



AMBIENTHESIS

ANNUAL FINANCIAL REPORT
AS AT 31st DECEMBER 2015

AMBIENTHESIS GROUP

AMBIENTHESIS S.p.A.

Via Cassanese, 45
20090 Segrate (MI)

Share capital: Euro 48,204,000.00 fully paid-up

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Business register 10190370154
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INDEX

2015 ANNUAL FINANCIAL REPORT ON OPERATIONS

CORPORATE BODIES

BOARD OF DIRECTORS' MANAGEMENT REPORT

Mission
Premises
News related to the title
The Ambienthesis Group
Reference Market
Synthesis of the economic and financial results of Ambienthesis group as at 31.12.2015
Management situation
Net financial position as at 31.12.2015
Remarkable events occurred during the financial year 2015
Events occurred after the 2015 reporting period
Intra-group relations and related parties
Human Resources and data on employment
Information on the environment
Investments
Research and Development activities
Expectable management evolution
Risks and uncertainties
Synthesis of the economic and financial results of Ambienthesis S.p.A. as at 31.12.2015
Calling of the shareholder's meeting

FINANCIAL STATEMENTS AND EXPLANATORY NOTES

Consolidated financial statements – Ambienthesis Group
Explanatory notes
Attestation on the consolidated financial statements

Financial statements of the parent company – Ambienthesis S.p.A.
Explanatory notes
Attestation on the financial statements

Report on Corporate Governance and Ownership Structure

CORPORATE BODIES

Board of directors	Alberto Azario (*) (1)	<i>Chairman</i>
	Paola Grossi	<i>Vice-Chairman</i>
	Damiano Belli (*)	<i>CEO</i>
	Pier Giorgio Cominetta (2)	
	Franco Castagnola	
	Giovanni Mangialardi	
	Susanna Pedretti (3)	
	Paola Margutti (3)	
	Enrico Menzolini (3)	
	Paolo La Pietra (3)	
Control and risks committee	Susanna Pedretti	<i>Chairman</i>
	Paola Margutti	
	Giovanni Mangialardi	
Remuneration committee	Paola Margutti	<i>Chairman</i>
	Susanna Pedretti	
	Enrico Menzolini	
Auditory committee	Michaela Marcarini	<i>Chairman</i>
	Daniele Bernardi	<i>Standing auditor</i>
	Enrico Felli	<i>Standing auditor</i>
	Enrico Calabretta	<i>Deputy auditor</i>
	Paola Pizzelli	<i>Deputy auditor</i>
Manager in charge of drafting the Company financial statements	Marina Carmeci	
Auditing company	PricewaterhouseCoopers S.p.A.	

Notes:

(*): executive Director

(1): Responsible for relations with institutional investors and other Shareholders

(2): Appointed by the Board for the Coordination of the Internal Control System and Risk Management

(3): independent Director

Mission

Ambienthesis aims to be a constant reference point for what concerns the technological innovation capacity and systemic approach to services in the environmental field, in order to pursue the creation of a business model both eco-sustainable and aimed at improving environmental and life quality.

Ambienthesis believes that the current strong commitment in respecting, enhancing and protecting the environment is the best investment for tomorrow.

Ambienthesis, aware that the environment is a primary asset for the community and taking into account the social scope of the activities it carries out, aims to combine the carrying out of its business with the protection of the environment through the continuous improvement of its activities with environmental impact.

Premises

Ambienthesis S.p.A. is a joint-stock company incorporated in Italy and registered with the Register of Companies of Milan. The address of its registered office is Segrate, via Cassanese 45.

The consolidated financial statements of the Ambienthesis Group (hereafter the "ATH Group" or also simply the "Group") includes the financial statements of Ambienthesis S.p.A. (also called the "Company" or the "Parent Company" or "ATH") and those of the Italian and foreign companies on which ATH has the right to exercise direct or indirect control, determining their financial and management choices, as well as the right to obtain the related benefits.

The consolidated financial statements are prepared in accordance with international accounting standards (hereinafter "IFRS") issued by the International Accounting Standards Board (IASB) and in compliance with the provisions of article 9 of Legislative Decree 38/2005. IFRS refers to all International Financial Reporting Standards, all International Accounting Standards, all interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), which, at the date of approval of the financial statements, have been subject to the European Union's approval, according to the procedure referred to in art. 6 of the Regulation (EC) No. 1606/2002 by the European Parliament and the Council of 19 July 2002.

The 2015 consolidated financial statements are subject to review by the Auditing Company PricewaterhouseCoopers S.p.A..

All values below and the items of the financial statements, unless otherwise indicated, are expressed in thousands of euros.

News related to the title

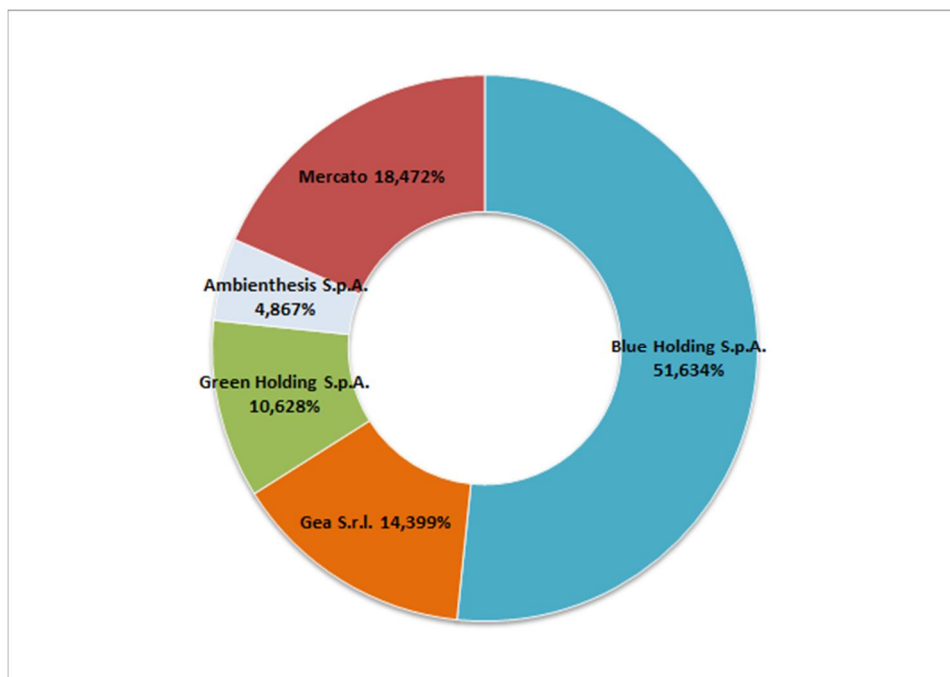
As of 31st December 2016, the shareholders participated to the share capital of Ambienthesis S.p.A., represented by 92,700,000 shares in circulation - directly or indirectly, with voting rights exceeding 2% of the share capital, according to the shareholder register, supplemented by the communications received under Article 120 of the Consolidated provisions on financial intermediation under Legislative Decree no. 58/1998, as well as according to other information available to the company - according to the following shares:

- Green Holding S.p.A., holder of no. 9,852,497 ordinary shares, representing approximately 10.628% of the share capital;
- Blue Holding S.p.A., holder of no. 47,864,634 ordinary shares, representing approximately 51.634% of the share capital;
- Gea S.r.l., holder of no. 13,348,043 ordinary shares, representing approximately 14.399% of the share capital;
- Ambienthesis S.p.A holder of no. 4,511,773 treasury shares, equal to 4.867% of the share capital.

As of today, Ambienthesis S.p.A. holds a total of 4,511,773 treasury shares, representing approximately 4.867% of the share capital, with an average purchase price of approximately EUR 0.55.

In this respect, it is recalled that, in accordance with the shareholders' resolutions of April 24, 2008 and April 29, 2009, from 24th to 27th February 2015, Ambienthesis S.p.A. has proceeded to sell on the Italian Electronic Stock Exchange (Mercato Telematico Azionario - MTA) no. 123,400 treasury shares, equal to approximately 0.133% of the share capital.

The current shareholding structure is therefore represented in the chart below:



The company Green Holding S.p.A., Blue Holding S.p.A. and Gea S.r.l. are companies indirectly controlled by the RAPS Sas Marina Rina Cremonesi & C.

As at 31st December 2015, the reference price of the ATH title featured a listing of 0.45 Euro (approx. +15.4% compared to the same period of 2014, instead equalling to 0.39 Euro).

As of 12th April 2016, the ATH title presented a stock listing of 0.39 Euros, showing the following performances:

Performance 1 month:	-10.41%
Performance 6 months:	-3.16%
Performance 1 year:	-29.08%



Chart of the performance of the ATH title during 2015

Source: Teleborsa



Graph of of the ATH title (blue) compared to the FTSE MIB in the same period (light blue)

Source: Teleborsa

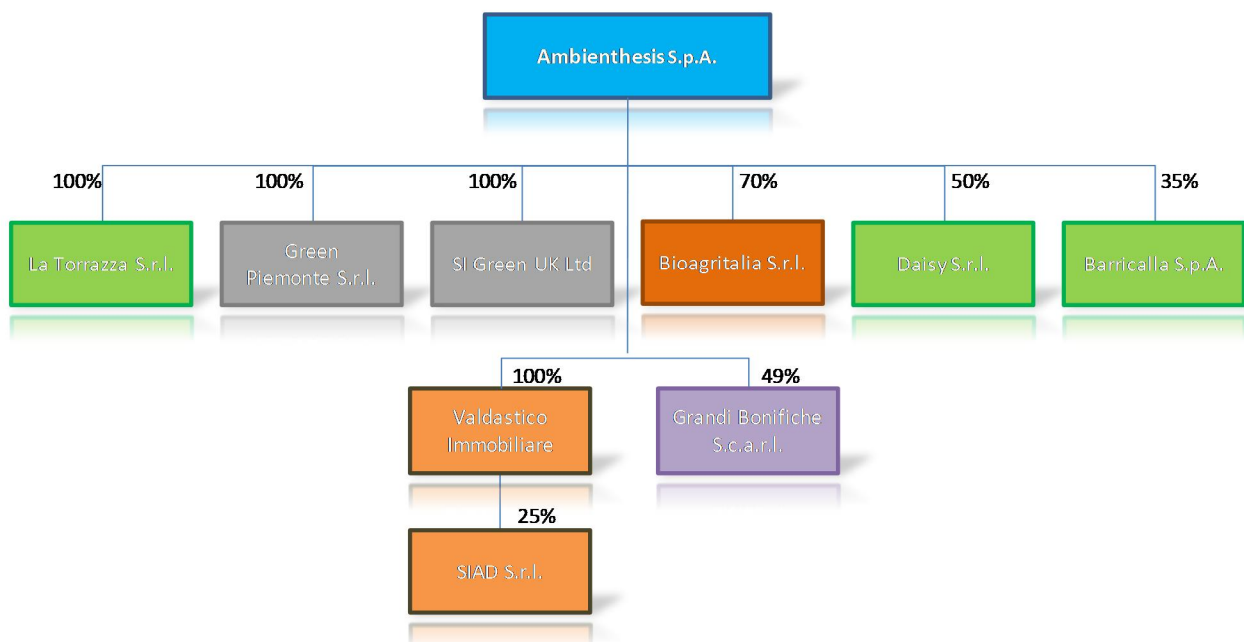
The Parent Company does not hold or has held during the reporting period, shares of the Parent companies.

