Financial report

2014-2015

Proposed to the General Meeting of Shareholders of the 18th of September 2015

TABLE OF CONTENTS

CONSOLIDATED ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dear shareholders,
This annual report should be read in conjunction with the consolidated annual financial statements of Greenyard Foods NV and the related notes. These consolidated financial statements were approved for publication by the Board of Directors on 30 April 2015.

Between 31 March 2015 and the date on which this annual report was released for publication, following significant events after the balance sheet date have occurred. Therefore it is advisable that the consolidated Annual Report commences with the description of the events after balance sheet date.

Important events after balance sheet date

Letter of Intent has been signed for business combination between Greenyard Foods, Univeg & Peatinvest to create global leader in fruit and vegetables

As per 13 April 2015 the letter of intent has been signed for a business combination between Greenyard Foods, Univeg and Peatinvest, with the objective to create a global leader in fruit and vegetables.

The Board of Directors believes that the business combination has the potential to create a unique global player in the fruit and vegetables market capable of offering the full range of fresh, frozen and canned products. The combination of Greenyard Foods, Univeg and Peatinvest creates a global market leader with combined sales in excess of EUR 3.7 billion.

The business combination will happen through a contribution of 100% of Univeg, on the one hand as a partial demerger of its parent company, De Weide Blik (holding 95.4% in Univeg) and on the other hand as a contribution in kind of 4.6% of Univeg, and through a contribution of 100% of Peatinvest against newly issued Greenyard Foods shares. The listed company Greenyard Foods will become the parent company of the newly formed group.

As part of this transaction Gimv-XL will exercise its existing warrants, which will result in a capital increase of EUR 25.6 million, bringing the total number of Greenyard Foods shares to 18.9 million.

Upon successful completion of the combination, Greenyard Foods will own 100% of the shares of Univeg and Peatinvest. In return, 25.5 million new shares of Greenyard Foods will be issued to the shareholders of Univeg and Peatinvest. After the combination and the exercise of warrants by Gimv-XL, the relative weight in the share capital in the combination will be as follows: 42.5% for existing Greenyard Foods shareholders, 49.6% for existing Univeg shareholders and 7.9% for existing Peatinvest shareholders, for a total amount of shares of 44.4 million.

In order to increase the limited free float after the combination, a private placement of part of the shares held by Gimv-XL and Deprez Holding is being contemplated. Deprez Holding, controlled by Hein and Veerle Deprez, remains the strategic reference shareholder for the long term. Other key shareholders will also keep and/or strengthen their holding in the combined company so as to create a stable platform for continued expansion. Cooperation principles have been agreed which aim to improve market access for growers. The corporate governance structure will be streamlined and existing shareholders' agreements will be terminated.

The transaction remains subject to due diligence, a fairness opinion, Boards of Directors approvals, regulatory approvals, EU Commission competition clearance and final transaction documentation. As part of the transaction, customary representations and warranties will be provided. Completion of the transaction is targeted by the summer of 2015.

Hein Deprez, Chairman of Greenyard Foods, Univeg and Peatinvest comments: "Creating a combined group offering fresh, frozen and canned fruit and vegetables will be beneficial to growers, consumers, retailers, employees and shareholders. We believe societal trends call for a broader view on fruit and vegetable consumption."

Waiver obtained for the current credit facility agreement

On 30 April 2015 a waiver is obtained from the bank consortium of Greenyard Foods in relation with the revolving credit facility proceeding to the business combination of Greenyard Foods, Univeg and Peatinvest. This waiver results in the fact that the company won't be breach the clauses of its loan agreement by the transaction.

Bridge loan

A committed standby facility is obtained by Greenyard Foods on 30 April 2015 in an amount of € 150.0 million, which is sufficient to refinance all of the retail bonds.

Greenyard Foods, Univeg & Peatinvest: partial demerger and contribution agreement is signed to create global leader in fruit and vegetables

A final agreement has been reached on 11 May 2015 on the business combination between Greenyard Foods, Univeg and Peatinvest to create a global leader in fruit and vegetables.

The Board of Directors reconfirms the elements as described with the publication of het LOI related to this business combination.

The transaction remains subject to regulatory approvals, EU Commission competition clearance and approval by an extraordinary Greenyard Foods shareholders meeting. Completion of the transaction is targeted by the summer of 2015. The special reports of the Board of Directors will be made available together with the invitation for this shareholder meeting.

The business combination has the potential to create a unique global player in the fruit and vegetables market capable of offering the full range of fresh, frozen and canned products and substrates.

The company believes that market developments are favourable for larger companies, especially due to increasing supply chain and product complexity. The four relevant industry themes can be summarized as follow:
- Increasing sourcing & supply chain complexity;
- Development in product specifications;
- Demanding marketing and sales process;
- Sustainability.

The joint mission of the combined Greenyard Foods Group is: "*Make lives healthier by helping people to enjoy vegetables & fruit at any moment of the day – Easy, fast and pleasurable*".

The combined Greenyard Foods Group's strategy aims at creating an industry leader by consumer based category management beyond the boundaries of fresh and prepared fruit and vegetables along the following axes:

1) Leverage on merger by a consumer based approach
The consumer based approach is based on an analysis of drivers and barriers of vegetable and fruit consumption. This objective is to leverage the complementarity between Fresh, Frozen and Canned rather than competing among the different types. As a result 4 consumer segments are identified for consumer based activation and innovation. The segments and some examples are:
    - Health driven consumers; e.g. leverage & expand fresh salads/mixes, info on nutritional value, tools to stimulate '5 a Day' etc.;
    - Convenience driven consumers ; e.g.offering of ready to eat fruit, developing more convenient products etc;
    - Sustainability driven consumers ; e.g.exploiting provenance, underline benefits of plant based diet, help to reduce waste by e.g. offering the right assortment/ sizes etc.;
    - Pleasure/taste driven consumers ; e.g.strengthening in-store theatre, offering more variety, combining pleasure "grow your own" with purchased products, maximize taste by insuring proper preparation method.

2) Leverage on merger via consumer based category management
Greenyard Foods Group will built on its partnerships with retailers to help them differentiate towards their shoppers via assortment and activation. This will also allow retailers to get efficiencies while keeping focused on end consumers.

3) Leverage on merger by consumer based innovation
The consumer segments highlighted above will be the basis for in product innovation. This will range from introducing new products to meet the need for convenience and variety ie new mixes of vegetables with e.g. pre-cooked rice or pasta to allow for a quick, tasty and nutritious meal. Also will we look at innovations to create new consumption moments eg juices, fruit on the go.

4) Leverage the digital trend with a consumer platform
The new combined Group will start an inspirational platform to stimulate fruit and vegetables consumption by offering relevant info/ tips on health, on how to consume sufficient fruit and vegetables etc.

5) Leverage on merger to establish the group as an authority in fruit and vegetables
The combined Greenyard Foods Group aims to take a leading role and leverage its unique position by working with Key Opinion Leaders eg on the development of the Coalition Agreement around healthier lifestyles. Also by cooperation in developing public awareness campaigns around fruit and vegetables and by supporting the revision of the Food Pyramid with research data.

The key higlights for the Combined Greenyard Foods Group are:

- Unique global player in fresh and prepared fruit & vegetables and growing media;
- Greenyard Foods, Univeg and Peatinvest have an M&A track record. The acquisition criteria are:
    - Sales and distribution companies with strong connection with key retailers in countries with high market share for organized retail with priority in North/ West Europe and the Americas;
    - Production and/or sourcing companies active in key regions for the cultivation of a specific product, best in class producer or exporter, full control of the supply chain or potential to reach this;
    - Financial considerations, such as EBITDA improvement potential, fair acquisition multiple and no deterioration of our fundamental financials.
- Excellent sourcing capabilities;
- Control of the supply chain between the independent growers and retailers;
- Long standing relationships with blue chip retailers;
- Unique logistic and distribution capabilities;
- A leader in food safety and corporate social responsibility through e.g. investing in breeder program, water management, social empowerment, sector cooperation, use of GPS sowing machines, waste reduction, energy saving;
- Strong management team and deeply engaged shareholders.

Seasonality is important for Greenyard Foods. The combination of Greenyard Foods and Univeg will have a compensating effect on seasonality and working capital dynamics. Generally Greenyard Foods has a production peak in the period from July to November with corresponding inventory build up, whereas the demand is relatively stable during the year. This gives rise to high working capital swings in the last two quarters of the calendar year. In Univeg, a greater portion of the sales are realised during the first 2 calendar quarters, whereas the third and fourth calendar quarters typically have lower sales and less homogenous sales patterns. As Univeg has a negative working capital, the positive working capital of Greenyard Foods is offset with the negative working capital of Univeg and are compensated in the combined Group.

The consolidated financial statements for the new combined group (all IFRS) will have an accounting year ending 31 March for all entities as of FY 2015/16. The segment reporting will contain following segments: ‘Fresh’ (former Univeg), ‘Prepared’ (former Greenyard Foods) and ‘Other’ (including soil improvers – former Peatinvest).

The dividend policy of the Combined Greenyard Foods Group aims at a pay ratio of minimum 15% of the net recurrent profit, taking regulatory obligations into account. The proposed dividend distribution needs to be reconfirmed by the Board of Directors on an annual basis.

The new combined group is subject to foreign exchange risks, but these can be evaluated as being limited. This evaluation can be made because rather limited percentage of net sales are in foreign currencies and the necessary measures are taken in all companies to limit the foreign exchange risks.

The British pound and the Brazilian real are the most important non-euro currencies for Greenyard Foods and in minor importance as well the Polish zloty and the Hungarian forint. In addition, there are also purchase and sales contracts in US dollar and Australian dollar. The most important non-euro currencies for Univeg are the British pound, the US dollar and the Polish zloty, for Peatinvest the key non-euro currency is the Polish zloty.

Both Greenyard Foods, Univeg and Peatinvest strive for a natural hedging. For Peatinvest, there is no need for transactional hedges as almost all risk can be born by natural hedges. Remaining transactional risk of Greenyard Foods and Univeg are hedged with the use of of forward contracts. Additionally, Univeg is hedging its translation risks. None of the three groups are using other speculative instruments to hedge their foreign exchange risks.

European Commission approves integration of Greenyard Foods, Univeg and Peatinvest

On 26 May 2015 Greenyard Foods announced that Deprez Holding NV received notice that the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the European Economic Area (EEA) Agreement. The transaction is subject to the approval of the listing information document by the FSMA and the approval of the Extraordinary General shareholders meeting of Greenyard Foods on 19 June 2015. Completion of the transaction is targeted by the summer of 2015.

Convocation of Extraordinary Shareholders Meeting of Greenyard Foods on 19 June 2015

On 19 May 2015, the Board of Directors of Greenyard Foods has published the convocation of the Extraordinary Shareholders meeting on 19 June 2015. Key point on the agenda is the approval of the business combination between Greenyard Foods, Univeg and Peatinvest.

The listed company Greenyard Foods becomes the parent company of the newly formed group.

On the group's website (www.greenyardfoods.com) the following documents can be found: invitation to the Extraordinary Shareholders Meeting, special reports by the Board of Directors, reports by the auditors and legal documentation, as required by article 733, §2, of the Belgian Company Code.

The Executive Committee will consist of Marleen Vaesen (CEO), Francis Kint (COO) and Koen Sticker (CFO) and will be supported by a Leadership Team, consisting of the Managing Directors of the various business units (Frozen, Canned, Substrates).

Pro forma financial statements

In the framework of the planned contribution of Univeg Group (95.4% of the shares via partial demerger of De Weide Blik NV into Greenyard Foods NV and the remaining 4.6% of the shares via contribution in kind) and the contribution in kind of the shares of Peatinvest Group against newly issued shares of Greenyard Foods NV, the company has prepared consolidated pro forma financial information for the period starting 1 April 2014 and ending 31 March 2015 (12 months).

A pro forma consolidated income statement for the 12 months period ending 31 March 2015 has been prepared in a manner consistent with the accounting policies adopted by Greenyard Foods NV in its last consolidated financial statements being IFRS as if the transactions had occurred as per 1 April 2014; the pro-forma statement of financial position has been prepared as if the abovementioned transactions had occurred as per 31 March 2015.

The pro forma financial information has not been adjusted for possible effects of fair value adjustments resulting from applying IFRS 3 "Business combinations". These potential adjustments will be reflected, once all information is available, over the measurement period that cannot exceed the one year term as of acquisition date.

For more details on the assumptions made when preparing the pro forma financial information, we refer to the information document which will be available on the website as from 16/06/2015.

This information has been prepared for illustrative purposes only. Due to its nature, this information illustrates a hypothetical situation and does not represent the actual financial position and financial performance of Greenyard Foods Group.

The consolidated pro forma income statement per 31 March 2015 is shown below:

Consolidated income statement (in thousands of €)	CONSOLIDATED PRO FORMA INCOME STATEMENT 31/03/2015
	COMBINED GREENYARD FOODS GROUP
Sales	4,011,940
Cost of sales	-3,179,588
Gross margin	**832,351**
Operating expenses and other operating income	-693,587
Depreciation, amortization and write-offs	-64,920
Impairment losses on assets	-527
Operating result before non-recurrings	**73,318**
Non-recurring income	28,347
Non-recurring expenses	-20,707
Operating result	**80,958**
Financial income	16,391
Financial expenses	-66,837
Operating profit after net finance costs	**30,512**
Taxes	-7,657
Share in result of joint ventures and associates	**2,240**
PROFIT (LOSS) OF THE PERIOD	**25,095**
Attributable to:	
- The shareholders of Greenyard Foods (the 'Group')	26,185
- Non-controlling interests	-1,090

The consolidated pro forma statement of financial position per 31 March 2015 is shown below:

ASSETS (in thousands of €)	CONSOLIDATED PRO FORMA statement of financial position 31/03/2015
	COMBINED GREENYARD FOODS GROUP
NON-CURRENT ASSETS	**1,194,844**
Intangible fixed assets	159,022
Goodwill	604,580
Biological assets	19,948
Tangible fixed assets	357,748
Investments in associates	5,318
Financial fixed assets	225
Deferred tax assets	20,581
Long-term receivables (> 1 year)	27,421
CURRENT ASSETS	**812,778**
Biological assets	154
Inventories	301,967
Amounts receivable	335,122
Other financial assets	20,298
Cash and cash equivalents	143,624
Assets classified as held for sale	11,613
TOTAL ASSETS	**2,007,622**

EQUITY AND LIABILITIES (in thousands of €)	CONSOLIDATED PRO FORMA statement of financial position 31/03/2015
	COMBINED GREENYARD FOODS GROUP
EQUITY	**659,400**
Share capital	287,685
Share premium and other capital instruments	268,133
Consolidated reserves	95,362
Cumulative translation adjustments	-1,869
Non-controlling interests	10,089
NON-CURRENT LIABILITIES	**529,446**
Provisions for pensions and similar rights	21,130
Other provisions	13,599
Financial debts at credit institutions	15,608
Interest-bearing liabilities	433,644
Other amounts payable	5,920
Deferred tax liabilities	39,545
CURRENT LIABILITIES	**818,775**
Financial debts at credit institutions	92,701
Interest-bearing liabilities	1,875
Trade payables	599,723
Advances received on contracts	2,310
Tax payable	25,151
Remuneration and social security	31,918
Other amounts payable	65,098
Liabilities related to assets held for sale	0
TOTAL EQUITY AND LIABILITIES	**2,007,622**

The pro forma goodwill arising as a result of the contribution of shares Univeg (via partial demerger and contribution in kind) and shares Peatinvest has been calculated as follows:

Pro forma goodwill on shares Univeg:

Shares issued:	21,998,869
Share price as per 31 March 2015:	€ 16.60
Consideration paid:	€ 365,181,000
Net assets Univeg per 31 March 2015:	€ 42,890,000
Non controlling interest held by Univeg	€ 1,989,000
Pro forma goodwill:	**€ 324,280,000**

Pro forma goodwill on shares Peatinvest:

Shares issued:	3,514,196
Share price as per 31 March 2015:	€16.60
Consideration paid:	€ 58,336,000
Net assets Peatinvest per 31 March 2015:	- € 23,448,000
Non controlling interest held by Peatinvest	- € 35,000
Pro forma goodwill:	**€ 34,923,000**

As a result an additional goodwill amounting to € 359,203,000 is recognized in the pro forma financial information resulting in a total pro forma goodwill of € 604,580,000.

The net assets of Univeg Group and Peatinvest Group include the reported IFRS equity of Univeg Group and Peatinvest Group as presented in the information document which will be available on the website as from 16/06/2015.

Any change in the Greenyard Foods share price will impact the goodwill calculation mentioned above. A change of € 1 in the Greenyard Foods NV share price results in a goodwill adjustment amounting to € 25,513,065.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the company.

Operational highlights in 2014-2015

- Consolidated sales growth of +2.0% to €635.4 million;
- The harvest season 2014 is evaluated as normal after an early start of the season;
- Continued efficiency improvements and international process integration within the frozen division;
- Operational excellence is further developed and has led to the centralization of the Polish Frozen processing and packing activities into the Lipno site and the sale of the German assets and Pinguin Aquitaine;
- Acquisition of King's Lynn site (UK) concludes strategic plan to acquire all production facilities.

Commentary on the consolidated financial statements

The consolidated financial statements are prepared in conformity with the International Financial Reporting Standards (IFRS) published by the International Accounting Standard Board (IASB) and the interpretations issued by the IASB's International Financial Reporting Interpretation Committee (IFRIC, previously SIC), which have been approved by the European Commission.

The consolidated financial statements provide a general overview of the Group's activities and the results achieved. They give a true and fair view of the entity's financial position, its financial performance and cash flows on a going concern basis.

The Board of Directors believes that the application of the valuation rules on a going concern basis is justified. It is basing its view on the positive figures which the divisions can present and on the positive prospects.

Consolidated income statement

Sales

The increased consolidated sales compared to previous accounting year (+2.0%) are the combined effect of a slight increase of +1.1% in the frozen division and a solid increase of +3.7% in the canning division. Exchange rate evolutions had a positive effect on the consolidated sales of +1.3%.

Operating result

Consolidated REBITDA grew by €11.1 million (+21.6%) compared to the previous year. €5.9 million of this increase is due to the commercial and operational results in both divisions following better operational efficiencies and a stronger focus on portfolio mix. Ending the rent of production facilities following their acquisition had an impact of €5.2 million on REBITDA.

Consolidated REBIT increased by €4.3 million year on year. This increase can be nearly entirely explained by the commercial and operational results both in the frozen and canning division.

Non-recurring elements

The consolidated non-recurring charges amount to €2.3 million, of which €1.4 million due to the deconsolidation of the assets located in Manschnow (Germany) and Pinguin Aquitaine. The consolidated results of the previous year mainly included a €65.3 million gain realized on the sale of the potato division.

Financial result

The consolidated net financial result improved by €9.8 million from €-16.7 million to €-6.9 million. This can be mainly explained by unrealized positive exchange results (mainly on British pound) of €9.5 million.

The results as per 31 March 2015 include a negative result on derivatives at fair value of €-0.5 million (31 March 2014: €-0.1 million). Following the application of hedge accounting, as from current accounting year onwards this result is no longer included in the financial result but in the overview of other comprehensive income.

Taxes

The consolidated tax cost over the year amounts to €-9.9 million or a tax rate of 47.9%. This consists of €-9.1 million income taxes and €-0.8 million deferred taxes without cash impact. The tax rate of 47.9% is mainly caused by profits that cannot be offset against tax losses carried forward.

Consolidated income statement per operating segment

Frozen division

Frozen division (in € '000)	AY 14/15	AY 13/14	Difference
Sales	414,129	409,817	1.05%
REBITDA	33,623	26,149	28.58%
REBITDA-margin	*8.12%*	*6.38%*	
REBIT	14,263	11,659	22.32%

The **Frozen division** accounts for 65.2% of the consolidated sales. The sales increase by 1.1% is the combined effect of a volume decrease (-2.6%), a positive portfolio mix effect (+1.8%) and a positive exchange rate effect (+1.9%) mainly related to the British pound. Sales are impacted during 8 months by the embargo from Russia, which became effective in August 2014. Russia represents 1.7% of the sales of the frozen division compared to 3.6% last year.

The REBITDA increase in the Frozen division by €7.5 million is explained for €3.3 million by the commercial and operational results. These consist of efficiency improvements and focus on portfolio mix. The termination of the rent of production facilities has a positive impact of €3.7 million on REBITDA and €0.5 million comes from the exchange rate differences of the British pound.

The REBIT growth of €2.6 million can mainly be explained by the commercial and operational results of the division.

Canning division

Canning division (in € '000)	AY 14/15	AY 13/14	Difference
Sales	221,241	213,303	3.72%
REBITDA	28,942	25,290	14.44%
REBITDA-margin	*13.08%*	*11.86%*	
REBIT	15,665	13,936	12.41%

The **Canning division** accounts for 34.8% of the consolidated sales. Sales increased by +3.7% compared to previous accounting year, which is the combined effect of a volume increase and a positive portfolio mix effect.

REBITDA increased by €3.7 million, of which €2.2 million is mainly caused by commercial results and to a lesser extent by operational efficiencies. Termination of the rent following the acquisition of the production facilities has a positive impact on REBITDA of €1.5 million.

The REBIT growth of €1.7 million can almost entirely be explained by the commercial and operational results of the division.

Statement of financial position

The increase of the tangible fixed assets by €17.3 million can be explained by the impact of the acquired production facility of King's Lynn in July 2014 (€+19.8 million) and the other investments of the accounting period (€+31.0 million). This increase is partially compensated by the depreciation charges (€-29.3 million), positive foreign exchange rate fluctuations (€+4.0 million) and the remaining combined impact of transfers, capital grants, disposals (€-8.2 million).

Inventories increased by €9.1 million compared to 31 March 2014, of which €12.4 million in the frozen division and a decrease of €-3.3 million in the canning division.

Equity (including non-controlling interests) amounts to €221.8 million or 35.2% of the statement of financial position total as per 31 March 2015. This increased by €9.9 million, which is mainly due to the realized net results over the year.

The Group did not own treasury shares as per 31 March 2015 and 31 March 2014.

The financial debt increased by €14.5 million compared to end of March 2014 mainly as a result of increases in the revolving credit facility .

There are no changes in valuation rules with a significant impact on the Group's reported results or financial position, apart from those included in note *"2.3. Valuation rules"*.

Cash flow

During the accounting year 2014/2015 there was a free cash flow of €5.5 million compared to €-6.8 million last year.

The operational cash flows that were realized are higher than the investments, including the acquisition of the production site in King's Lynn (UK).

Dividends

The Board of Directors has proposed to the Annual General Meeting of Shareholders that no dividend will be paid. Any dividends in the longer term will depend on the net unconsolidated results of Greenyard Foods NV, the company's financial situation, its legal reserves and other factors that the Board of Directors or the Annual Meeting consider important.

Investments and disinvestments

The total investments in intangible fixed assets amounted to €0.5 million. This consists of software.

The investments in tangible assets (including acquisitions through acquisitions) amounted to €50.8 million per 31 March 2015. These consist of 'land and buildings' (€3.9 million), 'plant, machinery & equipment' (€23.3 million), 'furniture and vehicles' (€1.3 million) and 'other tangible fixed assets' (€2.5 million). The acquisition of land and buildings and plant, machinery and equipment resulting from the acquired production facilities in King's Lynn accounted for €19.8 million in total.

The disposals of the Group amount to €0.1 million in accounting year 2014-2015.

Position of the Company: risks and uncertainties

The performance and results of operations have been and will continue to be affected by a number of factors, including external factors. Certain of these key factors that have had, or may have, an effect on its results are set forth below.

Availability of raw materials

Climatologic circumstances have an important impact on the availability of raw materials in the frozen and in the canning division. These can lead in both divisions to an under- or oversupply of raw materials. The availability of raw materials needs to be sufficient during harvest periods for Greenyard Foods in order to guarantee the sales during a full year.

Along with other elements, such as soil fatigue in fields for specific crops, the weather conditions are a compelling reason for Greenyard Foods to reduce its dependency on the harvest in a specific region as much as possible. This risk is managed by the international spread of the activities and by sustainable relations with agriculture.

Prices of raw materials

The frozen division and the canning division work in principle with fixed annual contracts, where the price per vegetable is set for the entire season before the vegetables are sown or planted. Possible shortfalls in the market can be compensated by purchasing raw materials on the spot market.

Despite the high level of attention dedicated to these aspects, the production of the divisions of Greenyard Foods depends on temporary weather phenomena, while climatological circumstances can influence supplies and raw materials prices. Harvest yields can fluctuate sharply depending on the weather conditions.

Sales prices

Fluctuations in sales prices caused by climate conditions, internationalization of the market and the competitive environment have a large influence on the profitability.

Sales prices are determined by changes in demand, which is affected by the continuing internationalization, marketing campaigns and climate effects (consumption patterns depending on the weather) and by changes in supply due to temporary weather conditions and the pricing of raw materials. In addition, sales prices are impacted by the competitive environment in which Greenyard Foods is operating, in particular for the frozen vegetable sector.

Climate conditions and seasonality

Temporary weather conditions and climate factors have a direct influence on the supply of vegetables and raw material prices. The seasonal character of the activities of Greenyard Foods results in a production peak in the period from July to November whereas demand continues throughout the year. Therefore, the reduction of production capacity during high season can strongly influence the results and substantial inventories are to be held and financed in order to cope with the demand of the entire year. Seasonality also has an impact on the results as inventories are valued at full cost according to IFRS regulations.

Geopolitical changes

As a major part of the sales of the Greenyard Foods Group consists of export sales, geopolitical changes might have an impact on the operational or financial conditions of Greenyard Foods. Recently, sanctions were taken by the US and EU against the Russian Federation and subsequently by the Russian Federation against the US and the EU.

Changes in legislation and regulations

In general, changes in laws and regulations can significantly affect Greenyard Foods' ability to efficiently conduct its business. Greenyard Foods has no impact on decisions of supra-national, national and/or local governments which may negatively impact its business.

Energy prices

Due to the high-energy intensity of the production and storage processes, Greenyard Foods is strongly dependent on the evolution of energy prices (mainly gas, electricity and oil prices).

Exchange rate risk

The Group is subject to fluctuations in exchange rates which could lead to a profit or loss in currency transactions. Like any company with non-euro sales, the Group is subject to the normal exchange rate risks.

The British pound and the Brazilian real are the most important non-euro currencies for Greenyard Foods and in minor importance as well the Polish zloty and the Hungarian forint. In addition, there are also purchase and sales contracts in US dollar and Australian dollar. These are limited and Greenyard Foods strives for a natural hedging.

Greenyard Foods makes use of forward contracts as a function of the expected sales in order to partially hedge itself against negative exchange rate evolutions.

As per 31 March 2015, there are several hedging instruments for exchange rate risk outstanding. The total net fair value ('marked to market value') amounted to €-1.3 million as per 31 March 2015.

Interest-rate risk

The interest-rate risk of the Group is spread in fixed and floating interest rates. Greenyard Foods issued a retail bond with a fixed interest rate of 5%. On the other hand, the Group is subject to floating interest rates on the revolving credit facility and term loan signed with a bank consortium in December 2013. Greenyard Foods hedges partly the variable interest rates of the revolving facility agreement and term loan against increases of the floating interest rates and closed a number of interest rate swaps. The total fair value ('marked to market value') is €-0.9 million on 31 March 2015.

The maximum hedging period for the outstanding IRS on the long term financing continues to run until November 2024.

Research and Development, Innovation and sustainability

Innovation and product development

Quality assurance is more important than it has ever been in all Greenyard Foods activities. All employees are involved in the continuous effort to improve product and process quality.

Investments in the best-performing and innovative machines and installations are continuous and on-going. The Group develops products at a quick pace, in step with rapidly changing market trends. In product development the Group is constantly taking account of market trends and consumer needs such as globalization, a concern for tasty and healthy food, convenience food, etc. The Group wants to remain a leading product innovator in each of the different divisions. In the past accounting year, as well as in previous years, many new products, product varieties, dishes and packaging were developed and marketed.

The Group has its own R&D teams in each division to transform all of these innovations into ecologically responsible, hygienic and profitable products. The team which deals specifically with product development comprises 5 permanent employees for the frozen division and 5 people for the canning division. Development quality and the circulation of information throughout the organization are monitored throughout the process by the Group's own R&D department.

Sustainability

Sustainability and good corporate governance are important pillars on which the strategy of Greenyard Foods is based. Sustainability itself is defined as the art to combine the 3 Ps – People, Planet (environment) and Profit – in a harmonious way.

The Group is working on farming policies, pesticides, water consumption and recuperation, electricity consumption and green energy, waste management, recycling programs, strong efficiency on supply chain and sustainable packing for our products.

Our loyal participation in the Sustainable Entrepreneurship Charter (an initiative of the Flemish Government, Voka and the Provincial Development Agency) is used internally as a catalyst in order to draw up an overall action plan that is also subject to an external audit and commentary each year. In this way we are contributing to a social environment that will offer coming generations the necessary opportunities and possibilities as well.

Corporate Governance

For the required legal information with respect to Corporate Governance in accordance with article 119, §2, 7° of the Company Code, please refer to paragraph 'internal control and risk management' of the "*Corporate Governance*" section of Greenyard Foods' annual report.

CORPORATE GOVERNANCE STATEMENT

The general principles regarding the role and responsibilities, nomination procedures and the organization of the Board of Directors are set out in Greenyard Foods Group's Corporate Governance Charter. Greenyard Foods uses the Belgian Corporate Governance Code of 2009 as a reference. In the past financial year 2013-2014 the Charter has been reviewed. This Corporate Governance Charter can be consulted on the website (www.greenyardfoods.com).

In accordance with the Corporate Governance Code, this chapter mentions the relevant events that have taken place during the past financial year. Where there has been a deviation from the Corporate Governance Code, this is explained.

Board of Directors

The Board of Directors decides on the values and the strategy of Greenyard Foods, its approach to risk and the key elements of its policy. The Board of Directors meets at least six times a year. The company is represented legally and otherwise by one managing and one independent director acting jointly. There are at least three independent directors. The Legal Counsel (Mrs. Elisabeth Muylle) is invited to attend meetings of the Board of Directors as secretary. The Group Chief Financial Officer and the division managers of the frozen and canning divisions are also invited regularly to the Board of Directors´ meeting.

Composition

At 31 March 2015 the Board of Directors consisted of ten non-executive members and one executive member. Three directors are independent within the meaning of article 526ter of the Company Code.

Director's name	Date of appointment	Term of office ends on	Executive / non-executive	Independent / non-independent director
NV Deprez Invest p.r. by Mr Hein Deprez	1/01/2010	AGM 2015	Non-executive	Non-independent director
BVBA The Marble p.r. by Mr Luc Van Nevel	1/07/2004	AGM 2015	Non-executive	Independent director
Frank Donck	20/05/2011	AGM 2015	Non-executive	Independent director
BVBA Ardiego p.r. by Mr Arthur Goethals	20/05/2011	AGM 2015	Non-executive	Independent director
BVBA Management Deprez p.r. by Mrs. Veerle Deprez	9/11/2005	AGM 2015	Non-executive	Non-independent director
BVBA Bonem p.r. by Mr Marc Ooms	9/11/2007	AGM 2015	Non-executive	Non-independent director
Peter Maenhout	15/02/2012	AGM 2015	Non-executive	Non-independent director
Thomas Dewever	24/01/2014	AGM 2015	Non-executive	Non-independent director
Jozef Marc Rosiers	2/12/2011	AGM 2015	Non-executive	Non-independent director
BVBA Mavac p.r. by Mrs. Marleen Vaesen	30/08/2013	AGM 2015	Executive (CEO)	Non-independent director
Hilde Laga	25/11/2014	AGM 2015	Non-executive	Non-independent director

On 24 November 2014, Mr Herwig Dejonghe resigned from his mandate as director. On 25 November 2014, Hilde Laga was co-opted by the Board of Directors as director to replace Mr Herwig Dejonghe. During a first period, Hilde Laga has the mandate of a non-independent director. As from April 2015 onwards, she will be acting as an independent director. The appointment of Hilde Laga as an independent, non-executive director will be submitted for confirmation during the next General Meeting.

The present Board of Directors is composed of:

Deprez Invest NV, chairman, represented by Hein Deprez, permanent representative
Hein Deprez is - via Deprez Holding NV, Food Invest International NV and 2D NV - the controlling shareholder of Greenyard Foods NV. Hein Deprez is also the controlling shareholder of the Univeg Group, where he holds the position of Executive Chairman. On 24 January 2014, Hein Deprez was appointed as chairman of the Board of Directors.

The Marble BVBA, independent director, represented by Luc Van Nevel, permanent representative
Luc Van Nevel was chairman of the Board of Directors of Greenyard Foods from 2004 through January 2014, after which he has continued to sit as an independent director on the Board of Directors. In addition, Mr Luc Van Nevel holds director´s mandates as an independent director. Earlier, within the Samsonite Corporation, he occupied the position of President International and Chairman & CEO until his retirement.

Frank Donck, independent director
Frank Donck is managing director of 3D NV. He is chairman of Telecolumbus AG and Atenor Groep SA and holds several director´s mandates as in listed and non-listed companies. He is also a member of the Belgian Corporate Governance Committee.

Ardiego BVBA, independent director, represented by Arthur Goethals, permanent representative
Arthur Goethals has many years of knowledge and experience in the retail sector, including as CEO of Delhaize Belgium NV. Arthur Goethals is also a member of the Board of Directors of several companies.

Management Deprez BVBA, director, represented by Veerle Deprez, permanent representative
In 1987, together with her brother Hein Deprez, Veerle Deprez laid the foundations for what would later become the Univeg group. Veerle Deprez also holds several director´s mandates in port-related companies.

Bonem BVBA, director, represented by Marc Ooms, permanent representative
Marc Ooms has many years of experience in the financial sector, among others as managing director of Petercam. In addition, he also holds several directors' mandates.

Peter Maenhout, director
Peter Maenhout is Managing Partner of Gimv and is responsible for Gimv-XL fund and the consumer 2020-platform.

Thomas Dewever, director
Thomas Dewever is a Principal at Gimv since 2009. Prior to that he worked in the Investment Banking division of Credit Suisse in London.

Jozef Marc Rosiers, director
Jozef Marc Rosiers is CEO of Agri Investment Fund CVBA and advisor of the president of Boerenbond.

Mavac BVBA, managing director, represented by Marleen Vaesen, permanent representative
Marleen Vaesen is CEO of Greenyard Foods. She held a number of different positions within Sara Lee and Procter & Gamble. Marleen Vaesen is also a director at Van de Velde NV.

Hilde Laga, independent director
Hilde Laga is one of the founding partners of the law firm Laga which she led as managing partner and head of the corporate M&A practice until 2014. She is also a member of the Board of Directors of several companies. She is a member of the Belgian Corporate Governance Committee.

Within the framework of article 96 §2.6° of the Company Code, the company will be taking steps in the future to increase the percentage of female directors from 25% up to a third of all members. The co-optation of Hilde Laga as director on 25 November 2014 contributes to the achievement of this objective.

The Board of Directors met on 9 occasions over the past financial year and has been engaged with:

- The annual results, the annual financial statements and the annual report;
- Convening and setting the agenda of the General Meeting;
- Approval of budgets and investment projects for accounting year 2015-2016;
- Strategic and financial long-range planning of the Group;

- Regular assessment of activities;
- Approval of press releases;
- Reporting by the committee chairmen;
- Operational organization;
- Reorganizations and changes in group structure and organization chart (cfr sales Pinguin Aquitaine, Polish reorganization);
- Purchase of the real estate company in King's Lynn;
- Investigation for possible business combination between Greenyard Foods, Univeg and Peatinvest.

The terms of office of all Board members all expire after the Annual General Meeting to be held in 2015.

Evaluation

Under the direction of the Chairman, the Board of Directors reviews its size, composition and functioning bi-annually, as well as the size, composition and functioning of the Committees and the interaction with the management team. This self-assessment is prepared by the Appointment and Remuneration Committee.

The non-executive directors regularly evaluate their interaction with the executive management. To do so, they meet at least once a year in the absence of the CEO and the other executive directors.

Audit Committee

The Audit Committee has been set up to assist the Board of Directors in reviewing the company's financial statements. It also helps the Board to check compliance with legal and judicial regulations, and to assess the competence and independence of the statutory auditor.

The Audit Committee has 4 members:

- Mr Frank Donck, independent director;
- The Marble BVBA, permanently represented by Mr Luc Van Nevel;
- Management Deprez BVBA, permanently represented by Mrs Veerle Deprez;
- Mr Thomas Dewever.

