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1. SPC would like to draw the Commission's attention to the comments in La Doria's Annual report December 2014 (Copy attached with this submission)

Page 17 of the annual report states

'In recent years Italian tomato production has stabilised, due to a number of structural factors: the European Food and Vegetable Reform which was fully implemented in 2011, ***providing grants to farmer****s 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****.'[Underlining supplied]*

Further

'In 2015 the measures of the common Agricultural Policy 2014-2020 (CAP) will be applicable, ***concerning the partial return of assistance to support the competitivit****y and* ***sustainability*** *at the Italian tomato sector from industry. The subsidy which will be granted to farmers (in* ***addition to the current decoupled subsidy*** *which will be introduced with the entry into force of the new measures) was 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 competitivit****y, while at the same time* ***not creating a future risk of overproduction*** *due to its limited size.' [Underlining supplied]*

2. The above comments suggest that La Doria is cognizant of the impact of the CAP on raw tomato prices and tomato supply to the processing tomatoes industry. La Doria's response given to the Anti-Dumping Commission yet again contradict its official comments in its Annual report.

In its response to the exporter questionnaire (page 35 , EPR 276)it is stated:

> *'In light of the foregoing, having being demonstrated that the price of tomatoes is not influenced by the SPS, no market distortions exists…'*

SPC has previously indicated the contradiction in the statements as part of its application (paragraph 40 of the market situation attachment)

3. Statements in the Annual report also highlight that La Doria admits to the subsidies being paid to **the tomato farmers** which in 2014 were in **decoupled form** and from 2015 will be complemented with **coupled subsidies.** This reinforces the allegations in SPC's application regarding decoupled payments and coupled payments.

4. Statements in the Annual report highlight that support given to the growers in the form of coupled and decoupled payments have
   - Assisted in 'Competitively and **sustainability'** of the industry
   - Acted as **'financial support to stimulate re organisation'**.
   - Reduced the **risk of over production**

   These effects, as described by La Doria suggest that the that supply of raw tomatoes has been impacted and the cost of the raw tomatoes used to produce canned tomatoes has been distorted.

5. La Doria's own admission in the Annual report suggests that subsidies, in the form of direct payments, support the growers and improve the competitiveness of the industry. If the farmer was not receiving income from the SPS then that income would have to be sourced from the sales price of raw tomatoes in a market free of distortion. Therefore, the processor would be forced to pay the tomato farmer a price that covers the farmer's costs and profit to the same extent as supported by subsides under the CAP. This is clear evidence and admission from the exporter to distortion of normal market conditions.

6. The Anti-Dumping Commission's guidelines state:

In considering whether sales are not suitable for use in determining a normal value under s. 269TAC(1) because of the situation in the market of the country of export the Commission may have regard to factors such as:

- whether the prices are artificially low; or
- whether there are other conditions in the market which render sales in that market not suitable for use in determining prices under s. 269TAC(1).

SPC's evidence, which is not disputed by opposing evidence and argument shows that prices of raw tomatoes are artificially low (being supported by the direct payments) and that other conditions such as the effect of border controls and the role of PO's, render domestic sales as unsuitable.

The price of raw tomatoes needs to be adjusted upwards to a level that would apply if the SPS was not paid to the tomato grower. It has been presented earlier that it is not possible to benchmark raw tomato pricing.

7. SPC repeats its assertion that the direct payments (and other policies under the CAP as described in the application) have rendered the domestic sale prices of canned tomatoes unsuitable for determining the normal value. Therefore, as the uncontested volume of evidence sourced from the experts and publically available EC material grows, SPC urges the Commission to promptly decide on a PAD.

Attachment 1 - La Doria's Annual Report December 2014

ANNUAL REPORT

2014

2014 ANNUAL REPORT

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 in charge of the preparation of corporate accounting documents

Alberto Festa

Control and risk committee

Chairman	Giorgio Sampietro
Members	Elena David
	Sergio Persico

Remuneration and Appointments Committee

Chairman	Giorgio Sampietro
Members	Sergio Persico
	Michele Preda

Supervisory Committee

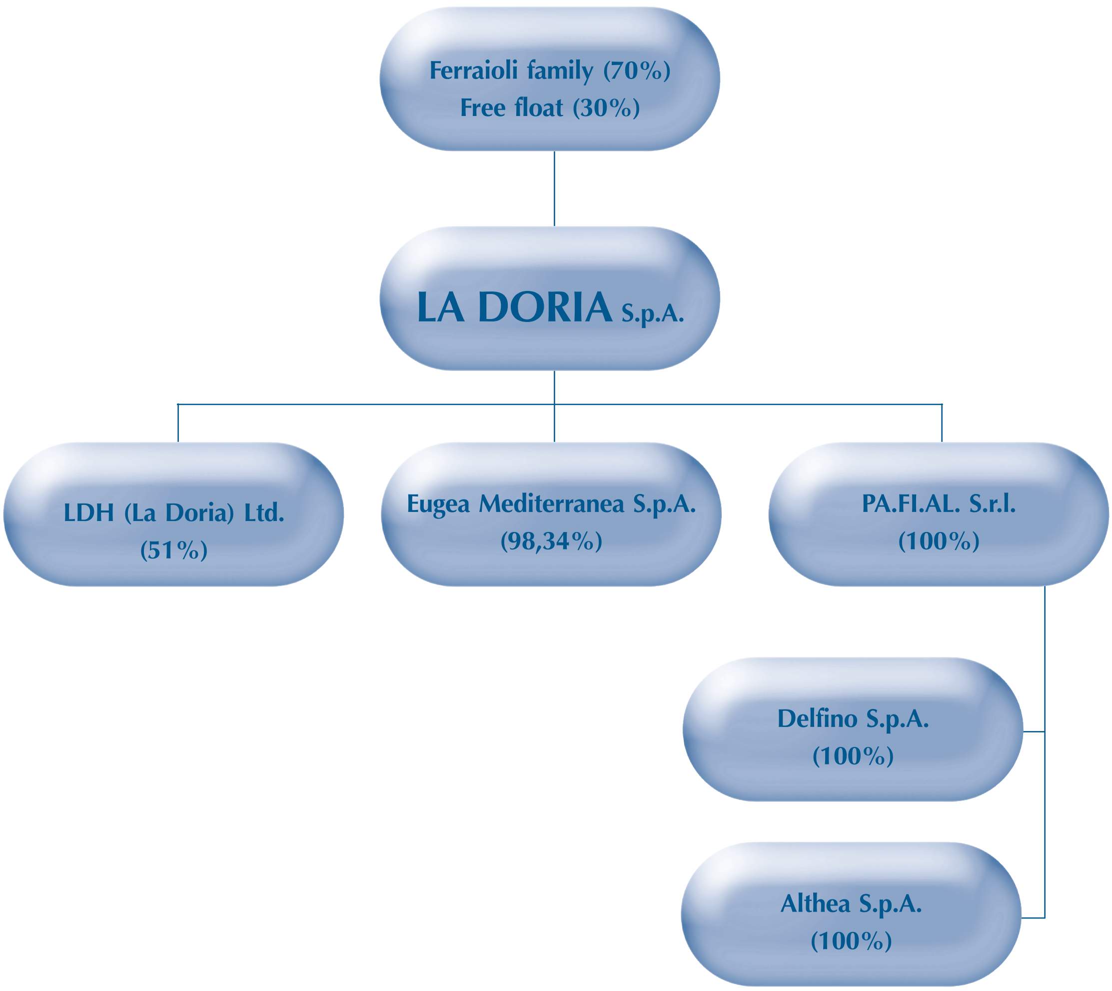
Chairman	Giorgio Sampietro
Members	Sergio Persico
	Elena Maggi (Internal Audit)

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



Dear Shareholders,

following on from two very strong years, in 2014 the La Doria Group again delivered significant growth which saw - despite the still challenging global economy featuring a reduction in household consumption, including food products - results ahead of expectations, with revenues further increasing and double-digit profitability growth.

The Group continued to benefit from the expansion of the private label market and increasing demand internationally for Made in Italy food products which, recognised internationally for their quality, authenticity and tradition, themselves constitute a value and highly exportable branding features.

Strong profits in 2014 were principally generated due to higher margin product growth, greater industrial efficiency and improved overhead cost absorption on the basis of increased production volumes, the ability to transfer the increased costs of a number of agricultural raw materials onto sale prices and, finally, the reduced procurement costs of some ingredients, packaging materials and of energy.

In 2014, the La Doria Group continued in the year to invest heavily in improving production capacity, the launch of new products and the streamlining of production costs.

The investment in the extension of the new canned soup and minestrones and enriched baked beans production line was particularly significant, scheduled for launch on the international markets in the second half of 2015. This follows on from a policy of seeking out new markets through innovation and product segmentation for the private labels and the offer of products with higher service content, in response to the demands of the Trade and the modern consumer.

A major corporate operation was also executed in 2014 with the full acquisition of Pa.Fi.al. Srl, the holding company of the Delfino S.p.A. and Althea S.p.A. operations.

As a result, the La Doria Group became the leading Italian producer of private label ready-made sauces and among the leaders in Europe, extending its range with synergetic and non-seasonal higher added value and service content products.

The acquisition was of great strategic importance as strengthening La Doria S.p.A's private label market European leadership in its core segments to improve its margin and stemming volatility, reducing the proportion of seasonal production more strictly related to the yield from agricultural raw materials.

The high degree of complementary products will permit the development of significant commercial, purchasing and other corporate synergies - these latter on the basis of critical mass and the integration process.

The Pa.fi.al. Group, with two production facilities, in Parma (Althea) and in Acerra (Delfino) in the province of Naples, 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 Pa.fi.al. Group principally produces private labels (accounting for over 90% of revenues) for the major supermarket chains and has a strong international presence (over 70% of revenues generated abroad) and is well positioned in Germany and has a major presence in France, Belgium and Australia.

The cost of the acquisition was Euro 64.7 million. The Pa.fi.al. Group was acquired free of debt.

In relation to the La Doria Group results for 2014, consolidated revenues increased 4.5% to Euro 631.4 million, thanks to the contribution of the international markets and the growth of the "tomato-based products" and "pulses and vegetables" lines.

Ebitda increased 38% to Euro 59.9 million, with the Ebitda margin improving from 7.18% to 9.48%. The Group Net Profit increased 81% on the normalised 2013 net profit to Euro 25.4 million.

The Group has maintained a solid financial base, despite the above-stated acquisition activity. The net debt increased from Euro 108.5 million to Euro 138.2 million following the acquisition, although the gearing remains stable at 0.7 and the Debt/Ebitda ratio decreased from 2.5 to 2.3.

The 2014 consolidated results include also the newly acquired Pafial Group for the period 19.11.2014 to 31.12.2014, which, given the restricted time period, contributed only marginally.

At like-for-like consolidation scope, the consolidated revenues of the La Doria Group in 2014 increased 3.1% to Euro 623.1 million. Ebitda rose 36% to Euro 59 million, with the Ebitda margin improving from 7.18% to 9.46%.

These excellent results for 2014 and the acquisition of Pa.fi.al. lay the foundation for the development of the La Doria Group market share - both domestically and internationally.

The La Doria Group's objective is to further grow its market share on those overseas markets which it already leads (UK, Japan, Australia, Germany), through extending the ready-sauces and new product offer and through gaining market shares in countries in which it is under-represented (United States) and by developing the new and emerging markets (China, South-East Asia, Saudi Arabia and the United Arab Emirates).

This Group will also focus on further development of the domestic market through becoming a leading private labels tomato-based product market player, increasing canned pulses market share - which has already expanded significantly in recent years - and by developing ready sauces and improving the share of the newly-acquired Althea and Bella Parma brands.

One of the prime objectives will be to shift the mix towards higher added value and service content products and invest in the development of the private label premium segment, as one of the current trends - in particular in countries in which private label penetration is high - is a change in the positioning of private labels by the major Retailers, with a shift towards the higher value added value segments.

The future of the private labels will be driven not just by savings and quality, but particularly through innovation and segmentation. The premium and organic segments, which perfectly embody this philosophy, will therefore lead this drive.

Further efforts will be made to improve procurement efficiency, energy efficiency and sustainable development and at the same time research into increasing operating and management efficiencies will continue - as one of the Group's greatest competitive advantages is to produce quality and service at highly competitive costs.

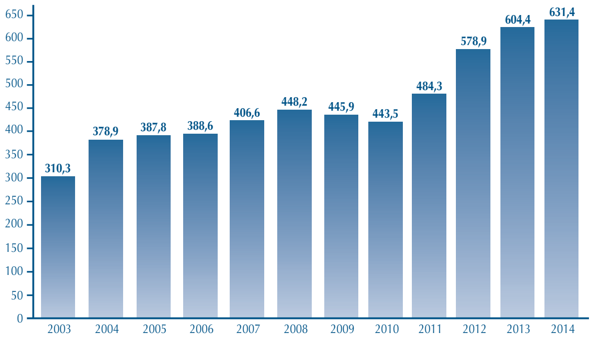
The Chief Executive Officer
Antonio Ferraioli

MAIN ECONOMIC DATA AND FINANCIAL POSITION

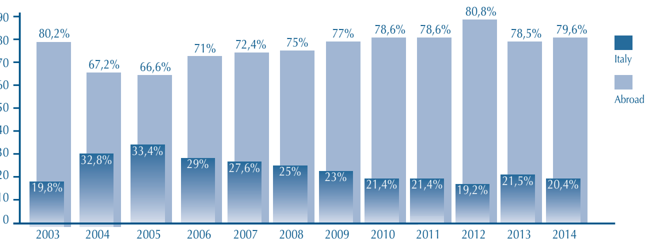
MAIN ECONOMIC DATA AND FINANCIAL POSITION

LA DORIA GROUP

SALES



SALES BY MARKET



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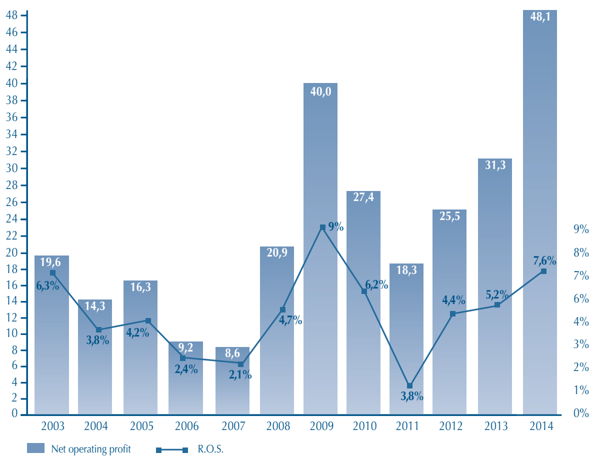
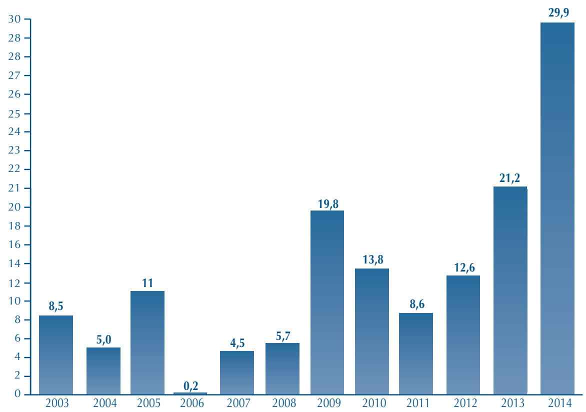
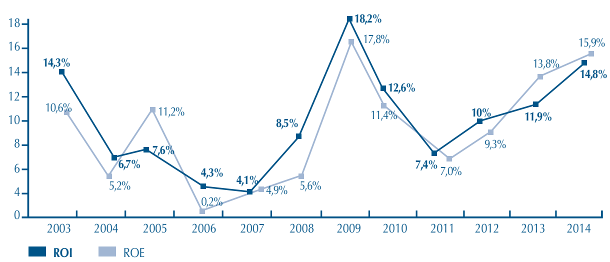


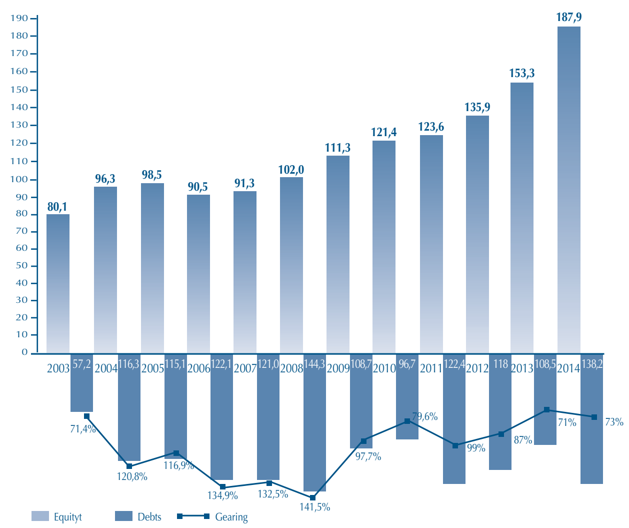
NET PROFIT



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 for 2014 highlight the continued recession - although in the second half of the year tentative signs of recovery were evident.

According to the initial ISTAT estimates, in the fourth quarter of 2014 Italian GDP remained unchanged on the three preceding months, signalling an end to the recession, while in the second and third quarters of the year contractions were once again reported. Overall, the provisional Statistics Institute figures report a decrease of 0.4% (-1.9% in 2013 and -2.4% in 2012).

Italy continues to lag behind the rest of the European Union and the major economies.

In the same period, on an annualised basis, GDP grew 1.5% in Germany, 2.7% in UK and 2.5% in the United States. In 2014 as a whole, GDP grew 0.9% in the Eurozone and 1.4% in the EU.

In relation to Italian industrial production, a contraction of 0.8% was reported on 2013, which had previously dropped 3.2% and which itself followed the collapse of the preceding year (-6.4%). ISTAT however reported positive signs, with December posting a turnaround and an increase of 0.4% on November and of 0.1% on December 2013. Against this, the food, beverage and tobacco industry saw growth in 2014 of 0.6%.

Italian sector revenues increased 0.1% on 2013, with a contraction on the domestic market (-1.2%) and an improvement overseas (+2.9%). Food industry turnover remains stable.

In relation to total Italian exports, in the first 11 months of 2014 an increase of 1.6% on 2013 was reported, with food products continuing to develop, reporting a rise of 3%.

Following weakness on a number of emerging markets, food sector exports from the EU were slightly more vibrant (+3.2%) than the global average. Food industry imports in the January-November period increased 3.9%.

The retail sector confirmed the reduction in household spending.

Retail sales in 2014 in Italy contracted 1.2%, due to the 1.1% decrease in food product sales and of 1.2% for non-food products. These numbers have reduced since 2010, although the contraction eased in the final part of the year. The large supermarkets reported a contraction of 0.4%, with smaller businesses reducing 1.8%.

Average inflation in Italy in 2014 was 0.2%, slowing one percentage point compared to 1.2% in 2013 - a clear signal that the recovery is weak.

Food processing sector performance

Tomato-based products

The tomato-based product market in 2014 was impacted significantly by the 2013 summer processing campaign which featured a considerable 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 2014.

In the final months of 2014, the tomato-based product market was impacted by the summer processing campaign, which featured on the one hand lower fresh tomato and tin plate costs and lower production yields on the other. Approx. 4.9 million tonnes of fresh tomatoes were processed in Italy, increasing on 4.1 million tonnes processed in 2013 and in line with the average for the 2009-2013 five-year period (4.9 million tonnes).

Considering sector stock levels and domestic and international consumption levels, in addition to lower yields, the increase in domestic production compared to 2013 did not pose a risk to market supply and demand equilibrium and consequently finished product prices. In this environment, in fact, the market reported only a slight reduction in finished product sales prices. The effects of the 2014 summer processing campaign will be seen particularly in 2015 when the majority of "red" production will be sold, thus generating revenues.

The Italian market reports stable volumes and value growth. According to the Iri Infoscan figures (including the Discount channel), market volumes reduced by 0.3%, with values increasing 2.1%. Specifically, the data highlights in the period a decrease in chopped tomato volumes (-3.1%) and for peeled tomatoes (-5.4%) and an improvement for puréed tomatoes (+2.6%). Against generally stable market volumes, the private label share continues to grow, gaining 0.4% at the expense of the industrial brands, with the exception of the leaders.

A number of the larger export markets for the company expanded, such as Great Britain, where - according to the Kantar World Panel figures in 2014 – the tomato-based product market grew 3.9% in volume terms. The private label market share grew (+0.8%), despite significant promotional activity by the industrial brands.

In recent years Italian tomato production has stabilised, 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 coordination 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 common Agricultural Policy 2014-2020 (CAP) will be applicable, concerning the partial return of assistance to support the competitivity and sustainability at the Italian tomato sector from industry. The subsidy which will be granted to farmers (in addition to the current decoupled subsidy which will be introduced with the entry into force of the new measures) was 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.

Fruit juices and beverages

The Italian fruit juice and beverage market in 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 2014 reported substantial stability in terms of raw material costs.

Finished products prices recovered slightly as a result of the above-stated raw material cost rises, following years of sharp contraction, particularly in the private labels segment, due to surplus production capacity, heightened competition and reduced consumption.

In the final months of 2014, the market was impacted by the summer fruit processing campaign, which saw a decrease in the price of apricots, peaches and nectarines, in addition to pears, for the production of fruit nectars. In terms of finished product prices, the market from the final quarter of the year began to see a decline following the above-stated decrease in the cost of the fresh fruit.

In relation to domestic consumption, fruit juices and beverages reported, according to the Iri-Infoscan figures, a significant decrease in volumes of 4.5% and in value terms of 4.2%. The market however reported a reduced loss on 2013. The private labels segment however continued to grow market share (+0.6%). The industrial brands contracted, with the exception of Zuegg.

Canned pulses

In relation to the canned pulses sector, 2014 featured summer harvests in 2013 impacted by a significant drop for the cannellini and dark red kidney beans harvests, 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, harvest yields fell, prompting an increase in the procurement price.

Finished product market prices are rising following increased raw material costs.

The pulses yield in the summer of 2014 featured a drop in the cost of the raw material, which resulted, in particular in 2015 in reduced sales prices.

In relation to consumption levels, according to the Iri Infoscan figures, in 2014 the Italian processed vegetables market reported a drop in volumes (-1.5%) and an increase in value terms (+3.8%). The private labels segment however again increased volume market share (+2%).

In relation to the international markets, the British baked beans market, according to the Kantar WorldPanel figures, in 2014 contracted in volume terms (-1.6%) and in value terms (-2.4%). Private label market share increased (+2 basis points for volumes), with the brand share reducing.

Group sales performance

Sales overview

Consolidated revenues in 2014 amounted to Euro 631.4 million, an increase of 4.5% compared to Euro 604.4 million in the previous year. Revenue growth was driven by the international markets (+4.3%) and the "tomato-based products" (+9.6%) and "pulses and vegetables" (+8.7%) lines.

On like-for-like exchange rates of the English subsidiary LDH (La Doria) Ltd, revenues amounted to Euro 612.4 million (+1.3% on 2013).

The revenue figures for 2014 consolidated the sales of the newly acquired Pa.fi.al Group for the November 19-December 31, 2014 period, which totalled Euro 8.4 million and relate to the "ready-sauces line".

At like-for-like consolidation scope, the La Doria Group consolidated revenues for 2014 totalled Euro 623.1 million, increasing therefore 3.1%.

A breakdown of sales is shown in the table below.

BREAKDOWN OF CONSOLIDATED SALES BY PRODUCT LINE Euro millions

	2014	2013	Δ%	% on 2014 sales	% on 2013 sales
Red line	170,5	155,6	+9.6%	27.0%	25.7%
Fruit line	87,0	90,8	-4.2%	13.8%	15.0%
Pulses, canned veg./pasta line	176,0	161,9	+8.7%	27.9%	26.8%
Ready-made sauces	8,3	-	n.a.	1.3%	-
Other lines	189,6	196,1	-3.3%	30.0%	32.5%
TOTAL LINES	**631,4**	**604,4**	**4.5%**	**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 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 highest quality private label products. Cook Italian has to date achieved a 3.9% market share and 10% on the private label market.

The fruit juices and beverages line which includes juices, beverages and canned fruit, contracted 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. The fruit juice performance, produced and sold by the Parent Company on the Italian market, was stable, although impacted by reduced consumption levels, in addition to heightened competition with excess production capacity over demand. 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 pulses, vegetables and canned pasta line, including cooked vegetables, baked beans, carrots and canned pasta, continued to perform very strongly. Compared to 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.

The ready-sauces line principally includes tomato-based, meat, pesto, white and fish ready-made sauces and to a lesser degree salsas, creams and condiments (dressing sauces). The production of this line was carried out by the newly acquired Pa.fi.al. Group.

Finally, the other lines, which refer principally to the products sold by the subsidiary LDH (La Doria) Ltd on the British market, reported a reduction, essentially due to lower sales of tuna, pet food and other products, as a result of heightened competition.

In relation to the breakdown of revenues by geographic area, the Italian market accounted for 20.4% (21.5% in 2013), while the export market accounted for 79.6% (78.5% in 2013). Northern Europe, principally Great Britain, absorbs the largest part of the export turnover.

International markets reporting the most vibrant growth were Germany (+44.3%), continuing to grow at double-digit figures thanks to the acquisition of new clients and the extension of the product range for existing clients, Australia (+24.5%), the Scandinavian countries (+20%) and Japan (+19.7%). Smaller Group markets also reported strong progress, such as South Africa (+74%), France (+70.2%) and the US (+26.3%), which although still small present room for expansion for the La Doria Group - particularly France and the US.

The domestic market, the second largest after the UK, reported substantial stability (-1.3%).

BREAKDOWN OF CONSOLIDATED SALES BY GEOGRAPHIC AREA Euro millions

	2014	% on total	2013	% on total
NORTH EUROPE	403,2	63.8%	389,9	64.5%
OTHER EUROPEAN COUNTRIES	167,6	26.5%	160,6	26.6%
of which Italy	*128,7*	*20.4%*	*130,0*	*21.5%*
AUSTRALIA AND NEW ZEALAND	26,4	4.2%	21,5	3.6%
ASIA	25,5	4.0%	26,1	4.3%
AFRICA	5,1	0.8%	2,6	0.4%
CENTRAL AMERICA AND CANADA	3,6	0.7%	3,8	0.6%
TOTAL	**631,4**	**100.0%**	**604,4**	**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, 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 2014 results improved significantly on the previous year, particularly in terms of profitability, thanks principally to higher margin product growth, greater industrial efficiency and improved overhead cost absorption on the basis of increased production volumes, the ability of the Group to transfer the increased costs of a number of agricultural raw materials onto sale prices and, finally, the reduced procurement costs of some ingredients, packaging materials and of energy.

The Group displayed in addition a solid equity base, with a stable gearing and a reduced Debt/Ebitda ratio, despite the acquisition of the Pa.fi.al. Group and capital expenditure.

Operating results

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

The 2014 consolidated results include also the newly-acquired Pa.fi.al Group for the period November 19, 2014 to December 31, 2014, as outlined in detail below.

Consolidated revenues in 2014 amounted to Euro 631.4 million, growth of 4.5% on Euro 604.4 million in the previous year.

The Group EBITDA amounted to Euro 59.9 million, improving 38% on Euro 43.4 million in 2013. The EBITDA margin was 9.5%, increasing on 7.2% in the previous year.

Amortisation, depreciation, write-downs and provisions totalled Euro 11.8 million (Euro 12 million in the previous year), of which Euro 9.7 million concerning depreciation of property, plant and equipment (Euro 9.4 million in 2013), Euro 0.5 million concerning amortisation of intangible assets (Euro 0.4 million in 2013) and Euro 1 million concerning other risks provisions (Euro 2.1 million in 2013).

The EBIT amounted to Euro 48.1 million, up 54% on Euro 31.3 million in 2013. The EBIT margin increased therefore from 5.2% to 7.6%.

Net financial charges amounted to Euro 4.1 million, a decrease compared to Euro 4.6 million in 2012.

Exchange gains were also recorded of Euro 0.2 million compared to exchange gains of Euro 2.5 million in the previous year.

The Profit before taxes amounted to Euro 44.2 million, a strong improvement on Euro 29.1 million in 2013.

The Group Net Profit amounted to Euro 24.9 million, significantly improving on Euro 15.5 million in 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 2014 therefore improved 81.4% on the normalised Group Net Profit for 2013 of Euro 14 million.

The minority interest share of net profit amounted to Euro 5 million, compared to Euro 5.7 million in 2013.

The cash flow for the year (net profit + amortisation/depreciation and write-downs) amounted to Euro 42.2 million compared to Euro 33.3 million in 2013.

As stated, the 2014 consolidated results include also the newly-acquired Pa.fi.al Group for the period November 19, 2014 to December 31, 2014, which, given the restricted time period, contributed only marginally. The revenue contribution totalled in fact Euro 8.4 million, with EBITDA of Euro 0.9 million and EBIT and Net Profit respectively of Euro 0.6 million and Euro 0.5 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 consolidated the newly acquired Pa.fi.al Group at December 31, 2014.

The balance sheet at December 31, 2014 reports net fixed assets of Euro 179.6 million, increasing on Euro 114.8 million at December 31, 2013, principally following the consolidation of the fixed assets of Pa.fi.al. (brands, goodwill and property, plant and equipment for Euro 56.5 million), and to a lesser extent, following capital expenditure and the purchase by the subsidiary LDH (La Doria) Ltd of an office use building.

Working capital totalled Euro 189.2 million and increased on Euro 179.1 million at December 31, 2013, due to the consolidation of the Pa.fi.al Group. On a like-for-like consolidation basis, the working capital decreased Euro 5.9 million.

Net capital employed was thus Euro 326.1 million, an increase compared to Euro 261.8 million at December 31, 2013.

The net financial position was a debt position of Euro 138.2 million, an increase compared to Euro 108.5 million at December 31, 2013, due to the consideration paid for the acquisition of the controlling investment in Pa.fi.al. Srl.

Finally, net equity amounts to Euro 187.9 million, an increase compared to Euro 153.2 million at the end of 2013.

The debt/equity ratio was 0.73 (0.70 in 2013), with a debt/EBITDA ratio decreasing from 2.5 at December 31, 2013 to 2.3, despite the above-stated acquisition of the Pa.fi.al. Group.

The ROI (operating net profit/net capital employed) was 14.7% compared to 11.9% in the previous year.

Also the ROE (net profit/net equity) improved to 15.9% from 13.8% in 2013.

