**(34)**	**610**	**44.321**

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	GROUP				MIN. INTEREST			
	Consolid. reserve	Translation reserve	Result	Group net equity	Capital and reserves	Result	Min. interest net equity	Total net equity
Balance at 01.01.13		**(2.115)**	**7.838**	**113.964**	**17.184**	**4.776**	**21.960**	**135.924**
Dividends				**(1.860)**	(2.528)		**(2.528)**	**(4.388)**
Allocation of 2012 result			(7.838)		**4.776**	**(4.776)**		
Purchase/Sale of treasury shares				**(326)**				**(326)**
Reclassifications								
Chage in IAS 39 (other comprehensive income)				**597**	254		254	**851**
Change in translation reserve (other comprehensive income)		**(978)**		**(978)**	(938)		(938)	**(1.916)**
Profit at 30.06. 2013			**7.333**	**7.333**		2.987	2.987	**10.320**
Balance at 30.06.13	-	**(3.093)**	**7.333**	**118.730**	**18.748**	**2.987**	**21.735**	**140.465**

LA DORIA GROUP

CONDENSED CONSOLIDATED 2014 HALF-YEAR FINANCIAL STATEMENTS

EXPLANATORY NOTES

1. GENERAL ASPECTS

La Doria S.p.A. (hereafter the "Company" or the "Parent Company") and its subsidiaries (hereafter jointly the "Group") operate in the production and marketing of food products particularly in the vegetable and juices processing sector. The Group operates from five production sites and markets its products in Italy and abroad, principally in the United Kingdom, Japan, Scandinavia and Australia. La Doria S.p.A. is listed on the STAR segment of the Italian Stock Market.

The present Condensed Consolidated Half-Year Financial Statements were approved on August 28, 2014 by the Board of Directors, who authorised their publication, and includes the half-year financial statements of the Company and of the Group.

2. CONTENT AND FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS - INTRODUCTION

The condensed consolidated half-year financial statements at June 30, 2014, consisting of the Balance Sheet, the Income Statement, the Comprehensive Income Statement, the Cash Flow Statement, the statement of changes in Shareholders' Equity and the Explanatory Notes, were prepared in accordance with article 154 *ter* of Legs. Decree No. 58/98 of the Consolidated Finance Act and subsequent modifications introduced by IAS 34 "Interim Financial Reporting", IAS/IFRS International Accounting Standards, the interpretations issued by the International Financial Reporting Interpretations Committee [IFRIC] and the Standing Interpretations Committee [SIC]), approved by the European Commission at June 30, 2014, also referred to as "IFRS-EU". For this purpose the subsidiaries consolidated under the line-by-line method prepared their half-yearly financial statements for the period January 1 - June 30, 2014 in accordance with EU/IFRS. In particular, in accordance with IAS 34, the present condensed consolidated half-year financial statements contains schedules, similar to those used for the annual accounts, in order to provide a better and clearer understanding of the balance sheet, financial position and result for the half-year. Where necessary, for improved disclosure, the balances of the previous year were reclassified with additional information provided in the explanatory notes. The explanatory notes, in accordance with IAS 34, are reported in condensed format and do not include all the disclosures required for annual accounts, as they refer exclusively to those items which, for amount, composition or variation, are essential for the full understanding of the financial situation and results of the Group. Therefore, the present condensed consolidated half-year financial statements (hereafter also the "half-year financial statements") must be read together with the 2013 consolidated financial statements.

The Group applied the requirements of CONSOB Decision No. 15519 of July 27, 2006 and of CONSOB Communication No. 6064293 of July 28, 2006.

The general principle adopted in the preparation of the condensed consolidated half-year financial statements is the cost method, with the exception of the derivative instruments and some financial assets, for which IAS 39 is obligatory or - limited to financial assets - valuation in accordance with the fair value method is permitted.

The consolidation principles, the criteria applied in the translation of financial statements and foreign currencies and the accounting principles, adopted for the preparation of these Condensed Consolidated Half-Year Financial Statements are in line with those utilised for the preparation of the Consolidated Financial Statements at December 31, 2013, to which reference should be made, with the exception of that outlined in paragraph 3 "Consolidated Financial Statements – Effects of the amendments to the accounting standards adopted" and income taxes which were recognised according to the best estimate of the expected effective rate for the full year.

All the values are reported in thousands of Euro, except where otherwise indicated. The preparation of the condensed consolidated 2014 half-year financial statements requires the use of estimates by the Directors: the principal areas utilising valuations and assumptions of particular significance together with the relevant effects are reported in the present notes at June 30, 2014. A number of measurement processes, in particular the more complex processes, such as the measurement of impairments on non-current assets or the actuarial valuations necessary to calculate employee benefit provisions, are generally only carried out in a comprehensive fashion in the preparation of the Consolidated Annual Financial Statements, except in the case in which indications suggest the need for an immediate analysis of such items.

3. FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

As previously reported, in the preparation of the Condensed consolidated half-year financial statements, the same accounting standards were adopted as for the preparation of the Annual consolidated financial statements at December 31, 2013 supplemented, where required, by the application of the new standards reported in the paragraph "Effects of the amendments in the accounting standards adopted". Any reclassifications of the accounts are specifically commented upon in the notes, where present.

All the financial statements of the Companies included in the consolidation scope were prepared on the same date as the consolidated half-year report.

CONTENT OF THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

The following companies were included in the consolidation scope:

Company	Registered office	Share Capital	Holding
La Doria S p A	Via Nazionale, 320 84012 Angri (Salerno)	Euro/000 42,258	Parent Company
Eugea Mediterranea S p A	Strada Consorziata s n 85024 Gaudiano di Lavello	Euro/000 1,500	98,34%
LDH (La Doria) LTD	519 North Gate - Alconbury Airfield - Alconbury Huntingdon - Cambrindgeshire PE28 4WX	GBP/000 1000	51,00%
LHC Food (Hellas) LTD (in liquidation) (subsidiary of LDH (La Doria) LTD)	32 Omiron Street - Athens (Greece)	EUR/000 18	50,85%
LHC LTD Food SL (in liquidation) (subsidiary of LDH (La Doria) LTD)	Av da De los Castanos,53 Molina De Segurra (Murcia)	EUR/000 9	51,00%
Oriental & Pacific (subsidiary of LDH (La Doria) LTD)	519 North Gate - Alconbury Airfield - Alconbury Alconbury Frozen Food CO LTD Huntingdon -	GBP/000 10	51,00%
Manpineco (subsidiary of LDH (La Doria) LTD)	519 North Gate - Alconbury Airfield - Alconbury Huntingdon - Cambrindgeshire PE28 4WX	GBP/000 0,001	51,00%

The Group companies are principally engaged in the production and marketing of processed foods. In particular, there are two types of companies included in consolidation:

a) Food processing companies: The Parent Company La Doria S.p.A. and Eugea Mediterranea S.p.A., which is 98.34% owned.

b) Marketing companies:

LDH (La Doria) Ltd, which is 51% owned, and its subsidiaries.

Identification of the functional currency

The half-year accounts of each company of the Group are prepared in the primary currency where they operate (the "functional currency"). The condensed consolidated half-year financial statements at June 30, 2014 of the La Doria Group were prepared in Euro, which is the functional currency of the Parent Company.

The balance sheet at June 30, 2014 of the foreign Company LDH (La Doria) Ltd and its subsidiaries was converted at the exchange rate prevailing for the GBP at June 30, 2014 of Euro 0.80150, and the income statement at the average rate for the period of Euro 0.82136.

Effects of the amendments in the accounting standards adopted

From January 1, 2014 the Group adopted the following new accounting standards:

STANDARD	APPLICATION	DESCRIPTION
IAS 27 *Revised*	Separate Financial Statements	The standard was revised in view of the approval of IFRS 10, with its application limited to the separate financial statements
IAS 28 *Revised*	Investments in associates and joint ventures	The standard was revised, specifying the methods for the application of the equity method
IAS 32 *Amendment*	Financial Instruments - presentation	The standard clarifies the cases in which financial assets and liabilities may be offset
IAS 36	Additional disclosure on the recoverable value of non-financial assets	The standard requires the inclusion in the explanatory notes of disclosure concerning the recoverable value of assets which have incurred an impairment, in the cases in which such was established according to the fair value, net of selling and disposal costs
IFRS 10	Consolidated financial statements	The standard provides guidelines for the assessment of whether to include an entity in the consolidated financial statements, clarifying the concept of control and its application in the case of *defacto* control, potential voting rights, complex ownership structures etc
IFRS 11	Joint control arrangements	The standard has excluded the possibility to consolidate joint arrangements qualifying as joint ventures under the proportional method, requiring measurement at equity On the other hand, the consolidated financial statements includes the share of costs, revenues, assets and liabilities of the joint arrangements qualifying as joint operations
IFRS 12	Disclosure of interests in other entities	The standard requires the outlining in the explanatory notes of all investments in other entities, including associates, joint ventures, special purpose vehicles and other non-consolidated corporate vehicles

The adoption of the standards indicated above did not result in, and will not result in, future material impacts on the valuation of assets, liabilities, costs and revenues of the Group and their disclosure in the financial statements.

UTILISATION OF ESTIMATES

The preparation of the condensed consolidated financial statements at June 30, 2014 requires the use of estimates and specific valuations by the directors based on historical data and on the expectations of events which will reasonably occur based on information available at the balance sheet date. The principal half-year financial statement account subject to valuation and particularly significant assumptions by management is goodwill, recorded to the condensed consolidated half-year financial statements at June 30, 2014 for Euro 5,517 thousand, of which Euro 2,731 thousand relating to the fruit line deriving from the acquisition of the Sanafrutta Group. The goodwill in fact is not amortised but an impairment test is carried out at least on an annual basis and generally at year-end (except when there are market and operational indicators identified by the Company which would require a test also on the preparation of the interim accounts), requiring the use of estimates, as described in detail in the subsequent paragraph 3 "Goodwill" of the present Notes.

Segment information

The results by segment are reported in the notes on "revenues" in the income statement.

Business seasonality

The seasonality of the business with particular reference to the red line, results in the following, principal effects:

- The value of the inventories decreased compared to the end of the previous year. The finished tomato products, in fact, at June 30 are at a minimum value, as production will commence in the third quarter.
- The seasonality of the business is reflected in the costs and revenues for the period, as reported on below. The costs in the period, characterised by seasonality, are accrued or deferred only if that accrual or deferral would also be necessary at the end of the year.

Valuation of inventories

In order to maintain the correlation between the costs and revenues in the half-year period, the depreciation, maintenance and direct labour costs relating to the production lines not used in the period (which based on the seasonality described above begins in the second half of the year) were deferred under other current assets and will be recorded in the income statement in the successive periods, when this plant will be used.

It is also noted that the indirect production costs, in the case of production lines, are allocated to the income statement in accordance with the percentage coefficients of the budget for the year, based on the best estimate of the percentage of these costs of the annual production. It was not considered necessary to defer these costs in the absence of reliable information on their recoverability at the end of the period, also in consideration of the insignificant amounts of the correlated effects in the income statement. On the closing of the annual financial statements, when the data of the seasonal production is defined, the percentages of the indirect production costs are updated.

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS
NON-CURRENT ASSETS

1. Intangible assets

These amount to Euro 4,170 thousand, with a total increase of Euro 158 thousand compared to December 31, 2013.