Ambienthesis Group

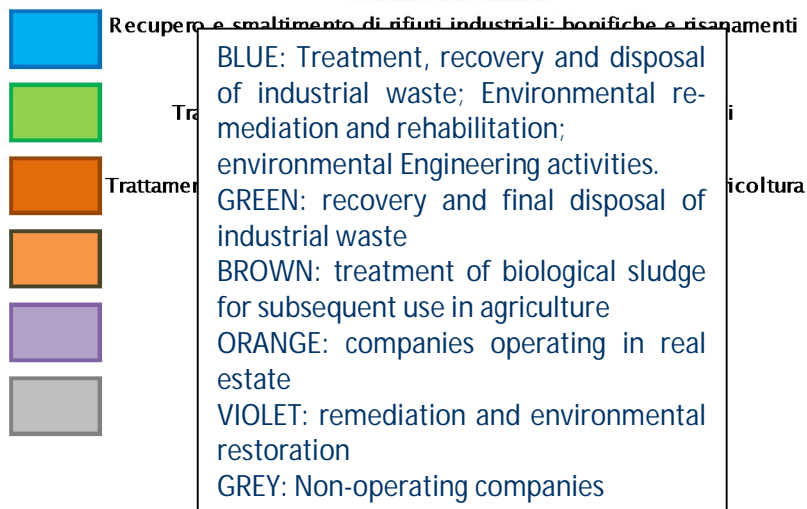
The Ambienthesis Group represents, in Italy, one of the leading players in the field of the management of industrial waste and environmental remediation. It operates in the following areas:

- Treatment, recovery and disposal of industrial waste;
- Environmental remediation and rehabilitation;
- Environmental Engineering activities.

The structure of the Ambienthesis Group (as of December 31, 2015 and the date of this report) is represented in the diagram below:



BUSINESS UNITS



As of 31st December 2016, the scope of consolidation, as well as Ambienthesis S.p.A., is composed of the following companies:

- Bioagritalia S.r.l.	70%	ITALY
- Green Piemonte S.r.l.	100%	ITALY
- La Torrazza S.r.l.	100%	ITALY
- S.I. Green UK Ltd	100%	UNITED KINGDOM
- Valdastico Immobiliare S.r.l.	100%	ITALY

The Group also holds the following investments, accounted for with the equity method:

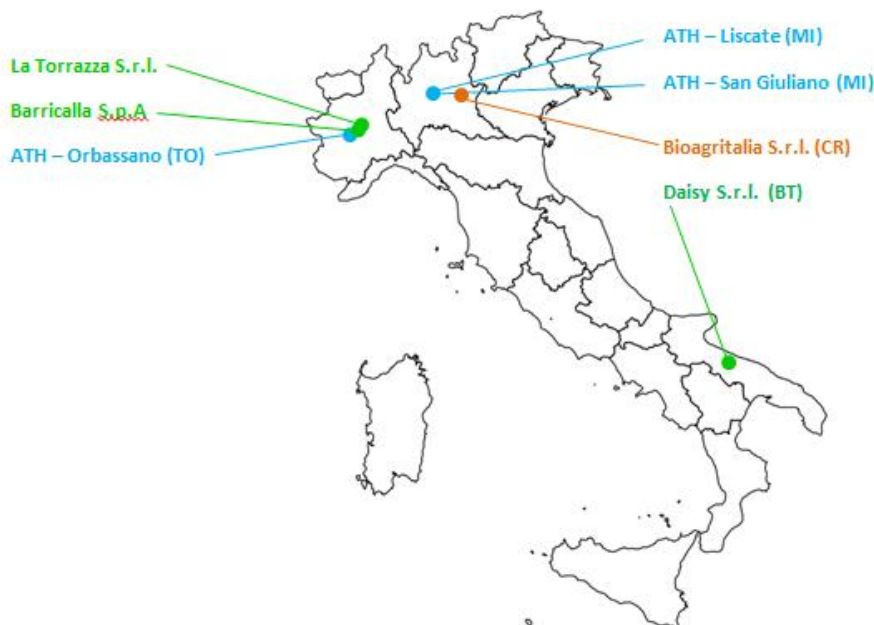
- Siad S.r.l.	25%	ITALY
- Barricalla S.p.A.	35%	ITALY
- Grandi Bonifiche Società Consortile a r.l.	49%	ITALY
- Daisy S.r.l.	50%	ITALY

Ambienthesis S.p.A. owns and operates, in Orbassano (TO), the largest platform in Italy for the treatment of special, hazardous and non-hazardous waste (authorized capacity 500,000 t / year).

It also manages two additional plants of its ownership: the first, located in Liscate (MI), provides a specific disposal service for various types of liquid waste of both civil and industrial origin; the second, located in San Giuliano Milanese (MI), is intended for the activity of storage of many types of waste (batteries, paints, containers contaminated with hazardous substances, drugs, acids, bases and reagents), and specializes in the disposal of hazardous waste containing asbestos.

Through its subsidiaries La Torrazza S.r.l. and Bioagritalia S.r.l. (owned, respectively, 100% and 70%), the Company controls two other plants: the first, located in Torrazza Piemonte (TO), is a landfill for special hazardous and non-hazardous waste; the second, located in Corte de 'Frati (CR), is a plant for the treatment and the recovery of biological sludge destined to a subsequent re-use in agriculture.

Lastly Ambienthesis S.p.A. holds a 50% stake in the company Daisy Srl, who operates, in San Procopio (BT), a landfill for special non-hazardous waste with attached an inerting system, and a 35% stake in Barricalla SpA, which runs, instead, the main Italian landfill of special waste, hazardous and non, located in Collegno (TO).



Reference Market

The 2015 edition of the "Special Waste Report" prepared by the Italian National Institute for Environmental Protection and Research - ISPRA (hereinafter "ISPRA Report") is available on the date of this report.

The available data are therefore those of the ISPRA Report published in July 2015. They refer to the year 2013 and were derived from the declarations submitted in 2014 under the decree of the President of the Council of Ministers of 12th December 2013. In particular, it is noted that in the ISPRA Report, the national production of special waste has been quantified from the information contained in the Environmental Declaration Form (MUD) databases relating to annual declarations made under sectoral legislation.

Domestic production of special waste amounted, in 2013, to 131.6 million tons.

The overall figure takes into account both the quantities resulting from the processing of MUD databases and the estimates. Sono ricompresi, inoltre, i quantitativi di rifiuti provenienti dal trattamento meccanico-biologico dei rifiuti urbani, pari a oltre 8,1 milioni di tonnellate, perché classificati come rifiuti speciali. Furthermore, there are included also the quantities of waste from the mechanical-biological treatment of municipal waste, amounting to over 8.1 million tonnes, since they are classified as special waste.

In particular, the production of non-hazardous waste, derived from the MUD calculations, amounted to 66.7 million tons.

In addition there are over 8.2 million tons relative to the estimates made for the manufacturing sector and the healthcare sector, and nearly 48 million tons of waste from construction and demolition operations, entirely estimated, for a total non-hazardous waste production equalling approximately to 123 million tons (including around 38 thousand tons of waste with unspecified NSI activities, Table 2.1 and Figure 2.1 of the Ispra Report.

Tabella 2.1 – Produzione nazionale di rifiuti speciali, anni 2011 – 2013

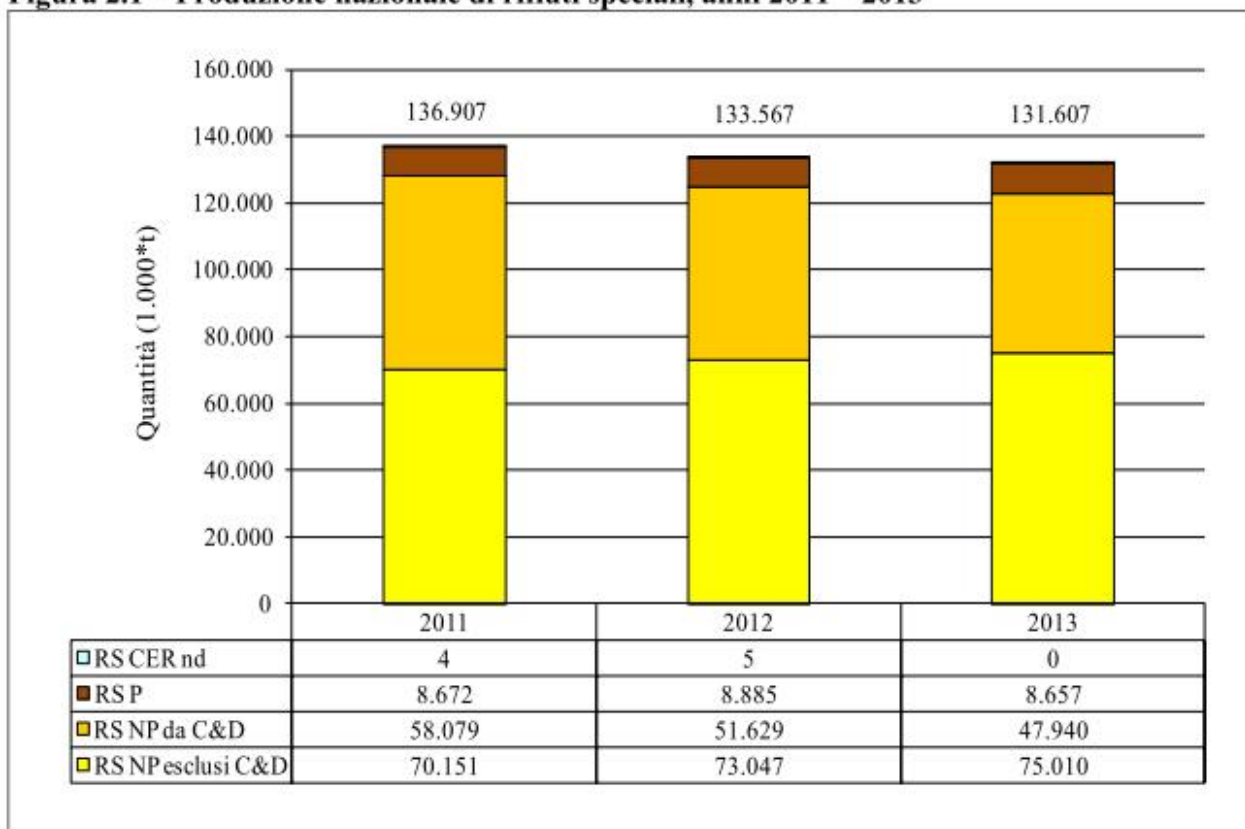
Tipologia	Quantitativo annuale (t)		
	2011	2012	2013
Rifiuti speciali non pericolosi esclusi i rifiuti stimati (MUD)	60.965.255 ^{a b}	64.444.497 ^{a b}	66.722.728 ^b
Rifiuti speciali non pericolosi esclusi i rifiuti stimati da C&D (integrazioni stime)	9.123.860	8.524.429	8.248.861
Rifiuti speciali non pericolosi da C&D (stime)	58.079.423	51.629.208	47.939.874
Rifiuti speciali non pericolosi con attività ISTAT non determinata (MUD)	62.336	78.389	38.366
Totale non pericolosi	128.230.874	124.676.523	122.949.829
Rifiuti speciali pericolosi (MUD)	7.268.439	7.710.658 ^a	7.483.341
Veicoli fuori uso (MUD)	1.377.738	1.162.593	1.167.350
Rifiuti speciali pericolosi con attività ISTAT non determinata (MUD)	26.217	11.794	6.076
Totale pericolosi	8.672.394	8.885.045	8.656.767
Rifiuti speciali con CER non determinato (MUD)	3.807	5.281	403
Totale rifiuti speciali	136.907.075	133.566.849	131.606.999

(a) dato aggiornato rispetto al Rapporto Rifiuti Speciali – Edizione 2013.

(b) inclusi i quantitativi di rifiuti speciali non pericolosi provenienti dal trattamento meccanico-biologico dei rifiuti urbani pari rispettivamente a oltre 7.427.000 tonnellate nel 2011, circa 6.970.000 di tonnellate nel 2012, e quasi 8.125.000 nel 2013.

Fonte: ISPRA

Figura 2.1 – Produzione nazionale di rifiuti speciali, anni 2011 – 2013



Fonte: ISPRA

The amount of hazardous waste produced in 2013 amounted, however, to nearly 8.7 million tons (of which nearly 1.2 million tons, accounting for 13.5% of the overall figure, relating to end-of-life vehicles and 6 thousand tons of hazardous waste with NSI activities not determined).

The data analysis shows that the estimated share represents around 43% of the total production of special waste, mainly due to the significant contribution of waste generated by construction and demolition activities.

Specifically, between 2012 and 2013, similarly to the previous two years, it has been recorded a decline in the total production of special waste, albeit less marked, of 1.5%, corresponding to almost 2 million tons, due mainly to the reduction of special non-hazardous waste produced.

