Annual Report 2011 • Amsterdam Commodities N.V.

Contents

Main points 2011

Focus on Food yields record results

- Sales € 571 million (2010: € 375 million, +52%)
- Profit from recurring operations € 26.8 million (2010: € 18.2 million, +47%)
- Net profit € 26.2 million (2010: € 15.5 million, +69%)
- Net earnings per share (basic) € 1.13 (2010: € 0.865, +31%)
- Proposed total dividend € 0.65 per share (2010: € 0.50, +30%)

The 2011 result reflects:

- Prolonged price increases of food commodities to record levels
- Record performance Catz International, Van Rees Group and Snick FoodIngredients
- Successful integration new group companies Red River, Van Rees and King Nuts
- Challenging climatic, political and economic environment
- January 2011: full conversion of remaining convertible bonds

Acomo Mission Statement

Our mission is to achieve long-term sustainable growth for our shareholders through consistent growth of Earnings per Share, allowing for continued high dividend pay-outs representing above-market dividend returns.

Group strategy: Focus on Food

Earnings per Share growth will be pursued by maximising opportunities in the international sourcing, trade, processing and distribution of niche food commodities, ingredients and semi-finished products for the food industry. Acomo keys to success are its worldwide sourcing capabilities, absolute reliability of contracts, effective risk management, operational excellence and corporate responsibility.

Acomo actively pursues two parallel avenues:

- autonomous growth of and from within the trading subsidiaries, by diversifying the product assortment, geographies and channels, integration in the value chain and bolt-acquisitions in adjacent activities; and
- acquisitions of leading companies in niche food commodities and ingredients for the food industry, with a successful management track record, and contributing to the earnings per share of Acomo.

Our operational and financial selection criteria are strict because we do not want to compromise the high profitability of the existing activities and the other achievements and values of the Group.

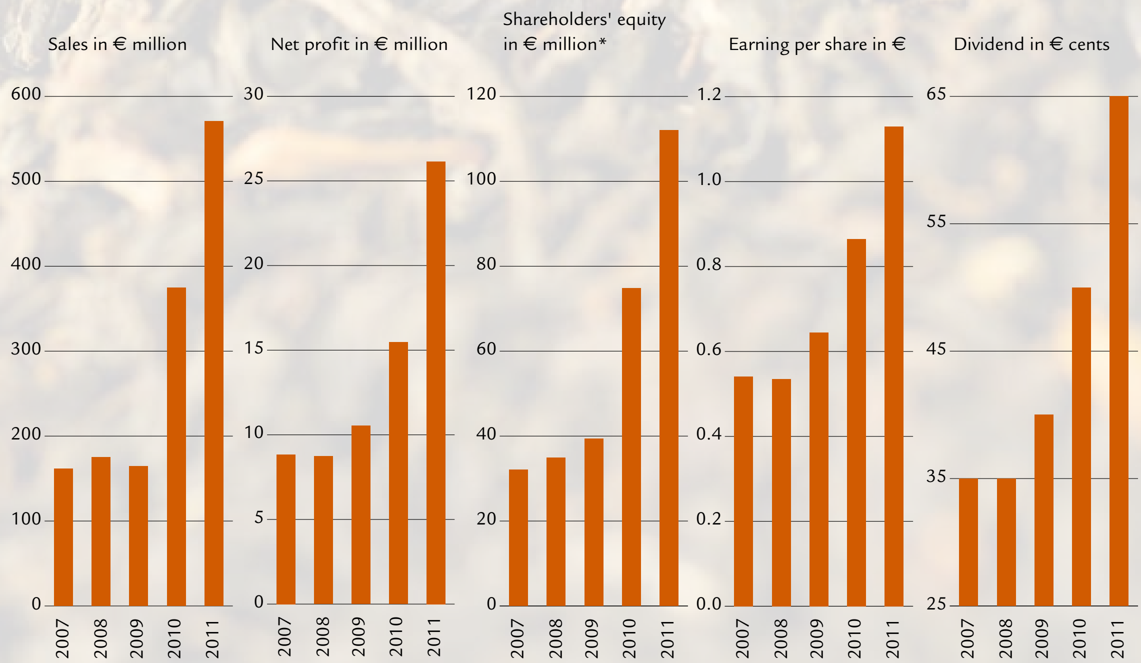
Financial objectives

Among the financial objectives of the Company and its subsidiaries are:

- achieving, in the long-term, net annual profits in excess of 15% of shareholders' equity;
- safeguarding and strengthening the capacity to generate future profits by maintaining a strong balance sheet and sound financial ratio's.

Key figures

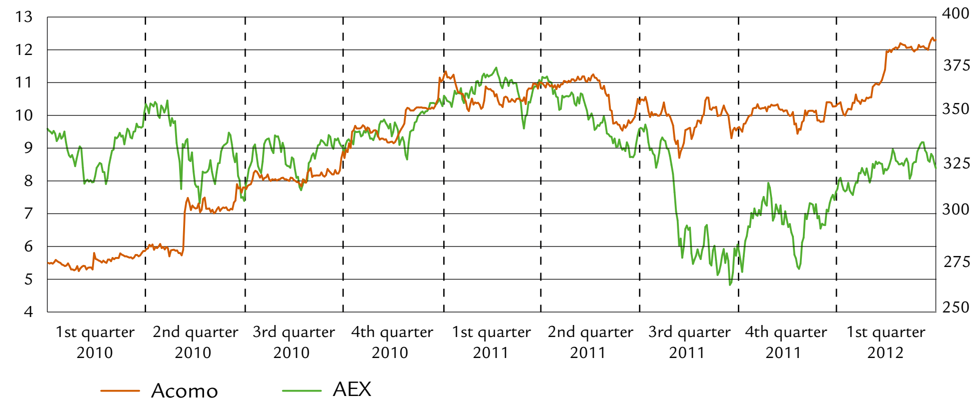
in € '000	2011	2010
Consolidated figures		
Sales	**570 987**	374 908
Gross profit	**83 358**	60 260
Operating income (EBIT)	**40 752**	29 703
Financial result	**(2 590)**	(3 162)
Tax	**(11 376)**	(8 310)
Net profit from recurring operations	**26 786**	18 231
Non-recurring, non-cash items (net)	**(634)**	(2 755)
Net profit	**26 152**	15 476
Shareholders' equity (before final dividend)	**111 914**	74 802
Total guaranteed capital	**111 914**	94 704
Total assets	**276 292**	238 600
Ratios		
Shareholders' equity as % of total assets (solvency)	**40.5%**	31.4%
Return from recurring operations on average shareholders' equity	**28.7%**	31.9%
Dividend pay-out ratio on recurring profit	**57.5%**	57.8%



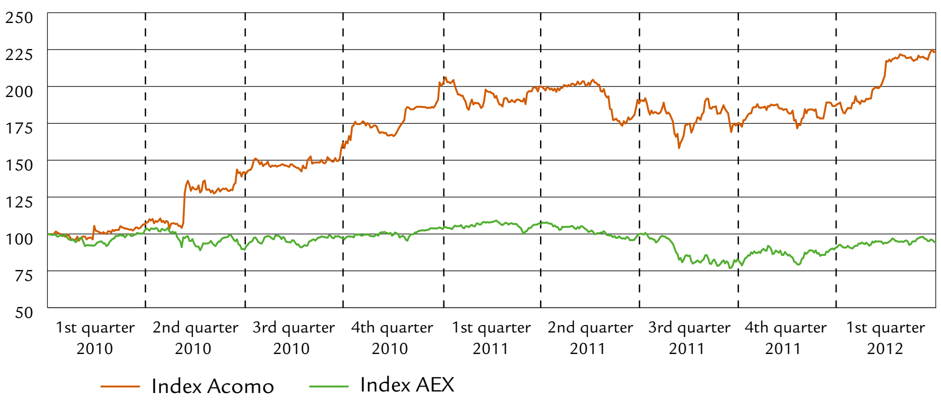
* Before proposed final dividend

Share performance

Share price Acomo in € / AEX index



Index Acomo / AEX



Acomo corporate governance structure

Activities of the Group

Amsterdam Commodities is an international group of companies, active in the worldwide sourcing, processing and distribution of food raw materials and ingredients for the food industry.

Role of the Company

The Company is the financial holding company of the trading subsidiaries. Its main tasks are:

- to manage the portfolio of subsidiaries;
- to manage and control the risks of the activities;
- to set and implement the strategy of the Group, including merger-, acquisition- and divestment activities;
- to ensure the financing of the Group's strategy and its trading operations;
- to assist its subsidiaries with financial, legal, accounting, tax and other advice.

Role of the subsidiary trading companies

The subsidiaries perform the trading activities of the Group, in their own name and for their own account. They operate autonomously under the responsibility of their own management and financial control. Specific trading and financial guidelines and risk limits are in place per product and activity and each subsidiary is supervised by its own supervisory board which can include members of the Supervisory Board and/or Management Board of the Company.

Shareholders' information

Data per share (in €)	2011	2010	2009	2008	2007
Per ordinary share of € 0.45					
Net profit (basic)	**1.130**	0.865	0.645	0.535	0.541
Dividend in cash	**0.65**	0.50	0.40	0.35	0.35
Shareholders' equity at year-end	**4.81**	3.66	2.41	2.14	1.96
Share price					
Year-end	**10.34**	11.08	5.42	3.40	4.25
High	**11.34**	11.15	5.48	5.10	4.96
Low	**8.71**	5.25	3.30	3.00	3.89
Price/Earnings ratio – year-end	**9.2**	12.9	8.4	6.4	7.9

Capital interest

5% shareholdings (latest information based on total issued shares as at 31st March 2012)

Mont Cervin Sarl.	15.77%
Red Wood Trust	10.66%
Jan Plas S.A.	7.99%
Drs. F.L. van Delft	6.09%
Todlin N.V.	5.52%
Exploitatiebedrijf Westerduin B.V.	5.16%
Monolith Investment Management B.V.	4.68%
	55.87%
Free float	44.13%
Total	100.00%

Number of shares

Acomo shares are listed at NYSE Euronext (Amsterdam) and are included in the AScX index since 21st March 2011. The average number of issued shares in 2011 and at year-end was as follows:

	2011	2010
At year-end	23 247 576	20 412 673
Average	23 150 018	17 894 221
Fully diluted	23 523 306	23 428 502

In 2011, the total number of Acomo shares traded was 5.4 million, or on average 21 144 per day. This represents 23.4% of the average number of issued shares. The market capitalization at year-end amounted to € 240.4 million (2010: € 226.2 million). The average share price in 2011 was € 10.31.

Supervisory Board

B. Stuivinga, Chairman
(1956), Dutch
Member of the Supervisory Board since 2002, re-appointed in 2010,
resigning in 2016.
Tax lawyer and attorney-at-law, partner of Greenberg Traurig LLP in Amsterdam.

Y. Gottesman
(1952), British
Member of the Supervisory Board since 2002, resigning in 2012.
Director-shareholder of various companies (private equity investor).

W. Boer
(1948), Dutch
Member of the Supervisory Board since 2004, resigning in 2013.
Previously member of the Supervisory Board and director of Hoogwegt Groep B.V.

J. Niessen
(1963), Dutch
Member of the Supervisory Board since 2011, resigning in 2017
(Private equity investor)

Profile of the Supervisory Board

The composition of the Supervisory Board of the Company is aimed at its proper functioning in the specific corporate governance structure of the Group, particularly taking into account the close relations between the Supervisory Board and the Management Board of the Company and the Management of its subsidiaries.
In this perspective, experience and expertise in the areas where the Group is active are the most important criteria. Experience in international business and proven managerial skills, preferably in commodities trading, are required. Specific expertise in financial, economic and (Dutch) social matters needs to be present, as well as affinity with international trade and client focus. In the manner of its composition, the Supervisory Board seeks to group a variety of experts who complement each other and provide a good balance of ages and genders. A conscious attempt is made to appoint several Board members who are still fully active, particularly in the business community. The Supervisory Board shall, to the maximum possible extent, take the above guidelines into account when considering appointments to the Board. Resigning Board members are eligible for re-appointment, for periods of six years each time. Considering the value of expertise and long-term experience with the activities of the Group, there is no limitation with regard to the maximum number of terms of Supervisory Board members.

Management Board

St. Holvoet
(1956), Belgian
Managing Director

J. ten Kate
(1962), Dutch
Chief Financial Officer

Report of the Supervisory Board

General

We present to you the annual report of Amsterdam Commodities N.V. (the 'Company') for the financial year 2011 as well as the report of the Management Board (the 'Management'). The Supervisory Board (the 'Board') has approved the annual accounts 2011 ('the Accounts'). The Accounts have been audited by BDO Audit & Assurance B.V. We refer to their unqualified auditor's report on page 78.

We therefore propose to you:

i. to approve and adopt the Accounts as presented;

ii. to approve the appropriation of the result proposed by the Management and approved by the Board and to pay a dividend of € 0.65 per share in cash over 2011, in view of the results and the financial position of the Company in 2011. Taking into account the interim dividend of € 0.13 paid in September 2011, the proposed dividend will result in the payment of a final dividend of € 0.52 per share;

iii. to approve the proposed discharges of the members of the Board and the Management as presented to the General Meeting of Shareholders.

Functioning of the Board

The task of the Board is to supervise the Management and the general course of affairs of the Company. The Board supports the Management with advice. In the fulfillment of its task, the Board looks in the first place at the interests of the Company, taking into consideration the fair interests of all parties concerned.

The supervision of the Board includes the following aspects: the realization of the Company's objectives and strategy, the risks related to the Company's activities, the process of financial reporting, the observance of laws and regulations and the relations with the shareholders.

The rules regarding Board meetings, decision-making and working procedures can be found in the Articles of Association and the Board's Rules of Conduct. Both documents are published on the Company's website under "Corporate Governance" (www.acomo.nl/about-acomo/corporate-governance).

Activities

Results We congratulate and we thank the managements and staff of the Company and of the Company's trading subsidiaries for their efforts and the results achieved in a challenging year. 2011 was a new record year for our Company as a whole and for several of our trading subsidiaries. All activities were profitable and the integration of the new subsidiaries was completed successfully. The financial and management structures of the subsidiaries and the Company as a whole were further strengthened and we are confident that the Company is capable to continue to show growth and diversification in the future.

Meetings In 2011 the Board convened regularly during the year, five times in a formal meeting of the Board and more frequently informally. These meetings were held in the presence of the Managing Director of Acomo Mr St. Holvoet, as well as the CFO, Mr J. ten Kate, except when the functioning of the Board and/or the Management was being discussed. During these meetings, we discussed the activities and the financial situation of the Company and its subsidiaries, including matters such as human resources, remuneration, risk control and management systems. The Board and Management have again intensively worked together in 2011 on matters such as the Company's strategy and the integration of the new subsidiaries.

Corporate Governance

No changes to the Company's corporate governance policies were made in 2011. The Company aligns its corporate governance policies with the principles and best practice rules of the Code Frijns, except on matters for which the Company has substantive ground to deviate from the standard recommendation. These exceptions, together with other statements regarding the Company's corporate governance, are described in the 'Statement Corporate Governance' and published on the website under "Corporate Governance" (www.acomo.nl/about-acomo/corporate-governance). The Law in relation to Management and Supervision, including among other things the possibility for companies to adopt a one-tier board structure and several other changes, has not become effective yet. Pending finalization of this new Law, the Board has postponed its proposal to modernize and amend the Company's Articles of Association and relating Corporate Governance aspects until the General Meeting in 2013.

During the whole year the Board has been in close contact with the Management of the Company and its trading subsidiaries. In the opinion of the Board, the functioning of the Board as a whole, as well as of its individual members, and the functioning of the Management Board as a whole, as well as of its individual members, and of the Auditor, was satisfactory in the light of the current structure, size and strategy of the Company with a view to discharging them of their duties for the financial year 2011.

Composition of the Board

In accordance with the rotation scheme for the members of the Board, the mandate of Mr Yoav Gottesman will end at this coming General Meeting. Mr Gottesman is eligible for re-appointment for a new term of six years. In view of the extensive trading expertise of Mr Gottesman, and his substantial contribution in the development and risk management of the Company and its subsidiaries, the Board unanimously advises the shareholders to re-appoint Mr Gottesman as a member of the Board.

Appointment and remuneration policy

At the 2011 General Meeting Mr J. ten Kate was appointed as CFO, statutory director and member of the Company's Management Board. The remuneration policy of the Company is described in the Corporate Governance Statement referred to above.

Others

No matters with respect to the so-called 'whistle blower rules' were brought to the attention of the Board.
No matters of conflict of interest between individual Board and Management Board members and the Company have arisen during the 2011.

Rotterdam, 16 April 2012

The Supervisory Board
B. Stuivinga, *Chairman*
Y. Gottesman
W. Boer
J. Niessen

Managing Director's message

Ladies and Gentlemen, dear Shareholders,

2011 was a new milestone for Amsterdam Commodities ('Acomo'). The total sales of the Group increased by more than half to € 571 million, and our operating and net profits reached new records. These results reflect the strong autonomous growth of the activities as well as the first full year contribution of the new companies acquired in 2010. In spite of a higher number of shares outstanding, our Earnings per Share increased by 31% to € 1.13. The proposed dividend of € 0.65 per share represents an increase of 30% compared to 2010. Our former managing director and mentor Mr. Dov Gottesman would have been proud to witness the continued success of his life work.

Commodity markets have remained buoyant throughout the year. The year 2011 was characterized by prolonged and unusual price increases on top of already highly priced food commodities. The trading environment was particularly challenging in 2011 and all the Acomo companies have once again lived up to their reputation of a strong and reliable trading house. Our experienced traders and their logistic and support staff have exceeded expectations in meeting the market's demands and serving our customers, and have achieved outstanding results in doing so. We are proud of their achievements and express our appreciation and respect for their performance and their commitment to the success of Acomo Group.