The change relates to new investments by the Parent Company for Euro 325 thousand, fixed assets in progress for Euro 60 thousand and amortisation of Euro 227 thousand.

The account principally relates to the residual fair value of the concession contract for the production site of Eugea Mediterranea S.p.A. for Euro 3,150 thousand, software capitalised by the Parent Company for Euro 893 thousand and finally intangible asset investments in progress for Euro 76 thousand.

For further detail, reference should be made to the statement of changes in intangible fixed assets reported in attachment Table A.

2. Property, plant & equipment

The account amounts to Euro 100,467 thousand with a net increase of Euro 1,568 thousand compared to December 31, 2013. The increase in the period (attributable essentially to the Parent Company), relates substantially to the difference between investments made in the period of Euro 6,416 thousand, depreciation for Euro 4,837 thousand, net divestments for Euro 1,076 thousand and an increase of Euro 95 thousand relating to the application of a different Euro/GBP exchange rate at June 30, 2014 compared to the end of December 2013.

In May 2009, in relation to the tender offer in the Regional Programme Contracts, the Campania Regional Council approved the admissibility of the investment plan of the Parent Company La Doria S.p.A.. The costs admitted, of Euro 19,195 thousand refer to production and technological transfer investments (article 11 of the Code) and general infrastructure support investments (article 12 of the Code). On August 22, 2012, under Executive Decree No. 64, the La Doria S.p.A. programme was granted funding for an amount of Euro 5,759 thousand and on October 31, 2013 a contract was signed with the Campania Region. With the signing of the agreement, the first installment of Euro 1,728 thousand was disbursed on March 19, 2013 following Executive Decree No. 12 of February 25, 2013 of AGC 09 Sector 02, amended by Executive Decree No. 41 of March 8, 2013 of AGC 09 Sector 02.

At June 30, 2014, the investments carried out under the Regulatory Agreement had been completed for the entire amount of Euro 19,195 thousand.

For further details, reference should be made to the statement of changes in property, plant and equipment reported in attachment Table B.

3. Goodwill

The goodwill, recorded for a total value of Euro 5,517 thousand, increased by Euro 82 thousand compared to December 31, 2013 and relates:

- for Euro 669 thousand to the incorporation into La Doria S.p.A. of the subsidiary Pomagro S.r.l., a company operating exclusively in the tomato-based product sector; the amount represents the difference between the higher value paid for the acquisition of the residual share and the values allocated, based on the fair values at the date of the acquisition, of the individual assets and liabilities of the company acquired. The acquisition of Pomagro S.r.l. concerns substantially the purchase of the Fisciano plant in which the specific production is developed for the entire Japanese market and for some English clients. The production site – the only site within the Group – also produces the cherry tomato line. In accordance with IAS 36, management in December 2013 carried out an impairment test on goodwill deriving from the acquisition of Pomagro. The recoverable value of the CGU comfortably exceeded the sum of net capital employed and goodwill. At June 30, 2014, the 2013 year-end position had not changed, nor were any impairment indicators identified.

- for Euro 2,117 thousand to the acquisition by LDH (La Doria) Ltd of the subsidiary Oriental & Pacific Ltd., with an increase on December 31, 2013 of Euro 82 thousand, deriving from the application of the different Euro/GBP exchange rate at June 30, 2014 compared to December 31, 2013. In accordance with IAS 36, for 2013 an impairment test was carried out on the goodwill deriving from the acquisition of Oriental & Pacific by LDH (La Doria) Ltd; this impairment test was carried out on the current and future financial cash flows of the CGU, which is identified as undertaking the trading activities of the Parent Company LDH (La Doria) Ltd; the recoverable value of the CGU was much greater than the sum of the net capital employed and the goodwill and, therefore, no impairment was recorded in the period. No changes which may affect the recoverability of the goodwill compared to the end of 2013 took place. Therefore, it was not necessary to retest goodwill as no impairment indicators have been identified;

- for Euro 2,679 thousand to the acquisition of the Sanafrutta Group, subsequently merged into the Parent Company La Doria S.p.A. and Euro 52 thousand relating to the initial conferment in 1999 received by the company, now incorporated, Confruit G S.p.A.. This goodwill is allocated to the business unit relating to the production of fruit juices, currently undertaken in the plants at Angri, Sarno and Faenza (the "Fruit line"). The criteria used for the valuation of the goodwill of the Fruit Line was the value in use calculated by an independent expert, in accordance with the Discounted Cash Flow ("DCF") method already used for the valuation of the company on the acquisition, with reference to December 31, 2003. The projections for the application of the DCF related to the period 2014-2018, taking into consideration the budget figures or business plan prepared by the management of the company using the 2013 results as a benchmark. These assumptions were confirmed at June 30, 2014 as there were no significant additional elements compared to those utilised for the budget and also in consideration that the fruit purée production period begins in June with apricots and concludes in December with pears; therefore there was no need to reapply the goodwill impairment test and no impairment indicators were identified.

4. Other investments

The account, amounting to Euro 234 thousand at June 30, 2014, includes the non-significant minority investments held by the parent Company and the subsidiary Eugea Mediterranea S.p.A.. No movements occurred in the first half of 2014. It principally concerns the investment held by the Parent Company in TFC S.p.A. amounting to Euro 209 thousand, while the remaining Euro 25 thousand concerns investments in consortiums held by the Parent Company (Euro 22 thousand) and by Eugea Mediterranea S.p.A. (Euro 3 thousand).

5. Deferred tax assets

This account refers to deferred tax assets in respect of IRES and IRAP taxes on the temporary differences between recognition of taxable income for book and tax purposes.
At June 30, 2014 deferred taxes totalled Euro 3,914 thousand, increasing on December 31, 2013 by Euro 471 thousand. The increase relates to the IRES deferred tax asset on the loss for the period for Euro 227 thousand of the subsidiary Eugea Mediterranea S.p.A. and for Euro 244 thousand for the Parent Company due to the recognition of deferred taxes on cost items which will be utilisable for tax purposes in the future.

6. Other non-current assets

The account, totalling Euro 2,171 thousand at June 30, 2014, decreased by Euro 589 thousand on December 31, 2013 and relates essentially to the non-current portion of prepayments concerning promotional contributions related to the principal international clients.

CURRENT ASSETS

7. Inventories

The account decreased by Euro 34,249 thousand on December 31, 2013, as follows:

(Euro/000)	30.06.2014	31.12.2013	Change
Raw materials, ancillary and consumables	26.955	22.636	4.319
Work-in-progress and semi-finished goods	19.020	14.292	4.728
Finished & semi-fin. prods.	113.058	155.947	(42.889)
Advances	2.461	2.868	(407)
Obsolescence provision	(1.600)	(1.600)	-
TOTAL	**159.894**	**194.143**	**(34.249)**

The decrease in inventories is directly due to the seasonality, as outlined in the preceding paragraph "Business seasonality".

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	30.06.2014	31.12.2013	Change
Opening balance	1.600	3.650	(2.050)
Utilised in the period	(945)	(3.650)	2.705
Allocations in the period	945	1.600	(655)
Total	**1.600**	**1.600**	**0**

The total is net of inter-company profits and of the change relating to the adjustment of LDH (La Doria) Ltd balances to the Euro/GBP exchange rate at June 30, 2014.

The change in the provision derives from the obsolescence estimate relating to goods to be destroyed and seconds essentially relating to the Parent Company.

8. Trade receivables

They amount to Euro 106,755 thousand at June 30, 2014, an increase of Euro 17,721 thousand compared to December 31, 2013. This amount is net of the doubtful debt provision of Euro 1,063 thousand which reports a net increase of Euro 33 thousand compared to December 31, 2013. The changes in the doubtful debt provision were as follows:

Doubtful debt provision (Euro/000)	
Beginning balance	1.030
Utilisation in the period	(167)
Allocations in the period	200
Provision at 30.06.2014	**1.063**

The provision in the period of Euro 200 thousand, relating to the Parent Company, takes account of the risk of non payment from clients of amounts owed beyond a certain date, while the decrease in the provision is due to the losses recognised in the period.

9. Other assets

These totalled Euro 15,897 thousand at June 30, 2014, with a net decrease of Euro 4,332 thousand compared to December 31, 2013. They principally include:

a) Other assets of the Parent Company La Doria S.p.A. recognised for Euro 7,502 thousand, as follows:

- Employee receivables for Euro 148 thousand, essentially relating to additional IRPEF matured in the half-year and paid in the following period;
- Other receivables for Euro 587 thousand, relating for Euro 271 thousand to INAIL receivables, for Euro 174 thousand to advances paid to suppliers, for Euro 88 thousand for advances paid to suppliers, agents and ex-employees for disputes in progress and not yet fully discharged and Euro 54 thousand for other minor receivables.
- Receivables from the State for Euro 6,767 thousand, of which:
    - Euro 2,644 thousand from the Tax Authorities (including interest matured at June 30, 2014 for Euro 965 thousand) for the recognition of the partial exemption from IRPEG tax for the years from 1993 to 1997 including interest, recorded in previous years; as stated in the Directors' Report, the Company has begun all necessary initiatives for payment of the receivables already recognised by the tax authorities.
    - Other receivables from the Public Administration for Euro 92 thousand.
    - Receivables from the Campania Region for Euro 4,031 thousand following the signing of the Master Agreement on October 31, 2012; the receivable from the Campania Region amounts to 70% of the overall investment approved and made at

period-end (Euro 19,195 thousand), net of the first installment received on March 19, 2013 for Euro 1,728 thousand (30% of the total approved overall investment) following Executive Decree No. 12 of February 25, 2013 of AGC 09 Sector 02, amended by Executive Decree No. 41 of March 8, 2013 of ACG 09 Sector 02;

b) Prepayments of the Parent Company La Doria S.p.A. for Euro 2,678 thousand.

c) Prepayments of the subsidiary LDH (La Doria) Ltd for Euro 4,272 thousand, principally concerning promotional contributions whose effects will be seen in future periods.

d) Prepayments of the subsidiary Eugea Mediterranea S.p.A. for Euro 1,000 thousand.

e) Other minor receivables for Euro 445 thousand relating to the subsidiary Eugea Mediterranea S.p.A..

10. Tax receivables

The account amounts to Euro 3,182 thousand, with a net decrease of Euro 1,673 thousand compared to December 31, 2013. The reduction in the period concerns the Parent Company for Euro 843 thousand, the subsidiary Eugea Mediterranea S.p.A for Euro 12 thousand and the foreign subsidiary LDH (La Doria) Ltd for Euro 818 thousand.

The net decrease of the Parent Company relates to:

- For Euro (413) thousand to the repayment of a VAT receivable concerning previous years received in the first half of 2014;
- For Euro (596) thousand to the reduction in the VAT receivable following repayments in the period;
- For Euro (73) to the reduction of the IRAP receivables due to taxes matured in the period;
- For Euro 239 thousand to provisional payments made against disputed assessments for the years 2005 and 2007.

The net decrease of the subsidiaries relates to:

- For Euro (12) thousand to the company Eugea Mediterranea S.p.A., essentially concerning the reduction of the IRES and IRAP receivables on December 31, 2013;
- For Euro (818) thousand to the company LDH (La Doria) Ltd, relating to the reduction of the VAT receivables from the English tax authorities.