On this respect it should be noted that, while the data regarding the production of special non-hazardous waste deriving from the EDF database increased by 3.5%, equaling to 2.2 million tons, for what concerns the waste deriving from the construction and demolition sector, we observe, instead, a further decrease in production, equaling to 7.1%, and corresponding to nearly 3.7 million tons.

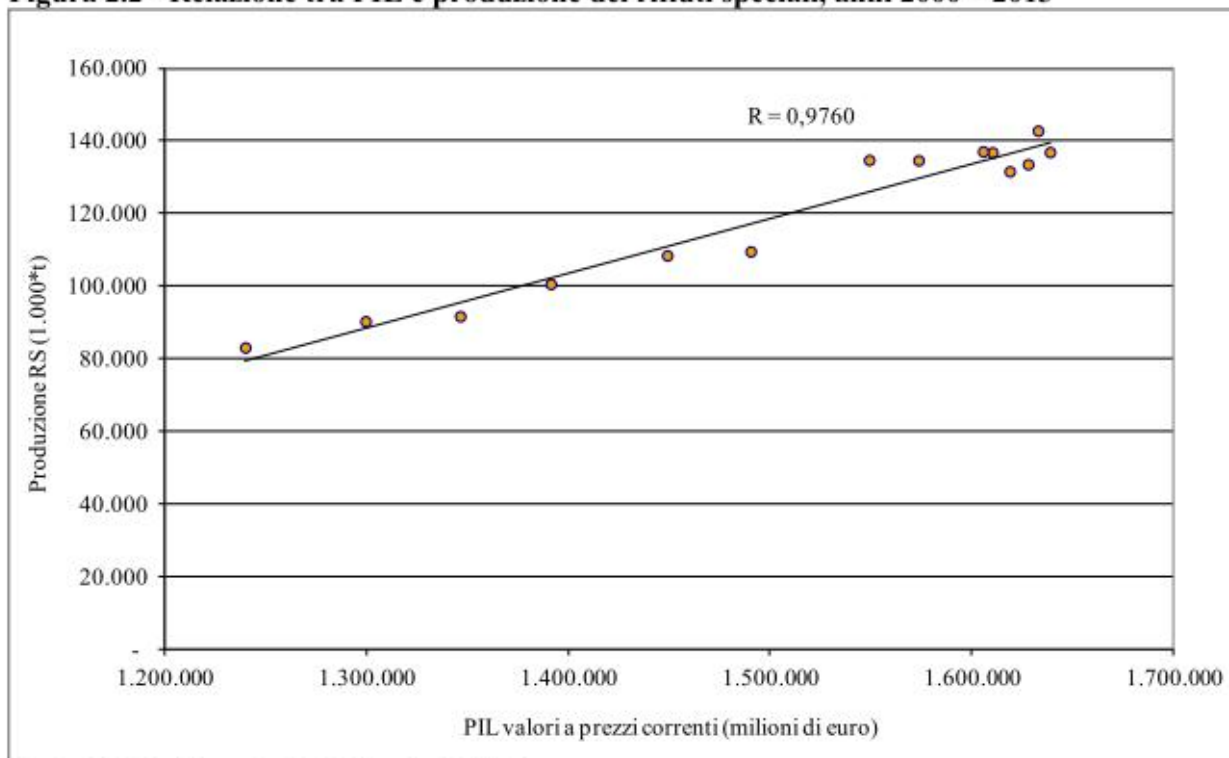
In particular, compared to 2012, the total production of special non-hazardous waste shows a decrease of 1.7 million tons (-1.4%).

Even the production of hazardous special waste shows a drop of 2.6%, corresponding to 228 thousand tons, in contrast with the trend observed in the two-year period 2011-2012.

Overall, during the three-year period 2011-2013 there was a reduction in the production of special waste of 5.3 million tons, corresponding to a 3.9% contraction, attributable exclusively to non-hazardous waste. The production of hazardous special waste is substantially stable, showing a slight increase only in 2012 (Figure 2.1).

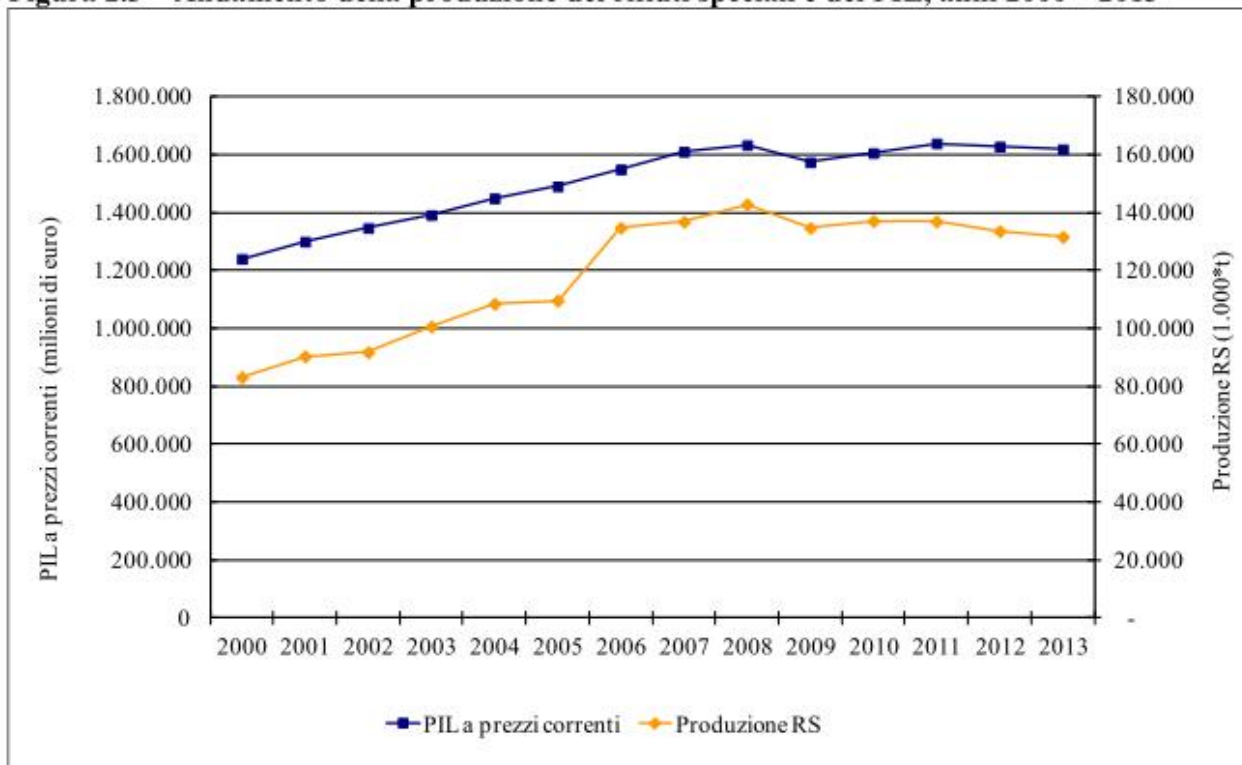
Comparing the trend of the production of waste to the gross domestic product (current prices), we can observe, with reference to the 2000-2013 period, a good correlation, with a R value of 0.9760, indicative of a regression of linear type (Figures 2.2 and 2.3).

Figura 2.2 - Relazione tra PIL e produzione dei rifiuti speciali, anni 2000 – 2013



Fonti: ISPRA, elaborazioni ISPRA su dati ISTAT

Figura 2.3 – Andamento della produzione dei rifiuti speciali e del PIL, anni 2000 – 2013



Fonti: ISPRA, elaborazioni ISPRA su dati ISTAT

**SYNTHESIS OF THE ECONOMIC AND FINANCIAL RESULTS OF
AMBIENTHESIS GROUP AS AT 31.12.2015**

ECONOMIC DATA	ATH Group as at 31.12.2015	ATH Group as at 31.12.2014	Variation %
Revenues	54,790	49,719	10.2%
Operating expenses	-54,732	-52,892	3.5%
Gross operating margin (Ebitda)	58	-3,173	n.c
Amortisation and depreciation	-9,149	-4,573	100.1%
Net operating margin (Ebit)	-9,091	-7,746	17.4%
Pre-tax income	-11,642	-6,943	67.7%
Final net result - Profit/(Loss)	-13.397	-11.044	21.3%

ECONOMIC DATA Adjusted*	ATH Group as at 31.12.2015	ATH group as at 31.12.2014	Variation%
Revenues	54,790	49.719	10.2%
Operating expenses*	-53,844	-50,817	6.0%
Gross operating margin (Ebitda)	946	-1,098	n.c.

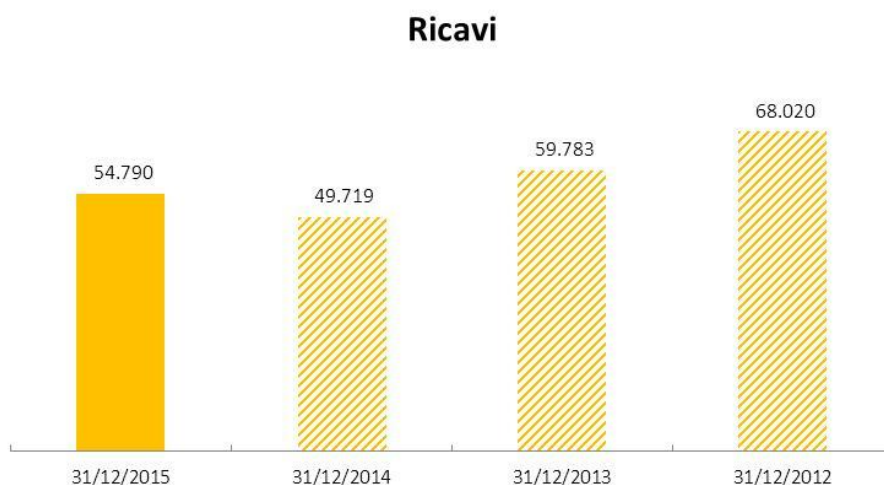
* The adjusted figures express economic values, net of non-recurring values

FINANCIAL DATA	ATH Group as at 31.12.2015	ATH Group as at 31.12.2014	Variation %
Net circulating capital	4,512	11,223	-59.8%
Total assets	115,318	129,864	-11.2%
Equity	47,980	61,039	-21.4%
NFP	ATH Group as at 31.12.2015	ATH Group as at 31.12.2014	Variation %
Net financial position	-8,748	-11,216	-22.0%

Management performance

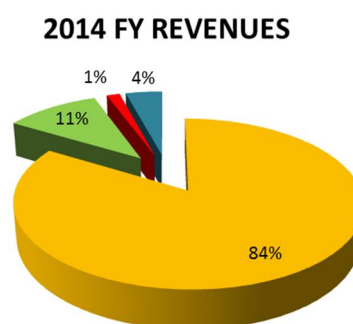
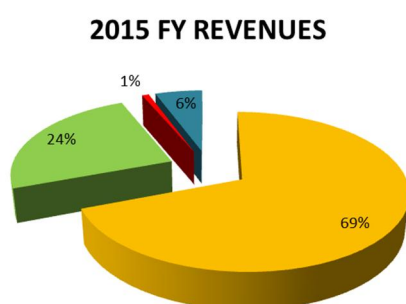
Net consolidated revenues generated by Ambienthesis Group in 2015 sono amounted to 54,790 thousand euros, up by approximately 10,2% compared to last year, amounting, instead to 49,719 thousand Euros.

This value of sales revenues is the result of the combined effect of, on the one hand, the contraction (-8.8%) of revenues from the business area "Disposal, transport and storage of waste" and, on the other of the very positive trend of the revenues deriving from the area of business "Environmental remediation", which went from 5,332 thousand euros in the year 2014, to 13,358 thousand euros in the year 2015, with an increase of over 150%.