Investments

In 2014, the Group's capital investments amounted to Euro 18.2 million (Euro 9.1 million in 2013). These investments include also those made by the newly-acquired Pa.fi.al. Group for Euro 0.4 million.

They principally relate to the Parent Company La Doria S.p.A. (Euro 13.7 million) and regard largely the increase in productivity, the launch of new products, technological improvements and cost restructuring. Among the most significant we highlight a new soups, creams, minestrone and enriched baked beans production line, new plant for the production of the 1.5 ml brik format gemina line, a new aseptic package purée production line and finally, the introduction of the new tapered box production line.

Investments in property, plant and equipment in 2014 included also the purchase by the subsidiary LDH (La Doria) Ltd of an office use building for Euro 4 million.

Group intangible asset investments amounted to Euro 615 thousand (Euro 442 thousand in 2013) and principally relate to Parent Company IT systems.

Workforce

Group employees at december 31, 2014 numbered 752 full-time employees, with an annual average of 376 seasonal workers.

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
26	296	1	429	**752**	**376**

The workforce consisted entirely of full-time employees at December 31, 2014. It includes also the personnel of the newly-acquired Pa.fi.al. Group for a total of 200 employees. The number of seasonal workers is calculated on an annual average and includes blue-collar, temporary and contract employees. These also include those at the Pa.fi.al Group (22 employees).

A summary of the Group workforce compared to 31/12/2013 is shown below.

	2014	2013
Full-time employees	752	485
Seasonal staff (average on monthly basis)	376	348

The expansion of the full-time workforce is principally due to the above-mentioned acquisition of the Pa.fi.al Group and, to a lesser extent, 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 S.p.A., LDH (La Doria) Ltd. and the Pa.fi.al Group to the paragraphs "Eugea Mediterranea S.p.A.", "LDH (La Doria) Ltd" and "Pa.fi.al Group" respectively.

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 and thereafter postponed to March 30, 2015.

Research and Development

Research and development expenses in 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 other investees did not hold shares in the parent company at 31/12/2014, 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 2014 is available on the Company's website www.gruppoladoria.it, in the Investor Relations section, within the Corporate Governance section.

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

The information in accordance with article 123 bis 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 2014. The information in accordance with Article 123-bis, paragraph 2, letter b) of Legislative Decree 58/98 is reported also in the present Report, as indicated below.

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 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" 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.

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 2014 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. For a more complete risk identification, the potential risks related to the recent acquisition of the Pa.fi.al. Group were assessed, one of the major Italian and European Private Label ready-sauces operators. 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 is exposed to concentration risk. This risk is principally related to the particular nature of the English market, on which the subsidiary LDH (La Doria) Ltd operates. The English food sector is in fact dominated by Large Supermarket Chains, which control the vast majority of the market. In order to reduce as much as possible the impact of this risk on the Company's results, La Doria S.p.A. implemented strategic actions targeting:

– greater market share in other countries in which the Company already holds a leadership position (UK, Japan, Australia, Germany);

– acquisition of market share in countries in which the company is under-represented (United States etc.);

– develop new markets, with a particular focus on the emerging markets (Brazil, South-East Asia, China, Eastern Europe, United Arab Emirates and Saudi Arabia).

In addition, the recent acquisition of the Pa.Fi.Al group was undertaken in order to:

– strengthen the La Doria Group's private label market European leadership in its core segments;

– diversify and enrich the La Doria Group offer with new products, which present interesting growth prospects over the medium-term;

– Shift the production mix towards non-seasonal high added value and service content products;

– Expand the products of acquired companies to customers and/or markets where the La Doria Group has a solid presence.

This risk is mitigated by partnerships, which in some cases were based also on long-term supply contracts.

- **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. The La Doria Group 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 expanded the pulses business line and invested in a new soups and creams production line, which is entirely separate from tomato line dynamics, and on the other consolidated the benefits from 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; The sector consolidation process resulted in reduced red line margin volatility and of the company overall. In addition, in order to mitigate this risk, and notwithstanding the current Company Mission focused on Private Labels which has enabled the delivery of ambitious revenue and market share objectives, the Company has diversified towards higher margin products through the acquisition of the Pa.fi.al. Group, the Italian leader on the Private Label ready-sauces market and among the leaders in Europe. Specifically, the acquisition by La Doria S.p.A. extended the product portfolio distributed to the private labels, expanding La Doria S.p.A., particularly in terms of revenues and margins, through creating a higher added value and higher margin line of products.

Also to stabilise the margin at higher levels, the Company grew in 2014 the Cook Italian brand market share, a top-end brand launched on the English market, drawing on the excellence of typical Made in Italy products and with the objective to expand market share even further in the coming years.

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. 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 S.p.A. in 2010 was subject to a preliminary investigation by the Court. In the meantime, despite not agreeing with the accusations made, La Doria S.p.A. in 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 and thereafter postponed to March 30, 2015.

- **Operative:** 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 7 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. The acquisition of the Pa.fi.al. Group may require the further optimisation of the La Doria Group production structure. 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. The company has invested in production lines which better absorb fixed industrial costs in order to mitigate this risk. 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 2014 the SAP Quality Management project was completed which enables 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). The production facilities of La Doria S.p.A. and the subsidiary Eugea Mediterranea S.p.A. are FSSC 22000 certified. A project is scheduled for 2015 to align the certifications among the production facilities. In 2015 increasing importance will be dedicated to process improvement, with a view to avoiding non-standard production as part of the total quality policy 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 accordance 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 2014, the revenues of Eugea Mediterranea S.p.A. totalled Euro 26.6 million, over 90% of which generated with the Parent Company, against Euro 23.7 million in 2013.

The EBITDA amounted to Euro 1.1 million, compared to Euro 1.3 million in 2013.

The EBIT, after amortisation/depreciation and write-downs of Euro 920 thousand (Euro 933 thousand in 2013), totalled Euro 226 thousand compared to Euro 379 thousand in 2013.

The net profit, after net financial charges of Euro 81 thousand (Euro 222 thousand in 2013) totalled Euro 4 thousand, compared to Euro 160 thousand in 2013.

The balance sheet reports shareholders' equity of Euro 5.4 million at December 31, 2014, unchanged on December 31, 2013.

The net financial position was a debt position of Euro 8.9 million, compared to Euro 7.2 million recorded at the end of the previous year.

The workforce at 31/12/2014 numbered 24 full-time and 70 seasonal employees (average over the year), compared to 24 full-time and 64 seasonal employees at 31/12/2013.

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 2014:

Composition	Executive	Managers	White collar	Blue collar
Men (number)	1	1	2	17
Women (number)	0	0	3	0
Average age	56	57	52	58
Full-time employee	1	1	5	17
Temporary employees	0	0	0	0
Other categories	0	0	0	0

Composition of staff turnover in 2014:

Turnover	01.01.2014	New recruits	Departures and retirements	Category reclassification	31.12.2014
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	0	0	0	0
Blue collar	0	371	371	0	0
Other	0	0	0	0	0

Composition of remuneration in 2014 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	80,000	59,082	30,004	31,075
Average remuneration temporary emplyee	0	0	0	4,008
Average remuneration Other	0	0	0	0

Data relating to health/safety in 2014 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full-time employee	81	0	0	0
Temporary emplyee	35	32	0	0
Part-time employee	0	0	0	0
Other	0	0	0	0

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

In 2014, 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 304.6 million, decreasing 4.4% on GBP 318.5 million in the previous year.

The results for the year report an EBITDA margin of 3.9%, equal to GBP 11.9 million, slightly decreasing on GBP 12.5 million in 2013, also representing 3.9% of sales.

EBIT amounted to GBP 11.6 million, a 3.8% margin, slightly reducing on GBP 12.2 million in 2013, also a 3.8% margin.

Net financial income totalled GBP 5 thousand, against net financial charges of GBP 52 thousand in 2013.

Exchange losses of GBP 1.1 million were also recorded from fair value valuation of foreign currency hedging operations made by the company, in accordance with IAS/IFRS. In the same period of the previous year, exchange gains were recorded of GBP 788 thousand.

The pre-tax profit amounted to GBP 10.5 million, reducing on GBP 13 million in 2013 as a result of the above-mentioned currency losses, against currency gains in the previous year. Finally, the net profit was GBP 8.2 million, a decrease on GBP 10 million in 2013.

The balance sheet of LDH (La Doria) Ltd reports net equity of GBP 44.6 million, an increase on GBP 40.6 million at 31/12/2013.

The net financial position was a cash position of GBP 13.6 million, an increase on GBP 4.7 million at 31.12.2013.

The results of LDH (La Doria) Ltd for 2014, with substantial maintenance of the operating margin, are considered satisfying in view of the highly competitive market - in particular the growth of the Discounters and reduced consumption in a number of product categories. 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, with market share increasing from 35% to 60%.

The Cook Italian products, a premium brand launched at the end of 2011, are also performing strongly and have achieved a satisfying level of tomato-based products and dry pasta market share.

The workforce at 31/12/2014 numbered 71 full-time employees compared to 66 at December 31, 2013.

Following year-end, sales to 28/2/2015 were GBP 50.5 million, a slight reduction on GBP 51.8 million in the previous year.

Pa.fi.al. S.r.l.
Naples
(held 100%)

Pa.fi.al. S.r.l., a company acquired in November 2014 and the holding company which controls the operating companies Delfino S.p.A. and Althea S.p.A., based respectively in Acerra (Na) and Parma.

The Pa.fi.al. Group, the leading Italian producer of private label ready-made sauces, boasts a product portfolio which focusses primarily on traditional Italian recipe ready-made sauces (tomato-based, meat, pesto and white sauces), in addition to condiments and dressing sauces. The Group principally produces private labels (accounting for over 90% of revenues) for the major supermarket chains and has a strong international presence (over 70% of revenues generated abroad) and is well positioned in Germany and has a major presence in France, Belgium and Australia. On the domestic market, products were sold also under the Althea brand on the premium segment and under the Bella Parma brand on the value segment.

The results of the Pa.fi.al Group for 2014 were consolidated within the La Doria Group only for the period November 19 to December 31, 2014, as outlined in detail in the preceding paragraph "Consolidated results in accordance with EU/IFRS".

The key results for 2014 compared with the previous year are reported below.

In 2014, consolidated revenues of the Pa.fi.al. Group totalled Euro 69.7 million, in line with Euro 69.9 million in 2013.

The EBITDA amounted to Euro 9.5 million, an increase (+18.7%) compared to Euro 8 million in 2013. The EBITDA margin was 13.6%, improving on 11.5% in the previous year.

The EBIT, after amortisation, depreciation and write-downs of Euro 2.5 million (Euro 2.6 million in 2013), amounted to Euro 7 million, also significant growth compared to Euro 5.4 million in 2013. The margin on sales increased therefore from 7.8% to 10%.

Net financial charges in 2014 amounted to Euro 485 thousand, compared to charges of Euro 84 thousand in 2013.

The pre-tax profit was Euro 6.6 million, improving on Euro 5.5 million in 2013.

The net profit totalled Euro 4.4 million, increasing 22.6% on Euro 3.6 million in 2013.

The balance sheet reports shareholders' equity of Euro 51.1 million at December 31, 2014, increasing on Euro 46.7 million at December 31, 2013.

The net financial position was a cash position of Euro 2.8 million, compared to a debt position of Euro 3.7 million at the end of the previous year.

The balance sheet of Pa.fi.al. Group at 31/12/2014 was consolidated in the La Doria Group, as outlined in detail previously in the paragraph "Consolidated results in accordance with IFRS/EU – Balance Sheet".

The workforce at 31/12/2014 numbered 200 full-time and 22 seasonal employees (this latter average over the year).

Following year-end, sales to 28/2/2015 were Euro 10.5 million.

PERFORMANCE SUBSEQUENT TO THE END OF THE YEAR

Sales

Consolidated sales in the first two months of 2015 amounted to Euro 117.9 million, an increase of 13% on Euro 104.3 million in the previous year.

The revenue figures to February 28, 2015 consolidated the sales of the newly acquired Pa.fi.al Group which totalled Euro 10.5 million and relate to the "ready-sauces line".

On a like-for-like consolidation basis, La Doria Group consolidated revenues to February 28, 2015 totalled Euro 107.4 million, therefore organic growth of 3%.

Increase in the investment in LDH (La Doria) Ltd

In March 2015, the Parent Company La Doria S.p.A. acquired 6.9% of the subsidiary LDH (La Doria) Ltd following the exercise of a put option by a minority shareholder, a member of the English company's management. Following the operation, the holding of La Doria S.p.A. in LDH (La Doria) Ltd was 57.9%.

Outlook

Revenues and margins are expected to significantly increase in 2015 for the La Doria Group, principally thanks to the acquisition of the Pa.fi.al. Group.

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

Sales overview

Sales of the Parent Company in 2014 amounted to Euro 345.4 million, increasing 5.5% on Euro 327.4 million in 2013, thanks essentially to the "tomato-based products" and "pulses and vegetables" lines.

The domestic market accounted for 38.2% of sales (40% in 2013), while overseas markets constituted the remaining 61.8% (60% in 2013) - growth of 8.6%.

Sales by product line are shown in the table below.

ANALYSIS OF SALES BY PRODUCT LINE Euro millions

	2014	2013	Δ%	% on 2014 sales	% on 2013 sales
Red line	140,7	135,5	+3.8%	40.7%	41.4%
Fruit line	61,4	61,7	-0.4%	17.8%	18.8%
Pulses, canned veg./pasta line	137,4	126,7	+8.5%	39.8%	38.7%
Other lines	5,9	3,5	+67.7%	1.7%	1.1%
TOTAL LINES	**345,4**	**327,4**	**+5.5%**	**100,0%**	**100,0%**

The red line recorded a slight 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 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 vegetables, baked beans, carrots and canned pasta, performed strongly. Compared to 2013, 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.
For further details on the revenue performance, reference should be made to that described for the Group in the paragraph "Group sales overview".

Results (prepared in accordance with EU/IFRS)

The results of the Parent Company in 2014 improved significantly on the previous year.

As outlined for the Group, the significant improvement in profitability was achieved principally thanks to higher margin product growth, greater industrial efficiency and improved overhead cost absorption on the basis of increased production volumes, the ability of the

Group to transfer the increased costs of a number of agricultural raw materials onto sale prices and, finally, the reduced procurement costs of some ingredients, packaging materials and of energy.

The Group displayed in addition a solid equity base, with a reduced Debt/EBITDA ratio, despite the acquisition of the Pa.fi.al. Group and capital expenditure.

Operating results

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

In 2014, the EBITDA of the Parent Company amounted to Euro 43.3 million, a considerable increase on Euro 27.4 million in 2013. The EBITDA margin was 12.5%, improving on 8.4% in the previous year.

The EBIT, after amortisation, depreciation and write-downs of Euro 10.2 million (Euro 10.7 million in 2013), amounted to Euro 33.1 million, also significant growth compared to Euro 16.7 million in 2013. The margin on sales increased therefore from 5.1% to 9.6%.

Net financial charges in 2014 amounted to Euro 1.5 million (net financial charges, investment income) compared to Euro 2.0 million in 2013.

Specifically, the most significant accounts concern net interest charges, which totalled Euro 4.2 million - in line with Euro 4.5 million in 2013.

Investment income amounted to Euro 2.7 million, in line with Euro 2.5 million in 2013. This income derives from dividends from the subsidiary LDH (La Doria) Ltd.

Exchange gains totalled Euro 1.3 million, decreasing on Euro 1.8 million in 2013.

The pre-tax profit was Euro 33 million, almost doubling on Euro 16.6 million in 2013.

The net profit totalled Euro 21.8 million, significantly improving on Euro 12.3 million in 2013, despite extraordinary income in 2013 of Euro 1.5 million relating to the deduction, for IRES purposes, of IRAP on the cost of labour for the years 2008-2012.

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 December 31, 2014 reported net fixed assets of Euro 182 million, an increase on Euro 112.2 million at December 31, 2013, following investments made and the full acquisition of the Pa.fi.al Group.

The working capital decreased to Euro 131.4 million compared to Euro 133.5 million at the end of 2013.

Net capital employed was Euro 283.2 million, an increase on Euro 215.3 million at the end of 2013.

Financial payables increased to Euro 149.5 million from 106.9 million in 2013, following the above-stated acquisition of the Pa.fi.al. Group.

Finally, net equity amounts to Euro 133.8 million, an increase compared to Euro 108.4 million at the end of 2013.

The Debt/EBITDA ratio increased from 0.99 to 1.2 and the Debt/EBITDA ratio decreased from 3.9 to 3.4, despite the acquisition of full ownership of the Pa.fi.al. Group.

Production information

Net quantities processed totalled 436,979 tonnes, an increase of 4.8% on 417,119 in 2013, principally due to the increased production of tomatoes and pulses.

The tomatoes processed by the Parent Company amounted to 142,343 tonnes, an increase of 7.8% compared to 132,070 tonnes in the previous year.

In addition, 184,704 tonnes of pulses were produced, an increase of 4.3% on approx. 177,178 tonnes in 2013 and 9,817 tonnes of canned vegetables (9,876 tonnes in the previous year).

In addition, 100,115 tonnes of juices and fruit beverages were produced – an increase of 2.2% on 98,000 tonnes in 2013.

Investments

Capital expenditure by the Parent Company in 2014 amounted to Euro 13.7 million, compared to Euro 8.6 million in 2013 and, as extensively described in the equivalent paragraph for the Group, concerned largely the increase in the production capacity, the launch of new products, technological improvements and cost reductions. Among the most significant we highlight a new soups, creams, minestrone and enriched baked beans production line, new plant for the production of the 1.5 ml brik format gemina line, a new aseptic package purée production line and finally, the introduction of the new tapered box production line.

The intangible fixed asset investments amounted to Euro 602 thousand (Euro 442 thousand in 2013), and principally related to IT systems.

Workforce

The number of employees of La Doria S.p.A. at December 31, 2014 was as follows:

Executives	White collar	Foremen	Blue collar	Tot. Full-time	Tot. Seasonal staff
15	170	1	271	**457**	**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 31/12/2013 is shown below:

	2014	2013
Full-time employees	457	394
Seasonal staff (average on monthly basis)	284	284

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 2014:

Composition	Executive	Managers	White collar	Blue collar	Other categories
Men (number)	14	18	104	258	-
Women (number)	1	5	46	13	6
Average age	51	47	41	43	38.5
Full-time employees	15	23	147	271	-
Temporary employees	-	-	3	-	-
Other types	-	-	-	-	5

Composition of staff turnover in 2014:

Turnover	01.01.2014	New recruits	Departures and retirements	Category reclassification	31.12.2014
Full-time employees					
Executives	15	-	-	-	15
Managers	21	1	1	2	23
White collar	144	9	4	-2	147
Blue collar	225	56	10	-	271
Other	-	-	-	-	-
Temporary employees					
Executives	-	-	-	-	-
Managers	-	-	-	-	-
White collar	4	15	16	-	3
Blue collar	23	764	787	-	-
Other	5	4	4	-	5

Composition of remuneration in 2014 (in Euro):

Composition	Executives	Managers	White collar	Blue collar
Average remuneration full- time employee	170,559	59,487	31,595	24,544
Average remuneration temporary emplyee	-	-	10,132	5,502
Average remuneration other	-	-	-	-

Data relating to health/safety in 2014 (in days):

Health & Safety	Health	Injury	Maternity	Other
Full-time employees	2,424	487	491	-
Temporary employees	3241	187	35	-
Part-time employees	-	-	-	-
Other	-	-	-	-

The Environment

Reference should be made to that described for the Group.

Research and Development

Research and development expenses in 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.

Principal subsidiaries and/or holdings

Subsidiaries

LDH (La Doria) Ltd (direct holding 51%). This is a trading company which sells the products of the Group on the British market. At 31/12/2014, the share capital and consolidated net equity amounted, respectively, to GBP 1 million and GBP 44.6 million.

Consolidated sales totalled GBP 304.6 million and the net profit was GBP 8.2 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. This company was acquired by LDH (La Doria) Ltd in April 2008. The share capital and shareholders' equity of Oriental & Pacific amounted respectively to GBP 10 thousand. In 2014, 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 2014, the company did not carry out any trading activity.

Eugea Mediterranea S.p.A. (direct control 98.34%). This company produces tomato-based products and fruit purées. At 31/12/2014, the share capital amounted to Euro 1.5 million and the shareholders' equity was Euro 5.4 million. The sales amounted to Euro 26.6 million and the net profit Euro 4 thousand. The investment is carried in the balance sheet at Euro 3.3 million.

Pa.fi.al. S.r.l. (wholly-owned), acquired in November 2014, the holding company which controls the companies Althea S.p.A. and Delfino S.p.A.. At 31/12/2014, the share capital amounted to Euro 198 thousand and the shareholders' equity was Euro 18.7 million. Sales in 2014 were zero, with a net profit Euro 45 thousand. The investment is carried in the balance sheet at Euro 64.7 million.

Delfino S.p.A. (100% indirect control through Pa.fi.al. Srl), producer of ready-made sauces. At 31/12/2014, the share capital amounted to Euro 2.4 million and the shareholders' equity was Euro 13.4 million. Revenues in 2014 totalled Euro 24.6 million, with a net profit of Euro 1 million.

Althea S.p.A. (100% indirect control through Delfino S.p.A.), a producer of ready-made sauces. At 31/12/2014, the share capital amounted to Euro 2.4 million and the shareholders' equity was Euro 40.6 million. Revenues in 2014 totalled Euro 62.9 million, with a net profit of Euro 3.3 million.

Other holdings

TFC S.p.A. (direct holding 15.29%). At 31/12/2014, the share capital amounted to Euro 260 thousand and the shareholders' equity amounted to Euro 1.6 million. 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 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 subsidiary companies

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

Balance Sheet transactions

Current receivables (Euro/000)	**31.12.2014**	**31.12.2013**
Financial receivables	0	0
Trade receivables	25,970	25,408
Doubtful debt provision	0	0
Other	3,464	3,490
TOTAL	**29,434**	**28,898**

Non-current receivables (Euro/000)	**31.12.2014**	**31.12.2013**
Other receivables	2,269	2,651
TOTAL	**2,269**	**2,651**

Current payables (Euro/000)	**31.12.2014**	**31.12.2013**
Financial payables	0	0
Trade payables	19,902	11,967
Other	0	0
TOTAL	**19,902**	**11,967**
Guarantees	**24,314**	**26,987**

Income Statement transactions

Income Statement (Euro/000)	**31.12.2014**	**31.12.2013**
Revenues	102,434	100,714
Other operating revenues	521	414
Costs	(24,218)	(21,169)
Other operating costs	(4,955)	(3,752)
TOTAL	**73,782**	**76,207**

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 June 23, 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)	**31.12.2014**	**31.12.2013**
Financial receivables	0	0
Trade receivables	134	156
Doubtful debt provision	0	0
Other	0	0
TOTAL	**134**	**156**

Current payables (Euro/000)	**31.12.2014**	**31.12.2013**
Financial payables	0	0
Financial payables	2	7
Other	561	405
TOTAL	**563**	**412**

Income Statement transactions

Income Statement (Euro/000)	**31.12.2014**	**31.12.2013**
Revenues	358	404
Other operating revenues	0	0
Costs	12	13
Other operating costs	1,475	1,297
TOTAL	**1,872**	**1,714**

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.

Tax situation

A summary of the main legal disputes against the company and a related update is provided below:

– for the Assessment concerning the fiscal year 2005, for IRES-IRAP and VAT, the Company previously provisioned Euro 1,054,964.00 to the taxes, penalties and interest risk provision. The Company appeal to the Naples Provincial Tax Court was heard on June 13, 2011. With decision of the President of the Commission, the Appeal was again discussed on October 29, 2012. Through judgment No. 174, filed on March 18, 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 October 30, 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 June 16, 2014, filed on June 24, 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 Tax Agency appealed the judgements to the

Court of Cassation, with Certified Email notification on February 9, 2015. The Company appointed the legal firm Cantillo to draw up the counter claims and any incidental appeal. The provision previously made, following the first and second level decisions of Euro 1,054,964.00, were increased by a further Euro 24,900.00 for interest matured;

- for the Assessment relating to 2006, the company appeal to the Naples Provincial Tax Court was discussed on November 6, 2012 at section No. 22. The Commission, with judgment No. 84/22/13, filed on February 19, 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 October 1, 2013, the Tax Agency, Campania section, appealed, requesting reform of the judgment. On November 29, 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. With judgement No. 44/52/15 of November 26, 2014, filed on January 7, 2015, the Regional Commission rejected the Appeal of the Agency, reducing the VAT penalty Euro 9,394.80 for non-application of the Reverse Charge. The Regional Commission, with the above-stated judgment, also considered the first incidental appeal motive of the Company as unfounded, concerning the partial impropriety of the declaration for infringement of the conditions, rejecting the second appeal incidental appeal motive proposed concerning the irregularity of the recovery of prior year taxes of Euro 57,875.74, rejected by the first level judge. The previous Risk Provision of Euro 361,258.00 was increased by Euro 5,914.00 for interest matured in the period;
- on November 16, 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 January 14, 2013 produced customary and timely appeal at the Naples Provincial Tax Court, with hearing on January 25, 2013, raising the illegality and unfounded nature of a number of recovery claims based on settlements made by other parties. On May 20, 2013, the appeal was discussed at section No. 19 of the Provincial Tax Court. The Commission has reserved judgment. On November 20, 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 July 18, 2014, following the Appeal proposed by the Agency, the Company presented a counter appeal. At the current moment, no date for the hearing has been set. The Risks Provision previously accrued, following the Assessment of 2009 and subsequent Questionnaire, of Euro 122,399 was increased by Euro 2,234 for interest in the period;
- on December 28, 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 June 13, 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 December 19, 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 assessable of Euro 436,030, with corresponding increased taxes due of Euro 20,829;
- higher VAT due of Euro 29,350; penalties totalling Euro 247,488.

On February 14, 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 and the payment of the remaining instalments is proceeding;

– on October 29, 2014, following the audit by the Tax Agency, the company was notified of a Tax Assessment concerning tax year 2010, which declared the following findings:

- for IRES purposes an assessable Euro 1,496,508.22;
- for IRAP purposes an assessable Euro 1,568,112.37;
- for VAT purposes an assessable Euro 64,564.22;

apart from minor issues, the main contestation of the tax auditors was an incorrect tax deduction by the Company through the reduction made following the use in 2010 of the "other risk provision" for Euro 1,358,017.54, for IRES and IRAP purposes, respectively at line RF 43 of the Single Model SC 2011 and line IC51 of the IRAP 2011 model. According to the auditors this deduction should have in fact been carried out for 2011 and not for 2010. Following the appeal by the Company, in accordance with Article 5-bis Legislative Decree 218/1997, on January 21, 2015 the Tax Agency notified of Settlement Deed No. TEBA3T100006/2015, resulting in the recharging of taxes and interest for a total of Euro 554,653.58, in addition to penalties, reduced to one-sixth, of Euro 82,055.59. The above-amounts were recognised as taxes to the 2014 Income Statement. On February 6, 2015 the first of 12 instalments of Euro 53,059.10 was paid. The Company, although confident of its correct conduct, accepted the settlement in order to avoid red tape and the risks relating to a dispute, benefitting therefore from reduced penalties and the right, with the settlement, to a repayment of the increased IRES-IRAP paid for 2011 on taxes of Euro 1,358,017.54 (double taxation relief, Tax Agency Circulars 23/E 04/05/2010 – 31/E 02/08/2012);

– on October 28, 2014, the Tax Agency notified Assessment Notice No. TEB03T100054, with which, in relation to tax year 2009, increased assessable taxes of Euro 346,364.00 were declared for non-recognition of prior year losses deducted. Increased IRES of Euro

95,250,00 and the application of a penalty of Euro 95,250.00 were declared. Against this, on December 23, 2014, through Certified Email, the company presented an appealed settlement as per Article 6, paragraph 2 of Legs. Decree 218/1997. The case with the Tax Agency is in progress. The Company in 2014 provisioned Euro 126,442.00 to the Risks Provision;

- on October 30, 2014, the Tax Agency notified Assessment Notice No. TEB03T100056, with which, in relation to tax year 2010, increased assessable taxes of Euro 58,529 were declared for non-recognition of prior year losses deducted. Increased IRES of Euro 16,095.00 and the application of a penalty of Euro 16,095.00 was declared. Against this, on December 23, 2014, through Certified Email, the company presented an appealed settlement as per Article 6, paragraph 2 of Legs. Decree 218/1997. The appeal against the Tax Agency is currently in progress. The Company in 2014 provisioned Euro 20,791 to the Risks Provision;
- on November 15, 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 July 4, 2012 and the Commission with judgment No. 172/4/2013 filed on March 11, 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 October 15, 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 October 25, 2013 appealed to the Campania Regional Tax Court, requesting reform of judgment 172/4/13. Against the appeals, the company on December 30, 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 by Euro 50,450 for interest matured in the period; In addition, in relation to taxation for 2014, Euro 171,692 was provisioned in total for taxes and penalties;
- on December 6, 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 February 5, 2013 proposed separate appeals to the Salerno Provincial Tax Court, citing the unfounded and illegitimate nature of the Assessments, requesting their cancellation. On

March 26, 2014 the company requested the hearing be brought forward. On July 2, 2014, with judgment No. 95/04/14, filed on January 16, 2015, the Commission accepted the appeal produced by the Company, cancelling the cited Assessments. Given the sums proposed, the company increased the existing provision of Euro 777,310 by Euro 25,299 for interest matured in the period. In addition, in relation to taxation for 2014, Euro 140,551 was provisioned in total for taxes and penalties;

– 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 2010 – 2013;

– VAT 2010 – 2013.

In relation to company Tax receivables, on February 14, 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, have not yet been made, although are expected to be received shortly.

Allocation of 2014 result

In relation to the net profit of Euro 21,822,000, the following allocation is proposed:

– 5% to the Legal Reserve - Euro 1,091,100;
– gross dividend to be distributed to the shareholders of Euro 0.22 per share - Euro 6,820,000;
– to the retained earnings reserve, the residual Euro 13,910,900.

Treasury shares

The Parent Company carried out share purchase operations for 317,698 shares and a total value of Euro 1,853,099. The Company carried out share sale operations for 1,518,500 shares and a total value of Euro 9,341,119.

The operations comply with the share buy-back authorisations conferred to the Board of Directors by the Shareholders' Meetings of 2013 and 2014.