The Chief Executive Officer and the Chief Financial Officer are invited to the Audit Committee meetings.

In accordance with article 526bis of the Company Code, the Board of Directors declares that the president of the Audit Committee, Mr Frank Donck, complies with the independence principles and disposes of the sufficient aptitudes with regard to accounting and auditing matters. The Audit Committee is composed only for one-half - not for a majority - of independent directors, and the Company is thus at variance with Recommendation 5.2./4 of the Belgian Corporate Governance Code. The Board of Directors believes that the members of the Audit Committee are sufficiently independent and capable of fulfilling their role.

The Audit Committee has engaged with the following subjects throughout the financial year ending 31 March 2015:

- The half year and annual results and reviewing the consistent application and any changes in valuation and accounting principles;
- The course and evaluation of the external audit;
- Evaluation and control of the one-to-one rules;
- Internal control and risk analysis;
- Simplification of the Group structure;

After every meeting the chairman of the Audit Committee reports to the Board of Directors on these items and advises the Board of Directors on these items.

The Audit Committee met on 4 occasions over the past financial year. The statutory auditor was invited to and attended 2 meetings.

Nomination and Remuneration committee

The Nomination & Remuneration Committee supports the Board of Directors in the execution of its tasks in the preparation of the (re-)appointment of directors and appointments of the Members of the Management Committee, and in the execution of its tasks with respect to the remuneration policy and the individual compensation of Directors and Members of the Management Committee. The Nomination and Remuneration Committee possesses the necessary expertise in the area of remuneration policy.

The Nomination and Remuneration Committee has 3 members:

- The Marble BVBA, permanently represented by Mr Luc Van Nevel; President;
- Ardiego BVBA, permanently represented by Mr Arthur Goethals;
- Management Deprez BVBA, permanently represented by Mrs Veerle Deprez.

Mr. Peter Maenhout is also invited to the meetings of the Nomination and Remuneration Committee as an observer. The Chief Executive Officer is also invited to the meeting. The CEO does not take part in the discussions on her own remuneration.

The Nomination and Remuneration Committee met on 3 occasions on the past financial year to discuss, among other things:

- Determination of the variable remuneration for the executive directors and the Management Committee;
- Discussion on the composition of the Management Committee;
- Preparation of the remuneration report;
- Remuneration of the Management Committee and other key managers;
- Evaluation of the functioning of the Nomination and Remuneration Committee.

Strategic Committee

The mission of the Strategic Committee is to advise the Board of Directors about the key points of the company's general policy and strategy, mergers & acquisitions, etc. The Strategic Committee met three times in the past financial year.

The Strategic Committee has 5 members:

- Deprez Invest NV, permanently represented by Mr Hein Deprez: non-executive director;
- Ardiego BVBA is permanently represented by Mr Arthur Goethals: independent director;
- Mr Peter Maenhout: non-executive director;
- Mr Jozef Marc Rosiers: non-executive director;
- Mavac BVBA, permanently represented by Mrs Marleen Vaesen: CEO.

Vijverbos NV, permanently represented by Mr. Herwig Dejonghe resigned on 24 November 2014 as member of the Strategic Committee.

During the past year ending as per 31 March 2015 the Strategic Committee has been engaged with:

- Determination of the agenda topics for accounting years 2014-2015 and 2015-2016;
- Agro strategic plan;
- Strategic and financial long range plan for the Group, frozen division and canning division;
- Evaluation of the functioning of the Strategic Committee.

Attendance

04/2014-03/2015 (12 months)	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Strategic Committee
Total number	**9**	**4**	**3**	**3**
NV Deprez Invest	8/9			3/3
BVBA The Marble	9/9	4/4	3/3	
NV Vijverbos (*)	2/4			2/3
BVBA Management Deprez	9/9	3/4	3/3	
BVBA Bonem	8/9			
Frank Donck	9/9	4/4		
BVBA Ardiego	8/9		3/3	2/3
BVBA Mavac	9/9			3/3
Jozef Marc Rosiers	9/9			3/3
Peter Maenhout	8/9		3/3	3/3
Thomas Dewever	9/9	4/4		
Hilde Laga (**)	3/4			

(*) 4 Board of Directors meetings were held during the period from 1 April 2014 to 24 November 2014, being the date of resignation of Vijverbos NV represented by Herwig Dejonghe.
(**) 4 Board of Directors meetings were held during the period between 25 November 2014, being the date of co-optation of Hilde Laga, until 31 March 2015.

Management Committee

The Board of Directors has mandated the Management Committee to undertake the day-to-day activities of the company, taking into account the company's values, its approach to risk and the key elements of its policy. The Management Committee is not a committee of directors in the sense of article 524bis of the Company Code.

The Management Committee consists per 31 March 2015 of:

- Mavac BVBA, permanently represented by Mrs. Marleen Vaesen, CEO;
- Mrs. Valerie Vanhoutte, CFO;
- Haluvan BVBA, permanently represented by Mr. Hans Luts, responsible for the frozen division; and
- Mr. Dominiek Stinckens, responsible for the canning division.

Vijverbos NV, permanently represented by Mr. Herwig Dejonghe resigned on 24 November 2014 as member of the Mangagement Committee.

Statutory auditor

The auditing of the company's annual accounts has been entrusted to Deloitte Bedrijfsrevisoren BV under the form of a CVBA, whose registered office is at Berkenlaan 8B, 1831 Diegem, represented by Mr Kurt Dehoorne and Mr Mario Dekeyser, auditor, whose office is at 8500 Kortrijk, President Kennedypark 8A.

Remuneration report

Description of the procedure used during the past financial year in order (i) to develop a remuneration policy for the non-executive directors and members of the executive management and (ii) to set the remuneration of the individual non-executive directors and members of the executive management

The remuneration policy and annual fees for attending the meeting for non-executive directors is set by the Board of Directors at the proposal of the Nomination and Remuneration Committee, thereby taking into account market standards, the listed character and the scope of the company and the industry of Greenyard Foods. The remuneration policy set by the Board of Directors and the attendance fees are subsequently approved by the General Meeting.

The remuneration policy for the members of the Management committee is set by the Board of Directors at the recommendation of the Nomination and Remuneration Committee. This procedure takes place in absence of the members of the Management Committee. The remuneration is set to attract, motivate and retain highly qualified and promising management talent, and to ensure that the interests of managers and all stakeholders of Greenyard Foods are aligned. This is done according to available benchmarking studies by independent agencies.

No statement can be given on the future remuneration policy in view of the proposed transaction whereby Greenyard Foods has signed a letter of intent on 13 April 2015 for a business combination with Univeg and Peatinvest.

Statement of the remuneration policy for non-executive directors and executive management, as applicable for the past financial year

The remuneration of the independent and the other non-executive directors is made up of a fixed remuneration and a fee for attending the meetings of the Board and the Committees within the Board (including attendance by video conferencing or telephone conferencing), payable semi-annually. The remuneration also pays due regard to a director's specific role, i.e. as Chairman of the Board of Directors, Chairman or member of a Committee and the associated responsibilities and expenditure of time. No attendance fees are paid to the directors in case that no physical meeting is organized, but in the case that a conference call is organized.

On the proposal of the Nomination and Remuneration Committee, the General Meeting may further decide to grant a fixed remuneration to one or more independent or other non-executive directors.

The directors that have executive functions within Greenyard Foods NV or in one of its subsidiaries do not receive an additional compensation for their mandate as director. They do receive management remuneration as members of the Management Committee.

The remuneration of the CEO and the members of the Management Committee are set by the Board of Directors at the recommendation of the Nomination and Remuneration Committee and consists of a fixed part and a variable part. The variable part always relates to performance of the past financial year. When meeting the objectives which have been set forward, the variable remuneration amounts to 20% to 50% of the annual fixed fee calculated on a 12-month basis and depends on the function within the Management Committee.

In 2014-2015, the Board of Directors approved a long term incentive plan for the Management Committee. The plan is based on the cumulative financial results of the Group over a period of 3 years and starts in the accounting year 2014-2015. It amounts to 10% to 20%, depending on the function within the Management Committee.

There are no performance bonuses in shares, options or other rights to acquire shares. The remuneration policy followed was not significantly adapted after the end of the financial year.

The remuneration policy is evaluated annually by the Nomination and Remuneration Committee.

Remuneration of the non-executive directors

The Chairman of the Board of Directors receives a fixed remuneration of €90,000 a year. He receives no additional remuneration such as fees for attending the Board of Directors or committee meetings.

The independent non-executive directors receive a remuneration that depends on their presence at board and committee meetings. This remuneration amounts to €1,500 per physical Board of Directors meeting. The non-executive directors receive in addition a fixed remuneration of €15,000 a year. No variable remuneration was awarded to directors for performance with respect to their mandate for the financial year ending 31 March 2015. There are no pension plans for directors, nor was there any long-term remuneration, severance pay or remuneration in shares paid out to the directors in the past financial year.

The total remuneration of Board members for the exercise of their mandate amounts to €0.35 million.

Directors' remuneration (in thousands of €)	**Fixed remuneration**	**Attendance fees**	**Total**
NV Deprez Invest	90.00		90.00
BVBA The Marble	15.00	21.00	36.00
NV Vijverbos			
BVBA Management Deprez	15.00	19.50	34.50
BVBA Bonem	15.00	9.00	24.00
Frank Donck	15.00	16.50	31.50
BVBA Ardiego	15.00	16.50	31.50
BVBA Mavac			
Jozef Marc Rosiers	15.00	15.00	30.00
Peter Maenhout	15.00	18.00	33.00
Thomas Dewever	15.00	16.50	31.50
Hilde Laga	6.25	3.00	9.25
Total	**216.25**	**135.00**	**351.25**

Remuneration of the CEO

The CEO has a management contract and receives a fixed remuneration that includes social security charges, taxes and defined contributions. In addition, the CEO receives a variable remuneration.

The annual compensation of Mavac BVBA in the capacity of CEO amounted to €450,000 for the financial year 2014-2015. A variable compensation of €265,950 was allocated and a reimbursement of expenses made in an amount of €22,242.

No non-statutory benefits were paid out, not in cash, nor in the form of share options or warrants.

Remuneration of the members of the Management committee (excluding CEO)

Remuneration Management Committee members (in thousands of €)	**AY 14/15**
Number of persons at year end	3
Basic remuneration	828
Variable remuneration	226
Other benefits	71
Pensions	26
Total	**1,152**

Vijverbos NV, represented by Herwig Dejonghe, terminated his activity as COO in 11/2014, which implies that his remuneration is included in the above table for 8 months.

The other benefits consist mainly of the reimbursement of expenses incurred by members who operate on a self-employed basis on behalf of the Greenyard Foods Group: travel and accommodation expenses, etc. For the members who operate as employees, the 'other' benefits concern the fringe benefits such as a company car, pension plan on the basis of a defined contribution from the employer and the reimbursement of travel and accommodation expenses.

With respect to the members of the Management Committee that only were members of the management or of the Group during a part of the year, only the relevant amounts were included.

No share options or other rights have expired or were exercised by the members of the Management Committee during the financial year.

Evaluation criteria for the remuneration of the executive directors and members of the Management Committee

The members of the management team receive a variable remuneration in addition to the fixed remuneration. This bonus plan is 75% based on quantitative targets (REBITDA, REBIT, working capital) and 25% on qualitative personal objectives related to the exercise of the job. This can involve the efficiency of certain processes, the delivery of a number of projects, etc.

The evaluation period corresponds to the financial year of the company. The payment takes place in the following year. The quantitative calculation is performed on the basis of audited figures by the CFO. The evaluation of the personal qualitative objectives is done by the CEO in consultation with the Nomination and Remuneration Committee and the Board of Directors. The bonus plan is submitted each year to the Nomination and Remuneration Committee.

Greenyard Foods opts to pay out variable remunerations of executive directors on a yearly basis, despite the size to these variable remunerations. This yearly payment, as a deviation from Art 520ter Company Code, will be presented to the Annual Shareholders Meeting of 18 September 2015 for ratification.

In addition to the annual bonus plan, the Nomination and Remuneration Committee can decide ad hoc to award an exceptional bonus of the annual compensation when exceptional events have occurred or when special services were provided that were not planned at the beginning of the financial year concerned.

The long term incentive plan as approved by the Board of Directors in 2014-2015 is 100% based on quantitative targets for 3 accounting years. The accounting year 2014-2015 is the first year that is taken into account for the plan and the first payment of the plan will take place after closing of the accounting year 2016-2017. On an annual basis, the conditions of the new long-term plan will be approved by the Board of Directors.

Declaration on an individual basis of the main provisions of the contractual relationship concerning severance pay with the CEO and with each of the executive managers.

Severance pay: number of months contractually stipulated	Number of months
BVBA Mavac	12
BVBA Haluvan	6
Dominiek Stinckens [1]	26

In the event of departure of an executive manager (including the CEO), the Board of Directors justifies and decides, at the proposal of the Remuneration Committee, whether the parties involved qualify for the departure compensation, and the basis on which it is calculated. No severance payment was done for the departure of Mr. Herwig Dejonghe (representative of Vijverbos NV) as executive manager. Dhr. Herwig Dejonghe remains working for the Group as consultant.

Recovery provision

The company does not dispose of recovery rights with regard to the variable remuneration of the executive managers or the CEO, should it be awarded on the basis of incorrect financial data.

Transactions with related parties

Pursuant to the Corporate Governance Code, the Board of Directors has developed a policy with respect to transactions with related parties that do not fall under the conflict of interest regulations. Under this regime, all Directors, their permanent representatives and all members of the Management Committee shall give prior notice to the Board of Directors of all proposed transactions between them and Greenyard Foods NV or one of its subsidiaries. Only the Board of Directors is authorised to decide whether Greenyard Foods NV or the subsidiary concerned may enter into such a transaction. The Board of Directors will provide the reasons for its decision in its minutes and, in particular, will ensure that the transaction takes place at market terms. By way of exception, this prior approval by the Board of Directors of Greenyard Foods NV is not

[1] Relates to a labour contract concluded before 3 May 2010.

required if the transaction concerned fits within the normal business activities of Greenyard Foods NV or its subsidiary. In that case, the Board of Directors shall approve all transactions annually.

Application of article 523 of the Company Code

Article 523 of the Company Code provides for a special procedure within the Board of Directors in the event that one or more directors or one or more permanent representatives of a director-company have a possible financial interest that conflicts with one or more decisions or transactions falling within the Board of Directors´ scope of authority. This procedure was applied two times in the past financial year.

Partial reimbursement of the subordinated loan granted by Gimv

On 2 February, the Board of Directors had to pronounce on the proposed partial reimbursement of the subordinated loan granted by Gimv.

The conflict of interest resulting from this partial reimbursement was recorded in the minutes as follows:
"Mr Thomas Dewever and Mr Peter Maenhout asked, in their capacity as director of the Company, to make a declaration in application of article 523 of the Company Code.

Mr Thomas Dewever and Mr Peter Maenhout declared that they sit in the Board of Directors of the Company, appointed at the nomination of Gimv, and are active at Gimv, shareholder of the Company, and that consequently they might have a functionally conflicting interest of a financial nature in the approval of the proposal set forth under agenda item 3.7 for partial refinancing of the subordinated loan granted by Gimv to the company. Mr Thomas Dewever and Mr Peter Maenhout declared that, according to them, they do not have any conflicting financial interest, but in so far as necessary they wished to make application of the procedure provided for in article 523 of the Company Code.

Mr Thomas Dewever and Mr Peter Maenhout declared that, in application of article 523, § 1, paragraph 4 of the Company Code they would not participate in the deliberation and voting on the agenda item, as set forth under 3.7, which would be dealt with within the framework of the deliberations and decisions concerning the proposal for refinancing the subordinated loan subscribed by Gimv. They undertook to inform the statutory auditor of the Company immediately after the Board of Directors´ meeting, in application of article 523 of the Company Code."

Resolution 2 February 2015
The Board of Directors approves the proposed partial reimbursement of the subordinated loan subscribed by Gimv.

Investigation for possible business combination between Greenyard Foods, Fieldlink Group and Peatinvest Group

On 3 March 2015, the Board of Directors deliberated on a number of elements concerning the investigation into the possible business combination between Greenyard Foods, Fieldlink Group and Peatinvest Group:

The conflict of interest resulting from these deliberations was recorded in the minutes as follows:
"Deprez Invest NV, Management Deprez BVBA and Bonem BVBA, in their capacity as director-legal entity of the Company, and Hein Deprez, Veerle Deprez and Marc Ooms, in their capacity as permanent representative of their respective director-legal entity, declared that they have a conflicting financial interest within the framework of the possible business combination between Greenyard Foods, Univeg and Peatinvest:

- *Deprez Invest NV, Management Deprez BVBA and Bonem BVBA, in their capacity as director-legal entity of the Company, and Hein Deprez, Veerle Deprez and Marc Ooms, in their capacity as permanent representative of their respective director-legal entity, are not only director of the Company respectively permanent representative of a director-legal entity of the Company and/or of one of the subsidiaries of the Company, but also director respectively permanent representative of a director-legal entity of Fieldlink NV or of one of the subsidiaries of the Univeg Group and, directly or indirectly, shareholder both of the Company and its subsidiaries and of Fieldlink NV and/or the subsidiaries of the Univeg Group.*

- *Deprez Invest NV and Management Deprez BVBA, in their capacity as director-legal entity of the Company, and Hein Deprez and Veerle Deprez, in their capacity as permanent representative of their respective director-legal entity, are not only director of the Company respectively permanent representative of a director-legal entity of the Company and/or of one of the subsidiaries of the Company, but also director respectively permanent* *representative of a director-legal entity of Peatinvest NV or of one of its subsidiaries and, directly or indirectly, shareholder both of the Company and its subsidiaries and of Peatinvest NV and its subsidiaries.*

They declared that, in accordance with article 523, § 1, paragraph 4 of the Company Code, they would not be able to participate in the deliberations and the decisions concerning the possible business combination between Greenyard Foods, Fieldlink Group and Peatinvest Group."

The same conflict of interest was recorded in the minutes of the Board of Directors´ meetings held on 20 March 2015 and 27 March 2015.

After closing of the financial year, the same conflict of interest was also recorded in the minutes of the Board of Directors of 10 April 2015, 22 April 2015, 30 April 2015, 5 May 2015 and 8 may 2015.

In addition to the above-mentioned conflict of interest, the following conflict of interest related to the business combination was added to the minutes of the Board of Directors of 10 April 2015, 22 April 2015, 30 April 2015, 5 May 2015 and 8 May 2015.
The additional conflict of interest was recorded as follows: *"Peter Maenhout, in his capacity as Director of the company, explains that he and Thomas Dewever have a (functional) conflict of interest of proprietary in the approval of the" Letter of Intent "in the context of Project Global Universe. Peter Maenhout is not only Director of the company, but also affiliated with Gimv NV, Gimv-XL Partners Comm.VA and Adviesbeheer Gimv-XL NV.As a shareholder of the company, Gimv NV, Gimv-XL Partners Comm.VA and Adviesbeheer Gimv-XL NV sign the "Letter of Intent" in the context of Project Global Universe.Under article 8 of the Letter of Intent, Gimv NV, Gimv-XL Partners Comm.VA and Adviesbeheer Gimv-XL NV, together with the Deprez Holding NV, have the right to sell their integral respectively part of their participation in the company as part of a private placement that will take place immediately after the decision for approval of the partial demerger of De Weide Blik NV, the contribution in kind by STAK Fieldlink of its participation in Fieldlink NV and the contribution in kind of the participation in Peatinvest NV.*

The conditions and modalities of this private placement were explained in Article 8 of the Letter of Intent in the context of Global Universe"

Application of article 524 of the Company Code

Article 524 of the Company Code provides for a special procedure that applies to certain intra-group transactions or transactions between Greenyard Foods NV and related companies that are not subsidiaries of the former. The procedure of article 524 of the Company Code was applied one time during the accounting year 2014-2015:

Investigation for possible business combination between Greenyard Foods, Fieldlink Group and Peatinvest Group

Article 524 of the Company Code was applied for the deliberations in the Board of Directors of 27 March 2015 with regard to the investigation into the possible business combination between Greenyard Foods, Fieldlink Group and Peatinvest Group.

Application of article 524 of the Company Code was recorded as follows in the minutes of the Board of Directors´ meeting held on 27 March 2015:
"Quotation from Mr Hein Deprez, chairman of the Board of Directors of the Company:

1. *'We are pleased to inform you that the application of article 524 of the Company Code to Project Global Universe was analysed today. Because of the fact that Deprez Holding presently holds control, directly and indirectly, over more than 50% of the voting rights of GYF, it was concluded that the article does apply. This conclusion is contained in a memorandum from Freshfields, advisor of the Univeg Group, which was reviewed and approved by Laga, advisor of Greenyard Foods NV. We share with you the memorandum and it would be fine for the memorandum to remain attached to the minutes.*

2. *Article 524 entails that every decision or transaction concerning relations between a listed company (such as GYF) and an associated company (and, according to the definitions, Deprez Holding is such a company) must first form the object of an independent assessment by a committee of three independent directors. This committee must be assisted by one or more independent experts, appointed by the committee. The expert is compensated by the company.*

In order to avoid that, for certain – less important – decisions, this procedure must be applied every time and the committee of three independent directors must deliberate and decide after receiving the advice of the independent expert, we propose that these decisions be grouped and then ratified in accordance with article 524 at a time when the Board of Directors must deliberate and decide in accordance with article 524 concerning major decisions.

3. *The committee describes the nature of the decision or transaction, assesses the business advantage or disadvantage for the company and for its shareholders. It estimates the financial effects thereof and determines whether or not the decision or transaction is of such a nature as to cause the company a disadvantage that - in light of the policy the company is pursuing - is manifestly abusive. If the committee does not find the decision or transaction to be manifestly abusive, yet believes that it does harm to the company, the committee shall clarify precisely what benefits the decision or transaction offers that outweigh the mentioned disadvantages.*

4. *It is now up to the independent directors to appoint an independent expert. We proceeded on the assumption that this would be Lazard and also adapted our comments on the mandate letter in this sense (along with a couple of comments that were recommended to us as standard comments on an engagement letter in the interest of GYF). However, we are open for discussing all of this.*

5. *We clearly understand from Deprez Holding that a major role is reserved there for the independent directors and that GIMV and Agri also want to protect their interests herein. Without wishing to interfere with reporting lines, we would also like to give our input and vision to the independent experts.*

6. *We shall then, independent of article 524 of the Company Code, also comply with article 523 of the Company Code (which concerns our personal conflict of interest as director) in this process. At this moment, no decisions have thus far been taken concerning valuation or contractual documentation, and we are advised by Freshfields that we do not yet have to apply this article for the agenda items that are being discussed today."*

<u>On May 8, 2015 the advice was signed by the Committee of independent directors with regard to the assessment of the business combination of Greenyard Foods, Univeg and Peatinvest in application of Art 524 BCC</u>

A committee of independent directors, assisted by BNP Paribas Fortis NV as independent financial expert and by Eubelius CVBA as independent legal expert, has provided an advice to the Board of Directors of the company on 8 may 2015 in application of article 524 BCC, focusing on the whole of the transaction.

The conclusion of the advice of the Committee of independent directors is as follows:

"(...)
VII. The conclusion of the committee of independent directors

31. The Committee finalized this conclusion on 8 May 2015 in view of the meeting of the board of directors of 8 May 2015 based on the information then available. The Committee reserves the right to, should any further relevant information become available between 8 May 2015 and 19 June 2015, that is likely to change to content and/or the conclusion of this report, to submit an amended report to the board of directors.

32. The Committee of independent directors, assisted by BNP Paribas Fortis NV as independent financial expert and Eubelius CVBA as independent legal expert, has decided unanimously that the creation of the combined group with fresh, frozen and canned vegetables and fruits is in favor of the Company and its shareholders.

The Committee is of the opinion, based on the reports by Lazard SPRL, financial expert appointed by the Company, and BNP Paribas Fortis NV, that the exchange ratio of the Transaction (see VI.2) is of the nature to cause a disadvantage to the Company which is, in the light of its policy, manifestly unlawful and is not detrimental to the Company, taking also into account that the Company does not grant any representations and warranties. To arrive at this conclusion, the opinion of Eubelius CVBA that the Company has largely received the customary representations and warranties, considering the overall equilibrium of the Transaction.

The Transaction entails some consequences in terms of the financing of the newly composed Greenyard group, to hedge itself in the short term by means of the necessary renunciations and a temporary credit agreement. In the long term, the

Company will have to pay due attention to the financial structure of the new group and appropriate covenants will have to be negotiated with the various lenders (in function of the new group structure).It is a challenge for management to make this an opportunity for the benefit of the Company and its shareholders.

Finally, the structure of the policy and the management of the Company following the Transaction will be more in line with the recommendations of the Belgian Corporate Governance Code 2009.

Given the aforementioned considerations and after having discussed the terms of the Transaction with BNP and Eubelius, the Committee is of the opinion that the Transaction is not of such nature to cause detriment to the Company which, in the light of the policy it implements, would be manifestly unlawful. The Committee also believes that it is unlikely that the Transaction would lead to disadvantages for the Company which are not be outweighed by benefits resulting from the Transaction.

This conclusion will be included in the annual report of the Company.
(...)"

More detailed information on the subject of the transactions with the related parties is given in the section *« 7.4. Related Parties »* of the annexes to the Financial Report.

Measures for the prevention of market abuse

In compliance with provision 3.7. of the Corporate Governance Code, a dealing code was included in the Company's Corporate Governance Charter. In accordance with this dealing code, the Board of Directors keeps a list of insiders who could have regular or ad hoc access to inside information.

The dealing code imposes limitations on insiders with regard to transactions in securities of Greenyard Foods NV during closed periods. The code also contains rules regarding the reporting duty of insiders concerning proposed transactions and the disclosure of implemented transactions via a report to the FSMA.

Internal control and risk management

The Board of Directors of Greenyard Foods NV is responsible for estimating the risks that are specific to the Company and for the evaluation of the effectiveness of the internal control.

Greenyard Foods has an internal control system based on the COSO model. The following pillars are discussed below: 'control environment', 'risk management systems and internal control', 'financial reporting and communication', and, to conclude, 'oversight and monitoring'.

The management has implemented a variety of controls to manage the risks that could undermine the achievement of the strategic spearheads and axes.

Control environment

General

Greenyard Foods is dedicated to conscious risk management based on an internal control system achieved by encouraging a company culture in which all personnel are empowered to fulfil their roles and responsibilities in accordance with the highest standards of integrity and professionalism.

Audit Committee

The Audit Committee investigates the system for internal control and risk management set up by the management of Greenyard Foods NV in order to confirm that the principle risks (including those related to compliance with legislation and regulations) are identified, managed and brought to the notice of the responsible individuals, in accordance with the framework established by the Board of Directors.

The Audit Committee investigates the specific regulations by which personnel of Greenyard Foods NV are able to express in confidence any concerns they have about possible irregularities concerning financial reporting or other matters. If it is considered to be necessary, arrangements will be made for an independent investigation and a suitable monitoring of these matters, in proportion to the alleged seriousness of the matter. Procedures are also being implemented by which personnel can inform the Chairman of the Audit Committee directly.

At least twice per year, the Audit Committee meets the auditor in the presence of the statutory auditor to discuss with the auditor the subjects that fall under his remit and all matters that arise from the auditing process.
In addition, the management team is given a regular update on the pending disputes. In that respect, a quantified risk assessment and classification is always carried out.

Internal audit

The mission of internal audit is, along with the external auditor, to create an independent and objective evaluation of the risks and the internal control systems of the Group. There is no formal internal audit department in the Group, but the Management Committee demands on a regular basis internal audits on subjects which are selected in accordance with the Audit Committee. The Audit Committee evaluates on a regular basis the internal controls that have been executed.

If necessary, the internal auditor calls on the support of a specialised external consultancy firm for the performance of his responsibilities. This makes it possible to place even higher demands and, at the same time, also stay up to date with respect to common practices within the internal auditing environment.

Risk management systems and internal control

The most important aspects of the risk management and internal control process can be summarised as follows:

- The risk position of the company, the possible financial impact and the required action points are evaluated regularly by the management and by the Board of Directors, advised by the Audit Committee; hereby risks are prioritized and action plans are implemented;
- The Board of Directors discusses the strategy and investment projects; an evaluation is also made of the associated risks. Where needed, appropriate measures are taken;
- The internal audit reports are always discussed with local management and a summary is discussed with the Audit Committee every half year.

For a discussion of the principal risks and the associated control activities, please see explanation *"6.20. Risk management policy"* of the Financial Report.

Financial reporting and communication

The financial reporting and communication process of Greenyard Foods NV can be summarised as follows:

A closing plan with checklist is drawn up with the tasks that must be accomplished by the quarterly, semi-annually, and annual closing of Greenyard Foods NV and its subsidiaries. The financial department provides the accounting figures under the supervision of the chief accountant or financial director of each subsidiary. The controllers verify the validity of those figures and issue a report. Both coherence testing by making comparisons with historical or budgetary figures and transaction controls using random samples are performed. As part of the closing process, an extensive reporting set with financial and operational data must also be provided in each case.

The Audit Committee supports the Board of Directors in overseeing the integrity of the financial information provided by Greenyard Foods NV. In particular, it confirms the relevance and the consistency of the application of the accounting standards used within the Greenyard Foods Group and '*inter alia*' on the criteria for the consolidation of the accounts of the companies of the Greenyard Foods Group. The oversight covers the periodic information before it is published and is based on the audit program used by the Audit Committee. Management informs the Audit Committee about the methods that are used to account for significant and unusual transactions of which the accounting treatment could be open to a variety of interpretations. The Audit Committee discusses the financial reporting methods with both the Management Committee and the external auditor.

Oversight and monitoring

Oversight of the internal controls is exercised by the Board of Directors, supported by the activities of the Audit Committee.

The external auditor carries out an annual evaluation of the internal controls related to the risk associated with the financial statements of Greenyard Foods NV. In that regard, the external auditor of Greenyard Foods NV has made several recommendations concerning the internal control and risk management systems. The recommendations were contained in a management letter that was discussed with the management. The management has undertaken action points to handle the findings and thereby achieve an even better control environment. Those points are being followed up by the management and the Audit Committee is monitoring if the Management Committee is fulfilling the recommendations presented by the Auditor.

INFORMATION FOR SHAREHOLDERS

Shares

Greenyard Foods's shares have been listed on Euronext Brussels (stock code: GRYFO) since 1 March 2005. The Greenyard Foods share was introduced onto the Brussels Stock Exchange in June 1999. Greenyard Foods NV has liquidity maintenance agreements with Petercam and Bank Degroof.

The share capital on 31 March 2015 was represented by 16,459,520 shares which have the same rights. All shares are listed on the continuous market of Euronext Brussels, more specifically in the compartment C (small caps) of this market.

Market capitalization on 31 March 2015 was €273.2 million.

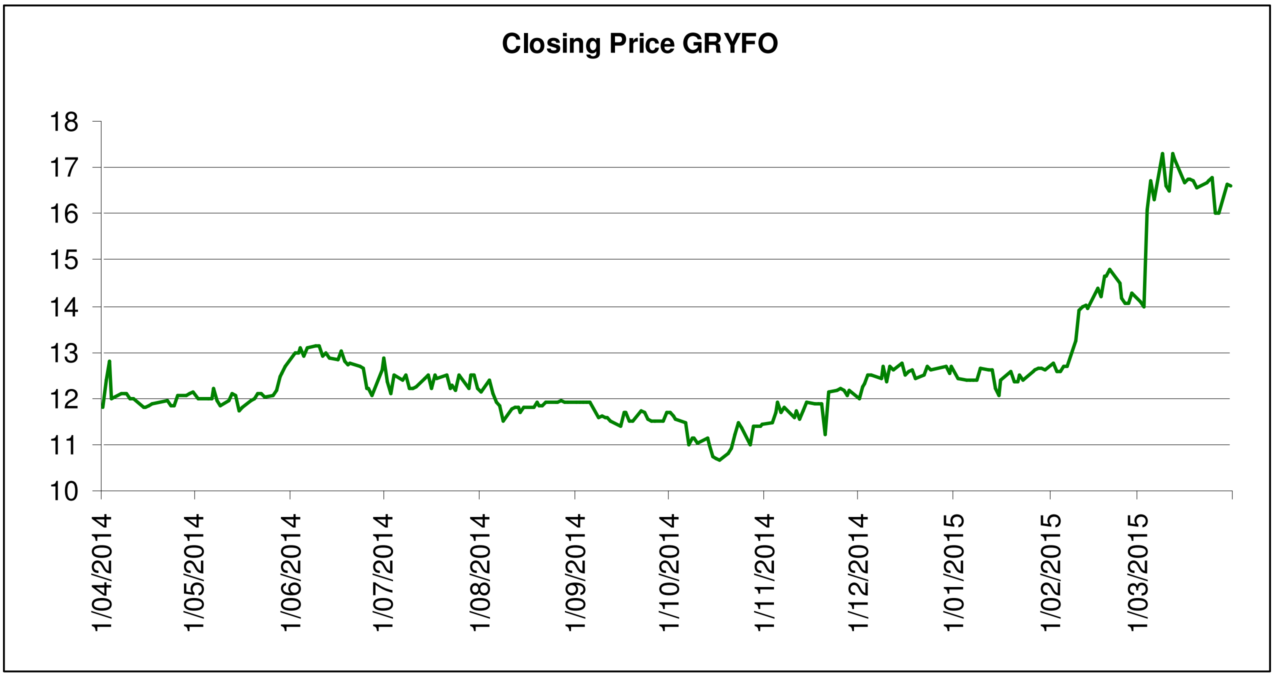
On 2 December 2011 the General Assembly of Greenyard Foods NV issued 2,400,000 warrants for a total amount of €30.6 million (85% of the amount of the subordinate loan) with an initial exercise price of at least €12.75 (adjusted to €10.66 based on the capital decrease of Greenyard Foods which was executed in September 2013) which are subscribed by Gimv-XL (see note '*6.13. Options and warrant plans'*).

Share trading evolution

The table below shows the key figures of the Greenyard Foods share:

	Financial year 2014-2015	Date	Financial year 2013-2014	Date
Highest price	17.30 €	9/03/2015	14.99 €	19/07/2013
Lowest price	10.65 €	17/10/2014	10.45 €	10/02/2014
Opening price	11.30 €	1/04/2014	12.47 €	1/04/2013
Closing price	16.60 €	31/03/2015	11.30 €	31/03/2014
Average daily trading volume	3,382		3,081	
Total number of shares	16,459,520		16,459,520	
Market capitalization	273,228,032 €		185,992,576 €	

The graph below shows the Greenyard Foods share price evolution during the 2014-2015 financial year:



Trading volume

The graph below shows the trading volume of Greenyard Foods shares by month:

Monthly trading volume	Financial year 2014-2015	Financial year 2013-2014
April	70,017	97,971
May	45,175	97,884
June	48,618	118,434
July	67,588	49,657
August	28,541	25,607
September	35,791	53,298
October	35,834	52,969
November	54,037	30,696
December	31,935	35,104
January	22,270	83,710
February	119,853	51,015
March	302,852	92,450

The average daily trading volume in 2014-2015 was 3,382 shares, compared to 3,081 shares the year before.

Capital structure

On 31 March 2015 the capital was represented by 16,459,520 shares, which have the same rights.

Shareholder structure

Every shareholder with at least 5% of the voting rights is required to comply with the act of 2 May 2007 concerning the disclosure of the major holdings, the Royal Decree of 14 February 2008 and the Company Code.

The legal thresholds of 5% apply. The people concerned are required to send a notification to the Financial Services and Market Authority (FSMA) and to the company.

Based on the latest transparency declarations received by Greenyard Foods NV on 1 December 2014, 2 December 2014 and 23 December 2014, the company's shareholder structure as per 31 March 2015 is as follows:

Shareholder structure 19/12/2014	Number of shares	%
Food Invest International NV	3,784,829	22.99%
2 D NV	3,243,293	19.70%
Gimv-XL (***)	2,842,228	17.27%
Agri Investment Fund CVBA	1,776,393	10.79%
Familie Dejonghe**	543,871	3.31%
Union Fermière Morbihannaise SCA	642,441	3.90%
Deprez Holding NV	567,848	3.45%
Volys Star NV	42,894	0.26%
Public*	3,015,723	18.32%
TOTAL	**16,459,520**	**100.00%**

* including shares at Koramic Holding NV, Tosalu NV, Degroof Corporate Finance and employees

** includes following shareholders: Kofa BVBA, Koen Dejonghe and Burgerlijke Maatschap Dejonghe-Bertrand

*** includes following shareholders: Gimv-XL Partners Invest Comm. Vennootschap, Gimv NV and Adviesbeheer Gimv-XL NV

An overview of all current notifications received by Greenyard Foods, and the corresponding shareholder structure, is available on our website www.greenyardfoods.com under the heading *"Financial information › Information for the shareholders › Shareholder structure and transparency"*.