In 2011, we also completed the integration of the new acquisitions in the Group while further strengthening the Group structures. Acomo and its subsidiaries worked closely together to synchronize and upgrade the infrastructure, reporting and control systems. We have promoted the sharing of knowledge and expertise among the Group companies and planted the seed for future synergies. Thorough treasury management by our new CFO, Mr Jan ten Kate, has allowed the Group to cope smoothly with growing working capital needs following the rise of commodity prices, while ensuring sufficient liquidity at all times. In January, the remaining convertible bonds were fully converted, adding some € 20 million to the consolidated equity. Per end 2011, the Company's solvency was again above our benchmark of 40%.

Together with our Supervisory Board and the subsidiaries' management, we have critically reviewed the Group's strategy in light of the important acquisitions in 2010. As a result, Acomo's exclusive Focus on Food strategy was fully confirmed. We see good opportunities for further growth of the existing activities as well as through new acquisitions of profitable players active in niche products for the food industry. Our selection criteria, however, remain very strict, and the the long-term growth of the Earnings per Share of Acomo is one of the main guidelines in our decision process.

Current performance

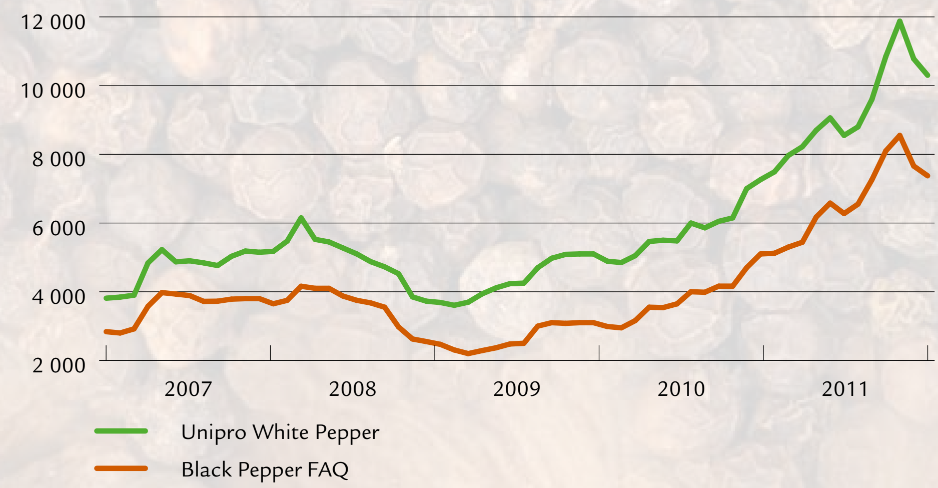
Following the almost uninterrupted price rally over the last 18 months, prices of various commodities have eased somewhat recently and the direction of various markets is unclear. In the first two months of 2012, the overall trading activities remained at about the same level as last year. Given the nature of our activities, it is impossible to forecast the further development of the markets or the results of the Group in 2012. We are confident that our trading teams will continue to generate profitable results for the shareholders.

General meeting of Shareholders

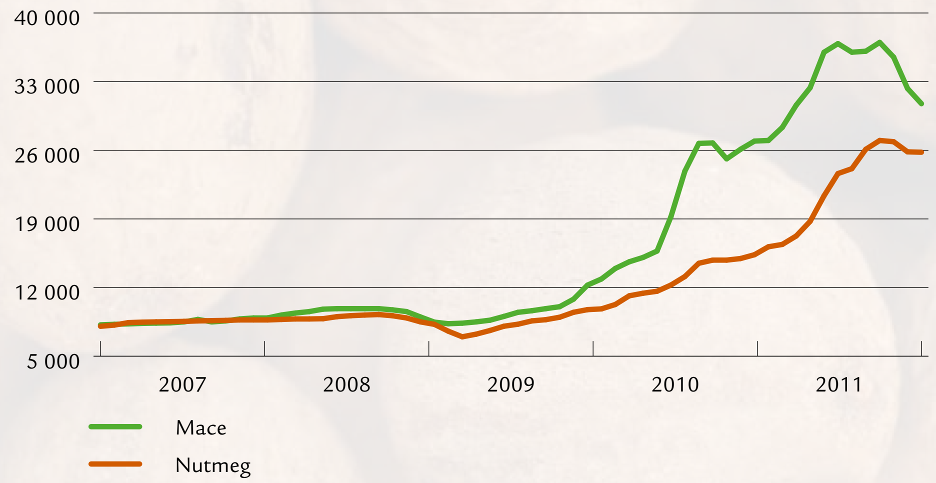
I look forward seeing you at our Annual General Meeting of Shareholders on 30 May 2012 at 10:30 a.m. in the Wereld Museum in Rotterdam. Management and Supervisory Board will propose an increase of 30% of the dividend per share to € 0.65 (2010: € 0.50). Taking into account the interim dividend paid in September 2011 of € 0.13 per share, the final dividend would therefore amount to € 0.52 per share, payable in cash, on 15 June 2012.

Stéphane G. Holvoet
Managing Director

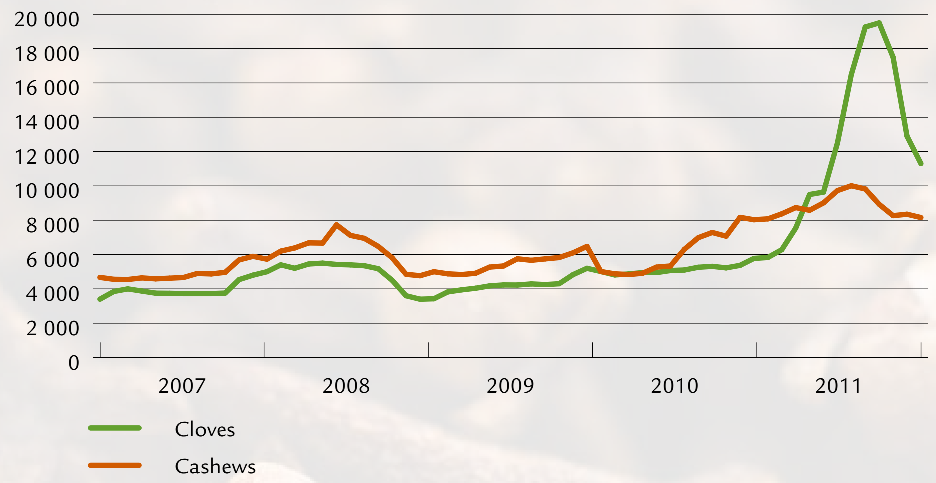
Price development in USD per MT Pepper 2007-2011



Price development in USD per MT Nutmeg and Mace 2007-2011



Price development in USD/ton Cashews and Cloves 2007-2011



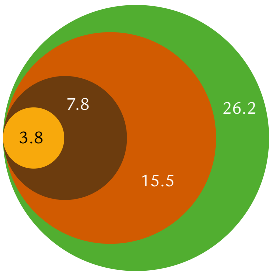
Management Board report of activities and results

We present to you the activities of Amsterdam Commodities N.V. (Acomo) in 2011 and the consolidated financial statements for the year ended 31 December 2011.

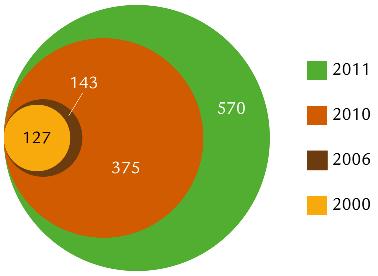
Highlights

Consolidated sales of Amsterdam Commodities N.V. increased by 52% to € 571 million (2010: € 375 million) in 2011 and net profits reached € 26.2 million (2010: € 15.5 million, + 69%). Net profits from recurring operations increased by 47% to € 26.8 million (2010: € 18.2 million). These figures reflect the strong performance of all the Group companies. 2011 is also the first year that the companies acquired in 2010 contributed to the annual results for a full year. Food commodity markets remained very active, generating high trading activities and opportunities to trade profitably. Catz International, Van Rees Group and Snick EuroIngredients achieved new all-time high results.

Net profit in € million



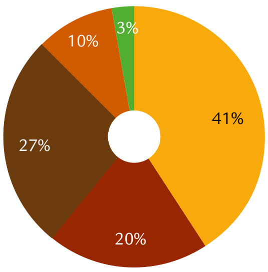
Sales in € million



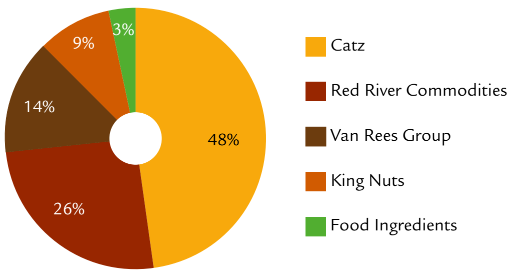
General environment

2011 was characterized by prolonged and unusual price increases, on top of already highly priced food commodities. Many products have reached unprecedented price levels in 2011 due to a combination of growing demand and consumption of food commodities in the origin countries and poor harvests of various commodities due to adverse climatic conditions. The impact of fast consecutive events throughout the whole year was significant: floods in Australia, frosts in Kenya, unusual draughts in Southern USA, the Arab revolution(s) in North Africa and the Middle East and the economic and financial crises in the Eurozone and elsewhere. Rapidly increasing prices also had consequences on higher working capital financing needs and increase the risks for suppliers contract defaults. The Group's capabilities and structures have again proven their resilience and robustness to cope with these challenging circumstances.

Revenue



Net profit

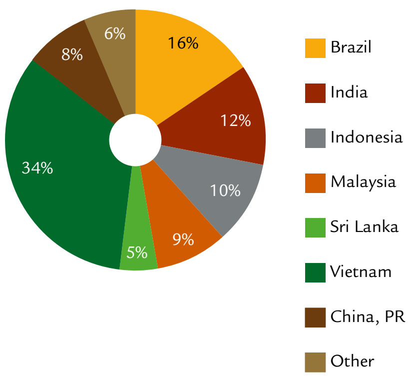


Activity review

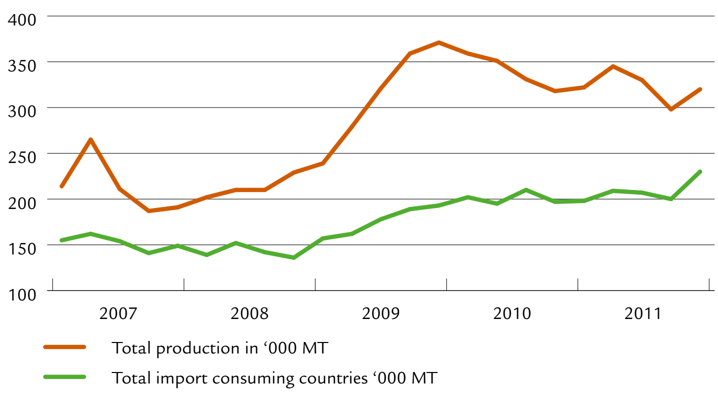
Catz International (spices, dessicated coconut, nuts, dried fruits) once again confirmed its reputation of star performer of the Acomo Group. Sales increased by more than 30% to € 237 million (2010: € 181 million), reflecting substantially higher prices of many products throughout the year, especially for spices, coconut and nuts. Net profit amounted to € 13.7 million, 16% higher than in 2010 (€ 11.8 million).

Testimony to the trading talents of Henk Moerman and his teams is the fact that Catz' results have increased threefold since 2005. They deserve full credit for their ability to secure the sourcing of the products from critical locations to meet the industry's demand at all times and to achieve continued growth in doing so. Catz' representative office in Vietnam proved to be a higly valuable resource for market information and proximity to the growers of important items like pepper, coconut and cashews. All activities were profitable, including Catz' 100% subsidiary in packed nuts Tovano B.V.

Pepper production per country (2011)



Pepper production and import 2007-2011



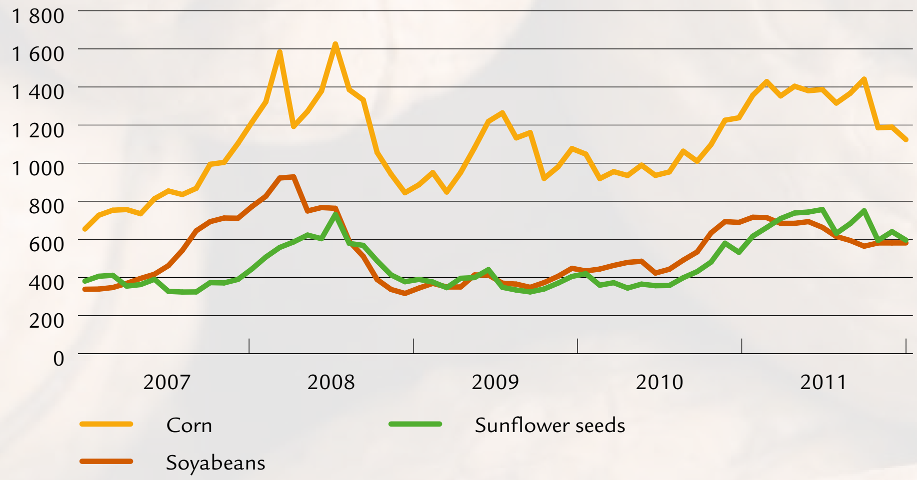
Red River Commodities Group ('Red River Commodities' - Fargo, USA), active in sourcing, processing and distribution of edible seeds, mainly sunflower seeds, performed fully in line with our expectations when acquiring the company. The American farm belt states saw severe draughts in the South and excessive moisture in the North, resulting in delayed planting and rising prices of all major crops, including corn, soya and cotton. Red River Commodities was able to fulfill all contracts completely and thus strengthened its market position in its home markets, despite some pressure on consumption volumes due to sky-rocketing prices. Economical and political issues have affected export sales. Birdfood sales were higher at constant volumes and sales of SunButter (an allergen-free substitute for peanut butter) saw a 35% growth in sales. Total sales amounted to € 115 million (8 months 2010: € 71 million) and net profits were € 7.3 million (8 months 2010: € 4.9 million). Red River-Van Eck B.V., the 100 percent subsidiary in Zevenbergen specialized in poppy- and carway seeds, was also profitable.

In 2012, Red River Commodities will continue to expand its sourcing and distribution capabilities in Southern USA by investing in a new facility for roasting and processing seeds in Texas.

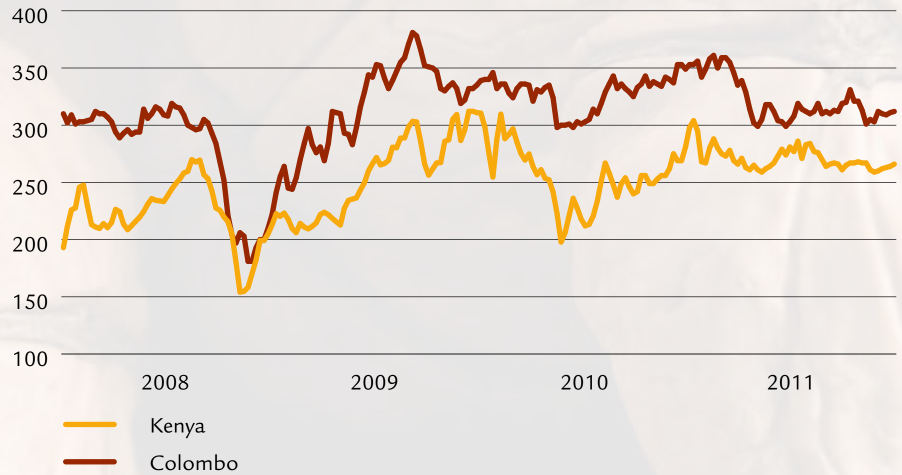
Van Rees Group ('Van Rees' - Rotterdam), the largest independent cross-border tea sourcing and distribution company in the world, achieved its highest profit level ever thanks to active trading, more added-value customer services and focus on costs and margins. The world tea consumption continued to increase as tea remains the cheapest health drink available. Larger harvests in 2011 were smoothly absorbed by the markets and prices remained relatively high. Sales amounted to € 154 million (8 months 2010: € 97 million) and net profits were € 4.1 million (8 months 2010: € 2.4 million). The company is actively investigating the possibility to expand its local presence in new important production countries like India and China.

King Nuts & Raaphorst in Bodegraven ('King Nuts' - nuts and rice crackers) had a challenging year. Many nuts including peanuts reached historic price levels, affecting consumption volumes. The company was able to maintain its position as an important supplier in Europe by adding new products to its portfolio, strengthening its ties with origins and actively delivering services. We have good hopes that King Nuts' steadfast and very customer oriented management will benefit from the consolidation trend in the European nuts sector. Total sales amounted to € 55.5 million (3 months 2010: € 13.2 million) and net profits were € 2.6 million (3 months 2010: € 0.9 million).