At December 31, 2014, the Group, following specific shareholders' meeting resolutions, holds 389,509 treasury shares in portfolio, equal to 1.26% of the share capital, purchased at an average price of Euro 3.76 including fees. At March 9, 2015 the official price was Euro 14.0627.

Share performance

An analysis of the share performance of La Doria S.p.A. in 2014 shows an average annual daily price of Euro 5.9208. The lowest price was on January 2, 2014 at Euro 3.924, while the highest price was on December 22, 2014 at Euro 8.15. The average daily volume traded was 97,062 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 28/02/2015 were Euro 59.3 million, an increase of 2.8% compared to Euro 57.7 million in the corresponding period of the previous year.

Outlook

In relation to the forecasts for the Parent Company for the year 2015, reference should be made to the comments for the Group.

ATTACHMENTS TO THE DIRECTOR'S REPORT

CONDENSED CONSOLIDATED BALANCE SHEET

	31.12.2014		31.12.2013	(Euro/000)
		of which related parties		*of which related parties*
Trade receivables	100,332	*134*	89,034	*156*
Inventories	212,941		194,143	
Other current receivables	19,620		25,084	
TOTAL CURRENT ASSETS	**332,893**		**308,261**	
Trade payables	110,930	*2*	103,901	*7*
Other current payables	32,741	*561*	25,258	*405*
TOTAL CURRENT LIABILITIES	143,671		129,159	
WORKING CAPITAL	**189,222**		**179,102**	
Net intangible assets	10,586		4,012	
Net tangible assets	146,646		98,899	
Investments	234		234	
Other assets	22,109		11,638	
FIXED CAPITAL	**179,575**		**114,783**	
Non-current liabilities	29,023		20,509	
Post-employment benefits	13,625		11,565	
Total non-current liabilities	42,648		32,074	
NET CAPITAL EMPLOYED	**326,149**		**261,811**	
Cash and cash equivalents	(41,076)		(27,867)	
Short-term debt	85,398		85,672	
Medium/long-term debt	93,910		50,689	
NET FINANCIAL POSITION	**138,232**		**108,494**	
Group net equity	159,856		129,461	
Minority interest net equity	28,061		23,856	
TOTAL SHAREHOLDERS' EQUITY	**187,917**		**153,317**	

	31.12.2014			31.12.2013		(Euro/000)
			of which related parties			*of which related parties*
REVENUES	**631,427**	**100.0%**	*385*	**604,371**	**100.0%**	*404*
Changes in inventories of work in progress, semi-finished products and finished goods	(262)	(0.0%)		(4,008)	(0.7%)	
Other revenues	10,890	1.7%		12,709	2.1%	
VALUE OF PRODUCTION	**642,055**	**101.7%**		**613,072**	**101.4%**	
Costs of production	538,220	85.2%	*790*	529,851	87.7%	*615*
VALUE ADDED	**103,835**	**16.4%**		**83,221**	**13.8%**	
Labour costs	43,878	6.9%	*697*	39,857	6.6%	*695*
EBITDA	**59,957**	**9.5%**		**43,364**	**7.2%**	
Amortisation, depreciation	11,847	1.9%		12,042	2.0%	
EBIT	**48,110**	**7.6%**		**31,322**	**5.2%**	
Financial income/(charges)	(4,117)	(0.7%)		(4,687)	(0.8%)	
Exchange gains/(losses)	259	0.0%		2,519	0.4%	
RESULT FROM NORMAL OPERATIONS	**44,252**	**7.0%**		**29,154**	**4.8%**	
Gain/(loss) on discontinued operations	-	-		-	-	
PROFIT BEFORE TAXES	**44,252**	**7.0%**		**29,154**	**4.8%**	
Income taxes for the year	14,321	2.3%		7,926	1.3%	
NET PROFIT	**29,931**	**4.7%**		**21,228**	**3.5%**	
of which Group	24,953	4.0%		15,477	2.6%	
Minority interest	4,978	0.8%		5,751	1.0%	

	Net equity	Net result
		(Euro/000)
Net equity and result for the year of the Parent Company	133,757	21,822
Opening net equity of the group companies before result	102,780	
Eliminations of group companies	(56,729)	
SUB-TOTAL	**179,808**	**21,822**
Profit of the group companies group share IAS	5,731	5,731
Profit of the group companies minority share IAS	4,979	4,979
Elimination of inter-company profits - group share	(166)	(166)
Elimination of inter-company profits - minority share	(1)	(1)
Elimination of inter-company dividends - group share	(2,699)	(2,699)
Pafial group adjustments elimination	(20)	(20)
Adjust. for exchange differences - group share	285	285
TOTAL CHANGES	**8,109**	**8,109**
NET EQUITY AND RESULT FOR THE YEAR	**187,917**	**29,931**
Group shareholders' equity and result	159,856	
Minority interest shareholders' equity and result	28,061	

TABELLA RACCORDO RISULTATO CONSOLIDATO	Risultato d'esercizio	Partecip. Gruppo	Utile/Perdita Gruppo	Utile/Perdita Terzi	Utile/Perdita Totale
					(Euro/000)
La Doria S.p.A.	21,822	100%	21,822	0	21,822
LDH (La Doria) Ltd.	10,162	51.00%	5,183	4,979	10,162
Eugea Mediterranea S.p.A.	4	98.34%	4	0	4
Pafial (from 19/11/2014 to 31/12/2014)	544	100.00%	544	0	544
TOTAL RESULT	**32,532**		**27,553**	**4,979**	**32,532**
Adj. for change intercompany inventory			(166)	(1)	(167)
Adj. for exchange differences LDH / La Doria			285	0	285
Dividends on profits 2013 LDH distributed to La Doria			(2,699)	0	(2,699)
Adjustment for intercompany asset sale			(20)	0	(20)
CONSOLIDATED PROFIT AT 31/12/2014			**24,953**	**4,978**	**29,931**

CONDENSED BALANCE SHEET - PARENT COMPANY

	31.12.2014		31.12.2013	(Euro/000)
		of which related parties		*of which related parties*
Trade receivables	66,941	*26,104*	71,584	*25,565*
Inventories	138,493		132,971	
Other current receivables	16,012	*3,464*	16,128	*3,490*
TOTAL CURRENT ASSETS	221,446		220,683	
Trade payables	75,107	*19,880*	75,526	*11,974*
Other current payables	14,902	*561*	11,674	*405*
TOTAL CURRENT LIABILITIES	90,009		87,200	
WORKING CAPITAL	**131,437**		**133,483**	
Net intangible assets	1,019		749	
Net tangible assets	99,683		95,234	
Investments	68,988		4,299	
Other assets	12,254	*2,269*	11,882	*2,651*
FIXED CAPITAL	**181,944**		**112,164**	
Non-current liabilities	18,090		18,891	
Post-employment benefits and other provisions	12,074		11,436	
Total non-current liabilities	30,164		30,327	
NET CAPITAL EMPLOYED	**283,217**		**215,320**	
Cash and cash equivalents	(20,762)		(22,073)	
Short-term borrowings	76,312		78,319	
Medium/long-term borrowings	93,910		50,689	
NET FINANCIAL POSITION	**149,460**		**106,935**	
Share Capital	42,242		40,585	
Reserves and profit for the year	91,515		67,800	
TOTAL SHAREHOLDERS' EQUITY	**133,757**		**108,385**	

	31.12.2014			31.12.2013		(Euro/000)
			of which related parties			*of which related parties*
REVENUES	**345,402**	**100.0%**	*102,819*	**327,385**	**100.0%**	*101,118*
Changes in inventory of finished and semi-finished products	9,265	2.7%		(12,871)	(3.9)%	
Other revenues	10,355	3.0%	*521*	12,518	3.8%	*414*
VALUE OF PRODUCTION	**365,022**	**105.7%**		**327,032**	**99.9%**	
Costs of production	289,393	83.8%	*29,917*	269,052	82.2%	*25,587*
VALUE ADDED	**75,629**	**21.9%**		**57,980**	**17.7%**	
Labour costs	32,314	9.4%	*697*	30,527	9.3%	*695*
EBITDA	**43,315**	**12.5%**		**27,453**	**8.4%**	
Amortisation & Depreciation	10,225	3.0%		10,706	3.3%	
EBIT	**33,090**	**9.6%**		**16,747**	**5.1%**	
Income from investments	2,694	0.8%		2,521	0.8%	
Financial income/(charges)	(4,161)	(1.2%)		(4,526)	(1.4%)	
Exchange gains/(losses)	1,352	0.4%	*13*	1,831	0.6%	*(51)*
RESULT FROM NORMAL OPERATIONS	**32,975**	**9.5%**		**16,573**	**5.1%**	
PROFIT BEFORE TAXES	**32,975**	**9.5%**		**16,573**	**5.1%**	
Income taxes for the year	11,153	3.2%		4,317	1.3%	
NET PROFIT	**21,822**	**6.3%**		**12,256**	**3.7%**	

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

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	1	10,586		4,012	
Property, plant & equipment	2	146,646		98,899	
Goodwill	3	15,310		5,435	
Other investments	4	234		234	
Deferred tax assets	5	4,365		3,443	
Other non-current assets	6	2,434		2,760	
TOTAL NON-CURRENT ASSETS		**179,575**		**114,783**	
CURRENT ASSETS					
Inventories	7	212,941		194,143	
Trade receivables	8	100,332	*134*	89,034	*156*
Other assets	9	13,913		20,229	
Tax receivables	10	5,707		4,855	
Other financial assets	11	4,479		-	
Cash and cash equivalents	12	41,076		27,867	
TOTAL CURRENT ASSETS		**378,448**		**336,128**	
TOTAL ASSETS		**558,023**		**450,911**	

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
LIABILITIES					
SHAREHOLDERS' EQUITY					
Share capital	13	42,242		40,585	
Reserves and retained earnings	14	92,661		73,399	
Net profit	15	24,953		15,477	
Group Net Equity	16	159,856		129,461	
Minority interest	17	28,061		23,856	
TOTAL SHAREHOLDERS' EQUITY		**187,917**		**153,317**	
NON-CURRENT LIABILITIES					
Financial payables	18	93,910		50,689	
Other non-current liabilities	19	10,299		11,144	
Post-employment benefit and pension provision	20	5,242		4,058	
Deferred tax liabilities	21	18,724		9,365	
Provisions for risks and charges	22	8,383		7,507	
TOTAL NON-CURRENT LIABILITIES		**136,558**		**82,763**	
CURRENT LIABILITIES					
Financial payables	23	89,877		85,672	
Trade payables	24	110,930	*2*	103,901	*7*
Tax payables	25	9,597		3,760	
Other current liabilities:	26	23,144	*561*	21,498	*405*
TOTAL CURRENT LIABILITIES		**233,548**		**214,831**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**558,023**		**450,911**	

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
Revenues	27	631,427	*385*	604,371	*404*
Other operating revenues	28	10,890		12,709	
Changes in inventory	29	(2,817)		993	
of which Finished and Semi-finished		*(262)*		*(4,008)*	
of which Raw materials		*(2,555)*		*5,001*	
Purchase of raw materials and goods	30	457,613		461,520	
Services	31	70,444	*790*	65,583	*615*
Labour costs	32	43,878	*697*	39,857	*695*
Other operating charges	33	7,608		7,749	
Amortisation, depreciation, write-downs and provisions	34	11,847		12,042	
OPERATING PROFIT		**48,110**		**31,322**	
Financial income	35	6,267		6,842	
Financial charges	36	10,125		9,010	
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**44,252**		**29,154**	
Income taxes	37	14,321		7,926	
NET PROFIT FROM NORMAL OPERATIONS		**29,931**		**21,228**	
NET PROFIT		**29,931**		**21,228**	
of which:					
Group profit		24,953		15,477	
Minority interest profit		4,978		5,751	

EARNINGS PER SHARE – BASIC AND DILUTED	**31,12,2014**	**31,12,2013**
Number of shares net of treasury shares	30,610,491	29,409,689
Profit/(loss) of the group per share	0,82	0,53

(Euro/000)	NOTE	31.12.2014	31.12.2013
NET PROFIT FOR THE YEAR (GROUP AND MINORITY INTEREST)		**29,931**	**21,228**
Other comprehensive items			
Items which may be recognised to the income statement in subsequent periods			
Change in translation reserve of foreign subsidiaries	16	3,516	(605)
Change in cash flow hedge reserve net of tax effect of Euro 10 thousand at December 31, 2014 and Euro -453 thousand at December 31, 2013	16	90	(1,682)
TOTAL ITEMS WHICH MAY BE RECOGNISED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS		**3,606**	**(2,287)**
Items which may not be recognised to the income statement in subsequent periods			
Change in IAS 19 reserve: "Remeasurement of employee benefits"	20	(112)	(15)
TOTAL ITEMS WHICH MAY NOT BE RECOGNISED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS		**(112)**	**(15)**
COMPREHENSIVE PROFIT FOR THE YEAR		**33,425**	**18,926**
Pertaining to:			
– Group		26,844	14,286
– Minority interest		6,581	4,640

(euro/000)	31.12.2014		*of which related parties*	31.12.2013		*of which related parties*
Operating activity						
CASH FLOW						
Group and minority interest profit	29,931			21,228		
Depreciation and write-downs of tangible assets	9,794			9,413		
Amortisation and write-downs of intangible assets	535			399		
TOTAL CASH FLOW	**40,260**			**31,040**		
Changes in deferred tax assets and liabilities	(875)			(427)		
Post-employment benefits:						
provisions/(utilisation)	(57)			(21)		
Provisions for risks and charges:						
provisions/(utilisation)	864			1,535		
Financial income	541			(3,612)		
TOTAL CASH FLOW BEFORE CHANGES IN NET WORKING CAPITAL	**40,733**			**28,515**		
Working capital						
Change in trade receivables	4,845		*(22)*	1,785		*5*
Change in inventories	312			(6,091)		
Change in other current assets	6,864			626		
Change in trade payables	(9,959)		*(5)*	(2,515)		*7*
Change in taxes payable	4,063			(2,217)		
Change in other current liabilities	(773)		*156*	8,720		*(32)*
Translation differences	3,517			(605)		
Change in working capital	**8,869**			**(9,871)**		
CASH GENERATED FROM OPERATING ACTIVITY	**49,602**	**(a**		**18,644**	**(a**	
Investing activities						
Divestments/(investment) in tangible fixed assets	(17,240)			(9,129)		
Divestment/(investment) in intangible fixed assets	(606)			(442)		
Disposal of other non-current assets	0			0		
Goodwill	(143)			44		
Investments in equity holdings net of divestments	(64,689)			(2)		
Interest received	(541)			3,612		
CASH GENERATED/(ABSORBED) FROM INVESTMENT ACTIVITY	**(83,219)**	**(b**		**(5,917)**	**(b**	
Financing activities						
Medium/long term loans	43,311			12,093		
Change in short-term loans	(266)			(14,968)		
Dividends paid	(6,313)		*(2,631)*	(4,388)		*(1,316)*
Change in purchase and sale of treasury shares	7,376			2,840		
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**44,108**	**(c**		**(4,423)**	**(c**	
CASSA ACQUISITA GRUPPO PAFIAL	**2,718**	**(d**		**0**	**(d**	
	13,209	**(a+b+c+d)**		**8,304**	**(a+b+c+d)**	
Change in the net financial position						
Cash and cash equivalents at beginning of the year	27,867			19,563		
Cash and cash equivalents at end of the year	41,076			27,867		
Of which due to the translation effect	1,144			(120)		

The fair value of the assets and liabilities acquired is summarised below:

(Euro/000)	DESCRIPTION	31.12.2014
Trademarks		6.462
Goodwill		9.732
Intangible assets		41
Property, plant 1 equipment		40.301
Inventories		19.110
Financial assets		8
Deferred tax assets		156
Receivables		17.376
Other receivables		167
Deferred tax liabilities		(9.468)
Provision for risks and charges		(12)
Post6employment benefits		(1.241)
Payables		(20.569)
Other payables		(93)
TOTAL INVESTMENTS		**61.971**
Net financial payables acquired		0
TOTAL BUSINESS COMBINATION		**61.971**
CASH FLOW FROM ACQUISITIONS		**61.971**
NET CASH ACQUIRED		**2.718**
NET CASH FLOW FROM ACQUISITIONS		**64.689**

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	RESERVE 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)			
Change 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)

CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MIN. INT: MIN. INT. CAPITAL & RESERVES	MIN. INT. RESULT	MIN. INT. . NET EQUITY	TOTAL NET EQUITY
0	(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**

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	RESERVE PROFIT RESERVES
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 results 2013								15,477
Purchase/Sale of treasury shares	1,657							26
Reclassified								
Change IAS 39 (other comprehensive income)					(7)			
Change IAS 32						5,805		
Change in translation reserve (other comprehensive income)								
Change IAS 19 reserve							(112)	
Profit at 31.12. 2014								
BALANCE AT 31.12.2014	**42,243**	**15,327**	**3,381**	**11,511**	**(1,290)**	**7,732**	**(39)**	**56,669**

(Euro/000)

CONSOL. RESERVE	TRANSLATION RESERVE	RESULT FOR THE YEAR	GROUP NET EQUITY	MIN. INT: MIN. INT. CAPITAL & RESERVES	MIN. INT: MIN. INT. RESULT	MIN. INT. . NET EQUITY	TOTAL NET EQUITY
0	(2,423)	15,477	129,461	18,105	5,751	23,856	153,317
			(3,720)	(2,593)		(2,593)	(6,313)
		(15,477)		5,751	(5,751)		
			1,683				1,683
			(7)	97		97	90
			5,805				5,805
	1,793		1,793	1,723		1,723	3,516
			(112)				(112)
		24,953	24,953		4,978	4,978	29,931
0	**(630)**	**24,953**	**159,856**	**23,083**	**4,978**	**28,061**	**187,917**

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 seven 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 13, 2015, 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 at December 31, 2014 prepared by the individual Board of Directors of the companies consolidated. For significant events in 2014 and after the year-end reference should be made to Directors’ Report.

2. CONTENT AND FORM OF THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

The present consolidated financial statements at December 31, 2014 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, 2013. From January 1, 2014 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 s 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 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.

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, 2014 (Table A);
- Net Tangible Assets and accumulated depreciation at December 31, 2014 (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, 2014 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 42,242	Capogruppo
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 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%
Pafial S.r.l.	Via Parco Margherita, 24 80121 Napoli (NA)	Euro/000 197	100%
Delfino S.p.A. (subsidiary of Pafial S.r.l.)	Via Parco Margherita, 24 80121 Napoli (NA)	Euro/000 2,418	100%
Althea S.p.A. (subsidiary of Delfino S.p.A.)	Via Delle Esposizioni, 79 Parma (PR)	Euro/000 2,376	100%

Compared to December 31, 2013 the consolidation scope of the company changed as on November 19, 2014 the total acquisition of the Pafial Group was completed which comprises the Parent Company Pafial Srl and 100% of its subsidiary Delfino S.p.A. which in turn holds 100% of Althea S.p.A. The Pafial Group contributed to the La Doria Group results only for the period from November 19, 2014 to December 31, 2014.

In particular, there are three 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.

c) Production and marketing of food, ready-made sauces and salad dressing products: Pafial Group.

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.

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 and is included under financial assets available for sale.

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, 2014 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 0.7789, and the income statement at the average rate for the year of Euro 0.8064. 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, 2013, with the exception of that reported below.

The amendments, interpretations and amendments listed below are applicable from January 1, 2014, however their adoption did not have significant impacts on the presentation and valuation of the financial statements of the La Doria Group:

- IAS 27 - "Separate Financial Statements" amended with Regulation (EC) No. 1254/2012. The amendments introduced concern the re-organisation and publication in a new specific accounting standard (IFRS 10 - "Consolidated Financial Statements") for the preparation of the consolidated financial statements. The new IAS 27 therefore required the definition and governance of the principles for the preparation of the separate financial statements, remaining substantially unchanged in this regard compared to the previous version.
- IAS 28 - "Investments in associates and joint ventures" amended by Regulation (EC) No. 1254/2012. The standard was supplemented with rules for the measurement at equity of investments in joint ventures.
- IFRS 10 – "Consolidated Financial Statements" adopted with Regulation (EC) No. 1254/2012. The accounting standard establishes the rules for the preparation and presentation of the consolidated financial statements, integrating the principles previously contained in IAS 27 - consolidated and separate financial statements and in SIC 12 - Special purpose entities. This new standard introduces a new definition of control as the sole basis for the consolidation of all types of entities, eliminating some inconsistencies and interpretative doubts between IAS 27 and SIC 12 and, finally, providing clearer and unequivocal regulations for the identification of "de facto control".

- IFRS 11 - "Joint Arrangements" adopted with Regulation (EC) No. 1254/2012. The new standard establishes the rules for the accounting of joint arrangements and establishes IAS 31 - Investments in joint ventures and SIC 13 - Joint controlled entities - Non-monetary contributions by ventures. IFRS 11 establishes also the criteria for the classification of joint arrangements based on the effective rights and obligations deriving from such rather than on the legal form and enables, as was not the case for IAS 31, the application of the proportional consolidation method for holdings in joint ventures.
- IFRS 12 - "Disclosure of interests in other entities" adopted with Regulation (EC) No. 1254/2012. IFRS 12 combines, strengthens and replaces the disclosure obligations for subsidiary companies, for joint arrangements, associated companies and non-consolidated company structures. This standard summarises all the disclosures which an entity must provide to permit users of the financial statements to assess the nature and the risks deriving from its investments in other entities, as well as the effects of these investments on the balance sheet, income statement and cash flows.
- IAS 32 – "Financial instruments: Presentation – Offsetting financial assets and liabilities" amended with Regulation (EC) No. 1256/2012. Following the amendment to IFRS 7, IAS 32 revised provides additional information to reduce inconsistencies in the practical application of the standard.
- Amendments to IFRS 10, 12 and IAS 27 adopted with Regulation (EC) No. 1174/2013. In order to provide guidance on investment entities, the following standards were amended:
- IFRS 10, permitting investment entities to measure subsidiaries at fair value through the Income Statement rather than through consolidation, better reflecting their business model;
- IFRS 12, requiring the presentation of specific disclosures in relation to the subsidiaries of investment entities;
- IAS 27, in order to eliminate the possibility for investment entities to opt for the measurement at cost of investments in subsidiaries, requiring obligatory fair value measurement in their separate financial statements.
- IAS 36 "Impairment of assets" amended with Regulation (EC) No. 1374/2013. The amendments clarify that the disclosures to be provided on the recoverable amount of the assets, where based on the fair value net of selling costs, concerns only the assets whose value has reduced.
- IAS 39 – "Financial instruments: recognition and measurement" amended with Regulation (EC) No. 1375/2013. The amendments concern situations in which a derivative designated as a hedging instrument is subject to novation by another central counterparty, on the basis of regulations. In particular the standard establishes that, in such cases, the hedge accounting treatment may continue despite the novation.

The following accounting standards, interpretations and amendments are applicable from January 1, 2015:

- IFRS 21 – Levies, adopted with Regulation (EC) No. 634/2014. The interpretation concerns the accounting of a liability relating to the payment of a levy in the case in which this liability is within the application of IAS 37.
- Annual Improvements to IFRS 2011-2013 adopted with Regulation (EC) No. 1361/2014 as part of the annual improvement and general review of the international accounting standards.

The following accounting standards, interpretations and amendments are applicable from January 1, 2016:

- Annual Improvements to IFRS 2010-2012 adopted with Regulation (EC) No. 28/2015 as part of the annual improvement and general review of the international accounting standards.
- IAS 19 - "Employee Benefits - defined benefit plans: employee contributions adopted by Regulation (EC) No. 29/2015. The amendment clarifies the application of IAS 19 to defined benefit plans, which requires the contribution by employees or third parties which are not voluntary contributions. These contributions reduced the cost of the entity in the provision of benefits. The amendment permits that the contributions related to service, but not related to years of service, may be deducted from the cost of the benefits obtained in the period in which the service is provided, rather than over the service life of the employee.

Finally, at the date of the approval of the present Financial Statements, the IASB had issued (however not yet approved by the European Union), a number of accounting standards, interpretations and amendments, in addition to consultation Exposure Drafts, among which we highlight:

- IFRS 9 Financial instruments;
- IFRS 14 Regulatory deferral account;
- IFRS 15 - Revenues from contracts with customers;
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment entities - application of the exception to consolidation;
- Amendments to IAS 1 – Disclosure;
- 2012-2014 IFRS Annual improvement cycle;

- Amendments to IFRS 10 and IAS 8 - Sale or contribution of an asset between an investor and its associate or joint venture;
- Amendments to IAS 27 - Equity method in the separate financial statements;
- Amendments to IAS 16 and IAS 38 - Clarifications on depreciation methods;
- Amendments to IFRS 11 – measurement of holdings acquired in joint operations;
- Exposure Draft "IFRS 2 Share-based payments" in relation to the classification and measurement of share-based payments;
- Exposure Draft "IFRS 10, IFRS 12, IAS 27, IAS 28 and IAS 36", in relation to the fair value measurement of listed investments in subsidiaries, joint ventures and associates;
- Exposure Draft "IAS 12 - Income taxes" in relation to the recognition of deferred tax assets for unrealised losses;
- Discussion Paper "Conceptual Framework for Financial Reporting" within the current Framework review project;
- Exposure Draft "Insurance contracts" within the review of the current standard;
- Exposure Draft "Leases" within the review of the current standard;
- Exposure Draft "IAS 1 - Classification of liabilities" which clarifies how an entity must classify payables, in particular in relation to the renewal of payables.

Any effects that the newly applied accounting standards, amendments and interpretations may have on the Group financial disclosure are currently being evaluated.

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. 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 fair value less selling costs. 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 profit and loss;
- 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. The Group derecognises an asset from the Balance Sheet when the right to the cash flows deriving from the asset as well as all the risks and benefits have been substantially transferred and the Group no longer has control of the asset.

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, 2014 the Group classifies in this account the investments in other companies.

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.

Equity

Share capital

The Share capital at December 31, 2014 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

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 provisions for risks and charges are recorded to cover known or likely losses or liabilities including fiscal, 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.

The other provisions for risks and charges include provisions for employment and legal disputes.

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 1 Revised, par. 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. The Group does not offset current and/or deferred income tax assets and liabilities where not in accordance with the provisions of IAS 12.

Utilisation of estimates

The preparation of the consolidated financial statements at December 31, 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 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, 2014 for a value of Euro 15,310 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:

(i) 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 poten-

tially 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 ex-

posure 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, 2014, 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 the Fair Value of the operations above at December 2014 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, 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 instruments;
- 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. The hedging operations undertaken by the Pafial group, substantially forward contracts and options in AUD Dollars, are also to be considered "level 2".

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 and the Pafial Group are not exposed to the interest risk as the financial position of the companies are 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, 2014, against a medium-long term exposure (including repayments within the next 12 months) of Euro 120,266 thousand, the IRS hedge undertaken by La Doria S.p.A. hedged 46.5% of the medium/long term Group debt from interest rate risk. The loan of Euro 40 million provided by the syndicate of Banco di Napoli S.p.A. and Unicredit S.p.A. at the end of 2014 to the Parent Company was hedged on January 8, 2015 increasing the IRS hedges to the normal standards of La Doria S.p.A. (79.7 %).

The situation at December 31, 2014 with a 3-month EURIBOR of 0.08% was the following:

Loans at 31.12.14	Total part hedged	Final rate on hedge	Total part not hedged	Final rate on part not hedged	Average rate Total
120,266 (B)	55,886 (A)	4.20%	64,380	2.06%	3.06%

(A)/(B) x 100 = 46,5%

The interest rate of 3.06% therefore refers to the position at December 31, 2014 while the average medium/long-term interest rate, as indicated below in the interest rate sensitivity analysis, was 3.94%.

The situation at December 31, 2013 of the Group medium/long term debt 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 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 December 31, 2014 relating to IRS hedging positions is outlined in the Table “Hedging Valuation” which reports also the comparative data of the previous year at Consol. Att. 3 and 4.

Sensitivity Analysis on Interest Rates

Based on that illustrated above, the sensitivity analysis on interest rates is only significant for La Doria S.p.A. in 2014 against an average Euribor at 3 months of 0.21%, the Group paid an interest rate on the medium/long-term debt of 3.18%, with the IRS hedge at 3.94%, and on the short-term period of 2.01%. Assuming a change in average annual interest rates of +/- 50 bps the impact on the balance sheet at December 31, 2014 would have been that shown in the table “Sensitivity Analysis-IFRS 7.40-42” Consol. 5.

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 at December 31, 2013 would have been that shown in the table "Sensitivity Analysis-IFRS 7.40-42" Consol. 6.

Currency risk

In particular, the La Doria 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 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. and the Pafial Group are 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 (La Doria) Ltd is included in the consolidation area whose accounts are in UK Sterling.

From the year 2008 and throughout 2014 commercial transactions with the subsidiary LDH (La Doria) Ltd, 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 by La Doria and the Pafial Group in the Australian Dollar area.

In the operating procedures of the Parent Company La Doria S.p.A, 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 2014, in relation to La Doria S.p.A. and the Pafial Group, against variations of +/-5% in the Euro exchange rate with the GBP, USD, AUD and CAD, the situation at December 31, 2014 would have been as per Consol. Att. "Sensitivity Analysis - IFRS 7.40-42".

In 2013, 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, 2013 would have been as per Consol. Att. "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. Att. 7 bis, for 2014, and "Sensitivity analysis - IFRS 7.40-42" Consol. Att. 8 bis for 2013.

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, 2014 and at December 31, 2013, the position is shown in the table "Hedge Valuation" – Consol. Att. 3 and 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, 2014 compared to December 31, 2013 is as follows:

	31.12.2014					31.12.2013			
	Totale	La Doria	Eugea	LDH	Pafial	Totale	La Doria	Eugea	LDH
Medium/long-term fin. debt (Includ. repayables within 12 months)	120,266	120,266				74,450	74,450		
Short term payables	63,521	54,294	9,138		89	61,911	54,558	7,353	
Other financial receivables	(4,479)	(4,338)			(141)				
Cash and cash equivalents	(41,076)	(20,762)	(182)	(17,402)	(2,730)	(27,867)	(22,073)	(169)	(5,625)
TOTAL NFP	**138,232**	**149,460**	**8,956**	**(17,402)**	**(2,782)**	**108,494**	**106,935**	**7,185**	**(5,625)**

In relation to the medium-long term loans at December 31, 2014, the current situation and the future repayments, compared with the previous year, are as follows:

	Balance 31.12.14	Within 12 months	Within 24 months	Within 36 months	Within 48 months	Beyond > 5 years
Medium/long-term debt	120,266	26,356	22,376	30,271	18,374	22,889
	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

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, 2014, 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, 2014 “non-recourse factoring” IAS compliant contracts are in place for a total value of Euro 12 million. In relation to the subsidiary Eugea Mediterranea S.p.A., a “non-recourse” factoring contract is in place concerning the only third party client other than the parent company for a value of Euro 1.6 million.