Major changes in shareholder structure

As per 26 November 2014, Herwig Dejonghe, Vijverbos NV and the Burgerlijke Maatschap without legal personality Dejonghe-Dejonckheere have jointly sold 471,186 (2.86%) shares of Greenyard Foods to Deprez Holding NV.

As per 17 December 2014, Deprez Holding NV has acquired 96,662 additional shares of Greenyard Foods NV via the stock exchange.

In the accounting year that closed on 31 March 2015 there were no other major changes in shareholder structure.

Elements which might have an impact in case of a public takeover bid

Pursuant to Article 34 of the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market, an overview of elements that could have an impact in the event of a public takeover bid for the shares of Greenyard Foods NV is shown below.

Statutory limitation to the exercise of voting rights

Article 8 of the Articles of Association of Greenyard Foods NV states that, if a shareholder has not fully paid up his shares as requested by the Board of Directors within the period stated by the Board of Directors, the exercise of the voting rights associated with the shares concerned will be legally suspended until such time as the payment has been completed.

On 31 March 2015, however, the capital was fully paid up.

Shareholders' agreements that are known to the issuer and that could give rise to share transfer restrictions and/or limitations to the exercise of the voting rights.

The Board of Directors has no knowledge of shareholder agreements that could give rise to share transfer restrictions or to limitations to the exercise of the voting right, except for the following agreements:

- Agreement of 15 February 2012 between Food Invest International NV, Agri Investment Fund CVBA (AIF) and Greenyard Foods NV. As per 2 December 2014 Deprez Holding NV joined this current concerted action.
- Agreement of 15 February 2012 (amendment 27 November 2013) between Gimv NV, Gimv-XL Partners Invest Comm. VA, Adviesbeheer Gimv-XL NV (together Gimv XL), Food Invest International NV, Greenyard Foods NV and Hein Deprez. As per 2 December 2014 Deprez Holding NV joined this current concerted action.
- Agreement of 30 August 2013 between Food Invest International NV, Union Fermière Morhibannaise Société Coopérative Agricole (UFM) and Greenyard Foods NV. As per 2 December 2014 Deprez Holding NV joined this current concerted action.

1. Agreement of 15 February 2012 between Food Invest International NV, Agri Investment Fund CVBA (AIF) and Greenyard Foods NV.

As per 2 December 2014 Deprez Holding NV joined this current concerted action.

This agreement does not provide for special control rights for the parties. The parties have not made any voting agreements.

The shareholders´ agreement contains both a right of first refusal in favour of Food Invest International NV and AIF and a tag-along right in favour of AIF:

a) On the basis of the right of first refusal, each shareholder (Food Invest International NV, or AIF) that wishes to transfer all of its shares in Greenyard Foods NV, undertakes to first offer them to the other shareholder (either Food Invest International NV, or AIF). The exercise period of the right of first refusal will expire on 15 February 2022. The price at which the right of first refusal can be exercised is equal to the price offered by the prospective buyer to the prospective seller.

b) On the basis of the tag-along right, AIF, in so far as it does not exercise its right of first refusal, has the right to sell its shares in Greenyard Foods NV to the third party who acquires all or a majority of the shares that Food Invest International NV holds in Greenyard Foods NV. The tag-along right can be exercised at the same price, conditions and terms as those offered by the third party. The exercise period of the tag-along right will expire on 15 February 2022.

The shareholders´ agreement provides for a standstill period on the part of AIF that will expire on 1 December 2017.

2. Agreement of 15 February 2012 between Gimv NV, Gimv-XL Partners Invest Comm. VA, Adviesbeheer Gimv-XL NV (together Gimv XL), Food Invest International NV, Greenyard Foods NV and Hein Deprez.

As per 2 December 2014, Deprez Holding NV joined this current concerted action.

These agreements do not provide for special control rights for the parties. The parties have not made any voting agreements.

The shareholders´ agreement contains a right of first refusal in favour of Food Invest International NV and a tag-along right in favour of Gimv-XL:

(a) On the basis of the right of first refusal, Gimv-XL undertakes, if it wishes to transfer at least 5% of the Greenyard Foods NV shares and in so far as Food Invest International directly or indirectly still holds at least 30% of the Greenyard Foods NV shares, to first offer them to Food Invest International NV. The exercise period of the right of first refusal will expire on 15 February 2022. The price at which the right of first refusal can be exercised is equal to the price offered by the prospective buyer to the prospective seller.

(b) In case Food Invest International NV proceeds to transfer shares of Greenyard Foods NV to a third party, then Gimv-XL has a pro rata tag-along right related to its shares and warrants of Greenyard Foods NV. The tag-along right can be exercised at the same price, conditions and terms as those offered by the third party. The exercise period of the tag-along right will expire on 15 December 2022.

The shareholders´ agreement provides for a standstill period on the part of Food Invest International NV until the earliest of (i) 31 December 2016 or (ii) the day that Gimv-XL holds less than 10% of the outstanding fully diluted capital of Greenyard Foods NV.

3. Agreements of 30 August 2013 between Food Invest International NV, Deprez Holding NV and Union Fermière Morbihannaise SCA.

As per 2 December 2014, Deprez Holding NV joined this current concerted action.

These agreements do not provide for special control rights for the parties.

The shareholders´ agreement contains a purchase option in favour of Deprez Holding NV/Food Invest International NV and a sales option in favour of Union Fermiere Morbihannaise SCA related to the 642,441 shares that Union Fermière Morbihannaise SCA obtains in Greenyard Foods NV:

(a) On the basis of the purchase option in favour of Deprez Holding NV/Food Invest International NV, Union Fermiere Morbihannaise SCA agrees to sell the 642,441 shares that Union Fermière Morbihannaise SCA obtains in Greenyard Foods NV to Deprez Holding NV/Food Invest International NV. The purchase option can be exercised as from 1 August 2013 until 31 July 2017.

(b) On the basis of the sales option in favour of Union Fermiere Morbihannaise SCA, Deprez Holding NV/Food Invest International NV agrees to buy the 642,441 shares that Union Fermière Morbihannaise SCA obtains in Greenyard Foods NV. The sales option can be exercised as from 1 August 2017 until 1 August 2018.

Authority of the Board of Directors to issue or purchase own shares

In accordance with article 7 of the articles of association, the Board of Directors is authorised to increase the subscribed capital one or more times, as of the date of the notification by the FSMA to the company of a public takeover bid on the shares of the company, by contribution in cash with suspension or limitation of the preferential right of the existing shareholders or by contribution in kind in conformity with article 607, 2° of the Company Code. This authority was granted for a period of three years counting from the publication of the determination of the implementation of the capital increase that was decided at the Extraordinary General Meeting of 15 February 2012 and can be renewed.

Furthermore, in accordance with article 12 of the articles of association, the Board of Directors is expressly authorised, in compliance with the provisions of the Company Code, to acquire by purchase or exchange or to alienate its own shares, without a preliminary resolution of the General Meeting being required, directly or via a person acting in his own name, but for the account of the company, or via a direct subsidiary within the meaning of article 627 of the Company Code, if this acquisition or alienation is necessary in order to avoid an imminent serious disadvantage for the company. This authorisation applies for a period of three years counting from the publication of the authorisation resolution of the Extraordinary General Meeting of 2 December 2011. This authorisation can be renewed in accordance with article 620 of the Company Code.

Important agreements that take effect, undergo changes or expire in the event of changes of control of the company

In the context of the revolving credit facility , a ‘Change of Control’ clause has been included in the ‘*€158,500,000 Term and Revolving Facilities Agreement*’, as agreed on 16 December 2013 between the Greenyard Foods NV and the bank consortium with ING Bank NV as Lead Arranger, providing for the bank to demand repayment of the credit in the event of certain changes of control over the capital of Greenyard Foods NV.

Contacts

The investor relations team is available to answer shareholder and investor questions about the Group’s activities, shares and other information requests (annual report, detailed accounts of Greenyard Foods NV):

For the attention of Mrs Valerie Vanhoutte
Greenyard Foods NV
Skaldenstraat 7c
B-9042 Gent
Or by e-mail: investorrelations@greenyardfoods.com

Financial calendar

General Assembly accounting year 2014-2015:	18 September 2015 (14:00 hrs)
Announcement of half-year results (01/04/2015-30/09/2015):	19 November 2015 (17:45 hrs)

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved for publication by the Board of Directors on 30 April 2015.

CONSOLIDATED INCOME STATEMENT

Consolidated income statement (in thousands of €)	**Note (*)**	**AY 14/15**	**AY 13/14**
CONTINUING OPERATIONS			
Sales	5.1.	635,370	623,120
Increase/decrease (-) in inventories: finished goods and work in progress		7,178	22,925
Other operating income	5.2.	13,478	12,962
Raw materials, consumables and goods for resale	5.3.	-360,084	-370,152
Services and other goods	5.3.	-135,885	-143,681
Personnel costs	5.3.	-90,741	-87,818
Depreciation and amortization	5.3.	-30,350	-25,897
Impairment losses on assets	5.3.	-527	-4,440
Impairments, write-offs	5.3.	-2,188	243
Provisions	5.3.	-100	-189
Other operating charges	5.3.	-8,606	-6,378
Operating profit (EBIT)	5.4.	**27,545**	**20,695**
Non-recurring income	5.4.	398	
Non-recurring expenses	5.4.	-2,781	-4,900
Operating profit before non-recurrings (REBIT)		**29,928**	**25,595**
Financial income	5.5.	11,254	2,611
Financial expenses	5.5.	-18,129	-19,281
Profit (loss) before taxes		**20,670**	**4,025**
Taxes	5.6.	-9,894	-7,540
Profit (loss) of the period from continuing operations		**10,777**	**-3,515**
DISCONTINUED OPERATIONS			
Profit (loss) of the period from discontinued operations	5.7.		65,271
PROFIT (LOSS) OF THE PERIOD		**10,777**	**61,756**
Attributable to:			
The shareholders of Greenyard Foods (the 'Group')		10,591	62,306
Non-controlling interests		186	-550

Earnings per share (in € per share)	**Note (*)**	**AY 14/15**	**AY 13/14**
Basic		0.64	3.78
Earnings per share from continued operations	5.8.	0.64	-0.18
Earnings per share from discontinued operations	5.8.		3.96
Diluted		0.56	3.28
Earnings per share from continued operations	5.8.	0.56	-0.18
Earnings per share from discontinued operations	5.8.		3.46

(*) The attached notes form an integral part of this income statement.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated statement of comprehensive income (in thousands of €)	**AY 14/15**	**AY 13/14**
Profit (loss) of the period	**10,777**	**61,756**
Other comprehensive income of the period		
Other comprehensive income of the period to be reclassified to income statement in subsequent periods		
Foreign currency translation differences for foreign operations	1,154	176
Cash flow hedges	-588	
Income tax relating to components of other comprehensive income	200	
Other comprehensive income of the period not to be reclassified to income statement in subsequent periods		
Actuarial gains and losses (-) on defined benefit contribution plans	264	-447
Other	-32	-30
Income tax relating to components of other comprehensive income		
Other comprehensive income (net of tax)	**998**	**-301**
Total comprehensive income of the period	**11,775**	**61,455**
Attributable to:		
The shareholders of Greenyard Foods (the Group)	11,589	62,005
Non-controlling interests	186	-550

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (in thousands of €)	Note (*)	31/03/2015	31/03/2014
NON-CURRENT ASSETS		**294,265**	**280,831**
Intangible fixed assets	6.1.	21,433	23,117
Goodwill	6.2.	10,340	10,258
Tangible fixed assets	6.3.	255,726	238,458
Land and buildings	6.3.	115,146	103,872
Plant, machinery and equipment	6.3.	133,007	128,910
Furniture and vehicles	6.3.	2,438	2,243
Other	6.3.	5,135	3,433
Financial fixed assets	6.4.	30	39
Other non-current financial assets	6.4.	30	39
Deferred tax assets	6.7.	6,699	8,888
Long-term receivables (> 1 year)	6.6.	36	72
Other receivables	6.6.	36	72
CURRENT ASSETS		**335,683**	**323,944**
Inventories	6.5.	233,964	224,905
Raw materials and consumables	6.5.	23,115	23,966
Work in progress and finished goods	6.5.	210,848	200,940
Amounts receivable	6.8.	80,858	84,015
Trade receivables	6.8.	60,446	62,026
Other receivables	6.8.	20,412	21,990
Other financial assets	6.20.	355	
Derivatives	6.20.	355	
Cash and cash equivalents	6.9.	20,506	15,023
TOTAL ASSETS		**629,948**	**604,775**

(*) The attached notes form an integral part of this statement of financial position.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

EQUITY AND LIABILITIES (in thousands of €)	Note (*)	31/03/2015	31/03/2014
EQUITY		**221,830**	**211,936**
Share capital	6.10.	97,845	97,845
Issued capital	6.10.	97,845	97,845
Share premium and other capital instruments	6.10.	14,309	14,309
Consolidated reserves		103,480	93,063
Cumulative translation adjustments		-1,869	-3,023
Non-controlling interests	6.14.	8,065	9,742
NON-CURRENT OBLIGATIONS		**207,601**	**221,597**
Provisions for pensions and similar rights	6.15./6.16.	1,616	1,747
Other provisions	6.15.	760	1,054
Financial debts at credit institutions	6.17.	6,662	7,444
Finance leases	6.17.		
Bank loans	6.17.	6,662	7,440
Other financial debts	6.17.		4
Interest-bearing liabilities	6.17.	174,749	185,327
Subordinated loan with warrants	6.17.	25,065	35,707
Bond loans	6.17.	149,683	149,621
Other amounts payable		791	371
Deferred tax liabilities	6.7.	23,023	25,653
CURRENT LIABILITIES		**200,517**	**171,241**
Financial debts at credit institutions	6.17.	63,407	49,560
Finance leases	6.17.		
Bank loans: debts › 1 year payable within current year	6.17.	778	879
Bank loans	6.17.	60,114	17,705
Derivatives	6.20.	2,513	1,529
Other financial debts	6.17.	2	29,446
Interest-bearing liabilities	6.17.	12,000	
Subordinated loan with warrants	6.17.	12,000	
Bond loans	6.17.		
Trade payables	6.18.	93,081	93,352
Advances received on contracts	6.18.	5	5
Tax payable	6.18.	9,767	6,445
Remuneration and social security	6.18.	15,645	15,103
Other amounts payable	6.18.	6,613	6,775
TOTAL EQUITY AND LIABILITIES		**629,948**	**604,775**

(*) The attached notes form an integral part of this statement of financial position.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The table below summarizes the changes in equity in 2013-2014 and 2014-2015:

Consolidated statement of changes in equity (in thousands of €)	Attributable to the shareholders of Greenyard Foods							Non-controlling interests	Total equity
	Capital	Share premium	Treasury shares	Cumulative translation differences	Other Reserves	Retained earnings	Total share of the Group		
Balance as at 1 April 2014	**97,845**	**14,309**	**0**	**-3,023**	**7,012**	**86,051**	**202,194**	**9,742**	**211,936**
Profit (loss) of the period						10,591	10,591	186	10,777
Other comprehensive income				1,154		-156	998		998
Total comprehensive income	**0**	**0**	**0**	**1,154**	**0**	**10,435**	**11,589**	**186**	**11,775**
Sale of subsidiaries						-9	-9	-1,862	-1,871
Addition to Legal reserves					3,164	-3,164			
Others						-10	-10		-10
Balance as at 31 March 2015	**97,845**	**14,309**	**0**	**-1,869**	**10,176**	**93,304**	**213,765**	**8,065**	**221,830**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Consolidated statement of changes in equity (in thousands of €)	Attributable to the shareholders of Greenyard Foods							Non-controlling interests	Total equity
	Capital	Share premium	Treasury shares	Cumulative translation differences	Other Reserves	Retained earnings	Total share of the Group		
Balance as at 31 March 2013	**154,344**	**14,309**	**0**	**-3,199**	**7,012**	**7,414**	**179,881**	**2,301**	**182,181**
Profit (loss) of the period						62,306	62,306	-550	61,756
Other comprehensive income				176		-477	-301		-301
Total comprehensive income	**0**	**0**	**0**	**176**	**0**	**61,829**	**62,005**	**-550**	**61,455**
Capital decrease 2	-56,499					16,986	-39,513		-39,513
Purchase of subsidiaries						-168	-168	7,991	7,823
Others						-10	-10		-10
Balance as at 31 March 2014	**97,845**	**14,309**	**0**	**-3,023**	**7,012**	**86,051**	**202,194**	**9,742**	**211,936**

2 See note '*6.10. Issued capital, share premiums and other capital instruments.*'

CONSOLIDATED STATEMENT OF CASH FLOWS [3]

Consolidated statement of cash flows (in thousands of €)	Note (*)	AY 14/15	AY 13/14
CASH AND CASH EQUIVALENTS, OPENING BALANCE	6.9.	*15,023*	*21,815*
CASH FLOW FROM OPERATING ACTIVITIES (A)		57,365	-13,612
Operating profit (EBIT)	5.4.	**27,545**	**20,695**
Income taxes paid	5.6.	**-7,410**	**-6,908**
Adjustments for non-cash items		**34,624**	**30,282**
Depreciation of tangible fixed assets	6.3.	28,318	23,901
Amortization of intangible fixed assets	6.1.	2,032	1,997
Increase/decrease (-) in amounts written off		527	4,438
Write-off on stock/trade receivables		2,188	-243
Increase/decrease (-) in provisions	6.15.	526	189
Gain (-)/ loss on disposal of subsidiaries		1,424	
Gain (-)/ loss on disposal of fixed assets		-390	
Increase (-) /decrease in working capital		**2,606**	**-57,680**
Increase (-)/decrease in inventories		-11,738	-4,416
Increase (-)/decrease in trade and other receivables	6.8.	1,992	12,178
Increase/decrease (-) in trade and other payables		2,637	-65,672
Effect of exchange rate on working capital		9,714	229
CASH FLOW FROM INVESTING ACTIVITIES (B)		-48,385	62,095
Acquisitions (-)		**-50,607**	**-123,091**
Acquisition of intangible and tangible fixed assets		-50,607	-25,069
Acquisition of production facilities			-98,021
Disposals		**2,222**	**185,185**
Disposal of tangible fixed assets		578	
Disposal of subsidiaries		1,644	185,185
CASH FLOW FROM FINANCING ACTIVITIES (C)		-865	-54,704
Capital decrease	6.10.		-39,502
Increase long- and short-term funding		42,000	193,967
Decrease (-) long- and short-term funding		-28,219	-201,118
Net interests paid		-13,341	-6,707
Other financial charges		-1,305	-1,343
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		*8,115*	*-6,222*
Effect of exchange rate fluctuations		-2,632	-570
CASH AND CASH EQUIVALENTS, CLOSING BALANCE	6.10.	*20,506*	*15,023*

(*) The attached notes form an integral part of this consolidated statement of cash flows.

[3] Cash flow from continued operations. For an overview of the cash flow from discontinued operations we refer to heading 5.7. *Discontinued operations*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Greenyard Foods NV is a company established in Belgium. Its legal address is Skaldenstraat 7c, 9042 Gent. The consolidated financial statements of Greenyard Foods NV for the financial year ending on 31 March 2015 cover Greenyard Foods NV and its subsidiaries ('the Group') and Greenyard Foods NV's interests in associated companies and entities over which joint control is exercised.

Greenyard Foods NV is active predominantly in the processing and commercialization of fruit and vegetables and ready-to-eat food, based on vegetables, both deep-frozen and canned. Greenyard Foods has 13 production facilities as per 31 March 2015: Westrozebeke, Langemark, Rijkevorsel and Bree (Belgium), Moréac and Comines (France), King's Lynn and Boston (UK), Baja (Hungary) and Dabrowa, Lipno, Elk and Adamow (Poland). In addition, the Company has sales offices in five continents.

Greenyard Foods's business is focused primarily on companies in the Food Industry, Food Service and Retail sectors. Greenyard Foods offers its customers a total "Vegetable Solution" concept, in line with a growing market trend towards "component cooking". The Group maintains its own R&D centre, focusing on product and process innovation.

The consolidated financial statements provide a general overview of the Group's activities and the results achieved. They give a true and fair view of the entity's financial position, financial performance and cash flows on a going concern basis.

On 30 April 2015 the consolidated financial statements were approved for publication by the Board of Directors.

2. FINANCIAL REPORTING PRINCIPLES

2.1. DECLARATION OF CONFORMITY

The present consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and the interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC), as approved by the European Union.

2.2. NEWLY PUBLISHED STANDARDS AND INTERPRETATIONS

A. Standards, interpretations and amendments effective in 2014-2015

The following (other) new Standards and Interpretations that came into application as from the period of 1 April 2014 to 31 March 2015 onwards have no or limited impact on the consolidated financial statements of the Group:

- IFRS 10 "*Consolidated Financial Statements*" (applicable for annual periods beginning on or after 1 January 2014);
- IFRS 11 "*Joint Arrangements*" (applicable for annual periods beginning on or after 1 January 2014);
- IFRS 12 "*Disclosures of Interests in Other Entities*" (applicable for annual periods beginning on or after 1 January 2014);
- IAS 28 "*Investments in Associates and Joint Ventures*" (applicable for annual periods beginning on or after 1 January 2014);
- IFRS 14 "*Regulatory Deferral Accounts*" (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU);
- Amendments to IAS 32 "*Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*" (applicable for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 36 "*Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*" (applicable for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 39 "*Financial Instruments – Novation of Derivatives and Continuation of Hedge Accounting*" (applicable for annual periods beginning on or after 1 January 2014);

B. Standards, interpretations and amendments that are not yet effective in 2014 and have not been early adopted

The Group did not apply prospectively to the 2014-2015 financial year the following new Standards and Interpretations, which had been issued but had not yet come into effect at the date of approval of this annual report:

- IFRS 9 "*Financial Instruments and subsequent amendments*" (applicable for annual periods beginning on or after 1 January 2018 but not yet endorsed in the EU);
- IFRS 15 "*Revenue from Contracts with Customers*" (applicable for annual periods beginning on or after 1 January 2017, but not yet endorsed in EU);
- Improvements to IFRS (2010-2012) (applicable for annual periods beginning on or after 1 February 2015);
- Improvements to IFRS (2011-2013) (applicable for annual periods beginning on or after 1 January 2015);
- Improvements to IFRS (2012-2014) (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU);
- Amendments to IFRS 10 and IAS 28 "*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*" (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in the EU);
- Amendments to IFRS 11 *"Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations"* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU);
- Amendments to IAS 1 *"Presentation of Financial Statements – Disclosure Initiative"* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU);
- Amendments to IAS 16 and IAS 38 *"Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation"* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU);
- Amendments to IAS 16 and IAS 41 *"Agriculture: Bearer Plants"* (applicable for annual periods beginning on or after 1 January 2016, but not yet endorsed in EU);
- Amendments to IAS 19 *"Employee Benefits - Employee Contributions"* (applicable for annual periods beginning on or after 1 February 2015);
- IFRIC 21 *"Levies"* (applicable for annual periods beginning on or after 17 June 2014).

At the present time the Group does not expect that the first-time application of these standards and interpretations will significantly affect the financial statements of the Group during the period of first-time application, with the exception of:

- IFRS 9 "*Financial Instruments*" (applicable for annual periods beginning on or after 1 January 2018, but not yet endorsed in EU)*,* the application of which can significantly affect the classification and measurement of financial assets;
- IFRIC 21 "*Levies*" (applicable for annual periods beginning on or after 17 June 2014).
- IFRS 15 "*Revenue from Contracts with Customers*" (applicable for annual periods beginning on or after 1 January 2017), for which the Group is still in process of analysing the potential impact.

Based on its current assessment, the Group believes that the impact of IFRIC 21 will be that several levies will no longer be allowed to be spread over the calendar year, as the obligating event occurs at a specific point of time and after which the Group can no longer avoid the outflow of economic benefits by its own actions. This might impact next year's Group reporting, more specifically on the statement of financial position.

2.3. VALUATION RULES

In the accounting year 2014-2015 no major changes took place in the valuation rules compared with the previous reporting period.

A. Consolidation principles

The consolidated annual financial statements consolidate the financial data of Greenyard Foods NV and the enterprises over which it has control, i.e. its subsidiaries, after eliminating all material transactions within the Group.

Subsidiaries

Subsidiaries are those companies over which the parent company has control, i.e. the power to direct the financial and operating policy of a company in order to benefit from its activities, when the following three elements are applicable:

- The parent company has power over the investee;
- The parent company is exposed, or has rights, to variable returns from its involvement with the investee; and
- The parent company has the ability to use its power to affect its returns.

The parent company reassesses whether or not there it controls an investee if facts or circumstances indicate that there are changes in one or more of the three elements of control listed above.

The company considers all relevant facts and circumstances in assessing whether or not the company's voting rights in an investee are sufficient to give it power, including:

- The size of the parent company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the company, other vote holders or other parties;
- Rights arising from other contractual arrangements;
- Any additional facts and circumstances that indicate that the company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Subsidiaries are fully consolidated. The financial statements of subsidiaries are included in the consolidated financial statements from the date that the parent company gains control until the date that it loses control. Equity and net result attributable to minority shareholders are shown separately in the statement of financial position and income statement respectively.

The financial statements of subsidiaries and joint ventures are drawn up for the same financial year as that of the parent company, based on uniform financial reporting principles for comparable transactions and other occurrences in similar circumstances.

Non-controlling interests

Non-controlling interests represent the shares of minority shareholders in the equity of subsidiaries which are not fully owned by the Group.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and presented in a separate line under the equity of the Group. The book value of non-controlling interests in net assets consists of:

- On the one hand, the amount of the non-controlling interests at the time of the original business combination, measured in accordance with IFRS 3 *"Business Combinations (2008)"*. The revised Standard allows a choice of measurement: initial valuation at fair value or initial valuation at the minority shareholders' proportion of the fair values of net assets recognized on acquisition of a subsidiary (business combination) (see below in these notes under the heading 'business combinations'). The choice ('full goodwill'-option) can be made on a transaction-by-transaction basis.
- On the other hand, non-controlling interests' share in changes in equity since the acquisition date.

The losses in a consolidated subsidiary attributable to the non-controlling interests may be greater than the non-controlling interest in the equity of a subsidiary. Any such excess and any further losses applicable to the non-controlling interest are deducted from the non-controlling interests which makes it possible to have a negative amount under the revised Standard.

Business combinations

As from 1 January 2010 onwards, business combinations and acquisitions are accounted for using the purchase method in accordance with the revised Standard IFRS 3 "*Business combinations (2008)*".

For each acquisition the cost, in order to obtain control over an entity, is measured as the total fair value, at the date of exchange, of relinquished assets, issued 'equity instruments' and liabilities entered into or taken over. The consideration transferred in a business combination includes the fair value, at the date of exchange, of the assets and liabilities resulting from a contingent consideration arrangement. The costs made by the acquirer that are directly attributable to the business combination are recognized as an expense in profit and loss as incurred, except for the costs of the issue of bonds or shares and similar instruments that are handled in accordance with IAS 32 and IAS 39.

Identifiable acquired assets, liabilities taken over and contingent liabilities which are part of a business combination are initially measured at their fair value at acquisition date, with the exception of fixed assets held for sale in accordance with IFRS 5 *"Non-current Assets Held for Sale and Discontinued Operations"*, which are measured at fair value minus the cost of selling them, regardless of the existence of any non-controlling interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date. Subsequent changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments are recognized in accordance with the relevant IFRS Standards (in equity or in profit or loss).

The 'full goodwill' option, which can be elected on a case by case basis, allows the acquirer to measure the non-controlling interest in the acquiree either at fair value or at its proportionate share of the acquiree's net assets.

In accordance with IFRS 3, the purchase of a non-controlling interest after control is obtained cannot be accounted for as a business combination but an appropriate accounting treatment is not foreseen in the current standard. As a consequence, the Group has decided to apply the accounting principles set out in IAS 27 (revised January 2008), "*Consolidated and Separate Financial Statements"*, in this respect. Consequently, a purchase of a non-controlling interest after control is obtained and not resulting in loss of control is accounted for as a transaction between equity holders in that capacity. As such, the purchase of a non-controlling interest cannot give rise to goodwill or to a gain or loss in the income statement. Any difference between the fair value of the acquired non-controlling interest and the purchase consideration is recognized directly in equity. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. The amounts previously recognized in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable IFRS). If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Investments in joint ventures and associated companies

Joint ventures are enterprises in which the Group enters into a contractual agreement with one or more parties to undertake, directly or indirectly, an economic activity over which they have joint control, i.e. that the strategic, financial and operating decisions on this activity require the unanimous agreement of the parties sharing control.

Associated companies are companies in which the Group exercises, directly or indirectly, significant influence, but has no control over the entity's financial and operating policy and which are neither subsidiaries nor joint ventures. This is presumed if the Group holds at least 20% or more of the companies' voting rights.

The consolidated financial statements include the Group's share of the results of joint ventures and associates accounted for using the equity method from the date when joint control or significant influence commences until the date when joint control or significant influence ceases, except where the investment is classified as held for sale and then needs to be accounted for in accordance with IFRS 5 *"Non-current Assets Held for Sale and Discontinued Operations"*.

The financial information included for these companies is prepared using the accounting policies of the Group. Under the equity method investments in associated companies and joint ventures are initially recognized at cost and then adjusted to reflect changes in the investor's share in the net assets of the company subsequent to acquisition, less any impairment in the value of individual investments. Losses of an associated company that exceed the Group's interests in the associated company (also including all long-term interests which are in essence part of the Group's investments in this associated company) are not recorded, except to the extent that the Group has incurred obligations in respect of that associate.

The carrying amounts of investments in joint ventures and associates are reassessed if there are indications that the asset has been impaired or that impairment losses recognized in prior years have ceased to apply.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognized at the date of acquisition is recognized as goodwill, which is included within the carrying amount of the investment. The investments in joint ventures and associates in the balance sheet include the carrying amount of any related goodwill, which is assessed for possible impairment as part of this investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognized immediately in profit or loss ('badwill').

At 31 March 2014 and 31 March 2015 the Group had no interests in joint ventures and there were no associated companies.

Consolidation eliminations

All intra-group balances and transactions with subsidiaries, including unrealized gains on intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealized losses are also eliminated unless the impairment is permanent.

Unrealized gains on transactions with associated companies and joint ventures are eliminated in the amount of the Group's interest in the entity. The same elimination rules apply to unrealized losses as for unrealized gains, with the difference that they are eliminated only where there is no indication for recording an impairment.

Finally, we would refer the reader to our consolidation scope, as mentioned in note *"7.1. Subsidiaries"*.

B. Foreign currencies

The individual financial statements of each Group member are presented in the currency of the primary economic environment in which the entity is active (its functional currency). For the purpose of drawing up the consolidated annual accounts, the results and the financial position of each entity are expressed in euro, which is the functional currency of the parent company, and that in which the consolidated financial statements are presented.

Transactions in foreign currencies

A transaction undertaken in a foreign currency, when first recorded in the functional currency, is recorded by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency on the date of the transaction. On every balance sheet date monetary items in a foreign currency are converted on the basis of the closing rate. Non-monetary assets and liabilities are converted at the exchange rate on the transaction date. Foreign exchange differences resulting from the settlement of monetary items or from the conversion of monetary items at exchange rates that differ from those at which they were translated when first recognized, are recognized in the income statement in the period in which they occur as realized or unrealized translation gains or losses. Realized or unrealized translation gains and losses are recognized in the financial result.

The Group enters into term contracts to hedge against exposure to certain exchange rate differences. We refer here to note *"(u) derivatives"* on the measurement rules for this type of financial instrument and to note *"6.20. Risk Management Policy"*, where this type of instrument is analyzed more closely.

Financial statements of foreign entities

Monetary assets, non-monetary assets and liabilities of foreign entities having a functional currency other than the euro are translated at the closing exchange rate at the balance sheet date. The benefits and charges in each income statement

(including the comparative figures) are translated at the average exchange rate. All resulting translation differences are recognized in a separate equity line, more specifically ‘translation differences’. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests.
The following exchange rates were used in preparing the financial statements:

	Closing rate			Average rate		
	31 March 2015	*31 March 2014*	*Change %*	*31 March 2015*	*31 March 2014*	*Change %*
1 GBP =	1.36700 €	1.20970 €	13.0%	1.27410 €	1.18550 €	7.5%
1 USD =	0.92150 €	0.72710 €	26.7%	0.79240 €	0.74640 €	6.2%
1 PLN =	0.24400 €	0.23960 €	1.8%	0.23860 €	0.23770 €	0.4%
1 HUF =	0.00330 €	0.00320 €	3.1%	0.00320 €	0.00330 €	-3.0%
1 BRL =	0.28320 €	0.32080 €	-11.7%	0.32080 €	0.33270 €	-3.6%
1 JPY =	0.00770 €	0.00710 €	8.5%	0.00720 €	0.00750 €	-4.0%
1 CNY =	0.15030 €	0.11790 €	27.5%	0.12870 €	0.12120 €	6.2%

The average rate has been calculated over the past twelve months (accounting year 2013-2014: past twelve months).

When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. The cumulative amount of translation differences that were previously allocated to the non-controlling interests are taken out of consolidation, but are not reclassified to profit or loss.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount of translation differences is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture which includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount of translation differences is reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period.

C. Segmented information

IFRS 8 *“Operating segments”* requires disclosure of information about the Group’s operating segments and requires a ‘management approach’, so that the segment information is presented on the same basis as for internal reporting purposes. Additional explanation about each of the operating segments is given in explanatory note *“4. Segmented information”*.

D. Non-current assets held for sale and discontinued operations

A discontinued operation is a component of the Group that has either been disposed of or is classified as held for sale, which represents a separate significant operating activity or geographical area of operations, is part of a coordinated plan to be disposed of as a separate significant business activity and which can be distinguished operationally and for financial reporting purposes.

The Group classifies a non-current asset (or a group of assets being disposed of) as held for sale when its carrying amount will be realized mainly in a sales transaction and not through the continued used of the same. This condition is fulfilled only when the sale is highly probable and the asset (or the group of assets being disposed of) is immediately available for sale in its present state.

For a sale to be highly probable, management must have committed itself to a plan for selling the asset (or group of assets being disposed of), which is expected to be recognized as a completed sale within one year of the classification date, and an active program to locate a buyer and complete the plan should be initiated. In addition the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value.

Immediately before the asset is classified for the first time as held for sale the Group measures the carrying amount of the asset (or of all assets and liabilities in the Group) in accordance with the applicable IFRSs. Non-current assets and groups of assets to be disposed of, when first recognized as held for sale, are measured at the lower of carrying amount and fair value less the cost of selling them. Impairment losses are recorded in the event of any initial or later write-down of an asset (or group of assets to be disposed of) to fair value minus the cost of selling it. Depreciation of such assets is discontinued as from their classification as held for sale. Comparative balance sheet information for prior periods is not restated to reflect the new classification in the balance sheet.

E. Intangible fixed assets

Intangible fixed assets consist of titles, brand names, customer portfolios, software, licenses and ownership and similar rights acquired from third parties or acquired by contribution, along with internally generated software. Intangible assets acquired in a business combination are initially measured at fair value which thus becomes its deemed cost; intangible assets acquired separately are initially measured at cost.

Intangible fixed assets with unlimited useful life

Intangible fixed assets with unlimited useful life are recorded at cost. No amortization is taken on intangible fixed assets with unlimited useful life, but these will be assessed annually to determine whether any impairment has taken place. Where the realizable value of these intangible fixed assets is lower than their carrying amount, an impairment loss will be recorded in the income statement. At the balance sheet data no intangible fixed assets with unlimited useful life were identified.

Intangible fixed assets with limited useful life

Intangible fixed assets with limited useful life are recorded at cost less accumulated amortization and any accumulated impairments. Intangible fixed assets having a limited useful life are amortized over their expected useful life by the straight-line method from the date on which the asset was available. The remaining useful life and the amortization method are assessed annually during the financial year end closing. A change in the useful life of an intangible asset is accounted for prospectively as a change in estimate.