11. Other financial assets

This account, totalling Euro 804 thousand, concerns the Fair Value of any gains on the currency hedging operations at June 30, 2014, principally options, undertaken to offset the currency risk on commercial operations beyond June 30, 2014.

12. Cash and cash equivalents

The account amounts to Euro 33,833 thousand, an increase of Euro 5,966 thousand compared to December 31, 2013 and relates to the liquidity held in bank current accounts in Euro and foreign currencies held at credit institutions at June 30, 2014.

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' Equity

This amounts to Euro 164,974 thousand, of which Euro 140,802 thousand refers to Group equity and Euro 24,172 thousand to minority interest equity. This account overall reports a net increase of Euro 11,657 thousand compared to December 31, 2013, with increases relating to the result in the period and decreases concerning the dividends distribution policy in favour of the Parent Company and the subsidiary LDH (La Doria) Ltd.

The composition of Group shareholders' equity, whose movements are reported in the Statement of Changes in Shareholders' Equity, is provided below.

13. Share Capital

The share capital of the Parent Company La Doria S.p.A is fully paid-in and at June 30, 2014 amounts to Euro 42,258 thousand, divided into 30,621,509 ordinary shares of a nominal value of Euro 1.38 each. In H1 2014, the share capital increased by Euro 1,673 thousand due to the buy-back of 8,680 treasury shares at an average price of Euro 5.81 for a total payment of Euro 50 thousand and the sale of 1,220,500 shares at an average price of Euro 5.977. At June 30, 2014 the treasury shares held in portfolio numbered 378,491.

14. Reserves and retained earnings

These amount overall to Euro 91,194 thousand, with a net increase of Euro 17,795 thousand compared to December 31, 2013, relating principally to the allocation of the profit for the previous year (Euro 15,477 thousand) and the distribution of dividends by the Parent Company (Euro 3,720 thousand).

15. Profit for the period

The Group profit for the period was Euro 7,350 thousand, an increase of Euro 17 thousand compared to H1 2013 (Euro 7,333 thousand).

16. Group Net Equity

The Group net equity reported a net increase of Euro 11,341 thousand compared to December 31, 2013. The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

- Dividends for 2013 were distributed to shareholders in the half-year of Euro 3,720 thousand.
- The change in the IAS 39 reserve (other comprehensive income statement items) for Euro (847) thousand includes the amounts relating to the effective part of profits and losses on "cash flow hedge" instruments.
- Exchange rate movements and adjustments to the translation reserve (other comprehensive income statement items) for Euro 1,920 thousand relate to the profit from the translation of the IFRS financial statements of the subsidiary LDH (La Doria) Ltd.

17. Minority interest

Minority interest Shareholders' Equity totalled Euro 24,172 thousand, increasing Euro 316 thousand on December 31, 2013.

NON-CURRENT LIABILITIES

18. Financial payables

These amount to Euro 50,617 thousand, a decrease of Euro 72 thousand compared to December 31, 2013 and consist of the residual payable due after June 30, 2015 of the medium/long-term loans obtained by the Parent Company from primary Italian banking institutions. The breakdown of the amounts due within and beyond one year is shown below:

Payables	30/06/2014	31/12/2013
Current	24.709	23.761
Non Current	50.617	50.689
Total	**75.327**	**74.450**

The movements in loans are shown below:

Loans at 30/06/2014	
Opening balance at 01/01/2014	**50.689**
Reduction/Repayments	-72
Closing balance at 30/06/2014	**50.617**

19. Other non-current liabilities

The account, amounting to Euro 10,893 thousand at June 30, 2014, decreased compared to December 31, 2013 by Euro 251 thousand and essentially refers, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Parent Company and its subsidiaries.

20. Post-employment benefit and pension provision

The post-employment benefit provision amounts to Euro 3,917 thousand, a decrease of Euro 141 thousand compared to December 31, 2013, of which Euro 3,834 thousand relates to the parent company and Euro 83 thousand to Eugea Mediterranea S.p.A.. The movements in the year are shown below:

Provision for employee termination pay (Euro/000)	
Balance at 1.01.2014	**8.263**
Utilisation for departures	(275)
Provision at 30/06/2014	416
Total	**8.404**
INPS receivable on leaving indemnity	(3.545)
Utilisation for advances	(942)
Balance at 30/06/2014	**3.917**

21. Deferred tax liabilities

The total of Euro 9,335 thousand decreased by Euro 30 thousand compared to December 31, 2013, relating to the utilisation of deferred taxes provisioned on the Ministerial grant for the factory of Lavello owned by Eugea Mediterranea S.p.A..

22. Provisions for risks and charges

At June 30, 2014 this amounts to Euro 7,980 thousand, an increase of Euro 473 thousand compared to December 31, 2013.

The breakdown of provisions and the movements in the period were as follows:

(Euro/000)	Other risks	Employee bonus	Agents	Total
Beginning balance (01.01.2014)	6.491	878	138	7.507
Utilised for losses	(541)	(832)	(2)	(1.375)
Allocations in the period	1.295	549	4	1.848
Provision at 30.06.2014	**7.245**	**595**	**140**	**7.980**

The provisions represent the best estimate to offset probable risks quantifiable at period-end by Directors on the basis of the available information at the preparation date of the Condensed Consolidated Half-Year Financial Statements. The balance at June 30, 2014 comprises:

- Euro 7,245 concerning other risk provisions. The movement in the period, entirely relating to the Parent Company, concerns provisions made against civil disputes for Euro 1,277 thousand and tax disputes for Euro 18 thousand; utilisations however concern tax related provisions for Euro 285 thousand, with the remainder relating to civil disputes.
- Euro 595 thousand for employee bonuses. The increase in the period of Euro 549 thousand concerns indemnities related to the reaching of set company objectives, recognised to employees based on collective supplementary agreements. The decrease relates to payments concerning employee bonuses provisioned at December 31, 2013.
- Euro 140 thousand concerning the client indemnity provision.

For further details on the tax dispute, reference should be made to the paragraph "Tax situation" in the Directors' Report.

CURRENT LIABILITIES

23. Financial payables

They amount to Euro 66,340 thousand and have decreased by Euro 19,332 thousand compared to December 31, 2013 and comprise of:

CURRENT FINANCIAL PAYABLES				
PAYABLES	**DORIA**	**EUGEA**	**LDH**	**TOTAL**
Bank overdrafts	16	4		20
Advances on contracts	19.756			19.756
Advances on invoices and imports	6.091	1.539		7.630
Amounts to be charged by banks	340			340
Factoring	10.388			10.388
Portion due within 12 months of medium/long-term loans	24.709			24.709
Fair Value Options and Forward contracts	2.538			2.538
Fair Value Irs	959			959
TOTAL	**64.797**	**1.543**	-	**66.340**

The following table reports the fair value at June 30, 2014 of the interest rate hedging contracts (IRS) of the Parent Company, amounting overall to Euro (959) thousand.

BANK €/000	Notional	Fair Value 30/06/2014	Fair Value 31/12/2013
AKROS	8.300	(87)	0
BANCO POPOLARE	3.000	(35)	0
AKROS	0	0	(2)
MPS	0	0	(29)
AKROS	12.000	(148)	(48)
AKROS	3.181	(44)	(18)
BANCO NAPOLI	4.500	(76)	(43)
UNICREDIT	4.546	(42)	9
UNICREDIT	10.000	(92)	0
INTESA SAN PAOLO	226	(2)	(6)
INTESA SAN PAOLO	226	(2)	(6)
INTESA SAN PAOLO	226	(2)	(6)
INTESA SAN PAOLO	226	(2)	(6)
DEUTSCHE	7.333	(110)	(179)
UNICREDIT	1.500	(23)	(36)
BANCO NAPOLI	2.333	(51)	(79)
UNICREDIT	4.550	(168)	(194)
CARIPARMA	4.500	(74)	(83)
Total	**66.647**	**(959)**	**(728)**

24. Trade payables

The account, amounting of Euro 93,638 thousand, decreased by Euro 10,263 thousand compared to December 31, 2013 and is net of credit notes to be received from suppliers for discounts and price/quantity discounts on supply of goods and/or services relating to the period.

25. Tax payables

This account totals Euro 7,022 thousand with a net increase of Euro 3,262 thousand on December 31, 2013 and refers for Euro 6,184 thousand to the Parent Company, for Euro 67 thousand to the subsidiary Eugea Mediterranea S.p.A. and for Euro 771 thousand to the foreign subsidiary LDH (La Doria) Ltd. These payables relate to, for the companies which operate in Italy, direct and indirect tax provisions for the period and withholding taxes on salaries of June 2014 paid in July 2014.

26. Other current liabilities

These amount to Euro 22,122 thousand and have increased by Euro 624 thousand compared to December 31, 2013. The account principally concerns:

- Euro 81 thousand for payments on accounts received from clients by the Parent Company;
- Euro 994 thousand for payables to social security institutions, of which Euro 775 thousand concerning La Doria S.p.A, Euro 92 thousand concerning the subsidiary Eugea Mediterranea S.p.A and Euro 127 thousand concerning the foreign subsidiary LDH (La Doria) Ltd;
- Euro 5,427 thousand relating to employee payables not yet paid (wages and salaries for June 2014, vacation days due, additional months) concerning the Parent Company for Euro 5,148 thousand and for Euro 279 thousand relating to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 365 thousand for insurance payables for insurance indemnities to be paid;
- Euro 5,831 of other liabilities of the subsidiary LDH (La Doria) Ltd., principally concerning for Euro 1,294 thousand custom charges payables and for Euro 1,253 management bonuses;
- Euro 1,075 thousand comprising the current quota of the grant on plant for future periods, of which Euro 916 thousand referring to the Parent Company and Euro 159 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 7,333 thousand relating to deferment of promotional contributions of the subsidiary LDH (La Doria) Ltd;
- Euro 649 thousand of other payables - of which Euro 272 thousand concerning the Parent Company and Euro 377 thousand the subsidiary Eugea Mediterranea S.p.A..

Commitments and guarantees

These total Euro 41,377 thousand and relate to:

- Euro 14,930 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 6,301 thousand for the equivalent amount at June 30, 2014 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;
- Euro 4,500 thousand for guarantees given by Sace in favour of Cariparma to partially cover the loan of Euro 9 million disbursed on 30/11/2011 by Cariparma to La Doria S.p.A.;
- Euro 5,144 thousand for guarantees given in favour of the subsidiary Eugea Mediterranea S.p.A. on receivables from the public administration;
- Euro 4,140 thousand for guarantees on La Doria S.p.A. and Eugea Mediterranea receivables from the public administration;

- Euro 4,031 thousand for guarantees provided by leading insurance companies as required by the Regulatory Agreement signed with the Campania Region;
- Euro 1,961 thousand for sureties in favour of suppliers;
- Euro 370 thousand for guarantees issued in favour of the Customs Office and Campania Region against customs duties and taxes.

INCOME STATEMENT

27. Revenues

The revenues from sales and services amounted, in the first half of 2014, to Euro 314,748 thousand, an increase of Euro 9,927 thousand compared to H1 2013.

The industrial production is related to the activities of the companies La Doria Sp.A. and Eugea Mediterranea S.p.A. which is significantly impacted by the seasonality of the red line, produced principally in July, August and September, and therefore does not record significant margins by product line in the first half of the year.

