

Annual Report 2013





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NOTE This Annual Report, compliant to Titel 9, presents the financial results of, and developments within, Coöperatie Coforta U.A. and its sales organisation The Greenery B.V. over the year 2013. The Annual Report and consolidated financial statements of the Coforta Cooperative were prepared under the responsibility of the Management Board of the Cooperative. It includes the financial statements of The Greenery, along with its subsidiaries. The financial statements were drawn up on 31 December 2013.

Foreword

Efficient logistics are a prerequisite for getting fresh produce from our growers onto store shelves as quickly as possible via the shortest route. In 2013 made significant steps in this regard have been made. The organisation invested in the improvement of business operations in the area of supply chain management and distribution. An important achievement was the implementation of the SAP automation system. This has led to an increase in the service level and provides opportunities for further cost savings.



Theo Ammerlaan
Coöperatie Coforta
Okke Koo *Chairman Acting General Manager of The Greenery BV*

With supermarket chains increasing the scale of their operations, there is an ever greater need for reliable chain partners. In the Netherlands, in particular, The Greenery increasingly oversees the entire product flow from growers to the customer's distribution centre. This close cooperation and sharing of knowledge leads to an efficient supply chain.

The Greenery also supports its customers in the area of category management. It helps customers figure out how to arrange store shelves and, in close cooperation with its members, introduces new products and concepts. The 'Verse Oogst' (Fresh Harvest) platform, which provides consumers with background information on fruits and vegetables, experienced steady growth in 2013.

On the sales side, The Greenery invested in customer retention and growth in its focus markets of the Netherlands, Germany and the United

Kingdom. This proved to be a difficult task in 2013. In the Netherlands, The Greenery has begun a partnership in the area of online shopping. Online food retail is expected to undergo significant growth in the coming years.

In 2013, turnover fell from EUR 1.4 billion to EUR 1.3 billion. Profits failed to meet expectations. A net operating loss of EUR 21 million was recorded for the year ending 31 December 2013. This compares to a profit of EUR 1 million for 2012.

The results from recent years are a primary reason for the change of direction announced by The Greenery at the start of the year. With the 2014-2018 strategic plan, the company has opted for a cost/price leadership strategy. This choice entails a change in the organisational structure and a reorganisation during the first quarter of 2014. In the coming years, The Greenery will strive towards centralising activities and standardising its business processes. This will enable The Greenery to deliver the best products at competitive prices.

2013 was an eventful year. The announcement of changes to the organisational structure, the departure of General Manager Philip Smits and the announced reorganisation caused concern among employees. Employees have since found their place in the new organisational structure and are working together to make the company more profitable.

With the 2014-2018 strategic plan, The Greenery aims to maintain its market-leading position in the fresh produce market and achieve profit growth for our members. We are confident that this strategy will steer The Greenery and the members of the Coforta Cooperative towards a healthy future.

Theo Ammerlaan
Coöperatie Coforta
Okke Koo
Chairman Acting General Manager of The Greenery BV

Barendrecht, 9 april 2014

Company profile 2014

The Greenery works every day with its growers, staff, customers and suppliers to provide consumers all over the world with natural, healthy and ultra-fresh fruit and vegetables.

VISION

The Greenery is the most valued fresh produce company in its focus markets of the Netherlands, Germany and the United Kingdom. The Greenery supplies its customers with products and services that ensure the consumer can enjoy healthy fruit and vegetables every day, all year round.

MISSION

The Greenery works with its growers to create value in fruit and vegetables.

PRODUCER ORGANISATION

The shares of the international fresh produce company The Greenery are owned 100% by the Coforta Cooperative. The Cooperative has 651 affiliated growers in the Netherlands and abroad. Together with these growers, the Cooperative has considerable expertise in the field of cultivation, products, consumers and logistics.

OVER **200** PRODUCTS
 SALES IN **60** COUNTRIES
 PURCHASING IN **60** COUNTRIES
 OVER **1700** EMPLOYEES
 OVER **650** EXCLUSIVE GROWERS
 OFFICES IN **13** COUNTRIES
 TURNOVER OF APPROX. € **1,3** BILLION

Key data

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	2013	2012
Net turnover	1,293	1,397
Gross contribution	180	197
Staff costs	91	96
Depreciation	23	23
Other operating costs	102	80
Other operating expenses	216	199
Operating profit	(36)	(2)
Financial income and expenditure	(6)	(6)
Tax on profit	9	(1)
Profit from participating interests	12	10
Minority shares in the group profit	0	0
Net profit	(21)	1
Cash flow		
Investments	11	14
Divestments	14	9
Cash flow from operating and investment activities	(10)	22
Equity and financing		
Balance sheet total	464	493
Invested capital*	314	303
Return on average invested capital	-11,7%	-0,5%
Capital base	181	201
Capital base as a percentage of total assets	39,1%	40,8%
Interest-bearing debt	159	144
Member loans	71	75
Workforce		
Full-time equivalents at 31 December	1,645	1,821

* fixed assets + net working capital

(in million euro)



The Management Board of Coöperatie Coforta U.A.:
 Theo Ammerlaan (*Chairman*), Bas Feijtel, Peter van Asseldonk, Peter Oostveen, Theo van Noord and Anton Hop.

VARIOUS MEMBER ACTIVITIES ARE ORGANISED TO PROMOTE MEMBER INVOLVEMENT

1. Report by the Management Board of the Coforta Cooperative

The year 2013 was devoted to working on a new strategy for the Cooperative and The Greenery. At the end of the year, the Members' Council agreed to the new policy paper of the Coforta Cooperative and The Greenery's 2014-2018 strategic plan.

The year's results were a cause of concern for the company. The management took measures and formulated a strategic plan. This plan was approved by the Management Board and the Members' Council, with both expressing confidence in the approach. They endorse the company's decision to go with a cost/price leadership strategy. This choice will help The Greenery regain its financial strength.

THE MEMBERS' COUNCIL AND MANAGEMENT BOARD

In 2013, the Members' Council met ten times, while the Management Board met monthly. Among other topics, the following matters were discussed during the meetings:

- The 2012 financial statements
- Developments in improving performance of The Greenery
- The 2014-2018 strategic plan
- GMO Annual Plan
- Tariffs and levies 2014
- SAP developments
- Grower satisfaction survey

- Transfer of Commodity Board for Horticulture tasks
- Coforta policy paper

Various training sessions were organised in 2013 for the purpose of improving the performance and quality of the Members' Council.

APPOINTMENTS

Anton Hop was reappointed as board member of the Cooperative during the Members' Council meeting in March. In December 2013, Peter Langen and Gerard Mak joined the Disputes Committee, while Messrs Hamer and Appel stepped down. Both were not re-electable.

SLIGHT DROP IN MEMBER TURNOVER

In 2013, the Cooperative's member turnover dropped slightly, due to a decrease in the number of members. Average acreage per member increased. On 31 December 2013, 1,056 natural persons and legal entities were members of the Cooperative. These members represent 651 member businesses. There were 720 member businesses in 2012.

MEMBER'S MEETING

The first national Member's meeting after the restructuring of the Cooperative in 2012 took place on 24 April 2013. The new structure makes the Cooperative flatter – with fewer levels of management – and thus more efficient. The Member's meeting featured discussion of the draft of the 2014-2016 Coforta policy paper and the formulation of The Greenery's strategy. Other items on the agenda included membership developments, the current developments within The Greenery and the results of the grower satisfaction survey.

GROUNDBREAKING ENTREPRENEURSHIP

In 2013, the Cooperative welcomed a diverse group of new members, including growers based in the Netherlands and abroad. The Coforta Cooperative welcomes grower initiatives for expanding outside the Netherlands and supports its members as needed. 'Groundbreaking entrepreneurship' was the theme of both Coforta day and the seminar held by the Cooperative for its members. During these meetings for members, the developments of cultivation and sales in the key markets were discussed and members told others about their international initiatives.

THE YOUTH COUNCIL

The Youth Council represents the interests and fosters the involvement of young business people with the Cooperative. In 2013, Rob Groenewegen and Michelle van Asseldonk were appointed to the Youth Council by the Board. The Youth Council issued solicited and unsolicited advice on various policy issues concerning the Cooperative or the company. A number of meetings were organised in 2012 which involved the discussion of themes related to the strategy of the Cooperative and The Greenery, the consumer panel, logistics and quality.

CERTIFICATION FOR THE COFORTA COOPERATIVE

In 2013, the Commodity Board for Horticulture conducted an investigation of all producer organisations to determine whether they were in compliance with the certification criteria for the Common Market Organisation for Fruit and Vegetables (CMO). In September, the Coforta Cooperative received notification that it had retained certification. In 2013, the Management Board and the Members' Council evaluated the outsourcing of CMO to The Greenery for 2012.

2. General Management Report The Greenery BV



Okke Koo *Chairman Acting General
Manager of The Greenery BV*
Albert Knol
Financial director The Greenery BV



**ADDED
VALUE
OPERATIONAL
EXCELLENCE**

2.1 STRATEGIC FOCUS 2013

Creating healthy business through excellent cooperation has been the primary goal over the past years. To achieve this goal, the focus in 2013 was to provide added value to customers and improve business operations by striving towards operational excellence.

STRATEGIC FOCUS 1: ADDED VALUE FOR THE MARKET

The Greenery provides added value in the area of product expertise, logistics solutions, product development, food safety, sustainability and marketing.

Added value projects implemented in 2013 include:

Support for customers in category management and display techniques

The Greenery is constantly following developments in retail. It advises its retail customers on how to arrange and display their fresh produce. As from 2013, The Greenery has supported various product concepts at specialty greengrocers by means of the fresh-produce service point.

Introduction of brands and concepts

In 2013, The Greenery introduced the new brand identity of the Sweet Sensation pear. This identity gives the concept a recognisable image that expresses the distinguishing characteristics of the pear. Also in 2013, The Greenery further rolled out its children-oriented concepts of Fred&Ed and Zwergen. These fit seamlessly with the consumption growth observed in fruit sweets and vegetable snacks.

The 'Verse Ideeën' (Fresh Ideas) consumer panel

In 2013, The Greenery established a consumer panel to discuss ideas and issues related to fruits and vegetables with the end user, i.e. the consumer. The information generated by this panel forms an important basis for our product development.

STRATEGIC FOCUS 2: TOTAL OPERATIONAL EXCELLENCE

In 2013, The Greenery took various measures to contribute towards its goal of being the most reliable supplier.

Some examples from 2013 include:

The implementation of a new supply chain management system

The SAP automation system was implemented company-wide in 2013. This system has reduced both stock differences and failure costs. The data it generates enables The Greenery to focus on delivery reliability and efficiency with even greater precision.

Reduction of supply chain costs

With a view to reducing supply chain costs, more products were packaged and shipped directly from growers in 2013. This resulted in a 22% decrease in the number of shipments between locations.

Implementation of dashboards

A dashboard has been set up at all distribution centres to monitor safety, quality, punctuality, productivity and costs. Weekly reports are used to target KPIs and teams on the shop floor receive daily feedback.