The following useful lives are applied by the Group:

- Software 5 years
- Development costs 5 years
- Licenses and ownership rights 5 years
- Customer portfolio Noliko Group 15 years

Where the fair value is lower than the carrying amount calculated in this way, impairments losses will be recorded in the income statement.

Research and development

Research expenditure undertaken with a view to acquiring new scientific or technical knowledge and insights is charged to the income statement when incurred.

Development expenditure, where the results are applied to a plan or a design for producing new or significantly improved products and processes, prior to commercial production or use is capitalized if, and only if, all of the recognition criteria set out below are met:

- The product or process is technically or commercially realizable;
- The Group intends to complete the intangible asset and either use it or sell it;
- The product or process can be used or sold;
- The assets are demonstrably likely to generate future economic benefits;
- The Group has adequate technical, financial and other resources to complete the development and to use or sell
- The intangible asset;
- The Group can reliably assess the expenditure allocated to the intangible asset during its development.

The capitalized amount contains all costs that are directly attributable to the bringing into being and production of the asset, so that it can function in the way intended by management. An in-process research and development project acquired in a business combination is recognized as an asset separately from goodwill if its fair value can be measured reliably.

Capitalized development costs are written off on a straight-line basis over the period during which benefits are expected to accrue, from the time that the product or process is ready for use.

F. Goodwill

Goodwill that arises upon a business combination is initially recorded as an asset on the day control is obtained ('acquisition date').

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill is initially recognized as an asset at cost, and subsequently measured at cost less any accumulated impairments.

If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

The cash generating unit to which goodwill is attributed is tested annually for impairment, and also whenever an indication exists that the unit may have undergone an impairment, by comparing the carrying amount with its realizable value. The realizable value is the higher of the fair value minus costs to sell and value in use.

Where the realizable value of the cash generating unit is lower than its carrying amount, an impairment will first be recognized against the carrying amount of the goodwill attributed to the unit, and then against the other assets of the unit pro rata to the carrying amount of each asset in the unit. An impairment recognized on goodwill may not be reversed at a later date.

When a subsidiary, joint venture or associated company is sold, the goodwill attributed to it is taken into account in determining the gain or loss on the sale.

The Group policy with regard to the determination of goodwill on the acquisition of an associate is discussed above under the heading *"a) consolidation principles"*.

G. Tangible fixed assets

Owned assets

The Group has opted for the historical cost model and not for the revaluation model. Property, plant and equipment acquired separately is initially measured at cost. Property, plant and equipment acquired in a business combination is initially measured at fair value, which thus becomes its deemed cost. After initial recognition, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairments.

The cost consists of the initial purchase price together with all directly attributable costs incurred in order to make the asset able to function in the intended manner (non-refundable taxes, transport, etc.). The cost of a self-produced asset includes the cost of the materials, direct wage costs and a proportionate share of the production overhead.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. A qualifying asset is one that takes a substantial period of time to get ready for use or sale.

Subsequent costs

Subsequent costs are included in the carrying amount of the asset or recognized as a separate asset, but only when it is probable that the future economic benefit linked to the item will flow to the Group and when the cost of the item can be reliably assessed. All other repair and maintenance costs are recognized in the income statement when incurred.

Depreciation

Depreciation is recorded by the straight-line method over the expected useful life of the asset. The depreciation of an asset begins as soon as it is ready for its intended use. The depreciation amount is charged to the income statement. No depreciation is taken on land and on properties under construction.

The remaining value and the useful life of an asset are reviewed at least at the end of every financial year, and where expectations differ from previous estimates, the change(s) are treated administratively as a change in estimate in accordance with IAS 8 *"Changes in Accounting Estimates and Errors".*

Initially the following average useful lives are applied:

- Buildings 18 years
- Plant, machinery and equipment
  - Production 13 - 16 years
  - Packing 12 - 16 years
  - Energy 20 years
  - Other 12 - 15 years
- Furniture and vehicles 6 years
- Other equipment 5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (see section on *"i) Impairment of assets"* below). Gains and losses on the disposal of fixed assets, being the difference between the sales price and the carrying amount of the assets being disposed of, are recognized in the income statement.

Government grants

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of those assets. They are recognized in the balance sheet at their expected value at the time of initial government approval and corrected, if necessary, after final approval. The grant is amortized over the depreciation period of the underlying assets.

H. Leasing

A leasing agreement is classified as a finance lease when almost all the risks and benefits of ownership are transferred to the lessee. All other forms of leases are regarded as operating leases.

Finance leases

At the beginning of the lease period finance leases are recognized as assets and liabilities at amounts equal to the fair value of the leased asset or, where lower, at the present value of the minimum lease payments. The corresponding liability towards the lessor is recorded in the balance sheet as a liability under a finance lease. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine it; otherwise the Company's incremental borrowing rate is used.

The minimum lease payments are recorded partly as financing costs and partly as repayment of the outstanding obligation. Financing costs are allocated to each period of the total lease period in such a way as to give a constant periodic rate of interest over the remaining balance of the obligation. Conditional lease payments are charged to income in the periods in which they are made.

The depreciable amount of a leased asset is systematically attributed to each reporting period during the period of expected use, on a basis consistent with the depreciation principles applied by the lessee to its directly owned assets. When it is reasonably certain that the lessee will acquire ownership at the end of the lease period, the expected period of use is equal to the useful life of the asset. Otherwise the asset is depreciated over the shorter of the lease period or the useful life.

Operating leases

Lease payments on operating leases must be charged to income pro rata temporis during the lease period, except where another systematic form of allocation is more representative for the time pattern of the user's benefit. Benefits (to be) received as an incentive to conclude an operating lease agreement are also spread pro rata temporis over the lease period.

Improvements to buildings held under operating leases are depreciated over their expected useful lives, or, where shorter, the term of the relevant lease.

I. Impairment of tangible and intangible fixed assets

In accordance with IAS 36, an assessment is made, at each balance sheet date, in respect of the Group's tangible and intangible assets, as to whether there are indications that an impairment loss needs to be recognized on a particular asset. Where an indication exists of such impairment, the realizable value of the asset is estimated. The realizable value of an asset or a cash flow-generating unit is the higher of the fair value after deducting the cost of selling it and its value in use. To determine the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks attached to the asset.

An impairment loss is recognized whenever the carrying amount of an asset, or the cash flow generating unit to which the asset belongs, is higher than the realizable amount. Impairment losses are recognized directly to the income statement.

Reversal of impairment losses recognized in prior years is included as income when there is an indication that the impairment losses recognized for the asset are no longer needed or the need has decreased. Whenever an impairment is reversed, the carrying amount of the asset is increased up to the revised estimate of its realizable amount, but in such a way that the increased carrying amount is no higher than the carrying amount that would have been determined if no impairment had been recognized on the asset in earlier years.

J. Inventories

Inventories are measured at the lower of cost (purchase costs or costs of conversion) by the FIFO (first-in, first-out) method and realizable value. The costs of conversion include all direct and indirect costs that are necessarily incurred in bringing the inventories to their present location and state. The net realizable value is the estimated sales price in the ordinary course of business, less the estimated costs of completion and the necessary costs of making the sale. Inventory is written down monthly on the basis of its market value. We refer to note *"6.5. Inventories"* for further information on the valuation of inventories.

According to IAS 41 *"Agriculture"*, own vegetables which are grown on rented land should be measured on initial recognition until the moment they are harvested at fair value minus costs to sell.

K. Financial assets

The Group classifies its financial assets in the following categories: 'at fair value through profit or loss' (FaAFVTPL/FaHT), 'available-for-sale' (FaAFS), 'held-to-maturity' (Htm) and 'loans and receivables' (L&R). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Criteria for the first-time recognition and for the derecognition of financial assets

The purchase and sale of financial assets are recognized at completion date. This means that an asset is recognized on the date that it is received by the Group, and that it is derecognized on the date that the Group disposes of it.

Criteria for the valuation of financial assets

Financial assets are initially measured at cost, which is equal to the fair value of the purchase price, including transaction costs. For derivatives, transaction costs should be charged to income immediately. Financial assets, other than those at fair value through profit or loss, are tested for impairment when there is objective evidence that they could be impaired. An impairment loss is directly recognized in the income statement.

- *Financial assets at fair value through the income statement (FaAFVTPL/FaHT)*
  These include:
  (a) Financial assets which are initially recognized and measured at fair value, and where subsequent changes in fair value are passed through the income statement;
  (b) Financial assets held for trading purposes. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. This includes derivatives that do not serve to hedge a specific transaction.

Both these categories are measured on recognition at their fair value, with subsequent changes in this fair value passed through the income statement.

- *Available-for-sale financial assets (FaAFS)*
  Non-current available-for-sale assets include investments in entities which were not acquired principally for the purpose of selling in the short-term, and which are neither consolidated nor accounted for using the equity method. Available-for-sale financial assets are classified under the 'other non-current financial assets' heading of financial fixed assets. Available-for-sale financial assets are measured, after initial recognition, at fair value in the balance sheet. Investments in equities that are classified as available-for-sale financial assets but for which no price quotation on an active market is available, and the fair value of which cannot be reliably determined, are recognised at their historical cost less any impairments. Gains and losses deriving from changes in the fair value of available-for-sale assets are recorded directly to equity. When the participating interest is sold, received or otherwise disposed of, or when the carrying value of the participating interest is written down owing to an impairment, the accumulated profit (or loss) previously included in equity is transferred to the income statement.

- *Held-to-maturity investments (Htm)*
  Held-to-maturity investments are measured at cost, amortized using the 'effective interest method' less any impairments.

- *Loans and receivables (L&R)*
  Loans and receivables are measured at amortized cost less any impairments. Based on an examination of all amounts outstanding at balance sheet date, an estimate is made of all loans and receivables of which the ability to collect is in doubt. An impairment loss is recognized in the income statement in the amount of the difference between the carrying amount of the receivables and the current value of the estimated future cash flows. Loans and receivables include here trade receivables, other receivables, short-term financial assets, cash and cash equivalents.

L. Trade and other receivables

Short-term trade receivables and other receivables are initially measured at fair value. At the end of the financial year, doubtful receivables are estimated based on an assessment of all outstanding amounts.

Valuation allowances are recognized in the income statement whenever an objective proof exists that the asset has reduced in value. The amount of the valuation allowance is determined as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the original effective interest rate at the time of first recognition. No valuation allowances are taken by the Group for overdue amounts where collection is still deemed probable, for example because outstanding amounts are recoverable from the tax authorities or because the Group holds sufficient security. We refer to note *"6.8. Trade and other receivables"* for more information with regard to the accounting of write-offs.

M. Cash and cash equivalents

Cash and cash equivalents consist of cash and call deposits, short-term (< 3 months) investments, cheques and highly liquid short-term investments that can be immediately converted into cash, of which the amount is known and which contain no material risk of reduction in value.

N. Equity instruments and interest-bearing liabilities: distinction

Equity instruments and interest-bearing liabilities issued by the Group are classified on the basis of the economic reality of the contractual agreements and the definitions of the interest-bearing instrument and the equity instrument.

Equity instruments

An equity instrument is any contract that consists of a remaining interest in the Group's assets, after deducting all liabilities. An equity instrument issued by the Group is recognized under equity on the basis of the income received less direct transaction costs.

Interest-bearing liabilities

Interest-bearing liabilities are measured initially at fair value, less attributable transaction costs. After initial valuation interest-bearing liabilities are recognized at their amortized cost price, with the difference between the initial amount and the redemption value taken into the income statement pro rata temporis based on the ‘effective interest’ method.

O. Equity instruments

Equity instruments of the Group are not revalued.

Own shares

Own shares are deducted from equity and reported in the statement of changes in equity. No gain or loss is recognized on the purchase, sale, issue or cancellation of own shares. Transaction costs directly attributable to the acquisition of own shares (after deducting any taxes) are also deducted from the equity attributable to the shareholders of the company. The result on the disposal of treasury shares sold or cancelled is recognized in retained earnings.

Dividends

Dividends are recognized as amounts payable in the period in which they are formally allotted, after approval by the General Meeting of Shareholders. Until such formal approval, the proposed dividends are included in the Group’s consolidated equity.

P. Provisions

Provisions are set up in the statement of financial position whenever the Group has an existing (legally enforceable or ‘de facto’) obligation deriving from a past event and it is probable that an outflow of resources representing economic benefits will be necessary in order to complete the transaction, and the amount of the obligation can be reliably estimated. The amount recognized as a provision is the best estimate at the balance sheet date of the outflow needed in order to fulfill the existing obligation, eventually discounted where the time value of money is a relevant factor.

Reorganization or restructuring

A provision for reorganization costs is recorded in those cases where the Group has approved a detailed formal reorganization plan and has created a valid expectation among those involved that the reorganization will be carried out by beginning to implement the plan or by informing the parties involved of the key features of the same prior to the balance sheet date. Restructuring provisions include only the direct expenditure arising from the restructuring which is necessarily incurred on the restructuring and is not associated with the ongoing activities of the entity.

Environmental provisions

Environmental provisions are booked in accordance with applicable statutory duties on one hand and environmental policy developed by the Group on the other.

Q. Employee benefits

Pension obligations ('defined contribution plans')

In the 'defined contribution plans', the actuarial risk and the investment risk are borne entirely by the employee. Obligations relating to these plans are recognized directly in the income statement at the time incurred.

By law, defined contribution pension plans in Belgium are subject to minimum guaranteed rates of return. Hence, those plans classify as defined benefit plans. The IASB recognized that the accounting for such so-called "contribution-based plans" in accordance with the currently applicable defined benefit methodology is problematic. Considering as well the uncertainty with respect to the future evolution of the minimum guaranteed rates of return in Belgium, the Company adopted a retrospective approach whereby the net liability recognized in the statement of financial position is based on the sum of the positive differences, determined by individual plan participant, between the minimum guaranteed reserves and the accumulated contributions based on the actual rates of return at the closing date (i.e. the net liability is based on the deficit measured at intrinsic value, if any).

Defined pension schemes ('defined benefit plans')

In defined benefit plans, the amount on the balance sheet (the 'net liability') corresponds to the present value of the gross liability, reduced by potential plan assets. The 'present value of the gross liability of a defined benefit plan' is the present value of expected future payments required to settle the liability which results from the employee's service record in the previous periods.

The discounted value of the liability arising from defined pension rights and the assigned pension costs associated with the year of service are calculated using the projected unit credit method. The discount rate corresponds to the rate of return on the balance sheet date on corporate bonds with a high degree of creditworthiness and a remaining term comparable with the term of the Group's liabilities.

'Actuarial gains and losses' include adjustments on the basis of experience (the consequences of differences between previous actuarial assumptions and what has actually happened) and the consequences of changes to actuarial assumptions. Actuarial gains and losses are recognized in the other comprehensive income at the moment they arise.

'Past service costs' refers to the increase in the present value of the gross obligation for services that were delivered by employees in previous periods and that arise in the current period from the introduction of or changes in the remunerations after retirement. Past service costs are immediately recognised in the income statement.

Share-based payments

Share option programs and warrant plans enable employees and senior management to acquire shares in the company. The fair value of the services received from employees is recognized as an expense. The total amount to be recognized as an expense during the vesting period is determined on the basis of the fair value of the share options granted, not taking into account the impact of market price-unrelated conditions. Account is taken of market price-related conditions in the assumptions concerning the expected number of share options that will become unconditional. At each balance sheet date the Group revises its estimates of the numbers of share options that will become unconditional. Where applicable, the impact of the revision of the original estimates is recognized in the income statement with a corresponding entry to equity over the remainder of the vesting period. If and when the options are exercised, equity is increased by the amount of the monies received.

Other long-term employee benefits

Other long-term employee benefits consist of future remuneration to which employees are entitled based on services rendered during the present or previous periods. These benefits are treated in the same way as defined pension schemes, except that all actuarial gains and losses are recognized immediately, no bandwidth is applied and all past service costs are recognized immediately.

The Group has no other long-term employee benefits.

R. Other financial liabilities: bank loans

Interest-bearing bank loans and overdrafts are measured initially at fair value after deduction of transaction costs, and are subsequently measured at their amortized cost calculated according to the effective interest method.

S. Other financial liabilities: subordinated loans

Loans are initially recorded in the financial statements at fair value, net of transaction costs, and then at amortized cost. The difference between the income (net of transaction costs) and the redemption value is recognized in the income statement over the life of the loan by the effective interest method.

T. Other financial liabilities: trade and other payables

Trade and other payables are measured at amortized cost.

U. Financial assets and liabilities: derivatives

Financial risk factors

The Group uses derivatives to limit risks relating to unfavorable foreign currency and interest-rate fluctuations arising out of operating, financial and investment activities. It is the Group's policy not to speculate in financial derivatives. The Group uses foreign currency buy and sell options, interest-rate swaps and other derivative instruments to control the impact of foreign currency and interest-rate fluctuations. These financial instruments are used solely to hedge exposure to currency and interest-rate risks.

Hedging instruments

As from 1 April 2014 onwards the newly concluded financial derivatives which are economic hedges (to limit risks from adverse exchange rate and interest rate fluctuations) and which meet the strict criteria of IAS 39 *"Financial instruments"*, are included as cash flow hedges, whereas in previous reporting period no cash flow hedging was applied. In the previous reporting period the changes in fair value of the financial derivatives were included in the financial result. As from 1 April 2014 onwards, the effective portion of the change in fair value of derivative financial instruments that are identified as cash flow hedges is recognized in other comprehensive income. The gain or loss on the ineffective portion is immediately reported in the income statement. Amounts accumulated in equity are reclassified to the income statement in the periods in which the financial instrument in question impacts the income statement. The impact of this on the equity amounted to €0.5 million as per end of March 2015.

A formal documentation system has been implemented in order to identify the underlying transaction as fast as possible when entering into new contracts, in order to establish whether the hedging instrument squares with the Group's risk management and to test the appropriateness of the hedging instrument on a permanent basis.

Valuation

Derivatives that represent economic hedging but do not fulfill the strict hedge accounting criteria as prescribed in IAS 39 *"Financial Instruments: Recognition and measurement",* are treated for accounting purposes as financial assets or financial liabilities measured at fair value (FaAFVPL/FlFVPL), with changes in value being passed through the income statement. The fair value of traded derivatives is equal to their market value. If no market value is available, the fair value is calculated using standard financial valuation models, based upon the relevant market rates at the reporting date, In the case of interest-bearing derivatives, the fair values correspond to the clean price, excluding interest accrued.

V. Income taxes

Income taxes consist of current and deferred taxes.

The current tax liability is based on the fiscal profit for the year. The current tax is the amount of the income tax owed with respect to the fiscal profit of the period, together with any adjustments relating to prior periods. This amount is calculated based on local tax rates (or tax rates for which the legislative process is essentially completed) at balance sheet date. Current taxes for the current and prior periods are, in so far as not already paid, recognized as a liability. Where the amount already paid in respect of the current and prior periods is greater than the amount due in respect of this period, the balance is recorded as an asset.

Deferred taxes are recognized based on the 'liability' or balance method, for all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding fiscal carrying amount used in calculating the fiscal profit. In general deferred tax liabilities are recognized for all taxable temporary differences, and deferred tax assets are recognized to the extent that taxable profits are available for offsetting against deductible temporary differences. Such liabilities and receivables are not recognized when the temporary differences result from the first-time recognition of goodwill or from the first-time recognition (other than in a business combination) of other assets or liabilities in a transaction that has no effect whatsoever on the pre-tax profit, nor on the fiscal profit. The main temporary differences relate to the depreciation of tangible fixed assets, the effect of changed depreciations on the inventory valuation, the effect of changes in the inventory valuation method (full cost instead of direct cost) at the canning division, the recognition of grants and the impact of the acquisitions.

Deferred tax liabilities are recognized for all taxable temporary differences relating to investments in subsidiaries, branches, associated companies and interests in joint ventures, unless the Group is able to determine when the temporary difference reverses and it is likely that the temporary difference will not reverse in the near future.

The carrying amount of a deferred tax liability should be assessed at every balance sheet date. The Group will reduce the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient fiscal profit will be available to permit its application, in part or in whole, to the benefit of the deferred tax asset.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applicable to the period when the asset is recovered or the liability is settled. Deferred taxes must be taken as income or expenses into the income statement of the period, unless they refer to elements recognized directly to equity, in which case the deferred tax is also recognized directly to equity.

Current tax assets and liabilities are offset only if the entity has a legally enforceable right to offset the recognized amounts and intends to settle the liability on a net basis, or to recover the asset at the same time as settling the liability.

W. Revenue

Revenue from the sale of goods

Revenue from the sale of goods is recognized when:

(a) The essential risks and benefits of ownership are transferred;
(b) The Group retains no de facto control or involvement which normally belongs to the owner;
(c) The amount of the revenue can be reliably determined;
(d) It is probable that the economic benefits relating to the transaction will flow to the Group;
(e) The costs already or still to be incurred in respect of the transaction can be reliably measured.

Revenue is measured at the fair value of the remuneration received or to which entitlement is obtained, and represents the amounts due and payable for goods and services delivered in the normal course of business, taking into account the amount of any trade, financial or volume discounts given by the Group.

In accordance with the IFRS standards, the transport costs charged on to customers are included under the heading 'sales'.

Government grants

Government grants are recognized at the time that reasonable certainty exists that the Group will fulfill the conditions attached to the grants and the grants will be received. Government grants are systematically recorded as income over the periods needed in order to attribute these grants to the related costs that they are intended to compensate. A government grant received by way of compensation for costs or losses already incurred or with a view to granting immediate financial support to the Group with no future related costs, is recorded as income of the period in which it is received.

Grants related to income

Grants related to income are presented as 'Other Operating Income'.

X. Finance income and costs

Finance income

Finance income comprises interest income on funds invested (including available-for-sale financial assets), dividend income, gains on the disposal of available-for-sale financial assets, fair value gains on financial assets at fair value through profit or loss, gains on the remeasurement to fair value of any pre-existing interest in an acquiree, Interest is recognized by the 'effective interest method' as specified under IAS 39 *"Financial Instruments: Recognition and Measurement"*. Dividend income from investments is recognized whenever the shareholders' rights to payment have been acquired.

Finance costs

Finance costs comprise interest expense on borrowings and interest on installments of financial leasing, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognized on financial assets (other than trade receivables). All financial expenses are recognized at the time at which they arise. Financing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset (see heading *"g) tangible fixed assets"*) are spread as an expense over the financing period using the effective interest method.

Foreign currency gains and losses

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Y. Non-recurring income and charges

Operating income and expenses that are related to restructuring programs, impairment losses, environmental provisions or other events and transactions that are clearly distinct from the normal activities of the Group are presented on the face of the income statement as non-recurring items.

Z. Events after balance sheet date

Events after balance sheet date concern the period between the balance sheet date and the date of the approval for publication of the financial statements.

Events after balance sheet date that refer back to situations that existed at the balance sheet date are incorporated into the financial statements. Events after balance sheet date that refer to situations arising only after the balance sheet date are mentioned in the notes only if they can have a significant impact.

2.4. CHANGES TO THE CONSOLIDATION SCOPE

The following changes in the consolidation scope occurred during the financial year 2014-2015:

Purchase of production facilities in King's Lynn, United Kingdom

In order to execute the strategic plan, Greenyard Foods NV realized the acquisition of 100% of the shares of the real estate company of the production site at King's Lynn on 7 July 2014 (KL Foods Limited, United Kingdom). As a result of this acquisition, Greenyard Foods now has all its production facilities in ownership. This acquisition forms part of the use of a bond loan issued in July 2013. The price that was paid for these shares amounts to €17.4 million. As the acquired company is a real estate company, the opening balance sheet is fully related to fixed assets as described in note *"6.3. Tangible fixed assets"*.

Sale De Buitenakkers NV and Pinguin Foods Deutschland Gmbh

On 12 November 2014 all the shares of De Buitenakkers NV and Pinguin Foods Deutschland Gmbh, located in Manschnow in Germany, were sold to the KTG Agrar Group. This sale contributes to the efficiency improvement within the frozen division.

A gain was realised, which however had no significant impact on the consolidated results and was included in the non-recurring elements.

Merger De Binnenakkers NV and Noliko Real Estate NV

On 27 November 2014 a merger by acquisition took place of De Binnenakkers NV by Noliko Real Estate NV. This merger fits in with the priority to simplify the group structure.

Merger/demerger in Hungary and sale of the assets at Bekescsaba

On 30 September 2014 a merger/demerger took place between the companies Baja Hutoipari Zrt and Pinguin Foods Hungary Kft. On 19 December 2014 the shares of the company Bajai Hutoipari zrt were sold (a company that only included land) to UFM Sca. This sale forms part of the process of international integration of processes within the frozen division.

Sale Pinguin Aquitaine SAS

On 21 January 2015 the participation of 52% in Pinguin Aquitaine in Ychoux in France was sold to Vijverbos NV (Herwig Dejonghe). This sale will contribute to an increase of efficiency improvements within the frozen division. A loss was realised, which however did not have a significant impact on the consolidated results and was included in the non-recurring elements.

Merger Pinguin Langemark NV and Dreefvelden NV

Per 31 March 2015 there was a silent merger between Pinguin Langemark NV (acquiring company) and Dreefvelden NV (acquired company). This silent merger took place in the framework of the simpflification of the group structure.

Other changes

As per 22 August 2014 the subsidiary ‘Scana Noliko Ltd’ has been renamed ‘Noliko Ltd’. As per 24 February 2015 the subsidiary ‘Noliko Real Estate’ has been renamed ‘Noliko Investments’.

3. USE OF ESTIMATES

Preparing the financial statements in accordance with the IFRS Standards requires management to make judgments, estimates and assumptions that can have an impact on the reported amounts of assets and liabilities, contingent liabilities and assets, income and costs, and elements thereof that are mentioned in the notes.

The estimates made on the reporting date reflect conditions as they existed on that date. The main estimates, judgments and underlying assumptions relate primarily to determining impairments of goodwill, the intangible and tangible fixed assets, deferred tax assets and provisions:

- Impairment losses on goodwill:
  The Group tests goodwill and cash generating units annually for impairment where indications exist that goodwill and cash generating units may have fallen in value. This analysis is based on assumptions such as market evolution and market share, evolution of the margins, EBITDA/sales ratio, discount rates and working capital/sales ratio;
- Useful lives of (in)tangible fixed assets:
  As described in the valuation rules above, the Group reviews the estimated useful lives of (in)tangible fixed assets at the end of each reporting period. Where expectations differ from previous estimates, the change(s) are treated administratively as a change in estimate.
- Impairment losses (or reversal of impairment losses) on (in)tangible fixed assets:
  - At every reporting date the Group examines whether any indication exists of a possible impairment of (in)tangible fixed assets;
  - At every reporting date the Group examines whether any indication exists that an impairment recorded on an asset in a previous reporting period has reduced or no longer exists;
- The recording and calculation of provisions for tax and environmental risks and for restructurings;
- Deferred tax assets:
  Deferred tax assets relating to carried-forward tax losses are recognized only to the extent that it is probable that sufficient taxable profit will exist in the future in order to recover the carried-forward tax losses. In estimating this, the Group takes into account elements such as budgets, long-term strategies and tax planning opportunities;
- Provisions:
  At every year end the Group estimates the future risks and costs of pending disputes, taking advice in particular from outside experts.

The estimates, judgments and related assumptions as described above are based on past experience and on various other factors that are considered reasonable in the given circumstances. The actual outcomes can differ from these estimates. The estimates and underlying assumptions are constantly reassessed.

Management believes that a reasonable basis exists for the estimates and assumptions and that these reflect in the best possible way the outlook for the Group.

4. SEGMENT REPORTING

The information that is reported for Greenyard Foods to the Group's 'chief operating decision makers' with a view to assessing the results and allocating resources, is based on two operating segments. This segmentation basis is employed to allocate resources to the different segments and enables the performance of those segments to be assessed. The management team judges the results of the segments based on the net result after taxes. The assets and liabilities per segment are those belonging directly to it, including the elements that can reasonably be attributed to the segment (tax assets and tax liabilities are included in segment assets and segment obligations).

For internal 'management reporting' the Group is therefore divided into two segments based on products belonging either to the frozen or to the canning division.

The **results** include the results of the frozen division and the canning division. In accordance with IFRS 5, the results of the potato division for the months April and May 2013 were included in the result from discontinued operations following the sale of these activities (see note '*5.7. Discontinued operations*'). The Group's various companies are included in the following segments:

- Frozen division: includes the companies Greenyard Foods NV, Pinguin Langemark NV, Pinguin Foods UK Ltd, KL Foods Ltd., Pinguin Salads BVBA, CGS S.A.S., Pinguin Comines S.A.S., Pinguin Foods Polska Sp. Z.o.o., Pinguin Foods Hungary Kft, CGB S.A.S., Moréac Surgelés S.A.S., Vallée de la Lys S.A.S., D'aucy Polska Sp.z.o.o., Pinguin Aquitaine S.A.S. (10 months in AY 2014-2015) and De Buitenakkers NV (7 months in 2014-2015) and the sales offices D'aucy do Brazil Ltda, MAC Sarl, Pinguin Foods CEE Gmbh and Pinguin Foods Deutschland GmbH (7 months in AY 2014-2015).
- Canning division: includes the companies Noliko Holding NV, Noliko NV, Noliko Ltd, BND CVBA, Noliko Investments NV and Dreefvelden NV.

The same valuation rules are used in this segment reporting as in the consolidated financial statements.

The result of a division contains the income and costs generated directly by that segment, including the portion of the corporate costs that are allocated to the segment based upon determined allocation keys.

The assets and liabilities of a segment are those belonging directly to it. With primary segment reporting structured according to the geographic location of the assets, it was easy to attribute the balance sheet items to the respective segments. Assets and liabilities per segment are presented before elimination of intersegment positions. Intersegment transfer pricing is based on market conditions.

Information about major customers

Sales of the Group out of transactions with external customers do not include individual customers that represent 10% or more of sales of the Group. This is the case for the current accounting year and the previous accounting year.

The sales of the 5 major customers increased and amounted only to 26.5% of the total sales in accounting year 2014-2015 (previous accounting year 22.6%). There are no individual customers who represent more than 10% of sales. The main customers within the frozen division and canning division are quite similar to each other and remained stable. The divisions have built up an elaborated and diversified client portfolio, both in type of clients and geographical spread. The share of the top-5 clients in both divisions has remained quite stable over the years.

The tables below provide a summary of the **results** of each operating business segment, for the twelve month period ended 31 March 2015 and the twelve month period ended 31 March 2014.

Geographical information

The Group sells its products in more than 90 countries across the world. The table below gives an overview of sales by customer location.

Sales (in thousands of €)	AY 14/15		AY 13/14	
United Kingdom	147,862	23.27%	139,070	22.32%
France	138,419	21.79%	141,807	22.76%
Germany	79,874	12.57%	80,565	12.93%
Belgium	68,894	10.84%	66,294	10.64%
Other EU-countries	134,119	21.11%	125,017	20.06%
Other	66,202	10.42%	70,367	11.29%
Total sales	**635,370**	**100.00%**	**623,120**	**100.00%**

The United Kingdom represents 30.4% of the sales of the frozen division in accounting year 2014-2015 (previous accounting year 27.7%), whereas this amounts to 10.0% in the canning division (previous accounting year 12.0%). The percentage increase of sales to British customers in the frozen division compared to the previous accounting year can mainly be explained by positive exchange rate fluctuations of the British Pound.

The table below shows the geographical spread of fixed assets in accordance with IFRS 8.33 by means of exceeding a materiality of 10%.

GEOGRAPHICAL SPREAD OF FIXED ASSETS	AY 14/15
Fixed assets Belgium	171,613
Fixed assets United Kingdom	52,625
Fixed assets France	45,217
Fixed assets other countries	24,810
Total fixed assets	**294,265**

GEOGRAPHICAL SPREAD OF FIXED ASSETS	AY 13/14
Fixed assets Belgium	180,249
Fixed assets United Kingdom	28,557
Fixed assets France	48,150
Fixed assets other countries	23,875
Total fixed assets	**280,831**

A more detailed discussion of the segment information is provided in the report of the Board of Directors.

Segmented information per operating segment *is given in the table below:*

AY 14/15 (In thousands of €)	Consolidated			
	Subconsolidation frozen division	Subconsolidation canning division	Eliminations	Consolidated
RESULTS				
Sales	**418,836**	**222,897**	**-6,363**	**635,370**
sales to external customers	414,129	221,241		635,370
intersegment sales	4,707	1,656	-6,363	
Total operating income	**436,136**	**226,256**	**-6,365**	**656,027**
Operating result (EBIT)	**11,880**	**15,665**		**27,545**
Depreciation and impairment losses on assets	17,859	13,018		30,877
Write-offs recognized in comprehensive income	1,843	345		2,188
Provisions	626	-85		541
Operating cash flow (EBITDA)	**32,209**	**28,942**		**61,151**
Financial income	11,741		-486	11,254
Interest inicome	497		-486	11
Financial expenses	-15,871	-2,744	486	-18,129
Interest charges	-13,826	-1,364	486	-14,704
Result before taxes	**7,751**	**12,920**		**20,671**
Income taxes	-3,917	-5,977		-9,894
Net result	**3,833**	**6,944**		**10,777**
Non-recurring income	397			397
Non-recurring expenses	-2,780			-2,780
Operating result before non-recurrings (REBIT)	**14,263**	**15,665**		**29,928**
ASSETS AND LIABILITIES				
Segment assets	542,691	214,731	-127,474	629,948
Segment obligations	338,687	79,537	-10,106	408,118
Segment non-current assets (*)	301,595	110,092	-117,422	294,265

Segmented information per operating segment *is given in the table below:*

AY 13/14 (In thousands of €)	Consolidated			
	Subconsolidation frozen division	Subconsolidation canning division	Eliminations	Consolidated
RESULTS				
Sales	**414,159**	**215,716**	**-6,756**	**623,120**
sales to external customers	409,788	213,303		623,091
intersegment sales	4,372	2,413	-6,756	29
Total operating income	**437,524**	**229,158**	**-7,675**	**659,007**
Operating result (EBIT)	**6,760**	**13,936**		**20,695**
Depreciation and impairment losses on assets	17,709	11,322		29,031
Write-offs recognized in comprehensive income	-41	-202		-243
Provisions	-45	234		189
Operating cash flow (EBITDA)	**24,384**	**25,290**		**49,674**
Financial income	2,958	105	-452	2,611
Interest income	587	95	-452	230
Financial expenses	-17,158	-2,575	452	-19,281
Interest charges	-14,546	-1,583	452	-15,676
Result before taxes	**-7,440**	**11,465**		**4,025**
Income taxes	-3,627	-3,913		-7,540
Net result	**-11,068**	**7,552**		**-3,515**
Non-recurring income				
Non-recurring expenses	-4,900			-4,900
Operating result before non-recurrings (REBIT)	**11,659**	**13,936**		**25,595**
ASSETS AND LIABILITIES				
Segment assets	518,235	215,923	-129,382	604,775
Segment obligations	316,921	87,878	-11,960	392,839
Segment non-current assets (*)	284,860	113,393	-117,422	280,831

.

5. NOTES TO THE CONSOLIDATED INCOME STATEMENT

5.1. SALES

The Greenyard Foods Group's sales consist mainly of the sale of frozen and canned fruits and vegetables and ready-to-eat vegetable-based food such as soups, sauces, dips and pasta dishes.

Sales (in thousands of €)	AY 14/15	AY 13/14
Sales 'Frozen'	414,129	409,817
Sales 'Canned'	221,241	213,303
Total sales	**635,370**	**623,120**

The increase of consolidated sales compared to previous year (+2.0%) is the combined effect of an increase of +1.1% in the frozen division and an increase of +3.7% in the canning division. Exchange rate evolutions had a positive effect on the consolidated sales of +1.3%.

The **frozen division** accounts for 65.2% of the consolidated sales. The sales increase by +1.1% is the combined effect of a volume decrease, a positive portfolio mix effect and a positive exchange rate effect. Sales are impacted during 8 months by the embargo from Russia, which became effective in August 2014. Russia represents 1.7% of the sales of the frozen division.

The **canning division** accounts for 34.8% of the consolidated sales. Sales increased by +3.7% compared to previous accounting year, which is the combined effect of a volume increase and a positive portfolio mix effect.