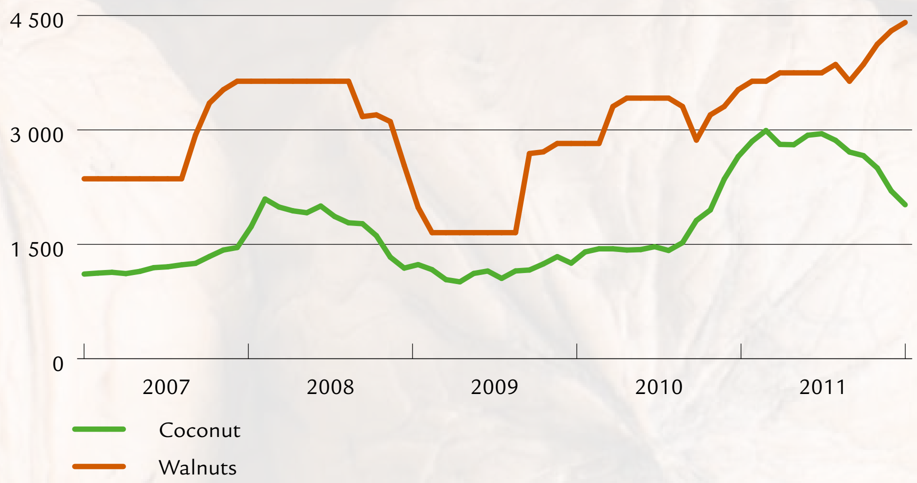
Price development in USD per MT Sunflower seeds, Corn and Soyabeans average 2007-2011



Price development in USD cents per Kg
All tea average weekly auction prices 2008-2011



Price development in USD per MT Walnuts and Coconut 2007-2011

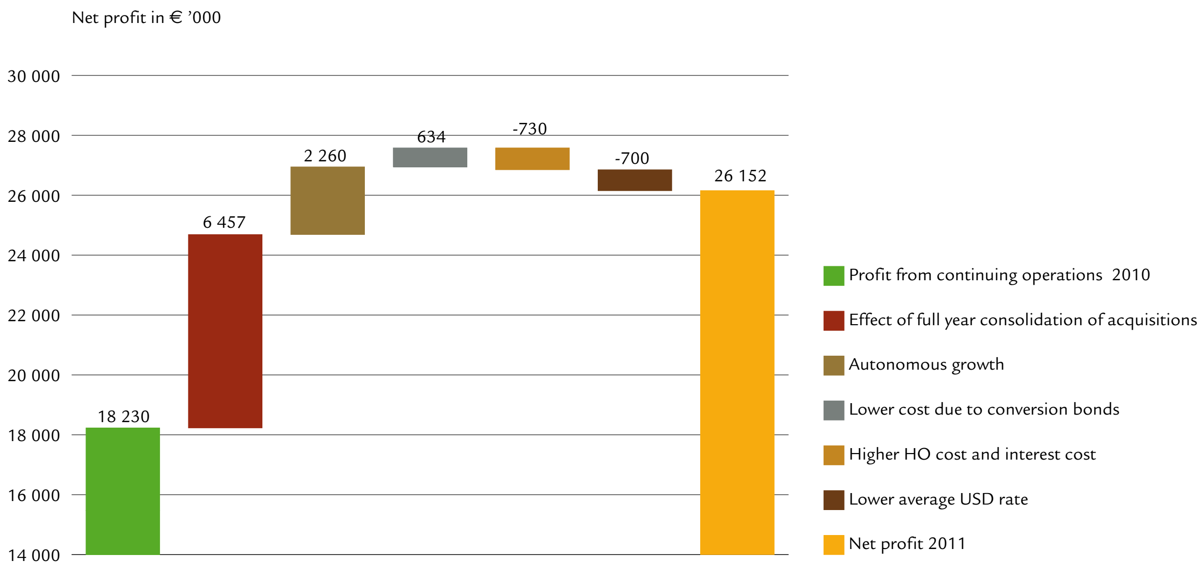


The distribution and blending activities in **Food Ingredients** (TEFCO and Snick EuroIngredients - natural ingredients for the food industry) remained positive. Snick showed growth in existing and new product segments and channels. The market of food ingredients again saw many mergers and acquisitions of ingredient producers and consumers, affecting TEFCO's sales and position. Food Ingredients sales amounted to € 15.2 million (2010: € 14.2 million, + 7%) and net profits were € 0.9 million (2010 € 0.7 million, + 28%). In 2012, further investments will be made in the warehousing and blending capacity to meet the market developments and consumer demands.

Consolidated 2011 performance compared to 2010

The 2010 figures included the results of Red River Commodities and Van Rees for 8 months and of King Nuts for 3 months, as from their respective acquisition dates. These companies have contributed for the full 12 months to the 2011 results, representing a pro forma comparative increase of net profit of € 6.5 million. Autonomous growth accounted for € 2.3 million net profit growth compared to 2010. The conversion of the remaining convertible bonds in January 2011 resulted in lower interest costs, which were partly offset by a one-time non-cash charge related to the IFRS accounting treatment of the conversion transaction (net effect € 0.6 million). Finally the € 26.2 million consolidated net profit was reached, after higher interest costs related to working capital financing and head office costs (€ 0.7 million) and a lower average USD rate applied to consolidate the USD results of Van Rees and Red River Commodities (also € 0.7 million).

A summary of the main components on the developments of the 2011 results is shown in the table below.



Key performance indicators

Basic (i.e. non-diluted) earnings per share have increased by 31% to € 1.130 (2010: € 0.865). Excluding non-recurring items, EPS 2011 amounted to € 1.157 (2010: € 1.019, + 14%). Taking into account the newly issued shares and existing share options, the fully diluted EPS before non-recurring items amounted to € 1.145 (2010: € 0.821, + 39%).

Key performance indicators (in € milllion)	2011	2010	2009
Shareholders' equity (before final dividend)	111.9	74.8	39.4
Total balance sheet	276.3	238.6	71.9
Basic earnings per share (in €)	1.130	0.865	0.645
Dividend per share (in €) (2011: proposed)	0.65	0.50	0.40
Pay-out ratio (in recurring profit)	58%	58%	62%
Equity per share (in €)	4.81	3.66	2.41
Return on average shareholders' equity	28%	27%	28%
Share price per 31 December (in €)	10.34	11.08	5.42
Number of shares outstanding per 31 December (in '000)	23,247	20,413	16,335
Market capitalization per 31 December (in € million)	240.4	226.2	88.5

Consolidated balance sheet

Condensed consolidated balance sheets for the years ended 31st December 2011, 2010 and 2009 are presented below:

		31 December	
in € 000	2011	2010	2009
Assets and liabilities			
Intangible assets	48 206	48 071	4 604
Property, plant and equipment	25 406	23 259	1 540
Investments in associates	-	-	11 524
Inventories	126 639	100 282	29 757
Trade receivables	70 259	54 976	14 178
Accounts payable	(31 608)	(30 822)	(6 654)
Other liabilities	(20 890)	(20 306)	(7 943)
Provisions, mainly long-term	(11 929)	(9 723)	(1 781)
Other assets, net	5 254	5 341	860
Total	211 337	171 078	46 085
Equity and financing			
Cash and cash equivalents	(528)	(6 671)	(9 430)
Bank overdrafts	84 046	59 990	13 610
Long-term bank loans	15 905	23 055	2 523
Net cash/(debt)	99 423	76 374	6 703
Subordinated convertible bonds	-	19 902	-
Shareholders' equity	111 914	74 802	39 382
Total	211 337	171 078	46 085

Growth of the activities combined with higher price levels of commodities resulted in an increase of the consolidated balance sheet total, up to € 276 million. The main items therein were:

- Goodwill of € 48.2 million in total represents the goodwill paid for acquisitions. The change in 2011 mainly reflects the higher USD rate (the goodwill paid for Van Rees and Red River Commodities is denominated in USD).
- Property, plant and equipment increased to € 25.4 million mainly due to capital investments in storage and production facilities in Red River Commodities and Van Rees; these expenditures exceeded depreciation costs by € 1.4 million.

- Operating working capital components – stocks, trade receivables and accounts payable – amounted to net € 165.3 million (2010: € 124.4 million). The increase reflects significantly higher commodity prices and the growth of the activities. Other liabilities remained stable.
- Non-current provisions increased mainly due to higher deferred tax provisions (+ € 1.7 million).
- Acquisition loans amounted to total € 15.9 million at year-end 2011; in 2011 € 7.7 million was repaid including an € 1.2 million early repayment.
- The € 40 million convertible bonds that were issued to finance the acquisitions in 2010 were partly converted in December 2010 and the remaining balance was fully converted in January 2011.
- Shareholders' equity increased to almost € 112 million taking into account the conversion of convertible bonds into shares for € 19.9 million, the 2011 net profit of € 26.2 million and dividends paid in 2011 of € 12.1 million in total.
- The consolidated solvency at 31 December 2011 was 40.5% which is fully in line with Acomo's financial policies.

Income statement

Condensed consolidated income statement for the years 2011, 2010 and 2009 are presented below:

In € 000	2011	2010	2009
Sales	570 987	374 908	164 519
Cost of goods sold	(487 629)	(314 648)	(140 891)
Gross profit	83 358	60 260	23 628
Operating cost	(42 606)	(30 557)	(10 490)
Operating income (EBIT)	40 752	29 703	13 138
Financial income and expenses	(2 590)	(3 162)	55
Result of non-consolidated subsidiary	-	-	635
Corporate income tax	(11 376)	(8 310)	(3 296)
Net profit from recurring operations	26 786	18 231	10 532
Non-recurring items	(634)	(2 755)	-
Net profit	26 152	15 476	10 532

The main items therein were:

- Sales 2011 increased due to price and volume effects. The increase also reflects the full year inclusion of Van Rees and Red River Commodities (2010: 8 months) and King Nuts (2010: 3 months). On a year-on-year basis, sales of Van Rees increased by 5.0% in 2011, 10.3% for Red River Commodities and 4.0% for King Nuts.
- EBIT margin amounted to 7.1%, slightly lower than in 2010 (7.9%), reflecting the nature of the newly acquired activities and high commodity prices.
- Interest costs decreased by € 0.6 million being a combination of lower interest costs after the conversion of bonds, repayment of bank loans and increased use of working capital financing.
- The average corporate income tax rate decreased from 31.3% in 2010 to 29.8% in 2011 due to a change in the country mix of results and tax planning. For 2012, the effective tax rate excluding non-taxable items is expected to be between 28% and 32%.
- Net profit from recurring operations increased by 47% from € 18.2 million to € 26.8 million.
- Non-recurring items of € 0.6 million result from applying IFRS accounting principles on the early conversion of the remaining outstanding bonds.
- Net profit increased by 69% from € 15.5 million to € 26.2 million.

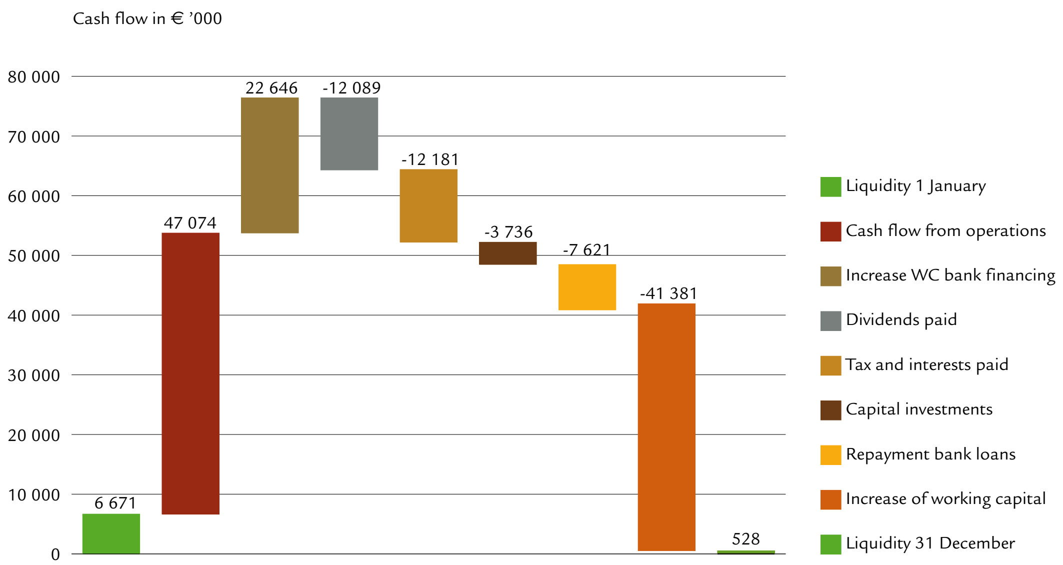
Liquidity and cash position

Condensed consolidated cash flows for the years 2011, 2010 and 2009 are presented below:

In € 000	2011	2010	2009
Cash realized			
Profit before tax adjusted for non-cash items	47 251	34 133	12 975
Investments in inventories, trade receivables and trade creditors	(40 854)	(16 875)	1 763
Additional working capital financing	22 646	12 922	(3 857)
Capital expenditures	(3 736)	(2 085)	(494)
Other cash movements short term components	3 347	358	125
Cash from operations	28 654	28 453	10 512
Payments to financers and authorities			
Dividends paid to shareholders	(12 088)	(6 862)	(5 717)
Repayment of acquisition loans	(7 621)	(2 143)	(575)
Payment of interest and taxes	(15 088)	(9 422)	(1 516)
Remains	(6 143)	10 026	2 704
Net cash used for M&A activities			
Cash used for acquisitions	-	(92 513)	(4 089)
Cash from divestment RCA	-	10 215	1 815
New financing relating to acquisitions	-	69 512	3 600
Remaining net cash movement	(6 143)	(2 760)	4 030
Banks at 1 January	6 671	9 431	5 401
Banks at 31 December	528	6 671	9 431

- Cash from operations before tax increased by 38% to € 47.2 million.
- Net working capital increased by € 40.9 million to € 165.3 million reflecting volume and price increases of commodities. The increase in working capital was financed for € 22.6 million through higher use of working capital financing facilities available to the Group. In 2011, these lines were increased by € 25 million to reach € 148 million in total.
- Investments in long-term assets and other short term components represented a cashflow of € 7.3 million.
- In 2011, total cash paid to shareholders, banks and tax authorities amounted to € 34.8 million. This included dividend payments (final dividend 2010 of € 0.39 per share and interim dividend 2011 of € 0.13 per share), the contractual repayments of long-term loans, payments of bank interest and corporate income taxes.
- In 2011, no merger and acquisition transactions took place due to focus on integration of the businesses that were acquired in 2010.
- Active treasury resulted in a net cash position of € 0.5 million at the end of 2011.

The main effects are shown schematically below:



Debt position

Total debts outstanding at the end of 2011 amounted to € 100 million, including long-term acquisition debt of € 15.9 million. Long-term debt is repayable in 3.5 years, on average. The total short term bank liabilities amounting to € 84.0 million mainly relate to bank overdrafts for € 77.5 million and € 5.9 million bank borrowings repayable in 2012.

Foreign exchange position

All operating companies are required to hedge foreign exchange risks related to transactions against their functional currency. The consolidated accounts of Acomo are prepared in euro. As from 2010, the Group comprises operating companies (Red River Commodities and Van Rees) that use the USD as their functional currency. The results of these subsidiaries are consolidated in the Group's 2011 results against the average euro/dollar rate of the year, being 1.393 (1.309 for the 8 months May–December 2010).

The future development of the euro/dollar rate can have a positive or negative impact on the consolidated results reported in euro. The assets and liabilities of Red River Commodities and Van Rees are translated in euro at year-end rate for consolidation purposes, being 1.296 at 31st December 2011 (1.325 at December 2010). Variations in the year-on-year year-end rates on the net investment values of USD subsidiaries, after taking into account related long-term borrowings in USD, are accounted for directly in equity through the Currency translation reserve and will impact total consolidated assets and net shareholders' equity.

Treasury position

Including the Company's cash position and the Group's working capital credit facilities amounting in total to € 148 million, the short term financing available to the Company on 31 December 2011 amounted to € 71 million compared to € 69 million one year earlier. This is deemed amply sufficient to finance the seasonal working capital variations of the operations and to meet the Group's obligations.

	31 December		
Financing position (in € 000)	2011	2010	2009
Cash and cash equivalents	528	6 671	9 430
Working capital financing lines	148 120	115 055	42 000
Total financing capacity	148 648	121 726	51 430
Overdrafts used	(77 508)	(52 894)	(13 610)
Total available financing	71 140	68 832	37 820

Working capital credit facilities are arranged at Group level and/or at subsidiary level. These overdrafts are mostly borrowing based and are secured by either positive or negative pledges on stocks and trade receivables. Financial covenants are linked to a minimum amount of Group equity and an interest coverage ratio of 3 to 1.
At 31 December 2011, the Company and its subsidiaries were in full compliance with all bank covenants. Acomo pools cash from subsidiaries to the extent legally and economically feasible. Cash not pooled remains available for local operational needs.

Management and personnel

There were no changes in the managements of the existing Group subsidiaries and the managements of the acquired companies remained fully in place. We do not foresee substantial changes in this regard except for normal pension retirements. Minor changes were made to bring the profit sharing schemes of the acquired companies in line with the Acomo incentive policies (generally 10% of profits before tax).

In 2010 a Share Option Plan ('SOP') was introduced aiming to reward and retain key managers and personnel of Acomo and Group subsidiaries. The total options that can be allocated under the SOP amount to 1,200,000 options on newly to be issued Acomo shares. On 1st September 2010, 1,070,000 options have been granted to some 35 participants in the plan. The options vest over a period of 6 years, with the first vesting starting on 1st September 2013 and expiring on 31st December 2017. The exercise price of the options is based on the convertible bond conversion price, i.e. € 7.39 per share.

Corporate Governance

Acomo has aligned its corporate governance policies with the principles and best practice rules of Code Frijns, except on matters for which the Company has substantive ground to deviate from the standard recommendation. These exceptions, together with other statements related to the Company's corporate governance are described in the 'Statement Corporate Governance' published on our website www.acomo.nl. During the year, there were no transactions or issues giving raise to a (possible) conflict of interest between management, members of the Supervisory Board and the Company.

Risk management

Acomo and its Group subsidiaries are incurring general business and specific trading and financial risks in their daily trading activities. In the Acomo corporate organization, the Management Board and Supervisory Board share the ultimate responsibilities to manage and control the risks associated with the business, to achieve the Group's financial objectives, to ensure compliance with the corporate governance policies and the law in general and to ensure proper financial reporting. The main risks associated with the trading activities of the Group, as well as the systems to manage and control these risks, are described in Note 3 to the annual accounts and in the Company's Corporate Governance Statement. This enumeration is not exhaustive and there is no absolute guarantee against future losses or failures. Within the Acomo Group, all managers and traders are responsible for risk management as an integral part of their day-to-day activities and decisions. The effectiveness thereof is strengthened by a high level of individual and collective sense of responsibility which is part of the Company's culture.