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, from 2014, also the major Italian supermarket chains as well as foreign supermarket chains which are considered extremely reliable by the Company in view of the long-standing nature of the relationship. Therefore the percentage of clients not covered by insurance increased from 29% at the end of 2013 to 61% at the end of 2014. 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 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 Company has decided to abandon the credit insurance cover. The decision originated from a reduction in the insurance scope by the Insurance Company, in particular on the riskier positions. The reduction in coverage by the insurance company for the riskier clients together with the reduction in Supermarket clientele insured, rendered the continuation of the coverage economically ineffective. Simultaneously La Doria S.p.A. has increasingly focused on international expansion, increasing its turnover in consolidated and less risky countries, such as, for example, Germany, incurring minimum losses on foreign clients. The credit risk on the domestic market is largely mitigated by the prevalence of turnover from Supermarket Chains and from the daily monitoring by our Credit Management department; in fact bad debt losses in Italy are also historically modest.

In relation to the subsidiary LDH (La Doria) Ltd, which operates exclusively in the UK market, the company derives 91.2% 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.

Finally, in relation to the Pafial Group, the credit risk is significantly mitigated by the prevalence of revenues from supermarket chains and in consolidated and low risk countries. The companies of the Pafial Group do not have a receivables insurance cover.

The ageing of receivables at December 31, 2014 and December 31, 2013 is shown in the Attachments “Current and non-current receivables (overdue and not yet overdue) IFRS 7.37” – Consol. Att. 9 and 10.

The concentration of the receivables at December 31, 2014 and 2013 is shown in the table “Concentration of receivables” (Consol. Att. 11 and 12).

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

These amount to Euro 10,586 thousand, with a net increase of Euro 6,574 thousand compared to December 31, 2013. The changes in the account are shown in the attachment Table B. The account includes the residual value of the fair value of the concession contract of Eugea Mediterranea S.p.A. for the production site at Lavello (Euro 3,174 thousand), software capitalised by the Parent Company for Euro 824 thousand, by the foreign subsidiary LDH (La Doria) Ltd for Euro 9 thousand and by the Pafial Group for Euro 36 thousand, intangible assets in progress of the Parent Company for Euro 81 thousand and Euro 6,462 thousand of the brands from the acquisition of the Pafial Group. On acquisition La Doria appointed an independent expert to support the fair value estimate of the three brands owned by the Pafial Group (Althea, BellaParma and East&West). La Doria S.p.A. choose among the various valuation methods permitted by the accounting standards and by international best practice those most appropriate to the valuation of the economic and commercial environment taking into account the availability of data relating to the brands.

The methods applied were as follows:

- discounting of expected income differentials;
- Interbrand in two models;
- Royalty rate.

These methods are based on forecast data contained in the 2015-2019 budget plan approved by the Board of Directors of La Doria S.p.A. on February 24, 2015.
The values obtained from the valuation of the three brands are based on the weighted average value of the four methods taken into consideration, or rather the “discounting of expected income differentials” method, “Interbrand in two models” method (net income and differential income)” and the Royalty method. As illustrated a weighted average value was obtained from this valuation process with the various estimate methods utilised to take into account the peculiarity of each valuation method. The valuations from the application of the weighted average valuation model resulted in the value for the “Althea” brand of Euro 5,570 thousand, for the “East West” brand of Euro 126 thousand and for the “Bella Parma” brand of Euro 766 thousand. The residual life of the brands was established at 18 years for the Althea brand and 10 years for the BellaParma and East&West brands.

2. Property, plant & equipment

The account amounts to Euro 146,646 thousand and reports a net increase of Euro 47,747 thousand compared to December 31, 2013 due for Euro 40,301 thousand to the acquisition on November 19 of the Pafial Group and consequently of the sites at Acerra and Parma owned respectively by Delfino S.p.A. and Althea S.p.A. belonging to the Pafial Group. The changes in the year are shown in Table B. Table B1 reports the movements in gross investments to 31/12/2014 while Table B2 reports the movements in the relative accumulated depreciation. The increase in investments of Euro 17,276 thousand is principally due to the Parent Company for Euro 13,090 thousand. The remaining investments of Euro 4,186 thousand refer to the subsidiary LDH (La Doria) Ltd. for Euro 3,991 thousand, principally relating to the purchase of land and buildings where the new headquarters are located, Euro 103 thousand mainly relating to plant and equipment of the subsidiary Eugea Mediterranea S.p.A. and investments for Euro 92 thousand of the Pafial Group.

The decreases in the year of Euro 10,827 thousand principally relates to depreciation in 2014 of Euro 9,794 thousand and divestments of Euro 1,033 thousand. Table B1 provides an analysis of the gross value of tangible assets and Table B2 shows accumulated depreciation. The depreciation is attributable to the Parent Company for Euro 8,571 thousand, to the subsidiary Eugea Mediterranea S.p.A for Euro 677 thousand, to the English subsidiary LDH (La Doria) Ltd for Euro 300 thousand and the residual to the Pafial Group. The divestments refer almost entirely to the Parent Company.

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, 2014 no borrowing costs were capitalised given the immaterial amounts involved.

In May 2009, in relation to the regional Regulatory Contract, the Campania Regional Council approved the admission of the La Doria investment plan. 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 the Regulatory Contract was signed between the Campania Region and La Doria S.p.A., and against the contributions determined by the Regulatory Contract the first instalment of 30% equal to Euro 1,728 thousand was received on March 19, 2013. On August 1, 2014 La Doria S.p.A. communicated to the Campania Region the closure of the investments at June 30, 2014 and the completion of the scheduled investment plan.

3. Goodwill

Goodwill amounted to Euro 15,310 thousand, an increase of Euro 9,875 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 2015-2019 which utilised as reference the cash flows from production exclusively referring to the Fisciano plant contained in the 2015-2019 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 24, 2015;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019.

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 6.92% and the long-term growth rate of 1%; the impairment test resulted in a recoverable value of the “Pomagro Red Line" CGU of Euro 82,600 thousand, against net capital employed of Euro 30,800 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 5.00% to 7.42% 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):

(in Euro millions)	WACC				
Growth rate (G)	**5.00%**	**5.25%**	**6.92%**	**7.17%**	**7.42%**
0.5%	109	104	77	75	72
1.0%	120	114	82.6	79	76
1.5%	135	126	88	84	81
2.0%	154	142	95	91	97
2.5%	181	164	104	98	93

– for Euro 2,178 thousand relating to the acquisition by LDH (La Doria) LTD of the subsidiary Oriental & Pacific Ltd., with a decrease on 31/12/2013 of Euro 143 thousand, deriving from the application of the different Euro/GBP exchange rate at 31/12/2014 compared to 31/12/2013. 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 2015-2019 which utilised as reference the cash flows from trading activities carried out by the parent company of LDH (La Doria) Ltd contained in the 2015-2019 Budget Plan of LDH (La Doria) Ltd approved by the Board of Directors of the Company on February 24, 2015;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019;

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 7.45% and a long-term growth rate of 1%; the recoverable value of the CGU under the impairment test was GBP 132.7 million against a net capital employed of GBP 36.0 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 also carried out a sensitivity analysis which takes into consideration a WACC which varies from 5.00% to 7.95% 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):

(in Euro millions)	WACC				
Growth rate (G)	**5.00%**	**5.25%**	**7.45%**	**7.70%**	**7.95%**
0.5%	194	184	125	121	116
1.0%	215	202	132.7	128	123
1.5%	242	225	141	136	130
2.0%	277	256	152	145	139
2.5%	327	297	165	157	149

– 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 2015-2019 which utilised as reference the cash flows contained in the 2015-2019 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 24, 2015;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019.

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 5.67% and the long-term growth rate was 2%. The impairment test resulted in a recoverable value of the CGU of Euro 35,208 thousand against a net capital employed of Euro 24,807 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 5.00% to 6.17% 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):

(in Euro millions)	WACC				
Growth rate (G)	**5.00%**	**5.25%**	**5.67%**	**5.92%**	**6.17%**
0.50%	30.8	29.3	27.1	26.0	24.9
1.00%	33.6	31.8	29.2	27.8	26.6
1.50%	37.3	35.0	31.8	30.1	28.7
2.00%	42.2	39.2	35.2	33.0	31.2
2.50%	49.1	44.9	39.4	36.7	34.4

– Euro 9,732 thousand for the acquisition by the Parent Company of the Pafial Group on November 19, 2014. The goodwill relates to the difference between the higher value paid for the acquisition of 100% of the share capital of Pafial Srl (Euro 64,689 thousand) and the values allocated, on the basis of fair value at the acquisition date, of the individual assets and liabilities comprising the Pafial Group (Euro 54,957 thousand).

In May 2014, La Doria S.p.A. indicated its interest in the acquisition of Pafial S.r.l. and, consequently of its subsidiaries Delfino S.p.A. and Althea S.p.A. After a "non-binding" first phase which saw the Company in competition with other potential acquirers (both private equity funds and competitors), La Doria entered the so-called "binding" exclusive negotiation phase with the sellers. For such purpose, with Board resolution of September 10, 2014, La Doria S.p.A. conferred to the Chief Executive Officer the powers to complete the above-mentioned operation, including the presentation of a binding offer at a base price of Euro 64 million - increased by Euro 2 million on the achievement by Pafial S.r.l. of targeted EBITDA results. With Board resolution of September 25, 2014, the subordinate condition of the offer price increase following the financial results of the Target was revoked and the Board of Directors of La Doria S.p.A. confirmed all the powers to the Chief Executive Officer.
The negotiations with the counterparty therefore continued and were successfully concluded.
On October 16, 2014, La Doria S.p.A. ("Buyer") and Messrs. Paolo Ricciulli, Maurizio Carotenuto, Bettina Ricciulli and Nicoletta Ricciulli ("Sellers") signed a sales/purchase contract for 100% of Pafial S.r.l. whose salient points are as follows:

i) The preliminary price was Euro 65,202,000: this was calculated by subtracting from the Enterprise Value (Euro 65,240,000), the preliminary net financial position (Euro 38,000)

ii) The price was paid to the Sellers as follows:
   – Euro 58,681,800 on the transfer of the shares;
   – The residual 6,520,000 thousand was deposited in an escrow account on behalf of the Buyer;

iii) Within sixty days from the transfer of the shares, La Doria S.p.A. calculated the Net Financial Position and the Working Capital of Pafial S.r.l. These accounts permitted compliance with the price adjustment clause and, consequently, the calculation of the final amount.

iv) The Sellers provided the Buyer with extensive declarations and guarantees in relation to the balance sheet of the Target (including, for example purposes, those relating to the financial statements, inventories, employees, absence of change in control clauses in the contracts with the principal clients, etc.). It derives that, in the event of differences between the positions represented in the contract and the actual position, the Sellers must indemnify La Doria S.p.A..

The transfer of the shares of Pafial S.r.l. was completed on November 19, 2014 through notary deed of Aniello Calabrese di Pagani. On the same date the Shareholders' Meetings of the companies acquired accepted the resignations of the directors and statutory auditors; on indication of La Doria S.p.A. the new officers were appointed in replacement of the outgoing officers.
On February 19, 2015, with acceptance of all parties, the final acquisition price was fixed at Euro 64,689,000.
In accordance with IAS 36, although the acquisition took place at the end of the year, 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 2015-2019 which utilised as reference the cash flows contained in the 2015-2019 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 24, 2015;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019.

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 5.00% and the long-term growth rate was 1%. The impairment test resulted in a recoverable value of the CGU of Euro 92,200 thousand against a net capital employed of Euro 50,593 thousand and a book value of the consolidated goodwill of Euro 9,736 thousand. The recoverable value of the CGU was therefore greater than the sum of the value of net capital employed and goodwill. The company also carried out a sensitivity analysis which takes into consideration a WACC which varies from 5.00% to 8.25% 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):

(in Euro millions)	WACC				
Growth rate (G)	**5.00%**	**5.25%**	**7.75%**	**8.00%**	**8.25%**
0.50%	150	141	85	83	80
1.00%	168	157	92.2	88	85
1.50%	191	177	99	95	91
2.00%	222	204	107	102	98
2.50%	265	239	117	111	105

On November 19, 2014, the acquisition date, the Company completed the identification process of the fair value of the assets and liabilities ("Purchase Price Allocation") acquired on November 19, 2014 and recognised in its financial statements the following values (in Euro/000):

DESCRIPTION	Value at 19.11.2014
Brands	6.462
Fixed assets	40.499
Receivables	16.143
Inventories	19.110
Cash	2.718
Other receivables	1.407
TOTAL ASSETS (A)	**86.339**
Employee leaving indemnity	1.241
Trade payables	16.988
Bank payables	75
Other liabilities	1.824
Deferred tax liability	9.468
Provision for risks	12
Tax payables	1.774
TOTAL LIABILITY (B)	**31.382**
DIFFERENCE ASSETS - LIABILITIES (A - B)	**54.957**
PAYMENT TRANSFERRED	**64.689**
GOODWILL (DETERMINED BY USEFUL LIFE)	**9.732**

The Company determined the fair value of the assets and liabilities as follows:

a) for the intangible assets, the Company determined the fair value, in the absence of an active market as defined by IAS 38, applying a weighted average of the values with the various estimate methods utilised to take into account the peculiarity of each valuation method. This method permitted the best possible estimate for the value attributable to the individual brands.

b) for the tangible assets, the Company utilised the market values, identified in the independent expert's report;

c) for the receivables the Company considered the amounts to be received, less allowances for uncollectibility and collection costs, if necessary. The difference between the nominal value and the present value of the guarantee deposits is not considered significant;

d) for the finished products and goods inventories, the Company considered the average purchase price which approximates the sales prices less the sum of 1) selling costs and 2) reasonable profit margin;

e) for the defined benefit plan liabilities, the Company utilised the actuarial value determined by independent third party experts;

f) for payables, the Company utilised the amounts to be paid to settle the liabilities. The difference between the nominal value and the present value of short-term liabilities was considered negligible;

g) the tax liability was determined after allowing for the tax effect of restating identifiable assets and liabilities to their fair values and is not discounted.

The brands subject to valuation by La Doria S.p.A. with the support of an independent expert were Althea, East West and Bella Parma and the residual useful life of the brands was established at 18 years for the Althea brand and 10 years for the BellaParma and East&West brands. The valuation, calculated as the weighted average of four different valuation methods ("discounting of the expected differentiated income, Interbrand in two models (net income and differentiated income") and Royalty method), estimated a final value of the brands at Euro 6,462 thousand. The Company recorded deferred tax liabilities on IRES and IRAP regional taxes totalling Euro 2,098 thousand.

At the end of the Purchase Price Allocation process the residual value of the goodwill was identified, equal to Euro 9,732 thousand. As illustrated above the goodwill was subject to an Impairment Test which indicated that the recoverable value of the CGU is above the sum of the value of the net capital employed and of the goodwill.

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 and the "Pafial Group" 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 14, 2015, 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

The deferred tax assets refer to IRES and IRAP taxes, paid in advance of the recognition period in the statutory financial statements. The balance at year-end amounted to Euro 4,365 thousand, a total increase of Euro 922 thousand on December 31, 2013 and attributable to the Parent Company for Euro 3,929 thousand which decreased Euro 722 thousand on December 31, 2013. The changes in the deferred tax assets in 2014 are illustrated below: the increase in the year of Euro 201 is due to the entry into consolidated scope of the Pafial Group.

Deferred tax asset (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2013	10,093	5,343
Utilisations 2014	(4,021)	(1,916)
Provisions 2014	6,229	3,332
Assessable 2014	12,301	6,759
Average rate	27.50%	4.97%
Total Group IRES - IRAP 2014	**3,383**	**336**
TOTAL STATUTORY GROUP IRES - IRAP 2014	**3,715**	
Total Ires -Irap (non current assets)IAS for 2014	388	21
Total IRES IAS 39 for 2014	241	0
Total IRES and IRAP deferred tax asset at 31.12.2014	**4,365**	

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

DEFERRED TAX ASSETS

	December 31, 2013				December 31, 2014					
(Euro/000)	Amount of temporary differences IRES	Amount of tax asset IRES	Amount of temporary difference IRAP	Amount of tax asset IRAP	Amount of temporary differences IRES	Amount of tax asset IRES	Amount of temporary difference IRAP	Amount of tax asset IRAP	Amount recognised to P & L IRES and IRAP	Amount recognised to equity IRES and IRAP
IAS Parent Company	1,075	296	432	21	1,414	389	417	21	92	-
IRS adjustments	728	200	-	-	877	241	-	-	-	41
Doubtful debt provision	1,165	320	-	-	1,409	388	-	-	67	-
Property write-down	-	-	-	-	-	-	-	-	-	-
Exchange losses	84	23	-	-	204	56	-	-	33	-
Provisions for risks and charges	4,807	1,322	3,345	166	5,063	1,392	3,633	180	84	-
Tax for waste removal	114	31	-	-	112	31	-	-	(0)	-
ASL loan	2	-	-	-	4	1	-	-	-	-
Directors' fees	207	57	-	-	91	25	-	-	(32)	-
Employee bonus provision	865	238	-	-	1,388	382	-	-	144	-
Inventory write-down	1,600	440	1,600	78	2,600	715	2,600	128	325	-
Capital grants Law 64	53	15	54	3	49	14	49	2	(1)	-
Maintenance & repair	648	178	-	-	612	168	-	-	(9)	-
Recovery prior year tax	129	36	129	6	96	26	96	5	(11)	
Property tax 2013 paid in 2014- stability law 2013	11	3	-	-	-	-	-	-	(3)	
Adjustments LDH (La Doria)Ltd	38	9	-	-	-	-	-	-	(9)	
Adjustments Pafial Group	-	-	-	-	672	185	380	16	201	
TOTAL	**11,525**	**3,168**	**5,560**	**275**	**14,592**	**4,013**	**7,175**	**352**	**881**	**41**

6. Other non current assets

This account totalling Euro 2,434 thousand (Euro 2,760 thousand at December 31, 2013) relates to the non-current portion of prepayments concerning promotional contributions of the subsidiary LDH (La Doria) Ltd. to the major UK supermarket chains which will be realised after 2015.

CURRENT ASSETS

7. Inventories

The account amounts to Euro 212,941 thousand, an increase of Euro 18,798 thousand compared to December 31, 2013, broken down as follows:

(Euro/000)	**31.12.14**	**31.12.13**	**Δ**
Raw material, ancillary and consumables	22,141	22,636	(495)
Work in progress and semi-finished goods	13,865	14,292	(427)
Finished and semi-finished products	179,675	155,947	23,728
Payments on account	17	2,868	(2,851)
Obsolescence provision	(2,757)	(1,600)	(1,157)
TOTAL	**212,941**	**194,143**	**18,798**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	**31.12.2014**
Opening balance	1,600
Utilisation in the year	(1,522)
Provision in the year	2,679
TOTAL	**2,757**

The decrease in the provision derives from the reversal of the provision accrued in 2013. The inventory obsolescence provision relates for Euro 2,500 thousand to the Parent Company, for Euro 22 thousand to the subsidiary Eugea Mediterranea S.p.A. and for Euro 157 thousand to the Pafial Group.

At December 31, 2014 no inventory was subject to secured guarantees on loans received by the company.

8. Trade receivables

They amount to Euro 100,332 thousand at December 31, 2014, a decrease of Euro 11,298 thousand compared to December 31, 2013.

These receivables refer for Euro 40,971 thousand to the Parent Company, for Euro 55 thousand to Eugea Mediterranea S.p.A., or Euro 44,736 thousand to LDH (La Doria) Ltd. and for Euro 14,750 thousand to the Pifial Group.

This amount is net of the provision for doubtful debts of Euro 1,675 thousand which reports a net increase of Euro 645 thousand compared to December 31, 2013. The changes in the doubtful debt provision are as follows:

(Euro/000)	31.12.2014
Beginning balance 01.01.2014	1,030
Change in consolidation scope	401
Utilisations	(248)
Provisions in the year	492
Provision at 31.12.2014	**1,675**

The Provision at December 31, 2014, relating to the Parent Company for Euro 1,274 thousand, 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. The increase of Euro 401 thousand is due to the entry of the Pafial Group into the La Doria Group.

9. Other assets

These amount to Euro 13,913 thousand, a net decrease of Euro 6,316 thousand compared to December 31, 2013, consisting of:

a) Parent Company receivables for Euro 7,956 thousand, broken down as follows:

- Employee receivables for Euro 396 thousand for additional IRPEF matured in the year and which will be paid in subsequent years;
- Receivables from the State for Euro 6,792 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.

- Euro 2,661 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 31/12/2014 of Euro 982 thousand;
- Euro 124 thousand receivables for reimbursements due from the customs authorities;
- Euro 122 thousand other receivables from the Public Administration following the Concession Decree relating to the Innovation Tender. This decree of June 6, 2014 provides against an investment programme admitted for Euro 1,632 thousand, a partial subvention reimbursement of Euro 1,224 thousand of which Euro 122 thousand as capital grants on plant and the remainder to be repaid in 14 half-yearly instalments;

– Minor receivables of the Parent Company for Euro 768 thousand.

b) Prepayments of the Parent Company for Euro 598 thousand;

c) Receivables of the subsidiary LDH (La Doria) Ltd for Euro 4,986 thousand concerning the current portion of higher prepayments principally relating to promotional contributions granted to the major English supermarket chains for sales which will be recorded in 2015.

d) Other receivables relating to the subsidiary Eugea Mediterranea S.p.A. for Euro 20 thousand and prepayments of the same company for Euro 27 thousand;

e) Other minor receivables attributable to the Pafial Group for Euro 297 thousand and current portion of prepayments of the Group for Euro 29 thousand.

10. Tax receivables

The account amounts to Euro 5,707 thousand and increased by Euro 852 thousand compared to December 31, 2013 and principally relates to:

– VAT receivables at December 31, 2014 of Euro 1,803 thousand, of which Euro 1,347 thousand relating to the Parent Company and Euro 456 thousand relating to the Pafial Group;

– Tax receivables of Euro 3,174 thousand relating for Euro 956 thousand to provisional payments made against disputed assessments for the years 2005, 2006 and 2007 not yet definitive relating to the Parent Company, for Euro 1,907 thousand IRES reimbursement relating to the recovery of the IRAP deductibility on personnel costs for the years 2008-2012 of which Euro 1,395 thousand relating to the Parent Company, Euro 157 thousand relating to the subsidiary Eugea Mediterranea S.p.A. and Euro 355 thousand to the Pafial Group, for Euro 297 thousand tax receivables relating to tax credits matured pursuant to Legislative Decree 91 of 2014 (investment development decree) and IRAP receivable relating to payments on account paid by the Pafial Group for Euro 14 thousand;
– Tax receivable of Euro 14 thousand relating to higher IRES and IRAP payments on account made by the subsidiary Eugea Mediterranea S.p.A.;
– VAT receivable from the tax authorities by the subsidiary LDH (La Doria) LTD of Euro 716 thousand.

11. Other financial assets

The account amounts to Euro 4,479 thousand and refers for Euro 3,377 thousand to the fair value of the currency hedging operations to offset the exchange rate risk beyond December 31, 2014 of which Euro 3,236 relates to the Parent Company and Euro 141 thousand to the Pafial Group. The residual balance, amounting to Euro 1,102 thousand, refers to the financial receivables from Mise in relation to the Innovation Tender following the Concession Decree No. 1949 of June 06, 2014.

12. Cash and cash equivalents

The account amounts to Euro 41,076 thousand, an increase of Euro 13,209 thousand compared to December 31, 2013. This refers principally to cash in bank accounts in euro and foreign currency.

LIABILITIES AND SHAREHOLDERS' EQUITY

13. Share Capital

The share capital of La Doria S.p.A is fully paid-in and at December 31, 2014 amounts to Euro 42,242 thousand, divided into 30,610,491 ordinary shares of a nominal value of Euro 1.38 each. The share capital in 2014 recorded a net increase of Euro 1,657 thousand following the acquisition of 317,698 treasury shares at an average price of Euro 5.83 for a total payment of Euro 1,853 thousand and the sale of 1,518,500 shares at an average price of Euro 6.15. At December 31, 2014, the treasury shares in Portfolio numbered 389,509 and were recorded as a reduction in the share capital.

14. Reserves and retained earnings

These total Euro 92,661 thousand, an increase of Euro 19,262 thousand compared to December 31, 2013.

15. Profit for the year

This amounts to Euro 24,953 thousand, an increase of Euro 9,476 thousand compared to 2013 (Euro 15,477 thousand).

16. Shareholders' Equity

This amounts overall to Euro 187,917 thousand, of which Euro 159,856 thousand Group equity and Euro 28,061 thousand minority interests' equity. The total movement is an increase of Euro 34,600 thousand. The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

- dividends were distributed in 2014 to shareholders relating to the year 2013 of Euro 3,720 thousand in accordance with the Shareholders' Meeting motion of June 19, 2014;
- the change in the IAS 39 Reserve (other comprehensive income statement items) for Euro 90 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 3,516 thousand relating to the loss from the translation of the IFRS financial statements of the subsidiary LDH (La Doria) Ltd.

17. Minority interest

The balance amounts to Euro 28,061 thousand (Euro 23,856 thousand at December 31, 2013) and refers to the Shareholders' Equity pertaining to the Minority Shareholders.

NON-CURRENT LIABILITIES

18. Financial payables

The account amounts to Euro 93,910 thousand, an increase of Euro 43,221 thousand on December 31, 2013 and concerns the residual medium/long term loans maturing beyond December 31, 2015 of La Doria S.p.A..

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

– Euro 2,250 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on February 11, 2014 from Banco Popolare S.p.A. for a total amount of Euro 3 million, repayable in 8 half-yearly instalments, the first of which due on June 15, 2015 and the last due on December 15, 2018. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.85%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 750 thousand.

– Euro 7,160 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on April 15, 2014 from Unicredit S.p.A. for Euro 10 million, repayable in 20 quarterly instalments, with the first instalment due on July 31, 2014 and the last on April 30, 2019. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.67%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 1,908 thousand.

– Euro 10,000 thousand in instalments due beyond December 31, 2015 for the new loan from Mediobanca. The loan was signed on July 11, 2014 and has a maximum duration of three years. Euro 2 million was drawn down on July 18, 2014 and Euro 8 million drawn down on September 18, 2014 for a total value of Euro 10 million. The contract provides for the repayment of Euro 1 million on July 11, 2016 and Euro 9 million on July 11, 2017. The loan provides for financial covenants calculated on the half-year and annual consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at June 30, 2014 and at December 31,

2014. There are no instalments due by December 31, 2015, recorded under current liabilities.

- Euro 2,095 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on July 25, 2014 from Banca Carine for Euro 3 million, repayable in 16 quarterly instalments, with the first instalment due on October 25, 2014 and the last on July 25, 2018. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 727 thousand.
- Euro 3,438 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on August 8, 2014 from Banca Nazionale del Lavoro for Euro 5 million, repayable in 16 quarterly instalments, with the first instalment due on November 8, 2014 and the last on August 8, 2018. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 1,250 thousand.
- Euro 40 million for instalments due beyond December 31, 2015 relating to new loans drawn down on December 23, 2014 from the banking syndicate of Banco Napoli S.p.A. and Unicredit S.p.A. for a total amount of Euro 40 million. The loan, partially drawn down for the acquisition of the Pafial Group, is repayable in 11 half-yearly instalments with the first repayment due on December 31, 2016 and final repayment due on December 31, 2021. The loan provides for financial covenants calculated on the half-year and annual consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. Banca Imi, as agent of the syndicate, has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were all complied with at December 31, 2014. The loan, on January 8, 2015, was hedged 100% by two Interest Rate Swaps which converts the variable rate into a fixed rate at 0.545%. The contracts were completed with the two institutions Banco Napoli and Unicredit for their respective shares. There are no instalments due by December 31, 2015, recorded under current liabilities.

- Euro 7,736 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 29, 2013 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, recorded under current liabilities, amount to Euro 2,873 thousand.
- Euro 1,405 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 29, 2013 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 2,722 thousand.
- Euro 2,185 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on August 1, 2013 from 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, 2015, recorded under current liabilities, amount to Euro 671 thousand.
- Euro 3,000 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on September 12, 2013 from Mediocredito Italiano for Euro 5 million, repayable in 10 half-yearly 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, recorded under current liabilities, amount to Euro 1,000 thousand.

– Euro 1,249 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on December 6, 2013 from 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, 2015, recorded under current liabilities, amount to Euro 383 thousand.

– Euro 5,533 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on December 20, 2013 from ICCREA BancaImpresa S.p.A. as a syndicated 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, included in current liabilities, amount to Euro 1,844 thousand.

– Euro 3,124 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on December 14, 2012 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, recorded under current liabilities, amount to Euro 957 thousand.

– Euro 2,450 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 12, 2011 from 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. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, included in current liabilities, amount to Euro 1,400 thousand.

- Euro 485 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on August 8, 2011 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the debt/EBITDA and the debt/equity ratios. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 627 thousand.
- Euro 1,800 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on November 30, 2011 of Euro 9 million from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. This loan is fully hedged by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.46%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 1,800 thousand.

19 Other non-current liabilities

They amount to Euro 10,299 thousand, a decrease compared to December 31, 2013 of Euro 845 thousand and refer principally, 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. Post-employment benefit and pension provision

The employee leaving indemnity provision amounts to Euro 5,242 thousand, an increase of Euro 1,184 thousand compared to December 31, 2013, of which Euro 4,012 thousand relates to the Parent Company, Euro 84 thousand to Eugea Mediterranea S.p.A. and Euro 1,146 thousand to the Pafial Group. The increase in the provision is almost exclusively related to the entry of the La Doria Group into the Pafial Group. In relation to the post-employment benefit provision, as for 2013, the IAS Revised provisions approved by the European Commission in June 2012 were applied. 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 2014 amounted to a negative Euro 112 thousand relating almost entirely to the Parent Company and the classification under financial income/charges of the interest cost component for Euro 81 thousand.