The breakdown of revenues among the various production lines is as follows:

(Euro/000)

	30.06.2014	**30.06.2013**	Λ
Red line	87.944	78.345	9.599
Fruit line	44.026	47.753	(3.727)
Pulses line	86.820	78.733	8.087
Other lines	95.958	99.990	(4.032)
Total	**314.748**	**304.821**	**9.927**

28. Other operating revenues

They amount to Euro 5,181 thousand and decreased Euro 2,129 thousand compared to H1 2013 and are comprised of:

- Euro 332 thousand for grants on investments made by the Parent Company for Euro 297 thousand and concerning the subsidiary Eugea Mediterranea S.p.A for Euro 35 thousand;
- Euro 945 thousand for income deriving from the inventory obsolescence provision, essentially relating to the Parent Company.
- Euro 384 thousand for revenues from the sale of the production waste, concerning the Parent Company (Euro 372 thousand) and the subsidiary Eugea Mediterranea S.p.A (for Euro 12 thousand);
- Euro 150 thousand for revenues from the sale of stack dividers and raw materials concerning the Parent Company (Euro 136 thousand) and the subsidiary Eugea Mediterranea S.p.A (for Euro 14 thousand);

- Euro 617 thousand for non-recurring income, relating to the Parent Company for Euro 614 thousand and the subsidiary Eugea Mediterranea S.p.A. for Euro 3 thousand;
- Euro 525 thousand concerning damages relating to the Parent Company;
- Euro 101 thousand concerning internal cost capitalisations;
- Euro 2,127 thousand for other revenues relating to the Parent Company and the foreign subsidiary LDH (La Doria) Ltd.

29. Change in inventories

The account increased from Euro -44,719 thousand at June 30, 2013 to Euro -36,492 thousand at June 30, 2014. The account reflects the economic impact of the changes in the inventories of raw materials, packaging, finished products and semi-finished products.

30. Purchase of raw materials and goods

The cost recognised to the Condensed Consolidated Half-Year Financial Statements amount to Euro 210,425 thousand, increasing Euro 8,013 thousand on the same period of the previous year.

31. Services

In the first half of 2014 they amount to Euro 28,297 thousand, an increase compared to H1 2013 of Euro 1,006 thousand. The account includes service costs of Euro 27,414 thousand, of which Euro 20,869 thousand relating to La Doria S.p.A., Euro 383 thousand relating to the subsidiary Eugea Mediterranea S.p.A. and Euro 8,270 thousand relating to LDH (La Doria) Ltd and rent, lease and similar costs of Euro 883 thousand, of which Euro 823 thousand relating to the Parent Company.

32. Labour costs

The total labour costs for the first half year of 2014 amount to Euro 17,585 thousand with an increase compared to the first half of 2013 of Euro 1,090 thousand. The account includes:

(Euro/000)	**30.06.2014**	**30.06.2013**	**Δ**
Wages and salaries	12.196	11.652	544
Social charges	3.559	3.516	43
Post-employment benefits	726	672	54
Other costs	1.104	655	449
TOTAL	**17.585**	**16.495**	**1.090**

The other costs include essentially Euro 888 thousand relating to the Parent Company (of which Euro 543 thousand for employee bonus provisions and Euro 34 thousand for interns), Euro 5 thousand concerning the subsidiary Eugea Mediterranea S.p.A. relating to the employee bonus provision and Euro 211 thousand relating to the foreign subsidiary LDH (La Doria) Ltd.

33. Other operating charges

The account amounts to Euro 3,301 thousand, a decrease of Euro 182 thousand on the first half of 2013. It includes charges from normal operations of Euro 2,548 thousand (Euro 3,079 thousand in H1 2013), of which Euro 2,385 thousand relating to the parent company and Euro 163 thousand to the subsidiary Eugea Mediterranea S.p.A and other non-recurring charges of Euro 753 thousand (Euro 404 thousand in H1 2013).

34. Amortisation, depreciation, write-downs and provisions

The account amounts to Euro 5,868 thousand and increased by Euro 79 thousand compared to the first half of 2013, consisting of:

(Euro/000)	30.06.2014	30.06.2013	Δ
Amortisation of intangible assets	219	196	23
Depreciation of fixed assets	4.074	4.204	-130
Doubtful debt provision	207	64	143
Provisions for risks and other provisions	1.368	1.325	43
TOTAL	**5.868**	**5.789**	**79**

In relation to the "Doubtful debt provision" and the "Provisions for risks", reference should be made to the previous paragraphs "Trade receivables" (Note 8) and "Provisions for risks and charges" (Note 22) of the balance sheet notes.

35. Financial income

This account totals Euro 2,988 thousand (Euro 5,846 thousand in H1 2013) and relates to:

- Euro 127 thousand of interest on current account temporary liquidity and interest matured on receivables from the State, concerning for Euro 111 thousand the Parent Company and for the remainder the subsidiary LDH (La Doria) Ltd.
- Euro 2,055 thousand from income on derivative and swap operations - relating entirely to the Parent Company;

- Euro 806 thousand exchange gains from commercial and financial operations of the Parent Company.

36. Financial charges

This account totals Euro 6,794 thousand (Euro 4,836 thousand in H1 2013) and relates to:

- Euro 2,354 thousand of interest expense and commissions to credit institutions (of which Euro 2,249 thousand relating to the Parent Company, Euro 45 thousand relating to the subsidiary Eugea Mediterranea S.p.A. and Euro 60 thousand relating to the subsidiary LDH (La Doria) Ltd).
- Euro 3,203 thousand on swap and derivative operations concerning the Parent Company;
- Euro 1,237 thousand from exchange losses from commercial and financial operations of the Parent Company for Euro 59 thousand and of the subsidiary LDH (La Doria) for Euro 1,178 thousand.

37. Income taxes

These increased from Euro 2,632 thousand in H1 2013 to Euro 4,503 thousand in H1 2014 and relates to the taxes calculated according to the expected tax rate at year-end. The increase on the previous year relates to the extraordinary deductibility in 2013 for IRES purposes of IRAP on the cost of labour concerning previous years.

38. Earnings per share

The earnings per share is calculated by:

- Dividing the net result attributable to holders of ordinary shares by the number of average ordinary shares in the period, excluding treasury shares (basic earnings per share);
- Dividing the net result by the average number of the ordinary shares and the potential number deriving from the exercise of all of the rights options from stock option plans, excluding treasury shares (diluted earnings per share). The basic earnings per share is calculated by dividing the net profit by the weighted average number of ordinary shares outstanding in the year (net of treasury shares).

Earnings per share - basic & diluted	for the first 6 months to June 30, 2014	for the first 6 months to June 30, 2013
Average number of shares during the period, net of treasury shares	30.621.509	28.468.242
Group net profit (Euro/000)	7.350	7.333
Group Earnings per share - basic and diluted	0,24	0,26

The diluted earnings per share for H1 2014 correspond to the basic earnings per share as no dilutive effects were present.

DIVIDENDS

In the first half of 2014 the Parent Company distributed dividends relating to the 2013 result of Euro 3,720 thousand, equal to a net dividend per share of Euro 0.12147, as approved by the Shareholders' Meeting of June 19, 2014.

SUBSEQUENT EVENTS

In relation to the subsequent events, reference should be made to the comments in the Directors' Report. In any case, there are no subsequent events that had an effect on the values of the condensed consolidated half-year financial statements at June 30, 2014 which have not already been taken into consideration in the accounts.

TRANSACTIONS WITH RELATED PARTIES

For transactions with related parties, reference should be made to the Directors' Report.

ATYPICAL AND/OR UNUSUAL OPERATIONS

In the first half of 2014 and 2013 no atypical and/or unusual operations took place, as defined by Consob Communication No. 60644293 of July 28, 2006.

NON-RECURRING TRANSACTIONS

In the first half of 2014 and 2013 no non-recurring transactions took place.

EMPLOYEE SHARE-BASED INCENTIVE PLANS

No employee share-based incentive plans are in place.

ATTACHMENTS TO THE CONDENSED CONSOLIDATED 2014 HALF-YEAR FINANCIAL STATEMENTS

The net financial position required by CONSOB communication of July 28, 2006 DEM/6064293 and by CESR recommendation of February 10, 2005 "Recommendations for the standard application of the European Commission Regulation on disclosure statements" is as follows:

LA DORIA GROUP - Consolidated 30/06/2014
NET DEBT

		Euro/000
	30.06.2014	**31.12.2013**
A. Cash	4	4
B. Other liquid assets	33.829	27.863
C. Securities held-for-trading	-	-
D. Liquidity (A+B+C)	**33.833**	**27.867**
E. Current Financial Receivables	804	-
F. Bank payables - current portion	53.414	52.921
G. Current portion of long-term loans	24.709	23.761
H. Other current financial payables	12.926	8.990
I. Current financial debt (F+G+H)	**90.245**	**85.672**
J. Net current financial debt (+I-D-E)	**56.412**	**57.805**
K. Non-current bank payables	25.908	50.689
L. Bonds issued		
M. Other non-current payables		
N. Non-current financial debt (K+L+M)	**25.908**	**50.689**
O. Net debt (J+N)	**82.320**	**108.494**

TABLE A	INTANGIBLE ASSETS AT 30/06/2014 (EURO/000)							
LA DORIA GROUP								
	HISTORICAL COST	AMORT. RATES	AMORT. PREV. YEARS	Opening balances LDH translation diff. (*)	AMORT. 30/6/14 (**)	INVEST. 30/6/14	RECLASS. 30/6/14	NET TOTAL
SOFTWARE COSTS	5 489	0	5 062	0	137	289	329	908
REGISTRATION TRADEMARK COST	10	0	10	0	0	0	0	0
OTHER DEFERRED CHARGES	5 040	0	1 800	0	90	28	8	3.186
BRANDS	44	0	44	0	0	0	0	0
ASSETS IN PROGRESS	345	0	0	0	0	60	-329	76
TOTAL	**10.928**		**6.916**	0	**227**	**377**	**8**	**4.170**

(*)

exchange rate 31/12/2013 **0,8161**

exchange rate 30/06/2014 **0,8015**

relates to the translation difference of the opening balances of the foreign subsidiary LDH ltd

(**) the account includes the exchange difference of Eur/000 0

TABLE B — TANGIBLE FIXED ASSETS AT 30/06/14 (EURO/000)

LA DORIA GROUP

CATEGORY	HIST. COST at 1.1.14	REVAL. PR. YEARS	DEPR. PR. YEARS at 01.01.14	Opening balances LDH hist. cost translation diff. (**)	conversione saldi iniziali F.do Amm.toLDH delta cambio (**)	DIVESTMENT PROV. 30/06/14	DEPR. 30/06/14	INVEST. 30/06/14	DIVEST. 30/06/14	RECLASS. 30/06/14	NET TOTAL
LAND	18.820	0	0	0	0	0	0	0	0	0	18.820
IND. BUILDINGS/LIGHT CONSTRUCT. *	63.882	0	15.502	27	22	16	844	1.075	16	29	48.645
PLANT AND MACHINERY	144.019	1.454	117.151	0	0	727	3.594	3.813	756	1.266	29.778
MINOR EQUIPMENT	7.604	194	7.064	0	0	167	159	65	167	19	659
EDP	4.035	0	3.104	54	46	76	160	93	76	0	872
INTERNAL TRANSPORT	947	23	889	0	0	11	16	17	11	0	82
MOTOR VEHICLES	602	0	510	22	19	24	36	37	24	0	96
FURNITURE & OTHER EQUIPMENT	1.056	12	851	10	8	26	28	15	26	0	206
ASSETS IN PROGRESS	1.322	0	0	0	0	0	0	1.309	0	(1.322)	1.309
TOTAL	242.287	1.683	145.071	113	95	1.047	4.837	6.424	1.076	(8)	100.467

* The rate applied corresponds to the residual useful life estimated.