Daily risk management is further strengthened by a system of internal reporting and controls of the activities, positions and results. These measures and procedures are aimed at providing a reasonable level of assurance that the significant risks have been identified and, as much as possible, managed in compliance with applicable laws and regulations. Embedded in these processes is a system of financial reporting to provide reasonable assurance relative to the correctness and completeness of the information.

Based on its review of the risk management and control systems, to the best of their knowledge, the Management and Supervisory Board are of the opinion that these systems have been effective in 2011 and that they remain adequate considering the needs and activities of the Company in the future. Please refer to Note 3 to the annual accounts for a detailed discussion of the general business, market and financial risks.

Dividend

The Management and Supervisory Board propose to the Shareholders to increase the total 2011 dividend by 30% to € 0.65 per share (2010: € 0.50). This represents a pay-out of 58% of net profit. Taking into account the interim dividend paid in September 2011 of € 0.13 per share, the final dividend would therefore amount to € 0.52 per share, payable in cash. The following timetable is applicable:

30 May 2012	Annual General Meeting of Shareholders
1 June 2012	Ex-dividend date
5 June 2012	Dividend record date
15 June 2012	Dividend payment date

Executive Board Statement as per Section 5:25c(2)(c) of the Dutch Financial Supervision Act ("Wft")

The Company's executive directors hereby declare that, to the best of their knowledge:

1. the financial statements for the financial year 2011 give a true and fair view of the assets, liabilities, financial position and the profit of the Company and its consolidated entities;
2. the Management Board report gives a true and fair view of the position of the Company and its related entities whose financial information has been consolidated in the financial statements as at the balance sheet date 31 December 2011 and of their state of affairs during the financial year 2011;
3. the annual report describes the principal risks that the Company faces.

Rotterdam, 16 April 2012

Stéphane G. Holvoet	Jan ten Kate
Managing Director	Chief Financial Officer

The principal mission of a private corporation is to maximize its long-term profitability. For Acomo, the ‘long-term’ view is of substantial significance, meaning that business is not conducted for opportunistic motives. In the day-to-day decision making, aspects such as the development of personnel, the respect of other cultures, the avoidance of corruption and the balanced interests of other social actors and public authorities play an important role. Where possible, we use our influence, for example by training farmers and planters in developing regions with regard to the quality of their products to improve their marketing possibilities in industrial countries. Close attention is paid to environmental factors, sustainable agrinomical practices and the fight against child labour. Furthermore, the Group contributes to the fight against poverty through financial and material support of specific development projects via the Catz Charity Foundation.

Catz Charity Foundation

The Group has close trading relations with tropical countries for nearly 200 years. Natural disasters, poverty, lack of education, etc. are confronting us as too many injustices on every trip. And yet, one can achieve a lot with relatively small amounts of money.

The Catz Charity Foundation (CCF) was founded after the deadly tsunami in Asia in 2004 to channel the many existing initiatives of our people into a lasting structure.

Possible projects are the purchase and financing of farm equipment, support of homeless people and the building and organization of schools. Donation criteria are mainly:

- Small-scale projects, so that they can be financed 100% by CCF and allow for more control on execution.
- Minimal overhead. The donation needs to be used completely for the project.
- Reliable partners for long-term projects.

Past projects have included the installation of water pumps in Eritrea, the construction and installation of a home in Nepal for orphan girls liberated from child prostitution in India. Since 2009, CCF is supporting three orphanages in Kenya. CCF first financed the building and start-up of a school, then a skill center for underprivileged people without work to give them an opportunity to learn a job. CCF is now assisting the orphanages in their effort to become self-supporting, by helping them to develop about 5 acres of arable land to grow corn, tomatoes, bananas and other staple food. CCF has purchased a 4WD tractor and set-up and organized a small shop in Malindi village to promote and sell the products. CCF is further involved in projects in Sri Lanka including health care, education and meals for children below the poverty line and the building of a multifunctional community hall (see photo). In the future, CCF will increasingly investigate the benefits of micro-financing projects and it is encouraging to see how a relatively small amount of money can change someones’ life from being unemployed into becoming self-supporting.

We appreciate your support and donation to help us to improve our world.

More information about CCF:
www.catz.nl. For donation:
bank account no. 43.95.01.385
(IBAN: NL68ABNA0439501385).

CATZ
CHARITY
FOUNDATION

2011

Consolidated financial statements

All amounts are in euro, unless otherwise stated.
These consolidated financial statements are a translation of the original Dutch version of the consolidated financial statements. In case of misunderstandings regarding the interpretation of this translation, the Dutch version supersedes and prevails.

Consolidated balance sheet as at 31 December 2011

	Note	31 December 2011 €	31 December 2010 €
Assets			
Non-current assets			
Intangible assets	6	48 206 186	48 071 737
Property, plant and equipment	7	25 405 526	23 259 372
Investment in associates	8	-	-
Other investments in companies	9	296 944	296 944
Deferred tax assets	20	18 078	751 184
Total non-current assets		73 926 734	72 379 237
Current assets			
Inventories	12	126 639 326	100 281 831
Trade receivables	13	70 259 442	54 975 711
Other receivables	13	2 623 230	3 547 223
Derivative financial instruments	11	2 314 909	745 117
Cash and cash equivalents	14	528 238	6 671 374
Total current assets		202 365 145	166 221 256
Total assets		**276 291 879**	**238 600 493**
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital	15	10 461 409	9 185 703
Share premium reserve	15	45 376 951	25 742 303
Other reserves	16	(76 856)	(2 215 205)
Retained earnings	17	56 152 536	42 089 644
Total shareholders' equity		111 914 040	74 802 445
Subordinated convertible bonds	19	-	19 901 725
Total guaranteed capital		111 914 040	94 704 170
Non-current liabilities and provisions			
Borrowings	19	15 904 895	23 054 992
Deferred income tax liabilities	20	7 591 445	5 863 211
Retirement benefit obligations	21	1 486 504	1 524 375
Provisions for other liabilities and charges	22	2 850 907	2 335 813
Total non-current liabilities		27 833 751	32 778 391
Current liabilities			
Trade and other payables		31 607 512	30 821 735
Borrowings	19	84 046 209	59 989 769
Tax liabilities		4 316 104	5 425 318
Derivative financial instruments	11	1 183 665	792 823
Other liabilities and accrued expenses		15 390 598	14 088 287
Total current liabilities		136 544 088	111 117 932
Total liabilities		164 377 839	143 896 323
Total equity and liabilities		**276 291 879**	**238 600 493**
Shareholders' equity per share		4.814	3.665
Diluted		4.758	3.193

Consolidated income statement 2011

	Note	2011	2010
		€	€
Sales		570 986 669	374 907 518
Cost of goods sold		(487 628 807)	(314 647 540)
Gross profit		83 357 862	60 259 978
Personnel costs	24	(28 455 838)	(18 619 369)
General costs		(11 826 379)	(9 972 288)
Depreciation and impairment charges		(2 323 767)	(1 965 377)
Total cost		(42 605 984)	(30 557 034)
Operating income		40 751 878	29 702 944
Interest income	25	131 081	254 228
Interest expense	25	(3 091 249)	(3 411 895)
Other financial income and expenses	25	369 344	(4 564)
Profit before income tax		38 161 054	26 540 713
Corporate income tax	26	(11 375 673)	(8 310 018)
Net profit from continuing operations		26 785 381	18 230 695
Net result from non-recurring items	27	(633 750)	(2 754 817)
Net profit for the year		**26 151 631**	**15 475 878**
Profit attributable to shareholders of the parent		26 151 631	15 475 878
Earnings per share			
Basic earnings per share			
From continuing operations	29	1.157	1.019
From non-recurring items	29	(0.027)	(0.154)
Total basic EPS		1.130	0.865
Diluted earnings per share			
From continuing operations	29	1.145	0.821
From non-recurring items	29	(0.027)	(0.117)
Total diluted EPS		1.118	0.704

Consolidated statement of cash flows 2011

	Note	2011	2010
		€	€
Cash flow from operating activities			
Profit before income tax		38 161 054	26 540 713
Adjustments for:			
- Depreciation and impairment charges	7	2 323 767	1 965 377
- Net movements in provisions		3 806 331	2 382 437
- Interest income		(131 081)	(254 228)
- Interest expense		3 091 249	3 411 895
- Non cash equity movements		-	86 946
Cash flow from operating activities		47 251 320	34 133 140
Changes in working capital			
- Inventories		(26 369 504)	(22 388 330)
- Trade and other receivables		(13 535 916)	(3 960 364)
- Derivatives		(1 178 850)	67 022
- Trade and other payables		3 576 241	9 472 573
- Borrowings short-term		22 646 352	12 992 479
Total changes in working capital, net		(14 861 677)	(3 816 620)
Cash generated from operations		**32 389 643**	**30 316 520**
Interest paid		(3 040 566)	(2 281 916)
Bank costs paid		-	(2 020 873)
Income tax paid		(12 180 952)	(5 118 514)
Net cash generated from operating activities		**17 168 125**	**20 895 217**
Cash flow from investing activities			
Acquisitions of subsidiaries		-	(92 512 750)
Investments in other financial assets		-	(124 311)
Investments in property, plant and equipment	7	(3 735 759)	(2 085 168)
Proceeds from divestment RCA, net	27	-	10 214 364
Interest received		134 149	347 018
Net cash used for investing activities		**(3 601 610)**	**(84 160 847)**
Cash flow from financing activities			
Proceeds from issuance of convertible bonds		-	40 000 000
Proceeds from borrowings		-	29 512 195
Repayments of borrowings		(7 620 912)	(2 143 183)
Dividends paid to shareholders	29	(12 088 739)	(6 862 295)
Net cash from/(used for) financing activities		**(19 709 651)**	**60 506 717**
Net (decrease)/increase in cash and cash equivalents		(6 143 136)	(2 758 913)
Cash and cash equivalents at the beginning of the year		6 671 374	9 430 287
Cash and cash equivalents at the end of the year		**528 238**	**6 671 374**

Consolidated statement of changes in equity

	Note	Attributable to owners of the parent						
		Share capital	Share premium reserve	Currency translation reserve	Legal reserve	Other reserves	Retained earnings	Total equity
Balance at 1 January 2010		**7 350 690**	**-**	**(1 445 211)**	**6 276 723**	**-**	**27 199 338**	**39 381 540**
Comprehensive income								
Net profit		-	-	-	-	-	15 475 878	15 475 878
Other comprehensive income								
Cash flow hedges	16	-	-	-	-	3 487	-	3 487
Currency translation differences on goodwill	6	-	-	(2 181 925)	-	-	-	(2 181 925)
Release due to divestment RCA	16	-	-	1 445 211	-	-	-	1 445 211
Currency translation differences	16	-	-	(530 386)	-	-	-	(530 386)
Transfer legal reserve investments	16	-	-	-	(6 276 723)	-	6 276 723	-
Other movements	16	-	-	-	-	53 012	-	53 012
Total comprehensive income 2010		-	-	(1 267 100)	(6 276 723)	56 499	21 752 601	14 265 277
Transactions with owners								
Employees share option scheme								
- Value of employee services		-	-	-	-	45 549	-	45 549
- Tax credit share option scheme		-	-	-	-	(11 615)	-	(11 615)
Issue of ordinary shares		675 000	8 190 000	-	-	-	-	8 865 000
Conversion of bonds into shares	15	1 160 013	17 552 303	-	-	-	-	18 712 316
Convertible bond - equity component	16	-	-	-	-	1 057 206	-	1 057 206
Ditto - equity component tax credit	16	-	-	-	-	(269 588)	-	(269 588)
Effect of conversions	16	-	-	-	-	(380 945)	-	(380 945)
Dividends relating to 2009, final	29	-	-	-	-	-	(4 900 460)	(4 900 460)
Dividends relating to 2010, interim	29	-	-	-	-	-	(1 961 835)	(1 961 835)
Total transactions with owners		**1 835 013**	**25 742 303**	**-**	**-**	**440 607**	**(6 862 295)**	**21 155 628**
Balance at 31 December 2010		**9 185 703**	**25 742 303**	**(2 712 311)**	**-**	**497 106**	**42 089 644**	**74 802 445**
Comprehensive income								
Net profit		-	-	-	-	-	26 151 631	26 151 631
Other comprehensive income								
Cash flow hedges	16	-	-	-	-	589 980	-	589 980
Currency translation differences on goodwill	6	-	-	634 449	-	-	-	634 449
Currency translation differences	16	-	-	1 218 108	-	-	-	1 218 108
Total comprehensive income 2011		**-**	**-**	**1 852 557**	**-**	**589 980**	**26 151 631**	**28 594 168**
Transactions with owners								
Employees share option scheme								
- Value of employee services		-	-	-	-	136 647	-	136 647
- Tax credit share option scheme		-	-	-	-	(34 162)	-	(34 162)
Conversion of bonds into shares	15	1 275 706	19 634 648	-	-	-	-	20 910 354
Effect of conversions	16	-	-	-	-	(406 673)	-	(406 673)
Dividends relating to 2010, final	29	-	-	-	-	-	(9 066 554)	(9 066 554)
Dividends relating to 2011, interim	29	-	-	-	-	-	(3 022 185)	(3 022 185)
Total transactions with owners		1 275 706	19 634 648	-	-	(304 188)	(12 088 739)	8 517 427
Balance at 31 December 2011		**10 461 409**	**45 376 951**	**(859 754)**	**-**	**782 898**	**56 152 536**	**111 914 040**

Consolidated statement of comprehensive income 2011

	2011	2010
	€	€
Net profit	**26 151 631**	**15 475 878**
Other comprehensive income		
Movement currency translation reserves on equity, net	1 218 108	914 825
Movement currency translation differences on goodwill	634 449	(2 181 925)
Movement hedge reserve	589 980	3 487
Other movements	-	53 012
Other comprehensive income	**2 442 537**	**(1 210 601)**
Total comprehensive income	**28 594 168**	**14 265 277**
Profit attributable to shareholders of the parent	28 594 168	14 265 277

Items in the statement above are disclosed net of tax.

The Notes on pages 35 to 70 are an integral part of these consolidated financial statements.

Rotterdam, 16 April 2012

Stéphane G. Holvoet
Managing Director

Jan ten Kate
Chief Financial Officer

1 General information

Amsterdam Commodities N.V. ('Acomo' or 'the Company') and its subsidiaries (together 'the Group') are an international group of companies active in the sourcing, processing and distribution of food raw materials and ingrediënts for the food industry. The Group's product portfolio broadly encompasses spices, dried fruits, nuts, tea, confectionary sunflower seeds and food ingredients.

Acomo is a public limited liability company listed at the Amsterdam stock exchange (NYSE Euronext, Amsterdam). The adress of its registered office is Beursplein 37, 3011 AA Rotterdam.

These consolidated financial statements have been approved by the Management Board and the Supervisory Board on 16 April 2012.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of Acomo have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations as adopted by the European Union.
Unless otherwise stated these consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit and loss.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

The consolidated cash flow statement has been prepared using the indirect method. Interest paid and received, as well as income tax and dividends paid and received are based on actual cash flows. The 2010 comparitive figures have been reclassified in order to allocate foreign exchange results to the respective components. The reclassifications have not materially changed the cash flow statement 2010.

Changes in the presentation of comparative figures
Where deemed appropriate the presentation of the comparative figures has been altered to further enhance the true and fair view of these financial statements. Certain items previously reported under specific financial statement captions have been reclassified conform to the current year presentation. These changes have had no effect on shareholders' equity or on net profit.

2.2 Adoption of new and revised Standards

First-time applied new standards and interpretations
There are no IFRS or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2011 that would be expected to have a material impact on the Group.

IAS 19, 'Employee benefits' was amended in June 2011. The impact on the Group will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in Other comprehensive income as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess the full impact and intends to adopt IAS19 revized on or after 1 January 2013.

IFRS 9, ‘Financial instruments’, addresses the classification, measurement and recognition of financial assets and financial liabilities. The Group is yet to assess IFRS 9’s full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2013.

IFRS 10, ‘Consolidated financial statements’ builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The Group is yet to assess IFRS 10’s full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013.

IFRS 12, ‘Disclosures of interests in other entities’ includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess IFRS 12’s full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013.

IFRS 13, ‘Fair value measurement’, aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The Group is yet to assess IFRS13’s full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

The standards and interpretations mentioned above have not yet been endorsed by the European Union.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.3 Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The total consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets. Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in a consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group’s share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the statement of comprehensive income.

Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the 2011 consolidated financial statements, the Company and the following subsidiaries are included:

- Catz International B.V., Rotterdam, the Netherlands – 100%
- BerCatz B.V., Rotterdam, the Netherlands – 100%
- Tovano B.V., Maasland, the Netherlands – 100%
- TEFCO EuroIngredients B.V., Bodegraven, the Netherlands (referred to as 'Tefco') – 100%
- Snick EuroIngredients N.V., Beernem (Belgium) (referred to as 'Snick') – 100%
- Acomo Investments B.V., Rotterdam, the Netherlands – 100% as from 1 May 2010
- **Red River Commodities Group:**
  - Red River Commodities Inc, Fargo, North Dakota, USA – 100% as from 1 May 2010
  - Sungold Foods Inc, Fargo, North Dakota, USA – 100% as from 1 May 2010
  - Red River van Eck B.V., Zevenbergen, the Netherlands – 100% as from 1 May 2010
- **Van Rees Group:**
  - Van Rees Group B.V., Rotterdam (incorporated on 10 December 2010) – 100% as from 10 December 2010
  - Van Rees B.V., Rotterdam, the Netherlands – 100% as from 1 May 2010
  - Van Rees North America Inc, Toronto, Canada – 100% as from 1 May 2010
  - Van Rees UK Ltd, London, United Kingdom – 100% as from 1 May 2010
  - Vriesthee B.V., Rotterdam, the Netherlands – 100% as from 1 May 2010
  - Van Rees Poland Sp. Zoo, Warshaw, Poland – 100% as from 1 May 2010
  - Van Rees Ceylon B.V., Rotterdam, the Netherlands – 100% as from 1 May 2010
  - P.T. Van Rees Indonesia, Jakarta, Indonesia – 100% as from 1 May 2010
  - Van Rees LLC, Moscow, Russia – 100% as from 1 May 2010
  - Van Rees Ceylon Ltd, Colombo, Sri Lanka – 100% as from 1 May 2010
- **King Nuts:**
  - King Nuts Holding B.V., Bodegraven, the Netherlands – 100% as from 8 October 2010
  - King Nuts B.V., Bodegraven, the Netherlands – 100% as from 8 October 2010

In addition several intermediate holding entities and dormant legal entities are included. The full list of subsidiaries is filed at the trade register of the Chamber of Commerce in Rotterdam.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition, if any.

The Group's share of its associates' post-acquisition profits or losses is recognized in the income statement, and its share of post-acquisition movements in reserves is recognized in Other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the value of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Acomo Management Board.

2.5 Foreign currency translation

(a) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euro, which is the Company's functional and presentation currency.

(b) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in Other comprehensive income.

(c) Group companies
The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(b) income and expenses for each income statement are translated at average exchange rates unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and
(c) all resulting exchange differences are recognized in Other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to Other comprehensive income. When a foreign operation is partially disposed off or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The resulting changes are recognized in Other comprehensive income.

2.6 Intangible fixed assets – goodwill

(a) Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'Intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(b) Computer software
Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets.

Directly attributable costs that are capitalized as part of the software product include the software development direct employee costs. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Computer software development costs recognized as assets are amortized over their estimated useful lives of three to five years.

2.7 Property, plant and equipment

Land and buildings comprise mainly land, factories and storage facilities. Land and buildings are stated at historical cost, buildings less depreciation. For acquired land and buildings that are part of an acquired business combination, the acquisition values are based on appraisals by external independent valuers.
All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent investments are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Buildings	20-30 years
Building improvements	5-10 years
Machinery	5-15 years
Vehicles	3-5 years
Furniture, fittings and equipment	3-8 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.8). Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'General costs' in the income statement.

2.8 Impairment of non-financial assets

Assets that have an indefinite useful life – for example, goodwill or intangible assets not ready to use – are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are also reviewed for possible impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered any impairment are reviewed for possible reversal of the impairment at each reporting date.

2.9 Financial assets – Loans and receivables

The Group classifies its financial assets in loans and receivables. The classification depends on the nature and purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are initially valued at fair value. After this the valuation is at amortized cost. Loans and receivables are non-derivative financial assets with fixed or determinable payments dates that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.

2.10 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

(a) hedges of a particular risk associated with a recognized asset or liability or a highly probable or contracted forecast transaction (cash flow hedge); or
(b) hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in Note 11. Movements in the hedging reserve in Other comprehensive income are shown in Note 16. The fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(a) Cash flow hedge
The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within 'Other financial income and expense'.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of the hedge is recognized in the income statement within 'Sales' when realized. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognized in 'Cost of goods sold' in the case of inventory.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within 'Other financial income and expense'.

(b) Net investment hedge
Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in 'Other comprehensive income'. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within 'Other financial income and expense'.

Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold. In 2010, this has been the case for the divestment of RCA resulting in a one-off net loss of € 1 445 211 that was charged to the 2010 income statement (Notes 8 and 27).

2.11 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and semi-finished products comprises raw materials, direct labor, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.12 Trade and other receivables and trade and accounts payable

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. Since collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables and accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables and accounts payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.13 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within Borrowings in current liabilities in the consolidated balance sheet.

2.14 Share capital

Ordinary issued shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are charged to the share premium reserve as a deduction, net of tax, from the proceeds.

2.15 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2.16 Compound financial instruments – convertible loans

Compound financial instruments issued by the Group comprise convertible bonds that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value. The liability component of a compound financial instrument is recognized initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognized initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

Upon early conversion of a convertible bond initiated by a bond holder, the difference between the proceeds and redemption liability is deducted from the share premium amount credited to the share premium reserve that is recorded as part of the issuance of new shares.

2.17 Current and deferred income tax liabilities / (assets)

The tax expense for the period comprises current and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in Other comprehensive income or directly in equity. In this case, the tax is also recognized in Other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Employee benefits

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has two defined benefit plans and various defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan typically defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognized past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

In respect of actuarial gains and losses that arise on defined benefit plans, the Group applies the corridor method in calculating the obligation in respect of a defined benefit plan. To the extent that any cumulative unrecognized actuarial gain or loss exceeds 10% of the greater of the present value of the defined benefit obligation and the fair value of plan assets, that portion is recognized in profit or loss over the expected average remaining working lives of the employees participating in the plan. Otherwise, the actuarial gain or loss is not recognized.

Past-service costs are recognized immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortized on a straight-line basis over the vesting period.

The Group recognizes a liability and an expense for bonuses and profit sharing, based on a percentage (generally 10%) of the profit before tax of the respective subsidiary. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.19 Share based payments

Since 1 September 2010, the Group operates a share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense in the income statement. The total amount to be expensed is determined by reference to the fair value of the options granted.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognizes the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

When the options are exercized, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercized.

2.20 Provisions

Provisions for onerous contracts and legal claims are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

2.21 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group. The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below.

(a) Sales of goods

Sales of goods are recognized when a Group entity has delivered products to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery normally does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. Sales are recorded based on the price specified in the sales contracts.

(b) Interest income

Interest income is recognized using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables are recognized using the original effective interest rate.

(c) Dividend income

Dividend income is recognized when the right to receive payment is established.

2.22 Cost of goods sold

Cost of goods sold is recorded in the same period in which the sales are recognized. Other revenues and expenses are recorded in the period in which they are incurred.

2.23 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders or paid, respectively.

3 Risk management

3.1 Risk factors

The Group operates in international commodity trading and is exposed to a variety of market and financial risks (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risks and liquidity risks. The Group's overall risk management focuses on the unpredictability of commodity and financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out under policies approved by the Management Board and Supervisory Board. Risks are identified, evaluated and hedged in close co-operation with the Group's operating units. The Management Board and the management of the operating companies apply policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and investment of excess liquidity. We refer to the Management Board report and our Corporate Governance Statement for a further explanation on risk management.

3.1.1 Market risks

Foreign exchange risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US-Dollar. Foreign exchange risk arises from current and future commercial transactions, current and future costs, recognized assets and liabilities and net investments in foreign operations. The Management Board has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. The Group companies are required to hedge their foreign exchange risk exposure arising from sales and purchase transactions within the respective company in accordance with Group policies. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward contracts, transacted with external banks. Foreign exchange risk arises when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency.

The Group's risk management policy is to hedge between 90% and 100% of contracted cash flows (mainly export sales and purchases of inventory) in each major foreign currency for the subsequent 12 months. Approximately 95% (2010: 95%) of contracted sales and purchases in each major currency qualify as 'highly probable' transactions for hedge accounting purposes.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

For the year 2011, if the average US-Dollar currency applied had weakened/strengthened by 5% against the euro with all other variables held constant, net profit for the year would have been € 550 000 higher/lower, mainly as a result of foreign exchange results on translation of US-Dollar-denominated income from the Van Rees tea business and Red River Commodities seeds business. At 31 December 2011, the total impact on shareholders' equity of a 5% US-Dollar increase/decrease relating to equity of subsidiaries with a US-Dollar functional currency would have been € 2.5 million. Similarly, total assets would have increased/decreased with € 5.9 million in case of the US-Dollar/euro rate being 5% higher/lower than the rate at 31 December 2011 that has been used.

Price risk
The Company's results are sensitive to commodity market price movements. In order to manage the effects of price movements of commodities, the Group companies apply trading guidelines internally determined and maximum positions per product group and overall positions. From a financing point of view, headroom available within bank facilities is closely monitored in order to be able to finance increased working capital requirements when commodity prices increase.

Interest rate sensitivity analysis
A sensitivity analysis has been made based on the exposure to interest rates for the bank borrowings and current financial bank liabilities at the balance sheet date. If interest rates had been 0.5% or 50 basis points higher/lower and all other variables were held constant, the Group's result before tax for the year ended 31 December 2011 would have been € 450 000 lower/higher respectively.

Cash flow and fair value interest rate risk
The Group's interest rate risk arises from long-term borrowings and working capital financing. Borrowings and working capital financing contracted at variable interest rates expose the Group to cash flow interest rate risk which is partially offset by cash held at variable interest rates. Borrowings issued at fixed interest rates expose the Group to fair value interest rate risk.

During 2011 and 2010, the Group's borrowings at variable interest rates were denominated in euro, US-Dollar and UK-pound. The Group analyses its interest rate exposure on a dynamic basis. Scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies. The scenarios are run only for liabilities that represent the major interest-bearing positions.

In case of a significant impact of expected future interest rate increases, interest rate swaps are contracted to mitigate relating risks. Additional information is disclosed in Note 11.

3.1.2 Credit risk

Credit risk is managed at the subsidiary level. Each local subsidiary is responsible for managing and analysing the credit risk for each of their clients before standard payment and delivery terms and conditions are offered. Credit risk arises from derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. Risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by management of the operating companies. The utilization of credit limits is regularly monitored. See Note 13 for further disclosure on credit risk. Management does not expect any undisclosed material losses from non-performance by these counterparties.

3.1.3 Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated by Group treasury. Group treasury monitors rolling forecasts of the Group's liquidity requirements and calculates ratio's to ensure it has sufficient funds to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities (Note 19) at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, planned capital expenditures, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions. Surplus cash held by the operating entities over and above balances required for working capital purposes are transferred to Group treasury. Group treasury invests surplus cash in interest bearing current accounts at first class banks.

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to ensure the continued financing of the trading activities, to provide adequate long-term returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the solvency ratio. This ratio is calculated as total equity plus subordinated debt divided by total assets.

During 2011, the Company's objective, which was unchanged from 2010, was to maintain the solvency ratio at a minimum of 30% and preferably around 40%. The solvency ratio at 31 December 2011 and 2010 were as follows:

	31 December	
Solvency	2011	2010
Total shareholders' equity	111 914 040	74 802 445
Subordinated convertible bonds	-	19 901 725
Total equity	111 914 040	94 704 170
Total assets	276 291 879	238 600 493
Solvency ratio	40.5%	39.7%

In January 2011, the remaining convertible bonds outstanding at 31 December 2010 amounting to nominal € 20 950 000 were converted into ordinary shares. See Note 19.

4 Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.8. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (Note 6).

(b) Income taxes
The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is inherently uncertain. The Group recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Additional information is disclosed in Note 20 and Note 26.

(c) Pension benefits
The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 21.

Were the discount rate used would increase by 1% as compared to the discount rates used, the carrying amount of pension obligations would be an estimated 14% lower or higher.

5 Segment information

The Management Board in its role as Chief Operating Decision maker has determined the operating segments based on the reports used to make management decisions.

The Management Board considers the business from both a geographic and product perspective. Geographically, the Management Board considers the performance of wholesale in the Netherlands, other countries in Europe, the US and other areas, further segregated into the products:

- Tropical products, nuts, dried fruits and dehydrated food
- Food ingredients
- Tea
- Edible seeds

The Management Board assesses the performance of the operating segments based on a measure of adjusted profit before tax. This measurement basis excludes the effects of non-recurring expenditures from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring event.

The segment information for the reportable segments for the year ended 31 December 2011 and 31 December 2010 is as follows:

2011 (in € 000)	Tropical products and nuts	Food ingredients	Tea	Seeds	General cost and intra group	Total
Sales	292 432	15 193	153 682	115 107	(5 427)	570 987
Operating expenses	(269 637)	(13 822)	(146 574)	(102 068)	4 189	(527 912)
EBITDA	22 795	1 371	7 108	13 039	(1 238)	43 075
Depreciation	(304)	(112)	(138)	(1 721)	(48)	(2 323)
Interest expense, net	(614)	7	(911)	(517)	(555)	(2 590)
Income tax expense	(5 469)	(398)	(2 000)	(3 531)	22	(11 376)
Non-recurring result	-	-	-	-	(634)	(634)
Net result	16 408	868	4 059	7 270	(2 453)	26 152
Total assets	95 724	6 084	58 446	71 103	44 935	276 292
Equity	26 762	3 977	20 585	28 643	31 947	111 914

2010 (in € 000)	Tropical products and nuts	Food ingredients	Tea	Seeds	General cost and intra group	Total
Sales	194 488	14 180	96 800	70 827	(1 387)	374 908
Operating expenses	(176 925)	(12 868)	(92 424)	(62 057)	1 034	(343 240)
EBITDA	17 563	1 312	4 376	8 770	(353)	31 668
Depreciation	(242)	(376)	(113)	(1 229)	(5)	(1 965)
Interest expense, net	(220)	23	(582)	9	(2 392)	(3 162)
Income tax expense	(4 361)	(271)	(1 287)	(2 629)	238	(8 310)
Non-recurring result	-	-	-	-	(2 755)	(2 755)
Net result	12 740	688	2 394	4 921	(5 267)	15 476
Total assets	72 476	5 630	45 611	66 478	48 405	238 600
Equity	21 738	3 662	18 376	40 776	9 747	74 805

Van Rees and Red River Commodities have been consolidated as from 1 May 2010 and the King Nuts business has been consolidated as from 8 October 2010.

The amounts with respect to total assets are measured in a manner consistent with that of the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Revenues per geography are as follows:

Revenues (in € million)	NL	EU other	US	Other	Total
2011	**73.2**	**261.7**	**145.5**	**90.5**	**570.9**
2010	59.7	164.2	82.4	68.6	374.9

6 Intangible assets

Goodwill

Intangible fixed assets relate to the goodwill paid for the acquisition of Tefco in 2006, Snick in 2009, Van Rees, Red River Commodities and King Nuts in 2010.

The movements in goodwill are as follows:

Goodwill	In €
At 1 January 2010	4 604 917
Addition - Van Rees en Red River Commodities	30 343 179
Addition - King Nuts	15 305 566
Currency translation effect goodwill	(2 181 925)
At 31 December 2010	48 071 737
Reversal accrual earn-out Snick	(500 000)
Currency translation effect goodwill	634 449
At 31 December 2011	48 206 186

Impairment tests for goodwill

Goodwill has been tested for impairment on the basis of the ratio's and assumptions used at the time of the acquisition (based on EBIT multiples and on discounted cash flow models) and the actual results over 2011. No impairment charges have resulted from this test. The goodwill impairment test is based on the management judgment that the possible net realizable value of the acquired businesses will not be less than the sum of the goodwill amount plus the net assets of the acquired company, which is assumed not to be the case unless the annualized net result would decrease by more than 50% for Van Rees and Red River Commodities and 30% - 70% for Tefco, Snick and King Nuts as compared to 2011 on an extrapolated annual basis.

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to operating segment.
The total goodwill paid in USD for Van Rees and Red River Commodities in 2010 was split based on valuation analyses in 31% and 69% respectively.
An operating segment-level summary of the goodwill allocation is presented below.

	31 December	
Goodwill	2011	2010
Food ingredients - Tefco	1 529 090	1 529 090
Food ingredients - Snick	2 575 827	3 075 827
Van Rees	8 926 668	8 729 989
Red River Commodities	19 869 035	19 431 265
King Nuts	15 305 566	15 305 566
Total	48 206 186	48 071 737

The recoverable amount of all CGUs has been determined based on three different valuation methods: DCF-method, multiple analysis and Return on Investment:

- the DCF-method uses cash flow projections based on financial budgets approved by management for 2011. The Weighted Average Cost of Capital is based on the Capital Asset Pricing Model using a beta of 0.9 as proposed by two independent investment banks. The WACC varies at different subsidiaries. Based on the local tax rates, the applied WACC varies from 6.5% to 8.6%
- a 10-year forecast period is used (including approved 2012 budgets when applicable) followed by a terminal value based on perpetual 1.5% to 3% growth of revenues. In order to calculate the value of CGU, cash is added and interest bearing debt is deducted. Cash flows beyond 2012 are extrapolated using estimated growth rates.
- The multiple analysis is based on the historic corporate P/E ratio. The ratio is calculated on a rolling average of 7 years excluding the highest and lowest P/E ratio. The analysis shows on average a ratio of 9.1x net earnings. The enterprise value is adjusted for net debt and working capital. The Return On Investment is based on an implied enterprise value, adjusted by net debt and working capital. Our assumptions incorporate required returns on our investment (Equity and Debt).