5.2. OTHER OPERATING INCOME

Other operating income (in thousands of €)	AY 14/15	AY 13/14
Operating subsidies	752	483
Costs passed on to growers	5,251	4,242
Recharges processing fees	1,695	1,600
Sale of waste	755	926
Insurance compensation received	315	283
Realised capital gain	108	308
Costs passed on in the context of the delivery of green energy	205	255
Recharge of costs from frozen division to CECAB	327	431
Received business taxes	556	830
Other operating income	3,513	3,604
Total other operating income	**13,478**	**12,962**

The **other operating income** slightly increased during the financial year 2014-2015 compared to the previous accounting year (€+0.5 million). The other operating income consists mainly out of operating subsidies (€0.8 million), costs passed on to growers (€5,3 million), recharges processing fees (€1,7 million), sale of waste (€0.8 million) and other operating income (€3.5 million).

The 'other operating income' consists primarily of packaging materials invoiced to customers (mainly pallets), recharge of various costs.

5.3. OPERATING CHARGES

The Group's **operating charges** can be broken down as follows:

Operating charges (in thousands of €)	AY 14/15	AY 13/14
Raw materials, consumables and goods for resale	**-360,084**	**-370,152**
Purchase of fresh vegetables, fruits, potatoes and ingredients	-162,737	-145,715
Purchase of frozen vegetables of external parties	-73,372	-112,215
Purchase of packing materials	-74,388	-73,649
Storage and work by third parties	-27,688	-22,499
Other	-21,900	-16,074
Services and other goods	**-135,885**	**-143,681**
Transport	-31,407	-31,246
Energy	-30,508	-31,188
Maintenance + IT	-20,485	-21,828
Rent (forklifts, hardware, buildings, ...)	-6,019	-11,502
Interim wages	-16,428	-18,234
Sales/administration related costs	-13,385	-12,998
External advice	-3,743	-3,408
Costs for waste water treatment	-2,721	-1,960
Other	-11,189	-11,318
Personnel costs	**-90,741**	**-87,818**
Depreciation and (reversal (+) of impairment losses on assets	**-30,878**	**-30,335**
Depreciation	-30,350	-25,897
Impairment losses on assets	-527	-4,440
Write-downs and provisions	**-2,287**	**54**
Write-down of inventories	-1,978	101
Write-down of trade debtors	-209	141
Provisions	-100	-189
Other operating charges	**-8,605**	**-6,378**
Total operating charges	**-628,481**	**-638,312**

The **total operating charges** decreased with €9.8 million, mainly due to a decrease of the purchases raw materials, consumables and goods for resale for €10.0 million and a decrease in services and other goods for €7.8 million. This is resulting from a price/mix effect, lower energy and maintenance costs and operational efficiences. These decreases are offset by an increase in personnel costs (€2.9 million), write-downs and provisions (€2.9 million) and other operating charges (€2.2 million).

Last accounting year there was a shift from purchases within the heading 'purchases raw materials, consumables and goods for resale' between 'purchase of fresh vegetables, fruits, potatoes and ingredients' and 'purchases of frozen vegetables of external parties'. This was due to the acquisition of the CECAB real estate companies (August 2013), which meant that CECAB previously financed the working capital of the activities.

The decrease of the rent charges compared to the previous accounting year and the increase of the depreciation is due to the acquisition of the production facilities from CECAB and Noliko: rent charges were replaced by depreciation expenses during the last 7 months of the previous accounting year.

The other operating expenses include mainly non-income taxes (property tax,...) and the loss on disposal of subsidiaries.

5.4. OPERATING RESULT (EBIT)

We refer to the consolidated annual report of the Board of Directors for a more detailed discussion of the operating profit.

Operating result, including effect of non-recurring events

Operating result (in thousands of €)	**AY 14/15**	**AY 13/14**
Operating result (EBIT)	27,545	20,695

Effect of non-recurring events

Non-recurring costs and income (in thousands of €)	**AY 14/15**	**AY 13/14**
Operating result before non-recurring costs and income (REBIT)	**29,928**	**25,595**
Non-recurring costs	**-2,781**	**-4,900**
Costs related to closing of site in Bourne / Easton		-238
Restructuring costs: dismissal fees UK		-224
Impairment loss on disposal of machinery in Belgium		-3,386
Impairment loss on disposal of assets in German subsidiary		-495
Impairment loss on disposal of machinery in UK		-440
Others		-117
Impairment loss on disposal of assets in Polish subsidiary	-527	
Restructuring costs Polish organization	-426	
Costs related to the legal reorganization in Hungary	-405	
Loss on disposal of frozen activities in Aquitaine (France) and of real estate company in Manschnow (Germany)	-1,423	
Non-recurring income	**397**	**0**
Gain on sale of real estate in Belgium	390	
Others	7	
Net non-recurring costs (-) / income	**-2,384**	**-4,900**
Operating result (EBIT)	**27,545**	**20,695**

The non-recurring charges in 2014-2015 financial year amount to €-2.8 million, of which €-1.4 million due to the deconsolidation of subsidiaries, more specifically for the activities in Germany (€+0.6 million) and Pinguin Aquitaine (€-2.0 million).

The 2013-2014 financial year includes a net non-recurring cost of €-4.9 million. For the accounting period ending as per 31 March 2015 this figure is a net non-recurring cost of €-2.4 million (difference of €2.5 million).

5.5. FINANCIAL INCOME AND EXPENSES

The **financial income and expenses of the Group** can be broken down as follows:

Financial income and expenses (in thousands of €)	AY 14/15	AY 13/14
Financial income	**11,254**	**2,611**
Operating financial income		
Interest income on loans granted	10	230
Other operating financial income	107	82
Non-operating financial income		
Valuation to fair value of derivatives	355	0
(Un)realized exchange results and conversion differences	10,731	2,287
Other	50	12
Financial expenses	**-18,129**	**-19,281**
Operating financial expenses		
Interest charges on interest-bearing liabilities	-14,675	-15,640
Interest on leasing	-36	-37
Non-operating financial expenses		
(Un)realized exchange results and translation differences	-1,017	-2,057
Valuation to fair value of derivatives	-490	-87
Other	-1,911	-1,460
Total financial income and expenses	**-6,874**	**-16,670**

The consolidated net financial result over the year improved by €9.8 million from €-16.7 million to €-6.9 million. This can be mainly explained by the positive unrealised exchange results (mainly on British pound) of €9.5 million. The financial result of previous year included non-recurring charges of €-2.1 million, previously capitalized costs that were taken into charges at the repayment of the club deal financing.

The results as per 31 March 2015 include a negative result on derivatives at fair value of €-0.5 million (31 March 2014: €-0.1 million). Following the application of hedge accounting, as from current accounting year onwards this result is no longer included in the financial result but in the overview of other comprehensive income.

In February 2015, it has been decided to partially refinance the subordinated loan issued by Gimv. This refinancing forms part of the measures to decrease financing costs and has a non-recurring impact on the consolidated financial result for an amount of €0.3 million, which is included in the heading 'interest charges on interest-bearing liabilities'.

We refer to note *"7.3. Commitments"* for a further explanation of the revolving credit facility.

5.6. INCOME TAXES

Tax charges recorded in the income statement (in thousands of €)	AY 14/15	AY 13/14
Current taxes for the year	-9,089	-6,342
Adjustment to current taxes in respect of prior periods	-27	2
Deferred taxes	-778	-1,200
Total tax charges recorded in the income statement	**-9,894**	**-7,540**

Relationship between tax charge and accounting profit (in thousands of €)	AY 14/15	AY 13/14
Result before taxes (profit/loss (-))	20,670	4,025
Theoretical tax rate	33.99%	33.99%
Tax expense (-)/income at the Belgian tax rate	-7,026	-1,368
Effect of different tax rates in other countries	365	-338
Theoretical tax charge	**-6,660**	**-1,706**
Average theoretical tax rate	**32.22%**	**42.39%**
Tax effect of:		
Non-deductible expenses	-1,083	-1,037
Deduction of risk capital	1,554	1,560
Current tax adjustments relating to prior periods	-27	2
Deferred tax adjustments relating to prior periods		86
Movement of taxed reserves		
Non-recognised deferred tax assets on tax losses	-2,582	-3,930
Non-recognised deferred tax assets	-733	-405
Reversal of deferred tax assets previously recognized		-2,868
Recognition of deferred tax assets non previously recognized	6	47
Other	-367	711
Effective tax charge	**-9,894**	**-7,540**
Effective tax rate	**-47.86%**	**187.27%**

The taxes expressed in the income statement arise on the one hand from the results of the financial year and on the other hand from temporary differences between local and IFRS valuation rules. These give rise to deferred taxes.

The consolidated tax cost over the year amounts to €-9.9 million or a tax rate of 47.9%. This consists of €-9.1 million income taxes and €-0.8 million deferred taxes without cash impact. The tax rate of 47.9% is mainly caused by profits that cannot be offset against tax losses carried forward for which no deferred tax assets were accounted for.

For the reporting period ending on 31 March 2015, the tax rate used in the United Kingdom amounted to 21.0%. As from April 2015 onwards and for the reporting period which ended on 31 March 2016 a different tax rate of 20.0% is used. This change in tax rate had no significant impact on the calculation of the taxes in Pinguin Foods UK Ltd.

For a detailed discussion the reader is referred to note *"6.7. Deferred tax assets and deferred tax liabilities"*.

5.7. DISCONTINUED OPERATIONS

Sale of the potato division

As per 31 May 2013, McCain Foods and Greenyard Foods NV completed the sales agreement of the potato division. The sale includes the Lutosa brand, the complete product range (frozen, fresh, flakes), the customer portfolio and the two production sites. Hence, as per 31 March 2014, the potato division is presented in accordance with IFRS *5 'Discontinued operations'* as a 'disposal group' or 'discontinued operation'.

The consolidated gain on the sale of the potato division amounts to €65.3 million.

The table below shows a calculation of the consolidated gain on disposal:

Consolidated gain on sale of Lutosa Group (in thousands of €)	AY 13/14
Total consideration received	244,518
Net assets disposed of	-179,211
Net gain on disposal	**65,307**

Analysis of the result of the period from discontinued operations (potato division)

The results from the discontinued operations that are included in the consolidated income statement are presented below. The discontinued operations are, in accordance with IFRS 5, classified and accounted for as a disposal group related to discontinued operations as per 31 March 2014 (2 months: April-May 2013).

Profit (loss) from discontinued operations (in thousands of €)	AY 13/14 (2 months)
Sales	51,953
Increase/decrease (-) in inventories: finished goods and work in progress	-5,914
Other operating and financial income	2,888
Expenses (operating and financial)	-47,791
Loss on the remeasurement to fair value less costs to sell	
Operating result before taxes	**1,136**
Attributable income tax expense	-1,172
Result after taxes	**-36**
Gain on disposal of potato division	65,307
Profit / (loss) of the period from discontinued operations	**65,271**
Attributable to:	
The shareholders of Greenyard Foods (the 'Group')	65,271
Non-controlling interests	

The sales from discontinued operations include in accounting year 2013-2014 two months of activities and amounted to €52.0 million.

The EBIT from discontinued operations amounted to €66.2 million during the first 2 months of the previous accounting year. This included mainly a gain on the disposal of the potato division in an amount of €65.3 million and the remaining EBIT from discontinued operations over the first two months of the accounting year amounted to €0.7 million.

Cash flow from discontinued operations (in thousands of €)	AY 13/14 (2 months)
Net cash flow from operating activities (A)	36,354
Net cash flow from investing activities (B)	-897
Net cash flow from financing activities (C)	-6,702
NET CASH FLOW (A+B+C)	**28,755**

The net assets of the potato division that were sold as per end of May 2013 amounted to €195.6 million (see note *"6.19. Assets and liabilities related to assets classified as held for sale").*

5.8. EARNINGS PER SHARE

Earnings per share is calculated by dividing the Group's share in the net result by the weighted average number of shares outstanding during the year (total number of shares – own shares).

Earnings per share (in € per share)	AY 14/15 Basic	AY 14/15 Diluted [4]
Weighted average number of ordinary shares (in numbers)	16,459,520	16,459,520
Dilution effect of warrants (in numbers)		2,400,000
Weighted average number of ordinary shares (in numbers)	**16,459,520**	**18,859,520**
Net profit (loss) attributable to ordinary shareholders (in thousands of €)	**10,591**	**10,591**
Net profit (loss) from continuing operations	10,591	10,591
Net profit (loss) from discontinued operations		
Earnings per share (in € per share)	**0.64**	**0.56**
Earnings per share from continuing operations	0.64	0.56
Earnings per share from discontinued operations		

Earnings per share (in € per share)	AY 13/14 Basic	AY 13/14 Diluted [5]
Weighted average number of ordinary shares (in numbers)	16,459,520	16,459,520
Dilution effect of warrants (in numbers)		2,400,000
Weighted average number of ordinary shares (in numbers)	**16,459,520**	**18,859,520**
Net profit (loss) attributable to ordinary shareholders (in thousands of €)	**62,306**	**62,306**
Net profit (loss) from continuing operations	-2,965	-2,965
Net profit (loss) from discontinued operations	65,271	65,271
Earnings per share (in € per share)	**3.78**	**3.28**
Earnings per share from continuing operations	-0.18	-0.18
Earnings per share from discontinued operations	3.98	3.46

When calculating the profit (loss) per share as at 31 March 2014 and 31 March 2015, account was taken of 2,400,000 warrants that were allocated on 2 December 2011 to Gimv-XL (conversion ratio of 1 share per allocated warrant).

[4] The diluted earnings per share equals the basic earnings per share following the anti-dilutive character of the warrants cfr. IAS 33.41

[5] The diluted earnings per share equals the basic earnings per share following the anti-dilutive character of the warrants cfr. IAS 33.41

6. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

6.1. INTANGIBLE FIXED ASSETS

Software, brand name and customer base (in thousands of €)	31/03/2015 Software	31/03/2015 Commercial fund	31/03/2015 Customer base Noliko	31/03/2015 Other	31/03/2015 TOTAL
ACQUISITION VALUE					
BALANCE AT THE END OF THE PRECEDING PERIOD	**4,662**	**23**	**25,000**	**1,517**	**31,202**
Additions	456				456
Acquisitions through business combinations					
Sales and disposals	-37				-37
Classification as fixed assets held for sale					
Taken out of consolidation following disposal of subsidiaries	-89			-618	-708
Transfer from one heading to another	-139				-139
Translation differences	48			9	57
Other movements					
BALANCE AT THE END OF THE PERIOD	**4,901**	**23**	**25,000**	**907**	**30,831**
DEPRECIATIONS AND IMPAIRMENT LOSSES					
BALANCE AT THE END OF THE PRECEDING PERIOD	**2,852**	**0**	**4,585**	**648**	**8,085**
Depreciation	313		1,667	53	2,033
Impairment losses					
Reversals					
Withdrawals after sales and disposals	-34				-34
Classification as fixed assets held for sale					
Taken out of consolidation following disposal of subsidiaries	-75			-618	-693
Transfer from one heading to another					
Translation differences	7				7
Other movements					
BALANCE AT THE END OF THE PERIOD	**3,064**	**0**	**6,252**	**83**	**9,398**
NET CARRYING AMOUNT BEFORE INVESTMENT GRANTS	**1,837**	**23**	**18,748**	**825**	**21,433**
Net investment grants					
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**1,837**	**23**	**18,748**	**825**	**21,433**

The decrease of the heading **'intangible fixed assets'** as per 31 March 2015 by €-1.7 million can be explained by the investments (€+0.5 million: software) being more than compensated by the impact of the depreciation charges during the financial year (€-2.0 million).

Software, brand name and customer base (in thousands of €)	31/03/2014 Software	31/03/2014 Commercial fund	31/03/2014 Customer base Noliko	31/03/2014 Other	31/03/2014 TOTAL
ACQUISITION VALUE					
BALANCE AT THE END OF THE PRECEDING PERIOD	**4,225**	**23**	**25,000**	**621**	**29,869**
Additions	821			897	1,718
Acquisitions through business combinations					
Sales and disposals	-45			-1	-46
Classification as fixed assets held for sale					
Taken out of consolidation following disposal of subsidiaries					
Transfer from one heading to another	-345				-345
Translation differences	6				6
Other movements					
BALANCE AT THE END OF THE PERIOD	**4,662**	**23**	**25,000**	**1,517**	**31,202**
DEPRECIATIONS AND IMPAIRMENT LOSSES					
BALANCE AT THE END OF THE PRECEDING PERIOD	**2,568**	**0**	**2,917**	**62**	**5,547**
Depreciation	234		1,668	93	1,995
Impairment losses				494	494
Reversals					
Withdrawals after sales and disposals	-1			-1	-2
Classification as fixed assets held for sale					
Taken out of consolidation following disposal of subsidiaries					
Transfer from one heading to another	52				52
Translation differences	-1				-1
Other movements					
BALANCE AT THE END OF THE PERIOD	**2,852**	**0**	**4,585**	**648**	**8,085**
NET CARRYING AMOUNT BEFORE INVESTMENT GRANTS	**1,810**	**23**	**20,415**	**869**	**23,117**
Net investment grants					
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**1,809**	**23**	**20,415**	**868**	**23,117**

6.2. GOODWILL

This note relates to the goodwill upon the consolidation of subsidiaries. The principal movements in **goodwill** are the following:

Goodwill (in thousands of €)	**31/03/2015**	**31/03/2014**
ACQUISITION VALUE		
BALANCE AT THE END OF THE PRECEDING PERIOD	**10,259**	**10,233**
Additions		
Classification as fixed assets held for sale		
Taken out of consolidation at sale of subsidiaries	-81	
Translation differences	162	26
Transfers		
Elimination of goodwill on the purchase of non-controlling interests		
Restatements		
BALANCE AT THE END OF THE PERIOD	**10,340**	**10,259**
IMPAIRMENT LOSSES		
BALANCE AT THE END OF THE PRECEDING PERIOD	**0**	**0**
Impairment losses: addition		
Sales and disposals		
Translation differences		
BALANCE AT THE END OF THE PERIOD	**0**	**0**
NET CARRYING AMOUNT AT THE END OF THE PRIOR PERIOD	**10,259**	**10,233**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**10,340**	**10,259**

The goodwill related to the acquisition of the CECAB Activity (UFM) in 2011 amounts to €2.9 million and the goodwill related to the acquisition of the segment 'Christian Salvesen Foods' in 2007 amounts to €1.4 million. Following the sale of 'De Buitenakkers NV' in November 2014, this goodwill (€0.1 million) has been taken out of consolidation. The goodwill related to the acquisition of the canning division in 2011 amounts to €6.0 million.

IAS 36 requires the carrying value of goodwill acquired in a business combination to be allocated in a reasonable and consistent basis to each cash flow generating unit or smallest group of cash flow generation units. The goodwill on a cash flow generating unit acquired over the course of the financial year is tested at the time of acquisition.

The carrying amount of goodwill and related impairment losses have been allocated as follows:

Goodwill per cash generating unit (in thousands of €)	**31/03/2015** **Net carrying amount**	**31/03/2014** **Net carrying amount**
Frozen division	4,353	4,272
Canning division	5,987	5,987
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**10,340**	**10,259**

The Group tests the goodwill for impairment annually and at intervals when there are indications that the value of goodwill may have dropped.

Assumptions related to the impairment tests at 31 March 2015

Frozen division

The 5-year cash flow forecasts for the frozen division are for the first year based on the financial strategic budget of 2015/2016 and for the next 4 years based on the financial strategic business forecast, which both have been approved by management and the Board of Directors. The financial strategic plan takes into account a margin improvement resulting in an expected average EBITDA margin of 10.0% over the period 2015-2020, in accordance with the strategic targets. The value in use is based on cash flow forecasts over a period of 5 years and also on a perpetuity of cash flows for 5 years with a growth rate of 1.7%. The applied EBITDA margin is equal to the EBITDA margin included in the budget for 2015/2016 and included in the financial business plan for the following 4 years. Cash flows are discounted at an after-tax discount rate of 6.2% which was checked with the WACC provided by the analysts. The results of this test have shown that the value in use exceeds the carrying value of the cash flow generating unit (the 'headroom') by €130.6 million. The major sensitivities for the impairment tests are the EBITDA margin and the discount rate. This 'headroom' would reduce to zero if as from the first year onwards the EBITDA margin which is applied in calculating the value in use were to fall by 254 base points or if the after-tax discount rate were to rise by 172 base points. Based on the above assumptions the Group has decided that no impairment losses need to be recorded at 31 March 2015 on the goodwill of the CECAB Activity nor on the goodwill of the segment 'Christian Salvesen Foods' as part of the frozen segment.

Canning division

The 5-year cash flow forecast is for the first year based on the financial budget of 2015-2016 and for the next 4 years based on the long term financial plan, which both have been approved by management and the Board of Directors. The financial strategic plan takes into account a stable margin percentage in the coming years, but a growth of sales is taken into consideration for the canning division. The value in use is based on cash flow forecasts over a period of 5 years and also on a perpetuity of cash flows for 5 years with a growth rate of 1.7%. Cash flows are discounted at an after-tax discount rate of 6.2% which was checked with the WACC provided by the analysts. The results of this test have shown that the value in use exceeds the carrying value of the cash flow generating unit (the 'headroom') by €201.5 million. The major sensitivities for the impairment tests are the EBITDA margin and the discount rate. This 'headroom' would reduce to zero if as from the first year onwards the EBITDA margin which is applied in calculating the value in use were to fall by 681 base points or if the after-tax discount rate were to rise by 443 base points. Based on the above assumptions the Group has decided that no impairment losses need to be recorded at 31 March 2015 on the goodwill of the canning segment.

Methodology related to the tests on impairment losses per 31 March 2014

The methodology is similar to the one discussed above.

6.3. TANGIBLE FIXED ASSETS

The increase of the tangible fixed assets by €+17.3 million can be explained by the impact of the acquired production facility of King's Lynn in July 2014 (€+19.8 million) and the other investments of the accounting period (€+31.0 million). This increase is partially compensated by the depreciation charges (€-28.8 million), impairment losses (€-0.5 million) and the remaining combined impact of transfers, capital grants, disposals and positive foreign exchange rate fluctuations (€-3.9 million).

The investments in tangible fixed assets consist on the one hand of investments in 'land and buildings' (€3.9 million), in 'plant, machinery and equipment' (€23.3 million), in 'furniture and vehicles' (€1.3 million) and 'other tangible fixed assets' (€2.5 million). On the other hand the acquisition of land and buildings and plant, machinery and equipment as a consequence of the acquired production facilities in King's Lynn (+€19.8 million) accounted for a growth of €50.8 million.

The disposals amount to €0.1 million in the year 2014-2015.

In the accounting year ending as per 31 March 2015, no financing costs were attributed directly to the acquisition, construction or production of an eligible asset and activated in accordance with IAS 23 as part of the cost price of that asset.

In accordance with IAS 16, estimates with regard to residual value, useful life and depreciation methods are reviewed annually and any significant changes in estimates have to be notified. As such, the Group tested the useful life of the tangible fixed assets for under- and overvaluation. The review did not reveal any need to adapt useful lives for the present period, but these will be reviewed annually and will be kept up-to-date.

At 31 March 2015 the Group's fixed assets were encumbered as follows:

- Subscription on mortgages: €10,7 million (31 March 2014: €11.2 million)
- Mortgage mandates: €65.0 million (31 March 2014: €65.0 million)

Tangible fixed assets at 31 March 2015 (in thousands of €)	**Land and buildings**	**Plant, machinery and equipment**	**Furniture and vehicles**	**Leasing**	**Other**	**Assets under construction**	**31/03/2015**
ACQUISITION VALUE							
BALANCE AT THE END OF THE PRECEDING PERIOD	**121,585**	**194,573**	**4,693**	**2,329**	**4,475**	**0**	**327,656**
Additions	3,961	23,260	1,262		2,537		31,019
Acquisitions of subsidiaries	17,598	2,165					19,762
Sales and disposals	-113	-7,082	-415	-241			-7,851
Reclassification as assets held for sale							
Deconsolidated following sale of subsidiaries	-5,290	-5,978	-268	-6,139			-17,675
Transfers from one heading to another	110	28	1				139
Translation differences	921	5,543	99		156		6,719
Other							
BALANCE AT THE END OF THE PERIOD	**138,772**	**212,509**	**5,372**	**-4,051**	**7,168**	**0**	**359,769**
DEPRECIATIONS AND IMPAIRMENT LOSSES							
BALANCE AT THE END OF THE PRECEDING PERIOD	**17,568**	**64,504**	**2,396**	**-460**	**1,043**	**0**	**85,050**
Depreciation	7,471	19,267	846		1,187		28,772
Impairment losses		539					539
Reversal after sales and disposals	-59	-7,183	-228	-241			-7,711
Reclassification as assets held for sale							
Deconsolidated following sale of subsidiaries	-2,602	-3,436	-158	-3,350	-282		-9,828
Transfers from one heading to another	-11	-33	11		33		0
Translation differences	14	2,602	65		52		2,734
Other							
BALANCE AT THE END OF THE PERIOD	**22,382**	**76,260**	**2,933**	**-4,051**	**2,034**	**0**	**99,558**
NET CARRYING AMOUNT BEFORE INVESTMENT GRANTS AND RECLASS LEASING	**116,389**	**136,250**	**2,439**	**0**	**5,134**	**0**	**260,212**
Net investment grants	-1,244	-3,241	-1				-4,485
Reclass leasing							
NET CARRYING AMOUNT AT THE END OF THE PERIOD (31 MARCH 2015)	**115,146**	**133,007**	**2,438**	**0**	**5,135**	**0**	**255,726**

Tangible fixed assets at 31 March 2014 (in thousands of €)	**Land and buildings**	**Plant, machinery and equipment**	**Furniture and vehicles**	**Leasing**	**Other**	**Assets under construction**	**31/03/2014**
ACQUISITION VALUE							
BALANCE AT THE END OF THE PRECEDING PERIOD	**39,382**	**160,263**	**3,080**	**2,500**	**1,496**	**0**	**206,721**
Additions	83,525	50,060	1,767		2,287		137,639
Acquisitions through business combinations							
Sales and disposals	-1,447	-16,484	219	-113	331		-17,494
Reclassification as assets held for sale							
Deconsolidated following sale of subsidiaries							
Transfers from one heading to another	10	19	-362	-58	363		-28
Translation differences	115	715	-11		-2		818
Other							
BALANCE AT THE END OF THE PERIOD	**121,585**	**194,573**	**4,693**	**2,329**	**4,475**	**0**	**327,656**
DEPRECIATIONS AND IMPAIRMENT LOSSES							
BALANCE AT THE END OF THE PRECEDING PERIOD	**13,550**	**59,571**	**1,561**	**-610**	**190**	**0**	**74,262**
Depreciation	4,476	15,428	743	263	582		21,491
Impairment losses	719	3,231	5				3,955
Reversal after sales and disposals	-1,177	-14,058	100	-113	195		-15,053
Reclassification as assets held for sale							
Deconsolidated following sale of subsidiaries							
Transfers from one heading to another		-77			77		
Translation differences		409	-13		-1		395
Other							
BALANCE AT THE END OF THE PERIOD	**17,568**	**64,504**	**2,396**	**-460**	**1,043**	**0**	**85,050**
NET CARRYING AMOUNT BEFORE INVESTMENT GRANTS AND RECLASS LEASING	**104,017**	**130,069**	**2,297**	**2,789**	**3,433**	**0**	**242,606**
Net investment grants	-954	-3,139	-54				-4,148
Reclass leasing	809	1,980		-2,789			
NET CARRYING AMOUNT AT THE END OF THE PERIOD (31 MARCH 2014)	**103,872**	**128,910**	**2,243**	**0**	**3,433**	**0**	**238,458**

6.4. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets (in thousands of €)	31/03/2015	31/03/2014
ACQUISITION VALUE		
BALANCE AT THE END OF THE PRECEDING PERIOD	**419**	**3,730**
Additions	3	
Acquisitions through business combinations		
Changes in consolidation scope		10
Disposals and closures	-12	
Translation differences		
Transfers		
Changes in the consolidation method		-3,321
BALANCE AT THE END OF THE PERIOD	**410**	**419**
IMPAIRMENT LOSSES		
BALANCE AT THE END OF THE PRECEDING PERIOD	**-380**	**-380**
Impairment losses: addition		
Impairment losses: reversal		
Translation differences		
Transfers		
Changes in the consolidation method		
BALANCE AT THE END OF THE PERIOD	**-380**	**-380**
NET CARRYING AMOUNT AT THE END OF THE PRIOR PERIOD	**39**	**3,350**
NET CARRYING AMOUNT AT THE END OF THE PERIOD	**30**	**39**

The heading **other non-current financial assets** covers all unconsolidated investments. In addition, these are investments in unlisted entities and these investments are not significant in the context of the consolidated Group. As no reliable estimate can be made of the fair value of the other participating interests, financial assets for which no active market exists are valued at cost less any impairments.

6.5. INVENTORIES

Inventories (in thousands of €)	31/03/2015	31/03/2014
Raw materials and consumables (frozen segment)	11,692	12,730
Raw materials and consumables (canning segment)	11,423	11,235
Finished goods (frozen segment)	139,328	125,885
Finished goods (canning segment)	71,520	75,055
Total inventories	**233,964**	**224,905**

Inventories are subject to a 'Net Realizable Value' (NRV) principle, in which the average inventory price for each vegetable sub-group is compared with the average outstanding contract price for the same subgroup. Write-downs are also recorded for obsolete, i.e. slow-moving, inventory. The write-down for slow-moving stock and the write-down resulting from the NRV test are recorded in the income statement as write-off.

Inventories increased by €+9.1 million, which can be explained by an increase of €+12.4 million in the frozen division and a decrease of €-3.3 million in the canning division. The increase of inventories in the frozen division is mainly caused by an increased production volume. The decrease of inventories in the canning division is caused by a decreased production volume. The net book value includes as per 31 March 2015 a write-off on inventories in a total amount of €-8.7 million (per 31 March 2014: €-6.3 million).

6.6. LONG-TERM RECEIVABLES

Long-term receivables (in thousands of €)	31/03/2015	31/03/2014
Trade receivables	**0**	**0**
Trade receivables	99	99
Valuation allowances on trade receivables	-99	-99
Other receivables	**36**	**72**
Other receivables	79	115
Valuation allowances on other receivables	-43	-43
Total long term receivables	**36**	**72**

Long-term receivables mainly consist of cash guarantees and bails.

Valuation allowances on long-term receivables (in thousands of €)	31/03/2015		31/03/2014	
	Trade receivables > 1 year	Other receivables > 1 year	Trade receivables > 1 year	Other receivables > 1 year
BALANCE AT THE END OF THE PRECEDING PERIOD	**-99**	**-43**	**-99**	**-43**
Addition				
Non-recoverable amounts				
Reversal				
Translation differences				
Changes in the consolidation scope				
BALANCE AT THE END OF THE PERIOD	**-99**	**-43**	**-99**	**-43**

6.7. DEFERRED TAX ASSETS AND LIABILITIES

Deferred taxes (net carrying amount) (in thousands of €)	31/03/2015		31/03/2014	
	Deferred Tax assets	Deferred Taks liabilities	Deferred tax assets	Deferred tax liabilities
BALANCE AT THE END OF THE PRECEDING PERIOD	**8,888**	**25,653**	**10,708**	**24,302**
Increase/decrease (-) via income statement	-325	363	-2,043	-844
Increase/decrease (-) via equity	5,004	5,044	5,019	5,547
First consolidation			76	1,510
Deconsolidations	-9	-1,166		
Classification as assets held for sale				
Translation differences	11		-10	-1
Set-off of assets and liabilities	-6,871	-6,871	-4,862	-4,861
BALANCE AT THE END OF THE PERIOD	**6,698**	**23,023**	**8,888**	**25,653**

Deferred taxes (allocation) (in thousands of €)	31/03/2015		31/03/2014	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Intangible and tangible fixed assets	5,338	22,655	6,069	25,559
Financial fixed assets (derivatives)	360		314	
Bond loan				
Inventories	117	3,961	32	3,896
Trade and other receivables	88		95	
Hedging reserves	104			
Provisions	623	29	464	26
Other financial debts	212	3,250	111	1,033
Fiscal losses	6,728		6,718	
TOTAL DEFERRED TAXES RELATED TO TEMPORARY DIFFERENCES	**13,570**	**29,894**	**13,803**	**30,515**
Unrecognised deferred tax assets in respect of deductible temporary differences			-54	
Set-off of assets and liabilities	-6,871	-6,871	-4,862	-4,862
NET DEFERRED TAX ASSETS / LIABILITIES	**6,699**	**23,023**	**8,888**	**25,653**

Deferred tax liabilities decreased by €-2.6 million, mainly following the deconsolidation of the French subsidiary Pinguin Aquitaine (€-1.2 million).

At 31 March 2015 the Group had not recognized any other deferred tax assets on deductible temporary differences on the basis of its budget forecasts.

No deferred tax assets are recognized on the tax losses carried forward as mentioned below. The following table sets out the deductible elements for which no deferred taxes have been recognized, but against which future taxable profits can be offset. The figures given are gross amounts.

Unrecognised deferred tax assets (gross) (in thousands of €)	**31/03/2015**	**31/03/2014**
Deductible temporary differences		158
Losses carried forward and other recoverable tax amounts	70,152	59,065
Total unrecognised deferred tax assets (gross)	**70,152**	**59,223**

There is no limitation in time on the above-mentioned unrecognized tax assets.

6.8. TRADE AND OTHER RECEIVABLES

Trade and other receivables (in thousands of €)	**31/03/2015**	**31/03/2014**
Trade receivables	**60,446**	**62,026**
Trade receivables	61,027	62,527
Doubtful trade receivables	1,219	1,391
Valuation allowances on trade receivables	-1,800	-1,893
Other receivables	**20,412**	**21,990**
Other receivables	15,653	15,855
Valuation allowances on other receivables		
Prepaid expenses and accrued income	4,759	6,134
Total trade and other receivables	**80,858**	**84,015**

As per 31 March 2015, the outstanding short-term **trade and other receivables** have decreased with €-3.2 million compared to the previous year, mainly due to decreases in trade receivables (€-1.5 million) and prepaid expenses and accrued income (€-1.4 million).

The other receivables mainly relate to VAT and other recoverable taxes.

Deferred charges mainly relate to insurance premiums, expenses related to maintenance contracts, rent, prepayments of IT costs and cliché costs for packaging.

Aging analysis of trade receivables

An analysis is provided below, which shows the aging of the invoiced sales and of the credits extended to customers, including impairments on these amounts.

Aging of trade receivables (in thousands of €)	**31/03/2015**			**31/03/2014**		
	Gross	**Valuation allowances**	**Net**	**Gross**	**Valuation allowances**	**Net**
Not overdue	40,011		40,011	45,749		45,749
Overdue less than 30 days	12,867		12,867	12,014		12,014
Overdue between 30 and 60 days	2,757		2,757	3,038		3,038
Overdue more than 60 days	6,611	-1,800	4,811	3,080	-1,893	1,187
Net book value of trade receivables	**62,246**	**-1,800**	**60.446**	**63,882**	**-1,893**	**61,989**

The valuation allowances on trade and other receivables are determined by the management: when amounts are more than 30 days overdue, then for the part that is not covered by a credit insurance estimation is made with regard to the recoverability and in such an event (bankruptcy, etc.) a 50% or 100% provision is recorded. No valuation allowances are taken by the Group for overdue amounts where collection is still deemed probable, for example because outstanding amounts are recoverable from the tax authorities or because the Group holds sufficient security. The table below gives the movements of valuation allowances on trade and other receivables.

Valuation allowances on receivables < 1 year (in thousands of €)	**31/03/2015**		**31/03/2014**	
	Trade receivables < 1 year	**Other receivables < 1 year**	**Trade receivables < 1 year**	**Other receivables < 1 year**
BALANCE AT THE END OF THE PRECEDING PERIOD	**-1,893**	**0**	**-1,600**	**0**
Addition	-230		-196	
Non-recoverable amounts	224		33	
Reversal/use	69		279	
Translation differences	-8			
Changes in the consolidation scope	37		-408	
BALANCE AT THE END OF THE PERIOD	**-1.800**		**-1,893**	**0**

Management believes that the fair value does not differ significantly from the carrying value.

Factoring

Factoring is used only with customers accepted for credit insurance by the factor and excludes intra-group receivables.

The Group has been making use of factoring for the Belgian group companies since November 2007 and as from 2009 onwards, there was a partial off-balance sheet financing of the receivables of the British affiliate Pinguin Foods UK Ltd.. Also, as from April 2012 onwards the Group applies factoring in the Belgian canning division.

In this way the Group immediately and definitively receives 90% of the value of sold receivables. The balance is received upon payment by the customer to the financial institution. This is a partial off-balance-sheet financing of the receivables of the Belgian and British group companies. This sale is non-recourse. In this way no credit risk remains in respect of the sold receivables other than the credit risk on 10% of the value of the sold receivables.