Provision for employee termin. pay	**31.12.2014**	(Euro/000)
Balance at 1.01.2014	4,058	
Utilisation for departures	(376)	
of which INPS fund	115	
Provisions at 31.12.14	862	
of which INPS fund	(721)	
Deductions at 31.12.14	(95)	
of which INPS fund	6	
Change in consolidation scope	1,241	
Discounting provision actuarial loss	112	
Discounting provision interest cost	81	
TOTAL	**5,283**	
Utilisation for advances	(41)	
BALANCE AT 31.12.2014	**5,242**	

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 31.12.2014	**AT 31.12.2013**
Discount rate	EUR Composit AA curve	EUR Composit AA curve
Inflation rate	1.50%	1.50%
% of advances requested	100%	100%

21. Deferred tax liabilities

The account totalling Euro 18,724 thousand increased by Euro 9,359 thousand compared to December 31, 2013 and relates to the deferment of income taxes.

The higher amount of deferred tax liabilities is mainly related to the IAS adjustments on the acquisition of Pafial.
Deferred tax liabilities refers to the Parent Company for Euro 8,294 thousand and decreased Euro 52 thousand compared to December 31, 2013; Euro 961 thousand refers to the value of the Ministerial concession of the Lavello factory of Eugea Mediterranea S.p.A. and decreased Euro 58 thousand compared to December 31, 2013; the account increased Euro 9,469 thousand relating to the Pafial Group concerning deferred taxes related to the IAS adjustments and recognition of the fair value of the brands and the capital gains of PPA.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2013	25,550	15,424
Utilisations 2014	(1,208)	(443)
Provisions 2014	656	223
Assessable 2014	24,998	15,204
Rate	27.50%	4.97%
Total IRES - IRAP Group Statutory 2014	**6,874**	**652**
Deferred tax liability from IAS reversal at 31.12.2014	11,198	
Total IRES and IRAP deferred tax liability at 31.12.2014	**18,724**	

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

DEFERRED TAX LIABILITIES

	December 31, 2013				December 31, 2014				
(Euro/000)	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary difference IRAP	Amount of tax liability IRAP	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary difference IRAP	Amount of tax liability IRAP	Amount Recog. to P&L IRES and IRAP
IAS adjustments Parent company	27,795	7,644	12,171	605	27,445	7,547	11,897	591	(110)
IAS adjustments Pafial Group	-	-	-	-	24,480	6,732	14,952	639	7,371
IAS Consolidation adjustments (Brands)	-	-	-	-	6,462	1,777	6,462	321	2,098
Non-realised exchange gains	208	57	-	-	264	73	-	-	15
Capital grants	37	10	37	2	34	9	34	2	(1)
Concession on factory	3,245	892	3,245	127	3,061	842	3,061	120	(57)
Recovery tax for year 2013	87	24	87	4	218	60	218	11	42
TOTAL	**31,372**	**8,627**	**13,540**	**738**	**61,964**	**17,040**	**36,624**	**1,683**	**9,359**

22. Provisions for risks and charges

The provision at December 31, 2014 amounts to Euro 8,383 thousand, an increase of Euro 876 thousand compared to December 31, 2013.

(Euro/000)	Other risks	Employee bonus	Agents	Total
Beginning balance	6,491	878	138	7,507
Utilisation for losses	(541)	(878)	(2)	(1,421)
Provision for the year	685	1,603	9	2,297
Provision at 31.12.2014	**6,635**	**1,603**	**145**	**8,383**

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, 2014 is broken down as follows:

- Euro 6,635 thousand relating to other risk provisions, which covers the risks related to civil disputes in course for Euro 6,544 thousand of the Parent Company and Euro 91 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 541 thousand for the finalisation of disputes with employees and disputes of a tax nature concerning the Parent Company, while the provision in 2014 of Euro 685 thousand includes provisions made for disputes of a civil and tax nature.
- Euro 1,603 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 145 thousand, concerning La Doria SpA, of a provision for supplementary severance indemnities to agents.

CURRENT LIABILITIES

23. Financial payables

They amount to Euro 89,877 thousand and increased by Euro 4,205 thousand compared to December 31, 2013 and comprise:

- Euro 42,478 thousand relating to short-term advances on contracts for Euro 33,349 thousand to the Parent Company and Euro 9,128 thousand to the subsidiary Eugea Mediterranea S.p.A.;

- Euro 51 thousand for bank overdrafts attributable to the Parent Company for Euro 47 thousand and to Eugea Mediterranea S.p.A. for Euro 4 thousand;
- Euro 13,746 thousand relating to advances to suppliers, imports and hot money of the Parent Company;
- Euro 331 thousand to be debited by banks of which Euro 325 thousand relating to the Parent Company and Euro 6 thousand to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 2,752 thousand for advances on with recourse factoring and reverse factoring with maturity of the Parent Company;
- Euro 26,356 thousand for the portion due within 12 months of the long-term loans of the Parent Company;
- Euro 877 thousand relating to the Fair Value at December 31, 2014 of interest rate hedging contracts of the Parent Company which resulted in a payable recorded in the financial statements.
- Euro 2,184 thousand relating to the negative fair value of foreign currency forward and option contracts for Euro 2,095 thousand attributable to the Parent Company and for Euro 89 thousand to the subsidiary Althea of the Pafial Group;
- Euro 1,102 thousand relating to the payable for the subvention reimbursement recognised to the Parent Company by Mise within the Innovative Tender (Internal Register No. 0001949 of 06/06/14);

(Euro/000)	**Notional**	**Mark to market 31.12.2014**	**Mark to market 31.12.2013**
AKROS	10.609	(152)	0
AKROS	0	0	(2)
MPS	0	0	(29)
AKROS	0	0	(48)
AKROS	2.854	(47)	(18)
BANCO DI NAPOLI	4.000	(77)	(43)
UNICREDIT	4.082	(51)	9
UNICREDIT	9.068	(120)	0
BANCO POPOLARE	3.000	(43)	0
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
DEUTSCHE	4.889	(58)	(179)
UNICREDIT	1.000	(12)	(36)
AKROS	7.378	(105)	0
BANCO NAPOLI	1.556	(27)	(79)
UNICREDIT	3.850	(131)	(194)
CARIPARMA	3.600	(55)	(83)
TOTAL	**55.886**	**(877)**	**(728)**

24. Trade payables

They amount to Euro 110,930 thousand and increased Euro 7,029 thousand compared to December 31, 2013 and comprise Euro 13,810 thousand for the changes in the consolidation scope. Such payables are net of credit notes to be received from suppliers for discounts, price/quantity differences on purchases and/or services relating to the period.

25. Tax payables

These amount to Euro 9,597 thousand, an increase of Euro 5,837 thousand compared to December 31, 2013 The account essentially comprises:

- Euro 1,505 thousand for withholding taxes on salaries, of which Euro 1,135 thousand concerning the Parent Company, Euro 52 thousand the subsidiary Eugea Mediterranea S.p.A. and Euro 338 thousand the Pafial Group;
- Euro 5,322 thousand for income tax payables - of which Euro 4,872 thousand concerning the Parent Company and the remainder the Pafial Group;
- Euro 956 thousand IRAP regional tax payables relating for Euro 892 thousand to the Parent Company and for Euro 64 thousand to the Pafial Group;
- Euro 887 thousand for charges to be received, of which Euro 637 thousand relating to prior year income taxes of the Parent Company and Euro 1 thousand to Eugea Mediterranea and Euro 249 thousand relating to local taxes of the Parent Company;
- Euro 927 thousand tax payables of the subsidiary LDH (La Doria) Ltd.

26. Other current liabilities

These amount to Euro 23,144 thousand and increased Euro 1,646 thousand compared to December 31, 2013. They principally include:

- Euro 49 thousand for payments on account received from clients by the Parent Company;
- Euro 1,632 thousand for payables to social security and pension organisations, of which Euro 677 thousand relates to the Parent Company, Euro 33 thousand to Eugea Mediterranea S.p.A., Euro 521 thousand to the English subsidiary LDH (La Doria) Ltd and Euro 401 to the Pafial Group;
- Euro 6,191 thousand relating to employee payables (wages and salaries for December 2013, vacation days due, thirteenth and fourteenth month) concerning the Parent Company for Euro 4,725 thousand, the subsidiary Eugea Mediterranea S.p.A. for Euro 162 thousand and the Pafial Group for Euro 1,304 thousand;

- Euro 317 thousand for insurance payables against indemnities due to the Parent Company;
- Euro 528 thousand other payables - of which Euro 448 thousand concerning the Parent Company and Euro 80 thousand the subsidiary Eugea Mediterranea S.p.A.;
- Euro 5,942 thousand other liabilities of the subsidiary LDH (La Doria) Ltd.;
- Euro 1,023 thousand principally comprising the current portion of the grant on plant for future periods, of which Euro 903 thousand referring to the Parent Company, Euro 96 thousand to the subsidiary Eugea Mediterranea S.p.A. and Euro 24 to the Pafial Group;
- Euro 7,462 thousand concerning the portion of contributions for client commercial activities concerning the subsidiary LDH (La Doria) Ltd.

Commitments and guarantees

These total Euro 45,292 thousand and relate to:

- Euro 17,830 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 6,483 thousand for the amount at December 31, 2014 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 2,400 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 5,150 thousand for guarantees on La Doria S.p.A. and Eugea Mediterranea receivables from the public administration;
- Euro 5,758 thousand for the guarantees provided by leading insurance companies on November 16, 2012, February 27, 2013 and October 24, 2014 under that required by the Regulatory Agreement signed with the Campania Region;
- Euro 2,115 thousand for sureties on payments terms from suppliers;
- Euro 711 thousand for guarantees provided for the Parent Company for tenders and sales contracts;
- Euro 345 thousand for guarantees issued in favour of the Customs Office and Campania Region against customs duties and taxes.

INCOME STATEMENT

27. Revenues

Revenues from sales and services amount to Euro 631,427 thousand, an increase of Euro 27,056 thousand compared to 2013.

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. and the companies of the Pafial Group (Althea S.p.A and Delfino 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) “sauces line” which includes all the processing relating to all types of sauces (white sauces, tomatoe-based and pesto) of the new line relating to the Pafial Group.
5) “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 profit measured at EBITDA level can be summarised in the following table:

(Euro/000)	Red Line	Fruit Line	Legumes	Sauces	Other Lines	Total
Consolidated revenues	**170,485**	**87,045**	**175,966**	**8,267**	**189,664**	**631,427**
Consolidated ebitda	28,384	5,504	16,393	873	8,803	59,957
% on revenues	**16.6%**	**6.3%**	**9.3%**	**10.6%**	**4.6%**	**9.5%**

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 amount to Euro 10,890 thousand, decreasing Euro 1,819 thousand compared to December 31, 2013 and comprise:

- Euro 832 thousand for investment grants, of which Euro 668 thousand (concerning the factories at Angri, Fisciano and Faenza) relating to the Parent Company and Euro 164 thousand (concerning the Lavello factory) relating to the subsidiary Eugea Mediterranea S.p.A.;
- Euro 1,522 thousand for the reversal of the inventory obsolescence provision, of which Euro 1,500 thousand concerning the Parent Company and Euro 22 thousand the subsidiary Eugea Mediterranea S.p.A.;
- Euro 723 thousand Revenues from scrap sales relating to the Parent Company;
- Euro 1,807 thousand revenues relating to the sale of raw materials, pallets and stack dividers, of which Euro 1,469 thousand relating to the Parent Company, Euro 110 thousand relating to the subsidiary Eugea Mediterranea and Euro 228 thousand relating to the Pafial Group;
- Euro 1,348 thousand for other income, relating to the Parent Company for Euro 1,168 thousand, the subsidiary Eugea Mediterranea S.p.A. for Euro 7 thousand and the Pafial Group for Euro 173 thousand;
- Euro 1,240 thousand for revenues from damage claims, relating to the Parent Company for Euro 1,237 thousand and Euro 3 thousand to the subsidiary Eugea Mediterranea SpA;
- Euro 3,418 thousand for other revenues, essentially concerning the Parent Company.

29. Change in inventories

The account changed from Euro 993 thousand at December 31, 2013 to Euro -2,817 thousand at December 31, 2014. 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 2014 amount to Euro 457,613 thousand, a decrease of Euro 3,907 thousand compared to the previous year. Raw material costs decreased due to improved procurement conditions and a small decrease in purchases by the English subsidiary.

31. Services

In 2014 the account amounted to Euro 70,444 thousand, increasing Euro 4,861 thousand on 2013. The account includes service costs of Euro 68,529 thousand (Euro 63,725 thousand in 2013) and rent, lease and similar costs of Euro 1,915 thousand (Euro 1,858 thousand in 2013).

32. Labour costs

Labour costs in 2014 amounted to Euro 43,878 thousand, an increase of Euro 4,021 thousand compared to 2013.

(Euro/000)	**31.12.14**	**31.12.13**	**Δ**
Wages and salaries	30,891	28,257	2,634
Social charges	8,741	8,210	531
Post-employment benefit	1,682	1,574	108
Other costs	2,564	1,816	748
TOTAL	**43,878**	**39,857**	**4,021**

The account “other costs” refers for Euro 1,929 thousand to the Parent Company (of which Euro 1,373 thousand provisions for employee bonuses, Euro 158 thousand for temporary labour, Euro 273 thousand for leaving incentives, Euro 71 thousand for interns and Euro 54 thousand relating to employee transfers), Euro 34 thousand Eugea Mediterranea S.p.A. principally relating to employee bonuses and temporary labour, Euro 226 thousand the Pafial Group principally relating to bonuses and Euro 394 thousand to the subsidiary LDH (La Doria) ltd.

33. Other operating costs

The account amounts to Euro 7,608 thousand, a decrease of Euro 141 thousand on 2013. The account includes other charges of Euro 1,240 thousand, of which Euro 1,214 thousand concerning the Parent Company and Euro 26 thousand to the subsidiaries and other operating charges of Euro 6,368 thousand, of which Euro 5,715 thousand relating to the Parent Company.

34. Amortisation, depreciation, write-downs and provisions

This account amounts to Euro 11,847 thousand and decreased Euro 195 thousand on the previous year. The account includes:

(Euro/000)	**31.12.14**	**31.12.13**	**Δ**
Amortisation of intangible assets	515	399	136
Depreciation of fixed assets	9,794	9,413	381
Doubtful debt provision	492	78	414
Provisions for risks and other provisions	1,026	2,152	(1.126)
TOTAL	**11,847**	**12,042**	**(195)**

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 22).

35. Financial income

These total Euro 6,267 thousand and relate to:

– Euro 505 thousand of interest on temporary liquidity on current accounts and interest on receivables from the State and clients;

– Euro 5,762 thousand for income deriving from currency gains and swap and derivative operations in 2014.

36. Financial charges

The account amounts to Euro 10,125 thousand and relates to:

– Euro 4,622 thousand for charges of the Parent Company on the short term and medium/long-term debt;

– Euro 81 thousand for the interest cost component relating to the discounting of Post-employment benefits in accordance with IAS 19 Revised;

– Euro 81 thousand for charges of the subsidiary Eugea Mediterranea S.p.A. principally deriving from short-term debt;

– Euro 3,955 thousand of Parent Company currency losses and swap and derivative operations in 2014;

– Euro 1,386 thousand of loan charges of the subsidiary LDH (La Doria) Ltd..

37. Income taxes

These total Euro 14,321 thousand, an increase of Euro 6,395 compared to the previous year. Income taxes in 2014/2013 are detailed below:

(Euro/000)	31.12.14	31.12.13	Δ
Income taxes for year	14,885	9,606	5,279
Deferred tax charge	21	(186)	207
Deferred tax income	(682)	115	(797)
Taxes from prior years	97	(1,609)	1,706
TOTAL	**14,321**	**7,926**	**6,395**

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	31.12.2014	31.12.2013
Number of shares net of treasury shares	30,610,491	29,409,689
Profit of the group per share	0,82	0,53

The diluted earnings per share for 2014 correspond to the basic earnings per share as no dilutive effects were present.

Dividends

Dividends were distributed by the Parent Company in 2014 totalling Euro 3,720 thousand, in accordance with Shareholders' Meeting motion of June 19, 2014 relating to the 2013 Annual Accounts.

TRANSACTIONS WITH RELATED PARTIES

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 transactions 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 costs	Dividends
Income statement					
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 the year;

Dividends: In 2013 related party shareholders matured dividends of Euro 1,316 thousand on the 2012 net profit.

Year 2014

(Euro/000) 31.12.2014	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current liabilities
Balance sheet						
Trade receivables	134	-	-	-	-	-
Trade payables	-	-	-	2	-	-
Directors	-	-	-	-	561	-
Shareholders	-	-	-	-	-	-
TOTAL	**134**	**0**	**0**	**2**	**561**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 134 thousand for transactions of a commercial nature:

Trade payables: Concerns payables to suppliers for services of Euro 2 thousand;

Other current liabilities: Concerns payables to Directors for Euro 561 thousand and remuneration, salary and bonuses matured in the year and still not paid.

(Euro/000) 31.12.2014	Revenues	Other operating revenues	Costs	Other operating costs	Dividends
Income statement					
Revenues	385	-	-	-	-
Costs	-	-	12	-	-
Directors	-	-	-	1,475	-
Shareholders	-	-	-	-	2,631
TOTAL	**385**	**0**	**12**	**1,475**	**2,631**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 385 thousand;

Costs: Concerns costs for the acquisition of services for Euro 12 thousand;

Other operating charges: These amount to Euro 1,475 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in the year.

Dividends: In 2014 related party shareholders matured dividends of Euro 2,631 thousand on the 2013 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 2014 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)

		31.12.2014	31.12.2013
A.	Cash	11	4
B.	Other cash and cash equivalents (Bank and postal deposits)	41,065	27,863
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**41,076**	**27,867**
E.	**Current Financial Receivables**	**4,479**	**-**
F.	Current Bank payables	57,484	52,921
G.	Current portion of non-current debt	26,356	23,761
H.	Other current financial payables	6,037	8,990
I.	**Current debt (F+G+H)**	**89,877**	**85,672**
J.	**Current net debt (+I-E-D)**	**44,322**	**57,805**
K.	Bank payables – non-current portion	93,910	50,689
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**93,910**	**50,689**
O.	**Net debt (+J+N)**	**138,232**	**108,494**

TABLE A
INTANGIBLE ASSETS AT 31.12.14

(Euro/000)

CATEGORY	Historical cost	Amort. rate	Opening balances LDH traslation diff. (*)	Amort. 31.12.14	Invest. 31.12.14	Divest. 31.12.14	Cge. Con. Scope (**)	Reclass. 31.12.14	Net total
Software costs	5,482	5,055	2	342	418	6	41	329	869
Regist. trademark costs	10	10	-	-	-	-	-	-	0
Other deferred charges	5,040	1,800	-	193	120	-	-	8	3.174
Brands	44	44	-	-	-	-	6.462	-	6.462
Assets in progress	345	-	-	-	64	-	-	(329)	81
TOTAL	**10,921**	**6,909**	**2**	**535**	**602**	**6**	**6.503**	**8**	**10.586**

(*) Relates to the difference arising on the conversion of the opening balances of the foreign currency of the subsidiary LDH ltd

(**) Relates to the acquisition of the Pafial Group, acquired on November 19, 2014

TABLE B

NET TANGIBLE ASSETS AT 31.12.14

(Euro/000)

CATEGORY	Depr. rate	Hist. Cost at 1.1.14	Reval. pr. years	Depr. pr. years at 1.1.14	Opening balances LDH hist. Cost translation diff. (**)	Opening balances LDH Acc. Depr. translation diff. (**)	Divest. provision 31.12.14	CGE Consolidat. Scope. (****)	Depr. 31.12.14 (***)	Invest. 31.12.14	Divest. 31.12.14	Reclass. 31.12.14	Net total
Land		18,820	-	-	-	-	-	10,030	-	482	-	-	29,332
Ind. buildings/light construction	*	63,882	-	15,501	46	38	-	25,597	1,910	3,263	-	29	75,368
Plant and machinery	7.50%-14%	144,018	1,454	117,152	-	-	762	4,082	7,052	4,955	821	671	30,917
Minor equipment	20%	7,604	194	7,064	-	-	201	132	276	176	201	19	785
EDP	20%	4,035	-	3,104	95	80	-	41	315	259	-	-	931
Internal transport	20%	947	23	889	-	-	11	1	30	18	11	-	70
Motor vehicles	25%	602	-	510	39	33	-	59	69	38	-	-	126
Furniture & other equipment	7.50%-12%	1,055	12	850	17	14	-	212	142	1,632	-	-	1,922
Assets in progress	0%	1,322	-	-	-	-	-	147	-	6,453	-	(727)	7,195
TOTAL		**310,778**	**1,683**	**145,070**	**197**	**165**	**974**	**40,301**	**9,794**	**17,276**	**1,033**	**8**	**146,646**

* 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

**** Relates to the acquisition of the Pafial Group, acquired on November 19, 2014

TABLE B1

TANGIBLE ASSETS AT 31.12.14 (Euro/000)

CATEGORY	Depr. rate	Hist. Cost at 1.1.14	Opening balances LDH historical cost traslation diff. (**)	Increases 31.12.14	Reclass. 31.12.14	CGE Consolid. Scope. (**)	Decreases 31.12.14	Cost 31.12.14
Land		18,820	-	482	-	10,030	-	29,332
Ind. buildings/light construction	*	63,882	46	3,262	29	26,267	-	93,486
Plant and machinery	7.50%-14%	145,472	-	4,955	671	28,899	821	179,176
Minor equipment	20%	7,798	-	176	19	1,245	201	9,037
EDP	20%	4,035	95	259	-	483	-	4,872
Internal transport	20%	970	-	18	-	150	11	1,127
Motor vehicles	25%	603	39	38	-	273	-	953
Furniture & other equipment	7.50%-12%	1,070	17	1,632	-	1,213	-	3,932
Assets in progress	0%	1,322	-	6,453	(727)	147	-	7,195
TOTAL		**243,972**	**197**	**17,275**	**(8)**	**68,707**	**1,033**	**329,110**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the acquisition of Pafial Group, acquired on November 19, 2014

TABLE B2

ACCUMULATED DEPRECIATION AT 31.12.14

(Euro/000)

CATEGORY	Depr. rate	Hist. Cost at 1.1.14	Opening balance LDH acc. depr. tanslation diff. (**)	Depr. 31.12.14	CGE. Consolid. Scope. (**)	Utilisation 31.12.14	Accum. depr. 31.12.14
Land		-	-	-	-	-	-
Ind. buildings/light construction	*	15,501	37	1,910	670	-	18,118
Plant and machinery	7,50%-14%	117,152	-	7,052	24,817	762	148,259
Minor equipment	20%	7,064	-	276	1,113	201	8,252
EDP	20%	3,104	80	315	442	-	3,941
Internal transport	20%	889	-	30	149	11	1,057
Motor vehicles	25%	511	33	69	188	-	801
Furniture & other equipment	7,50%-12%	853	14	142	1,027	-	2,036
TOTAL		**145,074**	**164**	**9,794**	**28,406**	**974**	**182,464**

* The rate applied corresponds to the residual useful life estimated.

** Relates to the acquisition of the Pafial Group, acquired on November 19, 2014

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES

(Euro/000)

	Balance 01.01.14	Decrease	Write-down	New contr.	Balance 31.12.14	Prevision	Net equity	% held
LDH (La Doria) Ltd.	764	-	-	-	764	-	52,277 (1)	51%
Eugea Mediterranea S.p.A.	3,304	-	-	-	3,304	-	5,438 (2)	98.34%
Pafial Group		-	-	64,689	64,689	-	51,134 (3)	100.00%
	4,068	**0**	**0**	**64,689**	**68,757**	**0**		

(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 31.12.2014 of GBP 44,613 thousand
Including net profit for year of GBP 8,195 thousand.
Net equity based on exchange rate at 31.12.2014.

(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 5.438 thousand at 31.12.2014
Profit at 31.12.2013 Euro 160 thousand

(3) PAFIAL GROUP - Via Parco Margherita, 24 - Naples (NA)
Share capital Euro/000 198 fully paid-in
Net equity Euro 51,134 thousand at 31.12.2014
Profit 2014 Euro 4,393 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
Delfino S.p.A. - Via del Parco Margherita, 24 Share Capital Euro 2,418 thousand 100% held by Pafial Srl	13,389	100%	13,389
Althea S.p.A. - Via delle Esposizioni, 79A Share Capital Euro 2,376 thousand 100% held by Delfino S.p.A.	40,562	100%	40,562

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	19/06/2014 - 31/12/2016	97,000			10,000	5,000	18,680
Sampietro Giorgio	Vice Chairman of BOD	19/06/2014 - 31/12/2016	37,211			10,000	10,000	
Ferraioli Antonio	Director	19/06/2014 - 31/12/2016	27,076	5,327	171,784			318,680
Ferraioli Andrea	Director	19/06/2014 - 31/12/2016	27,076	5,183	171,784			318,680
Ferraioli Iolanda	Director	19/06/2014 - 31/12/2016	27,076	4,646	14,000			96,958
Diretto Giuseppe	Director	11/05/2011 - 19/06/2014	13,817			4,685		
David Elena	Director	19/06/2014 - 31/12/2016	15,928			2,658		
Lamberti Enzo Diodato	Director	19/06/2014 - 31/12/2016	14,959					
Michele Preda	Director	19/06/2014 - 31/12/2016	16,426			2,658		
Cecere Fabio	Chair.- Board of Stat. Auditors	11/05/2011 - 31/12/2014	79,091					
De Caprio Antonio	Chair.- Board of Stat. Auditors	19/06/2014 - 31/12/2016	71,693					
D'Amore Maurizio	Statutory Auditor	19/06/2014 - 31/12/2016	69,276					
Caldarelli Adele	Statutory Auditor	19/06/2014 - 31/12/2016	13,770					
TOTAL			**510,402**	**15,156**	**357,568**	**30,000**	**15,000**	**752,999**

Other remuneration	**Ferraioli Antonio**	**Executive**
Other remuneration	**Ferraioli Andrea**	**Executive**
Other remuneration	**Ferraioli Iolanda**	**Executive**

(*) Until approval of 2016 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	8,680		
Persico Sergio	Director	19/02/97 until revoked	8,680		
Ferraioli Rosa	Director	04/2009 until revoked	8,680		
Festa Alberto	Director	01/2010 until revoked	8,680		
Ferraioli Andrea	Director	02/03/98 until revoked	8,680		
TOTAL			**43,401**		

Remuneration of GBP 35,000 thousand at average December 2014 exchange rate 0.80643

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 2014 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 2014
Audit	PricewaterhouseCoopers S.p.A.	Parent company - La Doria S.p.A.	80
	Deloitte & Touche S.p.A.	Subsidiary companies	17
	PriceWaterhouseCoopers Network	Subsidiary companies	55
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 S.p.A.	Parent company - La Doria S.p.A.	4
	PriceWaterhouseCoopers Network	Subsidiary companies	60
TOTAL			**216**

TABLE 1 CONS.
FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.14	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			100,332			100,332	Trade receivables	
Held-to-maturity investment securities								
Current financial receivables at fair value	3,125		1,354			4,479	Other fin. receivables*	
Receivables			5,707			5,707	Tax receivables	
Derivatives							Bank receivables	
Other current receivables			8,274			8,274	Other Receivables	

	FV P&L	Amortised cost	TOTAL		Fair Value
NON-CURRENT LIABILITIES					
Payables to holding companies					
Subsidiary payables					
Non-current financial payables		93,910	93,910	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		110,930	110,930	Trade payables	
Payables		9,597	9,597	Tax payables	
Payables		1,632	1,632	Social security payables	
Current financial payables		83,840	83,840	Bank payables	
Current financial payables	1,932	4,105	6,037	Factoring payables	
Derivatives				Bank payables	
Other Liabilities	2,616	10,362	12,978	Other payables	

Notes

The value indicated in the account derivatives expresses the Fair Value at 31/12/2014 of the IRS issued to hedge Loans The Fair Value of the currency on both the Export area (GBP and AUD) and the Import area (USD) is indicated as one of the other financial receivables for the Fair Value Assets and as one of the other financial payables for the Fair Value Liabilities.
For Ldh the Fair Value is indicated under other receivables or other payables

TABLE 2 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		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 3 CONS.
HEDGE VALUATION

(Currency/000)

at 31.12.14 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	12,727	13,056	82,783	80,416	79	79
TOTAL	**12,727**	**13,056**	**82,783**	**80,416**	**79**	**79**

at 31.12.14 Pafial Group			Amount			
FV of derivatives not valued in current assets	**USD** Notional	**EURO** FV	**EURO** Notional	**EURO** FV	**Other** Notional	**EURO** FV
Sales expected	1,265	(48)	10,972	100		
Purchases expected						
TOTAL	1,265	**(48)**	**10,972**	**100**		

at 31.12.14 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			12,259	25	53,330	(1,787)
Purchases expected	97,750	2,904				
TOTAL	**97,750**	**2,904**	**12,259**	**25**	**53,330**	**(1,787)**

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 31.12.14			Amount
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	
Loans granted			
Loans received	55,886	877	
TOTAL	**55,886**	**877**	

Note

The La Doria IRS options were signed for partial hedging of the Medium/long loans.