The key assumptions used for value-in-use calculations in 2011 are as follows:

Assumptions	Food ingredients	Van Rees	Red River Commodities	King Nuts
EBIT margin 2011 - 2020	7.0% - 15.0%	4.5% - 5.0%	11.00%	7.0% - 8.0%
Sales growth 2011 - 2020	5.0% - 6.0%	3.0%	2.00%	2.5%
Discount rate	8.4% - 8.6%	6.5%	7.2%	6.7%

7 Property, plant and equipment

The movements in property, plant and equipment are as follows:

Property, plant and equipment	Land and buildings	Vehicles and machinery	Furniture, fittings and equipment	Total
At 1 January 2010				
Cost or valuation	595 700	586 325	1 627 898	2 809 923
Accumulated depreciation	(40 526)	(292 560)	(936 344)	(1 269 430)
Net book amount	555 174	293 765	691 554	1 540 493
2010				
Opening net book amount	555 174	293 765	691 554	1 540 493
Acquisition of subsidiaries	15 532 129	5 520 073	320 238	21 372 440
Investments	258 884	1 516 253	318 560	2 093 697
Exchange differences	14 211	(22 835)	95	(8 529)
Disposals	-	(23 352)	-	(23 352)
Depreciation charge	(493 338)	(971 897)	(250 142)	(1 715 377)
Closing net book amount	15 867 060	6 312 007	1 080 305	23 259 372
At 1 January 2011				
Cost or valuation	16 400 924	7 576 464	2 266 791	26 244 179
Accumulated depreciation	(533 864)	(1 264 457)	(1 186 486)	(2 984 807)
Net book amount	15 867 060	6 312 007	1 080 305	23 259 372
2011				
Opening net book amount	15 867 060	6 312 007	1 080 305	23 259 372
Investments	1 525 825	1 908 364	301 570	3 735 759
Exchange differences	376 291	257 332	170 184	803 807
Disposals	-	(69 645)	-	(69 645)
Depreciation charge	(650 148)	(1 325 429)	(348 190)	(2 323 767)
Closing net book amount	17 119 028	7 082 629	1 203 869	25 405 526
At 31 December 2011				
Cost or valuation	18 523 930	9 394 005	2 381 952	30 299 887
Accumulated depreciation	(1 404 902)	(2 311 376)	(1 178 083)	(4 894 361)
Net book amount	17 119 028	7 082 629	1 203 869	25 405 526

Depreciation charge of € 2 323 767 (2010: € 1 715 377) has been recorded in 'Depreciation and impairment charges'.

8 Investments in associates

The movements in investments in associates are as follows:

Investments in associates	2011	2010
At 1 January	-	11 523 970
Divestment	-	(10 867 747)
Book loss	-	(656 223)
At 31 December	-	-

Investments in associates at 1 January 2010 refered to the 42.52% participation in RCA Commodities Asia (Pte) Ltd, Singapore (‘RCA’), a group active in rubber trading. On 7 June 2010, the investment in RCA was divested for an amount of USD 13 000 000. The result on this sale was recorded in the 2010 financial statement as a loss on divestment, refer to Note 27.

9 Other investments in companies

The movements in other investments in companies (both dormant companies and minority participations) are as follows:

Other investments in companies	2011	2010
At 1 January	296 944	422 633
Investments	-	124 311
Provision charge	-	(250 000)
At 31 December	296 944	296 944

10 Financial instruments by category

Assets	Loans and receivables	Derivatives used for hedging	Total
31 December 2010			
Derivative financial instruments	-	745 117	745 117
Trade and other receivables excluding pre-payments	57 950 189	-	57 950 189
Cash and cash equivalents	6 671 374	-	6 671 374
Total	64 621 563	745 117	65 366 680

Liabilities	Other financial liabilities at amortized cost	Derivatives used for hedging	Total
31 December 2010			
Convertible bonds	19 901 725	-	19 901 725
Borrowings	23 054 992	-	23 054 992
Bank overdrafts - short-term	59 989 769	-	59 989 769
Derivative financial instruments	-	792 823	792 823
Trade and other payables	44 910 022	-	44 910 022
Total	147 856 508	792 823	148 649 331

Assets	Loans and receivables	Derivatives used for hedging	Total
31 December 2011			
Derivative financial instruments	-	2 314 909	2 314 909
Trade and other receivables excluding pre-payments	71 955 224	-	71 955 224
Cash and cash equivalents	528 238	-	528 238
Total	72 483 462	2 314 909	74 798 371

Liabilities	Other financial liabilities at amortized cost	Derivatives used for hedging	Total
31 December 2011			
Borrowings	15 904 895	-	15 904 895
Bank overdrafts – short-term	84 046 209	-	84 046 209
Derivative financial instruments	-	1 183 665	1 183 665
Trade and other payables	46 998 110	-	46 998 110
Total	146 949 214	1 183 665	148 132 879

The fair values of the financial assets and liabilities do not materially differ from the book value due to the absence of interest related components and the accounting policies used.

11 Derivative financial instruments

Derivatives	31 December 2011 Assets	31 December 2011 Liabilities	31 December 2010 Assets	31 December 2010 Liabilities
Cash flow hedges – forex contracts	2 314 909	1 268 992	745 117	792 823
Cash flow hedges – interest rate swap	-	(85 327)	-	-
Total contracts	2 314 909	1 183 665	745 117	792 823

Foreign exchange contracts relate for more than 95% to forward US-Dollar sales and purchases with a term of less than 12 months and relate to hedged items with a maturity of less than 12 months. Consequently, the net value of these derivatives is classified as a current asset or liability. The forex contracts are so-called Level-2 derivatives with banks wich values are derived directly from foreign exchange rates and interest rate levels.

Forward foreign exchange contracts

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 December 2011 were USD 45.8 million bought and USD 21.1 million sold resulting in a total net amount of USD 24.7 million (2010: USD 8.6 million). Gains and losses recognized in the hedge reserve in equity (Note 16) on forward foreign exchange contracts as of 31 December 2011 are recognized in the income statement in the period or periods during which the hedged forecast transaction affects the income statement.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2011 were € 17.1 million (2010: nil).

At 31 December 2011, the fixed interest rates varied from 1.3% to 2.6% (2010: nil). The main floating rates are EURIBOR and LIBOR. Gains and losses recognized in the hedge reserve in equity (note 16) on interest rate swap contracts as of 31 December 2011 will be continuously released to the income statement within interest expense until the repayment of relating bank borrowings (note 19).

Hedge of net investment in foreign entity

A portion of the Group's US-Dollar-denominated borrowing amounting to USD 17 750 000. (2010: USD 50 250 000) is designated as a hedge of the net investment in the Group's US subsidiary. The fair value of the borrowing at 31 December 2011 was in line with the book values based on interest rates that were fixed at 31 December 2011 for a 3 months period. The total foreign exchange gain of € 1 366 604 (2010: (€ 843 036)) on translation of the relating US-Dollar borrowings to euro at the end of the reporting period was offset against the forex exchange loss on the net investments of € 148 496; the net gain amounting to € 1 218 108 (2.1% of the hedged net investments) is recognized in 'Other comprehensive income'.

12 Inventories

	31 December	
Inventories	2011	2010
Raw materials	23 509 651	22 486 394
Semi-finished products	5 305 130	1 794 431
Finished goods	97 824 545	76 001 006
Total	126 639 326	100 281 831

The cost of inventories recognized as expense and included in 'Cost of goods sold' amounted to € 460 425 936 (2010: € 303 119 840). Also refer to Note 23.

13 Trade and other receivables

	31 December	
Trade receivables	2011	2010
Trade receivables	71 501 851	55 922 488
Less: provision for impairment	(1 242 409)	(946 777)
Total trade receivables, net	70 259 442	54 975 711
Other receivables		
Prepayments	927 448	572 745
Tax and social securities	849 443	1 821 741
Other receivables	846 339	1 152 737
Total other receivables	2 623 230	3 547 223

All receivables are due within one year from the end of the reporting period.

As of 31 December 2011, total trade receivables of € 1 242 409 (2010: € 946 777) were impaired and provided for. The individually impaired receivables mainly relate to clients in the ordinary line of business which are in unexpectedly difficult economic situations.

As of 31 December 2011, trade receivables of € 3.4 million were more than 1 month past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default.

The ageing analysis of these trade receivables based on invoice date is as follows:

Ageing receivables	31 December 2011	31 December 2010
Up to 1 months	42 983 154	35 210 374
1-2 months	19 938 272	13 568 556
2-3 months	5 282 869	4 211 531
over 3 months	3 297 556	2 932 027
Total, gross	71 501 851	55 922 488

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

Currency	31 December 2011	31 December 2010
UK-pounds	237 863	594 006
Euro	25 930 999	16 125 833
US-Dollar	45 332 989	39 202 649
Total trade receivables	71 501 851	55 922 488

Movements in the provisions for impairment of trade receivables are as follows:

Provision trade receivables	2011	2010
At 1 January		
Provision for receivables impairment	946 777	111 833
Acquired in business combinations	-	814 658
Write-offs	(30 589)	(146 272)
Unused reversed to the income statement	(154 436)	-
Charged to the income statement	451 842	166 558
Exchange differences	28 815	-
At 31 December	1 242 409	946 777

The creation and release of provision for impaired receivables have been included in 'General costs' in the income statement. Amounts charged to the allowance account are generally fully written off when there is no expectation of recovering additional cash. The other classes within trade and other receivables do not contain material impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

Trade receivables with a book value of € 23.6 million have been pledged as a security for certain bank overdrafts.

14 Cash and cash equivalents

Cash and cash equivalents consist almost entirely of cash held at bank accounts.

15 Share capital and share premium reserve

The total authorized number of ordinary shares is 66.7 million shares (2010: 66.7 million shares) with a par value of € 0.45 per share (2010: € 0.45 per share). All issued 23 247 576 shares (31 December 2010: 20 412 673) are fully paid. The movements during 2011 were as follows:

	Number of shares	Share capital in €	Share premium reserve in €	Total in €
At 1 January 2010	16 334 866	7 350 690	-	7 350 690
Issue of shares (Note 6)	1 500 000	675 000	8 190 000	8 865 000
Conversion of bonds	2 577 807	1 160 013	17 552 303	18 712 316
At 31 December 2010	20 412 673	9 185 703	25 742 303	34 928 006
Conversion of bonds	2 834 903	1 275 706	19 634 648	20 910 354
At 31 December 2011	23 247 576	10 461 409	45 376 951	55 838 360

In January 2011, the Company issued a total of 2 834 903 shares on to bond holders upon conversion of issued bonds at a conversion price of € 7.39 per share. Issuance costs of € 39 579 net were charged against the share premium reserve. The shares issued have the same rights as existing shares issued.

16 Other reserves

Other reserves	Currency translation reserve	Convertible bond	Share option plan	Hedge reserve	Legal and other reserves	Total
At 1 January 2010	(1 445 211)	-	-	-	6 276 723	4 831 512
Move to retained earnings	-	-	-	-	(6 276 723)	(6 276 723)
Cash flow hedges	-	-	-	3 487	-	3 487
Employees share option scheme:						
- Value of employee services	-	-	45 549	-	-	45 549
- Tax credit, 25.5%	-	-	(11 615)	-	-	(11 615)
Release RCA currency reserve	1 445 211	-	-	-	-	1 445 211
Currency translation differences	(530 386)	-	-	-	-	(530 386)
Currency translation differences goodwill	(2 181 925)	-	-	-	-	(2 181 925)
Convertible bond-equity component	-	1 057 206	-	-	-	1 057 206
Tax on equity component	-	(269 588)	-	-	-	(269 588)
Effect conversions	-	(380 945)	-	-	-	(380 945)
Other movements	-	-	-	-	53 012	53 012
At 31 December 2010	(2 712 311)	406 673	33 934	3 487	53 012	(2 215 205)
Cash flow hedges	-	-	-	589 980	-	589 980
Employees share option scheme:						
- Value of employee services	-	-	136 647	-	-	136 647
- Tax credit, 25%	-	-	(34 162)	-	-	(34 162)
Currency translation differences	1 218 108	-	-	-	-	1 218 108
Currency translation differences goodwill	634 449	-	-	-	-	634 449
Effect conversions	-	(406 673)	-	-	-	(406 673)
At 31 December 2011	(859 754)	-	136 419	593 467	53 012	(76 856)

17 Retained earnings

The movements in retained earnings are as follows:

Retained earnings	In €
At 1 January 2010	27 199 338
Movement legal reserve	6 276 723
Profit for the year	15 475 878
Dividends paid relating to 2009 - final	(4 900 460)
Dividends paid relating to 2010 - interim	(1 961 835)
At 31 December 2010	42 089 644
Profit for the year	26 151 631
Dividends paid relating to 2010 - final	(9 066 554)
Dividends paid relating to 2011 - interim	(3 022 185)
At 31 December 2011	56 152 536

18 Share-based payment

Share options are granted to management and to selected employees. The exercise price of the granted options is equal to the conversion price of the convertible bonds issued in June 2010, i.e. € 7.39 per share. The options vest in a 6-year period with the first vesting taking place on the 3rd anniversary of granting the options. The vesting and exercise of the options is conditional on the continued employment in the Group. The options have a contractual option term of seven years and expire on 31 December 2017. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

On 31 December 2011, no options were exercisable. Share options outstanding at the end of the year have the following vesting date and exercise prices:

Vesting date	Exercise price per share in €	2011	2010
1 September 2013	7.39	321 000	321 000
1 September 2014	7.39	160 500	160 500
1 September 2015	7.39	267 500	267 500
1 September 2016	7.39	321 000	321 000
Total		1 070 000	1 070 000

The weighted average fair value of options granted during the period was calculated by using the Black&Scholes valuation model. The significant inputs into the model were: share price € 8.25, volatility of 19%, dividend yield of 8.2%, annual risk-free rate of 2.63%. The volatility measured at the standard deviation of continuously compound share returns is based on statistical analysis of daily share prices.

19 Convertible bonds and borrowings

Convertible bonds

On 23 June 2010, the Company issued € 40 000 000 of 5.5% subordinated convertible bonds (the 'Convertible bonds'). The Convertible bonds matured six years from the issue date at their nominal value of € 40 million or could be converted into shares at the holder's option between 23 December 2010 and 23 June 2016 at the price of € 7.39 per newly to be issued ordinary share Acomo.

The total fair value of the liability component of the Convertible bonds, included in Non-current borrowings, was calculated at the issue date using a market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion option, was included in shareholders' equity as per 31 December 2010 in Other reserves (Note 16), net of income taxes.

All remaining Convertible bonds were fully converted in January 2011.

Convertible bonds	
Nominal value of Convertible bonds issued 23 June 2010	40 000 000
Equity component (Note 16)	(1 057 206)
Transaction costs	(1 130 873)
Liability component on initial recognition at 23 June 2010	37 811 921
Amortization expense	183 044
Conversions in December	(19 050 000)
Effect conversions on amortization	956 760
Liability at 31 December 2010	19 901 725
Amortization expense (Note 27)	845 000
Conversions in January	(20 950 000)
Effect conversions on amortization	203 275
Liability at 31 December 2011	-

	31 December	
Borrowings	2011	2010
Non-current		
Bank borrowings	15 929 040	22 593 194
Other loans	658 000	1 316 000
Less: related bank costs	(682 145)	(854 202)
Total	15 904 895	23 054 992
Current		
Bank overdrafts	77 506 584	52 891 755
Bank borrowings short-term part	5 881 625	6 974 674
Other loans	658 000	123 340
Total	84 046 209	59 989 769
Total borrowings	99 951 104	83 044 761

The carrying amounts of bank borrowings approximate their fair value due to the interest rates being variable or being fixed in December 2011 for a maximum of 3 months or due to the accounting policy used to value interest rate swaps. The working capital financing lines are secured through a negative pledge on inventories and trade receivables.

Bank borrowings

The Group has secured two long-term bank borrowings to finance the acquisitions made in 2010:

- a USD 24 million acquisition loan, repayable in 4 years starting 31 December 2010 with linear repayments of USD 5 million per year on a quarterly basis with a final payment of the remaining borrowing on 18 June 2014; and
- a € 10 million acquisition loan, repayable in 5 years starting 30 June 2011 with linear repayments of € 2 million per year on a half year basis with a final payment on 30 September 2015.

For these loans, financial covenants have been agreed being an Interest Cover Ratio that must exceed 3.0 and Minimum Group Equity including subordinated bonds that must exceed € 65 million, € 72.5 million and € 80 million in the periods up until 31 December 2011, 2012 and 2013 respectively.

The Interest Cover Ratio 2011 exceeded 15.0 and Total Equity as calculated in line with the bank agreement exceeded € 112 million. The interest on 70% of both acquistion loans were fixed using interest rate swaps for the period until maturity.

Bank borrowings are secured by negative pledge agreements on assets of the relating group companies and negative pledges on inventories and trade receivables.

The carrying amounts of the Group's bank borrowings are denominated in the following currencies:

	31 December	
Bank borrowings	2011	2010
Euro	6 076 846	9 200 000
US-Dollar	9 852 194	13 393 194
Less: related bank costs	(682 145)	(854 202)
Total	15 246 895	21 738 992

The maturity of bank borrowings is as follows:

	31 December	
Contractual repayments	2011	2010
2011	-	6 974 674
2012	5 881 625	6 972 731
2013	5 949 563	5 772 731
2014	7 979 477	7 847 732
2015	2 000 000	2 000 000
After 2015	-	-
Total	21 810 665	29 567 868

Total interest liabilities based on current interest rates, contractual terms, interest rate swaps entered into and average 2011 working capital financial levels are € 2.3 million in 2012, € 2.1 million for 2013 and € 2.0 million - € 1.8 million per year for the years 2014-2016.

Other loans

This includes a vendor loan provided by the management of King Nuts of € 1 316 000; this loan is to be repaid in two equal installments on 2 November 2012 and on 2 November 2014. Interest is fixed at 5%. The loan is unsecured.

Bank overdrafts

The Group has the following bank overdrafts:

- a USD 75 million revolving credit facility with a borrowing base character; this facility matures on 31 January 2013 for USD 15 million and on 31 January 2014 for USD 60 million and is anticipated to be rolled over. Interest is variable;
- a € 5 million revolving credit facility, with a borrowing base character; this facility matures on 2 November 2013. Interest is variable;
- local lines in operating companies, secured by corporate guarantees of Acomo parent or intermediate group companies within the Group, in total amounting to € 67 200 000 and USD 23 400 000; these lines mature on an annual basis. Interest is variable.