The financial institution purchasing the receivable charges an interest cost for the period between the sale of the receivables and final payment by the customer. This margin is substantially lower than the prevailing margin on working capital credit lines with financial institutions. The late payment risk retained by the Group is limited in time. The continuing involvement of the Group in the transferred receivables is limited in this way to 10% of the value of the receivables and the maximum amount of the late payment risk.

The portion of the sold receivables (at 31 March 2015: €54.6 million - at 31 March 2014: €45.0 million) which remains on the balance sheet at 31 March 2015 amounts to €13.1 million (31 March 2014: €15.4 million). This includes an amount for the maximum risk of late payment at 31 March 2015 of €0.3 million (at 31 March 2014: €0.3 million). The corresponding financial obligation amounts to €0.3 million (at 31 March 2014: €0.3 million).

The Group's exposure to credit, exchange rate and interest rate risks is further described in greater detail in note *"6.20. Risk Management Policy"*.

For the factoring there is no pledge mandate.

6.9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of liquid assets held by the Group in the form of cash and of deposit accounts with original maturities of no more than three months. The carrying value of these assets is approximately equivalent to their fair value.

Cash and cash equivalents (in thousands of €)	31/03/2015	31/03/2014
Banks	20,506	15,023
Short-term bank deposits		
Total cash and cash equivalents	**20,506**	**15,023**

6.10. ISSUED CAPITAL, SHARE PREMIUMS AND OTHER CAPITAL INSTRUMENTS

Management aims to provide a solid capital base. This capital base allows a large confidence of investors, suppliers and the market to establish and to have a solid base for the future development of the Group. Management aims to obtain financial stability in both the short and long term. This strong policy guarantees a financially strong Group with solid financial ratios, which leads to a maximisation of the value of the share of the Group. There were no changes in capital management during the past accounting year apart from those mentioned below. The Group is not exposed to external requirements with regard to capital.

Evolution of issued capital (in thousands of €)	31/03/2015	31/03/2014
BALANCE AT THE END OF THE PRECEDING PERIOD	**97,845**	**154,344**
Formal capital decrease of 30 September 2013		-16,986
Real capital decrease of 30 September 2013		-39,503
Costs related to capital increase (IAS 32)		
Costs related to capital decrease (IAS 32)		-10
BALANCE AT THE END OF THE PERIOD	**97,845**	**97,845**
Ordinary shares, issued and fully paid (number)	**31/03/2015**	**31/03/2014**
BALANCE AT THE END OF THE PRECEDING PERIOD	**16,459,520**	**16,459,520**
Movements of the period		
BALANCE AT THE END OF THE PERIOD	**16,459,520**	**16,459,520**
Authorized capital (in thousands of €)	**31/03/2015**	**31/03/2014**
BALANCE AT THE END OF THE PRECEDING PERIOD	**101,011**	**101,011**
Movements of the period		
BALANCE AT THE END OF THE PERIOD	**101,011**	**101,011**

The Board of Directors is authorized, for a period of 5 years from the publication of the deed in the annexes to the Belgian Official Journal (2 March 2012), to increase the capital of the company in one or more installments up to a maximum amount of €101.0 million.

Financial year 1 April 2014 – 31 March 2015

There were no changes in issued capital during the financial year ending as per 31 March 2015.

Financial year 1 April 2013 – 31 March 2014

As per 30 September 2013 a share capital reduction of €56.5 million has occurred in order to obtain a share capital of €97.9 million. This includes on the one hand a formal capital reduction in an amount of €17.0 million in order to compensate accumulated losses. On the other hand a 'real' capital reduction was executed in an amount of €2.4 per share or €39.5 million in total. The Extraordinary General Meeting of shareholders has approved on 18 July 2013 the capital decrease in an amount of €2.4 per share. The payment in an amount of €39.5 million has been made in accordance with the legal provisions, 2 months after the publication of the decision in the Belgian Official Gazette. In addition, in accordance with IFRS Standards the costs of the capital decrease of September 2013 were deducted from the capital (€0.01 million as per 31 March 2014). The capital of the Group consisted at 31 March 2014 of 16,459,520 shares without nominal value.

In accordance with IAS 32 the warrants of the subordinated loan of €36.0 million granted by Gimv-XL (see note *"6.13. Stock options and warrant plans"* and *"6.17. Interest-bearing liabilities*") are valued (€2.9 million) and presented as a component of equity under the heading 'share premiums and other capital instruments'.

6.11. OWN SHARES

			Number of treasury shares (b)		
	Number of ordinary shares	Number of shares issued (a)	Held by parent	Held by subsidiaries	Total number of shares outstanding (a) - (b)
As at 1 April 2014	**16,459,520**	**16,459,520**	**0**	**0**	**16,459,520**
Capital increase					
Purchase/sale of treasury shares					
As at 31 March 2015	**16,459,520**	**16,459,520**	**0**	**0**	**16,459,520**

Financial year 1 April 2014 – 31 March 2015

The company did not trade any of its own shares in the financial year ending on 31 March 2015. It held none of its own shares at that date.

Financial year 1 April 2013 – 31 March 2014

The company did not trade any of its own shares in the financial year ending on 31 March 2014. It held none of its own shares at that date.

6.12. DIVIDENDS

No dividends were declared during the past three financial years. The directors propose that no dividends be declared in respect of the current year (see note *"7.3. Commitments"*).

6.13. STOCK OPTION AND WARRANT PLANS

Option plans

There are currently no option plans outstanding for members of the Management Committee or senior management.

Warrant plans

In order to finance part of the acquisition price of the Noliko Group (see note '*2.4. Changes in consolidation scope',* on 19 July 2011 Greenyard Foods reached an agreement with Gimv-XL whereby a subordinate loan with warrants for €36.0 million was granted to Greenyard Foods as described:

- Gimv-XL Partners Invest Comm.VA: € 21,186,193.24
- Gimv NV: € 12,962,080.92
- Adviesbeheer Gimv-XL NV: € 1,851,725.84

On 2 December 2011 the General Assembly of Greenyard Foods issued 2,400,000 warrants for a total amount of €30.6 million (85% of the amount of the subordinated loan) with an initial exercise price of €12.75 which are subscribed by Gimv-XL. This exercise price was changed to €10.66 based on a capital reduction of Greenyard Foods which was executed in September 2013.

Gimv-XL subscribed the following number of warrants:

- Gimv-XL Partners Invest Comm.VA: 1,412,413
- Gimv NV: 864,139
- Adviesbeheer Gimv-XL NV: 123,448

Each warrant initially entitles its holder to subscribe to one new share when paying the exercise price. However there are several anti-dilution mechanisms foreseen, whereby the issue price and the number of shares to which each warrant is entitled can be adjusted in case of a change of the par value of the shares following a split of shares, consolidation, requalification of categories of shares etc., in case of a merger, split, purchase of own shares, capital decrease diluting issuance of shares, etc.

The warrants have a term of five years as from the date of issuance and they can be exercised at any moment during this period. In case of a partial exercise at least 25% of the warrants need to be exercised together. As from the 1st of January 2015 onwards, the exercice can be by contribution or by cash payment.

Warrants	Date of issuance	Number	Exercise price (in €)	Outstanding at the end of the period
Issue	2/12/2011	2,400,000	10.66	2,400,000
Buy back / annulment				
Expiry				

The warrants expire on 2 December 2016. No warrants were exercised for the period ending 31 March 2015. Consequently there is a possible dilutive effect.

At this moment, in the Group there are no share option plans or warrant plans for employees, managers or members of the Management Committee.

6.14. NON-CONTROLLING INTERESTS

Non-controlling interests (in thousands of €)	31/03/2015	31/03/2014
BALANCE AT THE END OF THE PRECEDING PERIOD	**9,742**	**2,301**
Increase/decrease (-) in ownership		
Share of net profit of subsidiaries	186	-550
Dividend pay-out		
Capital increases		
Changes in the consolidation scope	-1,863	7,991
Translation differences		
Other		
BALANCE AT THE END OF THE PERIOD	**8,065**	**9,742**

As per 31 March 2015 the Group has a 99.99% shareholding in Pinguin Langemark NV, a 25.0% shareholding in BND CVBA, a shareholding of 99.99% in D'aucy do Brazil Ltda, a 99.8% shareholding in M.A.C. Sarl and a 66,0% shareholding in the French subsidiaries Moréac Surgelés SAS and Vallée de la Lys S.A.S..

Compared to previous accounting year, following the sale of the German production facility Pinguin Foods Deutschland Gmbh and the French production facility Pinguin Aquitaine S.A.S. these non-controlling interests (0.1% and respectively 48.0%) were excluded.

Following to the acquisition of production facilities of the company under French law Union Fermière Morbihannaise SCA (UFM) on 30 August 2013, Greenyard Foods owns the majority of the shares of the companies Vallée de la Lys SAS and Moréac Surgelés SAS in France (UFM retains 34% of its shareholding). Following this partial acquisition of the French production facilities of UFM, non-controlling interests were acquired in an amount of €8.0 million.

6.15. PROVISIONS

Provisions (in thousands of €)	Provisions for pensions and similar rights	Provisions for other liabilities and charges	Total
BALANCE AT THE BEGINNING OF THE PRECEDING PERIOD	**1,536**	**2,152**	**3,688**
Translation differences		31	31
Additional provisions	225	231	456
Reversal of unutilized provisions			
Provisions utilized during the year	-14	-1,360	-1,374
Increase due to the passage of time and change in the discount rate applied			
BALANCE AT THE END OF THE PRECEDING PERIOD	**1,747**	**1,054**	**2,801**
BALANCE AT THE END OF THE PRECEDING PERIOD	**1,747**	**1,054**	**2,801**
Translation differences	3	32	35
Additional provisions	113	293	406
Reversal of unutilized provisions			
Provisions utilized during the year	-247	-57	-304
Taken out of consolidation		-563	-563
Increase due to the passage of time and change in the discount rate applied			
BALANCE AT THE END OF THE PERIOD	**1,616**	**760**	**2,376**

At 31 March 2015 the provision for ‘pensions and similar rights’ relates on the one hand to an agreed early retirement pension settlement in an amount of €0.4 million (per 31 March 2014: €0.5 million) and on the other hand to a defined benefit plan in an amount of €1.2 million, which is fully due to the French entities of the CECAB Activity (per 31 March 2014: €1.2 million).

The ‘provisions for other liabilities and charges’ decreased by €0.3 million compared to prior year, which is mainly due to the fact that the provision for agricultural subsidies is not included anymore following the deconsolidation of Pinguin Aquitaine (€0.6 million).

For further information concerning pending disputes we refer to note *“7.2. Pending Disputes”*.

6.16. PENSION OBLIGATIONS

Defined contribution plans

The Group’s pension plans provide for the payment of clearly determined amounts to pension institutions and pension funds. These employer’s contributions are charged against income in the year to which they relate.

Defined benefit plans

There are only defined benefit plans in the Group within the French subsidiaries of the CECAB Activity. This plan is an unfunded plan whereby the capital at retirement age depends on the last wage and seniority. Following this plan the group is exposed to risks that are located in the area of the discount rate (i.e. a decrease if the discount rates will increase the benefit obligations) and the expected percentage for future salary increases.

The costs relative to IAS 19 provisions are booked under personnel expenses whereas the interest component is recognized in the financial result.

Early retirement plans are recognized as a liability and expense when the Group is committed to terminate the employment of the employees affected before the normal retirement date.

Defined benefit plans: France

As per 31 March 2015, a provision has been recorded for a total amount of €1.2 million (as per 31 March 2014: €1.2 million).

The net obligation, which equals as well the gross obligation since there are no plan assets, reconciles as follows:

Net liability included in the balance sheet (in thousands of €)	31/03/2015	31/03/2014
Net liability at beginning of the period	**1,204**	**1,064**
Service cost included in income statement		
Current service cost (net of employee contributions)	80	81
Past service cost (incl. effect of curtailments)		6
Settlement ((gain)/loss		
Service cost	**80**	**87**
Net interest on the liability/ (asset) in income statement		
Interest cost on defined benefit obligation	32	29
Net interest cost	**32**	**29**
Defined benefit cost recognized in income statement	**112**	**116**
Remeasurement of the net liability/ (asset) in other comprehensive income		
Actuarial (gains)/losses arising from		
Changes in demographic assumptions	1	130
Changes in financial assumptions	55	-41
Experience adjustments	-17	45
Total remeasurement recognized in other comprehensive income	**39**	**134**
Direct benefit payments by employer (cash payments)	**-156**	**-111**
Net liability at end of the period	**1,200**	**1,204**

The expected contributions to be paid for 2015-2016 amount to € 0.02 million.

Most important assumptions for the period ending on	31/03/2015	31/03/2014
Discount rate	1.40%	2.75%
Expected rates of future salary increases	1.50%	2.50%
Duration	15.2	13.5

The sensitivity of the defined benefit obligation to changes in the principal assumptions is:

Sensitivity analysis defined benefit obligation	Change in assumptions	Impact on defined benefit obligation *(in thousands of €)*	Impact on defined benefit obligation *(as % of the defined benefit obligation)*
Discount rate	+1.00%	-170	-14.1%
Expected rates of future salary increases	+1.00%	195	16.3%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant.

Belgian defined contribution plans

The Belgian defined contribution pension plans provide for the payment of clearly determined amounts to pension institutions and pension funds. These employer's contributions are charged against income in the year to which they relate.

The Belgian defined contribution pension plans are by law subject to minimum guaranteed rates of return, currently 3.25% on employer contributions and 3.75% on employee contributions. These rates, which apply as an average over the entire career, may be modified by Royal Decree in which case the new rate(s) apply to both the accumulated past contributions and the future contributions as from the date of modification. Hence, there is a risk that the company may have to pay additional contributions related to past service. Any such additional contributions will depend on the actual investment returns as well as the future evolution of the minimum guaranteed rates of return.

At 31 March 2015 (and 31 March 2014), the net liability, the positive difference (determined by individual participant) between the minimum guaranteed reserves and the accumulated contributions based on the actual rates of return at the closing date, was not recognized in the statement of financial position as deemed immaterial.

During the financial year ending as per 31 March 2015, the Group made payments of €0.5 million under Belgian defined contribution schemes (as per 31 March 2014: €0.5 million). Greenyard Foods has contributions made by employees in an amount of €0.1 million (31 March 2014: €0.1 million).

6.17. INTEREST-BEARING LIABILITIES

This note provides information on the contractual conditions governing the Group's **interest-bearing liabilities**. It covers the financial debts. The present note gives an overview of the long-term liabilities and those maturing within the year. This note does not cover the MTM ('marked to market') values of the financial instruments.

The total interest-bearing liabilities (including financial instruments) increased by €14.5 million compared to end of March 2014. As per 5 July 2013 a bond loan has been issued with a gross coupon of 5.0% fixed interest for a nominal amount of €150.0 million. On 16 December 2013 a revolving facility agreement in an amount of €158.5 million was signed, of which as per year end an amount of €66.5 million was drawn as financial debt. This revolving facility agreement was signed on the one hand to finance the peaks in working capital needs and on the other hand to support the growth of the Group. By issuing the bond loan and signing of the revolving facility agreement, the foundations have been built for a stable financing structure in the medium term in order to realize the strategic plan.

The **interest-bearing liabilities** of the accounting year ending at 31 March 2015 can be broken down as follows:

Interest-bearing liabilities at 31 March 2015 (in thousands of €)	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total
Interest-bearing liabilities > 1 year		**181,411**		**181,411**
Finance leases				
Bank loans (credit institutions)		6,662		6,662
Bond loan		149,683		149,683
Subordinated loan with warrants		25,065		25,065
Other financial debts				
Interest-bearing liabilities < 1 year	**72,892**			**72,892**
Finance leases				
Bank loans (credit institutions): debts > 1 year due within current year	778			778
Bank loans (credit institutions)	58,606			58,606
Bond loan				
Subordinated loan with warrants	12,000			12,000
Other financial debts	1,507			1,507
Total interest-bearing liabilities	**72,892**	**181,411**		**254,303**

Interest-bearing liabilities (in thousands of €)	Fixed	Variable	Total
Total	**188,256**	**66,047**	**254,303**
Interest-bearing liabilities (in thousands of €)	**Secured**	**Non-secured**	**Total**
Total	**254,037**	**266**	**254,303**

The **interest-bearing liabilities** at 31 March 2014 can be broken down as follows:

Interest-bearing liabilities at 31 March 2014 (in thousands of €)	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total
Interest-bearing liabilities > 1 year		**43,151**	**149,621**	**192,772**
Finance leases				
Bank loans (credit institutions)		7,440		7,440
Bond loan			149,621	149,621
Subordinated loan with warrants		35,707		35,707
Other financial debts		4		4
Interest-bearing liabilities < 1 year	**48,030**			**48,030**
Finance leases				
Bank loans (credit institutions): debts > 1 year due within current year	879			879
Bank loans (credit institutions)	17,705			17,705
Bond loan				
Subordinated loan with warrants				
Other financial debts	29,446			29,446
Total interest-bearing liabilities	**48,030**	**43,151**	**149,621**	**240,802**

Interest-bearing liabilities (in thousands of €)	Fixed	Variable	Total
Total	**215,895**	**24,906**	**240,802**
Interest-bearing liabilities (in thousands of €)	**Secured**	**Non-secured**	**Total**
Total	**211,101**	**29,701**	**240,802**

Bond loans

On 5 July 2013 Greenyard Foods NV issued a bond loan with a nominal amount of €150.0 million, a gross coupon of 5.0% fixed interest and a period of 6 years. In accordance with IFRS, the costs (€-0.3 million) of this loan have been presented as a negative of this loan. For a discussion on the covenants related to this bond loan we refer to note *'7.3. Engagements'*.

Subordinated loans with warrants

On 2 December 2011, 2,400,000 warrants were created in connection with the issuing of a subordinated loan by Gimv-XL in an amount of €36.0 million, minus the warrants which have been valued in accordance with IAS 32 (€2.9 million) which were issued as a component of equity ('share premiums and other capital instruments'). For a further discussion of the warrants we refer to note '*6.13. Stock option plans and warrant plans'*. The warrants have a term of 5 years. Interest amounts to 6.75%, of which 1.75% is capitalised. Interests are payable per quarter at the end of the term. After the first recognition in the financial statements, the subordinated loan is treated at amortized cost using the effective interest method. The effective interest rate at 31 March 2015 was 8.4%. The €1.4 million increase in the subordinated loan with Gimv-XL as per 31 March 2015 is fully explained by the normal contractual repayments that are compensated by the capitalisation of the interests. No accelerated repayments have been made.

In February 2015, it was decided to partly refinance (€12.0 million) the subordinated Gimv loan. This part of the subordinated loan is included in the short term debt as the repayment will take place at the beginning of May 2015.

Bank loans

On 16 December 2013 revolving facility agreement in an amount of €158.5 million was signed with a bank consortium. The evolution of short-term bank debt varies in function of working capital, which is significantly influenced by the seasonal character of the activities. The Group's short-term interest-bearing liabilities were drawn down mainly in the form of fixed-term advances at fixed margins over floating (Euribor) rates. The outstanding position per 31 March 2015 amounts to €66.5 million.

All interest-bearing liabilities per 31 March 2015 are expressed in euro. All interest-bearing liabilities are concluded at market conditions. The average interest rate for outstanding debts with financial institutions amounted at 31 March 2015 to 2.5% (at 31 March 2014: 2.9%).

For the loans outstanding at 31 March 2014 and 31 March 2015, no defaults or violations were established with regard to redemption payments and the provisions relating to principal and interest. The total amount of such loans with anomalies at 31 March 2014 and 31 March 2015 is nil. For this reason, no regularization of any defaults was required prior to the publication date of the approved annual accounts.

We refer to note *"7.3. Commitments"* for further information on bank covenants and the rights and commitments not included in the balance sheet.

Other financial debts

The other financial debts as per 31 March 2015 consist out of negative bank balances of €1.5 million. The other financial debts as per 31 March 2014 consisted on the one hand of a loan of €1.0 million in the acquired French subsidiary in Moréac and on the other hand of stock financing for the French production facilities of UFM in an amount of €28.4 million that Greenyard Foods NV has obtained as per end of August 2013. This latter amount has been repaid at the end of April 2014.

6.18. TRADE AND OTHER PAYABLES (SHORT-TERM)

Short-term trade and other payables (in thousands of €)	**31/03/2015**	**31/03/2014**
Trade payables and accrued expenses	93,081	93,352
Tax payable	9,767	6,445
Remuneration and social security payable	15,645	15,103
Advances received	5	5
Other amounts payable	6,120	6,158
Deferred income	493	617
Total short-term trade and other payables	**125,110**	**121,682**

The increase of the **short-term trade and other payables** is mainly resulting from an increase in tax payables amounting to €3.3 million.

6.19. ASSETS AND LIABILITIES RELATED TO ASSETS CLASSIFIED AS HELD FOR SALE

IFRS requires fixed assets to be transferred to this heading when the Board of Directors has passed a resolution to sell assets and sufficient certainty exists that the assets in question will be effectively disposed of within a foreseeable period (generally 1 year).

Assets held for sale (in thousands of €)	31/03/2015	31/03/2014
BALANCE AT THE END OF THE PRECEDING PERIOD	**0**	**195,619**
Increase		
Decrease		-195,619
Translation differences		
BALANCE AT THE END OF THE PERIOD	**0**	**0**

6.20. RISK MANAGEMENT POLICY

In exercising its business activity, the Group is exposed to market risks (currency, interest-rate and other risks) and to credit and liquidity risks. Derivatives are used to reduce the risk attached to exchange rate and interest-rate fluctuations. The derivatives used consist primarily of "over-the-counter" financial instruments, in particular option contracts and interest-rate swaps concluded with first-class banks. Not being listed on an active market, these derivatives are valued on the basis of a valuation model. It is Group policy not to undertake speculative transactions.

This note places the users of the Group's financial statements in a position to judge the nature and extent of the abovementioned risks arising out of financial instruments, to which the Group is exposed at the reporting date. It also sets out the Group's objectives, principles and procedures for managing risk and the methods used for measuring this risk. Further quantitative information is provided throughout these consolidated financial statements.

- *Market risk: foreign exchange risks*
  Like any company with non-euro sales, the Group is exposed to the usual exchange rate risks. The Group is subject to fluctuations in the exchange rates that could lead to profit or loss in foreign exchange transactions. The British pound is the most important non-euro currency for the group. In addition, there are also purchase and sale contracts in US dollar and the Polish zloty, the Hungarian forint and the Brazilian real are also currencies that are used. This is limited and the Group strives for a natural hedging. The Group concludes foreign exchange contracts that entitle it in each case to buy (forward purchases) or sell (forward sales) a certain quantity of foreign currency. The Group also concludes agreements giving it the right, but not the obligation, to sell (put option) a specified quantity of foreign currency (British pound) at an agreed price during a specified period or at a specified date. The option-holder pays the seller a premium as remuneration for the risk during the life of the agreement. Combinations of call and put options are used in order to keep hedging costs as low as possible. These agreements are concluded in order to minimize the Group's foreign exchange risk, mainly in respect of a significant portion of the activities undertaken with countries outside the Eurozone (the chief example being the UK).

- *Market risk: interest-rate risk*
  For managing interest-rate risk, the Group makes limited use of financial instruments with a view to reduce the impact of any interest-rate increases. These instruments match the way the company finances its credit needs with short-term fixed-rate borrowings. An interest-rate swap involves swapping interest-rate conditions during the period, or part of the period of a borrowing. An interest-rate cap protects the holder of this financial instrument against interest rates rising above a predetermined level, whilst an interest-rate floor protects against interest rates falling below a pre-determined level.

- *Credit risk*
  Credit risk is the risk of a counterparty or its bank being unable to fulfill its contractual obligations. The Group reduces this risk by means of an active debtor policy including such steps as formulating payment conditions, formulating collection procedures, credit insurance and setting internal limits. We refer also to note *"6.8. Trade and other receivables"* for further information on the factoring agreements.

- *Liquidity risk*
  Liquidity risk is the risk of having insufficient resources in order to fulfill direct obligations, which are settled in cash or other financial assets. The Group's approach to liquidity is to ensure, as far as possible, that sufficient liquidity is available at all times to meet liabilities as these fall due, under both normal and abnormal circumstances, without exposing itself to unacceptable losses or damaging the Group's reputation. We refer as well to note *"7.3. Commitments"* for further information on the bank covenants.

Within the Group, the Board of Directors carries total responsibility for supervising the Group's risk management structure. Financial management describes and names the risks and is tasked with developing and controlling the Group's risk management policy. Financial management reports on a regular basis to the Board of Directors.

The first task of the Group's risk management policy is to identify the risks to which the Group is exposed. Analysis of these risks then leads to an appropriate structure of risk limitation and control. The risk management policy and risk management systems are regularly reviewed to reflect changes in market conditions and in the Group's activities. The Group also seeks to develop a disciplined, constructive and controlled environment by means of training, standards and procedures, in such a way that every employee knows his role, obligations and responsibilities.

The Board of Directors assesses the application of the risk management policy and the prescribed procedures and reviews the appropriateness of the risk management structure in relation to the risks to which the Group is exposed.

A number of risks are managed with the help of derivatives. The Group limits itself here to forward contracts and interest-rate swaps (IRS).

1. Market risk

The market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will influence Group income or the value of its financial instruments. The objective is to control and manage this market risk within the limits of acceptable parameters, whilst optimizing the *'return on risk'*.

The Group buys and sells derivatives in the normal course of business, and also uses financial instruments in order to manage the market risk. All these transactions are carried out under the guidelines set by the Audit Committee. As from 1 April 2014 onwards the newly concluded financial derivatives which are economic hedges (to limit risks from adverse interest rate fluctuations) and which meet the strict criteria of IAS 39 *"Financial instruments"*, are included as cash flow hedges, whereas in previous reporting period no cash flow hedging was applied.

In its application of IAS 39 *"Financial instruments"* the Group has classified the financial instruments used to cover its interest-rate risk as economic hedges that do not fulfil the requirements for *'hedge accounting'*. They are therefore valued at fair value with changes in fair value, as a result of the effect of the interest-rate or exchange rate difference, recognized in the income statement.

1.a.1. Foreign exchange risk

The foreign exchange risk relates to possible variations in the value of financial instruments as a result of exchange rate fluctuations. The Group is exposed to exchange risks from the fact that a considerable portion of its activities (buying and selling) are undertaken outside the Eurozone, mainly in British pound, Polish zloty and US dollar. The derivatives are intended to hedge the Group's exposure to currency risks in British pound and US dollar (see note *"1.c. Foreign exchange risk and interest-rate risk: financial instruments (derivatives)"*).
Outstanding foreign currency receivables and liabilities at balance sheet date at Group level break down as follows:

Outstanding amounts in foreign currencies exposed to foreign exchange risk (in thousands of €)	31/03/2015	31/03/2014
Amounts receivable		
GBP (in € terms)	77,127	49,824
USD (in € terms)	222	298
PLN (in € terms)	9,505	8,745
Liabilities		
GBP (in € terms)	205	140
USD (in € terms)	491	392
PLN (in € terms)		

These amounts relate to both receivables and liabilities from/to third parties and to intra-Group receivables and liabilities which represent a foreign exchange risk at balance sheet date. In other words these amounts consist only of receivables and payables in a currency other than the functional currency of the entity holding them.

The receivables in British pound have increased due to an increase of the open position of Greenyard Foods NV with Pinguin Foods UK Ltd. This can be explained by the financing of the acquisition of the production facility in King's Lynn.

The Group realizes a substantial portion of its sales outside the Eurozone, mainly in the United Kingdom (23.27%).

The impact of the British pound, Polish zloty and Hungarian forint on the Group's results is to be found at two levels: transaction risk and translation risk.

An additional impact is that of the sales offices reporting in foreign currencies (Noliko UK Ltd and D'aucy do Brazil Ltda). This risk is situated at the translation risk level.

a) Transaction risk with respect to outstanding receivables and liabilities

The receivables and liabilities in British pound, Polish zloty and Hungarian forint can, upon payment in euro, give rise to a realized gain or loss depending on whether the daily exchange rate at the time of receipt and payment differs from the exchange rate at the time the receivable or payable is recorded.

We point out that a transaction risk also affects outstanding receivables and liabilities in US dollar.

b) Translation risk in relation to the income statement

This translational risk relates mainly to the inclusion of the figures of Pinguin Foods UK Ltd., Pinguin Foods Polska Sp.Z.o.o. and Pinguin Foods Hungary Kft., but also applies to the sales offices that report in foreign currencies (Noliko UK Ltd and D'aucy do Brazil Ltda) (see note *"7.1. Subsidiaries"*).

The impact of the British pound, Polish zloty and Hungarian forint exchange rate concerns primarily the recognition of the statement of financial position and the income statement of Pinguin Foods UK Ltd, Pinguin Foods Polska Sp.z.o.o. and Pinguin Foods Hungary Kft. The related functional currencies are the British pound, Polish zloty and Hungarian forint. This means that, in the case of a net profit of for example 1,000 British pound (over a certain period), an average rise/fall of the British pound against the euro of for example 10% (over the same period) will also increase/decrease the euro net profit by 10%.

c) Translation risk in relation to equity

In addition the exchange rate also affects the reserves and the value of the participating interest that Greenyard Foods NV holds in the capital of Pinguin Foods UK Ltd., Pinguin Foods Polska Sp.Z.o.o and Pinguin Foods Hungary Kft. and the sales offices Noliko UK Ltd. and D'aucy do Brazil Ltda.. Under the consolidation rules, capital and reserves are converted at the historical exchange rate. Whenever the exchange rate changes, the difference between the closing rate at a particular date and the historical rate will be recorded as a translation difference under the heading "equity".

1.a.2. Foreign exchange sensitivity

In line with last year, a sensitivity percentage of 10% is taken in determining the foreign exchange risk. In reality the fluctuations, as in 2013-2014, can be greater than 10%, which can change the sensitivity proportionally.

1 € =	2014-2015				
	Closing rate 31 March 2015	Average rate 2014-2015	Possible closing rate 31 March 2015	Possible average rate 2014-2015	Possible exchange rate volatility expressed in %
GBP	0.73	0.78	0.66 - 0.80	0.71 - 0.86	10%
USD	1.09	1.26	0.98 - 1.19	1.14 - 1.39	10%
PLN	4.10	4.19	3.69 - 4.51	3.77 - 4.61	10%
HUF	303.03	312.50	272.73 - 333.33	281.25 - 343.75	10%

1 € =	2013-2014				
	Closing rate 31 March 2014	Average rate 2013-2014	Possible closing rate 31 March 2014	Possible average rate 2013-2014	Possible exchange rate volatility expressed in %
GBP	0.83	0.84	0.74 - 0.91	0.76 - 0.93	10%
USD	1.38	1.34	1.24 - 1.51	1.21 - 1.47	10%
PLN	4.17	4.21	3.76 - 4.59	3.79 - 4.63	10%
HUF	312.50	303.03	281.25 - 343.75	272.73 - 333.33	10%

The sensitivity analysis is applied only to outstanding monetary business in foreign currencies. It covers both external loans and intra-Group loans and receivables in foreign currency, as well as trade receivables and liabilities, in so far as the foreign currency differs from the functional currency of the entity holding them.

a) Transaction risk with respect to outstanding receivables and payables

Based on the average volatility of the British pound, US dollar and Polish zloty against the euro during the past reporting period, we have made a reasonable estimate, as follows, of the effect of a potential variation of the British pound, US dollar and Polish zloty exchange rates against the euro:

Foreign exchange sensitivity on outstanding receivables and payables (in thousands of €)	**Net balance sheet position per 31 March 2015**	**Impact 10% increase of euro compared to foreign currency on open position**	**Impact 10% decrease of euro compared to foreign currency on open position**	**Net balance sheet position per 31 March 2014**	**Impact 10% increase of euro compared to foreign currency on open position**	**Impact 10% decrease of euro compared to foreign currency on open position**
GBP	76,923	-7,692	7,692	49,684	-4,968	4,968
USD	-269	27	-27	-94	9	-9
PLN	9,505	-951	951	8,745	-874	874

b) Translation risk in relation to income statement

As per 31 march 2015, 20% of the Group's sales are realized by Pinguin Foods UK Ltd. (at 31 March 2014: 18%), which operates in British pound. These results are converted into the Group's functional currency, which is the euro. Based on an analysis of exchange rate developments over the past financial year, we have made a reasonable estimate of an effect of a potential variation in the British pound against the euro, and the same has been done for the Polish zloty, the Hungarian forint and the Brazilian real:

- If the euro had risen/fallen by 10% against the British pound, and all other variables remaining constant, the net result would have been €0.2 million lower/ higher at 31 March 2015 (at 31 March 2014: €0.1 million lower/ higher).

The impact of exchange rate fluctuations in respect of Pinguin Foods Hungary Kft., Pinguin Foods Polska Sp. Z.o.o., D'aucy Polska Sp. Z.o.o. and the sales offices that report in foreign currencies (Noliko UK Ltd. and D'aucy do Brazil Ltda.) on the Group result at 31 March 2015 is €0.1 million (at 31 March 2014: 0.0 million).

c) Translation risk in relation to equity

If the euro had risen/fallen by 10% against the British pound, and all other variables remaining constant, the translation differences in equity would have been €0.8 million lower/higher at 31 March 2015 (at 31 March 2014: €0.7 million lower/higher).

The impact of exchange rate fluctuations in respect of Pinguin Foods Hungary Kft., Pinguin Foods Polska Sp. Z.o.o., D'aucy Polska Sp. Z.o.o. and the sales offices that report in foreign currencies (Noliko UK Ltd. and D'aucy do Brazil Ltda.) on the Group's shareholders' equity at 31 March 2015 is €1.4 million (at 31 March 2014: €1.1 million).

1.b.1. Interest-rate risk

The Group has credit outstanding mainly in euro and a small amount in British pound. The distribution by currency is given below:

Financial liabilities	31/03/2015		31/03/2014	
	In thousands of €	Interest rate	In thousands of €	Interest rate
Floating interest rate				
EUR	68,352	1.78%	26,252	1.42%
GBP (in € terms)	207	-0.02%	183	0.24%
Fixed interest rate				
EUR	188,256	4.19%	215,895	2.62%
GBP (in € terms)				
Total financial liabilities	**256,815**		**242,330**	

At 31 March 2015, 73.3% of the outstanding financial debt of the Group was at fixed interest rates (at 31 March 2014: 89.1%). This change is mainly due to the increase in revolving credit facility with a floating interest rate.

1.b.2 Interest-rate risk: interest-rate sensitivity

Had interest rates in British pound (Libor) risen/fallen by 50 basis points, and with all other parameters remaining constant, this would have had a negative/positive impact on the financial results, for the credits with a floating interest rate, of €0.0 million for the period to 31 March 2015 (€0.0 million for the period to 31 March 2014).

Had interest rates in euro (Euribor) risen/fallen by 50 basis points, and with all other parameters remaining constant, this would have had a negative/positive impact on the financial results, for the euro credits with a floating interest rate, of €0.3 million for the period to 31 March 2015 (€0.1 million for the period to 31 March 2014).

Despite the Group's intention to reduce the level of indebtedness, and hence to decrease the sensitivity of net result to interest-rate fluctuations, and despite the hedging strategy on the basis of bank derivatives, it cannot be excluded that the Group's future net result will be subject to interest-rate fluctuations.