2.2 FINANCIAL RESULTS AND DEVELOPMENTS

It was a rough start to the year 2013 for Dutch growers, with a long spell of cold and dark weather. This had a marked effect on the harvest, which started late, on pricing and on the results of The Greenery and the Coforta Cooperative and its members. In 2013 our new SAP-based operating system was put into use. The launch of a large-scale IT project requires considerable efforts from an organisation. After a relatively short period of disruption on account of start-up problems, the new system worked well and benefits could be realised through better information and lower costs. In the autumn, an important strategic choice to focus on cost leadership was made and elaborated in the Phoenix project. Phoenix involves a restructuring operation, for which a provision of EUR 23 million has been recognised. Partly as a result of this, the Coforta Cooperative posted a loss of EUR 21 million in 2013, against a profit of EUR 1 million for 2012. Turnover reached EUR 1.3 billion in 2013, compared to EUR 1.4 billion in 2012.

The 2013 fall in turnover is attributable to the sale of Jager Holland BV and lower sales in neighbouring countries and in Asia. Jager Holland BV, which recorded a turnover of EUR 30 million in 2012, focuses in particular on the wholesale markets in northern Germany and Scandinavia. Its activities did not quite fit in with the activities of the other companies, which focus primarily on retail sales. Early in 2013, the shares in Jager Holland BV were acquired by the management.

Many employees (both temporary and permanent) were involved in the introduction of the new SAP-based operating system through the “Smarter & Better” project in March 2013. Shortly after the implementation of the project, staff numbers in the Netherlands declined. A restructuring at our business in the United Kingdom also resulted in a clear reduction in staff numbers in that country. This brought the workforce total to 1,645 in 2013, compared to 1,821 in 2012.



Other operating costs went up significantly, owing to the creation of a EUR 23 million provision for the costs of the Phoenix project to be described below.

At EUR 5.8 million, the 2013 balance of financial income and expenditure (mainly comprising interest charges) is half a million lower than the figure for 2012. This is primarily attributable to lower credit charges (fees). The Greenery’s minority interests, the Hessing vegetable cutting workshop and the Euro Pool System packaging company, again performed well in 2013. This boosted the results from associates from EUR 9.9 million in 2012 to EUR 11.7 million in 2013.

Because of the aforementioned developments, the net result for 2013, including the provision of EUR 23 million, is a loss of EUR 21 million, against a profit of EUR 1 million for 2012.

Phoenix

Following the introduction of our new SAP-based operating system, October 2013 saw the launch of the Phoenix strategic reorientation project. The purpose of Phoenix is to boost the profitability of The Greenery BV’s core activities and thus ensure continuity. With Phoenix, the Coforta Cooperation makes a clear strategic choice in favour of cost leadership in the basic role it

plays within The Greenery. An improvement of The Greenery’s profitability through cost savings will also generate better returns for the associated growers. Phoenix is aimed at The Greenery’s core business. Important other subsidiaries such as Hollander Barendrecht and Wagenaar have no direct involvement in Phoenix. The Phoenix plan proceeds from the 2013 turnover and margin levels. We have the ambition to increase profitability at least to the average level for the sector, based on present volumes. Phoenix has various sub-areas. The project is meant to enhance revenues through a better economic value of products, to lower the failure costs by reducing the number of errors, to lower the costs of logistics infrastructure through reduced use of space, and to achieve marked efficiency improvements through simplification of processes and structures. The project was prepared by 30 staff members at various levels within the organisation. At the end of November, the Works Council issued a positive opinion. The Greenery’s Supervisory Board, the Management Board and the Members’ Council of the Coforta Cooperative have all approved the project. Phoenix is widely supported because of its content, structure and decision-making process.

Phoenix will have far-reaching consequences for nearly all employees of the core business, because it will change the structure of the organisation and the employees' working methods. The sales activities will be transferred to a unit aimed at sales to retailers and another unit aimed at sales to wholesalers. The purchasing business, sourcing, accommodated until now with seven product units which themselves sell to wholesalers, will be integrated into three main groups. Sourcing's only activity will be product acquisition.

The goods flow will be managed entirely by the Supply Chain Management (SCM) department on the basis of supply and demand planning. The logistics infrastructure will be simplified, with retail customers being served primarily from the Barendrecht distribution centre and wholesale customers from the Bleiswijk distribution centre. Shipment directly from the grower to the customer will be further extended. In due course, these simplifications will reduce the company's need for square metres of business space. The areas no longer required will be sold.

Phoenix will greatly reduce the number of employees, many of whom will have to be made redundant. In October 2013,

a social plan was agreed with the trade unions. This plan serves as an important basis for the careful handling of forced redundancies. A restructuring provision of EUR 20 million has been recognised in connection with the plan. In addition to the provision for staff redundancy costs, a provision has been created for other costs and decommissioning of assets, amounting to EUR 30 million. The Phoenix project was assessed at the end of 2013 / beginning of 2014 by an independent agency, which endorsed the conclusion that the plan would significantly strengthen The Greenery's position and had been properly substantiated. In addition to this qualitative assessment, the effects of the plan were calculated and a conservative basic scenario was determined for the financial results, factoring in setbacks. For the purpose of implementing the Phoenix plan, a new credit facility of EUR 45 million was arranged, in addition to the credit facilities of up to EUR 175 million already in place. After consultation, The Greenery's existing financiers decided to provide the funding. Given the size of the required credit, the principal assets were put up as collateral. The credit will be put towards financing the staff redundancies, new investments to strengthen the logistics infrastructure and the repayment of existing loans.

The management of all the projects within the Phoenix project is secured within The Greenery's line organisation. To this end, a reporting structure and model have been developed for closely monitoring the progress of the project and identifying possible deviations at an early stage, so that adjustments can be made. Progress reports will be issued to the Supervisory Board and the banks. Ambitious but feasible targets have been agreed with regard to solvency and operating results, based on the aforementioned conservative basic scenario of the Phoenix project in which setbacks have been factored in.

Investments and disposals

In 2013, new investments were made in growers while a number of investments in growers were sold. In this context, a net amount of EUR 9 million in member loans was repaid. The Greenery values its property at current cost. The appraisal made in this connection is assessed annually. In 2013, the appraisal resulted in an appreciation of the property by EUR 9.3 million. In part this is based on changes in the use of the property.

Early in 2013 the shares in Jager Holland BV and the transport company WTG were sold to the management.

PARTNERSHIPS WITH SEVERAL MAJOR CUSTOMERS WILL BE EXPANDED, INCLUDING LOGISTICS SERVICES



The two companies' equity capital amounted to EUR 0.6, while the value of the fixed assets was EUR 0.1 million. The Greenery's other investments concern replacement and maintenance investments in particular. The consolidated total fixed assets fell from EUR 338 million in 2012 to EUR 321 million in 2013.

Funding

The Cooperative's equity capital fell from EUR 88 million in 2012 to EUR 73 million in 2013, primarily because of the creation of the restructuring provision. Of the equity capital, EUR 7.1 million was affected by property revaluations. The balance of the mandatory member loans dropped by EUR 2 million. This amount is the balance of an increase by EUR 5 million due to new member loans in 2013 and the annual release of member loans from eight years ago, amounting to EUR 7 million.

The member loans form an important element of the Coforta Cooperative's liability capital. In absolute terms, the Coforta Cooperative's liability capital amounts to EUR 181 million, which is EUR 20 million less than in 2012. The

balance sheet total fell by EUR 30 million compared to 2012, partly because of the sale of assets. On balance, the liability capital as a percentage of the balance sheet total decreased from 40.8% to 39.1%.

In addition to The Greenery's existing credit facilities with banks of up to EUR 175 million, a new credit facility of EUR 45 million was obtained to fund the Phoenix plan, as described above. The term of this facility is two years. At the end of 2014, an initial repayment of EUR 15 million will be made. Revenue from asset sales will be put towards the repayment of the loan. In the context of the funding, arrangements were made with banks in respect of the targets to be achieved. Some of these arrangements are linked to the availability of the funding. The arrangements are based on the aforementioned basic scenario of the Phoenix project and relate to results (EBIT, EBITDA) and solvency.

Risks

The policies of the Coforta Cooperative and The Greenery are aimed at limiting the risks to an acceptable level where possible. This involves controlling risks in areas such as credit, liquidity and cash flow. Much of the bad debt risk is insured with a credit insurance company.

Foreign exchange positions are largely hedged by forward exchange transactions. In addition, a part of the foreign exchange positions is hedged by option contracts. Interest-rate derivatives are used to hedge the interest-rate risk. These derivatives cover the interest rate until 2017 for an amount of EUR 50 million.

The Phoenix project involved an identification of the principal risks that might jeopardise realisation. The principal risks are the timeliness risk, delaying the effect of the measures; the implementation risk, preventing the measures from having the desired effect; and potential loss of turnover due to poor performance. Where possible, measures will be taken to counteract the effects of the aforesaid risks attached to the Phoenix project. The effects were included in the aforementioned basic scenario underlying the arrangements with financiers.

Events after the balance sheet date

Since 31 December 2013, a number of important events have taken place:

- The Phoenix project was put into operation;
- Early in January, a large number of employees were declared redundant. During the period up to and including

- March, most of the redundant employees were relieved of their duties. After the funding has been finalised and the dismissal permits have been obtained, the employees concerned will be effectively dismissed. On this occasion, termination benefits will be paid in conformity with the social plan agreed with the trade unions;
- The logistics restructuring, including the relocation of machines from the Barendrecht and Bleiswijk locations, has been realised;
- On 28 February 2014, a small distribution centre in Barendrecht was sold;
- On 11 March 2014, agreement was reached with existing financiers about an extension of the credit facility by EUR 45 million;

- On 19 March 2014, all the shares which the group owned in Van Dijk Foods Belgium and the affiliated transport company DAV Trans were sold;
- On 25 March 2014, the distribution centre in Maasland was sold;
- Dismissal permits for a large number of employees were requested and obtained from the Employee Insurance Agency.

The proceeds from the sales will be put towards the funding of the Phoenix project.



2.3 COMMERCIAL DEVELOPMENTS

Sourcing

While weather conditions have had a big impact on the fresh produce sector, the total volumes of fruit and vegetables remained nearly the same in 2013. Outdoor crops got off to a late start as a result of a dark, cold spring, which required the sale of a lot of produce in a short natural season. The prices for field produce were accordingly mediocre. The large volumes of tomatoes that were put on the market in the summer months resulted in extremely low prices. In addition, the price level remained extremely low for a long period due to an oversupply throughout Europe.

As the supply of bell peppers and strawberries in the spring was minimal, it was possible to get good prices for them for a short period of time. Due to a considerable acreage increase of strawberries in greenhouse cultivation, however, the prices once again came under pressure in the autumn. There was a shortage of apples and pears until the autumn on account of the frost damage to the 2012 harvest. Prices for Dutch top fruit were accordingly high, and import top fruit also benefited.

In 2013, the total volume of all products contributed by members was therefore 8.7% lower than in 2012. The average price per kilogram was 4.2% higher than in 2012, meaning

that the contributed value fell by 4.9%. Together with members, production was achieved in local markets. In a number of cases, local production enjoys the clear preference of local consumers. In addition to the ongoing partnerships in the UK and Italy, a tomato grower in Germany has become a member of the cooperative. A number of Dutch producers have grown soft fruits and cauliflowers in France.