The used and undrawn part of bank overdrafts at 31 December 2011 is as follows:

	In local currencies			
Working capital overdraft facilities	Total lines	Outstanding	Undrawn	Available in €
- USD 75 million RCF	75 000 000	33 631 304	41 368 696	31 917 827
- local USD lines	23 400 000	13 388 437	10 011 563	7 724 376
- local euro lines	72 200 000	41 228 719	30 971 281	30 971 281
Total in euro equivalent				
Total	148 120 068	77 506 584	70 613 484	70 613 484

As at balance sheet date, the Group had issued Letters of Credit in favour of third parties in the amount of USD 0.6 million (2010: USD 0.8 million). Bank guarantees were issued amounting to USD 1.2 million (2010: USD 14.5 million).

20 Deferred income tax liabilities/assets

	31 December	
Deferred income tax position	2011	2010
Deferred tax assets		
- Deferred tax assets to be recovered within 12 months	18 078	448 024
- Deferred tax assets to be recovered after more than 12 months	-	303 160
Total deferred tax assets	18 078	751 184
Deferred tax liabilities		
- Deferred tax liabilities to be paid within 12 months	-	-
- Deferred tax liabilities to be paid after more than 12 months	7 591 445	5 863 211
Total deferred tax liabilities	7 591 445	5 863 211
Deferred tax liabilities, net	7 573 367	5 112 027

The movement in the total deferred income tax position is as follows:

Total deferred income tax position	2011	2010
At 1 January	5 112 027	808 831
Acquired in business combinations	-	3 338 532
Timing differences added	1 473 087	795 762
Reclassifications	504 252	92 062
Released directly to equity	(80 514)	(253 899)
Income statement charge/(credit)	470 082	336 159
Exchange differences	94 433	(5 420)
At 31 December	7 573 367	5 112 027

The movement in deferred income tax assets and liabilities during the year, is as follows:

Deferred tax liabilities	Revaluation PPE	Transaction and bank cost	Convertible bonds	Timing differences	Total
At 1 January 2010	57 167	-	-	751 664	808 831
Liabilities acquired in business combinations	4 206 198	-	-	-	4 206 198
Timing differences added	-	288 372	269 587	253 845	811 804
Reclassifications	-	-	-	92 062	92 062
Charged/(credited) to the income statement	-	-	-	202 661	202 661
Released directly to equity	-	(78 089)	(165 885)	(9 925)	(253 899)
Exchange differences	(4 446)	-	-	-	(4 446)
At 31 December 2010	4 258 919	210 283	103 702	1 290 307	5 863 211
Timing differences added	-	-	-	1 473 087	1 473 087
Additional provision	-	-	-	314 100	314 100
Reclassifications	-	-	-	652 912	652 912
Charged/(credited) to the income statement	(101 394)	(60 397)	-	397 131	235 340
Released directly to equity	-	-	(103 702)	161 573	57 871
Exchange differences	89 669	-	-	37 303	126 972
At 31 December 2011, gross	4 247 194	149 886	-	4 326 413	8 723 493
Netting with assets					(1 132 048)
At 31 December 2011					7 591 445

Deferred tax assets	Retirement benefit obligation	Timing differences	Total
At 1 Januari 2010	-	-	-
Assets acquired in business combinations	427 384	440 282	867 666
Timing differences added	78 433	(62 391)	16 042
Charged/(credited) to the income statement	(70 309)	(63 189)	(133 498)
Exchange differences	470	504	974
At 31 December 2010	435 978	315 206	751 184
Reclassifications	-	148 660	148 660
Charged/(credited) to the income statement	68 376	10 982	79 358
Released directly to equity	-	138 385	138 385
Exchange differences	12 237	20 402	32 539
At 31 December 2011, gross	516 591	633 635	1 150 126
Netting with liabilities			(1 132 048)
At 31 December 2011			18 078

Deferred income tax liabilities of € 434 000 (2010: 263 000) have not been recognized for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries. Such amounts are permanently reinvested. Unremitted earnings totaled USD 4.9 million at 31 December 2011 (2010: USD 3.5 million).

21 Retirement benefit obligations

Retirement benefit positions	31 December 2011	2010
Balance sheet obligations		
- Pension benefits - defined benefit plans	1 248 042	1 209 315
- Pension benefits - defined contribution plans	238 462	315 060
Liability in the balance sheet	1 486 504	1 524 375
Income statement charges		
- Pension costs - defined benefit plans (Note 24)	329 408	215 105
- Pension costs - defined contribution plans (Note 24)	1 050 904	803 297
Pension cost in the income statement	1 380 312	1 018 402

Pension benefits - Defined benefit plans

Since the acquisition of Van Rees Group and Red River Commodities Group, the Group operates defined benefit pension plans in the Netherlands and the US based on employee pensionable remuneration and length of service. The pension plan in the Netherlands is part of the existing plan of Deli Maatschappij N.V. and is re-insured with an insurance company. The plan was changed in 2004 from a final pay system to a middle-salary system. The pension plan in the US was closed in 2008, both for changes in salaries and for new entrants, and therefore serves as a pension fund for existing and former employees of Red River Commodities Group that were eligible up to mid-2008.

Both plans are externally funded. Plan assets are held in trusts and at the insurance company, governed by local regulations and practice in each country. In addition, some relatively limited selected pension agreements have been arranged within the Group.

The amounts recognized in the balance sheet are determined as follows:

Net pension liability	31 December 2011	2010
Present value of funded obligations	7 263 623	6 545 895
Fair value of plan assets	(5 925 340)	(5 117 106)
Deficit of funded plans	1 338 283	1 428 789
Unrecognized past service cost	(90 241)	(219 574)
Other pension liabilities	238 462	315 160
Liability, net	1 486 504	1 524 375

The movement in the defined benefit obligations over the year is as follows:

Actuarial pension obligations	2011	2010
At 1 January	6 545 895	-
Liabilities acquired in business combinations	-	5 849 113
Current service cost	106 069	97 613
Interest cost	328 413	233 432
Employee contributions	33 980	26 849
Actuarial losses / (gains)	450 989	487 800
Benefits paid	(128 990)	(24 542)
Expenses paid	(30 060)	(19 875)
Settlements	(134 510)	(104 495)
Exchange differences	91 837	-
At 31 December	7 263 623	6 545 895

The movement in the fair value of plan assets of the year is as follows:

Value plan assets	2011	2010
At 1 January	5 117 106	-
Assets acquired in business combinations	-	4 939 083
Expected return on plan assets	164 682	135 225
Actuarial (losses) / gains	527 882	(131 952)
Employer contributions	361 105	322 084
Employee contributions	33 980	26 849
Benefits paid	(128 990)	(24 542)
Expenses paid	(30 060)	(19 875)
Settlements	(163 371)	(129 766)
Exchange differences	43 006	-
At 31 December	5 925 340	5 117 106

The amounts recognized in the income statement are as follows:

Pension costs	2011	2010
Current service cost	106 069	97 613
Interest cost	328 413	233 432
Expected return on plan assets	(164 682)	(135 225)
Amortization recognized loss	6 419	36 339
Settlement results	53 189	47 937
Release provisions	-	(64 991)
Total, included in personnel costs (Note 24)	329 408	215 105

The principal actuarial assumptions were as follows:

	31 December 2011		31 December 2010	
Actuarial assumptions	US	Euro	US	Euro
Discount rate	4.4%	5.0%	5.25%	5.2%
Inflation rate*	-	2.0%	-	2.0%
Expected return on plan assets	3.0%	4.3%	3.00%	3.6%
Future salary increases*	-	2.5%	-	2.5%
Future pension increases*	-	0.0% - 2.0%	-	0.0% - 2.0%

** with respect to the US pension plan, the plan is closed for new entrants and non-indexed*

Assumptions regarding future mortality experience are set based on actuarial advice in accordance with published statistics and experience in each territory. Average life time expectancy applicable for the US pension plan is 38 years. For the pension plan in the Netherlands, the average future working life of respective employees is 15 years.

Taking into account the closed status of the US pension plan, the main sensitivity of the overall pension liability to changes in the weighted principal assumptions is linked to the discount rate used. Actuarial calculations indicate that a 1% increase in the discount rate used will affect the total liability with approximately 14%.

Contributions expected to be paid during 2012 are estimated at € 258 000.

Other pension liabilities mainly refer to provisions for retirement benefits by law (gratuity) in various countries including Kenya and Sri Lanka.

22 Provisions for other liabilities and charges

Provisions	Legal	Other	Total
At 1 January 2011	972 713	1 363 100	2 335 813
Reclassifications from/(to) accruals	109 944	(405 444)	(295 500)
Charged / (credited) to the income statement:			
- additions	642 118	502 432	1 144 550
- reversals	(76 966)	(299 652)	(376 618)
Exchange differences	-	42 662	42 662
Total at 31 December 2011	1 647 809	1 203 098	2 850 907

Analysis of total provisions			
Non-current	1 297 809	836 466	2 134 275
Current	350 000	366 632	716 632
Total at 31 December 2011	1 647 809	1 203 098	2 850 907

Legal claims

The amounts represent a provision for certain legal claims brought against the Group by customers an other third parties, the outcome of which is uncertain. The provision charge is recognized in profit or loss within 'General cost'.
In managements' opinion, taken into account all known facts and circumstances on 31 December 2011 and after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided at 31 December 2011.

Other

Other provisions mainly relate to short positions outstanding at year-end of which contract prices of goods to be delivered was lower than the market price of the goods at year-end and to other onerous trading contracts.

23 Expenses by nature

	2011	2010
Total cost of sales, purchase value of goods	460 425 936	303 119 840
Other cost of sales components	27 202 871	11 527 700
Personnel costs	28 455 838	18 619 369
Depreciation and impairment charges	2 323 767	1 965 377
Fees audit firms	328 857	335 522
Other expenses	11 497 522	9 636 766
Total	530 234 791	345 204 574

Fees audit firms	2011	2010
Statutory audit fees of BDO Audit & Assurance	150 150	152 395
Audit fees of BDO offices outside The Netherlands	41 213	44 628
Statutory audit fees of other audit firms	55 000	50 000
Other fees of audit firms	82 494	88 499
Total	328 857	335 522

24 Personnel costs

	2011	2010
Wages and salaries, including profit sharing and bonuses	22 669 531	16 094 069
Social security costs	1 777 671	1 004 255
Pension costs - defined contribution plans (Note 21)	1 050 904	803 297
Pension costs - defined benefit plans (Note 21)	329 408	215 105
Share options - charge for the year (Note 18)	136 647	45 549
Other	2 491 677	457 094
Total	28 455 838	18 619 369

On a full-time equivalent basis, taking into account the period that acquired companies were included in the 2011 consolidation, the total number of employees was:

Number of employees	2011	2010
Average number	483	323
Number at 31 December	500	468

25 Finance income and expense

	2011	2010
Interest income		
- Interest income on short-term bank deposits	131 081	254 228
Interest income	131 081	254 228
Interest expense		
- Bank borrowings	(3 045 335)	(1 805 180)
- Convertible bonds (Note 19)	(45 914)	(1 313 023)
- Interest discounted liability	-	(293 692)
Interest expense	(3 091 249)	(3 411 895)
Other financial income and expense		
Foreign exchange results	192 214	(4 564)
Results on derivatives	177 130	-
Other financial income and expense	369 344	(4 564)
Net finance expense (income)	2 590 824	3 162 231

26 Corporate income tax

	2011	2010
Current tax expense		
Current tax on profits for the year	11 114 762	7 945 017
Adjustments in respect of prior years	(209 171)	28 842
Total current tax expense	10 905 591	7 973 859
Deferred income tax expense/(income) (Note 20)	470 082	336 159
Total corporate income tax expense	11 375 673	8 310 018

The tax on the Group's profit differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2011	2010
Tax calculated at domestic tax rates applicable to profits in the respective countries	11 208 484	7 704 836
Tax effect of:		
- Non-deductible expenses	160 522	107 015
- Adjustments previous years	(209 171)	28 842
- Provisions	314 100	403 476
- Other items	(98 262)	65 849
Total corporate income tax expense	11 375 673	8 310 018
Average effective tax rate	29.8%	31.3%

The weighted average applicable theoretical corporate income tax rate was 29.4% (2010: 29.0%). The increase is caused by a change in the country mix of the Group's source of profits in countries with a relatively higher tax rate, particularly the US, Canada and African countries.

The tax (charge)/credit relating to components of Other comprehensive income is as follows:

	2011			2010		
	Before tax	Tax credit	After tax	Before tax	Tax credit	After tax
Cash flow hedges	786 640	(196 660)	589 980	4 681	(1 194)	3 487
Other movements	-	-	-	53 012	-	53 012
Currency translation differences due to sale RCA	-	-	-	1 445 211	-	1 445 211
Currency translation differences on goodwill	634 449	-	634 449	(2 181 925)	-	(2 181 925)
Currency translation differences	1 218 108	-	1 218 108	(569 294)	38 908	(530 386)
Total	2 639 197	(196 660)	2 442 537	(1 248 315)	37 714	(1 210 601)

27 Net result from non-recurring items

Due to the documentation structure of the convertible bonds, the execution of the so-called 'soft conversion option' by the Company on 10 January 2011, aiming to trigger full conversion by bondholders, has to be treated following IFRS policies as an intention to actually repay the bonds in cash. This repayment intention resulted in an extra non-cash amortization of the bond of € 845 000.

In 2010, this result related to the divestment for USD 13 million in June 2010 of the 42.52% investment in RCMA Commodities Asia Pte Ltd.

Non-recurring result	2011	2010
Amortization convertible bonds, net of 25% tax	(633 750)	-
Book loss on divestment RCA (Note 8)	-	(656 223)
Release currency translation reserve	-	(1 445 211)
Net foreign exchange result on relating receivable	-	(653 383)
Total	(633 750)	(2 754 817)

28 Earnings per share

Basic

Basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. After full conversion of convertible bonds in Januari 2011, the Company has one category of dilutive potential ordinary shares: share options.

For the share options, a calculation is made to determine the number of shares that could have been issued at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that will be issued assuming the exercise of all issued share options. The excess number of shares is used for calculating diluted earnings per share.

Earnings, recurring used to calculate earnings per share	2011	2010
Profit from recurring operations attributable to equity holders of the Company	26 785 381	18 230 695
Interest expense on Convertible bonds (net of tax)	34 436	978 201
Cost share options (net of tax)	102 485	33 934
Profit used to determine diluted earings per share	26 922 302	19 242 830

	31 December	
Number of shares, weighted and dilutive	2011	2010
Weighted average number of ordinary shares issued		
Issued at 1 january	20 412 673	16 334 866
Add: shares issued in June 2010	-	1 500 000
Add: shares issued upon conversions, weighted	2 737 345	59 355
Total weighted average number of shares issued	23 150 018	17 894 221
Adjustments for Issued shares upon conversion, non-weighted part	97 558	2 518 452
Total number of shares issued	23 247 576	20 412 673
Assumed full conversion of Convertible bonds	-	2 834 903
Share options, dilution effect	275 730	180 926
Total number of shares, dilutive	23 523 306	23 428 502

29 Dividends per share

	2011	2010
Dividends paid		
Final dividend 2009	-	4 900 460
Interim dividend 2010	-	1 961 835
Final dividend 2010	9 066 554	-
Interim dividend 2011	3 022 185	-
Total	12 088 739	6 862 295
Dividends declared per fiscal year in € per share		
Interim dividend	0.13	0.11
Final dividend (2011: proposed)	0.52	0.39
Total dividend declared per book year	0.65	0.50

It is proposed to distribute a final dividend of € 0.52 per share – being € 12 088 739 in total in cash. Together with the interim dividend of € 0.13 per share paid in September 2011, this brings the total dividend for 2011 to € 0.65 per share (2010: € 0.50 per share) being € 15 110 924 in total (2010: € 11 028 390).

These financial statements do not reflect a liability for this final dividend payable.

30 Related party transactions

Management of King Nuts provided a loan to Acomo amounting to € 1 316 000 (Note 19).

31 Contingencies

The Group has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for (Note 22).

32 Contingent liabilities

Capital commitments
Capital expenditures contracted for at the end of the reporting period were not material.

Operating lease commitments – group company as lessee
The Group leases various, offices and warehouses under non-cancellable operating lease agreements. The lease terms generaly are between 5 and 10 years, and the majority of lease agreements are renewable at the end of the lease period at market rate. The Group also leases machinery under cancellable operating lease agreements. The Group is required to give a six-month notice for the termination of these agreements.
Operational lease expenses included in 2011 consolidated income statement amounted to € 0.9 million (2010: € 0.4 million)

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	31 December	
Lease payment liabilities (in € '000)	2011	2010
No later than 1 year	2 001	855
Later than 1 year and no later than 5 years	2 550	2 155
Later than 5 years	95	657
Total	4 646	3 667

33 Key management and Supervisory Board members compensation and interests

Key management includes Mr St. Holvoet and Mr J. ten Kate as statutory directors and the Supervisory Board consisting of Mr B. Stuivinga (chairman), Mr Y. Gottesman, Mr W. Boer and Mr J Niessen.

The compensation paid or payable to key management and to Supervisory Board members for services is shown below:

	St. Holvoet	J. ten Kate	B. Stuivinga	Y. Gottesman	W. Boer	J. Niessen	N. de Kanter	Total
Salaries and other short-term employee benefits	250 000	131 250	41 000	30 000	30 000	18 542	13 750	514 542
Post-employment benefits	26 800	39 375	-	-	-	-	-	66 175
Share-based payments	12 771	5 587	-	-	-	-	-	18 358
Profit related bonus 2011	666 466	196 875	-	-	-	-	-	863 341
Total	956 037	373 087	41 000	30 000	30 000	18 542	13 750	1 462 416

The remuneration of the Supervisory Board was increased as from 1 June 2011 with € 5 000 and amounts for a full year to € 43 500 for the Chairman and € 32 500 for each member of the Supervisory Board. Mr N. de Kanter resigned on 25 May 2011. Mr J. Niessen was appointed on 25 May 2011.