TABLE 4 CONS.
HEDGE VALUATION

(Currency/000)

at 31.12.13 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 5 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42) (Euro/000)

at 31.12.14	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		4,479		
Derivatives				
Other current assets				
Cash and cash equivalents	Cash at Bank	41,076		
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	93,910	103	(103)
Other non-current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank Overdraft	89,877	284	(284)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash-flow hedge reserve				
Net income			(387)	387
Minority interest				

Euribor 2014 at 3 months average = 0.21%

Hyp1 Average interest rate curve higher than 50 bps =3.35%+0.5% on Medium/Long term; 2.51%+0.5% on Short-term
The change +/- 0.5% is measured only on the part of the loan not hedged at 31/12/14 of Euro 64,380 thousand

Hyp2 Average interest rate curve lower than 50 bps =2.35%-0.5% on Medium/Long term; 1.51%-0.5% on Short-term

TABLE 6 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 7 CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(valuta/000)

at 31.12.14	Reference Account Balance Sheet	Carrying amount	Amount by currency of denomination €	GBP	USD	CAD	AUD	Impact of different hypotheses EUR1+5% vs.USD, GBP, AUD, CAD	EUR2-5% vs.USD, GBP, AUD, CAD
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	Crediti vs. Clienti	21,079		13,868	654	220	4,140	(802)	1,333
Current financial assets at fair value									
Financial receivables									
Derivatives									
Other current assets									
Cash and cash equivalents	Conti Valutari	9,947		3,318	6,101	151	823	(474)	523
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	Debiti vs. fornitori	4,539		98	5.168		457	(72)	398
Financial liabilities	Finimport USD						0	0	0
Derivatives									
Other liabilities									
EQUITY									
Current translation reserve									
Cash flow of hedge reserve									
Net Profit/loss								(1.347)	2.255
Minority interest									

Examples of hypotheses		**€/currency**
GBP/€	Actual rate	0,7789
USD/€	Actual rate	1,2141
AUD/€	Actual rate	1,4829
CAD/€	Actual rate	1,4063
USD/€	€ increases by 5%	1,274805
USD/€	€ decreases by 5%	1,153395
GBP/€	€ increases by 5%	0,817845
GBP/€	€ decreases by 5%	0,739955
AUD/€	€ increases by 5%	1,557045
AUD/€	€ decreases by 5%	1,408755
CAD/€	€ decreases by 5%	1,476615
CAD/€	€ decreases by 5%	1,335985

TABLE 7 bis CONS.
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

As of 31.12.14	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	65		63								
Current receivables from related parties (Others)		300		300								
Trade receivables	Trade receivables	34,537	759	31,475	2,303	0	(36)	40	(110)	121		
Current financial assets at fair value												
Financial receivables	Other receivables	360		360								
Derivatives	Forward contracts	329			329				622	(687)		
Other current assets												
Cash and cash equivalents	Cash at Bank	13,554	441	12,984	129	0	(21)	23	(6)	7		
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	14,084	216	13,868	0	0	10	(11)	0	0	0	0
Payables to related parties (Others)		10,878	5,935	2,687	2,256		283	(312)	107	(119)		
Trade payables	Trade payables	17,898	8,187	7,672	2,038		390	(431)	97	(107)		
Financial liabilities	Bank Overdraft											
Derivatives	Forward contracts	2,367	2,367				3,829	(4,232)				
Other liabilities	Other liabilities	8,777		8,777								
EQUITY												
Currency translation reserve												
Cash-flow hedge reserve		(1,001)	(1,906)		229		2,499	(2,762)	335	(370)		0
Net income	Profit/(loss)						(6,954)	7,686	(1,045)	1,155	0	0
Minority interest												

Exampes of Assumpions:		€/currency
GBP/€	Actual rate	1,2838
GBP/USD	Actual rate	1,5587
GBP/CAN$	Actual rate	1,8055
€1	€ increases by 5%	1,3480
€2	€ decreases by 5%	1,2196
USD1	$ increases by 5%	1,6366
USD2	$ decreases by 5%	1,4808
CAN1	$ increases by 5%	1,8958
CAN2	$ decreases by 5%	1,7152

Exampes of Assumpions:		€/currency
GBP/€	Forex average revalued	1,2805
GBP/USD	Forex average revalued	1,5573
GBP/CAN$	Forex average revalued	1,8056
€1	€ increases by 5%	1,3445
€2	€ decreases by 5%	1,2165
USD1	$ increases by 5%	1,6352
USD2	$ increases by 5%	1,4794
CAN1	$ increases by 5%	1,8959
CAN2	$ increases by 5%	1,7153

TABLE 8 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 8 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 9 CONS.

CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37 (Euro/000)

at 31.12.14	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	102,007	Trade receivables		83,597	16,821	676	366	547	102,007
Tax Receivables	5,707	Tax receivables		5,707	0	0	0	0	5,707
Other Receivables	8,274	Other receivables		5,613	0	0	0	2,661	8,274
Gross Receivables	**115,988**			**94,917**	**16,821**	**676**	**366**	**3,208**	**115,988**
Write-down of Receivables	1,675	Bad debt provision	1,675						1,675
Write-down of Other Receivables		Write-down of other rec.							
Net Receivables	**114,313**		**1,675**	**94,917**	**16,821**	**676**	**366**	**3,208**	**114,313**

TABLE 10 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 11 CONS.
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.14	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	102,007	Trade receivables	31,672	19,009	13,217	10,647	27,462	102,007
Other Receivables	8,274	Other receivables	6,864	1,084	325	1		8,274
Receivables	**110,281**		**38,536**	**20,093**	**13,542**	**10,648**	**27,462**	**110,281**

By Country at 31.12.14	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	102,007	Trade receivables	48,639	42,128	933	4,218	398	5,449	102,007
Other receivables	8,274	Other receivables	8,274						8,274
Receivables	**110,281**		**56,913**	**42,128**	**933**	**4,218**	**398**	**5,449**	**110,281**

TABLE 12 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**

DECLARATION AS PER ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999 AND SUBSEQUENT MODIFICATIONS AND INTEGRATIONS

Declaration of the Consolidated and Separate 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 1-*bis*, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:

- the adequacy of the information on company operations;
- 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, 2014 to December 31, 2014.

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. We also declare that:
3.1 the parent company and 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) provides a true and correct representation of the capital, economic and financial situation of the issuer and of the other companies in the consolidation scope.

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, 12.3.2015

Antonio Ferraioli

Director

Alberto Festa

Executive responsible for the preparation of corporate 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 2014 which comprise the Balance Sheet, Income Statement, Comprehensive Income Statement, Statement of Change in Shareholders' Equity, Cash Flows Statement 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 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 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 consolidated financial statements of the prior period, which are presented for comparative purposes, reference is made to our report dated 31 March 2014.

3 In our opinion, the consolidated financial statements of the La Doria Group as of 31 December 2014 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 period then ended.

4 The directors of La Doria SpA are responsible for the preparation of a report on operations and a report on corporate governance and ownership structure published in section "Investor & Media Relations - Corporate Governance" of the website 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 ownership structure, with the

PricewaterhouseCoopers SpA

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financial statements, as required by law. For this purpose, we have performed the procedures required under Italian 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 ownership structure are consistent with the consolidated financial statements of La Doria SpA as of 31 December 2014.

Naples, 31 March 2015

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.

LA DORIA S.p.A.

FINANCIAL STATEMENTS OF THE PARENT COMPANY PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING STANDARDS (EU/IFRS)

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
ASSETS					
NON-CURRENT ASSETS					
Intangible assets	1	1,019		749	
Property, plant & equipment	2	99,683		95,234	
Goodwill	3	5,984		5,984	
Investments in subsidiaries and associated companies	4	68,757		4,068	
Investments in other companies	5	231		231	
Deferred tax assets	6	3,929		3,207	
Other non-current assets	7	2,341	*2,269*	2,691	*2,651*
TOTAL NON-CURRENT ASSETS		**181,944**		**112,164**	
CURRENT ASSETS					
Inventories	8	138,493		132,971	
Trade receivables	9	66,941	*26,104*	71,584	*25,565*
Other assets	10	12,017	*3,464*	12,918	*3,490*
Tax assets	11	3,995		3,210	
Other financial assets	12	4,338		-	
Cash and cash equivalents	13	20,762		22,073	
TOTAL CURRENT ASSETS		**246,546**		**242,756**	
TOTAL ASSETS		**428,490**		**354,920**	

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
LIABILITIES					
SHAREHOLDERS' EQUITY					
Share capital	14	42,242		40,585	
Reserves and retained earnings	15	69,693		55,544	
Net profit for the year	16	21,822		12,256	
TOTAL SHAREHOLDERS' EQUITY		**133,757**		**108,385**	
NON-CURRENT LIABILITIES					
Financial payables	17	93,910		50,689	
Other non-current liabilities	18	9,796		10,545	
Post-employment benefit and pension provision	19	4,012		3,971	
Deferred tax liabilities	20	8,294		8,346	
Provisions for risks and charges	21	8,062		7,465	
TOTAL NON-CURRENT LIABILITIES		**124,074**		**81,016**	
CURRENT LIABILITIES					
Financial payables	22	80,650		78,319	
Trade payables	23	75,107	*19,880*	75,526	*11,974*
Tax payables	24	7,784		2,255	
Other current liabilities:	25	7,118	*561*	9,419	*405*
TOTAL CURRENT LIABILITIES		**170,659**		**165,519**	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**428,490**		**354,920**	

(euro/000)	Note	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
Revenues	26	**345,402**	*102,819*	**327,385**	*101,118*
Other operating revenues	27	10,355	*521*	12,518	*414*
Changes in inventory	28	6,874		(7,565)	
of which Finished and Semi-finished		*9,265*		*(12,871)*	
of which Raw materials		*(2,391)*		*5,306*	
Purchase of raw materials and goods	29	225,672	*24,218*	216,456	*21,169*
Services	30	54,401	*5,589*	50,596	*4,334*
Labour costs	31	32,314	*697*	30,527	*695*
Other operating costs	32	6,929	*110*	7,306	*85*
Amortisation, depreciation, write-downs and provisions	33	10,225		10,706	
OPERATING PROFIT		**33,090**		**16,747**	
Financial income	34	5,746	*13*	5,701	
Financial charges	35	8,555		8,396	*51*
Dividends	36	2,694	*2,694*	2,521	*2,521*
PROFIT BEFORE TAXES FROM NORMAL OPERATIONS		**32,975**		**16,573**	
Income taxes	37	11,153		4,317	
NET PROFIT FROM NORMAL OPERATIONS		**21,822**		**12,256**	
Gain/loss from discontinued operations		-		-	
NET PROFIT FOR THE YEAR		**21,822**		**12,256**	

(Euro/000)	NOTE	31.12.2014	31.12.2013
NET PROFIT FOR THE YEAR		**21,822**	**12,256**
Other comprehensive items			
Items which may be recognised to the income statement in subsequent periods			
Change in cash flow hedge net of tax effect for Euro -52 thousand at December 31, 2014 and Euro 202 thousand at December 31, 2013	16	(108)	421
TOTAL ITEMS WHICH MAY BE RECOGNISED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS		**(108)**	**421**
Items which may not be recognised to the income statement in subsequent periods			
Change in IAS 19 reserve: "Remeasurement of employee benefits"	19	(109)	(15)
TOTAL ITEMS WHICH MAY NOT BE RECOGNISED TO THE INCOME STATEMENT IN SUBSEQUENT PERIODS		**(109)**	**(15)**
COMPREHENSIVE PROFIT FOR THE YEAR		**21,605**	**12,662**

(Euro/000)	31.12.2014	*of which related parties*	31.12.2013	*of which related parties*
Operating activity				
CASH FLOW				
Net profit	21,822		12,256	
Depreciation and write-downs of tangible assets	8,571		8,427	
Amortisation and write-downs of intangible assets	340		191	
TOTAL CASH FLOW	**30,733**		**20,874**	
Changes in deferred tax assets and liabilities	298		153	
Post-employment benefits:				
provisions/(utilisation)	41		(20)	
Provisions for risks and charges:				
provisions/(utilisation)	597		1,544	
Financial income	541		(3,612)	
TOTAL CASH FLOW BEFORE CHANGES IN WORKING CAPITAL	**32,210**		**18,939**	
Working capital				
Change in trade receivables	4,643	*540*	(3,533)	*(1,045)*
Change in inventories	(5,522)		1,183	
Change in other current assets	116	*(26)*	1,985	*433*
Change in trade payables	(419)	*7,906*	(13,271)	*(10,653)*
Change in taxes payable	5,529		(1,661)	
Change in other current liabilities	(3,772)	156	5,569	*(32)*
Change in working capital	**575**		**(9,728)**	
CASH GENERATED FROM OPERATING ACTIVITY	**32,785 (a**		**9,211 (a**	
Investing activities				
Divestment/(investment) in tangible fixed assets net of divestments/investments	(13,020)		(8,560)	
Divestment/(investment) in intangible fixed assets net of divestments/investments	(610)		(443)	
Disposal of other non-current assets	0		0	
Goodwill	0		0	
Investments in equity holdings net of divestments	(64,689)		(2)	
Interest received	(541)		3,612	
CASH GENERATED/(ABSORBED) FROM INVESTMENT ACTIVITY	**(78,860) (b**		**(5,393) (b**	
Financing activities				
Medium/long term loans	43,004		14,182	
Change in short-term bank debt	(2,007)		(10,369)	
Dividends distributed	(3,720)	*(2,631)*	(1,860)	*(1,316)*
Change in purchase and sale of treasury shares	7,487		2,855	
CASH GENERATED/(ABSORBED) FROM FINANCING ACTIVITY	**44,764 (c**		**4,808 (c**	
	(1,311) (a+b+c)		**8,626 (a+b+c)**	
Change in the net financial position				
Cash and cash equivalents at the beginning of the year	22,073		13,447	
Cash and cash equivalents at the end of the year	20,762		22,073	

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
Beginning 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
Distribution of dividends								(1,860)		(1,860)
Purchase and sale of treasury shares	1,042			1,317				497		2,856
Change IAS 19 reserve				(15)						(15)
Utilisations in the year										
Net profit for the year									12,256	12,256
Change 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											
Increases for the year											
Utilisations in the year											
Balance at 31.12.2013	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**10,288**	**15,012**

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
Beginning balance at 01.01.2014	40,586	15,327	4,818	15,540	(528)	(2,160)	2,913	19,633	12,256	108,385
Reclassifications										0
Allocation of the result			612					11,644	(12,256)	0
Distribution of dividends								(3,720)		(3,720)
Purchase and sale of treasury shares	1,657			5,805				26		7,488
Change IAS 19 reserve				(109)						(109)
Utilisations in the year										0
Net profit									21,822	21,822
Change IAS 39 reserve (other comprehensive income)					(108)					(108)
Balance at 31.12.2014	**42,242**	**15,327**	**5,430**	**21,236**	**(636)**	**(2,160)**	**2,913**	**27,583**	**21,822**	**133,757**

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 01.01.2014									4,724	15,876	20,600
Reclassifications											
Increases in the year											
Utilisations in the year											
Balance at 31.12.2014	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,724**	**15,876**	**20,600**

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 2010 - 2014: For coverage of losses	For other reasons
Share Capital	42,242				
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	15,876	A-B-C	15,876		
Profit reserves:					
Legal reserve	5,430	B			
Reserve Law 488	4,724	A-B	4,724		
Retained earnings	28,336	A-B-C	28,336		
TOTAL	**111,935**		**64,263**		
QUOTA NON DISTRIBUTABLE			**29,115**		
QUOTA DISTRIBUTABLE			**35,148**		

Key
A: for share capital increase
B: for losses
C: for distribution to shareholders

EXPLANATORY NOTES

EXPLANATORY NOTES AS OF DECEMBER 31, 2014 - 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 13, 2015, 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 financial statements at December 31, 2014 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, 2013. From January 1, 2013, some modifications to the international accounting standards were applied. 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 and the accounting standards not yet entered into 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, 2014 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 2014 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, 2014 (Table A);
- Property, plant and equipment and accumulated depreciation at December 31, 2014 (Tables B, B1 and B2);
- Investments in Companies directly and indirectly held (Table C and C1);

- Remuneration matured by 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

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, 2013, with the exception of that reported below.

For completeness of information, we report that the amendments, interpretations and modifications listed below are applicable from January 1, 2014 and had no significant effect on the financial statements of La Doria S.p.A.:

- IAS 27 - "Separate Financial Statements" amended with Regulation (EC) No. 1254/2012. The amendments introduced concern the re-organisation and publication in a new specific accounting standard (IFRS 10 - "Consolidated Financial Statements") for the preparation of the consolidated financial statements. The new IAS 27 therefore involved the definition and rules of the principles for the preparation of the separate financial statements, remaining substantially unchanged in this regard compared to the previous version.
- IAS 28 - "Investments in associates and joint ventures" amended by Regulation (EC) No. 1254/2012. The standard was supplemented with rules for the measurement at equity of investments in joint ventures.
- IFRS 10 – "Consolidated Financial Statements" adopted with Regulation (EC) No. 1254/2012. The accounting standard establishes the rules for the preparation and presentation of the consolidated financial statements, integrating the principles previously contained in IAS 27 - consolidated and separate financial statements and in SIC 12 - Special purpose entities. This new standard introduces a new definition of control as the sole ba-

sis for the consolidation of all types of entities, eliminating some inconsistencies and interpretative doubts between IAS 27 and SIC 12 and, finally, providing clearer and unequivocal regulations for the identification of "de facto control".

- IFRS 11 - "Joint Arrangements" adopted with Regulation (EC) No. 1254/2012. The new standard establishes the rules for the accounting of joint arrangements and establishes IAS 31 - Investments in joint ventures and SIC 13 - Joint controlled entities - Non-monetary contributions by ventures. IFRS 11 establishes also the criteria for the classification of joint arrangements based on the effective rights and obligations deriving from such rather than on the legal form and enables, as was not the case for IAS 31, the application of the proportional consolidation method for holdings in joint ventures.
- IFRS 12 - "Disclosure of interests in other entities" adopted with Regulation (EC) No. 1254/2012. IFRS 12 combines, strengthens and replaces the disclosure obligations for subsidiary companies, for joint arrangements, associated companies and non-consolidated company structures. This standard summarises all the disclosures which an entity must provide to permit users of the financial statements to assess the nature and the risks deriving from its investments in other entities, as well as the effects of these investments on the balance sheet, income statement and cash flows.
- IAS 32 – "Financial instruments: Presentation – Offsetting financial assets and liabilities" amended with Regulation (EC) No. 1256/2012. Following the amendment to IFRS 7, IAS 32 revised provides additional information to reduce inconsistencies in the practical application of the standard.
- Amendments to IFRS 10, 12 and IAS 27 adopted with Regulation (EC) No. 1174/2013. In order to provide guidance on investment entities, the following standards were amended:
- IFRS 10, permitting investment entities to measure subsidiaries at fair value through the Income Statement rather than through consolidation, better reflecting their business model;
- IFRS 12, requiring the presentation of specific disclosures in relation to the subsidiaries of investment entities;
- IAS 27, in order to eliminate the possibility for investment entities to opt for the measurement at cost of investments in subsidiaries, requiring obligatory fair value measurement in their separate financial statements.
- IAS 36 "Impairment of assets" amended with Regulation (EC) No. 1374/2013. The amendments clarify that the disclosures to be provided on the recoverable amount of the assets, where based on the fair value net of selling costs, concerns only the assets whose value has reduced.
- IAS 39 - "Financial Instruments: recognition and measurement" amended with Regulation (EC) No. 1375/2013. The amendments concern situations in which a derivative designated as a hedging instrument is subject to novation by another central counterparty, on the

basis of regulations. In particular the standard establishes that, in such cases, the hedge accounting treatment may continue despite the novation.

The following accounting standards, interpretations and amendments are applicable from January 1, 2015:

- IFRS 21 – Levies, adopted with Regulation (EC) No. 634/2014. The interpretation concerns the accounting of a liability relating to the payment of a levy in the case in which this liability is within the application of IAS 37.
- Annual Improvements to IFRS 2011-2013 adopted with Regulation (EC) No. 1361/2014 as part of the annual improvement and general review of the international accounting standards.

The following accounting standards, interpretations and amendments are applicable from January 1, 2016:

- Annual Improvements to IFRS 2010-2012 adopted with Regulation (EC) No. 28/2015 as part of the annual improvement and general review of the international accounting standards.
- IAS 19 - "Employee benefits - Defined benefit plans: employee contributions adopted by Regulation (EC) No. 29/2015. The amendment clarifies the application of IAS 19 to defined benefit plans, which requires the contribution by employees or third parties which are not voluntary contributions. These contributions reduced the cost of the entity in the provision of benefits. The amendment permits that the contributions related to service, but not related to years of service, may be deducted from the cost of the benefits obtained in the period in which the service is provided, rather than over the service life of the employee.

Finally, at the date of the approval of the present Financial Statements, the IASB had issued (however not yet approved by the European Union), a number of accounting standards, interpretations and amendments, in addition to consultation Exposure Drafts, among which we highlight:

- IFRS 9 Financial instruments;
- IFRS 14 Regulatory deferral account;
- IFRS 15 - Revenues from contracts with customers;
- Amendments to IFRS 10, IFRS 12 and IAS 28 – Investment entities - application of the exception to consolidation;
- Amendments to IAS 1 – Disclosure;
- 2012-2014 IFRS Annual improvement cycle;

- Amendments to IFRS 10 and IAS 8 - Sale or contribution of an asset between an investor and its associate or joint venture;
- Amendments to IAS 27 - Equity method in the separate financial statements;
- Amendments to IAS 16 and IAS 38 - Clarifications on depreciation methods;
- Amendments to IFRS 11 – measurement of holdings acquired in joint operations;
- Exposure Draft "IFRS 2 Share-based payments" in relation to the classification and measurement of share-based payments;
- Exposure Draft "IFRS 10, IFRS 12, IAS 27, IAS 28 and IAS 36", in relation to the fair value measurement of listed investments in subsidiaries, joint ventures and associates;
- Exposure Draft "IAS 12 - Income taxes" in relation to the recognition of deferred tax assets for unrealised losses;
- Discussion Paper "Conceptual Framework for Financial Reporting" within the current Framework review project;
- Exposure Draft "Insurance contracts" within the review of the current standard;
- Exposure Draft "Leases" within the review of the current standard;
- Exposure Draft "IAS 1 - Classification of liabilities" which clarifies how an entity must classify payables, in particular in relation to the renewal of payables.

Any effects that the newly applied accounting standards, amendments and interpretations may have on the Group financial disclosure are currently being evaluated.

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 include 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 recei-

ved 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 recovery in value is also recorded 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 profit or loss;
- 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. The Company derecognises an asset from the Balance Sheet when the rights to the cash flows deriving from the assets as well as the risks and benefits are substantially transferred and the Company no longer has control over the asset.

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. 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 "AFS asset reserve". This reserve is recognised in the income statement in the case of sale or write-downs. At December 31, 2014, the Company classifies in this account the investments in other companies.

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.

Equity

Share capital
The Share Capital at December 31, 2014 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
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 provisions for risks and charges are recorded to cover known or likely losses or liabilities including fiscal, 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.

The other provisions for risks and charges include provisions for employment and legal disputes.

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, 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. The Company does not offset current and/or deferred tax assets and liabilities where the conditions permitted by IAS 12 do not exist.

Utilisation of estimates

The preparation of the financial statements at December 31, 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 current information available. The principal areas characterised by valuations and assumptions of particular significance relates to goodwill.

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, recorded in the financial statements at December 31, 2014 for a value of Euro 5,984 thousand.

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 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 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: presentation and addition disclosures". 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, 2014, the accounts considered as financial instruments in accordance with IFRS 7 are those indicated in the table "Financial Instruments – IFRS 7.8" – Attach. 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 the Fair Value of the operations above at December 2014 are reported in the "Hedging Valuation" table at Attach. 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 2014; in particular the banks continued to take a stricter review of business lending preferring, in terms of lending and rates, enterprises companies better positioned on international markets with good ratings. In particular in the second half of the year the monetary policies of the ECB generated greater liquidity on the market and a sharp drop in interest rates.

The EURIBOR 3-month rate in December 2014 was 0.08% compared to 0.27% in December 2013.

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 unused the less competitive credit lines. La Doria S.p.A. was granted medium/long-term loans totalling Euro 71 million.
Of particular importance was the operation signed at the end of the year with the banking syndicate of Banco di Napoli S.p.A. and Unicredit S.p.A. which granted a seven year loan of Euro 40 million and was partially utilised for the acquisition of the Pafial Group. The joint funding of the leading two Italian banking institutions and received one month before the closing of the operation indicates the importance of this acquisition which was fully supported by the financial community.
In quantitative terms, against a medium/long term exposure (including repayments within the next 12 months) at December 31, 2014 of Euro 120,266 thousand, the IRS hedging on the debt reduced from 74.8% at the end of 2013 to 46.5% at the end of 2014.
The loan of Euro 40 million granted at the end of the year was hedged on January 8, 2015, increasing the IRS hedging level to our normal standard (79.7%).

The situation at December 31, 2014 with a 3-month EURIBOR of 0.08% was the following:

Loans at 31.12.14	Total part hedged	Final rate on hedged	Total part not hedged	Final rate on part not hedged	Average
120,266 (B)	55,886 (A)	4.20%	64,380	2.06%	3.06%

(A)/(B) x 100 = 46.5%

The interest rate of 3.06% therefore refers to the position at December 31, 2014 while the average medium/long-term interest rate, as indicated below in the interest rate sensitivity analysis, was 3.94%.

The situation at December 31, 2013 with a 3-month EURIBOR 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 (B)	55,698 (A)	4.28%	18,752	3.92%	4.19%

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

In relation to the valuation of the foreign exchange hedges existing at December 31, 2014, the position is shown in the table "Hedge Valuation" – Tables 3 and 4.

Sensitivity Analysis on Interest Rates

During 2014, against an average 3-month EURIBOR of 0.21%, La Doria S.p.A. paid an interest rate on the medium/long term debt of 3.18%, with IRS hedging at 3.94% and on the short-term debt of 2.03% (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" in Table 5.

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 shown in the table "Sensitivity Analysis-IFRS 7.40-42" Table 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 2014 - 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 2014, La Doria S.p.A. agreed payments of GBP 92 million compared to GBP 70 million in 2013; at the same time payments of USD 71 million were made compared to USD 61 million in 2013. 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 2014, La Doria S.p.A. had hedging in place for 2015 of a notional maximum amount of USD 98 million and GBP 53 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 2014, against variations of +/-5% in the Euro exchange rate with the GBP, USD and AUD, the situation at December 31, 2014 would have been as per 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 as per 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, 2014 and at December 31, 2013, 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 December 31, 2014 compared to December 31, 2013 is as follows:

(Euro/000)	**31.12.14**	**31.12.13**
Medium/long-term payables (includ. repayables within 12 months)	120,266	74,450
Short-term payables	54,294	54,558
Other financial receivables	(4,338)	0
Cash & cash equivalents	(20,762)	(22,073)
TOTAL NFP	**149,460**	**106,935**

In relation to the medium/long term loans, the current situation and the repayments made in recent years to December 31, 2014, and also compared with the previous year, are as follows:

	Balance 31.12.14	**Within 12 months**	**Within 24 months**	**Within 36 months**	**Within 48 months**	**Beyond > 5 years**
Medium/long-term debts	120,266	26,356	22,376	30,271	18,374	22,889

	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

The medium/long-term loans received totalling Euro 71 million are illustrated 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, 2014 "non-recourse factoring" IAS compliant contracts are in place for a total value of Euro 12 million. At December 31, 2014, the percentage of the bank overdrafts utilised compared to those accorded was 34% (34% at December 31, 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, from 2014, also the major Italian supermarket chains as well as foreign supermarket chains which are considered extremely reliable by the Company in view of the long-standing nature of the relationships. Consequently, the percentage of clients not covered by insurance cover increased from 29% at the end of 2013 to 61% at the end of 2014. 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 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 2015, the Company has decided to abandon the credit insurance cover. The decision originated from a reduction in the insurance scope by the Insurance Company, in particular on the riskier positions. The reduction in coverage by the insurance company for the riskier clients together with our reduction in Supermarket clientele insured rendered the continuation of the coverage economically ineffective. Simultaneously La Doria has increasingly focused on international expansion, increasing its turnover in consolidated and less risky countries, such as, for example, Germany, incurring minimum losses on foreign clients. The credit risk on the domestic market is largely mitigated by the prevalence of turnover from Supermarket Chains and from the daily monitoring by our Credit Management department; in fact bad debt losses in Italy are also historically modest.

The ageing of the receivables of La Doria S.p.A. at December 31, 2014 and December 31, 2013 is shown in Attach. 9 and 10 -"Current and non-current receivables (overdue and not yet overdue) IFRS 7.37".

The concentration of the receivables at December 31, 2014 and 2013 is shown in Attach. 11 and 12 "Concentration of receivables".

The situation of the amounts of La Doria S.p.A. in dispute at December 31, 2014 was Euro 1,024 thousand; this amount is covered by a doubtful debt provision of Euro 1,274 thousand.

NOTES TO THE MAIN BALANCE SHEET ACCOUNTS

NON-CURRENT ASSETS

1. Intangible assets

These amount to Euro 1,019 thousand, with a net increase of Euro 270 thousand compared to December 31, 2013. The changes in the year are reported in **Attachment A**. The increase in the year of Euro 602 thousand mainly refers to investments for software relating to quality management and the computer virtualisation process. The decrease in the account amounted to Euro 340 thousand and concerned amortisation in the year.

2. Property, plant & equipment

The account amounts to Euro 99,683 thousand, with an increase of Euro 4,449 thousand compared to December 31, 2013. The details of the movements for the year are shown in **Attachment B**. The increase in the year is due principally for Euro 4,877 thousand to plant and machinery, including packaging plant for the Angri production sites (Euro 1,734 thousand) and improvements to the Sarno legumes line (Euro 1,000 thousand), for Euro 1,399 thousand to Buildings (essentially concerning the restructuring of the Angri and Sarno factories) and for Euro 6,473 thousand to assets in progress and advances concerning principally a new pulses line (Euro 6,000 thousand).

The decreases in the year, of Euro 9,562 thousand, comprises principally Euro 8,571 thousand of depreciation and total divestments of Euro 991 thousand. **Attachment B1** provides an analysis of the gross value and **Attachment B2** shows accumulated depreciation.

In May 2009, in relation to the regional Regulatory Contract, the Campania Regional Council approved the admission of the La Doria investment plan. 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 the Regulatory Contract was signed between the Campania Region and La Doria S.p.A., and against the contributions determined by the Regulatory Contract the first instalment of 30% equal to Euro 1,728 thousand was received on March 19, 2013. On August 1, 2014, La Doria S.p.A. communicated to the Campania Region the completion of the investments and of the scheduled investment plan.

3. Goodwill

The goodwill, recorded for a total value of Euro 5,984 thousand, remains unchanged from the previous year and refers 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 2015-2019 which utilised as reference the cash flows from production exclusively referring to the Fisciano plant contained in the 2015-2019 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 24, 2015;

• the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019.

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 valuation of the recoverable value of the goodwill was made through the discounting of the FCFO (Free Cash Flow from Operations) utilising an interest rate WACC (Weighted average cost of capital) of 6.92% and the long-term growth rate was 1%. The impairment test resulted in a recoverable value of the “Pomagro Red Line" CGU of Euro 82,600 thousand, against net capital employed of Euro 30,800 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 also carried out a sensitivity analysis which takes into consideration a WACC which varies from 5.00% to 7.42% 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):

(in Euro millions)	WACC				
Growth rate (G)	**5.00%**	**5.25%**	**6.92%**	**7.17%**	**7.42%**
0.5%	109	104	77	75	72
1.0%	120	114	82.6	79	76
1.5%	135	126	88	84	81
2.0%	154	142	95	91	97
2.5%	181	164	104	98	93

– For Euro 5,263 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, 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 2015-2019 which utilised as reference the cash flows contained in the 2015-2019 Budget Plan of La Doria S.p.A. approved by the Board of Directors of the Company on February 24, 2015;
- the second forecast through the Terminal Value which concerns the present value of the perpetual yield represented by the expected cash flows beyond 2019.