Commerce

In 2013, The Greenery strengthened its position in the Dutch retail market. For a number of Dutch retail chains, the organisation provides not only a wide assortment of fruit and vegetables, but also logistics services and support to retail customers in the area of category management. These efforts have led to an increase in the volume sold in the Netherlands.

In Germany, there was a sharp drop in the sales of Dutch vegetable fruits in 2013. This owed itself to an oversupply of tomatoes on the European market and an expansion of production in Germany. Vegetable fruits have traditionally been The Greenery's sales focus in Germany, and this led to disappointing results on the German market. At the same time, The Greenery established an export position with products such as radish and conical cabbage in 2013.

The Greenery's market share in the United Kingdom contracted in 2013, as there was a waning demand there for Dutch products. The fact that local production in the United Kingdom was sufficient had an impact on the entire Dutch export to the UK.

In France and elsewhere in Southern Europe, there was a slight fall in turnover despite no change in sales volumes. Low tomato prices enabled The Greenery to sell more tomatoes in France. The demand for Dutch products in Italy, however, decreased in comparison with 2012, as local production was sufficient. The Greenery was able to strengthen its position in Russia by directly supplying the main Russian retailers.

The sales of Dutch products in North America and Japan were down, in part due to the strength of the Euro compared to the Dollar. This was largely compensated for with the sale of products from Mexico.

Important developments

Online food retail is expected to grow significantly in the coming years. By entering into a partnership in 2013 with an online shopping service, The Greenery is gaining insight into consumers' online shopping behaviour. The sale of organic products in the

Netherlands and Germany continued to grow in 2013, yet it still amounts to less than 10% of the overall vegetable turnover. The Bio+ organic brand is an important factor in the increasing turnover generated by organic products in Dutch supermarkets. Subsidiary Naturelle is the exclusive supplier of all unprocessed vegetables and fruit for this successful organic brand.

The product group of fruit sweets and vegetable snacks showed significant growth, with greater turnover from this product group in both Germany and the Netherlands. In Dutch supermarkets, snack tomatoes now account for a substantial share of the turnover from tomatoes. The sale of snack tomatoes in buckets grew by 200% in comparison to 2012, owing in large part to the concepts of Fred&Ed and the Tommies.

SUSTAINABILITY

In 2012, The Greenery developed a sustainability strategy for the period up to 2020 in line with the ISO 26000 guidelines. With the sweeping changes made to the business operations of The Greenery, the aim for 2013 to further

refine the strategy's objectives and make them measurable was not achieved. The Greenery will not be publishing a Sustainability Report for 2013, but instead will use this section to outline the developments.

A healthy operating result

In 2013, The Greenery formulated the 2014-2018 strategic plan. An important part of this plan is the goal of a 1% operating result on turnover.

Healthy cultivation

Despite the internal reorganisation, The Greenery achieved its 2013 targets for increasing the sustainability of procuring fresh fruit and vegetables as outlined in the Sustainable Business Initiative. This keeps The Greenery on track to achieve its ultimate goal of making the entire procurement of fresh fruit and vegetables from Central and South America, Africa and Asia sustainable according to internationally recognised standards by 2020.





2.4 OUTLOOK 2014

Major steps have also been taken with respect to the social aspects of horticultural production in the Netherlands. Now that there have been a number positively evaluated pilots with GRASP, all Coforta growers will be able to satisfy the requirements in 2014. The GRASP standards will apply as a prerequisite to procurement for The Greenery. GRASP is an add-on to GlobalGAP that pertains to social and ethical conditions. It is an international system that can be implemented for all fresh produce groups.

The Greenery hands out the Nature Counts label to frontrunners in sustainability. Tomato grower Dick van Noord was awarded this label in 2013. Dick van Noord built an ultra-modern glasshouse in which he cultivates vine tomatoes according to the latest specifications. He has thus chosen to follow 'The New Way of Growing' programme, which focuses on crop health and resilience and the avoidance of any unnecessary use of fossil fuels.

Achieving a healthy chain

The SAP automation system was put into service company-wide over the first half of 2013. This system allows The Greenery to control the flow of goods more efficiently and to limit failure costs. The first positive results of this implementation can now be seen.

Promoting a healthy lifestyle

The number of consumer contacts was increased in 2013 through promotional campaigns in social media, on the shop floor at the moment of purchase and in generic campaigns conducted together with other parties.

Online contact takes place via the 'Verse Oogst' ('Fresh Harvest') platform. The number of visitors to the site continued to rise in 2013. The online platform serves as a link between consumers and growers.

In 2013, The Greenery entered into a partnership with 24 Kitchen, seeking to inspire the Dutch to eat more fresh vegetables and to increase the brand name recognition of the Verseoogst.nl website.

While the demands of retailers continue to grow, our products remain price-sensitive and easily interchangeable with those of our competitors. This makes The Greenery a commodity business. For a commodity business, cost efficiency is essential. This fact, together with the increasing competitive pressure, calls for a change in direction.

To reverse the downward trend in its performance, The Greenery has opted for a cost/price leadership strategy. The 2014-2018 strategic plan is designed to enable The Greenery to maintain its market-leading position in the fresh produce market, despite the greater competitive pressure. At the same time, the company seeks to achieve profit growth for the members of the Coforta Cooperative.

As part of this strategy, The Greenery is implementing a new organisational structure. The company has chosen to focus on centralised management of its product flows and a functional, commercial organisational structure with fewer staff. As painful as this is for those employees who will lose their jobs, this reorganisation is the only choice for achieving cost/price leadership.

Focus on commerce

The Greenery will be focusing heavily on retail and trade customers in its core markets of the Netherlands, Germany and the United Kingdom. The Coforta Cooperative guarantees a constant supply and top-quality products. This enables The Greenery to satisfy the desire of retail customers to purchase top-quality fruit and vegetables from the source. Long-standing relationships with foreign growing companies ensure The Greenery's capacity to continue delivering a full range of products year-round.

Adjustment to logistics and distribution

The Greenery will maintain its focus on operational excellence in the coming years. In 2014, the commercial processes will be centralised in three business units: Retail, Trade and Sourcing. The

logistics organisation will be adjusted to optimise the efficiency of the logistics network. The Greenery will make more and better use of qualified growers' sites to supply customers directly via a short supply chain. The use of growers' sites and the consolidation of branches have reduced the total amount of space required, while leaving volume capacities unchanged. The reorganisation and the investments will be financed from the new credit facility and from the company's cash flow.

The Greenery has a strong starting position and sees opportunities for growth in the future. The basic principle is that The Greenery wants to remain a reliable logistics partner in fruit and vegetables for its customers.

3. Corporate Governance

Coöperatie Coforta U.A. conducts its activities in a subsidiary company with limited liability under the name The Greenery B.V. The management and supervisory structure of the two legal entities is described below.

MEMBER'S COUNCIL OF THE COOPERATIVE

The Member's Council met ten times in 2013. The Members' Council handles various matters, such as appointing members of the Cooperative's Management Board, adopting the Cooperative's financial statements, granting the Cooperative's Management Board discharge from liability in respect of the performance of its duties, making amendments to the Cooperative's Articles of Association and regulations and setting tariffs and levies. In addition, the Member's Council is consulted on Management Board resolutions relating to exercising voting rights attached to the shares held by the Cooperative in the capital of The Greenery B.V. to the extent this concerns the adoption of the financial statements and approval of The Greenery's strategic business plan and budget plan. It is compulsory for the Management Board to follow the Council's resolution until it is either finalised or approved or not.

THE COOPERATIVE'S MANAGEMENT BOARD

The Member's Council appoints the Cooperative's Management Board, which had six members at the close of 2013. These members are all members of the Cooperative. The composition of the Management Board reflects the best possible mix of representatives from the Cooperative's membership based on regions and product groups. The Board is responsible for serving the interests of the Cooperative's members and the business conducted by the Cooperative through The Greenery and its subsidiaries.

GENERAL MEETING OF THE GREENERY BV

The company has issued Class A shares and cumulative Class B preference shares. All Class A and B shares are held by the Cooperative, which means that the Cooperative has complete control at the General Meeting of Shareholders of The Greenery. During a General Meeting of Shareholders, the Management Board of the Cooperative exercises the voting rights attached to the shares on behalf of the Cooperative.

The Cooperative has issued depositary receipts for cumulative Class B preference shares without the cooperation of The Greenery. The Cooperative serves as a trust office for these depositary receipts. The Cooperative's Management Board also acts as the trust office's Management Board. Holders of depositary receipts are not vested with the rights accorded by law to holders of depositary receipts that have been issued with the cooperation of a company.

Each year prior to The Greenery's annual meeting, acting in its capacity as trust office the Cooperative convenes a meeting of depositary receipt holders. During this meeting, the depositary receipt holders are informed and, in turn, heard about the resolutions to be passed relating to the adoption of The Greenery's financial statements as well as profit appropriation. In addition, the trust office renders account of its conduct during the financial year.

In the company's General Meeting, matters handled include the adoption of The Greenery's financial statements



and granting The Greenery's management discharge from liability in respect of the performance of its duties. Furthermore, General Meeting approval is required for certain resolutions adopted by The Greenery's General Management as described in the company's Articles of Association, for example the adoption of the strategic business plan and budget plan.

GENERAL MANAGEMENT OF THE GREENERY

Under the Articles of Association, the General Management, which at the end of 2013 comprised a general manager and a financial manager, is responsible for managing The Greenery. This includes formulating strategy and policy as well as defining and achieving The Greenery's objectives. General Management is accountable to the Supervisory Board and to the General Meeting of Shareholders.

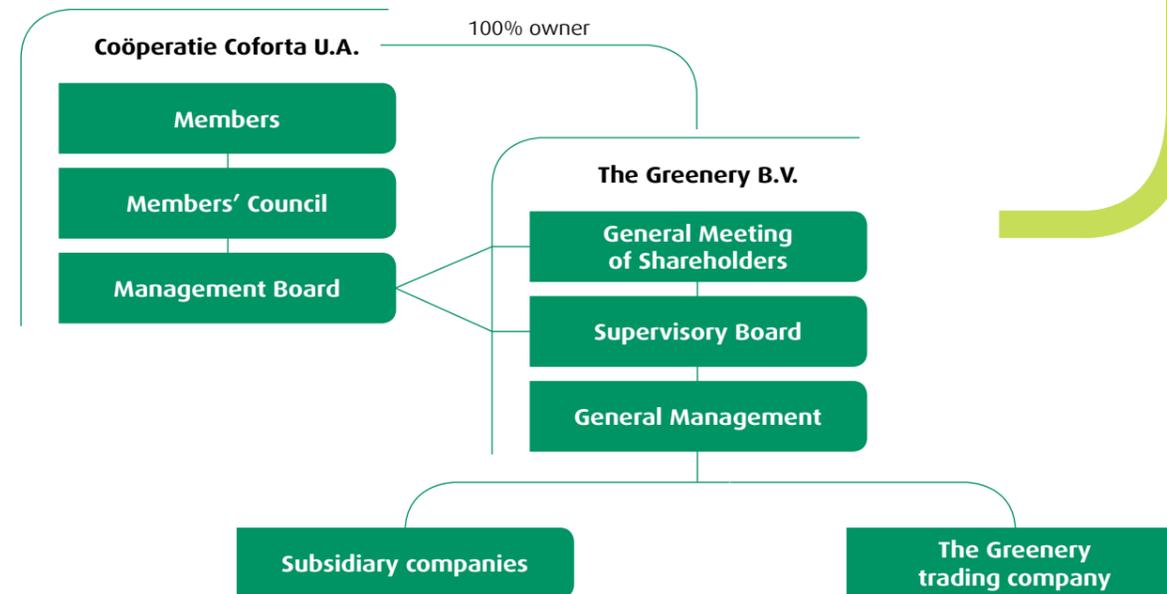
Mr A.W. Knol, member of the General Management (under the Articles of Association), was appointed by the Supervisory Board for an indefinite period of time. O&M Holding, represented by Mr O. Koo, also a member of the General Management, was appointed for a fixed period. The Supervisory Board determines the remuneration and other terms of employment for the General Management members in accordance with the remuneration policy approved by the General Meeting of Shareholders.