The composition of the Group's revenues for the years 2015 and 2014 is shown in the table and in the following charts:

Revenues (Euro/1000)	31/12/2015	31/12/2014	Variation %
Waste disposal, transport and storage	37,926	41,580	-8.8%
Reclamations	13,358	5,332	150.5%
Engineering and Construction	440	740	-40.5%
Other revenues	3,066	2,067	48.3%
TOTAL REVENUES	54,790	49,719	10.2%



■ Trasporto, smaltimento e stoccaggio rifiuti
 ■ Bonifiche
 ■ Costruzione ed engineering
 ■ Altri ricavi

ORANGE: Waste disposal, transport and storage
RED: Other revenues

GREEN: Reclamations BLACK: Buildings and Engineering

Consolidated operating costs in the year 2015 amounted to -54,732 thousand euros, growing by 3.5% compared to last year, which amounted, instead, to 52,892 thousand euros.

Please note that the increase in operating costs compared to 2014 (+3.5%) was lower in percentage compared to the growth dynamics observed in net sales revenues in the same period (+10.2%).

Net of non-recurring items (adjusted), the growth in operating costs compared to 2014 amounted to 6.0% remaining, however, lower than the increase in revenues.

In detail, the "Purchases of raw materials and semi-finished products" increased by 8.4%, the "Services provision" instead increased by 8.7% (7.8% compared to the adjusted data), substantially unchanged, recorded, however, a decrease of about 0,5%, and finally, "Other operating costs and provisions" decreased by 25.2%(the decrease drops to 1.6% compared to adjusted data).

The consolidated gross operating margin was positive for an amount of 58 thousand Euros, compared to a negative result of -3,173 thousand euros in 2014. The aforementioned margin, excluding non-recurring items (adjusted), amounted, instead to 946 thousand Euros compared to the negative margin of -1,098 thousand Euros of last year, thus registering a reversal of the trend compared to the previous period, this confirming the positive reflections on the Group, determined, on the one hand, by the increase in revenues in the "environmental reclamation" sector and on the other by some cost-efficiency measures that are starting to bring their benefits into the income statement of the Group .

The consolidated net final result was negative in the amount of Euro -13,397 thousand (against -11,044 thousand Euros in the FY 2014), after expensing depreciations and write-downs for 9,149 thousand Euros (against the 4,573 thousand Euros of the 2014).

To have a more realistic interpretation of the FY 2015 it is important to note that a series of elements, mostly negative and non-recurring, have occurred and helped to determine the final result as above.

In this regard please find listed below said non-recurring income components:

in millions of Euros	31 December 2015
Extraordinary expenses relating to consultancies on tax disputes	-0.376
Write-down of ATH credit's vs. ILVA S.p.A.	-0.512
Impairment of property values in the Casei Gerola area	-5.445
Impairment of investment in Siad S.r.l.	-1.887
Taxes and charges related to the closure of tax disputes	-1.777
TOTAL	-9.997

More specifically, with regard to non-recurring provisions and write-downs, it should be noted that:

- Among the Trade receivables there is a receivable of 4,442 thousand Euros for invoices issued to Ilva S.p.A., of which 2,270 thousand Euros are subject to proof of debt in the extraordinary administration procedure and 2,172 thousand Euros are generated by services provided subsequently in favour of the procedure, and then certainly pre-deductible. The Directors, currently not possessing indisputable elements to consider the loans subject to lodge among those who will also benefit from the pre-deductibility, in accordance with Legislative Decree 1/2015, waiting to better understand and address the application of the law, and, in this particular case, the decisions that will be taken on the statement of liabilities of the extraordinary administration of Ilva S.p.A., considered, on a purely prudential basis, to carry out a full depreciation of the above receivable amounting to 2,270 thousand Euros of which 1,758 thousand Euros already written down during the preparation of the financial statements at 31 December 2014. On 29.05.2015 and subsequently on 12.12.2015 Ambienthesis S.p.A. has filed proofs of debt, asking the authorization to use the pre-deductibility for the amounts accrued until 01.21.2015, namely until the date of admission of Ilva S.p.A. to the extraordinary administration procedure. The Special Administrators appointed in order to carry on the operations to verify the statement of liabilities, have predicted the following time schedule:

- November 11, 2015 filing of the first partial draft of the statement of liabilities (concerning a first portion of the employees);
- December 24, 2015 filing of the second sub-project of the statement of liabilities (concerning the remaining part of the employees);
- April 15, 2016 filing of the third sub-project of the statement of liabilities (concerning the remaining proofs of debt and claims);
- September 5, 2016 and no later than 24 October 2016 filing of the fourth and fifth sub-project of the statement of liabilities (involving the remaining creditors promptly lodged).

To date, proofs of debt lodged by ATH have not yet been dealt with by the procedure on the basis of the above timetable (which has given priority to the credit positions of the employees).

- In relation to the area of the former sugar factory in the Municipality of Casei Gerola (PV), a write-down of Euro 5,445 thousand was made in order to align the value entered in the financial statements at the fair value. This value was determined by an appraisal performed by an independent expert.
- The change in the value of the investment in Siad S.r.l. is due to the devaluation needed to reflect the reduction in value of the real estate held by Siad S.r.l. considering the value that can be expected from the trend of some ongoing negotiations.
- On last December 14, tax disputes with the Revenue Agency ended following a settlement agreement between the parties. The final transaction with the Revenue Agency entails an incremental economic impact for 2015 of approximately 1,500 thousand euros (plus related fees and consultancy fees).

Below is the reconciliation scheme between the consolidated final net result, as can be seen in the economic situation for the year ended December 31, 2015 and the consolidated final net result net of these non-recurring items.

ECONOMIC DATA In thousands of Euros	31.12.2015	31.12.2014	Variation %	Adjusted data*		
				31.12.2015	31.12.2014	Variation %
Revenues	54,790	49,719	10.2%	54,790	49,719	10.2%
Operating expenses	-54,732	-52,892	3.5%	-53,844	-50,817	6.0%
Gross operating margin (Ebitda)	58	-3,173	n.a.	946	-1,098	n.a.
Amortisation and depreciation	-9,149	-4,573	100.1%	-3,704	-4,573	-19.0%
Net operating margin (Ebit)	-9,091	-7,746	17.4%	-2,758	-5,571	-51.4%
Pre-tax income	-11,642	-6,943	67.7%	-3,422	-6,470	-47.1%
Final net result – profit/loss	-13,397	-11,044	21.3%	-3,400	-4,795	-29.1%

*The adjusted figures express economic values, net of non-recurring values

The above is evidence of the Group's capacity of producing a positive operating margin (Ebitda) and of its operational significance, this despite a context of still widespread general sectoral and macroeconomic difficulties.

Among the positive signs it is to underline the improvement of the net financial position (NFP), which, at 31st December 2015, reached the amount of -8,748 thousand Euros against -11,216 thousand Euros recorded at the end of 2014. Please note that the amount at December 31, last year - in respect of the credit, equal to 20,974 thousand Euros, due to TR Estate Due S.r.l. (Related party), for the activities carried out for the reclamation of

"ex Sisas" areas - did not reflect the amount of +16.4 million Euros related to the amounts collected on 15 January 2016 for 14.3 Millions of Euros and on March 17, 2016 for 2.1 million Euros.

NET FINANCIAL POSITION AS AT 31.03.2016	31.12.2015	31.12.2014
A. Cash	8	12
B. Cash equivalents	484	578
C. Bonds held for negotiation	0	0
D. Cash (A+B+C)	492	590
E. Current financial receivables	1,937	1,962
-of which to related parties	1,937	1,962
F. Current bank debts	-8,788	-10,346
G. Current portion of non-current debt	-395	-1,917
H. Other current bank debt	-1,363	-552
-of which to related parties	1,937	-10
I. Current financial debt (F+G+H)	-10,546	-12,815
J. Net current financial debt (I-E-D)	-8,117	-10,263
K. Non-current bank debt	-590	-884
L. Issued bonds	0	0
M. Other non-current financial liabilities	-41	-69
N. Financial non-current debt (K+L+M)	-631	-953
O. Net financial debt (J+N)	-8,748	-11,216

Remarkable events occurred during the financial year 2015

- Acquisition of new orders

In the year 2016 the acquisition of new job orders contracts totalled 5,934 thousand Euros.

NEW ORDERS - work orders (€/1000)	31/12/2015	31/12/2014	Variation %
TOTAL	5,934	14,963	-60.3%

The consolidated order backlog at December 31, 2015, relating only to "contract activities", amounted to approximately 49 million Euros, of which 43 million Euros in the area of environmental reclamation and 6 million Euros in the construction of plants.

Below are the main orders received during the 2015 financial year:

- Completion of hydrogeological and hydraulic installations for the permanent laying of the Balangero stone landfill - located in the mine of the Municipalities of Balangero and Corio (TO) and interventions related to hydraulic accommodation for permanent safety and reclamation of the basins and tailing ponds, for a total amount, for the Temporary Association of Companies composed of Ambienthesis S.p.A. and Cogeis S.p.A., of approximately 2.3 million Euros (the corresponding share is approximately 1.9 million Euros);
- Safety and reclamation of the "ex Flucosit" area in the municipality of Asola (MN) - "Variant No. 1" and later "Service Order No. 4" - for a total amount of approximately 1.5 million Euros;
- Continuation of the remediation work, following a specific contract change, at the "Syndial" site of Porto Marghera (VE) for an amount of about 740 thousand Euros;
- Works on the Lambro river bank near the site "SIR" (ex "Saronio") in the Municipality of Cerro al Lambro (MI) for a total amount of approximately 458 thousand Euros;
- Conclusion, following a specific Municipal Determination, of the remediation work of hazardous waste removed in the Municipality of Pomezia (Rome) for an amount of approximately 302 thousand Euros;

- removal of asbestos in the context of the construction of replacement works for the elimination of level crossings in the town of Pieve Emanuele (MI) and the Municipality of Borgarello (PV), for a total of about 260 thousand Euros;
- Reclamation and safe-keeping of the land located within the thermoelectric power station of Marghera Levante, in the Municipality of Marghera (VE), and within the Marghera Electric Power Station 4 (VE) for a total amount of approximately 255 thousand Euros;
- Reclamation of tanks at the Bticino S.p.A. Located in the Muscoline (BS) factory, for an amount of 221 thousand Euros.

There are, also, the following additional acquisitions made during the period in question:

- lavori di rimozione e smaltimento, per conto di Anas S.p.A., di frammenti di cemento amianto rinvenuti nell'ambito della realizzazione di opere concernenti la viabilità del Comune di Zanica (BG);
 - messa in sicurezza del surnatante (tramite rimozione della frazione idrocarburica galleggiante sulla falda) presente a valle della discarica OMA presso il Comune di Rivalta di Torino (TO).
- Approved expansion of the accommodation capacity of the plant "La Torrazza"

On January 7, 2015, the Metropolitan City Administration of Turin (formerly the Province of Turin Body), through its Director of the Waste Planning, Management, Reclamation and Environmental Sustainability Service, issued the measure no. 312-47561 / 2014, concerning the substantial modification of the Authorization to operate in possession of the landfill for special hazardous and non-hazardous waste, managed by the subsidiary La Torrazza S.r.l. and located in the municipality of Torrazza Piemonte (TO), near the village "Fornace Nigra". Among the various new provisions envisaged, this substantial change recognizes to La Torrazza S.r.l. the express prerequisite for re-filing the so-called "8" cell cumulus and, therefore, the permission to store into the cell another 94,400 cubic meters of waste, in addition to 346,600 cubic meters previously authorized.

- Approval of contract variant project "Alumix"

During the month of February 2015, in connection with the contract concerning the reclamation, safe-keeping and permanent environmental restoration of the "ex Alumix" area located in the Municipality of Portoscuso (CI), the Agreed Prices Minute for the approval of the so-called "Comprehensive Variant" has been signed. As a result, the total contractual value of the works is now equal to 52,369 thousand Euros, with an increase in the total amount, compared to the one previously approved by the same Client, amounting to 11,452 thousand Euros.

- Signed Contract with Milanosesto S.p.A.