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 5.67% and the long-term growth rate was 2%. The impairment test resulted in a recoverable value of the CGU of Euro 35,208 thousand against a net capital employed of Euro 24,807 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 5.00% to 6.17% 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):

(in Euro millions) Growth rate (G)	WACC 5.00%	5.25%	5.67%	5.92%	6.17%
0.50%	30.8	29.3	27.1	26.0	24.9
1.00%	33.6	31.8	29.2	27.8	26.6
1.50%	37.3	35.0	31.8	30.1	28.7
2.00%	42.2	39.2	35.2	33.0	31.2
2.50%	49.1	44.9	39.4	36.7	34.4

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" 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 24, 2015, 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 amounts to Euro 68,757 thousand, with a net increase of Euro 64,689 thousand compared to December 31, 2013. The account was 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 subsidiary was approved by the Board of Directors on March 6, 2015, and report an IAS compliant financial statements net profit for the year ended December 31, 2014 of GBP 8,195 thousand and net equity of GBP 44,613 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 10,162 thousand and a net equity of Euro 57,277 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, 2014, 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 5,438 thousand, with a share capital of Euro 1,500 thousand and a profit for the year of Euro 4 thousand. The principal information concerning the subsidiary companies is reported in Attachment C.

– 100% in the share capital of Pafial Group, carried in the accounts for Euro 64,689 thousand. This investment, which represents the increase in investments of La Doria S.p.A. at

December 31, 2014, refers to the acquisition completed on November 19, 2014 by the Parent Company. In fact the acquisition was concluded on that date by La Doria S.p.A. of the Company Pafial Srl and its subsidiaries. This latter in fact exercises direct control on 100% of Delfino S.p.A. which in turn exercises direct control, also 100%, on the Company Althea S.p.A.. In particular the Pafial group undertakes activities complementary to the La Doria Group concerning the production and marketing of red and white sauces and pesto.

In May 2014, La Doria S.p.A. indicated its interest in the acquisition of Pafial S.r.l. and, consequently of its subsidiaries Delfino S.p.A. and Althea S.p.A. After an initial "non-binding" first phase which saw the Company in competition with other potential acquirers (both private equity funds and competitors), La Doria entered the so-called "binding" exclusive negotiation phase with the sellers. For such purpose, with Board resolution of September 10, 2014, La Doria S.p.A. conferred to the Chief Executive Officer the powers to complete the above-mentioned operation, including the presentation of a binding offer at a base price of Euro 64 million - increased by Euro 2 million on the achievement by Pafial S.r.l. of targeted EBITDA results. With Board resolution of September 25, 2014, the subordinate condition of the offer price increase following the financial results of the Target was revoked and the Board of Directors of La Doria S.p.A. confirmed all the powers to the Chief Executive Officer.
The negotiations with the counterparty therefore continued and were successfully concluded.
On October 16, 2014, La Doria S.p.A. ("Buyer") and Messrs. Paolo Ricciulli, Maurizio Carotenuto, Bettina Ricciulli and Nicoletta Ricciulli ("Sellers") signed a sales/purchase contract for 100% of Pafial S.r.l. whose salient points are as follows:

I) The preliminary price was Euro 65,202,000: this was calculated by subtracting from the Enterprise Value (Euro 65,240,000), the preliminary net financial position (Euro 38,000)

II) The price was paid to the Sellers as follows:
   - Euro 58,681,800 on the transfer of the shares;
   - In relation to the residual Euro 6,520,000 these amounts were deposited in an escrow account on behalf of the buyer (which could easily monetised any indemnities due by the Sellers in the case of any contractual violations);

III) Within sixty days from the transfer of the shares, La Doria S.p.A. calculated the Net Financial Position and the Working Capital of Pafial S.r.l. These accounts permitted compliance with the price adjustment clause and, consequently, the calculation of the final price.

IV) The Sellers provided the Buyer with extensive declarations and guarantees in relation to the balance sheet of the Target (including, for example purposes, those relating to the financial statements, inventories, employees, absence of change in control clauses in the contracts with the principal clients, etc.). It derives that, in the event of differences between the positions represented in the contract and the actual positions, the Sellers must indemnify La Doria S.p.A..

The transfer of the shares of Pafial S.r.l. was completed on November 19, 2014 through notary act of Mr Aniello Calabrese of Pagani. On the same date the Shareholders' Meetings of the companies acquired accepted the resignations of the directors and statutory auditors; on indication of La Doria S.p.A. the new officers were appointed in replacement of the outgoing officers.
On February 19, 2015, with acceptance of all parties, the final acquisition price was fixed at Euro 64,689,000.

The financial statements of the Pafial Group at December 31, 2014, prepared in accordance with Italian GAAP, were approved by the Board of Directors on March 12, 2015. Net equity of the Group, based on the international accounting standards adopted by the Parent Company La Doria S.p.A., amounted to Euro 51,134 thousand, with a share capital of Euro 198 thousand and a profit for the year of Euro 4,393 thousand.

5. Other investments

The account principally refers to non-significant minority holdings, amounting to Euro 231 thousand, unchanged on the previous year. The account includes:

– Acciaio Consorzio, for Euro 0.5 thousand unchanged from the previous year; refers to a national consortium which, by law, was assigned 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, equal to 15.29% of the share capital;

– Fondazione della Comunità Salernitana, acquired in 2009 and recorded for Euro 3 thousand;

– CFV consortium, 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. Deferred tax assets

They amount to Euro 3,929 thousand and increased by Euro 722 thousand compared to December 31, 2013 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 31.12.2013	8,875	4,999
Utilisations 2014	(3,508)	(1,822)
Provisions 2014	5,434	3,010
Assessable at 31.12.2014	10,801	6,187
Average Rate	27,50%	4,97%
Total Group IRES - IRAP 31.12.2014	**2,971**	**307**
Statutory Group IRES - IRAP 31.12.2014	**3,279**	
Total IRES -IRAP (non current assets) IAS 31.12.2014	388	21
Total IRES IAS for 2014	241	
Total IRES and IRAP deferred tax asset at 31.12.2014	**3,929**	

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, 2013				December 31, 2014					
(Euro/000)	Amount of temporary differences IRES	Amount of tax asset IRES	Amount of temporary difference IRAP	Amount of tax asset IRAP	Amount of temporary differences IRES	Amount of tax asset IRES	Amount of temporary difference IRAP	Amount of tax asset IRAP	Amount recognised to P & L IRES and IRAP	Amount recognised to equity IRES and IRAP
IAS adjustments Parent company	1,075	296	432	21	1,414	389	417	21	92	-
IRS adjustments Parent company	728	200	-	-	877	241	-	-	-	41
Provision for doubtful debts	1,165	321	-	-	1,409	388	-	-	67	-
Exchange losses	84	23	-	-	204	56	-	-	33	-
Provisions for risks and charges	4,778	1,314	3,316	165	4,971	1,367	3,541	176	64	-
Tax for waste removal	101	28	-	-	112	31	-	-	3	-
ASL tax	2	-	-	-	4	1	-	-	-	-
Directors' remuneration	197	54	-	-	81	22	-	-	(32)	-
Employee bonus provision	865	238	-	-	1,373	378	-	-	140	-
Inventory write-down	1,500	413	1,500	75	2,500	688	2,500	124	325	-
Capital grants as per Law 488/64	53	15	54	3	49	14	49	2	(1)	-
Recovery taxes 2013	129	36	129	6	96	26	96	5	(11)	-
TOTAL	**10,677**	**2,937**	**5,431**	**270**	**13,092**	**3,600**	**6,604**	**329**	**681**	**41**

7. Other non-current assets

These amount to Euro 2,341 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 5,733 thousand against the future supply of tomato-based and vegetable products.

CURRENT ASSETS

8. Inventories

The account increased Euro 5,552 thousand compared to December 31, 2013, particularly due to the increase of semi-finished and 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 allocated in 2013. The composition of the inventory compared to the previous year is shown below:

Inventory (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Raw material, ancillary and consumables	19,645	22,035	(2,390)
Work-in-progress and semi-finished goods	13,801	13,332	469
Finished & semi-fin. prods.	107,527	96,232	11,295
Payments on account	17	2,868	(2,851)
Obsolescence provision	(2,500)	(1,500)	(1,000)
Diesel for motor vehicles	3	4	(1)
TOTAL	**138,493**	**132,971**	**5,522**

The changes in the obsolescence provision are as follows:

Obsolescence provision (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Opening balance	1,500	3,600	(2,100)
Utilisation for the year	(1,500)	(3,600)	2,100
Provision in the year	2,500	1,500	1,000
BALANCE AT 31.12.2014	**2,500**	**1,500**	**1,000**

At December 31, 2014 no inventory was subject to secured guarantees on loans received by the company.

9. Trade receivables

Trade receivables amounted to Euro 66,941 thousand, increasing Euro 4,643 thousand on December 31, 2013 and are reported net of the relative doubtful debt provision of Euro 1,274 thousand. This account includes receivables from subsidiaries amounting to Euro 25,970 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)	**31.12.14**	**31.12.13**	**Change**
Beginning balance	1,030	1,083	(53)
Utilisation for losses during the year	(256)	(103)	(153)
Provision in the year	500	50	450
Provision at 31.12.2014	**1,274**	**1,030**	**244**

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 2014. The doubtful debt provision in 2014 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 12,017 thousand, a decrease of Euro 901 thousand compared to December 31, 2013. The balance at December 31, 2014 principally includes:

– Employee receivables for Euro 396 thousand (in particular additional IRPEF matured in the year and which will be paid in instalments in subsequent years);

– Euro 4,062 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 767 thousand minor receivables of the Parent Company;

– Euro 6,792 thousand for Public Administration receivables, of which:

  • Euro 3,885 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 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 2,661 thousand for the recognition of the partial exemption for IRPEG tax for the years from 1993 through 1997, recorded in previous years. The Company is undertaking all necessary actions to obtain the residual tax receivables recognised, including interest matured at 31.12.2014 of Euro 982 thousand;
- Euro 122 thousand Other Receivables from the Public Administration following the Concession Decree relating to the Innovation Tender. This decree of June 6, 2014 provides against an investment programme admitted for Euro 1,632 thousand, a partial subvention reimbursement of Euro 1,224 thousand of which Euro 122 thousand as capital grants on plant and the remainder to be repaid in 14 half-yearly instalments;
- Euro 124 thousand receivables for reimbursements due from the customs authorities;

11. Tax receivables

The account amounts to Euro 3,995 thousand and increased by Euro 785 thousand compared to December 31, 2013 and includes:

– VAT receivable at December 31, 2014 of Euro 1,347 thousand;

– Tax receivables of Euro 2,648 thousand, of which Euro 957 thousand for provisional payments made against disputed assessments for the years 2005, 2006 and 2007 not yet definitive, Euro 1,395 thousand for the IRES reimbursement relating to the recovery of the IRAP deductibility on personnel costs for the years 2008-2012 and Euro 297 thousand relating to tax credits matured pursuant to Legislative Decree 91 of 2014 (development decree).

12. Other financial assets

The account amounts to Euro 4,338 thousand and refers for Euro 3,236 thousand to the fair value of the currency hedging operations to offset the exchange rate risk beyond December 31, 2014 and for Euro 1,102 thousand the financial receivables from Mise in relation to the Innovation Tender following the Concession Decree No. 1949 of June 6, 2014.

13. Cash and cash equivalents

The account amounts to Euro 20,762 thousand, a decrease of Euro 1,311 thousand compared to December 31, 2013 and relates to the temporary surplus of liquidity held in bank current accounts in Euro and foreign currencies (Euro 20,759 thousand) and cash (Euro 3 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, 2014 amounts to Euro 42,242 thousand, divided into 30,610,491 ordinary shares of a nominal value of Euro 1.38 each. The share capital in 2014 recorded a net increase of Euro 1,657 thousand following the acquisition of 317,698 treasury shares at an average price of Euro 5.83 for a total payment of Euro 1,853 thousand and the sale of 1,518,500 shares at an average price of Euro 6.15. At December 31, 2014, the treasury shares in portfolio numbered 389,509 and were recorded as a reduction in the share capital.

15. Reserves and retained earnings

These total Euro 69,693 thousand, an increase of Euro 14,149 thousand compared to December 31, 2013.

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.

16. Profit for the year

This amounts to Euro 21,822 thousand, an increase of Euro 9,566 thousand compared to 2013.

Equity

The account amounts to Euro 133,757 thousand, a total increase of Euro 25,372 thousand.

The following information is provided in accordance with IAS 1, as amended by the 2010 improvements:

– dividends were distributed in 2014 to shareholders relating to the year 2013 of Euro 3,720 thousand in accordance with the Shareholders' Meeting motion of June 19, 2014;

– the change in the IAS 39 Reserve (other comprehensive income statement items) for Euro 108 thousand includes the amounts relating to profits and losses on "cash flow hedge" instruments.

NON-CURRENT LIABILITIES

17. Financial payables

This account amounts to Euro 93,910 thousand, an increase of Euro 43,221 thousand compared to December 31, 2013 and constitutes the part due beyond December 31, 2015 of medium/long-term loans. During the year 2014 unsecured loans were received of Euro 71,000 thousand.

(Euro/000)	**31.12.14**	**31.12.13**	**Change**
Long-term	93,910	50,689	43,221
TOTAL	**93,910**	**50,689**	**43,221**

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

– Euro 2,250 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on February 11, 2014 from Banco Popolare S.p.A. for a total amount of Euro 3 million, repayable in 8 half-yearly instalments, the first of which due on June 15, 2015 and the last due on December 15, 2018. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.85%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 750 thousand.

– Euro 7,160 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on April 15, 2014 from Unicredit S.p.A. for Euro 10 million, repayable in 20 quarterly instalments, with the first instalment due on July 31, 2014 and the last on April 30, 2019. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants.

These covenants were complied with at December 31, 2014. This loan is hedged 100% by an Interest Rate Swap which converts the variable rate into a fixed rate at 0.67%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 1,908 thousand.

– Euro 10,000 thousand in instalments due beyond December 31, 2015 for the new loan from Mediobanca. The loan was signed on July 11, 2014 and has a maximum duration of three years. Euro 2 million was drawn down on July 18, 2014 and Euro 8 million drawn down on September 18, 2014 for a total value of Euro 10 million. The contract provides for the repayment of Euro 1 million on July 11, 2016 and Euro 9 million on July 11, 2017. The loan provides for financial covenants calculated on the half-year and annual consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at June 30, 2014 and at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities.

– Euro 2,095 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on July 25, 2014 from Banca Carine for Euro 3 million, repayable in 16 quarterly instalments, with the first instalment due on October 25, 2014 and the last on July 25, 2018. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 727 thousand.

– Euro 3,438 thousand for instalments due beyond December 31, 2015 relating to the new loan drawn down on August 8, 2014 from Banca Nazionale del Lavoro for Euro 5 million, repayable in 16 quarterly instalments, with the first instalment due on November 8, 2014 and the last on August 8, 2018. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 1,250 thousand.

- Euro 40 million for instalments due beyond December 31, 2015 relating to new loans drawn down on December 23, 2014 from the banking syndicate of Banco Napoli and Unicredit for a total amount of Euro 40 million. The loan, partially drawn down for the acquisition of the Pafial Group, is repayable in 11 half-yearly instalments with the first repayment due on December 31, 2016 and final repayment due on December 31, 2021. The loan provides for financial covenants calculated on the half-year and annual consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. Banca Imi, as agent of the syndicate, has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were all complied with at December 31, 2014. The loan, on January 8, 2015, was hedged 100% by two Interest Rate Swaps which converts the variable rate into a fixed rate at 0.545%. The contracts were completed with the two institutions Banco Napoli and Unicredit for their respective shares. There are no instalments due by December 31, 2015, recorded under current liabilities.

- Euro 7,736 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 29, 2013 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, recorded under current liabilities, amount to Euro 2,873 thousand.

- Euro 1,405 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 29, 2013 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 2,722 thousand.

– Euro 2,185 thousand for instalments due beyond December 31, 2015 relating to the new loan provided with value date of August 1, 2013 by Banca della Campania for a total amount of Euro 3,500 thousand, 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, 2015, recorded under current liabilities, amount to Euro 671 thousand.

– Euro 3,000 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on September 12, 2013 from Mediocredito Italiano for Euro 5 million, repayable in 10 half-yearly 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, recorded under current liabilities, amount to Euro 1,000 thousand.

– Euro 1,249 thousand for instalments due beyond December 31, 2015 relating to the 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, 2015, recorded under current liabilities, amount to Euro 383 thousand.

– Euro 5,533 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on December 20, 2013 from ICCREA BancaImpresa S.p.A. as a syndicated 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. 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, 2015, included in current liabilities, amount to Euro 1,844 thousand.

– Euro 3,124 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on December 14, 2012 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014.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, 2015, recorded under current liabilities, amount to Euro 957 thousand.

– Euro 2,450 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on July 12, 2011 from 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. The loan provides for financial covenants calculated on the consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014.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, 2015, included in current liabilities, amount to Euro 1,400 thousand.

– Euro 485 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on August 8, 2011 from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014. Instalments due by December 31, 2015, recorded under current liabilities, amount to Euro 627 thousand.

– Euro 1,800 thousand for instalments due beyond December 31, 2015 relating to the loan drawn down on November 30, 2011 of Euro 9 million from 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 consolidated financial statements of the La Doria Group. These covenants are based on the net debt/EBITDA ratio and on the net debt/consolidated equity ratio. The institute has the right to invoke non-commitment to the time period and resolve the loan contract only in the event of the simultaneous non-compliance with both of the above-mentioned financial covenants. These covenants were complied with at December 31, 2014.This loan is fully hedged by an Interest Rate Swap which converts the variable rate into a fixed rate at 1.46%. Instalments due by December 31, 2015, included in current liabilities, amount to Euro 1,800 thousand.

18. Other non-current liabilities

They amount to Euro 9,796 thousand, a decrease compared to December 31, 2013 of Euro 749 thousand and refer, for the part over 12 months, to the portion of the grants on plant relating to future periods of the Company.

19. Post-employment benefit and pension provision

The employee leaving indemnity provision amounts to Euro 4,012 thousand, an increase of Euro 41 thousand compared to December 31, 2013. The 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 losses of Euro 109 and the classification under financial income/charges of the interest cost component of Euro 81 thousand.
The movements in the year are shown below:

Provision post-employment benefits (Euro/000)	**31.12.14**
Balance at 1.01.2014	3,971
Utilisations for departures	(278)
of which transferred to INPS	115
Provisions at 31.12.2014	805
of which transferred to INPS	(670)
Deductions at 31.12.2014	(90)
of which transferred to INPS	5
Discounting provision	190
TOTAL	**4,048**
Utilisation for advances	(36)
BALANCE AT 31.12.2014	**4,012**

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 31.12.14	AT 31.12.13
Discount rate	EUR Composit AA curve	EUR Composit A curve
Rate of inflation	1.50%	1.50%
% of advances requested	100%	100%

20. Deferred tax liabilities

The amount recorded of Euro 8,294 thousand has decreased by Euro 52 thousand compared to December 31, 2013 and relates to the deferment of income taxes.

Deferred tax liabilities (Euro/000)	**IRES**	**IRAP**
Assessable at 31.12.2013	332	124
Utilisations 2014	(301)	(95)
Provisions 2014	487	233
Assessable at 31.12.2014	518	252
Rate	27.50%	4.97%
Total IRES - IRAP Group statutory 2014	**142**	**13**
Deferred tax liability from IAS reversal at 31.12.2014	8,139	
Total IRES and IRAP deferred tax liability at 31.12.2014	**8,294**	

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, 2013				December 31, 2014				
(Euro/000)	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary difference IRAP	Amount of tax liability IRAP	Amount of temporary differences IRES	Amount of tax liability IRES	Amount of temporary difference IRAP	Amount of tax liability IRAP	Amount Recog. to P&L IRES and IRAP
IAS adjustments	27,795	7,644	12,171	605	27,445	7,547	11,897	591	(110)
Non-realised exchange gains	208	57	-	-	264	73	-	-	-
Capital grants	37	10	37	2	34	9	34	2	(1)
Tax recoveries 2013	87	24	87	4	218	60	218	11	43
TOTAL	**28,127**	**7,735**	**12,295**	**611**	**27,961**	**7,690**	**12,149**	**604**	**(68)**

21. Provisions for risks and charges

The provision at December 31, 2014 amounts to Euro 8,062 thousand, an increase of Euro 597 thousand compared to December 31, 2013. The account principally includes:

- Other risk provisions, which covers the risks related to civil disputes in course for Euro 6,543 thousand; the change in the year is principally due to the utilisation for Euro 733 thousand for the finalisation of disputes with employees and disputes of a tax nature, while the provision in 2014 of Euro 814 thousand includes provisions made against disputes with employees and disputes of a civil and tax nature.
- Employee bonus provision of Euro 1,374 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 2014 to be paid in the following year.
- Agent severance indemnity provision. This provision amounts to Euro 145 thousand, increasing Euro 7 thousand compared to December 31, 2013.

The movements in the year are shown below:

(Euro/000)	Other risks	Employee bonus	Agents	TOTAL
Beginning balance	6,462	865	138	7,465
Utilisation for losses	(733)	(865)	(2)	(1,600)
Provision for the year	814	1,374	9	2,197
PROVISION AT 31.12.14	**6,543**	**1,374**	**145**	**8,062**

CURRENT LIABILITIES

22. Financial payables

These amount to Euro 80,650 thousand, an increase of Euro 2,331 thousand compared to December 31, 2013. The breakdown is as follows:

- Euro 33,350 thousand for advances on foreign invoices in Euro;
- Euro 7,500 thousand for advances on supplier payments and hot money;
- Euro 6,246 thousand for advances on imports;

– Euro 26,356 thousand for the portion due within 12 months of the medium/long-term loans;
– Euro 48 thousand relating to bank overdrafts;
– Euro 325 thousand for interest on short-term bank payables;
– Euro 877 thousand relating to the fair value of the IRS operations at December 31, 2014;
– Euro 2,095 thousand relating to the negative fair value of the foreign currency forward and options contracts;
– Euro 1,102 thousand relating to the payable for the subvention reimbursement recognised by Mise within the Innovative Tender (Internal Register No. 0001949 of 06/06/14);
– Euro 2,751 thousand for reverse factoring with maturity.

The notional values and the fair values at December 31, 2014 on interest rate hedge contracts which generated the payable of Euro 877 thousand in the accounts, are shown below (at December 31, 2013 – Euro 728 thousand):

(Euro/000)	Notional	Fair Value 31.12.2014	Fair Value 31.12.2013
AKROS	10.609	(152)	0
AKROS	0	0	(2)
MPS	0	0	(29)
AKROS	0	0	(48)
AKROS	2.856	(47)	(18)
BANCO DI NAPOLI	4.000	(77)	(43)
UNICREDIT	4.082	(51)	9
UNICREDIT	9.068	(120)	0
BANCO POPOLARE	3.000	(43)	0
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
INTESA SAN PAOLO	0	0	(6)
DEUTSCHE	4.889	(58)	(179)
UNICREDIT	1.000	(12)	(36)
AKROS	7.378	(105)	0
BANCO NAPOLI	1.555	(27)	(79)
UNICREDIT	3.850	(131)	(194)
CARIPARMA	3.600	(55)	(83)
TOTALE	**55.886**	**(877)**	**(728)**

23. Trade payables

They amount to Euro 75,107 thousand, a decrease of Euro 419 thousand compared to December 31, 2013 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 19,202 thousand.

24. Tax payables

The account amounts to Euro 7,784 thousand and increased by Euro 5,529 thousand compared to December 31, 2013. The account comprises:

- Euro 4,871 thousand relating to IRES payables for the year (Euro 8,840 thousand) net of payments on account in 2014 (Euro 3,896 thousand) and withholding taxes on bank interest (Euro 73 thousand);
- Euro 892 thousand relating to IRAP payables for the year (Euro 2,853 thousand) net of payments on account in 2014 (Euro 1,961 thousand);
- Euro 1,135 thousand of Tax payables, relating for Euro 712 thousand to withholdings by the Company for substitute taxes, paid in January and February 2015, for Euro 394 to additional regional and municipal taxes to be paid in 2015, for Euro 26 thousand to withholding taxes on salaries and consultants fees and Euro 3 thousand for withholding taxes on the revaluation of Post-Employment Benefits;
- Euro 886 thousand relating to Public Administration payables for local taxes.

25. Other current liabilities

These amount to Euro 7,118 thousand and decreased by Euro 2,301 thousand compared to 31/12/2009. They principally include:

- payments on account by clients for Euro 49 thousand;
- payables to social security institutions of Euro 677 thousand;
- Payables to employees not yet paid at December 31, 2014 for Euro 4,725 thousand, of which Euro 1,180 thousand for salaries and wages for the month of December 2014, Euro 2,376 thousand for vacation days matured at December 31, 2014 and Euro 1,163 thousand for the provision for fourteenth month matured in 2014;

- other charges to receive Euro 224 thousand;
- Euro 317 thousand for insurance payables for insurance indemnities to be paid;
- minor payables of Euro 222 thousand;
- current portion of the grants on plant relating to future periods of Euro 903 thousand;

Commitments and guarantees

These total Euro 44,141 thousand and relate to:

- Euro 17,830 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 6,483 thousand for the amount at December 31, 2014 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 2,400 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 4,514 thousand for guarantees on La Doria S.p.A. receivables from the public administration;
- Euro 5,758 thousand for the guarantees provided by leading insurance companies on November 16, 2012, February 27, 2013 and October 24, 2014 under that required by the Regulatory Agreement signed with the Campania Region;
- Euro 1,600 thousand for sureties on payments terms from suppliers;
- Euro 711 thousand for guarantees provided for tenders and sales contracts
- Euro 345 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

2014 revenues by production line are detailed below (in Euro):

TURNOVER LA DORIA S.P.A. BY PRODUCT LINE

(Euro/000) Product line	2014 Net of year end discounts	2013 Net of year end discounts	Change total
Total red line	140,688	135,516	5,172
Total fruit line	61,394	61,638	(244)
Total legumes line	137,448	126,730	10,718
Total other lines	5,872	3,501	2,371
Total revenues	**345,402**	**327,385**	**18,017**

The principal client was the English subsidiary LDH (La Doria) Ltd accounting for 28% of revenues.

26. Revenues

Revenues from sales and services amount to Euro 345,402 thousand, an increase of Euro 18,017 thousand compared to 2013.

Revenues from sales	31.12.14	31.12.13	Change
Italy	133,984	133,184	800
Overseas	213,299	196,398	16,901
Loyalty discount provision	(1,881)	(2,197)	316
TOTAL	**345,402**	**327,385**	**18,017**

27. Other operating revenues

Other operating revenues amount to Euro 10,355 thousand, decreasing Euro 2,163 thousand compared to 2013 and comprise:

- Other income of Euro 2,407 thousand, an increase of Euro 293 thousand on 2013; this refers to prior year income of Euro 1,168 thousand, damage claims of Euro 1,238 thousand and discounts of Euro 1 thousand;
- Revenues and other income of Euro 7,743 thousand, essentially concerning the release from the inventory obsolescence provision of Euro 1,500 thousand, for Euro 1,489 thousand the sale of raw material and packaging materials, for Euro 723 thousand the sale of scrap and recovery materials, for Euro 668 thousand the share of investment contracts for the year and miscellaneous income of Euro 1.393 thousand. The account decreased by Euro 2,467 thousand on the previous year.
- Revenues for Euro 205 thousand concerning internal cost capitalisations.

28. Change in inventories

The net change in inventories at December 31, 2014 was Euro 6,874 thousand and was broken down as follows:

(Euro/000)	31.12.14	31.12.13	Change
Finished, semi-fin. and inter. products			
Semi-processed products	469	1,058	(589)
Finished & semi-fin. prods.	11,296	(12,429)	23,725
Inventory obsolescence provision	(2,500)	(1,500)	(1,000)
TOTAL	**9,265**	**(12,871)**	**22,136**
Raw material, ancillary and consumables			
Raw materials	1,326	(4,701)	6,027
Packaging	963	(567)	1,530
Other supplies	102	(38)	140
TOTAL	**2,391**	**(5,306)**	**7,697**
CHANGE	**6,874**	**(7,565)**	**14,439**

29. Purchase of raw materials and goods

Raw materials and costs total Euro 225,672 thousand, an increase of Euro 9,216 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)	31.12.14	31.12.13	Change
Raw materials	107,636	100,532	7,104
Semi-processed products	17,988	17,355	633
Finished & semi-finished products	19,933	17,395	2,538
Packaging	60,067	57,714	2,353
Energy consumption	4,991	5,147	(156)
Maintenance & repair charges	3,414	3,272	142
Ancillary materials	14,212	18,057	(3,845)
TOTAL	**228,241**	**219,472**	**8,769**
Discounts on materials	(2,569)	(3,016)	447
TOTAL	**225,672**	**216,456**	**9,216**

30. Services

These total Euro 54,401 thousand, an increase of Euro 3,805 thousand compared to the previous year. The aggregate of the service costs amount to Euro 52,699 thousand and the rental, lease and similar amount to Euro 1,702 thousand. The breakdown is shown below:

Production costs services (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Maintenance and repair charges	2,799	2,106	691
Outside contracters	3,558	2,922	636
Travel expenses	116	94	22
Employee transfers	125	130	(5)
Entertaining expenses	240	43	197
Internal transport	1,902	1,620	282
Tolls	44	41	3
Commissions and relative charges	643	768	(125)
Transport	22,799	22,289	510
Professional fees	1,735	842	893
Directors and statutory auditors	580	669	(89)
Audit fees	105	84	21
Telephone and fax	149	162	(13)
Postage	5	6	(1)
Insurance	1,037	1,115	(78)
Membership fees	89	77	12
Commercial costs	8,214	7,199	1,015
Cleaning on industrial structures	1,146	1,021	125
Electricity	4,751	4,961	(210)
Water consumption	20	25	(5)
Water purification	128	130	(2)
Water disposal	220	399	(179)
Warehousing	616	601	15
Loading and unloading	1,561	1,483	78
Software maintanance	128	119	9
TOTAL	**52,710**	**48,906**	**3,804**
Discounts on purchases	(11)	(11)	0
TOTAL	**52,699**	**48,895**	**3,804**

In 2014, 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 2013 on which PricewaterhouseCoopers Sp.A. issued its opinion on July 31, 2014.