THE SUPERVISORY BOARD OF THE GREENERY

The Supervisory Board supervises the policy pursued by the General Management as well as the general developments in The Greenery and its business. The Greenery is subject to a statutory two-tier regime, which means that the Supervisory Board has been accorded the powers specified in Book 2, Title 5, Part 6 of the Dutch Civil Code, including the appointment of General Management and the approval of General Management resolutions defined by law. Furthermore, certain General Management resolutions defined in the Articles of Association require prior Supervisory Board approval.

At year-end 2013, the Supervisory Board comprised nine members. These are the members of the Cooperative's Management Board and three Supervisory Board members who are not members of the Cooperative. The Greenery's Articles of Association incorporate a derogation from law of the Supervisory Board appointments procedure for two-tier board companies in that the Supervisory Board is appointed by cooptation. A covenant has been concluded with the Works Council containing agreements on the composition of the Supervisory Board, the recommendation rights of the Works Council and the appointment of members of the Supervisory Board.

The Supervisory Board has established a Selection and an Audit Committee from among its members.



ADMINISTRATIVE BODIES

The Management Board of Coöperatie Coforta U.A.
 Th.L.J. Ammerlaan, Chairman
 P.W.J.M. van Asseldonk, Vice-chairman
 B.J. Feijtel
 A.W.G.M. Hop
 T.W. van Noord
 P.S.C. Oostveen

The Greenery B.V. Supervisory Board
 P.J.J.M. Swinkels, Chairman (until 28 March 2013)
 B.J. Jansen, Chairman (from 13 June 2013)
 Th.L.J. Ammerlaan, Vice-chairman

P.W.J.M. van Asseldonk
 M. Bello
 B.J. Feijtel
 A.W.G.M. Hop
 P.S.C. Oostveen
 T.W. van Noord
 A. Vos

The Greenery B.V. General Management
 Ph.R.J. Smits, General Manager (until 10 September 2013)
 O & M Holding B.V./O. Koo, General Manager (from 23 September 2013)
 A.W. Knol, Financial Manager



4. Report of the Supervisory Board

The Supervisory Board has read The Greenery's 2013 Annual Report prepared by the General Management, including the financial statements consisting of the balance sheet as at 31 December 2013, the profit and loss account for the 2013 financial year and the relevant notes.

The 2013 financial statements were initially discussed by the Supervisory Board's Audit Committee, and subsequently by the full Supervisory Board along with the General Management and the auditors, Deloitte Accountants B.V. With due observance of the report drawn up by Deloitte Accountants and the unqualified audit opinion issued, the Supervisory Board members signed the statements in evidence of their agreement. The Supervisory Board also granted its approval to the profit appropriation proposal presented by the General Management.

The financial statements have been submitted to the General Meeting of Shareholders for consideration and adoption. The Supervisory Board proposes that the General Meeting of Shareholders adopt the financial statements, agree to the proposed profit appropriation and grant the General Management discharge from liability in respect of the policy conducted over the financial year as well as the Supervisory Board for the supervision it has carried out in this regard.

Because of the persistently poor results of the core business, the Supervisory Board, following Mr Smits' resignation,

appointed an interim Managing Director with the brief to examine how the results could be improved in the short term.

This resulted in a new approach, the main elements of which are a focus on Retail, significant cost reductions and a simplification of the internal working structures.

The Supervisory Board held intensive and frequent consultations with the General Management about the content and objectives of the new strategic plan and the resulting restructuring operation. In addition, consultations were held at appropriate times with the Members' Council, the Works Council and the banks.

The Supervisory Board is convinced that the strict implementation of the plan is essential in order to turn The Greenery into a profitable business again. The company's position as a relevant link in the chain from growers to customers must be further reinforced; only then will The Greenery retain sufficient appeal for its members.

Composition of the Supervisory Board and committees

At year-end 2013, the Supervisory Board consists of nine members. Six

members sit on the Management Board of Coöperatie Coforta U.A., while three members are external Supervisory Board members. The Supervisory Board is chaired by Mr B.C. Jansen. Mr Th.L.J. Ammerlaan, the Chairman of the Cooperative's Management Board, is the Vice-Chairman of the Supervisory Board.

On 28 March 2013, Mr P.J.J.M. Swinkels resigned as Chairman of the Supervisory Board. The Board is extremely grateful to Mr Swinkels for his efforts and constructive contributions made during his time on the Board. Also on 28 March 2013, Mr A.W.G.M. Hop was reappointed for a new term of four years. On 13 June 2013, Mr B.C. Jansen joined the Supervisory Board as Chairman.

The Board has two committees: the Audit Committee and the Selection Committee. The Supervisory Board Audit Committee consists of Mr A. Vos (Chairman), Mr Th.L.J. Ammerlaan, Mr P.S.C. Oostveen and Mr B.C. Jansen. The Supervisory Board Selection Committee consists of Ms M. Bello (Chairperson), Mr Th.L.J. Ammerlaan, Mr P.W.J.M. van Asseldonk and Mr B.C. Jansen. Until his resignation as Chairman of the Supervisory Board, Mr P.J.J.M. Swinkels also sat on the Audit Committee and the Selection Committee.

Supervision and advice

The Supervisory Board met 11 times during the 2013 reporting year. Meetings were held both in the presence and in the absence of the General Management. Important subjects for discussion during the meetings included the financial results, the introduction of a new IT system, the new strategy and the restructuring of The Greenery. The General Management's performance was also discussed during the meetings. On 10 September 2013, Mr Smits resigned as The Greenery's Managing Director. Effective from 23 September 2013, he was succeeded on an interim basis by Mr O. Koo. In 2013, the Board also reviewed and asked others to review its own performance under the direction of an independent party.

The Audit Committee met three times over the course of the past financial year. The Annual Report and the financial statements for 2012 as well as the management letter and audit plan were discussed by the Audit Committee at a meeting also attended by Deloitte Accountants. In addition, the Audit Committee deliberated extensively on the financial results, the company's liquidity position and the 2014 budget.

The Selection Committee met three times during the reporting year, and looked into the recruitment and selection procedure for a new Supervisory Board Chairman. This resulted in the aforementioned appointment of Mr Jansen in June 2013. The Selection Committee also prepared the review of the Board's performance and discussed the performance of the General Management. Further to Mr Smits' departure, the Selection Committee discussed the Managing Director's profile and took up the recruitment and selection of a new Managing Director.

The Supervisory Board is aware that the past year was a period of great uncertainty for everyone involved. The Board greatly regrets the fact that so many jobs have been cut. We would like to extend our sincere thanks to everyone involved for their great dedication in spite of this uncertainty. We are confident that the new approach will lead to an improvement in results in the short term.

Barendrecht, 9 april 2014.
The Greenery B.V. Supervisory Board



Financiamenti Statali

COÖPERATIE COFORTA U.A. 2013





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1. CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2013 (BEFORE PROFIT APPROPRIATION)

Assets	Note	2013	2012
Fixed Assets			
Intangible fixed assets	6.1	23,577	26,054
Tangible fixed assets	6.2	252,144	265,280
Financial fixed assets	6.3	45,543	46,193
		321,264	337,527
Current assets			
Inventories	6.4	14,976	14,564
Receivables and prepayments and accrued income	6.5	124,978	138,705
Cash at bank and in hand		2,639	2,404
		142,593	155,673
Total assets		463,857	493,200
Liabilities	Note	2013	2012
Group equity	6.6		
Share of the legal entity in group equity		72,783	87,654
Minority holdings in group equity		(103)	(100)
		72,680	87,554
Product funds	6.8	5,909	5,845
Provisions	6.9	85,042	74,450
Long-term liabilities	6.10	61,963	80,702
Current liabilities	6.11	238,263	244,649
		391,177	405,646
Total liabilities		463,857	493,200

Capital base	6.7	181,143	201,386
Capital base as a percentage of total assets		39.1%	40.8%

Please see the notes to the consolidated balance sheet on page 26 for the composition of the capital base.

(amounts in thousands of euros)

2. CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2013

	Note	2013	2012
Net turnover	7.1	1,292,612	1,397,462
Cost of sales and subcontracted work		1,112,849	1,200,045
Wages and salaries		71,494	76,729
Social security charges		10,967	11,646
Pension and early retirement costs		8,931	7,426
Depreciation of intangible and tangible fixed assets	7.2	22,912	22,979
Other operating expenses	7.3	101,650	80,318
Total operating expenses		1,328,803	1,399,143
Operating result		(36,191)	(1,681)
Financial income and expenditure	7.4	(5,833)	(6,331)
Profit/loss on ordinary activities before taxation		(42,024)	(8,012)
Taxation on profit/loss on ordinary activities	7.5	8,832	(445)
Share in profit/loss of non-consolidated group entities	6.3	11,719	9,862
Group profit/loss after taxation		(21,473)	1,405
Minority shares in group profit		5	7
Profit/loss of the legal entity		(21,468)	1,412

(amounts in thousands of euros)



5. GENERAL NOTES

Coöperatie Coforta U.A. (“the Cooperative”) was incorporated on 25 October 1996 and has its registered office in The Hague, the Netherlands. It is the sole shareholder of The Greenery B.V. (“the Company”).

Amounts included in the notes are amounts in thousands of euros, unless stated otherwise.

PRINCIPAL ACTIVITIES

The Cooperative holds the entire share capital of The Greenery B.V. The Greenery is a leading, international company engaged in obtaining a full range of fruit, vegetables and mushrooms from around the world and supplying these fresh every day to its customers all year round. Its customers are mainly wholesalers and supermarket chains in Europe and North America. The company also supplies caterers and industry. The Greenery B.V. has branches in 12 countries and its policy and approach focus on market orientation, food safety, sustainability, innovation and logistics efficiency.