** Relates to the difference arising on the conversion at the new exchange rate of the opening balances of the subsidiary LDH (La Doria) ltd

TABLE B1	TANGIBLE FIXED ASSETS AT 30/06/2014 (EURO/000)					
LA DORIA GROUP		Opening balances				
CATEGORY	COST at 1.1.14	LDH hist. cost translation diff. (**)	INCREASES 30/06/14	RECLASS. 30/06/14	DECREASES 30/06/14	COST 30/06/14
LAND	18 820		0	0	0	18 820
IND. BUILDINGS/LIGHT CONSTRUCT. *	63 882	27	1.075	29	16	64 997
PLANT AND MACHINERY	145.473	0	3.813	1 266	756	149.796
MINOR EQUIPMENT	7.798	0	65	19	167	7.715
EDP	4.035	54	93	0	76	4.106
INTERNAL TRANSPORT	970	0	17	0	11	976
MOTOR VEHICLES	604	22	37	0	24	639
FURNITURE & OTHER EQUIPMENT	1.071	10	15	0	26	1.070
ASSETS IN PROGRESS	1.322	0	1.309	(1.322)	0	1.309
TOTAL	243.975	113	6.424	(8)	1.076	249.428

* The rate applied corresponds to the residual useful life estimated.

** Relates to the difference arising on the conversion at the new exchange rate of the opening balances of the subsidiary LDH (La Doria) ltd

TABLE B2	ACCUMULATED DEPRECIATION AT 30/06/2014 (EURO/000)				
LA DORIA GROUP					
CATEGORY	ACCUM. DEPR. at 1.1 14	Opening balance LDH Acc. Depr. translation diff. (**)	ORDINARY DEPR. 30/06/14	UTILIZZI 30/06/14	ACCUM. DEPR. 30/06/14
LAND	0				0
IND. BUILDINGS/LIGHT CONSTRUCT. *	15.502	22	844	16	16.352
PLANT AND MACHINERY	117.151	0	3.594	727	120.018
MINOR EQUIPMENT	7.064	0	159	167	7.056
EDP	3.104	46	160	76	3.234
INTERNAL TRANSPORT	889	0	16	11	894
MOTOR VEHICLES	512	19	36	24	543
FURNITURE & OTHER EQUIPMENT	854	8	28	26	864
TOTAL	**145.076**	**95**	**4.837**	**1.047**	**148.961**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the difference arising on the conversion at the new exchange rate of the opening balances of the subsidiary LDH (La Doria) ltd

DECLARATION IN ACCORDANCE WITH ARTICLE 154 *bis* PARAGRAPH 5 OF LEGS. DECREE NO. 58/98

Declaration of the Condensed Half-Year Financial Statements as per Article 81-*ter* of Consob Regulation No. 11971 of May 14, 1999 and subsequent modifications and supplementations

1. The undersigned Antonio Ferraioli, CEO, and Alberto Festa, executive responsible for the preparation of the corporate accounting documents of La Doria S.p.A., affirms, and also in consideration of article 154-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

· the accuracy of the information on company operations and

· the effective application of the administrative and accounting procedures for the compilation of the condensed half-year financial statements in the period 1/1/2014-30/06/2014.

2. In the first six months of 2014 the Parent Company La Doria S.p.A. continued the monitoring of the internal control system and the level of its application to the principles of the benchmark "Internal Controls – Integrated Framework" issued by the Committee of sponsoring Organizations of the Treadway Commission" (Coso Framework).

3. We also declare that:

3.1 the condensed half-year financial statements:

a) were prepared in accordance with international accounting standards, recognised in the European Union pursuant to EU regulation No. 1606/2002 of the European Parliament and Council, of July 19, 2002, and the interpretations of the International Financial Reporting Interpretations Committee and the Standing Interpretations Committee;

b) correspond to the underlying accounting documents and records;

c) provide a true and correct representation of the economic, balance sheet and financial situation of the issuer and of the companies included in the consolidation.

3.2 The Interim Report includes an analysis of the significant events in the first six months of the year and their impact on the condensed half-year financial statements, with a description of the principal risks and uncertainties for the remaining six months.

This Report also contains a reliable analysis of the significant operations with related parties.

Angri, 28.08.2014

Antonio Ferraioli
Chief Executive Officer

Alberto Festa
Executive responsible for preparation of the corporate accounting documents

AUDITORS' REPORT

pwc

AUDITORS' REPORT ON THE REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2014

To the Shareholders of
La Doria SpA

1 We have reviewed the condensed consolidated interim financial statements of La Doria SpA and its subsidiaries (La Doria Group) as of 30 June 2014, which comprise the balance sheet, income statement, comprehensive income statement, statement of change in shareholders' equity, cash flow statement and related selected explanatory notes. The directors of La Doria SpA are responsible for the preparation of the condensed consolidated interim financial statements in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union. Our responsibility is to issue this report based on our review.

2 We conducted our review in accordance with the criteria for a review recommended by Consob, the national stock exchange commission, with resolution n°10867 of 31 July 1997. The review consisted principally of inquiries of company personnel about the information reported in the condensed consolidated interim financial statements and about the consistency of the accounting principles utilised therein as well as the application of analytical review procedures on the data contained in the above mentioned consolidated financial statements. The review excluded certain auditing procedures such as compliance testing and verification and validation tests of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike the audit on the annual consolidated financial statements, we do not express a professional audit opinion on the condensed consolidated interim financial statements.

Regarding the comparative data of the consolidated financial statements of the prior period and of condensed consolidated interim financial statements of the prior interim period, which are presented for comparative purposes, reference is made to our reports dated 31 March 2014 and 29 August 2013 respectively.

3 Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements of La Doria Group as of 30 June 2014

have not been prepared, in all material respects, in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union.

Naples, 28 August 2014

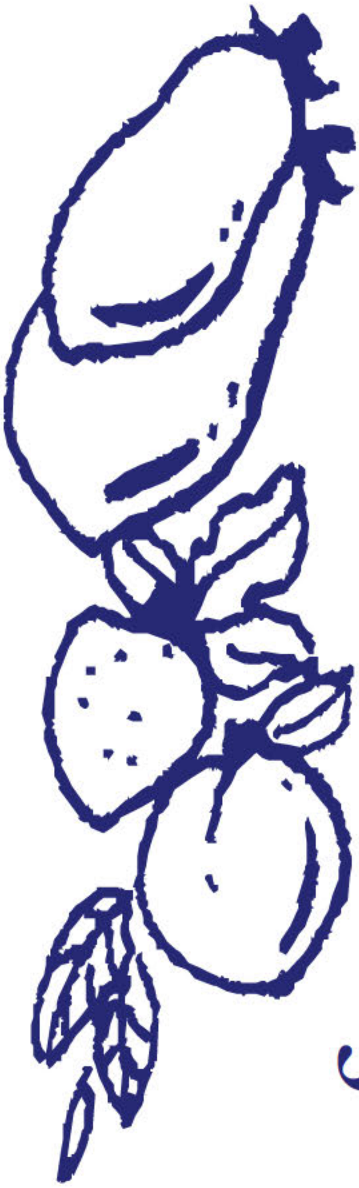
PricewaterhouseCoopers SpA

Signed by

Aurelio Fedele
(Partner)

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers. We have not examined the translation of the condensed consolidated interim financial statements referred to in this report.

Attachment A-4 - No 3.5: Quarterly Report 30 September 2014



QUARTERLY REPORT

2014

3rd QUARTER

CONTENTS

Board of Directors

Chairman	Sergio Persico
Vice Chairman	Giorgio Sampietro (independent)
Chief Executive Officer	Antonio Ferraioli
Directors	Elena David (Independent)
	Andrea Ferraioli
	Iolanda Ferraioli
	Enzo Diodato Lamberti
	Michele Preda (Independent)

Board of Statutory Auditors

Chairman	Antonio De Caprio
Standing Auditors	Adele Caldarelli
	Maurizio D'Amore

Executive responsible for the preparation of the accounting documents Alberto Festa

Internal Control & Risk Committee

Chairman	Giorgio Sampietro
Members	Elena David
	Sergio Persico

Remuneration & Nominations Committee

Chairman	Giorgio Sampietro
Members	Sergio Persico
	Michele Preda

Supervisory Board

Chairman	Giorgio Sampietro
Members	Sergio Persico
	Elena Maggi (Internal Audit)

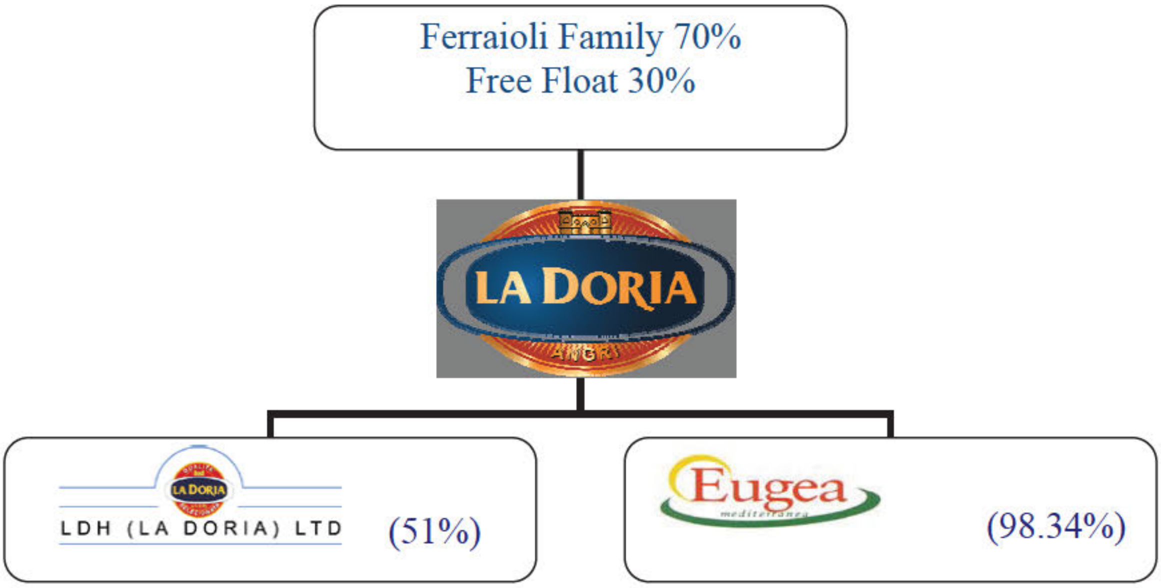
Independent Audit Firm PricewaterhouseCoopers S.p.A.

LA DORIA S.P.A..