Cost of production rents, leases and similar costs (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Buildings	230	226	4
Machine and plant	477	557	(80)
EDP license	76	68	8
Lift trucks	408	411	(3)
EDP	65	74	(9)
Pallets	111	54	57
Auto-vehicles	263	251	12
Garments	63	63	0
Crates	12	0	12
Premium and discounts	(3)	(3)	0
TOTAL	**1,702**	**1,701**	**1**

31. Labour costs

Total labour costs for the year amount to Euro 32,314 thousand, an increase of Euro 1,787 thousand on the previous year. The breakdown of the account is as follows:

Cost of production Salaries & wages (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Executives	2,298	2,124	174
White collar	6,572	6,425	147
Foremen	34	34	0
Blue collar	7,247	6,752	495
Seasonal staff	5,612	5,523	89
Self employed associates	131	78	53
TOTAL	**21,894**	**20,936**	**958**

Cost of production social security contr. (Euro/000)	**31.12.14**	**31.12.13**	**Change**
Executives	758	704	54
White collar	1,935	1,919	16
Foremen	12	12	0
Blue collar	2,280	2,170	110
Seasonal staff	1,976	1,945	31
Self employed associates	24	12	12
TOTAL	**6,985**	**6,762**	**223**

Cost of production **post-employment benefits** (Euro/000)	31.12.14	31.12.13	Change
Executives	216	164	52
White collar	496	481	15
Foremen	3	3	0
Blue collar	483	462	21
Seasonal staff	308	324	(16)
TOTAL	**1,506**	**1,434**	**72**

Cost of production **other costs** (Euro/000)	31.12.14	31.12.13	Change
Donations	5	5	0
Trainee remuneration	71	70	1
Trainee expenses	0	16	(16)
Employee bonuses	1,374	865	509
Life assurance	9	9	0
Temporary personnel	158	142	16
Incentives departure	273	272	1
INPS redundancy	22	7	15
Travel and transfer	17	9	8
TOTAL	**1,929**	**1,395**	**534**

The other labour costs amount to Euro 1,929 thousand, an increase compared to 2013 of Euro 534 thousand, principally relating to employees incentives of Euro 1,374 thousand and part-time workers of Euro 158 thousand.

At December 31, 2014, the breakdown of the workforce was as follows:

Work force	31.12.14	31.12.13	Change
Executives/White-collar	185	175	10
Foremen/Blue-collar	272	219	53
Seasonal, temporary and self-employed	9	43	(34)
TOTAL	**466**	**437**	**29**

32. Other operating costs

The account amounts to Euro 6,929 thousand, a decrease of Euro 377 thousand on the previous year. The account includes other operating charges of Euro 5,715 thousand and non-recurring operating charges of Euro 1,214 thousand. The principal components are shown below:

Costs of production **other charges** (Euro/000)	31.12.14	31.12.13	Change
Sundry consumables and smalltools	2,687	2,864	(177)
Various services	1,732	1,719	13
Taxes	931	887	44
Losses	364	952	(588)
TOTAL	**5,714**	**6,422**	**(708)**

Extraordinary income and charges **Extraordinary charges** (Euro/000)	31.12.14	31.12.13	Change
Prior year costs	151	201	(50)
Non-recurring costs	3	4	(1)
Other prior year items	542	142	400
Prior year revenues - italy	11	8	3
Prior years revenues foreign	32	1	31
Losses on asset disposals	7	1	6
Penalties and fines	92	9	83
Rebates	1	1	0
Contract penalties	31	12	19
Damage compensation	343	506	(163)
TOTAL	**1,213**	**885**	**328**

33. Amortisation, depreciation, write-downs and provisions

The account amounts to Euro 10,225 thousand, a decrease of Euro 480 thousand compared to the previous year. The account includes:

Amortisation, depreciation and write-downs (Euro/000)	31.12.14	31.12.13	Change
Amortisation of intangible assets	340	191	149
Depreciation of tangible assets	8,571	8,427	144
Write-downs included in current assets	500	76	424
Provision for risks	814	2,011	(1,197)
TOTAL	**10,225**	**10,705**	**(480)**

34. Financial income

These total Euro 5,746 thousand and relate to:

- Euro 336 thousand of interest on temporary liquidity on current accounts and on interest from receivables due from the State;
- Euro 5,410 thousand for income deriving from currency gains and swap and derivative operations in 2014.

35. Financial charges

These amount to Euro 8,555 thousand and include:

- charges relating to medium/long-term and short-term payables for Euro 4,416 thousand;
- exchange losses on swap and derivative operations during 2014 of Euro 3,683 thousand;
- financial charges of Euro 375 thousand deriving from commercial operations in 2014;
- financial charges concerning the Interest Cost component under IAS 19 Revised "Employee benefits" for Euro 81 thousand.

36. Dividends

During 2014, dividends were received relating to the year 2013 for a total amount of Euro 2,694 thousand from the subsidiary LDH (La Doria) Ltd, with an increase of Euro 173 thousand on the dividend received in the previous year and relating to the same subsidiary.

37. Income taxes

These total Euro 11,153 thousand (Euro 4,317 thousand in 2013). The account includes current income taxes of Euro 11,693 thousand, deferred income tax of Euro 681 thousand, deferred tax charge of Euro 52 thousand and prior year taxes of Euro 194 thousand.

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		**32,975**	**9,068**	**27.5%**	
Values not recorded fiscally for the application of the IFRS					
Inventories change	27				
Other accrued revenues	(12)				
Amortisation and Depreciation	(3)				
Discounting post-employment benefit provision	81				
Capitalisation of deferred charges	485				
Total		**578**	**159**		
Exchange gains/losses not realised including reversal in previous year	64				
Total		**64**	**18**		
Temporary difference assessable in future years					
Bad debt provision	500				
Obsolescence provision	2,500				
Employee bonus provision	1,373				
Provisions for other risks	814				
Others	134				
Total		**5,321**	**1,463**		

Description (IRES) (Euro/000)		**Assessable**	**income tax**	**Theoretical charge**	**Effective charge**
Reversal of prior year temporary differences					
Use of inventory provision	(1,500)				
Utilisation of provision for other risks	(373)				
Utilisation of employee bonus provision and mobility	(865)				
Others	(1,077)				
Total decrease		**(3,815)**	**(1,049)**		
Differences not reversing in future years					
Non-deductible costs	1,437				
Purchase of goods and services black list countries	39				
Total increase		**1,476**	**406**		
Differences not reversing in future years					
Dividends	(2,559)				
Others	(1,050)				
Total decrease		**(3,609)**	**(992)**		
Assessable income		**32,990**	**9,072**		
Recovery of fiscal losses	-	-	-		
Not assessable Monti Law	844	(844)	(232)		
Assessable income		**32,146**	**8,840**		**26.8%**

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		**31,897**			
Costs not recorded for IRAP					
Labour costs	31,883				
Services as per Art. 49 (temporary services)	6				
Total increases		**31,889**			
Total		**63,786**			
Theoretical charge			3,155	4.95%	
Temporary differences assessable in future years					
Obsolescence provision	2,500				
Risk provision	814				
Others	9				
Total increases		**3,323**			
Reversal of prior years' temporary differences					
Use of inventory provision	(1,500)				
Write-down prior years, disposal 2012	(9)				
Total decreases		**(1,509)**			
Differences not reversing in future years					
INAIL contributions	(539)				
Deduction cost categories protected	(1,471)				
Tax amnesty	(3,574)				
CTR deductions	(4,598)				
Deductible costs not included in production value	(994)				
Revenues not related to value of production	(310)				
Total decreases		**(11,486)**			
Differences not reversing in future years					
Assessable revenues not included in value of production	1,927				
Costs not deductible	1,603				
Total increases		**3,530**			
IRAP assessable		**57,644**			
IRAP current year			**2,853**		**4.47%**

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 2013 and 2014 are reported below:

Yeaar 2013

(Euro/000) 31.12.2013	Trade receivables	Other current assets	Other non-current assets	Trade payables	Guarantees
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%

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 December 31, 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%	-	-	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: 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: for the sale of finished, semi-finished and intermediate products of Euro 3,605 thousand;

Other operating revenues: Raw material and packaging revenues for 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 for Euro 3 thousand.

Year 2014

(Euro/000) 31.12.2014	Trade receivables	Other current assets	Other non-current assets	Trade payables	Guarantees	Commit.
Balance sheet						
Subsidiaries						
Delfino S.p.A.	-	-	-	24	-	-
Eugea Mediterranea S.p.A.	7,888	-	-	19,795	17,830	-
LDH (La Doria) Ltd.	18,082	3,464	2,269	83	6,484	-
TOTAL	**25,970**	**3,464**	**2,269**	**19,902**	**24,314**	**-**
% on total balance	39%	29%	97%	26%	55%	0%

LDH (La Doria) Ltd.

Trade receivables: Receivables from the subsidiary LDH (La Doria) Ltd for Euro 18,082 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 83 thousand, of a commercial nature;

Guarantees: Euro 6,484 thousand for the equivalent amount at December 31, 2014 of guarantees given on behalf of banks for loans made to the subsidiary LDH (La Doria) Ltd.;

Eugea Mediterranea S.p.A.

Trade receivables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 7,888 thousand, of a commercial nature;

Trade payables: Payables to the subsidiary Eugea Mediterranea S.p.A. for Euro 19,795 thousand of which Euro 18,508 thousand of a commercial nature and Euro 1,287 thousand relating to the transfer of intercompany VAT;

Guarantees: Euro 17,830 thousand for guarantees and comfort letters on the short-term and medium/long-term loans provided to the subsidiary Eugea Mediterranea S.p.A.;

Delfino S.pA.

Trade payables: Payables to the subsidiary Delfino S.p.A. for Euro 24 thousand of a commercial nature;

(Euro/000) 31.12.2014	Revenues	Other operating revenues	Costs	Other operating costs	Financial income	Financial charges	dividends
P&L transactions							
Subsidiaries							
Eugea Mediterranea S.p.A.	5,881	446	24,218	4	-	-	-
LDH (La Doria) Ldt.	96,553	75	-	4,909	-	-	2,694
TOTAL	**102,434**	**521**	**24,218**	**4,955**	**-**	**-**	**2,694**
% on total balance	30%	5%	11%	8%	0%	0%	100%

LDH (La Doria) Ltd.

Revenues: Revenues for the sale of finished products of Euro 96,553 thousand;

Other operating revenues: Recharges for damage and recovery of expenses of Euro 75 thousand;

Other operating charges: Service costs and damage reimbursements for Euro 4,909 thousand, of which Euro 4,799 thousand relating to promotional contributions;

Dividends: distributed by the subsidiary Ldh (La Doria) Ltd., in relation to the year 2013 for Euro 2,699 thousand.

Eugea Mediterranea S.p.A.

Revenues: for the sale of finished, semi-finished and intermediate products of Euro 5,881 thousand;

Other operating revenues: Raw material and packaging revenues for Euro 446 thousand, services of Euro 130 thousand and various recharges of Euro 216 thousand;

Costs: Costs for purchase of finished, semi-finished and intermediate products of Euro 24,218 thousand;

Other operating charges: Packaging costs for Euro 46 thousand.

Transactions with other related parties

Year 2013

(Euro/000) 31.12.2013	Trade receivables	Other current assets	Other non-curren assets	Trade payables	Other current payables	Other non-current payables
Balance sheet						
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 transactions 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 costs	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 the year.

Dividends: In 2013 related party shareholders matured dividends of Euro 1,316 thousand on the 2012 net profit.

Year 2014

(Euro/000) 31.12.2014	Trade receivables	Other current assets	Other non-current assets	Trade payables	Other current liabilities	Other non-current
Year-end balance						
Receivables from customers	134	-	-	-	-	-
Payables to suppliers	-	-	-	2	-	-
Directors	-	-	-	-	561	-
Shareholders	-	-	-	-	-	-
TOTAL	**134**	**0**	**0**	**2**	**561**	**0**

Trade receivables: Refers to receivables from clients considered as other related parties for Euro 134 thousand for transactions of a commercial nature:

Trade payables: Concerns payables to suppliers for services of Euro 2 thousand;

Other current liabilities: Concerns payables to Directors for Euro 561 thousand and remuneration, salary and bonuses matured in the year and still not paid.

(Euro/000) 31.12.2014	Revenues	Other operating revenues	Costs	Other operating charges	Dividends
P&L transactions					
Revenues	385	-	-	-	-
Costs	-	-	12	-	-
Directors	-	-	-	1,475	-
Shareholders	-	-	-	-	2,631
TOTAL	**385**	**0**	**12**	**1,475**	**2,631**

Revenues: Concerns revenues deriving from the sale of finished products and amounts to Euro 385 thousand;

Costs: Concerns costs for the acquisition of services for Euro 12 thousand;

Other operating charges: These amount to Euro 1,475 thousand and entirely refer to remuneration, salaries and bonuses matured by the Directors in the year;

Dividends: In 2014 related party shareholders matured dividends of Euro 1,631 thousand on the 2013 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 F.

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 E, prepared pursuant to Article 149 duodecies of the CONSOB Issuer's Regulations, reports the payments made in 2014 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, 2014 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)

		31.12.2014	31.12.2013
A.	Cash	3	2
B.	Other cash and cash equivalents (Bank and postal deposits)	20.759	22,071
C.	Securities held for trading	-	-
D.	**Liquidity (A+B+C)**	**20.762**	**22,073**
E.	**Current Financial Receivables**	**4.338**	**-**
F.	Current bank payables	48.346	45,568
G.	Current portion of non-current debt	26.356	23,761
H.	Other current fin. payables	5.948	8,990
I.	**Current debt (F+G+H)**	**80.650**	**78,319**
J.	**Current net debt (+I-E-D)**	**55.550**	**56,246**
K.	Bank payables – non-current portion	93.910	50,689
L.	Bonds issued	-	-
M.	Other non-current liabilities	-	-
N.	**Non-current debt (+K+L+M)**	**93.910**	**50,689**
O.	**Net debt (+J+N)**	**149.460**	**106,935**

TABLE A
INTANGIBLE ASSETS AT 31.12.14

(Euro/000)

CATEGORY	Historical cost	Acc. amort.	Decreases Amort. 31.12.14	Invest. 31.12.14	Divest. 31.12.14	Reclass. 31.12.14	Net total
Software costs	5,170	4,766	327	418	-	329	824
Other deferred charges*	-	-	13	120	-	8	114
Brands	44	44				-	-
Assets in progress	345			321	-	(329)	81
TOTAL	**5,559**	**4,810**	**340**	**602**	**0**	**8**	**1,019**

* Reclassification from property, plant & equipment in 2013 to intangible assets in 2014 for correct allocation.

TABLE B
TANGIBLE ASSETS AT 31.12.14

(Euro/000)

CATEGORY	Depre. rate	Hist. cost at 1.1.14	Reval. pr. years	Depr. pr. years at 1.1.13	Decreases Divest provision at 31.12.14	Depr. at 31.12.14	Invest. at 31.12.14	Divest. at 31.12.14	Reclass. at 31.12.14 **	Net total
Land		18,820	-	-	-	-	-	-	-	18,820
Ind. buildings/light construction	*	61,382	-	14,345	-	1,567	1,399	-	29	46,898
Plant and machinery	7.50%-14%	131,057	1,454	106,101	754	6,461	4,877	813	671	25,438
Minor equipment	20%	6,331	194	5,820	167	266	152	167	19	610
EDP	20%	2,596	-	1,917	-	219	124	-	-	584
Internal transport	20%	937	23	880	11	29	18	11	-	69
Motor vehicles	25%	41	-	41	-	-	-	-	-	0
Furniture & other equipment	7.50%-12%	807	12	640	-	29	47	-	-	197
Assets in progress	0%	1,322	-	-	-	-	6,473	-	(727)	7,068
TOTAL		**223,293**	**1,683**	**129,744**	**932**	**8,571**	**13,090**	**991**	**(8)**	**99,684**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

** RECLASSIFICATION FROM PROPERTY, PLANT & EQUIPMENT IN 2013 TO INTANGIBLE ASSETS IN 2014 FOR CORRECT ALLOCATION.

TABLE B1

TANGIBLE ASSETS AT 31.12.14

(Euro/000)

CATEGORY	Depr. rate	Cost at 1.1.14	Increases at 31.12.14	Reclass. at 31.12.14	Decreases at 31.12.14	Cost at 31.12.14
Land		18.820	-	-	-	18.820
Industrial buildings	*	61.382	1.399	29	-	62.810
Plant and machinery	7.50%-14%	132.510	4.877	671	813	137.245
Minor equipment	20%	6.525	152	19	167	6.529
EDP	20%	2.596	124	-	-	2.720
Internal transport	20%	963	18	-	11	970
Motor vehicles	25%	41	-	-	-	41
Furniture & other equipment	7.50%-12%	818	47	-	-	865
Assets in progress	0%	1.322	6.473	(727)	-	7.068
TOTAL		**224.977**	**13.090**	**(8)**	**991**	**237.068**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE B2
ACCUMULATES DEPRECIATION AT 31.12.14

(Euro/000)

CATEGORY	Depr. rate	Accum. depr. at 1.1.14	Ordinary depr. at 31.12.14	Utilis. at 31.12.14	Accum. depr. at 31.12.14
Land		-	-	-	0
Industrial buildings	*	14,345	1,567	-	15,912
Plant and machinery	7.50%-14%	106,101	6,461	754	111,808
Minor equipment	20%	5,820	266	167	5,919
EDP	20%	1,917	219	-	2,136
Internal transport	20%	884	29	13	899
Motor vehicles	25%	41	-	-	41
Furniture & other equipment	7.50%-12%	639	29	-	668
TOTAL		**129,747**	**8,571**	**934**	**137,384**

* THE RATE APPLIED CORRESPONDS TO THE RESIDUAL USEFUL LIFE ESTIMATED.

TABLE C
HOLDINGS IN CONSOLIDATED SUBSIDIARIES

(Euro/000)

	Balance 01.01.14	Decrease	Write-down	New contr.	Balance 31.12.13	Write-down provision	Net equity	% held
LDH (La Doria) Ltd.	764	-	-	-	764	-	52,277 (1)	51%
Eugea Mediterranea S.p.A.	3,304	-	-	-	3,304	-	5,438 (2)	98,34%
Gruppo Pafial		-	-	64,689	64,689	-	51,134 (3)	100,00%
	4,068	**0**	**0**	**64,689**	**68,757**	**0**		

(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 31/12/2014 of GBP 44,613 thousand
Including net profit for year of GBP 8.195 thousand.
Net equity based on exchange rate at 31.12.2014.

(2) EUGEA MEDITERRANEA S.p.A. - Strada Consorziata s.n.c. - Gaudiano di Lavello (PZ)
Share Capital Euro 1,500 thousand - No. 15,000 shares of Euro 100.00 each
Net equity at 31/12/2014 of Euro 5,438 thousand
Profit at 31/12/2014 of Euro 4 thousand

(3) PAFIAL GROUP - Via Parco Margherita, 24 - Napoli (NA)
Share capital Euro/000 198 fully paid-in
Net equity at 31/12/2014 of Euro 51,134 thousand
Profit 2014 of Euro 4,393 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
Delfino S.p.A. - Via del Parco Margherita, 24 Share capital - Euro 2,418 thousand Investment held 100% by Pafial Srl	13,389	100%	13,389
Althea S.p.A. - Via delle Esposizioni, 79A Share capital - Euro 2,376 thousand Investment held 100% by Delfino S.p.A.	40,562	100%	40,562

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	19/06/2014 - 31/12/2016	97,000			10,000	5,000	18,680
Sampietro Giorgio	Vice Chairman of BOD	19/06/2014 - 31/12/2016	37,211			10,000	10,000	
Ferraioli Antonio	Director	19/06/2014 - 31/12/2016	27,076	5,327	171,784			318,680
Ferraioli Andrea	Director	19/06/2014 - 31/12/2016	27,076	5,183	171,784			318,680
Ferraioli Iolanda	Director	19/06/2014 - 31/12/2016	27,076	4,646	14,000			96,958
Diretto Giuseppe	Director	11/05/2011 - 19/06/2014	13,817			4,685		
David Elena	Director	19/06/2014 - 31/12/2016	15,928			2,658		
Lamberti Enzo Diodato	Director	19/06/2014 - 31/12/2016	14,959					
Michele Preda	Director	19/06/2014 - 31/12/2016	16,426			2,658		
Cecere Fabio	Chair.- Board of Stat. Auditors	11/05/2011 - 31/12/2014	79,091					
De Caprio Antonio	Chair.- Board of Stat. Auditors	19/06/2014 - 31/12/2016	71,693					
D'Amore Maurizio	Statutory Auditor	19/06/2014 - 31/12/2016	69,276					
Caldarelli Adele	Statutory Auditor	19/06/2014 - 31/12/2016	13,770					
TOTAL			**510,402**	**15,156**	**357,568**	**30,000**	**15,000**	**752,999**

Other remuneration	**Ferraioli Antonio**	**Executive**
Other remuneration	**Ferraioli Andrea**	**Executive**
Other remuneration	**Ferraioli Iolanda**	**Executive**

(*) Until approval of 2016 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	8,680		
Persico Sergio	Director	19/02/97 until revoked	8,680		
Ferraioli Rosa	Director	04/2009 until revoked	8,680		
Festa Alberto	Director	01/2010 until revoked	8,680		
Ferraioli Andrea	Director	02/03/98 until revoked	8,680		
TOTAL			**43,401**		

Remuneration of GBP 35,000 thousand at average December 2014 exchange rate 0.80643

Name	Office held	Duration of office	Emoluments for office	Non monetary benefits	Bonus and other incent.
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 2014 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	Fees 2014
Audit	PriceWaterhouseCoopers S.p.A.	80
Certification work	PriceWaterhouseCoopers S.p.A.	-
Other services	PriceWaterhouseCoopers S.p.A. Network	4
TOTAL		**84**

TABLE 1

FINANCIAL INSTRUMENTS – IFRS 7.8

(Euro/000)

At 31.12.14	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 parent company								
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 parent company								
Current receivables from subsidiaries			25,971			25,971	Subsidiaries	
Receivables			40,972			40,972	Trade receivables	
Held-to-maturity investment securities								
Current financial assets at fair value	2,984		1,354			4,338	Other fin. receivables *	
Receivables			3,995			3,995	Tax receivables	
Derivatives							Bank receivables	
Other current receivables			7,956			7,956	Other Receivables	

	FV P&L	Amortised cost	TOTAL		Fair Value
NON-CURRENT LIABILITIES					
Non-current payables to parent company					
Non-current payables to subsidiaries					
Non-current financial liabilities		93,910	93,910	Medium/long term debt	
Derivatives					
Other non-current liabilities					
CURRENT LIABILITIES					
Payables to parent companies					
Payables to subsidiaries		19,903	19,903	Subsidiary payables	
Payables				Payments on account	
Payables		55,205	55,205	Trade payables	
Payables		7,784	7,784	Tax payables	
Payables		677	677	Social security payables	
Financial liabilities		74,702	74,702	Bank payables	
Financial liabilities	1,843	4,105	5,948	Factoring payables	
IRS Derivatives	877		877	Bank payables	
Other Liabilities		5,488	5,488	Other payables	

Notes

The value shown in the account derivatives reports the Fair Value at 31/12/2014 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 31.12.13	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		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 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 31.12.14	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			12,259	25	53,330	(1,787)
Purchases expected	97,750	2,904				
TOTAL	**97,750**	**2,904**	**12,259**	**25**	**53,330**	**(1,787)**

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 12-18 months.

at 31.12.14	Amount (thousand)					
FV of derivatives not valued in current liabilities	**IRS** Notional	**IRS** FV	Notional	FV	Notional	FV
Loans granted						
Loans received with IRS	55,886	877				
TOTAL	**55,886**	**877**				

Note

The La Doria IRS options were signed for partial hedging of the 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.

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 5
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(Euro/000)

at 31.12.14	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)				
Receivables from clients				
Current financial assets at fair value				
Financial receivables		4,338		
Derivatives				
Other current assets				
Cash and cash equivalents	Cash available	20,762		
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	93,910	103	(103)
Other non-current liabilities				
CURRENT LIABILITIES				
Payables to related parties (La Doria)				
Payables to related parties (Others)				
Trade payables				
Financial payables	Bank payables	80,650	261	(261)
Derivatives				
Other liabilities				
EQUITY				
Currency translation reserve				
Cash-flow hedge reserve				
Net income			(364)	364
Minority interest				

Euribor 2014 at 3 months average = 0.21%

Hyp1 Average interest rate curve higher than 50 bps =3.35%.+0.5% on M/L; 2.51.%+0,5% on short term

The change +/- 0.5% is measured only on the part of the loan not-hedged at 31/12/14 of Euro 64,380 thousand

Hyp2 Average interest rate curve lower than 50 bps = 2.35%-0.5% on M/L; 1.51%-0.5% on short term

TABLE 6
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 7
SENSITIVITY ANALYSIS (IFRS 7.40-42)

(currency/000)

at 31.12.14	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	20,308		13,868	654	3,228	(765)	1,292
Current financial assets at fair value								
Financial receivables								
Derivatives								
Other current assets								
Cash and cash equivalents	Currency	9,683		3,318	6,101	590	(461)	509
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	4,218		88	5,168	0	(56)	382
Financial liabilities	GBP Loan					0	0	0
Derivatives								
Other liabilities								
SHAREHOLDERS´ EQUITY								
Translation reserve								
Cash flow of valuation reserves								
Net profit/(loss)							(1,283)	2,183
Minority interest share								

Examples of assumptions		**€/currency**
GBP/€	Actual rate	0,7789
USD/€	Actual rate	1,2141
AUD/€	Actual rate	1,4829
USD/€	€ increases by 5%	1,274805
USD/€	€ decreases by 5%	1,153395
GBP/€	€ increases by 5%	0,817845
GBP/€	€ decreases by 5%	0,739955
AUD/€	€ increases by 5%	1,557045
AUD/€	€ decreases by 5%	1,408755

TABLE 8
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 9

CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

				OVERDUE AND NOT YET DUE					
at 31.12.14	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	42,245	Trade receivables		35,003	5,823	506	366	547	42,245
Receivables from holding (La Doria SpA)									
Receivables subsidiaries (Others)	25,971	Receivables from subsidiaries		25,618	4	349			25,971
Tax receivables	3,995	Tax receivables		3,995					3,995
Other receivables	7,956	Other receivables		5,295				2,661	7,956
Gross receivables	**80,167**			**69,911**	**5,827**	**855**	**366**	**3,208**	**80,167**
Write-down of receivables	1,274	Bad debt provision		1,274					1,274
Write-down of receivables from subsidiaries		Bad debt provision							
Write-down of other receivables		Write-down of other receivables							
Net receivables	**78,893**			**68,637**	**5,827**	**855**	**366**	**3,208**	**78,893**

NON-CURRENT RECEIVABLES (OVERDUE AND NOT YET DUE) - IFRS 7.37

(Euro/000)

				OVERDUE AND NOT YET DUE					
at 31.12.14	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 (La Doria SpA)									
Receivables subsidiaries (Others)									
Tax receivables for deferred tax assets	3,929	Deferred tax asset		3,929					3,929
Other receivables									
Gross receivables	**3,929**			**3,929**					**3,929**
Write-down of receivables									
Write-down of receivables from subsidiaries									
Write-down of other receivables									
Net receivables	**3,929**			**3,929**					**3,929**

TABLE 10

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 11
CONCENTRATION OF RECEIVABLES

(Euro/000)

Customers at 31.12.14	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	42,245	Trade receivables	4,458	3,755	4,445	6,100	23,487	42,245
Other Receivables	7,956	Other receivables	6,546	1,084	325	1		7,956
Receivables	**50,201**		**11,004**	**4,839**	**4,770**	**6,101**	**23,487**	**50,201**

By Country at 31.12.14	Book value	Reference Account Balance Sheet	Due from EU (excl. UK) Clients	UK Clients	US Clients	Asia Clients	America Clients	Other Clients	Total
Receivables	42,245	Trade receivables	32,542	126	933	3,356	241	5,047	42,245
Other receivables	7,956	Other receivables	7,956						7,956
Receivables	**50,201**		**40,498**	**126**	**933**	**3,356**	**241**	**5,047**	**50,201**

TABLE 12
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**

BOARD OF STATUTORY AUDITORS' REPORT

BOARD OF STATUTORY AUDITORS' REPORT FOR THE SHAREHOLDERS' MEETING TO APPROVE THE 2014 ANNUAL ACCOUNTS

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 relations and the disclosure received on the results of the corrective actions indentified 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 2014 an important strategic operation concerning the acquisition of the totality of Pa.fi.al Srl, the holding company of the operating companies Delfino S.p.A. and Althea S.p.A., becoming therefore the leading Italian producer of ready-made sauces and among the leaders in Europe, was completed for consideration of Euro 64.7 million. The Board of Directors, in the Directors' Report and in the notes to separate and consolidated financial statements, provided detailed information on the operation.

8. In executing its supervisory activities, the Board of Statutory Auditors met 12 times in the year. In addition, the Board of Statutory Auditors attended 11 Board of Directors' meetings, 6 meetings of the Control and Risks Committee and 4 meetings of the Remuneration Committee.

9. During 2014, no petitions were received by the Board of Statutory Auditors from Shareholders.

10. 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 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 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 request further information.

11. 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, 2015

THE BOARD OF STATUTORY AUDITORS
Antonio De Caprio
Adele Caldarelli
Maurizio D'Amore

INDEPENDENT AUDITORS’ REPORT

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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 2014 which comprise the Balance Sheet, Income Statement, Comprehensive Income Statement, Statement of Change in Shareholders' Equity, Cash Flows Statement 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 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 period, which are presented for comparative purposes, reference is made to our report dated 31 March 2014.

3 In our opinion, the separate financial statements of the La Doria SpA as of 31 December 2014 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 SpA for the period then ended.

4 The directors of La Doria SpA are responsible for the preparation of a report on operations and a report on corporate governance and ownership structure published in section "Investor & Media Relations - Corporate Governance" of the website 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 ownership structure, with the

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financial statements, as required by law. For this purpose, we have performed the procedures required under Italian 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 ownership structure are consistent with the separate financial statements of La Doria SpA as of 31 December 2014.

Naples, 31 March 2015

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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.