FUNDING AND RISKS

In October 2013, management embarked on a strategic reorientation project known as Phoenix. The aim of Phoenix is to bring about a strong improvement in the profitability of the Cooperative’s core activities to secure its continued viability. With Phoenix, the Cooperative is making a clear strategic choice in favour of cost leadership in its basic operation. An improvement of the Cooperative’s profitability through cost savings will also generate better returns for its affiliated growers. In addition, the Phoenix plan provides for the sale of assets, which will help strengthen our financial position. The logistics infrastructure will be simplified. In due course, these simplifications will reduce the company’s need for square metres of business space. The facilities no longer required will be sold.

Phoenix will result in a strong reduction in the number of employees, many of whom will have to be made redundant. In October 2013, a social accord was concluded with the trade unions. This accord serves as an important basis for the careful handling of the forced staff redundancies. Given this plan, a provision of EUR 20 million has been made for the reorganisation. In addition to the provision for staff redundancy costs, a provision has been created for other costs and decommissioning of assets, amounting to EUR 3 million. The total provision is therefore EUR 23 million.

Early in 2014 the Phoenix plan was reviewed by an independent agency, which endorsed the conclusion that the plan will clearly strengthen The Greenery’s position and is well substantiated. In addition to this quantitative assessment, the effects of the plan were calculated and a conservative basic scenario was determined for the financial results, factoring in setbacks. In addition to the existing credit facilities which amount to a maximum of EUR 175 million, a new credit facility of EUR 45 million has been taken out in for implementing the Phoenix plan. The term of this facility is two years. At the end of 2014, an initial repayment of EUR 15 million will be

made. Revenue from the envisaged assets sale will be put towards the repayment of the loan. The Greenery’s existing financiers provided the funding following consultations. In view of the size of the total credit required, the shares in the capital of Houdstermaatschappij Verpakingsbedrijven B.V., Hessing B.V. and the company’s wholly owned Dutch subsidiaries, as well as the assets of the company and its wholly owned Dutch group companies, were put up as collateral.

In the context of the funding, arrangements were made with banks in respect of the targets to be achieved. Some of these arrangements are linked to the availability of the funding. The arrangements are based on the aforementioned basic scenario of the Phoenix project and relate to results (EBIT, EBITDA) and solvency. The principal risks attached to the Phoenix plan are the timeliness risk, which delays the effect of the measures, the implementation risk, which prevents the measures from having the desired effect, and potential loss of turnover due to poor performance. Based on the cash flow projections under the Phoenix plan, and taking account of the conditions and arrangements as documented in the financing agreement recently concluded,

the Management Board takes the view that the Cooperative has sufficient funding at its disposal.

MERGERS AND ACQUISITIONS

In 2013, the minority holding in Inova Fruit B.V. was increased from 40.0% to 49.5% at a cost of EUR 29,000. Also during 2013, some inactive companies were dissolved.

In 2012, 100% of the shares in Goeie Peer B.V. were acquired, a transaction which included the breeder’s rights to the Rode Doyenne Van Doorn pear variety, the licensing rights to the UTA pear variety and the Sweet Sensation, Sweet Dored and Dazzling Gold trademark rights. The acquisition price was EUR 2.55 million with contingent consideration of EUR 3.9 million (an income-dependent earn-out) agreed as part of the transaction.

Furthermore, in 2012 100% of the shares in New Sensations were acquired, a transaction which saw the acquisition of exclusive licences to the aforementioned pear varieties for the Netherlands, France and the Southern hemisphere. The acquisition price was EUR 18,000.



Furthermore, 100% of the shares in John Baarda Limited (subsequently renamed North Bank Growers Limited) were acquired. The acquisition price was GBP 11.6 million and consisted primarily of a loan previously made to North Bank Growers by Greenery UK Ltd. and the acquisition of a bank loan of GBP 5.52 million convertible to equity. The acquisition created goodwill to the value of GBP 3.2 million.

Furthermore, the 49% stake in PTLA Holding acquired in 2011 became effective in 2012, resulting in the acquisition of a mango production and export business in Brazil. Full control and full beneficial ownership has now been achieved. The fair value of the acquired assets and liabilities stood at EUR 8.1 million with no goodwill.

BASIS OF CONSOLIDATION

The consolidated financial statements of the Cooperative include the financial data of the group companies that the Cooperative controls. The consolidated

financial statements have been prepared in accordance with the accounting policies of the Cooperative. The financial data of the Cooperative are included in the consolidated financial statements and, in accordance with Section 402 of Book 2 of the Dutch Civil Code, the company profit and loss account has therefore been drawn up in abridged form.

The financial data of group companies and other legal entities and companies included in the consolidation are consolidated in full. Intercompany balances and transactions have been eliminated. Minority interests in the equity and results of group companies are disclosed separately in the consolidated financial statements.

The results of newly acquired group companies and other legal entities and companies included in the consolidation are consolidated from the date of acquisition. The results of disposed participating interests are consolidated to the date they left the group.

A list of the names and registered offices of group companies and non-consolidated participating interests has been filed at the Chamber of Commerce in Rotterdam. An abridged list of group companies is included on page 32.

BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

Unless stated otherwise, the financial statements have been prepared under the historical cost convention. Assets and liabilities are carried at face value unless stated otherwise in the notes on specific balance sheet items.

Income and expenses are allocated to the year to which they relate. Profits are recognised only if realised at the balance sheet date. Losses originating before the end of the financial year are recognised if they are known before the financial statements are prepared.

FINANCIAL INSTRUMENTS

Financial instruments refer to both primary financial instruments such as receivables and liabilities as well as financial derivatives. Please refer to the treatment for each balance sheet item for the accounting policies relating to the primary financial instruments.

The Cooperative's policy is to limit risks to an acceptable level where possible, including managing credit, liquidity and cash flow risks. Much of the credit risk

is insured with a credit insurer. Foreign exchange positions are largely covered by forward exchange transactions. Some foreign exchange positions are also hedged using option contracts. Interest-rate derivatives are used to hedge interest risks.

Following the RJ Statement 2013-15, the Cooperative is not yet applying the amendments to Guideline 290 on Financial Instruments for the 2013 financial year, but will apply them from financial year 2014.

Hedging instruments at cost
Financial instruments that serve to hedge risks and whose underlying

securities are not publicly listed, or for which no hedge accounting is applied, are stated at current value or market value, whichever is the lower.

The Cooperative applies hedge accounting based on individual documentation for financial instruments having a specific individual hedge relationship. Generic documentation is applied to financial instruments having a non-specific hedge relationship. The Cooperative documents the way in which hedge relationships match the objectives of risk management, hedging strategy and expectations on the effectiveness of the hedge.



General information

on cost price hedge accounting

The effective part of financial derivatives that have been allocated for cost price hedge accounting is valued at cost. The ineffective part is recognised in the profit and loss account only where there has been a (cumulative) loss.

Cost price hedge accounting

for hedging the interest rate risk

Cost price hedge accounting is used for interest rate derivatives, which are valued at cost price throughout their duration. Changes in the fair value are not recognised in the profit and loss account as long there is an effective hedge.

ACCOUNTING POLICIES FOR FOREIGN CURRENCY TRANSLATION

Receivables, liabilities and commitments in foreign currencies are translated at the exchange rates prevailing at the balance sheet date. The exchange differences resulting from translation at the balance sheet date are recorded in the balance sheet and profit and loss account, taking possible hedge transactions into account. Transactions in foreign currencies during the period

under review are recognised at the exchange rate prevailing on the transaction date.

Foreign group companies and non-consolidated participating interests qualify as autonomous foreign entities. The financial statements of the foreign entities are translated at the exchange rate at the balance sheet date for items in the balance sheet and at the average rate for items in the profit and loss account. Translation differences are charged directly to group equity.

ACCOUNTING POLICIES FOR ASSETS AND LIABILITIES

Intangible fixed assets

Since 1999, goodwill arising on the purchase of shares and the acquisition of business activities has been capitalised. Assets, provisions and liabilities at the date of acquisition are stated at fair value. The goodwill created is carried at the amount of the costs incurred, less accumulated amortisation and, if applicable, impairment. Amortisation is based on the expected useful life (20 years). An impairment analysis is carried out in the event of any indications that could lead to possible readjustment of the valuation of the capitalised goodwill.

With the exception of goodwill, intangible fixed assets, such as fees for licences, concessions and permits, but also prepayments, are capitalised as they arise. Amortisation is straight-line and based on the expected useful life (20 years).

Tangible fixed assets

Buildings and land

Land and buildings are carried at current value. Land and buildings that are held for strategic purposes are carried at their replacement value. Land and buildings held with the intention of being sold in the foreseeable future and not replaced are carried at their estimated realisable value. EU grants received are deducted from this value.

Replacement value and realisable value are based on appraisals carried out by external experts, and are updated on the basis of market information, specific index figures and market data for each location. Value adjustments in the financial year are taken to the revaluation reserve, net of deferred taxes, insofar as there are sufficient funds in the reserve. Deferred taxes are included in the provision for deferred taxes, further annotated in section 6.9 on page 19.

Depreciation for buildings is based on the expected useful life of the building. Depreciation is not applied to land.

Other tangible fixed assets

Other tangible fixed assets are carried at the cost of acquisition or production, net of straight-line depreciation determined for each category of assets based on their expected useful lives and allowing for any residual value. Assets are depreciated from the date they are taken into use. EU grants received are deducted from this value.

Financial fixed assets

Non-consolidated participating interests where significant influence is exerted on commercial and financial policy are carried at net asset value, but no lower than nil. Net asset value is determined in accordance with the Cooperative's accounting policies. Where The Greenery B.V. has either wholly or partially guaranteed debts payable by the relevant participating interest, a provision has been formed, which is primarily charged to receivables from this participating interest and the remainder to the provisions, in the amount of the remaining share in the losses incurred by the participating interest or of the expected payments to be made by the company on behalf of these participating interests.

Amounts receivable from, and loans to participating interests and other receivables are carried at face value, net of any provisions considered necessary.

Securities included in financial fixed assets are carried at market value at the balance sheet date.

Inventories

Inventory is recognised at the lower of cost or market value, less any provisions for obsolescence. Inventories of reusable packaging are carried at the refundable amount, unless held on consignment.

Receivables

Receivables are recognised at face value, less any provisions for doubtful debts. These provisions are determined based on an individual assessment of the receivables.

Cash at bank and in hand

Cash at bank and in hand is carried at face value and is at the company's free disposal.

Product funds

Product funds consist of levies raised from growers. Product funds are carried at face value and may only be used to



PACKAGING FOR TOP FRUIT HAS MOVED TO REGIONAL PACKING STATIONS IN THE NETHERLANDS

defray the cost of commercial activities such as promotions, product research and care systems, after consultation with growers' representatives.

Provisions

Pension provisions

A change in the accounting policy became effective on 1 January 2012. Pension provisions are valued in accordance with Dutch Guidelines for Annual Reporting, Guideline 271.3 "Employee Benefits - Pensions".

The Company and its subsidiaries have several pension plans. No provision is formed for the industry-wide pension fund of Stichting Bedrijfspensioenfonds voor de Agrarische en Voedselvoorzieningshandel, for Pensioenfonds Vervoer or for the Defined Contribution Plan. The pension plan managed by Stichting Bedrijfspensioenfonds voor de Agrarische en Voedselvoorzieningshandel and Pensioenfonds Vervoer is a defined contribution plan.