With regard to the land reclamation of the Primo Stralcio of the areas "ex Falck and Scalo Ferroviario" located in Sesto San Giovanni, near Milan, on last November 4 Ambienthesis S.p.A. and Milanosesto S.p.A. have re-phrased, simplifying the existing contractual arrangements, the agreements governing the aforementioned reclamation works, by signing a special contract. It should be noted that what is so signed does not involve any substantial variation on the economic results attributable to Ambienthesis, given that it will continue to perform the same operational activities that it was already carrying out under the contract that had been concluded with Grandi Bonifiche Società Consortile a r.l., in turn already contractor of Milanosesto S.p.A.

- Tax assessments

On December 18 of last year the tax dispute with the Revenue Agency was concluded following a settlement agreement between the parties. A settlement agreement was reached with the provincial offices 1 and 2 of the Revenue Agency of Milan concerning tax litigation, which has been in existence since 2009 and also concerns the former Ecoitalia Srl, referring, on the one hand, to direct taxes (IRES and IRAP) for the years ended September 30, 2005, September 30, 2006, December 31, 2006, 2007, 2008 and 2009 and, on the other, VAT annuality from 2005 to 2009.

This transaction defines the total amount owed to approximately 7,454 thousand Euros, of which 5,573 thousand Euros for taxation, including interest, and approximately 1,881 thousand Euros for penalties (already dropped to 40% of the taxes), to which are to be added approximately 51 thousand Euros for interest rate payments, which will be paid through 12 quarterly installments, the first scheduled for December 30, 2015. It should be noted that Ambienthesis SpA, in the light of the findings of the report prepared by the Technical Adviser (CTU) nominated by the Provincial Tax Commission, in June 2014 had, from a purely transactional point of view, submitted a conciliation to the Revenue Agency, drawn up on the basis of the conclusions of the abovementioned report; for this reason, a provision for risks was recorded in the financial statements at December 31, 2014, amounting to 5,900 thousand Euros.

The definitive transaction with the Revenue Agency entails an incremental economic impact of approximately 1,500 thousand Euros, which is justified in a purely conciliatory approach resulting from the inclusion of the transaction in the years 2004/2005, which were not the subject of the above-mentioned Expert Statement.

- Reclamation works in the area "Ex Sisas"

As it is known, TR Estate Due S.r.l. had entrusted to Ambienthesis S.p.A., as agent and lead manager of a temporary joint venture, the execution of works that TR Estate Due Srl, in turn, was obliged to carry on the area called "Ex Sisas", subject to precise and specific conditions, for the Ministry of Environment, the Lombardy Region, the Province of Milan, the City of Pioltello and the City of Rodano as part of the Programme Agreement signed on 21 December 2007 and the subsequent Addendum, dated 30.09.2009 - 15.10.2009.

In relation to the evolution of this case, which was given ample evidence even in the previous periodic financial reports, to which reference is expressly made, it is acknowledged that the claim by Ambienthesis S.p.A. against TR Estate Due Srl, budgeted at 31 December 2015 for 20,974 thousand Euros (net of tax), was collected in the first months of 2016 for 16,358 thousand Euros (including VAT for 1,487 thousand Euros). has in fact proceeded, in the first instance - as of January 15, 2016 - and as a partial payment, to the payment in favour of the same Ambienthesis S.p.A. of the amount of 14,258 thousand euros and, in the second instance - on March 17, 2016 - to the payment of 2,100 thousand euros.

The above following the company's proposal for cost recognition for the remediation performed on the area "ex Sisas" in Pioltello-Rodano (MI) formulated by the Lombardy Region in favor of TR Estate Due S.r.l. as regards the compliance of the same Region and the Ministry of Environment to the judgment of the Council of State no. 6164/2014; this proposal has resulted in payments by the Lombardy Region in favor of TR Estate Due S.r.l. not fully capacious about the possibility of the latter to issue receipts for, in whole, the debt to Ambienthesis S.p.A.

The Directors, with reference to the residual amount of 6,103 thousand Euros (plus VAT), and notwithstanding the possibility of Ambienthesis S.p.A. to directly cultivate the litigation already ongoing with the authorities, however, indicate that they have reached an agreement with TR Estate Due S.r.l. on the payment terms of the remaining accounting entries, agreeing a deferred and properly secured payment schedule .

- Sadi Poliarchitettura S.r.l.

It seems appropriate to remind that, on 15 November 2014, Sadi Poliarchitettura S.r.l., at the time 100% owned by Ambienthesis S.p.A. and then transferred in 2012 to Special Situations S.r.l., was declared bankrupt

On January 30, 2015, following the declaration of bankruptcy, the company Valdastico Immobiliare S.r.l. lodged proof of debt of a sum, including capital and interest, of 505 thousand Euros (378 thousand Euros with preferential status as per former art. 2764 cc and 127 thousand Euros with pre-deduction status as per former art. 111 LF) for rents and employment benefits arising from the lease contract of the property located in Orgiano. The authorised liquidator has submitted the draft of the statement of liabilities proposing the admission of the claim put forth by Valdastico Immobiliare S.r.l. for 292 thousand Euros with preferential status, 66 thousand Euros as unsecured, and not recognizing the amount of 120 thousand Euros relating to the fees accrued after

the date of bankruptcy, as well as excluding other amounts claimed by way of VAT and interest.

Subsequently, on February 24, 2015, Valdastico has presented written submissions in support of its claim and rebuttal of the project prepared by the liquidator, insisting on the admission of the whole credit.

On April 22, 2015, the Bankruptcy Judge declared the enforceability of claims, recognising, beyond what is suggested by the authorised liquidator in the sum of liabilities, the prededuction status of the occupation rent, amounting to 450,00 Euros daily until the vacation of the premises for a total, as of December 31, 2015, of approximately 185 thousand Euros.

On 21 July 2015, the Liquidator has then notified to Valdastico Immobiliare S.r.l. – subsidiary of Ambienthesis S.p.A. – a writ of summons under which the procedure has requested the assessment of the ineffectiveness of the demerger deed signed on 25 September 2012 (thus promoting a revocatory action). According to the thesis of the proceedings, contested in court by Valdastico, the demerger act, put in place at the time, would have to be considered unlawfully prejudicial in relation to the interests of the creditors of the bankruptcy of Sadi Poli-architettura Srl.

In the hearing on 2 February 2016, the Investigative Judge assigned deadlines for written discussion, the first of which will expire at the end of June 2016.

The very preliminary stage of the discussion does not yet allow us to make a plausible judgment on the outcome of the case, even though the Directors believe there are several and many reasons for contesting the bankruptcy thesis.

- New lines of funding obtained

On July 23, 2015, a contract was signed between Ambienthesis S.p.A., and other companies of the Green Holding Group. on the one part, and Banca IMI S.p.A. on the other, which has allowed, over time, to provide companies with more credit lines in support of their own operations; it was, on the whole, a ("rolling") credit line of 25 million Euros, with the duration of three years, renewable.

- Sale of treasury shares

In accordance with the authorization to hold treasury shares in the portfolio approved by the Shareholders' Meetings on April 24, 2008 and April 29, 2009, the Company proceeded to sell on the Telematic Stock Market, namely from 24 to 27 February, a total of 123,400 treasury shares, equal to around 0.133% of the share capital, at an average (gross) unit price of 0.5662 Euro, for a total counter value of 69.870,60 Euros.

- Approval of the Guidelines underlying the Triennial Industrial Plan 2016-2018 and initiation of the rationalization procedure of the staff

At its meeting on 14 September, the Board of Directors proceeded to examine and approve the strategic and operational guidelines underlying the Triennial Industrial Plan 2016-2018.

In particular, among the interventions envisaged by the aforementioned Guidelines and aimed at achieving greater competitiveness and efficiency gains, on 22 September 2015, a special procedure was launched for the rationalization of staff and the reduction of staff costs.

In this regard, the process of definition of the parameters for the opening of mobility is currently under way and that, following relevant agreements with the trade unions, on 8 April this year, the business reorganization program for the period 1.1.2016-31.12.2017 was approved by the Ministry of Labor and Social Policies, with the consequent authorization to receive the extraordinary salary wage allowance in favor of employees of Ambienthesis SpA.

Events occurred after the 2015 reporting period

- Acquisition of new jobs

During the month of March 2016 it has been granted custody of the service of recovery and/or disposal, including transportation, of dust waste called "residual filtration products from gas treatment and fly ash containing dangerous substances" produced by WTE plants of the Hera Group - Lot. 3, for an indicative contractual amount including inter alia security costs, amounting to 1.757.350 euros. Please also note that the contract will be valid from 1 April 2016 to 31 March 2017 and that it could potentially be renewed for a further two years.

- Partial collection of receivable for reclamation works in the are "ex Sisas" in Pioltello-Rodano

Please refer to the paragraph in the " Remarkable events occurred during the financial year 2015" section.

- Area of San Benigno Canavese (TO) propriety of Green Piemonte S.r.l.

On March 31, 2016, the subsidiary Green Piemonte has been subject to, on the orders of the Prosecutor of Ivrea, an instance of seizure of the area of which it is the owner (and the value of which it is budgeted for Euro 25 thousand) in the municipality of San Benigno Canavese, in proceedings relating to hypothesis of environmental crimes.

Green Piemonte and its sole administrator, assisted by their lawyer who has produced a specific opinion on this matter, believe that the conditions for demonstrating their total extraneous nature to the facts of dispute are fulfilled.

Intra-group relations and related parties

With regard to transactions with related parties, notwithstanding what reported in relation to the position towards TR Estate Due Srl, it should be noted that the same are a normal course of business of the Group companies and are regulated at market conditions, taking into account characteristics of the goods or services involved. Please note that the above transactions do not qualify as either atypical or unusual.

For details regarding the relationships with related parties, please refer to the explanatory notes to the consolidated financial statements.

Human resources and data on employment

In 2015 the income statement includes 6.248 thousand Euros of personnel costs.

The Group's composition at the end of the year, broken down by category, is as follows:

Number of employees	ATH Group as at 31.12.2015	ATH Group as at 31.12.2014	Variation

Directors	8	7	1
Employees	64	70	(6)
Workers	39	40	(1)
Total	111	117	(6)

Information on the environment

The commitment on the issues of social responsibility and of the territory is now an integral part of the principles and the Group's conduct, oriented to technological excellence, maintenance of high levels of safety, environmental protection and energy efficiency, as well as training, awareness and involvement of staff on social responsibility issues.

The Group's environmental strategy, therefore, is based on the following principles:

- optimize the use of energy sources and natural resources;
- minimize the negative environmental impacts and maximize the positive ones
- spread the culture of a correct approach to the environmental themes
- carry out the progressive improvement of the environmental performances
- adopt purchase policies aware of the environmental themes

Investments

During the year, the Group invested a total of 757 thousand Euros, related to the purchase of the normal revamp of the plants, machinery and equipment necessary to carry out the business. For example, mention should be made of the revamping of the land washing plant used for land reclamation activities called "ex Falck" in the municipality of Sesto San Giovanni (MI).

Research and development activities

The Group's research activities, during the year 2015, focused mainly on the analysis of operational measures for the optimisation of the management of owned plants, the development of monitoring and environmental control technologies, the energy efficiency.

In particular, a Secondary Raw Materials Development Facility, an Advanced Abatement System, and a Trigeration Facility are being studied at the Polyfunctional Waste Treatment Platform in Turin.

Expectable management evolution

During the year 2015, even in the presence of signals of production recovery on a national level, it has continued a cyclical phase characterized by unfavourable market conditions; In this context, the Ambienthesis Group has achieved a positive gross operating margin, which assumes an even more significant determination (+946 thousand Euros) if we subtract the costs deriving from non-recurring items.

In order to further strengthen the potential of a program that, over the next three years, from 2016 onwards, will require the management to take into account transactions that can contribute to the growth of turnover even for external lines, it was highlighted the opportunity to start writing off all the fixed assets non-functional to the core activity, fixed assets that were originally covered by real estate development programs. Specifically, we refer to fixed assets in SIAD S.r.l. and properties in the area of Casei Gerola (PV).

The acceleration of a program for the sale of these assets, with the loss of medium-term gains, required, prudently, significant sacrifices on a financial level, but with significant effects on further financial strengthening to be used to increase the core activities of Waste treatment and disposal, and environmental remediation, in Italy and abroad.