Registered office: Angri (SA) – Via Nazionale, 320

Share Capital: Euro 42,780,000 (fully paid-in) - Exporters' Role: No. 398

Companies Registration Office of Salerno 423/93; VAT No. 00180700650


Ferraioli Family 70%
Free Float 30%
LA DORIA
LDH (LA DORIA) LTD
(51%)
Eugea
(98.34%)

DIRECTORS' REPORT

DIRECTORS' REPORT ON OPERATIONS OF THE LA DORIA GROUP FOR THE THIRD QUARTER OF 2014

INTRODUCTION

The La Doria Group reported in the first nine months of 2014 results ahead of budget and a significant improvement on 9M 2013.
Within the still challenging global economy, featuring a reduction in household consumption - including food products - the Group has increased revenues and profitability.

Consolidated revenues totalled Euro 467.6 million, increasing 3.3% compared to Euro 452.6 million in the same period of the previous year, thanks principally to the growth of the "pulses and vegetables" and "tomato-based product" lines and the international markets.

The consolidated EBITDA totalled Euro 43.9 million (+43.5%), while the EBIT amounted to Euro 34 million (+55.2%). The EBITDA and the EBIT margin increased respectively therefore from 6.8% to 9.4% and from 4.9% to 7.3%.

The pre-tax profit amounted to Euro 29.2 million, up 36.4% compared to 9M 2013, despite currency losses in the period, compared to currency gains in the same period of the previous year.

The Group net profit was Euro 15.7 million, up 61.8% on 9M 2013, excluding extraordinary items of Euro 9.7 million.
The minority interest net profit share was Euro 3.5 million compared to Euro 4.4 million in the same period of the previous year.

The improvement of the Group margin in the period was due to the capacity to transfer the increased purchase costs of a number of raw materials onto sales prices, in addition to greater industrial efficiency based on higher production volumes, among other issues.

The Q3 2014 results also improved considerably on the same period of 2013.

Revenues amounted to Euro 152.9 million (+3.5%), with EBITDA of Euro 20.1 million (+55.8%) - increasing from a margin of 8.7% to 13%. EBIT totalled Euro 16 million (+60%), while the EBIT margin increased from 6.8% to 10.5%. The Group Net Profit in the quarter was Euro 8.4 million - more than doubling on Q3 2013.

The tomato and fruit processing campaigns took place in the third quarter. Tomato production on the one hand featured reduced fresh tomato and metal can costs and, on the other, lower raw material yields. Overall, red line production costs slightly reduced on 2013.

In terms of quantity, the Group processed approx. 291,000 tonnes of the raw material, compared to 247,500 tonnes in 2013.

Domestically, approx. 4.9 million tonnes of fresh tomatoes were processed, increasing on 4.1 million tonnes processed in 2013 and in line with the average for the 2009-2013 five-year period of 4.9 million tonnes.

Considering sector stock levels preceding the 2014 campaign and domestic and international consumption levels and the lower raw material yield, the expected increase in Italian production compared to 2013 does not pose a risk to market supply and demand equilibrium and consequently finished product prices, which were significantly impacted in the past by overproduction and very high stock levels. Based on these considerations, the market reported substantially stable finished product sales prices.

The summer fruit processing campaign featured a decrease in the cost of apricots, peaches and nectarines utilised for nectar juices, after the significant increase in 2013, particularly in relation to apricots.

According to forecasts, pear yields – to be harvested in the final quarter of 2014 and in Q1 2015 - will provide stable volumes and reduced prices compared to the 2013 campaign.

Finished product prices are currently reducing on the previous year based on the reduced cost of agricultural raw materials.

Significant events following period-end

In October 2014, the company signed an agreement for the full acquisition of the Pa.Fi.al. Srl Group, holding company of Delfino S.p.A. and Althea S.p.A..

The La Doria Group thus became the leading Italian producer of private label ready-made sauces and among the leaders in Europe, extending its range with non-seasonal synergetic higher added value and service content products.

The acquisition is of great strategic importance as strengthening the Group's private label market European leadership in its core segments.

The Pa.fi.al. Group, with two production facilities, in Parma (Althea) and in Acerra-NA (Delfino), boasts a product portfolio which focusses primarily on traditional Italian recipe ready-made sauces (tomato-based, meat, pesto and white sauces), in addition to dressing sauces. The company principally produces private labels for the major supermarket chains and has a strong international presence (73% of revenues generated abroad) and is well positioned in Germany, France, Belgium and Australia.

Pa.fi.al. Group revenues in 2013 totalled Euro 71.7 million, with 93% stemming from private labels and 7% from own brands; EBITDA amounted to Euro 8.2 million and the net profit Euro 3.6 million. Profitability was strong with an Ebitda margin of 11.4%.

The consideration for acquisition was Euro 65.2 million. The Company will be acquired substantially free of debt. The operation will be completed by the end of November.

Outlook

2014 is expected to be a strong year for the La Doria Group. Estimates indicate further revenue and margin increases on 2013, thanks principally to the upward sales price trend and a reduction in prices for a number of food raw materials and packaging materials. The margin will also improve through the ongoing industrial efficiency and cost containment actions implemented by the Group.

Sales performance

Consolidated sales in the first nine months of 2014 amounted to Euro 467.6 million, an increase of 3.3% compared to Euro 452.6 million in the same period of the previous year.

The sales performance featured reduced volumes of 2.9%, essentially following a contraction in volumes sold by the English subsidiary LDH and increased sales prices of 3.4%, principally following the increase in the procurement costs of some raw materials and finished products.
On like-for-like exchange rates (€/£) of the English subsidiary LDH (La Doria) Ltd, consolidated revenues in 9M 2014 would amount to Euro 454.4 million (+0.4% on 9M 2013).

Sales in the third quarter amounted to Euro 152.9 million, growth of 3.5% on Euro 147.8 million in the same period of the previous year.

A breakdown of sales is provided in the table below.

Breakdown of consolidated sales by product line

Euro millions	**Q3 2014**	**Q3 2013**	**Change %**	**9M 2014**	**9M 2013**	**Change %**	**% on total 9M 2014**	**% on total 9M 2013**
RED LINE	41.0	33.3	+23%	128.9	114.7	+12.4%	27.6%	25.3%
FRUIT LINE	22.8	23.1	-1.3%	66.8	70.9	-5.8%	14.3%	15.7%
PULSES, VEG./PASTA LINE	41.6	38.3	+8.6%	128.3	117.0	+9.7%	27.4%	25.8%
OTHER LINES	47.5	53.1	-10.5%	143.6	150.0	-4.3%	30.7%	33.2%
TOTAL LINES	**152.9**	**147.8**	**+3.5%**	**467.6**	**452.6**	**+3.3%**	**100%**	**100%**

The *red line* reported a slight increase in sales volumes and increased prices following the significant rise in the cost of the raw material utilised during the 2013 summer processing campaign.
The strong performance of more innovative and/or low environmental impact products continues, such as ready sauces in glass containers and "combisafe" cartons.
The Cook Italian product range also reported a strong performance, launched in the second half of 2011 on the English market and drawing on the reputation for quality and tradition of Italian food products and extending the Supermarket offer in Britain, comprising principally of private label products, with highest quality premium brand products.

The *fruit juices and beverages line* which includes juices, beverages and canned fruit, contracted significantly in volume terms with lower fruit in syrup volumes sold by the English subsidiary in Great Britain, due to reduced consumption on the market. Fruit juices produced and sold by the Parent Company on the Italian market reported a slight reduction, in line with the lower consumption levels on the domestic market.

The *pulses, vegetables and canned pasta line,* including cooked pulses, baked beans, carrots and canned pasta, continued to perform very strongly. Compared to the same period of the previous year, in fact, a significant improvement was reported thanks to further growth in volumes, after significant progress over the last two years and the increase in the sales price applied against higher raw material costs. The performance of brik packaged pulses was particularly strong, in which the company is focusing investment in response to the shift in consumer demand towards easy-to-use products and lower environmental impact packaging.

Finally, the other lines, which refer principally to the products sold by the subsidiary LDH on the British market, reported a reduction, essentially due to lower sales of tuna, dry pasta, pet food and other products, as a result of heightened competition, and particularly following the growth in Discount stores.

The domestic market in the first nine months of 2014 accounted for 20.4% (21.6% in 9M 2013), while the export market accounted for 79.6% (78.4% in 9M 2013). Northern Europe, principally Great Britain, absorbs the largest part of the export turnover.
The foreign markets expanded in the first nine months of 2014 by 4.8%. The more consolidated Group international markets reporting the strongest growth were Germany (+48%), Australia-New Zealand (+33%), Japan (+15%) and the Scandinavian countries (+15.5%). Among the better performing smaller markets for the company were France (+79%), South Africa (+74%), the USA (+44%) and the Netherlands (+42%).
Finally, a slight contraction of 2% was reported on the domestic market.

Breakdown of consolidated sales by geographic area in 9M 2014

Euro millions	**9M 2014**	**% of total**	**9M 2013**	**% of total**
NORTH EUROPE	301.4	64.4%	292.6	64.7%
OTHER EUROPEAN COUNTRIES	118.6	25.4%	120.6	26.6%
of which Italy	95.6	20.4%	97.7	21.6%
AUSTRALIA AND NEW ZEALAND	20.4	4.4%	15.4	3.4%
ASIA	20.8	4.4%	19.5	4.3%
AFRICA	3.8	0.8%	1.8	0.4%
AMERICA	2.6	0.6%	2.7	0.6%
TOTAL	**467.6**	**100%**	**452.6**	**100%**

Consolidated results in accordance with EU/IFRS

Operating results

In the first nine months of 2014, the Group EBITDA (operating profit before amortisation/ depreciation, write-downs and provisions) totalled Euro 43.9 million, increasing 43.5% on Euro 30.6 million in the first nine months of 2013. The EBITDA margin was 9.4%, compared to 6.8% in 9M 2013.

The EBITDA in the third quarter of 2014 amounted to Euro 20.1 million, a 55.8% increase compared to Euro 12.9 million in the third quarter of 2013. The EBITDA margin was therefore 13% compared to 8.7% in the third quarter of 2013.

The EBIT (operating profit) in the first nine months after amortisation/depreciation and write-downs of Euro 9.9 million amounted to Euro 34 million, growth of 55.2% on Euro 21.9 million in 9M 2013, which reported amortisation/depreciation and write-downs of Euro 8.7 million. The ROS increased from 4.9% to 7.3%.

The EBIT in the third quarter totalled Euro 16 million, up 60% on Euro 10.1 million in the July-September 2013 period. The sales margin was therefore 10.5%, compared to 6.8% in the same period of 2013.

Net financial charges in the first nine months totaled Euro 3.2 million, compared to Euro 3.5 million in the same period of 2013. Currency losses, in addition, of Euro 1.6 million were reported against currency gains of Euro 2.9 million in the same period of the previous year, deriving largely from the valuation at market prices of currency hedging operations for the period subsequent to September 30 carried out by the Company, as established by IFRS/EU in order to protect budget exchange rates.

In the third quarter, net financial charges amounted to Euro 955 thousand, compared to Euro 1.1 million in the third quarter of 2013. Currency losses were recorded of Euro 53 thousand compared to losses of Euro 461 thousand in the same period of the previous year.