Pension plans in the Netherlands:

Pension commitments arising from the Dutch pension plans are valued according to the 'liability towards the pension provider' principle. This approach recognised the contributions payable to the pension provider as an expense in the profit and loss account in the relevant period.

The administration agreement specifies circumstances in which other liabilities may arise in addition to the payment of the annual contributions payable to the pension provider. These additional liabilities, including liabilities arising from recovery plans of the pension provider, will lead to charges for the group and will be recognised on the balance sheet as a provision. The pension provision shown on the balance sheet includes expected future salary increases arising from adjustments or expected indexation increases of the entitlements accrued as at the balance sheet date and for which the Cooperative is liable.

The valuation of this liability is the best estimate of the amounts needed to settle the liability on the balance sheet date. If the effect of the time value of

money is material, the liability will be valued at its present value. Discounting will be applied based on interest rates applicable to premium corporate bonds.

Increases of and releases from the liabilities are charged to the profit and loss account.

Pension plans outside the Netherlands:

Pension plans in countries outside the Netherlands that are comparable to the way in which the pension system in the Netherlands is organised and operates are treated in the same way as pension plans in the Netherlands.

For pension schemes outside the Netherlands that are not comparable to the way the pension system in the Netherlands is organised, liabilities arising under these international pension plans are valued on the basis of a generally accepted actuarial valuation method in the Netherlands which is in line with the 'commitment to the employee' principle. This means that the liability is valued based on the best estimate of the amounts needed to settle the liabilities in question on the balance sheet date.

Other long-term employee compensation:

Other long-term employee compensation comprises emoluments that form part of the remuneration package, such as work anniversary bonuses, temporary leave, etc. with a long-term character. Entitlement to these is earned. The liability stated is the best estimate of the amounts needed to settle the liabilities in question on the balance sheet date.

Deferred tax liabilities

A provision is formed for future tax liabilities resulting from timing differences between the valuation of assets and liabilities for financial reporting and for tax purposes.

This provision is reduced by the tax amounts that may be carried forward for future set-off, insofar as it is likely that future taxable profits will be available for set-off.

The provision is carried at its non-discounted value on the basis of the prevailing tax rate, with the exception of land held for strategic purposes, to which a rate of 20% applies.

Provision for reorganisation

This provision relates to costs associated with restructuring of activities and is formed where the group has a legal or constructive obligation. No provision is recognised for reorganisations for which there is a formalised plan on the balance sheet date, but for which either the justified expectation was raised that the reorganisation was to be carried out or the plan had been launched only after the balance sheet date.

Other provisions

Except where stated otherwise, any other provisions are valued at the nominal value of the expenditure expected to be necessary to settle the related liabilities.

Long-term liabilities

These are carried at their non-discounted value.

ACCOUNTING POLICIES FOR DETERMINING THE NET RESULT

Net turnover

Net turnover represents the income from the supply of goods and services to third parties, net of VAT and discounts. Net turnover also includes the commission on product sales. Operating subsidies are recognised in the profit

and loss account in the year in which the subsidised expenditure was recognised. Income arising from the sale of goods is recognised at the time that all key rights and economic benefits and all key risks have transferred to the buyer. The cost price of these goods is attributed to the same period.

Costs

Expenses are determined in accordance with the above accounting policies and allocated to the reporting year to which they relate.

Tax

Corporate income tax is computed on the net profit or loss at the tax rate ruling for the year, taking account of permanent differences for computing the result for financial reporting and tax purposes. Deferred tax assets are only recognised to the extent that they are likely to be realised.

Share in profit/loss of non-consolidated group entities

The results of subsidiaries in which it exerts significant influence over commercial and financial policy are recognised in proportion to the share of the Cooperative in the result of these subsidiaries. The result is determined on the basis of the prevailing accounting principles at the Cooperative for determining the net result.

BASIS OF PREPARATION FOR THE CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement has been prepared using the indirect method. In general, the cash flow statement reflects the movements in the consolidated balance sheet, with separate presentation under cash flow from investing activities in the case of the acquisition or sale of consolidated participating interests, of the acquired net asset value, less cash at bank and in hand, and increased by any goodwill paid. Exchange rate movements are eliminated from balance sheet movements, as they do not represent cash flows. Partly for the above two reasons, the movements in the cash flow statement cannot always be directly derived from the movements in the related balance sheet items.

Cash flows in foreign currency are translated at an average exchange rate. Exchange differences on cash are recognised separately in the cash flow statement. Profits tax and interest are stated under cash flow from operating activities. Dividends received are stated under cash flow from investing activities.



6. NOTES TO THE CONSOLIDATED BALANCE SHEET

6.1 INTANGIBLE FIXED ASSETS

	2013	2012
Goodwill	16,597	18,666
Other intangible fixed assets	6,980	7,388
Net book value as at 31 December	23,577	26,054

<i>Goodwill</i>	2013	2012
Net book value as at 1 January	18,666	16,669
Goodwill paid	0	3,953
Other reversals in value	67	68
Exchange gains and losses	(83)	0
Depreciation	(2,053)	(2,024)
Net book value as at 31 December	16,597	18,666

Accumulated cost	40,675	40,758
Accumulated cost and other impairments	(24,078)	(22,092)
Net book value as at 31 December	16,597	18,666

The release of EU grants received is recognised under other reversals. The amount recognised in 2012 as goodwill paid relates to the acquisition of the shares in North Bank Growers Ltd.

<i>Other intangible fixed assets</i>	2013	2012
Net book value as at 1 January	7,388	0
Acquisitions	0	7,701
Depreciation	(408)	(313)
Net book value as at 31 December	6,980	7,388

Accumulated cost	7,701	7,701
Accumulated cost and other impairments	(721)	(313)
Net book value as at 31 December	6,980	7,388

In January 2012, the Company acquired the shares of New Sensations B.V. and Goeie Peer B.V., a company that holds the breeder's rights to the Rode Doyenne Van Doorn pear variety, as well as the licensing rights for the Uta pear variety. The acquisition included a contingent consideration arrangement (an income-dependent earn-out), hence the inclusion of a contingent debt within other provisions.

(amounts in thousands of euros)

6.2 TANGIBLE FIXED ASSETS

	Net book value at 1 January 2013	Deconsolidations	Investments	Disposals	Revaluation	Transfers	Depreciation	Other movements	Net book value at 31 December 2013	Depreciation rate
Buildings and land	220,614	0	1,056	(7,870)	9,300	(27)	(9,201)	3,002	216,874	0-3
Machinery and equipment	30,472	(61)	4,184	(5,916)	0	(131)	(6,100)	(108)	22,340	10
Vehicles	5,697	(30)	301	(508)	0	815	(2,254)	570	4,591	20
Other fixed assets	3,307	(42)	3,165	0	0	4,464	(2,896)	323	8,321	20-33
Tangible fixed assets										
on order	5,190	0	55	0	0	(5,121)	0	(106)	18	
Total	265,280	(133)	8,761	(14,294)	9,300	0	(20,451)	3,681	252,144	

The assessment of current value during 2013 resulted in a revaluation to EUR 9.3 million. The investments of EUR 8.8 million (2012: EUR 14.0 million) are stated net of EU grants of EUR 2.4 million (2012: EUR 4.0 million).

The book value as at 31 December 2013 includes EUR 13.9 million relating to capital expenditure at the cultivation companies of members of the Cooperative, EUR 3.5 million of which was invested in 2013. The release of EU grants received is recognised as other movements.

Cost, accumulated revaluation, accumulated depreciation and net book values as at 31 December 2013 were as follows:

	Cost	Accumulated revaluation	Accumulated depreciation	Net book value at 31 December 2013
Buildings and land	236,701	107,863	(127,690)	216,874
Machinery and equipment	51,045	0	(28,705)	22,340
Vehicles	21,087	0	(16,496)	4,591
Other fixed assets	25,377	0	(17,056)	8,321
Fixed assets on order	18	0	0	18
Total	334,228	107,863	(189,947)	252,144

The accumulated unrealised revaluation amounted to EUR 107,863 as at 31 December 2013 (2012: EUR 99,689). A provision for deferred tax on this amount has been formed. The trend in the accumulated unrealised revaluation is as follows:

	2013	2012
Net book value as at 1 January	99,689	104,795
Depreciation	(794)	(794)
Disposals	(332)	(3,512)
Revaluation	9,300	(800)
Net book value as at 31 December	107,863	99,689

(amounts in thousands of euros)

6.3 FINANCIAL FIXED ASSETS

	2013	2012
Non-consolidated participating interests	43,651	44,462
Other long-term receivables	1,892	1,731
Total	45,543	46,193

<i>Non-consolidated participating interests</i>	2013	2012
Net asset value at 1 January	44,462	37,686
Acquisitions	29	0
Share in result	11,719	9,862
Dividends received	(12,559)	(3,084)
Other movements	0	(2)
Net asset value as at 31 December	43,651	44,462

Other long-term receivables

Net book value as at 1 January	1,731	11,457
Acquisitions	0	87
Loans granted	1,256	1,500
Provision	(1,000)	0
Repayment of loans	(95)	(45)
Other movements	0	(11,268)
Net book value as at 31 December	1,892	1,731

In 2013, a loan was granted to the minority holding Inova Fruit B.V., and a provision was made for the possibility of impairment.

The amount stated under other long-term receivables in 2012 as other movements relates to the consolidation of North Bank Growers and PTLA.

(amounts in thousands of euros)

6.4 INVENTORIES

	2013	2012
Packaging	7,891	7,872
Goods for resale	7,085	6,692
Total	14,976	14,564

The inventories item includes a provision for obsolescence of EUR 1.0 million (2012: EUR 0.8 million).

6.5 RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME

	2013	2012
Trade receivables	104,758	117,347
EU grants	2,628	2,117
Other receivables	8,540	10,007
Prepayments and accrued income	9,052	9,234
Total receivables and prepayments and accrued income	124,978	138,705

The trade receivables item includes a provision for the possibility of impairment of EUR 4.8 million (2012: EUR 7.9 million).

6.6 GROUP EQUITY

The trend in group equity is as follows:

	Share of the legal entity	Minority interests	Group equity
1 January 2013	87,654	(100)	87,554
Repurchase of depositary receipts	(1)	0	(1)
Revaluation of property	6,087	0	6,087
Revaluation of the UK pension provision	1,713	0	1,713
Profit for the financial year	(21,468)	(5)	(21,473)
Exchange gains and losses	(1,202)	2	(1,200)
31 December 2013	72,783	(103)	72,680

Minority interests relate to the consolidated subsidiary Dalice Qingdao Trading Company Ltd., 30% of the shares of which are held by a company outside the group.

Please see note 10.2 to the company balance sheet on page 30 for a breakdown of shareholders' equity.

(amounts in thousands of euros)

6.7 BREAKDOWN OF CAPITAL BASE

	2013	2012
Equity capital	72,783	87,654
Product funds	5,909	5,845
Provision for deferred taxation	26,390	23,759
Members' loans	53,344	55,280
Pension provision (RJ271)	22,717	28,848
Total capital base	181,143	201,386

The total pension provision (RJ271.3) is EUR 23,079 (2012: EUR 29,746). Of this amount, EUR 158 (2012: EUR 698) has actually been committed to current and former employees. The remaining amount of EUR 22,717 (2012: EUR 28,848) is a contingent liability in the favour of the pension providers, and this portion of the provision is therefore included in the capital base.