While from the financial point of view, further improvements in net financial position are already measurable, with a total of 14,871 thousand Euros (plus VAT for 1,487 thousand Euros), mainly part of the receivable for works executed on the "Ex Sisas" area, economically speaking, the prospective plan targets the growth of moderate and medium-term revenues (also thanks to a strengthening of the business structure) and a reduction in costs aimed at improving margins of the group.

Risks and uncertainties

The main risk factors to which the company is exposed, described below with an indication of the management strategies and policies pursued, are classified into the following macro-categories and are commented below:

- I. Financial Risks
- II. Operational Risks
- III. Strategic Risks
- IV. Compliance Risks

I. – FINANCIAL RISKS (FR)

FR - CREDIT

Class of Risk	Brief description	Detailed description
Financial	Credit Risk	Risk linked to the possibility that trading counterparties may not fulfil the obligations assumed

The credit risk is the Group's exposure to potential losses arising from non-compliance of obligations by trading partners.

Customer solvency and reliability are subject to targeted assessments, both before and after the eventual establishment of the business relationship, which is carried out through timely trust analysis conducted on each customer, potential or already acquired.

The Group governs the aforementioned aspects of this type of risk by means of the following measures:

- 1) During a preliminary stage, retrieval of appropriate information, both of an economic nature and of a legal and administrative nature (as well as historical), on each potential customer, which is aimed at the preliminary evaluation of all the qualitative aspects of the related reliability profile of each of them, as well as their actual creditworthiness;
- 2) Provision of appropriate contractual guarantee clauses, such as advance payments and issuance of sureties (mainly in the form of bank sureties);
- 3) continuous and systematic monitoring of all outstanding loan positions
- 4) Periodic update of the reliability analyses carried out
- 5) Definition of pre-established debt recovery activities;

6) Disputes management.

As in the course of the financial year 2014, the Group also continued to improve, in terms of higher efficiency, the operational synergies already established between the Credit Office and the Purchasing Office, aimed to the integrated management of relationships with all those who, for the Group, are at the same time not only customers but also suppliers.

Among the most significant credit items, please remind again that from Ilva S.p.A. and that due to TR Estate Due S.r.l., for the details of which please see the sections of this Report dedicated to the description of the most significant operating performance and significant events during the reference year.

FR - liquidity

Risk Class	Brief description	Detailed description
Financial	Liquidity Risk	Risks linked to the difficulty of meeting payment obligations due to the lack or insufficient availability of the necessary financial resources

The liquidity risk to which the Group is potentially exposed is due to the lack of or insufficient availability of monetary resources necessary to fulfil its financial obligations within the pre-established terms and deadlines, both in relation to the current operations, as for what concerns the development of planned industrial and commercial activities.

For what concerns normal operations, the Group normally generates adequate liquidity sources, through which it addresses both cash requirements and its obligations of a strictly financial nature. These sources derive, on the one hand, from the marginality of the business and, on the other hand, by the respect of payment terms applied to counterparties, whose collection times are subject to constant monitoring, as already pointed out with reference to the management of the "Credit risk".

The liquidity requirement connected to investments is, however, mostly covered by financial transactions negotiated with primary Credit Institutions.

In particular, in order to contain the risk in question, the Group has adopted some specific strategies, based, in particular, on the elements listed below:

- 1) Particular attention is paid to both the main indicators of financial structure and to the various aspects of reputational nature, that the banking system assesses to attribute creditworthiness;
- 2) The ongoing monitoring of current and prospective liquidity conditions in order to be able to identify sufficiently in advance any misalignments between the availability and the total amount of financial resources which, from time to time, are considered to be functional to ensure the level of operational flexibility deemed appropriate over time;
- 3) The implementation of judicial recuperative actions and the obtaining of appropriate guarantees to protect the Group's assets, with particular reference to the important credit position of the related company T.R. Estate Due S.r.l. (Largely already collected during the first months of the 2016 financial year), for whose details please see the paragraph in this Report dedicated to the description of the most significant events occurred during the financial year 2015;
- 4) The definition, with primary Credit Institutions, of new operations aimed at increasing the available funding lines, including through the structuring of specific programs for the sale of trade receivables originated by the Parent Company;

On this regard, please note that on July 23, 2015, a contract was signed between Ambienthesis S.p.A., and other companies of the Green Holding Group. on the one part, and Banca IMI S.p.A. on the other, which has allowed, over time, to provide companies with more credit lines in support of their own operations; it was, on the whole, a ("rolling") credit line of 25 million Euros, with the duration of three years, renewable.

The Group does not have significant liquidity risk concentrations for what concerns the trade payables.

FR - price

Risk Class	Brief description	Detailed description
Financial	Price Risk	Risk related to the possibility that fluctuations in the purchase price of some production factors may have a negative impact on the profitability of the business

The Group mitigates the risk associated with the volatility of the purchase cost of the production factors by defining contracts - typically annual - at a fixed price or by maintaining consolidated supply relations that allow for price reductions or, in any event, price stability of the goods or services purchased.

In addition, the Group seeks to reduce the risk in question also through specific investments to increase the efficiency of its plants, in order to achieve savings in its energy consumption.

In particular, it should be noted that the implementation of the Central Purchasing Office for Disposal and Transportation within the organizational structure of the Parent Company has allowed to centralise all the activities related to the management of the suppliers of such services, considered critical to the whole Group's business, and consequently to obtain significant operational improvements of the overall supply system both in terms of efficiency and of the costs incurred,.

FR – exchange rate

Risk Class	Brief Description	Detailed description
Financial	Exchange Rate Risk	Risks linked to unfavourable exchange rate changes that may, as a result of the conversion of assets and liabilities denominated in foreign currencies, result in a possible economic loss

During the reference period, the Group operated mainly within the domestic market and did not carry out significant foreign currency transactions, thus avoiding significant exposures in this respect.

In turn, the British subsidiary included in the consolidation scope (SI Green UK Ltd) did not have any significant effects on this aspect, since non-operational.

FR – interest rate

Risk Class	Brief Description	Detailed description
Financial	Interest Rate Risk	Risk related to the chance to increase the financial liabilities due to an unfavourable variation of the interest rates.

Exposure to interest rate risk is mainly due to short-term and long-term financial variable-rate payables, negotiated to maintain a balance between sources and financial lending.

Exposure to interest rate risk deriving from loans is, however, mitigated by the subscription of interest rate swaps aimed to manage the volatility of future cash flows indexed at the market rate.

In addition to the above, the Group monitors and hedges the underlying risk through two additional levers:

- 1) The constant analysis of the trend in interest rates in relation to the performance of the financial markets;
- 2) A policy for collecting loans with a predominance of the fixed rate over the variable one, especially with regard to medium and long-term funding.

Please note that the Group is currently mainly exposed to short-term bank loans.

II. – OPERATIONAL RISKS (OR)

OR – permits/certifications

Risk Class	Brief Description	Detailed description
Operational	Permit/Certification Risk	Risk linked to the lack of permits and/or certifications that impact on operations

The Group mitigates the risk of possible failure to maintain over time the necessary authorizations and certifications for its activities, especially in terms of renewals and deadlines, by means of adequate internal information monitoring and control systems.

For this purpose, the Group uses a specific instrument for the management and monitoring of renewals/deadlines of authorizations and certifications, overseen directly by the Technical Directors of the various plants.

Following the merger transaction completed on 31 December 2013, through which the parent company Ambinthesis S.p.A. has incorporated five companies fully owned directly or indirectly, the specific path identified with the Certification Body subsequently resulted in the issue on 28 February 2014 of a unified multi-site certificate structured as follows:

- 1) Unified certificate UNI EN ISO 9001: 2008 - Quality, issued in a unified version including the sites of Orbassano (TO), San Giuliano Milanese (MI) and Segrate (MI), as well as the activities of "designing and carrying out environmental remediation; design and construction of plants for the treatment/disposal of waste; designing, building and management of energetic recovery plants";
- 2) Unified Certificate UNI EN ISO 14001: 2004 - Environment, resubmitted on 27 February 2014, in a unified version including the sites of Orbassano (TO), S. Giuliano Milanese (MI), Liscate (MI) and Segrate (MI), as well as the activities of "designing and carrying out environmental remediation; design and construction of plants for the treatment/disposal of waste; designing, building and management of energetic recovery plants";
- 3) BS-OHSAS 18001 certificate: 2007 - Safety, remained unchanged and active for the sites of Orbassano (TO) and Segrate (MI) concerning the activities of "designing and carrying out of environmental remediation";

Please also note that the site of Liscate (MI) is also in possession of the EMAS registration issued on 11th June 2014

OR – litigation

Risk Class	Brief Description	Detailed description
Operational	Litigation Risk	Risks related to current or future litigations

The risk involved is mitigated through different measures depending on the type of litigation.

As regards, in particular, relationships with customers and suppliers, this risk is primarily managed through the contractual instrument as an element to minimize the onset of possible disputes between the parties.

In this regard please note that the Group, in the definition of contracts with its counterparties, provides for the insertion of a special clause on the observance of the principles and rules contained in Legislative Decree no. 231/2001, as well as the observation of the Code of Ethics and the Extract of the Organizational Model ex D.Lgs. 231/2001 by Ambienthesis S.p.A.

Please also note that on last December 14, tax disputes with the Revenue Agency ended following a settlement agreement between the parties. For details see the paragraph of this Report dedicated to the description of the most significant events that took place during 2015.

It should also be noted that on 21 July 2015, the Liquidator of Sadi Poliarchitettura S.r.l. has notified to Valdastico Immobiliare S.r.l. – subsidiary of Ambienthesis S.p.A. – a writ of summons aimed at showing the ineffectiveness of the demerger deed signed on 25 September 2012. As highlighted in detail in the corresponding paragraph of this Report, dedicated to this subject, it is believed that there are several and many reasons for contesting the thesis of the Bankruptcy.

No further evidence of legal disputes relating to the legal proceedings of previous years has been identified. Finally, please note that there are no new disputes relevant to the same and/or other matters.

OR - plants

Risk Class	Brief Description	Detailed description
Operational	Plants Risk	Risk related to possible improper functioning of the plants or sudden arrest of the same

The Group considers the constant maintenance and the progressive modernization of its facilities as critical elements to ensure the quality of the work performed.

In order to limit the risk of a possible interruption of production due to the failure or inadequate functioning of the plants, ordinary and extraordinary maintenance is carried out, utilizing, for this specific purpose, periodic service contracts based on specific inspection protocols established by the manufacturer, and characterized by high levels of service that must be guaranteed by the supplier called to perform, on a case by case basis, various maintenance operations.

In particular, the Group schedules and periodically monitors internal and external maintenance using a dedicated software; special formalised procedures are also in place to deal with emergencies, such as an unforeseen block in the operation of the same plants.

In this regard we underline that, during the year, the Group invested a total of 757 thousand Euros, and that said investment is essentially related to the normal revamp of the plants, machinery and equipment necessary to carry out the business. For example, mention should be made again of the revamping of the land washing plant used for land reclamation activities called "ex Falck" in the municipality of Sesto San Giovanni (MI).

OR - accidents at work

Risk Class	Brief Description	Detailed description
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Operational	Injuries Risk	Risks of accidents on the workplace
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The Group adopts high levels of control to ensure full compliance with the legislation on health and safety of workers.

In particular, the system of proxies and powers of attorney in place ensures that the corporate subjects responsible for the various health and safety issues (the latter chosen for this purpose, since possessing the necessary knowledge) are at the same time given the management and spending powers to meet these needs in a timely manner, even in cases of urgency.

The Group has the BS-OHSAS 18001: 2007 certification (active for the site of Orbassano (TO), as well as for that of Segrate (MI) for "designing and implementing of environmental remediation"), which attests compliance with high standards for the overall workplace safety management system.

The Group has also adequate procedures to carry out periodic internal audits aimed at assessing the degree of safety of different work environments, paying particular attention to productive sites.

The Group is constantly investing in workplace health and safety training, delivering specific courses periodically, differentiated for all different professional roles.