1.b.3 Interest-rate risk: maturity of financial instruments

The table below gives an overview of the average effective interest rates and remaining terms at balance sheet date for the different types of financial instruments:

Remaining terms of financial instruments (in thousands of €)	Category of instruments	31/03/2015 Average effective interest rate %	Total carrying value	< 1 year	1- 5 year	> 5 year
Instruments with fixed interest rates			**188,256**	**13,507**	**174,749**	**0**
Other financial assets	FaAFS					
Held-to-maturity investments	Htm					
Cash and cash equivalents	L&R					
Guaranteed bank loans	FLmaAC					
Financial lease obligations	n/a					
Unguaranteed bank facilities	FLmaAC					
Liabilities to credit institutions	FLmaAC					
Bond loans	FLmaAC	5.00%	149,683		149,683	
Subordinated loans with warrants	FLmaAC	6.75%	37,065	12,000	25,065	
Other guaranteed financial liabilities	FLmaAC	0.00%	1,507	1,507		
Other non-guaranteed financial liabilities	FLmaAC					
Instruments with floating interest rates			**66,047**	**59,384**	**6,662**	**0**
Guaranteed GBP bank loan	FLmaAC					
Guaranteed EUR bank loan	FLmaAC	3.04%	65,781	59,119	6,662	
Other guaranteed loans	FLmaAC					
Other unguaranteed loans	FLmaAC	-0.02%	266	266		

Categories of instruments

L&R:	Loans and receivables
FaHT:	Financial asset Held for Trading
FaAFS:	Available-For-Sale Financial assets
Htm:	Held-to-maturity investments
FLmaAC:	Financial Liabilities measured at amortised cost
FlHT:	Financial Liabilities Held for Trading

Remaining terms of financial instruments (in thousands of €)	Category of instruments	31/03/2014				
		Average effective interest rate %	Total carrying value	< 1 year	1- 5 year	> 5 year
Instruments with fixed interest rates			**215,896**	**29,637**	**36,638**	**149,621**
Other financial assets	FaAFS					
Held-to-maturity investments	Htm					
Cash and cash equivalents	L&R					
Guaranteed bank loans	FLmaAC	3.28%	1,116	188	927	
Financial lease obligations	n/a					
Unguaranteed bank facilities	FLmaAC					
Liabilities to credit institutions	FLmaAC					
Bond loans	FLmaAC	5.00%	149,621			149,621
Subordinated loans with warrants	FLmaAC	6.75%	35,707		35,707	
Other guaranteed financial liabilities	FLmaAC	0,00%	29	25	4	
Other non-guaranteed financial liabilities	FLmaAC	1,39%	29,424	29,424		
Instruments with floating interest rates			**24,906**	**18,393**	**6,513**	**0**
Guaranteed GBP bank loan	FLmaAC					
Guaranteed EUR bank loan	FLmaAC	3,13%	24,629	18,116	6,513	
Other guaranteed loans	FLmaAC					
Other unguaranteed loans	FLmaAC	0,24%	277	277		

Categories of instruments

L&R:	Loans and receivables
FaHT:	Financial asset Held for Trading
FaAFS:	Available-For-Sale Financial assets
Htm:	Held-to-maturity investments
FLmaAC:	Financial Liabilities measured at amortised cost
FlHT:	Financial Liabilities Held for Trading

1.c. Foreign exchange risk and interest-rate risk: financial instruments (derivatives)

In its application of IAS 39 *"Financial instruments"* the Group has classified the financial instruments used to cover its interest-rate risk and foreign exchange rate risk as economic hedges that do not fulfill the requirements for 'hedge accounting'. They are therefore valued at fair value with changes in fair value, as a result of the effect of the interest-rate difference, recognized in the profit and loss account.

Foreign exchange risk

For hedging foreign exchange risks the Group works with forward contracts, whereby it seeks to hedge a major part of its monthly foreign currency net income. There is no certainty that the Group's hedging strategy can sufficiently protect its operating results against the consequences of exchange rate fluctuations.

The Group is covered as at 31 March 2015 via various instruments in a notional amount of €27.4 million (31 March 2014: €19.8 million).

Interest-rate risk

The Group has used financial instruments to hedge the risks of unfavorable interest-rate fluctuations. The Group wishes to keep its net interest cost as low as possible and does not want to be confronted with uncontrollable fluctuations in interest rates. The use of variable interest-rate credits carries with it the risk of major changes in cash flows in case of rising interest rates.

To this end a number of Interest-Rate Swaps (IRS) have been concluded with a number of Belgian banks. In an interest-rate swap the Group commits to paying or receiving the difference between the interest amount at fixed and floating interest rates calculated on a nominal amount. This type of agreement allows the Group to absorb fluctuations due to changes in the market value of the fixed interest-rate debt.

To manage the interest-rate risk the Group is covered as at 31 March 2015 via various instruments in a notional amount of €31.2 million (31 March 2014: €21.2 million).

Nominal amounts per maturity date

The following table gives an overview of the outstanding derivatives on the basis of the nominal amounts per maturity date.

Outstanding derivatives: nominal amounts per maturity date (in thousands of €)	31/03/2015			31/03/2014		
	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Due within 1 year	Due between 1 and 5 years	Due after 5 years
Foreign exchange risk						
Term contracts	27,439			19,786		
Options						
Interest-rate risk						
IRS	13,000	10,000	8,200		13,000	8,200
Caps						
Total outstanding derivatives: nominal amounts per maturity date	**40,439**	**10,000**	**8,200**	**19,786**	**13,000**	**8,200**

The maximum hedging term for these instruments runs until November 2024.

The increase in notional hedging amounts and the number of instruments is explained by an increase in the foreign exchange term contracts (+€7.7 million) and the IRS for an amount of €10.0 million on Greenyard Foods which started this accounting year and is related to the existing revolving credit facility . At the end of March 2015, the remaining term is thus more than 5 years.

Fair value by type of derivative

The fair value of derivatives is based on the (available) market price. This information is provided by the Group's financial institutions with which the financial instruments have been concluded. Where the market price is not available, the fair value is estimated. The intrinsic or fair value of an option consists out of the intrinsic value and the time value. The fair value of the interest-rate swap is determined by discounting expected future cash flows using current market interest rates and yield curve over the remaining term of the instrument.

The open instruments at balance sheet date have a total fair value ('marked to market value') of €-2.2 million at 31 March 2015 (31 March 2014: €-1.5 million). The net result in the financial year ending on 31 March 2015 on the financial assets and liabilities valued at fair value is €-0.1 million (31 March 2014: €-0.1 million).

Fair value by type of derivative (in thousands of €)	Assets		Liabilities		Net Position		Included in income statement	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Foreign exchange risk								
Term contracts	355		1,582	279	-1,226	-279	-638	5,531
Options								
Interest-rate risk								
IRS			932	1,250	-932	-1,250	503	-5,618
Interest-rate caps								
Net assets/liabilities	**355**	**0**	**2,513**	**1,529**	**-2,158**	**-1,529**	**-135**	**-87**

Fair value hierarchy included in the statement of financial position

The table below analyses financial instruments of the Group initially measured at fair value, sorted by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Assets and liabilities at fair value (in thousands of €)	31/03/2015			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss				
derivatives		355		355
Total assets at fair value		**355**		**355**
Financial liabilities at fair value through profit and loss				
derivatives		2,513		2,513
Total liabilities at fair value		**2,513**		**2,513**

Assets and liabilities at fair value (in thousands of €)	31/03/2014			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss				
derivatives				
Total assets at fair value				
Financial liabilities at fair value through profit and loss				
derivatives		1,529		1,529
Total liabilities at fair value		**1,529**		**1,529**

During the past financial year, there were no transfers of financial assets or liabilities between levels 1 and 2.

d) Other market risks

Other market risks that are unrelated to risks in relation to financial instruments are determined by fluctuations in availability and prices of raw materials, sales prices and weather conditions.

Climatologic circumstances do have an important impact on the availability of raw materials in the frozen and in the canning division. These can lead in both divisions to an under- or oversupply of raw materials. The availability of raw materials needs to be sufficient during harvest periods for Greenyard Foods in order to guarantee the sales during a full year.

Along with other elements, such as soil fatigue in fields for specific crops, the weather conditions are a compelling reason for Greenyard Foods to reduce its dependency on the harvest in a specific region as much as possible. This is being achieved by the international spread of the activities, by sustainable relations with agriculture and by concluding cooperative agreements with other companies in alternative regions.

The frozen division and the canning division work in principle with fixed annual contracts, where the price per vegetable is set for the entire season before the vegetables are sown or planted. Possible shortfalls in the market can be compensated by purchasing raw materials on the free market.

The supply of raw materials is guaranteed by a limited number of suppliers. The frozen division procures fresh vegetables mainly from over 800 farmers located in the area around the parent company in West Flanders and Northern France. In the United Kingdom, France, Poland and Hungary, the supply of raw materials is guaranteed, by agricultural cooperatives, local farmers and various dealers. The frozen division has further extended its procurement possibilities by concluding cooperation agreements. The provisioning of the canning division comes from around 4,500 ha of agricultural land, within a radius of 100 km around Bree.

Despite the high level of attention dedicated to these aspects, the production of the divisions of Greenyard Foods depends on temporary weather phenomena, while climatological circumstances can influence supplies and raw materials prices. Harvest yields can fluctuate sharply depending on the weather conditions.

2. Credit risk

Credit risk is the risk of financial loss to the Group through a customer or a financial instrument counterparty being unable to fulfil its contractual obligations. This risk originates in most cases from the Group's customer receivables and investments.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has a diversified customer portfolio. To protect itself against customer defaults and bankruptcies the Group uses the services of an international credit insurance company, and also applies internal customer credit limits. Management has developed a credit policy and credit risk exposure is continuously monitored. Any customer whose credit exceeds a specified amount is subjected to a credit check. Following credit checking these customers are subdivided into categories. Customers who represent a high risk factor are treated according to the credit policy that the Group has developed. Credit risk covers only the instrument class of 'loans and receivables' (L&R).

To further limit the credit risk of customers failing to meet their payment obligations, the Group has implemented credit insurance with an international credit insurance company for all customers. The Group has an invoice discounting facility, whereby the Group sells a portion of its receivables to a financial institution, which enables it to turn receivables into cash more quickly. We refer to note *"6.8. Trade and other receivables"* for further information on invoice discounting.

For the other instrument classes the credit risk is limited or non-existent, given that counterparties are banks with a high creditworthiness.

2.a.1 Exposure to credit risk

The carrying amount of the financial assets represents the Group's maximum exposure to credit risk. The carrying amount is reported including impairments. The maximum exposure to credit risk at the balance sheet date is given in the tables below:

Net carrying amount of financial assets 31/03/2015 (in thousands of €)	Category of instruments in accordance with IAS 39	Gross value 31/03/2015	Impairment losses 31/03/2015	Net carrying amount 31/03/2015
Other financial fixed assets	FaAFS	34	-4	30
Long-term receivables (> 1 year)	L&R	178	-142	36
Trade receivables	L&R	62,246	-1,800	60,446
Other receivables	L&R	21,701	-1,289	20,412
Derivatives	FaHT	355		355
Short-term deposits	L&R			
Cash and cash equivalents	L&R	20,506		20,506
Total net carrying amount of financial assets		**105,022**	**-3,235**	**101,786**

Net carrying amount of financial assets 31/03/2014 (in thousands of €)	Category of instruments in accordance with IAS 39	Gross value 31/03/2014	Impairment losses 31/03/2014	Net carrying amount 31/03/2014
Other financial fixed assets	FaAFS	42	-4	39
Long-term receivables (> 1 year)	L&R	214	-142	72
Trade receivables	L&R	63,919	-1,893	62,026
Other receivables	L&R	23,279	-1,289	21,990
Derivatives	FaHT			
Short-term deposits	L&R			
Cash and cash equivalents	L&R	15,023		15,023
Total net carrying amount of financial assets		**102,435**	**-3,324**	**99,150**

At balance sheet date there were no noteworthy concentrations of credit risk. The reader is referred here to note *"6.8. Trade and other receivables"*.

2.a.2 Impairment losses

The contribution of impairment losses recognized during the financial year has been presented by its financial asset category under the specific headings of the statement of financial position.

The total amount of interest on financial assets subject to impairment was €0.0 million at 31 March 2015 (€0.0 million at 31 March 2014). The net result on loans and receivables (> 1 year) was €0.0 million for the financial year ending on 31 March 2015 (€0.0 million at 31 March 2014).

3. Share price risk

During the financial year the Group did not hold any investments in shares classified as available for sale. The Group was not exposed to any major share price risk. The net result on the available-for-sale financial assets is nil.

4. Liquidity risk

Liquidity risk is the risk of having insufficient resources in order to fulfill direct obligations which are settled in cash or other financial assets. The Group's approach to liquidity is to ensure, as far as possible, that sufficient liquidity is available at all times to meet liabilities as these fall due, under both normal and abnormal circumstances, without exposing itself to unacceptable losses or damaging the Group's reputation.

The Group uses the 'Activity Based Costing' (ABC) cost price model to estimate the cost price of its products. This helps to ensure better management of cash flow requirements. The Group makes sure that it has sufficient available liquidity to meet expected operating costs for a 60 day period, including meeting its financial obligations. This excludes, however, the potential impact of extreme, unforeseeable circumstances, such as a natural disaster.

At 31 March 2015 the Group had €57.0 million of unused available lines under the working capital facility (per 31 March 2014: €82.0 million).

In today's economic and banking climate, the company keeps strict watch on its financing structure and is constantly analyzing the existing and required amounts and types of financing.

For a discussion of the existing lines and their terms and conditions the reader is referred to the analyses of the interest-rate risks (note *"6.20.1.b. Interest-rate risk"*) and the interest-bearing liabilities (note *"6.17. Interest-bearing liabilities"*).

The following table shows the Group's contractually agreed (undiscounted) cash flows in relation to financial liabilities. Only net interest payments and principal repayments are included. The contractual maturity is based on the earliest date on which the Group is required to pay.

Remaining terms of financial debts (in thousands of €)	Category of instruments	31/03/2015 Contractually agreed undiscounted cash flows				
		Due within 6 months	Due between 6 months and 1 year	Due between 1 and 5 years	Due after 5 year	Total
Financial lease obligations	n/a					
Unguaranteed bank facilities	FLmaAC					
Liabilities to credit institutions	FLmaAC					
Other guaranteed financial liabilities	FLmaAC	1,507				1,507
Other non-guaranteed financial liabilities	FLmaAC					
Guaranteed GBP bank loan	FLmaAC					
Guaranteed EUR bank loan	FLmaAC	60,511	307	2,700	3,328	66,845
Bond loan	FLmaAC	7,468	-32	179,747		187,183
Convertible loans with warrants	FLmaAC	12,664	671	31,344		44,680
Other guaranteed loans	FLmaAC					
Other unguaranteed loans	FLmaAC					
Trade debts	FLmaAC	93,081				93,081
Other debts	FLmaAC	6,120				6,120
Financial debts: non-derivatives		**181,351**	**946**	**213,791**	**3,328**	**399,416**
IRS	FlHT	211	125	740	191	1,268
Options	FlHT	1,238	797			2,035
Financial debts: derivatives		**1,449**	**922**	**740**	**191**	**3,302**
Total undiscounted cash flows		**182,800**	**1,868**	**214,531**	**3,519**	**402,718**

Remaining terms of financial debts (in thousands of €)	Category of instruments	31/03/2014 Contractually agreed undiscounted cash flows				
		Due within 6 months	Due between 6 months and 1 year	Due between 1 and 5 years	Due after 5 year	Total
Financial lease obligations	n/a					
Unguaranteed bank facilities	FLmaAC					
Liabilities to credit institutions	FLmaAC					
Other guaranteed financial liabilities	FLmaAC	14	12	4		29
Other non-guaranteed financial liabilities	FLmaAC	28,429	1,003			29,432
Guaranteed GBP bank loan	FLmaAC					
Guaranteed EUR bank loan	FLmaAC	20,033	368	2,424	4,216	27,041
Bond loan	FLmaAC	7,462	-38	29,772	157,424	194,621
Convertible loans with warrants	FLmaAC	955	959	47,791		49,704
Other guaranteed loans	FLmaAC					
Other unguaranteed loans	FLmaAC					
Trade debts	FLmaAC	93,352				93,352
Other debts	FLmaAC	6,158				6,158
Financial debts: non-derivatives		**156,402**	**2,304**	**79,991**	**161,640**	**400,337**
IRS	FlHT	335	329	530	56	1,250
Options	FlHT	308	97	5		410
Financial debts: derivatives		**643**	**426**	**535**	**56**	**1,660**
Total undiscounted cash flows		**157,045**	**2,730**	**80,526**	**161,696**	**401,997**

All instruments held at the reporting date and for which payments had been contractually agreed are included. Forecasted data relating to future, new liabilities are not included. Amounts in foreign currencies have been translated at the closing rate at the reporting date. The variable interest payments arising from the financial instruments were calculated using the applicable forward interest rates.

5. Financial instruments by class and category

The table below gives an overview of the various classes of financial assets and liabilities with their respective net balance sheet carrying amounts and their respective fair values and analysed by their measurement category in accordance with IAS 39 *"Financial Instruments: Recognition and Measurement"* or IAS 17 *"Leases"*.

Cash and equivalents, other financial investments, treasury investments, trade and other receivables, loans and receivables have mostly short maturities. For this reason the net carrying amount at closing date approximates the fair value. Trade payables have in general also short maturities and for this reason the net carrying amounts at maturity approximate their fair value. The fair value of interest-bearing liabilities is calculated as the present value of the future cash flows. The fair value of the derivatives is calculated using standard financial valuation models using market data.

31/03/2015 (in thousands of €)	Category in accordance with IAS 39	Net carrying amount 31/03/2015	Amounts recognized in balance sheet in accordance with IAS 39			Amounts recognized in balance sheet in accordance with IAS 17	Fair value 31/03/2015
			Amortized cost	Fair value recognized in equity	Fair value recognized in profit or loss		
ASSETS							
NON-CURRENT ASSETS							
Other financial fixed assets	FaAFS	30	30				n.a.*
Other non-current receivables (> 1 year)	L&R	36	36				36
CURRENT ASSETS							
Trade receivables	L&R	60,446	60,446				60,446
Other receivables	L&R	20,412	20,412				20,412
Derivatives	FaHT	355			355		355
Short-term deposits	L&R						
Cash and cash equivalents	L&R	20,506	20,506				20,506
LIABILITIES							
NON-CURRENT LIABILITIES							
Financial debts at credit institutions							
Finance leases	n/a						
Bank loans	FLmaAC	6,662	6,662				6,299
Bonds	FLmaAC						
Other financial debts	FLmaAC						
Interest-bearing liabilities							
Subordinated loans with warrants	FLmaAC	25,065	25,065				28,348
Bond loans	FLmaAC	149,683	149,683				165,648
Other amounts payable	FLmaAC	791	791				791
CURRENT LIABILITIES							
Financial debts at credit institutions							
Finance leases	n/a						
Bank loans: debts > 1 year payable within current year	FLmaAC	778	778				922
Bank loans	FLmaAC	58,606	58,606				58,605
Derivatives	FlHT	2,513			2,513		2,513
Other financial debts	FLmaAC	1,507	1,507				1,507
Interest-bearing liabilities							
Subordinated loans with warrants	FLmaAC	12,000	12,000				13,279
Bond loans	FLmaAC						
Trade payables	FLmaAC	93,081	93,081				93,081
Other amounts payable	FLmaAC	6,613	6,613				6,613
Total by category in accordance with IAS 39							
Loans and receivables	L&R	101,400	101,400				101,400
Financial assets Held for Trading	FaHT	355			355		355
Financial liabilities Held for Trading	FlHT	2,513			2,513		2,513
Available-for-sale financial assets	FaAFS	31	31				n.a.*
Held-to-maturity investments	Htm						
Financial liabilities measured at amortised cost	FLmaAC	354,787	354,787				375,093

* As no reliable estimate can be made of the fair value of the other participating interests, financial assets for which no active market exists are valued at cost less any impairments.

31/03/2014 (in thousands of €)	**Category in accordance with IAS 39**	**Net carrying amount 31/03/2014**	**Amounts recognized in balance sheet in accordance with IAS 39**			**Amounts recognized in balance sheet in accordance with IAS 17**	**Fair value 31/03/2014**
			Amortized cost	**Fair value recognized in equity**	**Fair value recognized in profit or loss**		
ASSETS							
NON-CURRENT ASSETS							
Other financial fixed assets	FaAFS	38	38				n/a*
Other non-current receivables (> 1 year)	L&R	72	72				72
CURRENT ASSETS							
Trade receivables	L&R	62,026	62,026				62,026
Other receivables	L&R	21,990	21,990				21,990
Derivatives	FaHT						
Short-term deposits	L&R						
Cash and cash equivalents	L&R	15,023	15,023				15,023
LIABILITIES							
NON-CURRENT LIABILITIES							
Financial debts at credit institutions							
Finance leases	n/a						
Bank loans	FLmaAC	7,440	7,440				6,965
Bonds	FLmaAC						
Other financial debts	FLmaAC	4	4				4
Interest-bearing liabilities							
Subordinated loans with warrants	FLmaAC	35,707	35,707				43,412
Bond loans	FLmaAC	149,621	149,621				165,617
Other amounts payable	FLmaAC	371	371				371
CURRENT LIABILITIES							
Financial debts at credit institutions							
Finance leases	n/a						
Bank loans: debts > 1 year payable within current year	FLmaAC	879	879				1,053
Bank loans	FLmaAC	17,705	17,705				17,696
Derivatives	FlHT	1,529			1,529		1,529
Other financial debts	FLmaAC	29,446	29,446				29,432
Interest-bearing liabilities							
Subordinated loans with warrants	FLmaAC						
Bond loans	FLmaAC						
Trade payables	FLmaAC	93,352	93,352				93,352
Other amounts payable	FLmaAC	6,775	6,775				6,775
Total by category in accordance with IAS 39							
Loans and receivables	L&R	99,111	99,111				99,111
Financial assets Held for Trading	FaHT						
Financial liabilities Held for Trading	FlHT	1,529			1,529		1,529
Available-for-sale financial assets	FaAFS	38	38				n.a.*
Held-to-maturity investments	Htm						
Financial liabilities measured at amortised cost	FLmaAC	341,300	341,300				364,667

* As no reliable estimate can be made of the fair value of the other participating interests, financial assets for which no active market exists are valued at cost less any impairments.

During the present financial year the Group has not used external financial assets as security for liabilities or contingent liabilities, and it is not required to meet contractual obligations in this respect. The shares of the subsidiaries have been pledged to guarantee the revolving credit facility .

6. Capital structure

The Group constantly seeks to optimize its capital structure (balance between debts and equity) with a view to maximize shareholder value. The Group strives for a flexible structure in terms of periodicity and credit type, which enables it to grab potential opportunities. The various capital components are discussed in the note on equity and in note *"6.17. Interest-bearing liabilities"*.

The Group has solvency and gearing ratio's which are aligned with the sector. The gearing ratio is a bank covenant as well under the Retail Bonds as under the revolving facility agreement, which implies that solvency and gearing are followed up closely by the Group. The capital structure is presented at regular intervals to the Audit Committee and the Board of Directors.

7. OTHER ELEMENTS

7.1. SUBSIDIARIES

The parent company of the Group is Greenyard Foods NV, Gent, Belgium. At 31 March 2015 there were 21 subsidiaries included in the consolidated financial statements by the full consolidation method.

Name, full address of the registered office and, for companies governed by Belgian law, the VAT or national number	Proportion of the capital held (in %)	Change of percentage of capital held (as compared to previous period)	Voting rights (%)
Greenyard Foods NV Skaldenstraat 7c 9042 Gent BE 0402.777.157	100.00%	0.00%	100.00%
Pinguin Langemark NV Poelkapellestraat 71 8920 Langemark BE 0427.768.317	99.99%	0.00%	99.99%
Pinguin Salads BVBA Sneppestraat 11 A 8860 Lendelede BE 0437.557.793	100.00%	0.00%	100.00%
Pinguin Aquitaine S.A.S. Avenue Bremontier 40160 Ychoux France	0.00%	-52.00%	0.00%
Pinguin Comines S.A.S. Chemin des Rabis - BP 97 59560 Comines (Sainte Marguerite) France	100.00%	0.00%	100.00%
Vallée de la Lys S.A.S. Rue de la distillerie - BP 97 59560 Comines (Sainte Marguerite) France	65.85%	0.00%	65.85%
CGB S.A.S. ZA Le Barderff - Moréac - BP 20227 56502 Locminé Cedex France	100.00%	0.00%	100.00%
CGS S.A.S. ZA Le Barderff - Moréac - BP 20227 56502 Locminé Cedex France	100.00%	0.00%	100.00%
Moréac Surgelés S.A.S. ZA Le Barderff - Moréac - BP 20227 56502 Locminé Cedex France	66.00%	0.00%	66.00%
Pinguin Foods UK Ltd Scania Way King's Lynn GB-PE30 4LR Norfolk United Kingdom	100.00%	0.00%	100.00%
Pinguin Foods Polska Sp. Z.o.o. ul. Tytoniowa 22 04-228 Warszawa Poland	100.00%	0.00%	100.00%
D'aucy Polska Sp. Z.o.o. ul. Tytoniowa 22 04-228 Warszawa Poland	100.00%	0.00%	100.00%

Pinguin Foods Hungary Kft. Nagy Istvan ut 36 6500 Baja Hungary	100.00%	0.00%	100.00%
Bajaj Hutoipari Zrt Nagy Istvàn ut 36 6500 Baja Hungary	0.00%	-100.00%	0.00%
D'aucy do Brasil Ltda Magalhães de Castro 974 – Butantã 05502-001 São Paulo - SP Brasil	100.00%	0.00%	100.00%
Pinguin Foods CEE GMBH Franzosengraben 20 1030 Wien Austria	100.00%	0.00%	100.00%
Pinguin Foods Deutschland GMBH Dorfplatz 20 50129 Bergheim Germany	0.00%	-99.90%	0.00%
De Buitenakkers NV Kasteeldreef 13 9111 Belsele BE 0840.479.363	0.00%	-100.00%	0.00%
M.A.C. SARL Rue Jean Goujon 8 75008 Paris France	99.80%	0.00%	99.80%
Noliko NV Kanaal-Noord 2002 3960 Bree BE 0437.126.936	100.00%	0.00%	100.00%
Noliko Holding NV Kanaal-Noord 2002 3960 Bree BE 0865.259.301	100.00%	0.00%	100.00%
Noliko Ltd. Kennel Ride SL5 7NT ASCOT Berkshire United Kingdom	100.00%	0.00%	100.00%
BND CVBA Kanaal-Noord 2002 3960 Bree BE 0462.012.681	25.00%	0.00%	25.00% [6]
Noliko Investments NV Kanaal-Noord 2002 3960 Bree BE 0825.485.638	100.00%	0.00%	100.00%
De Binnenakkers NV Kasteeldreef 13 9111 Belsele BE 0837.237.286	0.00%	-100.00%	0.00%
Dreefvelden NV Consciencelaan 13 3191 Hever BE 0892.783.743	0.00%	-100.00%	0.00%

[6] Greenyard Foods obtains 25% of the shares of BND CVBA. These specific shareholders have 'de facto' control based on the certain statements in the articles of association: on the one hand they have more rights and blocking possibilites and on the other hand they are always involved in the representation in and out of court of the CVBA.

KL Foods Limited Scania Way, Hardwick Industrial Estate, King's Lynn, Norfolk, PE30 4LR United Kingdom	100.00%	+100.00%	100.00%

Significant restrictions

There are no significant restrictions (e.g. resulting from borrowing arrangements, regulatory requirements or contractual arrangements between investors with significant influence over an associate) on the ability of associates to transfer funds to the entity in the form of cash dividends, or to repay loans or advances made by the entity, except for those mentioned in note *"7.3.Commitments"*).

There are no significant restrictions on the company's or its subsidiaries ability to access or use the assets and settle the liabilities of the Group, except for those mentioned in note *"7.3.Commitments"*).

Changes in the consolidation scope

We refer to note *"2.4. Changes in the consolidation scope"* for a discussion of the changes in the consolidation scope for the financial year ending on 31 March 2015.

7.2. PENDING DISPUTES

Pending disputes at 31 March 2015

DISPUTE PINGUIN SALADS BVBA

In the framework of a labor accident, the court of appeal held that Pinguin Salads BVBA is sole responsible and that the insurer does not have to indemnify Pinguin Salads BVBA. An expert has been appointed to calculate the "additional damages". Notwithstanding the court's decision, the insurer has paid damages to the employee and there could be a possibility that the insurer would possibly claim the amount of the damages from Pinguin Salads BVBA. The total potential financial impact is not known at this moment. No provision has been recorded as the conditions for the recognition of a provision are not fulfilled. Pinguin Salads BVBA did summon company "FAMM" (which is the producer of the machinery that was involved in the work accident), these legal proceedings are pending.

BRASIL ICMS TAXES

D'Aucy do Brasil Ltda has received a carto consulta from the state of Sao Paolo which allows it to apply 0% ICMS (Tax on Circulation of Goods and Services) since frozen vegetables are considered basic and natural products and no ICMS is payable on such products. The local tax authorities considers that the ICMS is however payable on the importation of frozen vegetables and impose an administrative penalty. This is a general practice for the whole industry of frozen vegetables. The total litigations of Greenyard Foods amount to R$ 22.5 million (€6.4 million) (being ICMS tax of R$ 18.4 million (€5.2 million) and penalties of R$ 4.1 million (€1.2 million)). Greenyard Foods is of the opinion that no ICMS is payable and considers therefore these claims as contingent liabilities since the conditions for recording a provision are not met.

Greenyard Foods has a right of recourse against the CECAB group for the ICMS claims between 2010 and September 2011 (the date on which Greenyard Foods has acquired the CECAB operations in Brazil).

7.3. COMMITMENTS

Commitments concerning investments in tangible fixed assets

At 31 March 2015 the frozen division had commitments to acquire fixed assets in an amount of €1.8 million (at 31 March 2014: €1.1 million). This mainly relates to various small investments in the United Kingdom for an amount of €0.8 million, in Hungary for a total amount of €0.2 million and France for a total amount of €0.8 million.

At 31 March 2015 the canning division had commitments to acquire fixed assets in an amount of €2.3 million (at 31 March 2014: €4.8 million). This mainly relates a new steriliser and a freezer and several small replacement and efficiency investments.

Commitments concerning procurement of fresh vegetables

The frozen division has concluded sowing and purchase contracts with a number of farmers for the procurement of fresh vegetables from the harvests in the financial year 2015-2016. Contracts totaling €99.2 million (together with the United Kingdom, Poland, Hungary and France), for the procurement of fresh vegetables, had been concluded at 31 March 2015 (at 31 March 2014: €113.7 million). This amount can fluctuate as a function of climate conditions and market prices for fresh vegetables.

The canning division has concluded sowing and purchase contracts with a number of farmers for the procurement of fresh vegetables from the harvests in the financial year 2015-2016. Contracts totaling €11.0 million for the procurement of fresh vegetables had been concluded at 31 March 2015 (at 31 March 2014: €11.9 million). This amount can fluctuate as a function of climate conditions and market prices for fresh vegetables.

Commitments concerning rent and operating leases

The Group has concluded rental and lease contracts, mainly for buildings and vehicles. The tables below give an overview of the current value of non-cancellable rental and lease contracts by maturity period.

Rent and operating leases: future payments (in thousands of €)	**31/03/2015**	**31/03/2014**
Within 1 year	8,113	10,164
Between 1 and 5 years	27,165	32,094
After 5 years	28,625	33,945
Total rent and operating leases: future payments	63,904	**76,203**

The decrease of the amount of rent and leasing debts that are not included in the balance sheet as per 31 March 2015 compared to 31 March 2014 by €-12.2 million is mainly explained by the purchase of the production facilities of King's Lynn as per July 2014, which were rented previously.

In the frozen division, the amount as per 31 March 2015 (€62.2 million) mainly include the rental of external storage in Wisbech for a 9 year term with a nominal annual cost of €2.4 million and the contract for the rental of external storage in Ieper and in Comines for a 13 year term at a common nominal annual cost of €3.0 million. For the canning division, as per 31 March 2015 operational lease obligations are included for an amount of €1.7 million. This amount for the canning division primarily includes rental obligations for forklift trucks.

The expenses included in the statement of **comprehensive income** are included in table below:

Rent and operating leases: expenses (in thousands of €)	**31/03/2015**	**31/03/2014**
Expenses included in statement of comprehensive income (forklifts, hardware, buildings,...)	5,948	11,450
Total rent and operating leases: expenses	**5,948**	**11,450**

Bank guarantees

There is a bank guarantee outstanding in an amount of €0.2 million in favour of OVAM (Flemish Public Waste Company) to guarantee the decontamination of polluted soil, and a bank guarantee of €0.1 million in favour of the Roeselare Customs and Excise office.

Bank covenants & undertakings

On 5 July 2013 Greenyard Foods NV issued a bond loan with a nominal amount of €150.0 million and a gross coupon of 5.0% fixed interest and a period of 6 years.

This issued bond loan provides for a number of covenants that applied for the first time as of 31 March 2014 and consist of the following:

(i) EBITDA relative to interest payments (≥ 2.00 as at 31 March 2015)
(ii) debt relative to balance sheet total (≤ 0.70 as at 31 March 2015)

A financial condition step-up change clause applies to the bond loan, which entails that the interest rate is cumulatively increased with 1.25 % per financial condition step-up change. A financial step-up change arises if a violation of one of the above-mentioned bond loan covenants is established.

The covenants are tested on an annual basis, at the end of each accounting year, and are reported to the bond holders on annual basis, based on a conformity agreement that is published on the web site of the company. For the testing on the covenants on the bond obligation per 31 March 2015, there were no covenant breaches.

In addition, on a semi-annual basis a “guarantor cover requirement” must be satisfied for the bond loan. Thereby the total assets of Greenyard Foods together with the Guarantors under the bond loan amount to no less than 75% of the Group’s Total Consolidated Assets. This is also reported in the conformity declaration.

As per 16 December 2013 Greenyard Foods has closed a revolving credit facility of €158.5 million with a bank consortium, which consists of:

- (i) A revolving credit facility of €150.0 million by Greenyard Foods NV with a term of 5 years for revolving credit facility purposes. Utilisations within this facility are for a period of 1, 2, 3 or 6 months.
- (ii) A term loan of €8.5 million granted by Noliko Investments NV, consisting of 3 tranches. Two tranches of this term loan were negotiated with a bank consortium per 19 July 2011 and a third tranche was closed per 13 March 2013. This term loan was replaced per 16 December 2013 according to the terms of the financing that was closed at that date. The loan is repayable in periodical instalments.

The applicable interest rate on the various tranches of the revolving credit facility amounts to ´euribor + margin´, where this margin can amount to a maximum of 3.35% and depends on the “leverage ratio”.

A number of warranties were granted by Greenyard Foods NV and related companies to the bank consortium following the closing of the financing. These warranties are also granted to the bondholders on a “pari passu” basis. The existing warranties of Noliko Investments NV were released and replaced by warranties granted under the new facility closed per 16 December 2013.

In accordance with IAS 39.43, the transaction costs related to the negotiation of the revolving credit facility for a total amount of €2.2 million are recorded as a deduction of the interest-bearing liabilities and are taken into result over the term of the financing.

Within the framework of the revolving credit facility that was negotiated on 16 December 2013, several restrictions were imposed in connection with the dividend policy to be employed:

- the legal limitations need to be followed;
- dividend distributions may not exceed 100% of the excess cash flow, which is defined as the cash flow less the interest cost on financing and the voluntary rapyments of financing;
- the gearing ratio as descrived in the financial covenants is not in breach following the distribution of a dividend.

The revolving credit facility provides mandatory prepayment in a number of cases such as: (a) Hein Deprez acting in concert with blood relatives or other relatives up to the second degree, no longer holds 50% or more of the share capital or the voting rights in Food Invest International NV, 2D NV, Gimv-XL, Agri Investment Fund CVBA or their respective successors no longer hold, directly or indirectly, at least 30% of the share capital of the Company; (b) A person or group of persons acting in concert and not connected with one of Food Invest International NV, 2D NV, Gimv-XL, Agri Investment Fund CVBA or their respective successors, directly or indirectly, obtains control of the Company; (c) The sale of all or substantially all of the assets of the Group whether in a single transaction or a series of related transactions.

The revolving credit facility that was agreed on 16 December 2013 includes a number of covenants which were applicable for the first time as per 31 March 2014 and consisting of the following:

- (i) interest cover ratio : EBITDA / interest payments (≥2.00 per 31 March 2015)
- (ii) debt / total assets (≤ 0.70 per 31 March 2015)
- (iii) the extent of investments (for accounting year ending as per 31 March 2015 fixed at maximum €39.7 million)
- (iv) the extent of indebtedness (for accounting year ending as per 31 March 2015 fixed at €225.0 million)

The covenants are tested on an annual basis, at the end of each accounting year, and are reported to the lenders on an annual basis. The testing on the covenants for the revolving credit facility per 31 March 2015 took place without any covenant breaches.

Restrictions on dividend

The terms of the revolving credit facility impose a number of restrictions relating to the dividend distribution by Greenyard Foods NV as explained in the section "*bank covenants & undertakings*".