6.8 PRODUCT FUNDS

	2013	2012
Net book value as at 1 January	5,845	6,068
Withdrawals	(1,856)	(2,372)
Additions charged to the result	1,884	2,099
Interest	36	50
Net book value as at 31 December	5,909	5,845

The product funds are short-term and subordinated.

The rate of interest is based on the one-month EURIBOR rate plus a mark-up of 0.5%.

6.9 PROVISIONS

The provisions are as follows:

	2013	2012
Pensions	23,079	29,746
Deferred taxation	26,390	23,759
Other provisions	35,573	20,945
Net book value as at 31 December	85,042	74,450

Of the total provisions as at 31 December 2013, some EUR 24 million (2012: EUR 14 million) will be settled within one year and a further EUR 31 million (2012: EUR 38 million) after five years.

(amounts in thousands of euros)



The trend in the provisions is as follows:

	Pensions	Deferred taxation	Other provision	Total
1 January 2013	29,746	23,759	20,945	74,450
Withdrawals	(4,597)	0	(2,766)	(7,363)
Additions charged to the result	2,219	0	27,259	29,478
Release added to the result	(1,936)	0	(4,767)	(6,703)
Other movements	(2,353)	2,631	(5,098)	(4,820)
31 December 2013	23,079	26,390	35,573	85,042

Other movements in deferred taxation are mainly due to the limits on depreciation of property for tax purposes as a result of legislative changes that limit the depreciation of property for tax purposes.

Pension provision

The group contributes to a number of defined benefit plans in the Netherlands

and the UK. The defined benefit pension is based largely on average salary and partly on final salary. Indexation of accrued and current entitlements is generally conditional. The Dutch pension plans and the international pension plans (where they are comparable to how the Dutch pension system is organised and operates) are stated according to the 'liability towards the

pension provider' principle. The other countries have defined contribution plans.

Provision for deferred taxation

The deferred taxation provision relates chiefly to the revaluation of intangible fixed assets and the provision pursuant to RJ271.3.

Mandatory and voluntary members' loans

Mandatory members' loans are based on the liquidity levy, which is calculated in proportion to the value of the goods supplied. At the end of the year, the levy is converted into a mandatory members' loan with a term of eight years and one day, with a starting date of 31 December and an expiry date of 1 January. The net amount of the long-term members' loans is EUR 53.3 million (2012: EUR 55.3 million). The interest on these members' loans is added to the principal amount unless a request for payment of the interest is received by 31 March.

The rate of interest on the mandatory loans is set each year. In 2013, the rates on the various loans ranged from 2.10% to 5.70%.

There were also voluntary members' loans totalling EUR 10.6 million as at 31 December 2013 (2012: EUR 12.2 million) bearing interest rates from 2.05% to 3.45%. The voluntary loans are recognised as current liabilities.

Mandatory members' loans totalling EUR 7.4 million expire on 1 January 2014. Interest on these loans was paid

at a rate of between 3.05% and 4.55% in 2013. Mandatory members' loans that mature within one year are recognised as current liabilities including the accrued interest. The portion of these members' loans due after five years is EUR 21.2 million (2012: EUR 22.7 million). The interest accrued and payable on the mandatory and voluntary members' loans is classified as subordinated capital as at 31 December of the financial year. The members' loans are subordinated to the bank loans.

Other loans

These are loans granted mostly by members of the Cooperative to finance capital expenditure by the Company on their behalf. The loans bear interest at rates between 0.33% and 0.574%, depending on the commencement date and term. The debt due and payable after five years is EUR 5.2 million (2012: EUR 17.3 million).

The loan of EUR 8.0 million made by a non-consolidated subsidiary, Houdstermaatschappij Verpakkingsbedrijven B.V., to the Company in January 2012 was paid off in full in 2013.

Other provisions

The other provisions comprise:

	2013	2012
Provision for reorganisation	20,000	865
Provision for legal claims	6,666	7,291
Provision for site redevelopments	0	2,500
Provision for the contingent consideration (earn-out) liability	3,555	3,750
Other provisions	5,352	6,539
Net book value as at 31 December	35,573	20,945

6.10 LONG-TERM LIABILITIES

	2013	2012
Mandatory members' loans	53,344	55,280
Loan from subsidiary	0	8,000
Other loans	8,619	17,422
Total	61,963	80,702

(amounts in thousands of euros)

INFORMATION ON FINANCIAL INSTRUMENTS

At 31 December 2013, the Company had interest-rate derivatives outstanding for a principal amount of EUR 50 million. These interest-rate derivatives are due to expire on 1 January 2017. They relate to long-term financing and are used to hedge interest-rate risks. Their fair market value as at 31 December 2013 is EUR 1.9 million negative. Cost price hedge accounting is used for the interest-rate derivatives and no provision is therefore formed for the lower fair market value.

Forward currency contracts have been concluded to hedge currency risks arising on debtor positions in foreign

currencies. Option contracts have also been concluded to hedge currency risks arising from future deliveries to specific buyers, involving outstanding options with a total value at financial year end of GBP 12.0 million maturing on 26 December 2014.

The total contract value of the outstanding positions as at 31 December 2013 maturing within one year amounted to some EUR 15.9 million (2012: EUR 36.6 million).

The estimated fair value of the forward currency contracts at the balance sheet date is approximately EUR 1.4 million higher than the book value. All contracts mature within one year.

6.11 CURRENT LIABILITIES

	2013	2012
Banks and credit institutions	73,108	37,560
Accounts payable	60,952	86,104
Amounts due to growers	12,502	13,709
Current portion of mandatory members' loans	7,394	7,514
Voluntary members' loans	10,588	12,207
Taxes and social security charges	374	4,597
Pension liabilities	3,940	2,163
Other liabilities	43,646	61,963
Accruals and deferred income	25,759	18,832
Total	238,263	244,649

The amounts stated under banks and credit institutions relate to a revolving finance arrangement agreed on 29 June 2011. The arrangement has a variable interest rate based on the EURIBOR one-month rate with a variable mark-up.

(amounts in thousands of euros)

Collateral security

As at year-end 2013, the following collateral has been provided for the long and short-term loans from credit institutions:

- first mortgage on property, viz. three distribution centres
- pledge of receivables
- pledge of rights under credit insurance policy

As described in the section on 'Financing', The Greenery B.V. agreed a new credit facility with its existing banking partners in early 2014. Given the scale of the total credit requirement, shares in the capital of Houdstermaatschappij Verpakingsbedrijven B.V., Helsing B.V. and the Dutch wholly owned subsidiaries of The Greenery B.V., and the assets of The Greenery B.V. and its Dutch wholly owned subsidiaries have been given in collateral.

Off-balance-sheet liabilities	2013	2012
Guarantees and securities	14,885	23,439
Capital expenditure commitments	220	395
Lease and rental obligations	10,086	11,044
Other commitments	3,863	3,869
Total	29,054	38,747

Guarantees and securities consist primarily of guarantees for EU grants.

The amount recognised for capital expenditure commitments relates to movable property and totals EUR 0.2 million (2012: EUR 0.4 million).

Lease and rental obligations can be broken down as follows:

• Payable in 2014:	EUR 4,638
• Payable in 2015 to 2018:	EUR 5,448

The amount for lease and rental obligations relates primarily to rolling stock.

RELATED PARTY TRANSACTIONS

In 2013, the Company entered into transactions with the non-consolidated subsidiaries Europool System B.V., Helsing B.V. and Inova Fruit B.V. These transactions were conducted at arm's length.

In 2013, a subordinated finance facility was provided to Inova Fruit B.V., an non-consolidated subsidiary, at a fair market interest rate. Furthermore, in 2012 a finance facility provided by an non-consolidated subsidiary, Houdstermaatschappij Verpakingsbedrijven B.V., was paid off.

7. NOTES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

7.1 NET TURNOVER

<i>Geographic spread</i>	2013	2012
The Netherlands	705,456	635,508
Germany	149,633	212,019
United Kingdom	98,150	159,256
Rest of Europe	262,487	293,896
Rest of the world	76,886	96,783
Total	1,292,612	1,397,462

<i>Breakdown by category</i>	2013	2012
Fruit and vegetables	1,203,878	1,308,925
Provision of services and other income	88,734	88,537
Total	1,292,612	1,397,462

Provision of services and other income

This income includes logistics services, transport, rental and other operating income that includes an amount of EUR 7.2 million (2012: EUR 7.5 million) relating to EU grants.

7.2 DEPRECIATION

	2013	2012
Intangible fixed assets	(2,461)	(2,337)
Tangible fixed assets	(20,451)	(20,642)
Total	(22,912)	(22,979)

<i>Intangible fixed assets</i>	2013	2012
Goodwill	(2,053)	(2,024)
Other intangible fixed assets	(408)	(313)
Total	(2,461)	(2,337)

7.2 DEPRECIATION (CONTINUATION)

	2013	2012
<i>Tangible fixed assets</i>		
Buildings and land	(9,201)	(9,492)
Machinery and equipment	(6,100)	(6,757)
Vehicles	(2,254)	(2,666)
Other fixed assets	(2,896)	(1,727)
Total	(20,451)	(20,642)

7.3 OTHER OPERATING EXPENSES

Fees for the activities of the external auditor and the audit firm charged to the result for the financial year are included in other operating expenses for a sum of EUR 440,000 (2012: EUR 570,000). This amount is broken down as follows:

	Deloitte Accountants B.V.	Other Deloitte Networks.	Total for 2013	Deloitte Accountants B.V.	Other Deloitte Networks.	Total for 2012
Audit of the financial statements	255	90	345	280	65	345
Other audit engagements	80	0	80	140	0	140
Other non-audit engagements	15	0	15	85	0	85
Total	350	90	440	505	65	570

7.4 FINANCIAL INCOME AND EXPENSES

	2013	2012
Financial income	335	503
Financial expenses	(6,168)	(6,834)
Total	(5,833)	(6,331)

Financial income and expenses mainly relate to interest income and expenses. The balance of interest paid to and interest received from related parties is EUR 333,000 (2012: 333,000).

7.5 TAX

The tax payable is computed as follows:

	Gross profit	Corporate income tax
		25.0%
Profit for 2013	(42,024)	(10,506)
Permanent differences	1,947	487
		(10,019)
Different rate of tax on foreign participating interests		850
Corrections to tax returns in previous years.		210
Miscellaneous		127
Tax in the profit and loss account		(8,832)

The permanent differences mostly concern non-deductible amortisation of goodwill.

The Company and the majority of its wholly-owned subsidiaries in the Netherlands form a fiscal unity. Part of the loss in 2013 for which tax relief was available was carried back to 2012; the remainder is recognised as a receivable from the Tax Administration under other receivables. It is expected that this receivable will be set off in 2014.

The balance of losses in previous years by consolidated companies for which tax relief is available is nil.