OR – subjects in Temporary Business Associations/ JVs

Risk Class	Brief Description	Detailed description
Operational	Risk linked to subjects in TBA/JVs	Risk Related to the identification of subjects for the establishment of TBAs/JVs

The Group mitigates the risk associated with relationships with TBAs/JVs partners, potentially relevant to the business of environmental reclamation, through a particularly targeted selection of the same, which is conducted on the basis of a careful evaluation of their reliability and operational capacity, also in order to comply with the different requirements set out in any invitation to tender.

On the basis of a consolidated practice, individual TBAs are always structured to ensure the complementary skills required. In this sense, all components of each TBA must be subject to specific requirements, attested by technical documents and verified by the Tender Office beforehand.

The Group promotes the use of legal protocols designed to activate, in accordance with the Anti-Mafia Guidelines, specifically coordinated monitoring and supervisory procedures for the data of the entire business chain involved in the individual contracts.

OR - Counterparty requirements

Risk Class	Brief Description	Detailed description
Operational	Counterparty requirements risk	Risk related to the possibility of dealing with subjects (suppliers / customers) who are not in possession of adequate requirements (capital / financial / ethical)

With reference to the various businesses in which it operates, the Group mitigates this risk (on the supplier side) through a scrupulous process of selection and timely evaluation of the various suppliers to which it can potentially resort, declared and formalised within the Group purchasing procedure ("Supplying" procedure). In the most important cases, the Group carries out special audits at final disposal facilities managed by third parties in order to verify their adequacy in terms of requirements and permits possessed.

In defining contracts with its customers, the Group provides for the inclusion of a specific clause in respect of the principles and rules set out in Legislative Decree no. 231/2001, as well as the observation of the Code of Ethics and the Extract of the Organizational Model ex D.Lgs. 231/2001 by Ambienthesis S.p.A ..

The Group promotes the use of legal protocols designed to activate, in accordance with the Anti-Mafia Guidelines, specifically coordinated monitoring and supervisory procedures for the data of the entire business chain involved in the individual contracts.

The Group is also evaluating the implementation of a specific procedure, possibly supported by a dedicated application, allowing constant monitoring of its customers according to specific ethical parameters.

OR - Information systems in support of the Purchasing Office

Risk Class	Brief Description	Detailed description
Operational	Risk linked to Information systems in support of the Purchasing Office	Risk linked to the possible occurrence of technical-operational problems in information systems supporting supply activities

The Group manages the risk that purchasing management information systems are not adapted to changing business dynamics by dedicating specific resources to the ongoing improvement of existing systems, as well as the implementation of an integrated information system.

This activity is carried out by the Purchasing Department's staff in close collaboration with the IT group and the providers of the information systems themselves.

It is precisely with the aim of creating an integrated information system, that it should be noted the constant updating and feeding of a special database where all information, both of personal and technical nature, relating to all the suppliers, are collected and catalogued.

OR - Information systems in support of the Tender Office

Risk Class	Brief Description	Detailed description
Operational	Risk linked to Information systems in support of the Tender Office	Risk linked to the possible occurrence of technical-operational problems in information systems to support the monitoring, identification and selection of tenders

The Group mitigates the risk of technical and operational issues in the information system dedicated to the monitoring, identification and selection of tenders, mainly through maintaining a strong relationship with the "historical" provider of the service.

The Tender Office staff also have the professional and technical skills necessary to independently search for tenders through additional channels, thus minimising the potential risk of incomplete or inaccurate identification of all bidding opportunities potentially of interest.

OR - organizational structure

Risk Class	Brief Description	Detailed description
Operational	Organizational Structure Risk	Risk linked to an organisational structure not aligned with the pursuit of the strategic goals

The Group mitigates possible risks deriving from a type of organisational structure not aligned with the strategic objectives pursued by the Group itself by defining and periodically revising the structure itself, in order to ensure that the latter is always sufficiently articulated both in terms of staff numbers and in terms of skills required.

In particular, this is mainly possible through constant monitoring and evaluation of the overall structure of the Group's objectives as well as those of each single business line.

The appointment of a new Commercial Director in Mariagrazia Subacchi and, more generally, the optimization of the current sales network are two actions that fit both into the broader internal reorganization process that the Parent Company is implementing with the aim of further increasing the level of services offered to its customers, and of responding more and more timely and punctually to the distinct needs expressed by each individual customer.

OR – job orders evaluation

Risk Class	Brief Description	Detailed description
Operational	Job orders evaluation Risk	Risk linked to an incorrect estimate of contract costs

The Group operates mainly with jobs within the business relating to environmental remediation. In order to closely monitor the performance of contract costs, the Group has structured a specific process of analysis covering: (i) the expected costs and possible deviations of the costs compared with what had been estimated in the definition of the budget; (ii) the related margins; (iii) extra-budget amounts; (iv) any revised budget.

The advancement of the various job orders is checked through the regular preparation of their PotWs ("Progress of the Works") and of specific detail reports, through which the costs and revenues referring to each of them are recorded analytically.

In particular, the Management Control Office monitors monthly the costs incurred and the resulting accrued revenues by implementing a single summary table summarising the cost and revenue items of all ongoing orders.

OR - risk of non-realization of revenues

Risk Class	Brief Description	Detailed description
Operational	risk of non-realization of revenues	Risk related to the reduction of market shares / volumes of activity or lack of control over the variants of orders

In order to minimise the risk associated with the reduction in market shares and/or volumes of activity, the Group has continued to strengthen and improve its commercial network, activity already started in previous years.

Specific actions have been carried out in this area to give greater impetus to the quantities of incoming waste at the different treatment plants of the Group, both for the solid waste line and for the liquid waste one.

Again with reference to the business of the treatment and disposal of industrial waste, the full-time operation of the plant managed by Daisy S.r.l. is providing the Group with additional volumetric space usable, as well as the approval of the extension of the capacity of another plant, i.e. the one operated by La Torrazza S.r.l., is leading to more synergic effects for the whole Group

The possibility of a non-timely identification and evaluation of the possible commercial opportunities arising from participation in tenders is mitigated by the presence, within the company structure, of a Tender Office specifically designated for this purpose, as well as by a dedicated service provided by an external agency with the object of identifying and reporting potential bids for the Group.

On the other hand, the revenues from ongoing reclamation work orders, whose advancement is intrinsically subject to the possible manifestation of unpredictable elements and which leads to a distribution of the revenues in question over a wider time span, the Group evaluates the definition of specific agreements with the customer in order to establish the related variants or any reserves to be indicated in the Reports about the WIPs. The variants of the latter are usually defined according to a "contradictory" procedure with the customer through the preparation of appropriate record documents.

On the basis of the most recently approved guidelines, the Group seeks, on the one hand, to strengthen and develop market positions, both in Italy and abroad, in the fields of brokering and processing, recovery and disposal of industrial waste, and on the other, to continue to push the growing process of acquisition of new environmental remediation contracts on the basis of a broad and articulated plan of proposals and offers.

III. – STRATEGICAL RISKS (SR)

SR - Macroeconomic trend

Risk Class	Brief Description	Detailed description
Strategical	Macroeconomic trend Risk	Risk linked to the possibility that the Group's financial and economic position may be negatively influenced by exogenous macroeconomic factors

The Group systematically monitors the reference macroeconomic framework in order to detect, in a timely manner, potential unfavourable trends and to plan, if necessary, related corrective actions.

Even though the reference year has been marked by some signs of national recovery, the previous economic situation, characterised by unfavourable market conditions, has not yet undergone a clear and steady trend reversal.

In this context, however, the Group has been able to achieve a positive gross operating margin, which, if purified from non-recurring costs, would be quite significant (+945 thousand Euros)

SR - competition

Risk Class	Brief Description	Detailed description
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Strategical	Competition Risk	Risk linked to the possible entry of new competitors in the business sectors
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The risk of new competitors entering the market is mitigated by factors that are inherent to the businesses in which the Group operates, such as market fragmentation, difficulty in entering the market and the need to have specific authorizations and certifications, including SOAs certifications, which involve periodic verification of the possession of adequate technical, organizational, financial and economic requirements.

The Tender Office regularly monitors, by updating a special database, the percentage of tenders won in respect of the total number of invitations to tender to which the Group companies take part in.

The Group intends to further mitigate the risk of competition on the domestic market, also by gradually increasing its presence on the foreign market.

SR – business growth

Risk Class	Brief Description	Detailed description
Strategical	Lack of business growth Risk	Risk related to the lack of monitoring of business opportunities that arise on the market or the incorrect management of the same

The Group mitigates the risk linked to a possible lack of monitoring of market opportunities or mismanagement of the business opportunities through the use of a formalised procedure to identify, select and assign to the competent subjects the various opportunities that may arise.

The risk of lack of business growth in the waste treatment and disposal sector is dealt with proactively by researching and acquiring new customers nationwide.

With regard to the environmental reclamation business, the Group constantly monitors the opportunities offered by both public and private customers, with growing attention to the foreign market.

The Tender Office, also by using the support provided by a specialised agency, monitors daily the invitations to tender to which the Group can participate.

SR - Dependence on customers

Risk Class	Brief Description	Detailed description
Strategical	Dependence on customers Risk	Risk related to contractual dependency on one or few customers

The Group mitigates this type of risk through constant monitoring of its customer base in order to identify potential contractual dependency situations where the turnover obtained from a single counterparty significantly exceeds incidence thresholds on the overall turnover in each business line.

SR – Dependence on suppliers

Risk Class	Brief Description	Detailed description
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Strategical	Dependence on suppliers Risk	Risk linked to contractual dependence with certain suppliers such as to lead to blocks in the normal business operations.
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The Group mitigates the potential risk of contractual dependence on suppliers by using the following measures:

- 1) The constant updating and periodic verification of the Group purchasing procedure ("Procurement" procedure) with the purpose of regulating: (i) the flow of supply activities; (ii) roles and related responsibilities; (iii) the specific risks of the various stages of the process; (iv) controls on the process; (v) how to manage and archive the documentation; (vi) the distinction, on the basis of predefined parameters, between critical and non-critical suppliers;
- 2) the centralization of the business functions in question;
- 3) The implementation of a structured data storage system and information system on bids issued by potential suppliers.

SR – Dependence on key human resources

Risk Class	Brief Description	Detailed description
Strategical	Dependence on key human resources Risk	Risk related to the possible dependence on human resources considered as "key"

The Group constantly monitors the risk in question, in relation, particularly, to commercial and technical personnel working in the various business lines.

More specifically, in order to contain said risk, the Group intervenes through: (i) continuous training; (ii) incentives and benefits; (iii) a structure of operative proxies.

SR - reputational

Risk Class	Brief Description	Detailed description
Strategical	Reputational Risk	Risk linked to the possible deterioration of the image of the Group and the reputation it has on the market, which is likely to have adverse effects on the overall performance of the business

The Group pays particular attention to the management of reputational risk. This is done through initiatives that involve an active role in projects with key players in the industry, as well as presence in major trade fairs in the reference market (eg Ecomondo).

In the course of 2014, the Parent Company updated its business brochure, and subsequently in complementarity with the presentation, its own website, which became operational in April 2015. The latter was redefined with the aim of expanding the amount of available content and facilitating the related usability.

It is noted that the Jury of the "Sustainable Development Award 2015", promoted by the Foundation for Sustainable Development and Ecomondo - Rimini Fiera, with the participation of President Sergio Mattarella, who has given a medal of representation to the initiative, has included Ambienthesis SpA among the nine meritorious companies, with reference to the category of the Prize called "Waste and Resources", where products, services and good practices were considered, including, among others, issues related to the circular economy, the collection, management and exploitation of waste, the reclamation of polluted sites and the recovery of matter. The jury considered Ambienthesis S.p.A. deserving of this recognition by virtue of its mobile soil wash

plant, to carry out on-site washing of contaminated soil, currently used at the "ex Falck" working site of Sesto San Giovanni (MI).

It should also be noted that the name of the Parent Company is also included in the list established by the Prefecture pursuant to art. 1, paras 52-57, L. 190/2012 (so-called "whitelist").

SR – full operational use of the production capacity

Risk Class	Brief Description	Detailed description
Strategical	Risk of lack of full operational use of the production capacity	Risk related to non-exhaustive use/exploitation of plants and / or production capacity in general, with consequent impact on achievable business volumes

Like the previous years, the Group has demonstrated a sufficient level of capacity to use its plants throughout the year 2015.