The pre-tax profit in the first nine months of the year totalled Euro 29.2 million, increasing 36.4% on Euro 21.4 million in the same period of the previous year, despite the significant currency losses against the gains which benefitted the 9M 2013 result.

In the third quarter the pre-tax profit was Euro 15 million, improving 78.5% on Euro 8 million in the same period of the previous year.

The Group net profit in the first nine months amounted to Euro 15.7 million, significantly increasing on Euro 11.2 million in the same period of the previous year, which however benefitted from extraordinary income of Euro 1.5 million relating to the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012.

The Group net profit in the first nine months therefore improved 61.8% on the normalised Group net profit for the same period of 2013 of Euro 9.7 million.

The minority interest net profit share in 9M 2014 was Euro 3.5 million compared to Euro 4.4 million in the same period of the previous year.

The Group net profit in Q3 2014 totalled Euro 8.4 million, more than doubling on Euro 3.9 million on the same period of the previous year.

Balance sheet

The balance sheet at September 30, 2014 reported net fixed assets of Euro 119.4 million, compared to Euro 116.5 million at June 30, 2014 and Euro 114.8 million at December 31, 2013, principally following investments made.

Working capital amounted to Euro 169.7 million, an increase on Euro 162.9 million at June 30, 2014 and a reduction on Euro 179.1 million at December 31, 2013. The significant increase in inventories in the third quarter (from Euro 159.9 million at the end of June to Euro 214.3 million at the end of September) essentially relates to the seasonal nature of the production of tomatoes and was in part offset by the increase in trade payables (increasing from Euro 93.6 million at June 30 to Euro 135 million at September 30), largely deriving from the fact that the payment for the raw materials acquired during the tomato harvest will be made in the final quarter of the year.

The net capital employed amounted to Euro 256.5 million, an increase on Euro 247.3 million at June 30 and a reduction on Euro 261.8 million at December 31, 2013.

The net debt was Euro 82.1 million, in line with Euro 82.3 million at June 30 and a decrease on Euro 108.5 million at December 31, 2013, thanks to the generation of cash.
Finally, net equity amounts to Euro 174.3 million, increasing on Euro 165 million at the end of June and Euro 153.3 million at December 31, 2013.

THE PARENT COMPANY: LA DORIA S.P.A.

Sales performance

Sales of the Parent Company for the first nine months of 2014 amounted to Euro 259.3 million, growth of 7.2% on Euro 241.8 million in the same period of 2013. The performance benefitted from a slight increases in volumes sold (+0.8%) and higher sales prices (+6.3%), principally based on the increased raw material costs.
Sales in the third quarter amounted to Euro 84.7 million, an improvement of 13.7% on Euro 74.5 million in the same period of the previous year.

The domestic market in 9M 2014 accounted for 38.7% of sales (41.6% in 9M 2013), while foreign markets accounted for the remaining 61.3% (58.4% in 2013). The domestic market remained stable, while the foreign market reports growth of 13.3%.

Sales by product line are shown in the table below.

Breakdown of Parent Company sales by product line

Euro millions	**9M 2014**	**9M 2013**	**Change %**	**9M 2014**	**9M 2013**	**Change %**
RED LINE	33.3	27.2	+22.4%	107.0	99.3	+7.8%
FRUIT & BEVERAGES LINE	16.2	16.2	/	47.8	48.7	-1.8%
PULSES, VEG./PASTA LINE	32.3	29.3	+10.2%	98.9	90.1	+9.7%
OTHER LINES	2.9	1.8	+61.1%	5.6	3.7	+50.3%
TOTAL LINES	**84.7**	**74.5**	**+13.7%**	**259.3**	**241.8**	**+7.2%**

The *red line* reported stable volumes and increased sales prices following the significant rise in the cost of the raw material utilised during the 2013 summer processing campaign.

The *fruit juice and beverage line* contracted slightly in volume terms, with sales prices increasing slightly following the rise in the price of fresh fruit processed in summer 2013.

The *pulses, vegetables and canned pasta line,* including cooked pulses, baked beans, carrots and canned pasta, performed strongly. Compared to the same period of the previous year, in fact, a significant improvement was reported thanks on the one hand to volume growth, in addition to increased sales price applied against higher raw material costs.

Finally, the *other lines* report a strong increase due to the higher sales of metal cans sold to the subsidiary Eugea Mediterranea S.p.A..

Results (prepared in accordance with EU/IFRS)

Operating results

The EBITDA of the Parent Company (operating profit before amortisation/depreciation, write-downs and provisions) for the first nine months of 2014 amounted to Euro 32.7 million, up

67.7% on Euro 19.5 million in 9M 2013. The EBITDA margin improved from 8.1% to 12.6% in the first nine months of 2014.

The EBITDA in the third quarter of 2014 was Euro 15.7 million, an 18.5% margin and an increase of 93.8% compared to Euro 8.1 million (10.9% margin) in the third quarter of 2013.

The EBIT (operating profit) in the first nine months, after amortisation/depreciation and write-downs of Euro 8.9 million (Euro 7.7 million in the first nine months of 2013), was Euro 23.8 million, more than doubling on Euro 11.8 million in the first nine months of 2013. The ROS increased from 4.9% to 9.2%.

The EBIT in the third quarter amounted to Euro 12.2 million, also more than doubling on Euro 5.8 million in 9M 2013. The ROS therefore increased to 14.4% from 7.7%.

Net financial charges of Euro 371 thousand were reported in 9M 2014, compared to Euro 870 thousand in the same period of 2013.

Specifically, net interest expense amounted to Euro 3.1 million, reducing on Euro 3.4 million in the same period of the previous year. Investment income totalled Euro 2.7 million, an increase compared to Euro 2.5 million in the first nine months of 2013. This income derives from dividends of the subsidiary LDH.

Currency losses of Euro 570 thousand were reported compared to gains of Euro 1.8 million in the same period of the previous year.

In Q3 2014, interest charges amounted to Euro 927 thousand, reducing on Euro 1.2 million in the same period of the previous year. Currency losses were recorded of Euro 29 thousand compared to losses of Euro 531 thousand in the same period of the previous year.

The pre-tax profit for the first nine months of 2014 totalled Euro 22.9 million, up 80.3% compared to Euro 12.7 million in the same period of the previous year, despite the significant currency losses compared to gains which benefitted the first nine months of 2013.

The Q3 2014 pre-tax profit of Euro 11.2 million nearly tripled on Euro 4 million on the same period of the previous year.

Finally, the 9M net profit amounted to Euro 14.9 million, growing 56.8% on Euro 9.5 million in the first nine months of 2013, which however benefitted from extraordinary income of Euro 1.5

million relating to the deduction for IRES purposes of IRAP on the cost of labour for the years 2008-2012.

The net profit in 9M 2014 therefore improved 86.3% compared to the normalised net profit in the first nine months of 2013 of Euro 8 million.

The net profit in the third quarter of 2014 was Euro 6.7 million, more than tripling on Euro 2 million in the same period of the previous year.

Balance sheet

The balance sheet of the Parent Company at September 30, 2014 reports net fixed assets of Euro 114 million, in line with June 30, 2014 and a slight increase on Euro 112.2 million at December 31, 2013.

The working capital increased to Euro 123.7 million from Euro 122 million at June 30, 2014 (Euro 133.5 million at December 31, 2013). The increase in inventories compared to the end of June, related principally to the seasonal production of tomatoes and fruit, was offset by the increase in trade payables as payments for tomatoes take part largely in the final quarter of the year, as previously stated for the Group.

Net capital employed was thus Euro 206.8 million, compared to Euro 205.6 million at June 30 and Euro 215.3 million at December 31, 2013.

The net debt was Euro 81.3 million, a decrease on Euro 85.6 million at June 30 and on Euro 106.9 million at December 31, 2013, thanks principally to profits generated.

Finally, shareholders' equity amounted to Euro 125.5 million, an increase on Euro 120 million at June 30 and Euro 108.4 million at December 31, 2013.

CONSOLIDATED COMPANIES (the figures were prepared in accordance with EU/IFRS accounting standards)

LDH (La Doria) Ltd

Alconbury (Great Britain)

(held 51%)

In the first nine months of the year, consolidated sales of LDH (La Doria) Ltd, a company engaged in the marketing of canned tomato, fruit, pulses, fish, canned tuna and salmon, pet food and other products in the United Kingdom, amounted to GBP 229.5 million, reducing 4.3% compared to GBP 239.9 million in the same period of the previous year, principally due to lower volumes of fruit in syrup - in line with the general market - and of tuna, dry pasta, pet food and other products. While volumes dropped, sales prices increased, substantially due to the higher procurement costs of a number of products sold.

An EBITDA margin of 3.9% is reported, GBP 8.9 million, in line with GBP 9.1 million - representing 3.8% of sales - in the same period of 2013. The EBIT amounted to GBP 8.6 million (3.8% of sales), also in line with GBP 8.8 million in 9M 2013 (3.7% of sales).

Net interest charges of GBP 49 thousand were reported against interest income of GBP 64 thousand in 9M 2013.

Currency losses of GBP 1.1 million were also recorded from the market valuation of foreign currency hedging operations made by the company, in accordance with IAS/IFRS. In the same period of the previous year, currency gains were recorded of GBP 1.2 million.

The pre-tax profit amounted to GBP 7.4 million, reducing on GBP 10.1 million in the first nine months of 2013 as a result of the above-mentioned currency losses, against currency gains in the previous year.

The net profit amounted to GBP 5.8 million compared to GBP 7.7 million in 9M 2013.

The balance sheet of LDH reports net equity of GBP 41 million, compared to GBP 40.6 million at December 31, 2013. The net financial position reports liquidity of GBP 2.3 million, compared to liquidity of GBP 4.7 million at the end of the previous year, principally due to the purchase of a building for office use.

The results of LDH (La Doria) Ltd for the first nine months of 2014 are considered satisfying in view of the highly competitive market - in particular the growth of the Discounters. This confirms the leadership position reached and the strong commercial relations with the leading English distribution chains.

LDH (La Doria) Ltd is now the leader on the British market for private label tomato-based products and pulses, dry pasta and canned tuna.

Eugea Mediterranea S.p.A.
Lavello (PZ)
(held 98.3%)

Eugea Mediterranea S.p.A. produces tomato-based products and fruit purées.

The sales for the first nine months of 2014 of Eugea amounted to Euro 3.6 million, compared to Euro 2.7 million in the first nine months of 2013.
The low level of revenues in the period considered, evident also in the same period of the previous year, is due to the decision taken in previous years, also to adequately support the centralised stock planning and management by the purchasing Parent Company La Doria S.p.A., to proceed with the sale and the consequent invoicing of production ordered and comprising tomato-based products and fruit purées by the end of the year in which, during the summer processing campaign, the production is carried out.

The EBITDA in the first nine months of 2014 was Euro 474 thousand, an increase compared to Euro 186 thousand in the same period of 2013.

The EBIT, after amortisation/depreciation and write-downs of Euro 670 thousand (Euro 706 million in 9M 2013), reported a loss of Euro 196 thousand – compared to a loss of Euro 520 thousand in 9M 2013.

The net result, after net financial charges of Euro 57 thousand (Euro 186 thousand in the first nine months of 2013), was a loss of Euro 225 thousand, improving on a loss of Euro 440 thousand in 9M 2013.