7.7 WORKFORCE

Number of full-time equivalents (FTEs) employed at year-end	2013	2012
Board/MT/office	523	549
Logistics services	964	1,106
Transport and other	158	166
Total	1,645	1,821

The average number of FTEs with permanent employment contracts during 2013 was 1,764 (2012: 1,884).

The average number of temporary staff in FTEs was 719 (2012: 857).

The reduction in FTEs in permanent employment is in part attributable to a reorganisation at North Bank Growers (92 FTE lost) and the sale of Jager and WTG (a total reduction of 50 FTE). Furthermore, the initial effects of the improvement plan are visible.

(amounts in thousands of euros)

8. NON-CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2013 (BEFORE PROFIT APPROPRIATION)

Assets	Note	2013	2012
Fixed assets			
Financial fixed assets			
Group company	10.1	80,239	95,109
		80,239	95,109
Current assets			
EU grants receivable			
		2,421	2,117
Other receivables			
		4	0
Total assets		82,664	97,226

Passiva	Toelichting	2013	2012
Equity capital			
10.2			
Revaluation reserve			
		83,318	78,076
Other statutory reserves			
		40,143	42,185
General reserve			
		(29,210)	(34,019)
Profit for the financial year			
		(21,468)	1,412
		72,783	87,654
Long-term liabilities			
Group company	10.3	5,870	5,870
Current liabilities			
Creditors			
		31	0
Group company			
		3,980	3,702
		4,011	9,572
Total liabilities		82,664	97,226

9. NON-CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR 2013

	2013	2012
Contributions and other income	789	1,087
Other expenses	(312)	(608)
Financial income and expenses	(477)	(479)
Company result after taxation	0	0
Profit from participating interests after taxation	(21,468)	1,412
Company profit	(21,468)	1,412

(amounts in thousands of euros)

10. NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

GENERAL

The financial statements have been prepared in accordance with the provisions of Part 9 of Book 2 of the Dutch Civil Code. The accounting policies applied in the company financial statements are the same as those applied in the consolidated financial statements. Please see the notes to the consolidated financial statements for these accounting policies.

Participating interests in group companies where significant influence is exerted on commercial and financial policy are carried at net asset value, but no lower than nil. Net asset value is determined in accordance with the Cooperative's accounting policies.

The result of participating interests

represents the company's share in the profit or loss for the financial year of the company concerned from the time it became part of the group or from the moment of acquisition.

The company profit and loss account has been drawn up in accordance with the provisions of Section 402 of Book 2 of the Dutch Civil Code.

10.1 FINANCIAL FIXED ASSETS

The Cooperative holds the entire share capital of the Company. This comprises 281,000 class A shares and 259,000 cumulative preference class B shares. The Cooperative has issued depository receipts for class B shares to its members, more than 81% of which were repurchased in 2008, 2011 and 2012.

10.2 EQUITY

The revaluation reserve is for changes in the value of tangible fixed assets carried at current value. Realisation of the revaluation reserve is taken to shareholders' equity.

The trend in shareholders' equity of the Company is as follows:

	Share capital	Share premium	Revaluation reserve	Statutory reserves	General reserve	Profit for Previous and current financial years	Total
1 January 2013	61,262	834	78,076	42,185	(88,660)	1,412	95,109
Revaluation of property	0	0	6,087	0	0	0	6,087
Revaluation of the UK pension provision	0	0	0	0	1,713	0	1,713
Realised revaluation on disposals and depreciation	0	0	(845)	0	845	0	0
Movements in the statutory reserves of subsidiaries.	0	0	0	(12,559)	12,559	0	0
Prior-year profit appropriation	0	0	0	0	1,412	(1,412)	0
Addition to reserve for participating interests	0	0	0	11,719	(11,719)	0	0
Profit for the financial year	0	0	0	0	0	(21,468)	(21,468)
Exchange gains and losses	0	0	0	(1,202)	0	0	(1,202)
31 December 2013	61,262	834	83,318	40,143	(83,850)	(21,468)	80,239

	Revaluation reserve	Other statutory reserves	General reserve	Profit for Previous and current financial years	Total
1 January 2013	78,076	42,185	(34,019)	1,412	87,654
Repurchase of depository receipts	0	0	(1)	0	(1)
Revaluation of property	6,087	0	0	0	6,087
Revaluation of the UK pension provision	0	0	1,713	0	1,713
Realised revaluation on disposals and depreciation	(845)	0	845	0	0
Movements in the statutory reserves of subsidiaries	0	(12,559)	12,559	0	0
Prior-year profit appropriation	0	0	1,412	(1,412)	0
Addition to reserve for participating interests	0	11,719	(11,719)	0	0
Profit for the financial year	0	0	0	(21,468)	(21,468)
Exchange losses and other movements	0	(1,202)	0	0	(1,202)
31 December 2013	83,318	40,143	(29,210)	(21,468)	72,783

Other statutory reserves

In addition to the reserve for participating interests, the other reserves required by law include the reserve for exchange gains and losses. The movements in that reserve were as follows:

	Reserve for participating interests	Reserve for exchange gains and losses	Other statutory reserves
1 January 2013	42,603	(418)	42,185
Movements in the statutory reserves of subsidiaries	(12,559)	0	(12,559)
Addition to reserve for participating interests	11,719	0	11,719
Exchange gains and losses	0	(1,202)	(1,202)
31 December 2013	41,763	(1,620)	40,143



10.3 LONG-TERM LIABILITIES

To finance the repurchase of depositary receipts, a company belonging to the group of The Greenery B.V. supplied a loan of EUR 5.9 million (2012: EUR 5.9 million) at an interest rate of 8%. The loan was issued for an indefinite period from 1 January 2009.

REMUNERATION OF THE MEMBERS OF THE BOARD AND SUPERVISORY BOARDS

The total charge to the Cooperative for the remuneration of Board members for 2013 was 193 (2012: EUR 188).

Barendrecht, 9 april 2014

The Management Board of Coöperatie Coforta U.A.

Th.L.J. Ammerlaan, Chairman
P.W.J.M. van Asseldonk, Vice Chairman
B.J. Feijtel
A.W.G.M. Hop
T.W. van Noord
P.S.C. Oostveen

11. LIST OF SUBSIDIARIES AND SHAREHOLDINGS

As at 31 December 2013, participating interests included the companies listed below. A full list of participating interests has been filed at the Chamber of Commerce in Rotterdam:

Consolidated participating interests	Registered office	Share in capital (%)
The Greenery B.V.	The Hague	100
Hollander Barendrecht B.V.	Barendrecht	100
Disselkoen Airfreight BV	De Lier	100
Greenery Belgium NV	St. Katelijne Waver (B)	100
Hagé International BV	Barendrecht	100
Hoogsteder Groenten en Fruit BV	Utrecht	100
Greenery UK Ltd.	Huntingdon (UK)	100
Greenery España SA	Carlet Valencia (E)	100
Internationaal Transportbedrijf Dijco BV	Delft	100
J.H. Wagenaar GmbH	Kempen (D)	100
J.H. Wagenaar BV	Zwaagdijk	100
Greenery Italia Srl.	Verona (I)	100
Greenery Vastgoed BV	The Hague	100
Mulder Onions BV	Bleiswijk	100
Greenery Produce BV	Maasland	100
Greenery Poland Sp.z.o.o.	Warsaw (PL)	100
PTLA Holding Participações LTDA	Beberibe (BR)	49 ¹

Non-consolidated participating interests		
Houdstermaatschappij Verpakkingsbedrijven BV	Zoetermeer	78.57 ²
Inova Fruit BV	Geldermalsen	49.5
Hessing BV	Langedijk	45

¹ A Controlling interest exists on the basis of agreements.

² The articles of association rule out any controlling interest.



12. OTHER INFORMATION



12.1 PROFIT APPROPRIATION IN ACCORDANCE WITH THE ARTICLES OF ASSOCIATION

Under Article 52 of the Articles of Association, the profit is appropriated as follows:

Article 52

The Members' Council shall decide the appropriation of any profit based on a Board proposal.

If the Members' Council resolves to distribute all or a portion of the profit, the agreed amount shall be distributed to the members in proportion to their turnover in the most recent financial year. Such a distribution may be effected in a form other than cash, e.g. in equity in the form of depositary receipts for shares in the capital of The Greenery B.V.

12.2 PROPOSED PROFIT APPROPRIATION

The Board of the Cooperative proposes to charge the loss of EUR 21,468 made in 2013 to the equity of the Cooperative, subject to a contribution to the statutory reserves of the subsidiaries of EUR 11,719. This proposal has not yet been incorporated into the financial statements.

12.3 EVENTS AFTER THE BALANCE SHEET DATE

Phoenix

BA considerable number of employees were made redundant in early January.

In the period up to the end of March, most of these employees were absolved of their duty to work. Once the finance is in place and the severance permits are obtained, the employees in question will be formally dismissed. Severance payments will be made in accordance with the social accord agreed with the unions.

Sale of assets

In February 2014, a distribution centre in Barendrecht was sold and an outline agreement with the buyer was reached for the sale of a real estate subsidiary relating to the distribution centre in Maasland.

All shares held by The Greenery B.V. in Van Dijk Food Belgium and the affiliated transport firm DAV Trans were sold with effect from 19 March 2014.

Extension of the credit facility

For further clarification, please see the section on financing on page 19.

12.4 INDEPENDENT AUDITOR'S REPORT

To: The management of Coöperatie Coforta U.A., The Hague

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements 2013 of Coöperatie

Coforta U.A., The Hague, the Netherlands. The financial statements comprise the consolidated and non-consolidated balance sheet as at 31 December 2013, the consolidated and non-consolidated profit and loss account for 2013 and notes, including a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY

The management of the cooperative is responsible for the preparation and fair presentation of these financial statements in accordance with Title 9, Book 2 of the Dutch Civil Code, and for the preparation of the Report of the Management Board in accordance with Title 9, Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it deems necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the 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 cooperative's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of estimates made by the management of the cooperative, as well as evaluating the overall presentation of the financial statements.

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

OPINION WITH RESPECT TO THE FINANCIAL STATEMENTS

In our opinion, the financial statements give a true and fair view of the financial position of Coöperatie Coforta U.A. as at 31 December 2013 and of its result in accordance with Title 9, Book 2 of the Dutch Civil Code.

EMPHASIS ON DEVELOPMENTS CONCERNING FINANCING AND RESTRUCTURING

We draw attention to the "Financing and Risks" section in the notes to the financial statements, which discusses the principal risks relating to the realisation of the Phoenix project and the conditions for the availability of the required financing. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Pursuant to the legal requirement under Section 2:393(5)(e) and (f) of the Dutch Civil Code, we have no deficiencies to report as a result of our examination of whether the Annual Report, to the extent we can assess, has been prepared in accordance with Title 9, Book 2 of the Dutch Civil Code, and whether the information as required under Section 2:392(1)(b) to (h) inclusive has been annexed. Further we report that the Annual Report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391(4) of the Dutch Civil Code.

**Rotterdam, 9 april 2014
Deloitte Accountants B.V.**

drs. K.G. Auw Yang RA



MORE INFORMATION

We would be pleased to receive any questions, comments or suggestions at the following address:
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