The possible failure to use full production capacity is mostly related to the continuing unfavorable economic trends of the sector, rather than to intrinsic factors of the Group's own plants.

IV. – COMPLIANCE RISKS (CR)

CR - Waste classification

Risk Class	Brief Description	Detailed description
Compliance	Waste classification Risk	Risk associated with an incorrect classification of waste and consequent inadequate management of the same

The Group operates continuously to minimize the risk of incorrect classification of waste and the consequent inadequate management of the same. To this end, each Group's operational unit has adopted a punctual and structured procedure that governs the entire waste transfer cycle from the acceptance phase to the last scheduled destination and which guarantees full tracking throughout the chain.

In addition, the Group provides technical training activities related to updates that might intervene in the legislation on the classification of waste.

CR - Code of Conduct

Risk Class	Brief Description	Detailed description
Compliance	Risk of non-compliance with the Code of Conduct	Risk associated with non or partial compliance with the recommendations of the Code of Conduct for all listed companies

The Parent Company is aware of the importance and the opportunity to conform its Corporate Governance system to the guidelines contained in the Code of Conduct for listed companies, whose most recent edition is July 2015 (the "Code").

During the reference period, the Parent Company, with the specific commitment and under the supervision of both the Control and Risk Committee and the Board of Statutory Auditors, continued to focus on the centrality of the Internal Control System and Corporate Risk Management, furthering the development and implementation of a "Risk-Based Audit Plan", which is in turn the result of a precise process of risk analysis and prioritization which, in the scope identified by the Code, leads to the identification of specific tests aimed at verifying the effectiveness of the internal control system with explicit reference to the risks selected and considered a priority.

It is the will of the Parent Company to proceed, even during the year 2016, both to the implementation and to the integration of the Audit Plan.

CR – regulation 231/01

Risk Class	Brief Description	Detailed description
Compliance	Risk of non-compliance to the regulation "231"	Risk associated with non or partial compliance with the regulation <i>former</i> Legislative Decree no. 231/2001

The Group is sensitive to identifying the conditions required to ensure that the structure complies with the regulatory requirements set forth by Legislative Decree 231/2001 (the "Decree") on corporate liability.

In this regard, it should be noted in particular that the Parent Company has recently updated its Model of Organization, Management and Control ex D.Lgs. 231/2001 (the "Model") in view of the regulatory changes made by: (a) Law no. 186 of 15 December 2014, "Provisions on the emergence and reintegration of capital held abroad and for the strengthening of the fight against tax evasion. Provisions on self-laundering", introduced by Art. 25-octies of the Decree, the unlawful act of self-laundering (Article 648 (1)); (B) L. n. 68 of May 22, 2015, "Provisions in the field of crime against the environment", which has supplemented art. 25-undecies of the Decree by introducing new unlawful criminal offenses (452 bis and ss. C.p.); (C) L. n. 69 of May 27, 2015, "Criminal Offenses against Public Administration, Mafia and False Assets in the Budget", which, among other things, amended and supplemented art. 25-ter of the Decree on Corporate Offenses.

The update process of the Organizational Models is always under the supervision of the companies' respective Supervisory Bodies, which - in view of a broader integration of all control activities - periodically compare themselves with the other parties involved in the company's internal control system, such as the Audit and Risk Committee, the Board of Statutory Auditors and the Group's Internal Audit function.

Aware of the importance that training and information aspects take in a prevention perspective in accordance with Legislative Decree no. 231/2001, the companies - with the support of the Supervisory Bodies - provide for the internal distribution of the up-to-date versions of the Organizational Models and the related training activities, carrying on with the training course already undertaken over the previous years.

CR – regulation 262/05

Risk Class	Brief Description	Detailed description
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Compliance	Risk of non-compliance to the regulation "262"	Risk associated with non or partial compliance with the regulation <i>former</i> Law no. 262/2005
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The Group has implemented the requirements of the regulation "262", having appointed the Manager responsible for the preparation of the Company's financial reports and having adopted a Model of Statutory Audit and Management Report pursuant to art. 154-bis of Legislative Decree no. 58/98 (ie "Administrative Procedures Manual"), with the aim of providing the Appointed Manager and the resources used, with a set of operating procedures to support the activities carried out so as to allow the issuing of the certification provided for in Law n. 262/2005.

Please note that the Parent Company is currently carrying out a specific process aimed at updating the procedures contained in the Manual with the ultimate aim of ensuring a better adherence of the entire procedural complex not only to the new organizational set-up of the company but also to the new information and accounting system that is expected to be completely implemented within the current year

CR – Environmental regulation

Risk Class	Brief Description	Detailed description
Compliance	Risk of non-compliance to the environmental regulation	Risk associated with non or partial compliance with the environmental regulation

The Group constantly monitors any evolution of environmental legislation in order to ensure, in particular, the full respect of both the provisions of the Single Environmental Act (Legislative Decree 152/2006) and the fulfillment of the requirements of the European Regulation on cross-border transportation.

The main measures taken to ensure the Group's consistent alignment with the relevant legislation are represented by:

- 1) Expertise of the Technical Officers of each business line for the continuous monitoring of legislative and regulatory changes;
- 2) Internal audits carried out by the aforementioned Technical Officers, as well as the Group's Internal Audit function;
- 3) checks on all cross-border transporters, both on arrival at the local units, and during the waste transport;
- 4) maintenance over time of special authorizations and certifications also considered as a constant incentive for the alignment with the legislation;
- 5) subscription to regulatory newsletters issued by professional associations;
- 6) Use of appropriate IT tools, such as on-line regulatory databases.

Please also note that, as a further lever of environmental risk management and in response to the growing focus on such issues, both the Parent Company and its subsidiaries Bioagritalia S.r.l. and La Torrazza S.r.l. are equipped with an Organisational Model Former Legislative Decree 231/2001 based on an accurate risk-assessment of environmental crimes included in the art. 25-*undecies* of Legislative Decree no. 231/2001.

In this respect, the Parent Company's Organizational Model has already been updated to the most recent environmental crimes in Legislative Decree no. 231/2001 (see Law No 68 of 22 May 2015, "Provisions on environmental crime", which has supplemented Article 25-*undecies* of Legislative Decree 231/2001 by introducing new Unlawful acts in relation to environmental offenses (452 bis and pp.).

Among the various environmental permits, a special importance is attributed to the Integrated Environmental Authorization, which has replaced dozens of different authorizations previously required, and whose renewal allows individual structures to consistently comply with applicable regulatory standards.

CR - legislation on safety at work

Risk Class	Brief Description	Detailed description
Compliance	Risk of non-compliance to the Legislation on health and safety at work	Risk associated with non or partial compliance with the former <i>Legislative Decree</i> . no. 81/2008

The Group mitigates the risk of non-compliance or partial compliance with the regulations on health and safety at work, as well as on all the requirements set forth by Legislative Decree no. 81/2008, through the constant maintenance and updating of the "Security Management System" over time.

The Group has the BS-OHSAS 18001: 2007 certification (active for the sites of Orbassano (TO) and Segrate (MI) for the "design and implementation of environmental remediation" activities), which attests its compliance with high standards for the overall workplace safety management system.

The main measures taken to handle this risk are represented by:

- 1) Continuing training, an element considered of strategic importance by the Group and on which the latter invests continually;
- 2) Periodic audit activities (external audits, internal audits and audits pursuant to Legislative Decree 231/2001);
- 3) subscription to regulatory newsletters issued by professional associations;
- 4) The use of appropriate IT tools, such as on-line regulatory databases.

CR – Consob Regulation on "Related Parties"

Risk Class	Brief Description	Detailed description
Compliance	Risk of non-compliance to the Consob Regulation on "Related Parties"	Risk associated with non or partial compliance with the Consob Regulation on "Related Parties"

In November 2010, the Group adopted its internal rules on transactions between related parties, in accordance with the specific rules issued by Consob.

If there are no cases of exclusion expressly provided, the aforementioned rules of procedure provide for the adoption of a specific procedure for the examination and approval of transactions between related parties, aimed at the identification of the following elements in detail:

- 1) The essential features of the operation (price, execution conditions, payment times);
- 2) the underlying economic reasons;
- 3) The description and analysis of the related economic, capital and financial effects;
- 4) The assessments of the fairness of the fees applied in relation to market values for similar transactions.

The Group has drawn up and keeps a specific list of its related parties updated over time.

With the preparation of the Annual and Interim Financial Reports, as well as the quarterly disclosure, the Group is in charge of the development and update of all the relevant statements summarising the outstanding transactions during the reported period.

The agenda of the meetings of the Parent Company's Board of Directors always covers the analysis and discussion of any transactions with related parties.

Lastly, it is noted that a process of updating the internal rules on transactions between related parties is in place in the Group, also in order to incorporate in this document, in accordance with best practices, all the various control activities that have been progressively implemented in the daily practice since 2010, in addition to the necessary formal alignments.

Synthesis of the economic and financial results of Ambienthesis S.p.A. as at 31.12.2015

The financial statements of AMBIENTHESIS S.p.A. closes, mainly due to non-recurring items, with a loss of Euro 16,297 thousand, after deducting amortisation and write-downs for Euro 7,625 thousand.

ECONOMIC DATA In thousands of Euros	31.12.2015	31.12.2014	Variation %
Revenues	54,483	49,820	9.4%
Gross operating margin (Ebitda)	-1,042	-5,636	-81.5%
Net operating margin (Ebit)	-8,667	-8,365	3.6%
Pre-tax income	-14,567	-7,667	90.0%
Final net result – profit/loss	-16,297	-11,434	42.5%

FINANCIAL DATA In thousands of Euros	31.12.2015	31.12.2014	Variation %
Net financial position	-5,082	-6,339	-19.8%
Total assets	121,555	138,501	-12.2%
Equity	57,294	73,483	-22.0%

In order to obtain a homogeneous comparison between operating results net of negative non-recurring items which, in the year 2014 amounted to 5,932 thousand Euros and in the year 2015 were instead equal to 12,800 thousand Euros (and listed below), the Company's financial statements were revised in "adjusted" terms, thus adopting a standardization of the results.

These results showed an "adjusted" loss of -3,497 thousand Euros in the FY 2015 (against a loss of Euros - 5,502 thousand in the previous FY).

Extraordinary charges related to tax consultancy fees	-376
Ilva S.p.A.Credit Write-down	-512
Impairment of property values in the Casei Gerola area	-5,520
Taxes and charges related to the closure of tax disputes	-1,777
Write-down of Valdastico Immobiliare Srl investment	-3,630
Write-down of SI Green UK investment	-985
TOTAL	-12,800

ECONOMIC DATA In thousands of Euros	Adjusted data*		
	31.12.2015	31.12.2014	Variation %
Revenues	54,483	49,820	9.4%
Gross operating margin (Ebitda)	-154	-3,878	-96%
Net operating margin (Ebit)	-2,259	-6,607	-65.8%
Pre-tax income	-3,544	-7,511	-52.8%
Final net result – profit/loss	-3,497	-5,502	-36.4%

*Adjusted figures express economic values net of non-recurring values

Calling of the shareholder's meeting

The Board of Directors, where permitted by the law and having to prepare the consolidated financial statements, has decided to call the Shareholders' Meeting for the approval of the 2015, financial statements, approved by the Board of Directors, within the maximum period of 180 days from the end of the financial year. As a result, it will be submitted to the Shareholders' Meeting for approval on 27 May 2016 (3 pm) on first call and second call on 30 May 2016 (3 pm).

It is anticipated, given the Company's shareholding structure, that the Shareholders' Meeting may validly be held on 27 May 2016.

The Board of Directors also proposes to cover the full year loss of Euro 16,296,732.72 through the use of the following reserves:

- Premium reserve Euro 14,356,248.30
- Other reserves (Merger surplus) Euro 1,940,484.42

The next Shareholders' Meeting will be called to deliberate on:

- the proposal for approval of the 2015 annual budget;
- the remuneration policy;
- the renewal of the Board of Directors.

Segrate, 13 April 2016

To the Board of Directors
The Chairman
Eng. Alberto Azario