The balance sheet reports shareholders' equity of Euro 5.2 million at September 30, 2014, in line with Euro 5.4 million at December 31, 2013.
The net debt amounted to Euro 3.7 million, decreasing on Euro 7.2 million at the end of the previous year.

The Company processed in the 2014 summer campaign 66,848 tonnes of fresh tomatoes, increasing on 59,372 tonnes in 2013.

FINANCIAL STATEMENTS

LA DORIA GROUP - CONDENSED CONSOLIDATED BALANCE SHEET

in accordance with EU/IFRS in thousands of Euros	30.09.2014	30.06.2014	31.12.2013
Trade receivables	102.051	106.755	89.034
Inventories	214.266	159.894	194.143
Other current accounts receivable	23.981	19.079	25.084
Total current assets	**340.298**	**285.728**	**308.261**
Trade payables	135.026	93.638	103.901
Other current accounts payable	35.591	29.144	25.258
Total current payables	**170.617**	**122.782**	**129.159**
WORKING CAPITAL	**169.681**	**162.946**	**179.102**
Intangible assets - net	4.106	4.170	4.012
Property, plant and equipment-net	102.754	100.467	98.899
Equity investments in associates	234	234	234
Other assets	12.289	11.602	11.638
TOTAL NON-CURRENT ASSETS	**119.383**	**116.473**	**114.783**
Non current liabilities	19.872	20.228	20.509
Reserve for employee termination benefit and other reserves	12.705	11.897	11.565
Total non current liabilities	**32.577**	**32.125**	**32.074**
NET INVESTED CAPITAL	**256.487**	**247.294**	**261.811**
Cash and cash equivalents	(42.906)	(33.833)	(27.867)
Short-term borrowings	65.014	65.536	85.672
Medium and long-term borrowings	60.029	50.617	50.689
NET CASH POSITION	**82.137**	**82.320**	**108.494**
Group Shareholders' Equity	148.508	140.802	129.461
Shareholders' Equity pertaining to minority interest	25.842	24.172	23.856
SHAREHOLDERS' EQUITY	**174.350**	**164.974**	**153.317**

LA DORIA GROUP - RECLASSIFIED CONSOLIDATED INCOME STATEMENT

in accordance with EU/IFRS in thousands of Euros	3rd Quarter 2014		3rd Quarter 2013		at 30.09.2014		at 30.09.2013	
Revenues	**152.883**	**100,0%**	**147.765**	**100,0%**	**467.631**	**100,0%**	**452.586**	**100,0%**
Changes in inventories of work in progress and semi-finished and finished goods	57.819	37,8%	51.657	35,0%	17.006	3,6%	8.579	1,9%
Other income	2.396	1,6%	1.374	0,9%	7.577	1,6%	8.684	1,9%
Production value	**213.098**	**139,4%**	**200.796**	**135,9%**	**492.214**	**105,3%**	**469.849**	**103,8%**
Operative expenses	177.280	116,0%	173.306	117,3%	414.982	88,7%	408.133	90,2%
Value added	**35.818**	**23,4%**	**27.490**	**18,6%**	**77.232**	**16,5%**	**61.716**	**13,6%**
Labour costs	15.745	10,3%	14.563	9,9%	33.330	7,1%	31.058	6,9%
EBITDA	**20.073**	**13,1%**	**12.927**	**8,7%**	**43.902**	**9,4%**	**30.658**	**6,8%**
Amortisation and depreciation expenses	4.025	2,6%	2.911	2,0%	9.893	2,1%	8.700	1,9%
EBIT	**16.048**	**10,5%**	**10.016**	**6,8%**	**34.009**	**7,3%**	**21.958**	**4,9%**
Net financial income (charges)	(955)	-0,6%	(1.126)	-0,8%	(3.182)	-0,7%	(3.501)	-0,8%
Exchange gains (losses)	(53)	0,0%	(461)	-0,3%	(1.632)	-0,3%	2.924	0,6%
Profit/(loss) from operating activities	**15.040**	**9,8%**	**8.429**	**5,7%**	**29.195**	**6,2%**	**21.381**	**4,7%**
Gain on discontinued operations	-	0,0%	-	0,0%	-	0,0%	-	0,0%
Profit (loss) before tax	**15.040**	**9,8%**	**8.429**	**5,7%**	**29.195**	**6,2%**	**21.381**	**4,7%**
Income taxes	5.446	3,6%	3.111	2,1%	9.949	2,1%	5.743	1,3%
Net profit (loss)	**9.594**	**6,3%**	**5.318**	**3,6%**	**19.246**	**4,1%**	**15.638**	**3,5%**
of which Group	8.393	5,5%	3.871	2,6%	15.744	3,4%	11.204	2,5%
of which minority interest	1.201	0,8%	1.447	1,0%	3.502	0,7%	4.434	1,0%

LA DORIA S.P.A. -CONDENSED BALANCE SHEET

in accordance with EU/IFRS in thousands of Euros	30.09.2014	30.06.2014	31.12.2013
Trade receivables	75.353	75.804	71.584
Inventories	139.741	103.283	132.971
Other current accounts receivable	17.008	15.368	16.128
Total current assets	**232.102**	**194.455**	**220.683**
Trade payables	90.514	58.308	75.526
Other current accounts payable	17.842	14.109	11.674
Total current payables	**108.356**	**72.417**	**87.200**
WORKING CAPITAL	**123.746**	**122.038**	**133.483**
Intangible assets - net	989	1.005	749
Property, plant and equipment-net	96.476	97.168	95.234
Equity investments in associates	4.299	4.299	4.299
Other assets	12.225	11.527	11.882
TOTAL NON-CURRENT ASSETS	**113.989**	**113.999**	**112.164**
Non current liabilities	18.378	18.669	18.891
Reserve for employee termination benefit and other reserves	12.583	11.780	11.436
Total non current liabilities	**30.961**	**30.449**	**30.327**
NET INVESTED CAPITAL	**206.774**	**205.588**	**215.320**
Cash and cash equivalents	(39.762)	(28.971)	(22.073)
Short-term borrowings	61.046	63.993	78.319
Medium and long-term borrowings	60.029	50.617	50.689
NET CASH POSITION	**81.313**	**85.639**	**106.935**
Group Shareholders' Equity	41.987	42.258	40.585
Shareholders' Equity pertaining to minority interest	83.474	77.691	67.800
SHAREHOLDERS' EQUITY	**125.461**	**119.949**	**108.385**

LA DORIA S.P.A. - RECLASSIFIED INCOME STATEMENT

in accordance with EU/IFRS in thousands of Euros	3rd Quarter 2014		3rd Quarter 2013		at 30.09.2014		at 30.09.2013	
Revenues	**84.678**	**100,0%**	**74.526**	**100,0%**	**259.315**	**100,0%**	**241.839**	**100,0%**
Changes in inventories of work in progress and semi-finished and finished goods	37.662	44,5%	29.751	39,9%	6.597	2,5%	(8.843)	-3,7%
Other income	2.791	3,3%	1.331	1,8%	7.553	2,9%	8.639	3,6%
Production value	**125.131**	**147,8%**	**105.608**	**141,7%**	**273.465**	**105,5%**	**241.635**	**99,9%**
Operative expenses	97.889	115,6%	86.953	116,7%	215.445	83,1%	198.495	82,1%
Value added	**27.242**	**32,2%**	**18.655**	**25,0%**	**58.020**	**22,4%**	**43.140**	**17,8%**
Labour costs	11.581	13,7%	10.563	14,2%	25.301	9,8%	23.651	9,8%
EBITDA	**15.661**	**18,5%**	**8.092**	**10,9%**	**32.719**	**12,6%**	**19.489**	**8,1%**
Amortisation and depreciation expenses	3.454	4,1%	2.321	3,1%	8.900	3,4%	7.692	3,2%
EBIT	**12.207**	**14,4%**	**5.771**	**7,7%**	**23.819**	**9,2%**	**11.797**	**4,9%**
Net financial income (charges)	(927)	-1,1%	(1.209)	-1,6%	(371)	-0,1%	(870)	-0,4%
Exchange gains (losses)	(29)	0,0%	(531)	-0,7%	(570)	-0,2%	1.798	0,7%
Profit/(loss) from operating activities	**11.251**	**13,3%**	**4.031**	**5,4%**	**22.878**	**8,8%**	**12.725**	**5,3%**
Gain on discontinued operations	-	0,0%	-	0,0%	-	0,0%	-	0,0%
Profit (loss) before tax	**11.251**	**13,3%**	**4.031**	**5,4%**	**22.878**	**8,8%**	**12.725**	**5,3%**
Income taxes	4.565	5,4%	2.030	2,7%	7.984	3,1%	3.252	1,3%
Net profit (loss)	**6.686**	**7,9%**	**2.001**	**2,7%**	**14.894**	**5,7%**	**9.473**	**3,9%**

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1) ACCOUNTING POLICIES AND CONSOLIDATION PRINCIPLES

IAS/IFRS accounting standards were used for the preparation of the quarterly report at 30/09/2014.

It should be stressed that data relating to the third quarter in relation to a group with the seasonal production features typical of the La Doria Group can be misleading. Accordingly, the consolidated profitability for the first nine months of 2014 cannot represent the basis for full year projections.

2) MAIN CHANGES IN THE BALANCE SHEET COMPARED TO 31/12/2013

In relation to the main consolidated assets and liabilities at 30/09/2014 compared to 31/12/2013, the main variations are as follows:

a) Current assets increased by Euro 32,037 thousand from Euro 308,261 thousand at 31.12.2013 to Euro 340,298 thousand, due to an increase in trade receivables of Euro 13,017 thousand, of inventories of Euro 20,123 thousand and the decrease in other current receivables of Euro 1,103 thousand.

b) Current liabilities increased by Euro 41,458 thousand from Euro 129,159 thousand to Euro 170,617 thousand, due to an increase in trade payables of Euro 31,125 thousand, while other current payables increased by Euro 10,333 thousand.

c) Fixed assets increased by Euro 4,600 thousand from Euro 114,783 thousand to Euro 119,338 thousand. The changes were as follows:

c1) Intangible fixed assets – net	+ 94
c2) Tangible fixed assets - net	+ 3,855
c3) Investments	+ 0
c4) Other assets	+ 651
Total Change	+ 4,600

d) The non-current liabilities decreased from Euro 32,074 thousand at 31/12/2013 to Euro 32,577 thousand at 31/09/2014.

e) Shareholders' equity increased from Euro 153,317 thousand at 31/12/2013 to Euro 174,350 thousand at 30/09/2014.

f) The net financial position at 30/09/2014 reported a borrowing position of Euro 82,137 thousand, a decrease of Euro 26,357 thousand compared to 31/12/2013 of Euro 108,494 thousand.

DECLARATION OF EXECUTIVE RESPONSIBLE

Declaration of the Executive Responsible on the Interim Report at September 30, 2014 in accordance with Article 154-*bis*, paragraph 2 of Legislative Decree No. 58/98.

The undersigned, Alberto Festa, as Executive Responsible for the preparation of the corporate accounting documents of La Doria S.p.A., certifies in accordance with Article 154 bis, paragraph 2 of Legs. Decree No. 58/98 that the Interim Report at September 30, 2014 corresponds to the underlying accounting documents, records and accounting entries of the company.

The Executive in charge of the preparation of
corporate accounting document
Alberto Festa