On 31 December 2011, the following members of key management and Supervisory Board member directly or indirectly owned Acomo shares: Mr Holvoet (40 595 shares), Mr Stuivinga (40 595 shares), Mr Boer (6 765 shares) and Mr Niessen (3 665 008 shares).

Mr J. ten Kate was appointed as statutory director on 25 May 2011. The compensation above refers to the period 1 June 2011 - 31 December 2011. On 31 December 2011, Mr J. ten Kate did not own Acomo shares.

Mr St. Holvoet has 100 000 options as part of the Acomo Share Option Plan. Mr J. ten Kate has 75 000 options.

34 Article 10 Take-Over Directive

The information based on Article 1 of the Decision Article 10 of the Take-Over Directive is as follows:

a. the capital structure of the Company is described on page 56 of this annual report (Note 15);
b. there are no limitations with regard to the transfer of shares of the Company;
c. significant share holdings in the sense of articles 5:38 and 5:43 of the Law Financial Control are reported on page 7;
d. there are no special control preferences attached to any of the shares of the Company;
e. there are no limitations of the voting rights;
f. the Company is not aware of the existence of agreements between shareholders to the effect of limiting the rights to transfer the shares or the voting rights;
g. the regulations regarding the appointment and dismissal of members of the Management Board and the Supervisory Board, and with regard to the change of the Articles of Association are described in the Articles of Association on pages 4, 5 and 15;
h. the Supervisory Board is authorized, upon approval by the Annual General Meeting of Shareholders, to resolve upon the issue of shares of the Company and to acquire fully paid-up shares in its own share capital.

Rotterdam, 16 April 2012

Stéphane G. Holvoet	The Supervisory Board
Managing Director	B. Stuivinga, *Chairman*
	Y. Gottesman
Jan ten Kate	W. Boer
Chief Financial Officer	J. Niessen

2011

Company balance sheet and income statement

Company balance sheet as at 31 December 2011

Company income statement 2011

Notes to the Company balance sheet and income statement

All amounts are in euro, unless otherwise stated.
These consolidated financial statements are a translation of the original Dutch version of the consolidated financial statements. In case of misunderstandings regarding the interpretation of this translation, the Dutch version supersedes and prevails.

Company balance sheet as at 31 December 2011 (before appropriation of result)

	Note	2011	2010
		€	€
Assets			
Non-current assets			
Property, plant and equipment		253 690	66 676
Intangible assets		48 206 185	48 071 737
Investment in subsidiaries and affiliates	1.1	75 917 420	57 633 254
Non-current deferred tax asset		117 200	-
Total non-current assets		124 494 495	105 771 667
Current assets			
Amounts due from group subsidiaries		416 913	1 650 141
Other receivables		3 109 641	337 658
Cash and cash equivalents		123 856	3 366 658
Total current assets		3 650 410	5 354 457
Total assets		128 144 905	111 126 124
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares		10 461 409	9 185 703
Share premium reserve		45 376 951	25 742 303
Currency Translation Reserve		(859 754)	(2 712 311)
Other reserves		30 783 803	27 110 872
Result for the year		26 151 631	15 475 878
Total equity	1.2	111 914 040	74 802 445
Non-current liabilities			
Subordinated convertible debt		-	19 901 725
Borrowings		3 317 854	6 345 798
Other long term borrowings		658 000	1 316 000
Provisions for deferred income tax liabilities		3 703 748	1 678 858
Provisions for other liabilities and charges		663 514	659 000
Total non-current liabilities		8 343 116	29 901 381
Current liabilities			
Borrowings		5 838 388	3 200 000
Tax liabilities		211 903	667 500
Other liabilities and accrued expenses		1 837 458	2 554 798
Total current liabilities		7 887 749	6 422 298
Total liabilities		16 407 997	36 323 679
Total equity and liabilities		128 144 905	111 126 124

Company income statement 2011

	2011	2010
	€	€
Result subsidiaries and affiliates	28 635 484	20 560 819
Result Acomo N.V. before tax	(1 874 642)	(2 952 399)
	26 760 842	17 608 420
Income tax Acomo N.V.	24 539	622 275
Result non recurring items	(633 750)	(2 754 817)
Net profit	26 151 631	15 475 878

1 General

The accounts of Amsterdam Commodities N.V. are included in the consolidated accounts. The description of Acomo's activities and structure, as included in the Notes to the consolidated financial statements, also apply to the Company financial statements. The Company accounts have been prepared in accordance with the financial reporting requirements of Part 9, Book 2 of the Netherlands Civil Code. The consolidated annual financial statements of companies publicly listed in the European Union are for the financial years starting on or after 1 January 2005 prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Commission.
In order to harmonise the accounting principles of the Company accounts with the consolidated accounts, the Management Board has decided, from 1 January 2005 onward, to adopt the provisions of section 2:362 subsection 8 of the Netherlands Civil Code, whereby the accounting principles applied in the consolidated accounts also apply to the Company financial statements of Acomo N.V. The accounting policies as described in the Notes to the consolidated financial statements also apply to the Company financial statements unless indicated otherwise.

Investments in group companies

In accordance with section 2:362 subsection 8 of the Netherlands Civil Code, all subsidiaries are valued at equity value, in accordance with the accounting principles applied in the consolidated accounts.

1.1 Financial fixed assets

Investments in subsidiaries and affiliates	2011	2010
At 1 January	57 633 254	34 624 811
Acquisition Van Rees Group and Red River Group	-	52 075 821
Acquisition King Nuts	-	3 653 184
Result for the year	28 635 484	20 560 819
Dividends	(12 074 079)	(41 280 037)
Divestment RCA	-	(11 523 970)
Currency translation differences	1 218 108	(530 386)
Other equity movements	504 653	53 012
At 31 December	75 917 420	57 633 254

Acomo and its Dutch subsidiaries form a fiscal unity for corporate income tax purposes. In accordance with standard conditions, the Company, along with the respective subsidiaries that are part of the fiscal unity, are wholly and severally liable for taxation payable by the fiscal unity. As from 2010, corporate income tax expense on results of subsidiaries is reported as part of results subsidiaries.

1.2 Shareholders' equity

	Note	Attributable to owners of the parent						
		Share capital	Share premium Reserve	Currency translation reserve	Legal reserve	Other reserves	Result for the year	Total equity
Balance at 1 January 2010		7 350 690	-	(1 445 211)	6 276 723	16 667 452	10 531 886	39 381 540
Net profit 2010		-	-	-	-	-	15 475 878	15 475 878
Issue of new ordinary shares		675 000	8 190 000	-	-	-	-	8 865 000
Conversion of bonds into shares		1 160 013	17 552 303	-	-	-	-	18 712 316
Dividends relating to 2009, final		-	-	-	-	(4 900 460)	-	(4 900 460)
Dividends relating to 2010, interim		-	-	-	-	(1 961 835)	-	(1 961 835)
Currency translation differences on goodwill		-	-	(2 181 925)	-	-	-	(2 181 925)
Currency translation differences	1.1	-	-	(530 386)	-	-	-	(530 386)
Release due to sale RCA		-	-	1 445 211	-	-	-	1 445 211
Net profit 2009 to retained earnings		-	-	-	-	10 531 886	(10 531 886)	-
Transfer legal reserve divestment RCA		-	-	-	(6 276 723)	6 276 723	-	-
Convertible bond - equity component		-	-	-	-	1 057 206	-	1 057 206
Dito - equity component tax credit		-	-	-	-	(269 588)	-	(269 588)
Conversions		-	-	-	-	(380 945)	-	(380 945)
Employees share option scheme effects		-	-	-	-	33 934	-	33 934
Change in cash flow hedges		-	-	-	-	3 487	-	3 487
Other movements		-	-	-	-	53 012	-	53 012
Balance at 31 December 2010		9 185 703	25 742 303	(2 712 311)	-	27 110 872	15 475 878	74 802 445
Net profit 2011		-	-	-	-	-	26 151 631	26 151 631
Conversion of bonds into shares		1 275 706	19 634 648	-	-	-	-	20 910 354
Dividends relating to 2010, final		-	-	-	-	(9 066 554)	-	(9 066 554)
Dividends relating to 2011, interim		-	-	-	-	(3 022 185)	-	(3 022 185)
Currency translation differences on goodwill		-	-	634 449	-	-	-	634 449
Currency translation differences	1.1	-	-	1 218 108	-	-	-	1 218 108
Net profit 2010 to retained earnings		-	-	-	-	15 475 878	(15 475 878)	-
Effect of conversions		-	-	-	-	(406 673)	-	(406 673)
Employees share option scheme effects		-	-	-	-	102 485	-	102 485
Change in cash flow hedges		-	-	-	-	589 980	-	589 980
Balance at 31 December 2011		10 461 409	45 376 951	(859 754)	-	30 783 803	26 151 631	111 914 040

Rotterdam, 16 April 2012

Stéphane G. Holvoet,
Managing Director

Jan ten Kate,
Chief Financial Officer

The Supervisory Board
B. Stuivinga, *Chairman*
Y. Gottesman
W. Boer
J. Niessen

Profit appropriation according to the Articles of Association

The appropriation of profit has been laid down in article 17 of the Company's Articles of Association.
This article reads as follows:

17.1 From the profit disclosed in the Company income statement may be transferred such amounts to reserves as may be determined by the annual General Meeting of Shareholders as proposed by the combined meeting of the Board of Directors and Supervisory Board.

17.2 The balance is at the disposal of the annual General Meeting of Shareholders; profit distributions to shareholders and members of the Supervisory Board can only be made in accordance with article 105 par. 2 of the Civil Code.

Proposed appropriation of the result for the year 2011

It is proposed to distribute a final cash dividend of € 0.52 per share – being € 12 088 739 in total. Together with the interim dividend of € 0.13 per share paid in September 2011, this brings the total dividend for 2011 to € 0.65 per share – being € 15 110 924 in total.

Independent Auditor's Report

To: the General Meeting of Shareholders and the Management of Amsterdam Commodities N.V.

Report on the financial statements

We have audited the accompanying financial statements 2011 of Amsterdam Commodities N.V., Rotterdam, as set out on pages 30 up to 75. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2011, the consolidated statements of comprehensive income, changes in equity and consolidated cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2011, the company income statement for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Director's responsibility

The directors of the company are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore directors are responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion with respect to the consolidated financial statements
In our opinion, the consolidated financial statements give a true and fair view of the financial position of Amsterdam Commodities N.V. as at 31 December 2011, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements
In our opinion, the company financial statements give a true and fair view of the financial position of Amsterdam Commodities N.V. as at 31 December 2011 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements
Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the Management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Rotterdam, 16 April 2012

BDO Audit & Assurance B.V.
on its behalf,

J.C. Jelgerhuis Swildens RA

ANT trust & corporate services
independent international in-business

TRUSTEE REPORT

5.5 per cent. Convertible Subordinated Bonds 2010 due 2016
with principal amount of € 40,000,000.-
of Amsterdam Commodities N.V.

In compliance with the provisions of article 13.4, of the trust deed executed before Mr. C.J. van Oevelen on June 23, 2010, we report as follows.

As provided in the trust deed, up to and including June 9, 2016 the bonds would have been convertible into ordinary shares Amsterdam Commodities N.V. of € 0.45 nominal value on payment of the applicable conversion price. The current conversion price is € 7.39.

During the year nominal EUR 19,050,000.- has been offered for conversion into 2,577,807 ordinary shares.
The outstanding amount of the bonds per 31 December 2010 was € 20,950,000.-.
In the period January 1 up to and including January 21, 2011 the remaining amount of EUR 20,950,000,- was offered for conversion into 2,834,903 ordinary shares.
In total the complete loan of EUR 40,000,000.- was converted into 5,412,710 ordinary shares of EUR 0.45 nominal.

Amsterdam, January 24, 2011

ANT Financial Services B.V.

L.J.J.M. Lutz

Five years ACOMO

in € '000		2011	2010	2009	2008	2007
Sales		570 987	374 908	164 519	175 308	161 863
Operating income (EBIT)		40 752	29 703	13 138	9 374	11 332
Net profit		26 152	15 476	10 532	8 742	8 834
Working capital		65 821	55 103	25 594	20 931	21 166
Shareholders' equity		111 914	74 802	39 382	34 899	32 050
Liabilities - including convertible bonds		164 378	163 798	32 510	29 308	34 229
Total assets		276 292	238 600	71 892	64 207	66 279
Number of shares issued						
- Average		23 150 018	17 894 221	16 334 866	16 334 866	16 334 866
- Year-end		23 247 576	20 412 673	16 334 866	16 334 866	16 334 866
- Diluted		23 523 306	23 428 502	16 334 866	16 334 866	16 334 866
Data per share of nominal € 0.45						
Net profit - basic	€	1.130	0.865	0.645	0.535	0.541
Return on equity		28.0%	27.1%	28.4%	26.1%	28.8%
Dividend in cash	€	0.65	0.50	0.40	0.35	0.35
Shareholders' equity at year-end	€	4.81	3.66	2.41	2.14	1.96
Share price Acomo						
Year-end	€	10.34	11.08	5.42	3.40	4.25
High	€	11.34	11.15	5.48	5.10	4.96
Low	€	8.71	5.25	3.30	3.00	3.89
Price/Earnings ratio – year-end		9.2	12.9	8.4	6.4	7.9
Exchange rates at year-end						
1 US-Dollar =	€	0.772	0.755	0.694	0.714	0.679
Percentage change		+2.3%	+8.7%	-2.8%	+5.2%	-10.4%

Definitions

Net profit = profit after tax, profit sharing employees and extra-ordinary items

Working capital = current assets – current liabilities

Liabilities = balance sheet total (incl. provisions) – shareholders' equity

Return on equity = (net profit/average equity) × 100%

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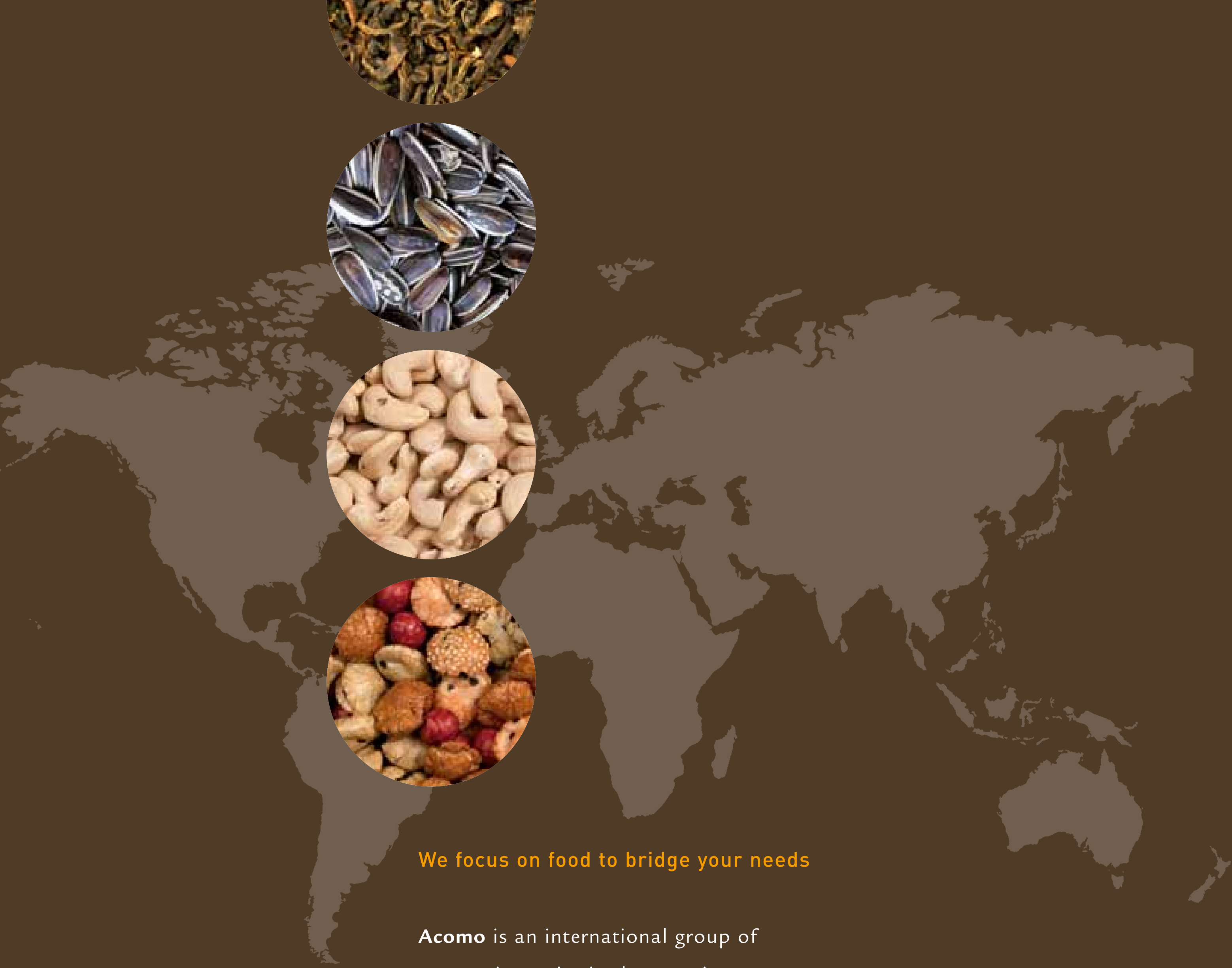

We focus on food to bridge your needs

Acomo is an international group of companies active in the sourcing, processing and distribution of agro-food raw materials world-wide. The group's product portfolio broadly encompasses spices, nuts, tea, confectionary sunflower seeds and food ingredients. For over 100 years and across some 90 countries we have been bridging the needs of clients and suppliers. Reliability of your deliveries and contract guarantee are the group's trade mark, thus supplying Peace of mind to all our partners.