Off-balance sheet commitments

Off-balance sheet commitments: guarantees (in thousands of €)	**31/03/2015**	**31/03/2014**
Registered line on general assets	200,954	165,568
Mandate on general assets	200,000	200,000
Mortgage mandate	65,000	65,000
Registered mortgage	10,687	11,204
Joint guarantee	385	1.266
Total off-balance sheet commitments: guarantees	**477,026**	**443,038**

7.4. RELATED PARTIES

Transactions between Greenyard Foods NV and its subsidiaries, which are related parties, have been eliminated in the consolidation and are therefore not included in this note. The Group has no participating interests in joint ventures, nor in associated enterprises which could therefore not be classified as related parties. The Group does have a participating interest in Tomates d'Aquitaine SAS. This falls under the IAS 24 definition of related parties, but is not included in this note, as there have been no further transactions beyond the taking of the interest.

For an overview of the application of articles 523 and 524 of the Company Code, we refer to the chapter ´Corporate Governance´ in the Annual Report.

Shipex NV

Shipex NV is a company that is partially controlled by Mrs Veerle Deprez (permanent representative of Management Deprez BVBA). Shipex NV is a major 'freight forwarder' (sea and air freight; containers). In that capacity, Greenyard Foods sometimes uses the services of Shipex NV.

Union Fermière Morbihannaise SCA

Union Fermière Morbihannaise SCA is a French agricultural cooperative with its origin in Bretagne. The company is active in livestock, grain production, vegetable production and in several sub-sectors that process and market agricultural products. UFM SCA is the owner of CECAB Group. The important decrease of transactions with the CECAB entities is due to the fact that transactions of only 5 months were taken into account in financial year 2013-2014. The frozen production facilities of UFM (CECAB entities: D´Aucy Polska Sp. Z.o.o. (Poland), Bajaj Hutoipari Zrt. (Hungary), Sica Vallée de la Lys SAS (France) and Moréac Surgélés SAS (France) were acquired by Greenyard Foods per 30 August 2013 for a purchase price of €21.6 million.

Fomaco BVBA

Fomaco BVBA is a management company. The shareholders are the 5 members of the management team of Noliko Group. There are no other shareholders. Fomaco BVBA delivers specialized management advice.

Gimv-XL and related companies

Gimv-XL is the global name for funds that were founded by Gimv as core shareholder together with the Vlaamse Participatiemaatschappij (VPM). It granted a subordinated loan with warrants to Greenyard Foods NV.

Vijverbos NV

Vijverbos NV is a management company represented by Mr. Herwig Dejonghe. Vijverbos NV, represented by H. Dejonghe, delivered consulting services in the period as from December 2014 until March 2015. He terminated his activities as COO in November 2014.

Related parties (in thousands of €)	**31/03/2015 (12 months)**	**31/03/2014 (12 months)**
Transactions and outstanding balances with related parties:		
Univeg and associated companies		
Purchase of products, services and other goods	186	232
Sales of products, services and other goods	24	20
Outstanding receivables		5
Outstanding payables	52	22
Shipex NV		
Purchase of services and other goods	854	971
Outstanding payables	145	161
Union Fermière Morbihannaise SCA		
Purchase of products, services and other goods	15,282	6,951
Sales of products, services and other goods	3,124	2,012
Acquisition financial assets		21,566
Outstanding receivables	438	968
Outstanding payables	446	201
Fomaco BVBA		
Purchase of goods and services	259	411
Advance payment of goods and services	11	11
Gimv-XL and related companies		
Financial charges	3,245	2,873
Outstanding payables	37,065	35,707
Vijverbos NV		
Purchase of services and other goods	430	
Loss on sale of participation Pinguin Aquitaine	-2,036	
Outstanding payables	462	
Food Invest International NV		
Acquisition participation real estate companies		40,000
CECAB-entity (D'Aucy Polska Sp. Z.o.o., Bajaj Hutoipari Kft., D'aucy Frozen Foods Hungary Kft., Sica Vallée de la Lys S.A.S., Moréac Surgelés S.A.S.) up till 08/2013		
Purchase of products, services and other goods (rent)		36,324
Sales of products, services and other goods		24,458
Financial income		107
Financial expenses		198
Noliko Investments NV & De Binnenakkers NV up till 08/2013		
Purchase of goods and services (rent)		2,283

Total key management includes the Board of Directors, the CEO, the COO and the members of the Management Committee (see chapter 'Corporate Governance statement' in the annual report).

Related parties: remunerations (in thousands of €)	31/03/2015 (12 months)	31/03/2014 (12 months)
Board of Directors	352	378
CEO and COO	1,061	1,161
Management committee	334	414

The above-mentioned remunerations all have a short-term character. The remunerations of the COO include the services performed until November 2014 as the COO terminated his function as COO as per that date.

The disclosures relating to the Belgian Corporate Governance Code are included in the chapter 'Corporate Governance statement' in the annual report.

7.5. EVENTS AFTER THE BALANCE SHEET DATE

Between 31 March 2015 and the date on which this annual report was released for publication, the following significant events after the balance sheet date have occurred:

Letter of Intent has been signed for business combination between Greenyard Foods, Univeg & Peatinvest to create global leader in fruit and vegetables

As per 13 April 2015 the letter of intent has been signed for a business combination between Greenyard Foods, Univeg and Peatinvest, with the objective to create a global leader in fruit and vegetables.

The Board of Directors believes that the business combination has the potential to create a unique global player in the fruit and vegetables market capable of offering the full range of fresh, frozen and canned products. The combination of Greenyard Foods, Univeg and Peatinvest creates a global market leader with combined sales in excess of EUR 3.7 billion.

The business combination will happen through a contribution of 100% of Univeg, on the one hand as a partial demerger of its parent company, De Weide Blik (holding 95.4% in Univeg) and on the other hand as a contribution in kind of 4.6% of Univeg, and through a contribution of 100% of Peatinvest against newly issued Greenyard Foods shares. The listed company Greenyard Foods will become the parent company of the newly formed group.

As part of this transaction Gimv-XL will exercise its existing warrants, which will result in a capital increase of EUR 25.6 million, bringing the total number of Greenyard Foods shares to 18.9 million.

Upon successful completion of the combination, Greenyard Foods will own 100% of the shares of Univeg and Peatinvest. In return, 25.5 million new shares of Greenyard Foods will be issued to the shareholders of Univeg and Peatinvest. After the combination and the exercise of warrants by Gimv-XL, the relative weight in the share capital in the combination will be as follows: 42.5% for existing Greenyard Foods shareholders, 49.6% for existing Univeg shareholders and 7.9% for existing Peatinvest shareholders, for a total amount of shares of 44.4 million.

In order to increase the limited free float after the combination, a private placement of part of the shares held by Gimv-XL and Deprez Holding is being contemplated. Deprez Holding, controlled by Hein and Veerle Deprez, remains the strategic reference shareholder for the long term. Other key shareholders will also keep and/or strengthen their holding in the combined company so as to create a stable platform for continued expansion. Cooperation principles have been agreed which aim to improve market access for growers. The corporate governance structure will be streamlined and existing shareholders' agreements will be terminated.

The transaction remains subject to due diligence, a fairness opinion, Boards of Directors approvals, regulatory approvals, EU Commission competition clearance and final transaction documentation. As part of the transaction, customary representations and warranties will be provided. Completion of the transaction is targeted by the summer of 2015.

Hein Deprez, Chairman of Greenyard Foods, Univeg and Peatinvest comments: "Creating a combined group offering fresh, frozen and canned fruit and vegetables will be beneficial to growers, consumers, retailers, employees and shareholders. We believe societal trends call for a broader view on fruit and vegetable consumption."

<u>Waiver obtained for the current credit facility agreement</u>

On 30 April 2015 a waiver is obtained from the bank consortium of Greenyard Foods in relation with the revolving credit facility proceeding to the business combination of Greenyard Foods, Univeg and Peatinvest. This waiver results in the fact that the company won't be breach the clauses of its loan agreement by the transaction.

<u>Bridge loan</u>

A committed standby facility is obtained by Greenyard Foods on 30 April 2015 in an amount of € 150.0 million, which is sufficient to refinance all of the retail bonds.

<u>Greenyard Foods, Univeg & Peatinvest: partial demerger and contribution agreement is signed to create global leader in fruit and vegetables</u>

A final agreement has been reached on 11 May 2015 on the business combination between Greenyard Foods, Univeg and Peatinvest to create a global leader in fruit and vegetables.

The Board of Directors reconfirms the elements as described with the publication of het LOI related to this business combination.

The transaction remains subject to regulatory approvals, EU Commission competition clearance and approval by an extraordinary Greenyard Foods shareholders meeting. Completion of the transaction is targeted by the summer of 2015. The special reports of the Board of Directors will be made available together with the invitation for this shareholder meeting.

The business combination has the potential to create a unique global player in the fruit and vegetables market capable of offering the full range of fresh, frozen and canned products and substrates.

The company believes that market developments are favourable for larger companies, especially due to increasing supply chain and product complexity. The four relevant industry themes can be summarized as follow:

- Increasing sourcing & supply chain complexity
- Development in product specifications
- Demanding marketing and sales process
- Sustainability

The joint mission of the combined Greenyard Foods Group is : "*Make lives healthier by helping people to enjoy vegetables & fruit at any moment of the day – Easy, fast and pleasurable*".

The combined Greenyard Foods Group's strategy aims at creating an industry leader by consumer based category management beyond the boundaries of fresh and prepared fruit and vegetables along the following axes:

1) <u>Leverage on merger by a consumer based approach</u>
The consumer based approach is based on an analysis of drivers and barriers of vegetable and fruit consumption. This objective is to leverage the complementarity between Fresh, Frozen and Canned rather than competing among the different types. As a result 4 consumer segments are identified for consumer based activation and innovation. The segments and some examples are:
    - Health driven consumers; eg leverage & expand fresh salads/mixes, info on nutritional value, tools to stimulate '5 a Day' etc
    - Convenience driven consumers ;eg offering of ready to eat fruit, developing more convenient products etc
    - Sustainability driven consumers ; eg exploiting provenance, underline benefits of plant based diet, help to reduce waste by e.g. offering the right assortment/ sizes etc
    - Pleasure/taste driven consumers ; eg strengthening in-store theatre, , offering more variety, combining pleasure "grow your own" with purchased products, maximize taste by insuring proper preparation method

2) <u>Leverage on merger via consumer based category management</u>

Greenyard Foods Group will built on its partnerships with retailers to help them differentiate towards their shoppers via assortment and activation. This will also allow retailers to get efficiencies while keeping focused on end consumers

3) <u>Leverage on merger by consumer based innovation</u>
The consumer segments highlighted above will be the basis for in product innovation. This will range from introducing new products to meet the need for convenience and variety ie new mixes of vegetables with eg pre-cooked rice or pasta to allow for a quick, tasty and nutritious meal. Also will we look at innovations to create new consumption moments eg juices, fruit on the go.

4) <u>Leverage the digital trend with a consumer platform</u>
The new combined Group will start an inspirational platform to stimulate fruit and vegetables consumption by offering relevant info/ tips on health, on how to consume sufficient fruit and vegetables etc

5) <u>Leverage on merger to establish the group as an authority in fruit and vegetables</u>
The combined Greenyard Foods Group aims to take a leading role and leverage its unique position by working with Key Opinion Leaders eg on the development of the Coalition Agreement around healthier lifestyles . Also by cooperation in developing public awareness campaigns around fruit and vegetables and by supporting the revision of the Food Pyramid with research data

The key higlights for the Combined Greenyard Foods Group are:

- Unique global player in fresh and prepared fruit & vegetables and growing media
- Greenyard Foods, Univeg and Peatinvest have an M&A track record. The acquisition criteria are:
    - Sales and distribution companies with strong connection with key retailers in countries with high market share for organized retail with priority in North/ West Europe and the Americas
    - Production and/or sourcing companies active in key regions for the cultivation of a specific product, best in class producer or exporter, full control of the supply chain or potential to reach this
    - Financial considerations, such as EBITDA improvement potential, fair acquisition multiple and no deterioration of our fundamental financials
- Excellent sourcing capabilities
- Control of the supply chain between the independent growers and retailers
- Long standing relationships with blue chip retailers
- Unique logistic and distribution capabilities
- A leader in food safety and corporate social responsibility through e.g. investing in breeder program, water management, social empowerment, sector cooperation, use of GPS sowing machines, waste reduction, energy saving.
- Strong management team and deeply engaged shareholders

Seasonality is important for Greenyard Foods. The combination of Greenyard Foods and Univeg will have a compensating effect on seasonality and working capital dynamics. Generally Greenyard Foods has a production peak in the period from July to November with corresponding inventory build up, whereas the demand is relatively stable during the year. This gives rise to high working capital swings in the last two quarters of the calendar year. In Univeg, a greater portion of the sales are realised during the first 2 calendar quarters, whereas the third and fourth calendar quarters typically have lower sales and less homogenous sales patterns. As Univeg has a negative working capital, the positive working capital of Greenyard Foods is offset with the negative working capital of Univeg and are compensated in the combined Group.

The consolidated financial statements for the new combined group (all IFRS) will have an accounting year ending 31 March for all entities as of FY 2015/16. The segment reporting will contain following segments: ‘Fresh’ (former Univeg), ‘Prepared’ (former Greenyard Foods) and ‘Other’ (including soil improvers – former Peatinvest).

The dividend policy of the Combined Greenyard Foods Group aims at a pay ratio of minimum 15% of the net recurrent profit, taking regulatory obligations into account. The proposed dividend distribution needs to be reconfirmed by the Board of Directors on an annual basis.

The new combined group is subject to foreign exchange risks, but these can be evaluated as being limited. This evaluation can be made because rather limited percentage of net sales are in foreign currencies and the necessary measures are taken in all companies to limit the foreign exchange risks.
The British pound and the Brazilian real are the most important non-euro currencies for Greenyard Foods and in minor importance as well the Polish zloty and the Hungarian forint. In addition, there are also purchase and sales contracts in US

dollar and Australian dollar. The most important non-euro currencies for Univeg are the British pound, the US dollar and the Polish zloty, for Peatinvest the key non-euro currency is the Polish zloty.
Both Greenyard Foods, Univeg and Peatinvest strive for a natural hedging. For Peatinvest, there is no need for transactional hedges as almost all risk can be born by natural hedges. Remaining transactional risk of Greenyard Foods and Univeg are hedged with the use of of forward contracts. Additionally, Univeg is hedging its translation risks.
None of the three groups are using other speculative instruments to hedge their foreign exchange risks.

European Commission approves integration of Greenyard Foods, Univeg and Peatinvest

On 26 May 2015 Greenyard Foods announced that Deprez Holding NV received notice that the European Commission has decided not to oppose the notified operation and to declare it compatible with the internal market and with the European Economic Area (EEA) Agreement. The transaction is subject to the approval of the listing information document by the FSMA and the approval of the Extraordinary General shareholders meeting of Greenyard Foods on 19 June 2015. Completion of the transaction is targeted by the summer of 2015.

Convocation of Extraordinary Shareholders Meeting of Greenyard Foods on 19 June 2015

On 19 May 2015, the Board of Directors of Greenyard Foods has published the convocation of the Extraordinary Shareholders meeting on 19 June 2015. Key point on the agenda is the approval of the business combination between Greenyard Foods, Univeg and Peatinvest.

The listed company Greenyard Foods becomes the parent company of the newly formed group.

On the group's website (www.greenyardfoods.com) the following documents can be found: invitation to the Extraordinary Shareholders Meeting, special reports by the Board of Directors, reports by the auditors and legal documentation, as required by article 733, §2, of the Belgian Company Code.

The Executive Committee will consist of Marleen Vaesen (CEO), Francis Kint (COO) and Koen Sticker (CFO) and will be supported by a Leadership Team, consisting of the Managing Directors of the various business units (Frozen, Canned, Substrates).

Pro forma financial statements

In the framework of the planned contribution of Univeg Group (95.4% of the shares via partial demerger of De Weide Blik NV into Greenyard Foods NV and the remaining 4.6% of the shares via contribution in kind) and the contribution in kind of the shares of Peatinvest Group against newly issued shares of Greenyard Foods NV, the company has prepared consolidated pro forma financial information for the period starting 1 April 2014 and ending 31 March 2015 (12 months).

A pro forma consolidated income statement for the 12 months period ending 31 March 2015 has been prepared in a manner consistent with the accounting policies adopted by Greenyard Foods NV in its last consolidated financial statements being IFRS as if the transactions had occurred as per 1 April 2014; the pro-forma statement of financial position has been prepared as if the abovementioned transactions had occurred as per 31 March 2015.

The pro forma financial information has not been adjusted for possible effects of fair value adjustments resulting from applying IFRS 3 "Business combinations". These potential adjustments will be reflected, once all information is available, over the measurement period that cannot exceed the one year term as of acquisition date.

For more details on the assumptions made when preparing the pro forma financial information, we refer to the information document which will be available on the website as from 16/06/2015.

This information has been prepared for illustrative purposes only. Due to its nature, this information illustrates a hypothetical situation and does not represent the actual financial position and financial performance of Greenyard Foods Group.

The consolidated pro forma income statement per 31 March 2015 is shown below:

Consolidated income statement (in thousands of €)	CONSOLIDATED PRO FORMA INCOME STATEMENT 31/03/2015
	COMBINED GREENYARD FOODS GROUP
Sales	4,011,940
Cost of sales	-3,179,588
Gross margin	**832,351**
Operating expenses and other operating income	-693,587
Depreciation, amortization and write-offs	-64,920
Impairment losses on assets	-527
Operating result before non-recurrings	**73,318**
Non-recurring income	28,347
Non-recurring expenses	-20,707
Operating result	**80,958**
Financial income	16,391
Financial expenses	-66,837
Operating profit after net finance costs	**30,512**
Taxes	-7,657
Share in result of joint ventures and associates	**2,240**
PROFIT (LOSS) OF THE PERIOD	**25,095**
Attributable to:	
- The shareholders of Greenyard Foods (the 'Group')	26,185
- Non-controlling interests	-1,090

The consolidated pro forma statement of financial position per 31 March 2015 is shown below:

ASSETS (in thousands of €)	CONSOLIDATED PRO FORMA statement of financial position 31/03/2015
	COMBINED GREENYARD FOODS GROUP
NON-CURRENT ASSETS	**1,194,844**
Intangible fixed assets	159,022
Goodwill	604,580
Biological assets	19,948
Tangible fixed assets	357,748
Investments in associates	5,318
Financial fixed assets	225
Deferred tax assets	20,581
Long-term receivables (> 1 year)	27,421
CURRENT ASSETS	**812,778**
Biological assets	154
Inventories	301,967
Amounts receivable	335,122
Other financial assets	20,298
Cash and cash equivalents	143,624
Assets classified as held for sale	11,613
TOTAL ASSETS	**2,007,622**

EQUITY AND LIABILITIES (in thousands of €)	CONSOLIDATED PRO FORMA statement of financial position 31/03/2015
	COMBINED GREENYARD FOODS GROUP
EQUITY	**659,400**
Share capital	287,685
Share premium and other capital instruments	268,133
Consolidated reserves	95,362
Cumulative translation adjustments	-1,869
Non-controlling interests	10,089
NON-CURRENT LIABILITIES	**529,446**
Provisions for pensions and similar rights	21,130
Other provisions	13,599
Financial debts at credit institutions	15,608
Interest-bearing liabilities	433,644
Other amounts payable	5,920
Deferred tax liabilities	39,545
CURRENT LIABILITIES	**818,775**
Financial debts at credit institutions	92,701
Interest-bearing liabilities	1,875
Trade payables	599,723
Advances received on contracts	2,310
Tax payable	25,151
Remuneration and social security	31,918
Other amounts payable	65,098
Liabilities related to assets held for sale	0
TOTAL EQUITY AND LIABILITIES	**2,007,622**

The pro forma goodwill arising as a result of the contribution of shares Univeg (via partial demerger and contribution in kind) and shares Peatinvest has been calculated as follows:

Pro forma goodwill on shares Univeg:

Shares issued:	21,998,869
Share price as per 31 March 2015:	€ 16.60
Consideration paid:	€ 365,181,000
Net assets Univeg per 31 March 2015:	€ 42,890,000
Non controlling interest held by Univeg	€ 1,989,000
Pro forma goodwill:	**€ 324,280,000**

Pro forma goodwill on shares Peatinvest:

Shares issued:	3,514,196
Share price as per 31 March 2015:	€16.60
Consideration paid:	€ 58,336,000
Net assets Peatinvest per 31 March 2015:	- € 23,448,000
Non controlling interest held by Peatinvest	- € 35,000
Pro forma goodwill:	**€ 34,923,000**

As a result an additional goodwill amounting to € 359,203,000 is recognized in the pro forma financial information resulting in a total pro forma goodwill of € 604,580,000.

The net assets of Univeg Group and Peatinvest Group include the reported IFRS equity of Univeg Group and Peatinvest Group as presented in the information document which will be available on the website as from 16/06/2015.

Any change in the Greenyard Foods share price will impact the goodwill calculation mentioned above. A change of € 1 in the Greenyard Foods NV share price results in a goodwill adjustment amounting to € 25,513,065.

There are no other major events subsequent to the balance sheet date which have a major impact on the further evolution of the company.

7.6. NON-AUDIT MISSIONS UNDERTAKEN BY THE STATUTORY AUDITOR + RELATED PARTIES

During the financial year from 1 April 2014 to 31 March 2015, assignments in an amount of €0.7 million were undertaken by the statutory auditor and persons working under cooperative arrangements with him. These assignments consisted of supplementary audit services, tax and legal advisory services.

The audit fees charged to the Group for the financial year ending 31 March 2015 amounted to €0.3 million.

Additional tax and legal advisory activities were presented in advance to the Audit Committee for approval. The Group's Audit Committee gave a positive decision on this extension.

STATEMENT FROM THE RESPONSIBLE PERSONS

Declaration regarding the information given in this annual report for the 12 months period ended 31 March 2015.

The undersigned, in the name and on behalf of Greenyard Foods NV, declare that, as far as they are aware:

- The financial statements, established in conformity with the applicable accounting standards, give a true and fair view of the equity, the financial position and the results of Greenyard Foods NV, including its consolidated subsidiaries;
- The annual report for the 12 months period ended 31 March 2015 contains a true and fair statement of the important events, the results and the position of Greenyard Foods NV, including its consolidated subsidiaries, as well as a comment on the principal risks and uncertainties confronting the Group.

Deprez Invest NV, represented by Mr Hein Deprez, president of Board of Directors
Mavac BVBA, represented by Mrs Marleen Vaesen, CEO
Mrs Valerie Vanhoutte, CFO

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Deloitte Bedrijfsrevisoren /
Reviseurs d'Entreprises
President Kennedypark 8a
8500 Kortrijk
Belgium
Tel. + 32 56 59 45 40
Fax + 32 56 59 45 41
www.deloitte.be

Greenyard Foods NV

Statutory auditor's report to the shareholders' meeting on the consolidated financial statements for the year ended 31 March 2015

To the shareholders

As required by law, we report to you in the context of our appointment as the company's statutory auditor. This report includes our report on the consolidated financial statements together with our report on other legal and regulatory requirements. These consolidated financial statements comprise the consolidated statement of financial position as at 31 March 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, as well as the summary of significant accounting policies and other explanatory notes.

Report on the consolidated financial statements – Unqualified opinion

We have audited the consolidated financial statements of Greenyard Foods NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

The consolidated statement of financial position shows total assets of 629.948 (000) EUR and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 10.591 (000) EUR.

Board of directors' responsibility for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the group's preparation and fair presentation of consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the consolidated financial statements. We have obtained from the group's officials and the board of directors the explanations and information necessary for performing our audit.

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

Deloitte.

Unqualified opinion

In our opinion, the consolidated financial statements of Greenyard Foods NV give a true and fair view of the group's net equity and financial position as of 31 March 2015, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statement, which does not modify the scope of our opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law, is consistent with the consolidated financial statements and is free from material inconsistencies with the information that we became aware of during the performance of our mandate.

Kortrijk, 1 June 2015

The statutory auditor

DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by

Mario Dekeyser

Kurt Dehoorne

CONDENSED STATUTORY ACCOUNTS OF THE PARENT COMPANY GREENYARD FOODS NV, ACCORDING TO BELGIAN ACCOUNTING STANDARDS

Parent company statutory accounts

The statutory financial statements of the parent company, Greenyard Foods NV, are presented below in a condensed form. The statutory auditor issued an unqualified report on the financial statements of Greenyard Foods NV. In accordance with Belgian company law, the directors' report and financial statements of the parent company, Greenyard Foods NV, together with the statutory auditor's report, will be deposited with the National Bank of Belgium as provided by law.

They are available on our website www.greenyardfoods.com and on request from:
Greenyard Foods NV
Skaldenstraat 7c
BE – 9042 Gent
Belgium
www.greenyardfoods.com

Condensed statutory accounts of Greenyard Foods NV

	ASSETS (in thousands of €)	Codes	31/03/2015	31/03/2014
	FIXED ASSETS	20/28	269,731	271,715
I.	**Formation expenses**	**20**	**2,391**	**3,109**
II.	**Intangible assets**	**21**	**16,783**	**17,736**
III.	**Tangible assets**	**22/27**	**28,783**	**30,813**
	A. Land and buildings	22	5,658	6,435
	B. Plant, machinery and equipment	23	22,666	23,316
	C. Furniture and vehicles	24	235	280
	D. Leasing and other similar rights	25		
	E. Other tangible assets	26		
	F. Assets under construction and advance payments	27	223	782
IV.	**Financial assets**	**28**	**221,773**	**220,056**
	A. Affiliated enterprises	280/1	221,751	220,037
	1. Participating interests	280	221,751	220,037
	2. Amounts receivable	281		
	B. Other enterprises linked by participating interests	282/3		
	1. Participating interests	282		
	2. Amounts receivable	283		
	C. Other financial assets	284/8	21	20
	1. Shares	284		
	2. Amounts receivable and cash guarantees	285/8	21	20
	CURRENT ASSETS	29/58	266,975	237,823
V.	**Amounts receivable after more than one year**	**29**	**154,268**	**0**
	A. Trade debtors	290		
	B. Other amounts receivable	291	154,268	
VI.	**Stocks and contracts in progress**	**3**	**35,601**	**38,247**
	A. Stocks	30/36	35,601	38,247
	1. Raw materials and consumables	30/31	1,458	2,012
	2. Work in progress	32		
	3. Finished goods	33	34,143	36,235
	4. Goods purchased for resale	34		
	5. Immovable property acquired or constructed for resale	35		
	6. Advance payments	36		
	B. Contracts in progress	37		
VII.	**Amounts receivable within one year**	**40/41**	**60,516**	**187,701**
	A. Trade debtors	40	28,064	24,507
	B. Other amounts receivable	41	32,452	163,195
VIII.	**Investments**	**50/53**	**0**	**0**
	A. Own shares	50		
	B. Other investments and deposits	51/53		
IX.	**Cash at bank and in hand**	**54/58**	**16,208**	**11,217**
X.	**Deferred charges and accrued income**	**490/1**	**382**	**657**
	TOTAL ASSETS	20/58	536,705	509,538

	LIABILITIES (in thousands of €)	Codes	31/03/2015	31/03/2014
	CAPITAL AND RESERVES	**10/15**	**174,060**	**182,689**
I.	**Capital**	**10**	**101,011**	**101,011**
	A. Issued capital	100	101,011	101,011
	B. Uncalled capital	101		
II.	**Share premium account**	**11**	**11,376**	**11,376**
III.	**Revaluation surplus**	**12**		
IV.	**Reserves**	**13**	**10,176**	**10,176**
	A. Legal reserve	130	3,448	3,448
	B. Reserves not available for distribution	131	25	25
	1. In respect of own shares held	1310		
	2. Other	1311	25	25
	C. Untaxed reserves	132	1,477	1,477
	D. Reserves available for distribution	133	5,226	5,226
V.	**Profit carried forward**	**140**	**51,488**	**60,113**
	Loss carried forward (-)	**141**		
VI.	**Investment grants**	**15**	**8**	**12**
	PROVISIONS AND DEFERRED TAXATION	**16**	**193**	**57**
VII.	**Provisions and deferred taxation**	**16**	**193**	**57**
	A. Provisions for liabilities and charges	160/5	191	53
	1. Pensions and similar obligations	160	20	25
	2. Taxation	161		
	3. Major repairs and maintenance	162		
	4. Other liabilities and charges	163/5	171	28
	B. Deferred taxation	168	2	4
	CREDITORS	**17/49**	362,453	**326,793**
VIII.	**Amounts payable after more than one year**	**17**	**232,356**	**187,753**
	A. Financial debts	170/4	232,356	187,753
	1. Subordinated loans	170	26,423	37,753
	2. Unsubordinated debentures	171	150,000	150,000
	3. Leasing and other similar obligations	172		
	4. Credit institutions	173		
	5. Other loans	174	55,933	
	B. Trade debts	175		
	1. Suppliers	1750		
	2. Bills of exchange payable	1751		
	C. Advances received on contracts in progress	176		
	D. Other amounts payable	178/9		
IX.	**Amounts payable within one year**	**42/48**	**116,343**	**131,979**
	A. Current portion of amounts payable after more than one year	42	12,000	
	B. Financial debts	43	60,000	46,422
	1. Credit institutions	430/8	60,000	18,000
	2. Other loans	439	0	28,422
	C. Trade debts	44	31,310	29,668
	1. Suppliers	440/4	31,310	29,668
	2. Bills of exchange payable	441		
	D. Advances received on contracts in progress	46		
	E. Taxes, remuneration and social security	45	3,245	3,429
	1. Taxes	450/3	191	482
	2. Remuneration and social security	454/9	3,053	2,947
	F. Other payables	47/48	9,789	52,459
X.	**Accrued charges and deferred income**	**492/3**	13,754	**7,061**
	TOTAL LIABILITIES	**10/49**	**536,705**	**509,538**

	INCOME STATEMENT (in thousands of €)	Codes	31/03/2015	31/03/2014
I.	**Operating income**	**70/74**	**164,440**	**193,145**
	A. Turnover	70	158,090	182,587
	B. Increase (+) ; Decrease (-) in stocks of finished goods. work and contracts in progress	71	-1,439	2,328
	C. Own construction capitalised	72		
	D. Other operating income	74	7,788	8,230
II.	**Operating charges (-)**	**60/64**	**-163,000**	**-192,926**
	A. Raw materials. consumables and goods for resale	60	-106,397	-136,708
	1. Purchases	600/8	-105,718	-136,376
	2. Increase (-) ; Decrease in stocks (+)	609	-678	-332
	B. Services and other goods	61	-30,988	-31,876
	C. Remuneration, social security costs and pensions	62	-16,683	-15,832
	D. Depreciation of and other amounts written off formation expenses. intangible and tangible fixed assets	630	-6,050	-6,457
	E. Increase (+) ; Decrease (-) in amounts written off stocks. contracts in progress and trade debtors	631/4	-643	+112
	F. Increase (+) ; Decrease (-) in provisions for	635/7	-138	+9
	liabilities and charges	640/8	-2,100	-2,174
	G. Other operating charges			
	H. Operating charges capitalised as reorganization	649		
III.	**Operating profit (+)**	**70/64**	**1,440**	**219**
	Operating loss (-)	**64/70**		
IV.	**Financial income**	**75**	**9,584**	**4,675**
	A. Income from financial fixed assets	750		
	B. Income from current assets	751	7,758	4,569
	C. Other financial income	752/9	1,825	106
V.	**Financial charges (-)**	**65**	**-17,073**	**-22,165**
	A. Interest and other debts charges	650	-16,010	-15,683
	B. Increase (+) ; Decrease (-) in amounts written off current assets other than mentioned under II. E	651		
	C. Other financial charges	652/9	-1,063	-6,482
VI.	**Profit on ordinary activities before taxes (+)**	**70/65**		
	Loss on ordinary activities before taxes (-)	**65/70**	**-6,049**	**-17,271**
VII.	**Extraordinary income**	**76**	**87**	**81,938**
	A. Reversal of Extraordinary depreciation of and extraordinary amounts written off on formation expenses, intangible and tangible fixed assets	760		
	B. Reversal of amounts written off on financial fixed assets	761		
	C. Reversal of provisions for extraordinary liabilities and charges	762		
	D. Gain on disposal of fixed assets	763	87	52
	E. Other extraordinary income	764/9		81,885
VIII.	**Extraordinary charges (-)**	**66**	**-2,659**	**-1,054**
	A. Extraordinary depreciation of and extraordinary amounts written off on formation expenses, intangible and tangible fixed assets	660		
	B. Amounts written off on financial fixed assets	661		
	C. Provisions for extraordinary liabilities and charges	662		
	D. Loss on disposal of fixed assets	663	-2,659	-1,054
	E. Other extraordinary charges	664/8		
	F. Extraordinary charges capitalised as reorganization costs (-)	669		

IX.	**Profit for the period before taxes (+)**	**70/66**		**63,613**
	Loss for the period before taxes (-)	**66/70**	**-8,621**	
IX bis.	**A. Transfer from deferred taxation (+)**	**780**	**2**	**4**
	B. Transfer to deferred taxation (-)	**680**		
X.	**Income taxes (-)/(+)**	**67/77**	**-6**	**-340**
	A. Income taxes	670/3	-6	-344
	B. Adjustment of income taxes and write-back of tax provisions	77		3
XI.	**Profit of the period (+)**	**70/67**		**63,277**
	Loss of the period (-)	**67/70**	**-8,625**	
XII.	**Transfer from untaxed reserve (+)**	**789**		
	Transfer to untaxed reserve (-)	**689**		
XIII.	**Profit for the period available for appropriation (+)**	**70/68**		**63,277**
	Loss for the period available for appropriation (-)	**68/70**	**-8,625**	

	APPROPRIATION ACCOUNT (in thousands of €)	**Codes**	**31/03/2015**	**31/03/2014**
A.	**Profit to be appropriated**	**70/69**	**51,488**	**46,291**
	Loss to be appropriated (-)	**69/70**		
	1. Profit for the period available for appropriation	70/68		63,277
	Loss for the period available for appropriation (-)	68/70	-8,625	
	2. Profit brought forward	790	60,113	
	Loss brought forward (-)	690		-16,986
B.	**Transfers from capital and reserves**	**791/2**		**16,986**
	1. From capital and share premium account	791		16,986
	2. From reserves	792		
C.	**Transfers to capital and reserves (-)**	**691/2**		**3,164**
	1. To capital and share premium account	691		
	2. To legal reserve	6920		3,164
	3. To other reserves	6921		
D.	**Result to be carried forward**	**14**	**51,488**	**60,113**
	1. Profit to be carried forward	693	51,488	60,113
	2. Loss to be carried forward (-)	793		
E.	**Shareholders' contribution in respect of losses**	**794**		
F.	**Distribution of profit (-)**	**694/6**		
	1. Dividends	694		
	2. Directors' emoluments	694		
	3. Other allocations	696		

Auditor's report

The auditor has issued an unqualified audit opinion on the statutory accounts of Greenyard Foods NV.

FINANCIAL DEFINITIONS

Operating income	The sum of the categories 'sales', 'increase/decrease (-) in inventories work in progress and goods for resale' and 'other operating income'.
Cashflow	REBITDA – Capital investments + evolution working capital – income taxes.
Cashflow Cover	Cashflow over the last 12 months / (net interest charges + capital payments of bank loans over the last 12 months).
EBIT	Result from operating activities.
EBITDA	Result before interests, taxes, depreciation charges and write-offs = Result from operating activities + write-offs + depreciation charges + write-offs on stock and commercial receivables + other receivables + non-recurring result (part related to the provisions).
Interest Cover	REBITDA over the last 12 months/ net interest charges over the last 12 months.
Leverage	Net financial debt / REBITDA over the last 12 months.
Liquidity	Current assets (including assets classified as held for sale)/ current liabilities (including liabilities related to assets classified as held for sale).
Margin on operating income	Margin of the related category compared to operating income.
Net financial debt	Interest-bearing debts less receivables from loans, derivatives, bank deposits, cash and cash equivalents.
Non-recurring elements	Operating charges and revenue that are related to restructuring programs, impairment losses, environmental provisions or other events and transactions that are clearly distinct from the normal activities of the Group.
Quasi equity	Equity including convertible subordinated loans with warrants.
REBIT	EBIT + non-recurring result.
REBITDA	EBITDA + non-recurring result.
ROE	Return on equity (share of the Group + non-controlling interests). Result of the Group / equity (share of the Group + non-controlling interests).
Solvability	Equity (share of the Group + non-controlling interests) / balance sheet total.
Free operating cash flow	Cash flow from operating activities – cash flow from investing activities.
AY 14/15	Accounting year 2014-2015.
AY 13/14	Accounting year 2013-2014.