

BOLZONI S.P.A.

Registered offices in CASONI DI GARIGA - 29027 PODENZANO (PC)

Share capital Euro 6,498,478.75 fully paid

**Board of Statutory Auditors Report to Annual General Meeting
in conformity with art. 2429 of the Civil Code**

Ladies and Gentlemen,

the Financial Statements for the year 2014 consisting of Balance Sheet, Income Statement, Statement of Comprehensive Income, Statement of the Variations to Net Equity, Cash Flow Statement and Notes to the Financial Statement is being submitted to your approval; this documentation, together with the Management Report, was made available to us within the terms established by art. 154-ter of the Leg. Decree 58/98.

The Board of Statutory Auditors has examined the Financial Statements at 31.12.2014 which, involving a listed company, was drawn up in compliance with the IAS/IFRS accounting principles.

In examining the documentation, the Board of Statutory Auditors also acknowledges that the financial statements' figures at 31.12.2014 are compared to those of the previous year, already stated in accordance with the IAS/IFRS principles.

Your Company is also required to prepare the Consolidated Financial Statements in accordance with and following Leg.D. 127/1991 in compliance with the international accounting standards.

After this necessary foreword, the Board of Statutory Auditors declares that:

1. As the issuer is a listed company, pursuant to article 2409-*bis* and subsequent of the Civil Code, the legal auditing of its accounts has been performed by the legal audit firm Deloitte & Touche S.p.A., enrolled in the register held by the Ministry of Justice. The appointment was made by the Shareholders Assembly on April 27th, 2012, following the motivated proposal made by this Board, and terminates with the shareholders' meeting called upon to approve the financial report at 31 December 2020.
2. During the financial year ended on 31/12/2014 we the Board of Auditors carried out the supervisory activity as established by the law. Within the limits of our responsibility, we acquired information on and we monitored the adequacy of the company's organisational structure, the observance of the principles regarding correct administration and the adequacy and timing of disclosures required by the Board during our control activity, in fulfilment of the obligations established by art. 114, paragraph 1 of the Leg. D. n° 58/98, through information collected from persons in charge of various functions and meetings with the legal audit firm, aimed at a mutual exchange of relevant data and information and to this end, we have no particular observations to make. Through information acquired from the persons responsible for the respective functions, from the examination of the company documents, the analysis of the results of the work performed by the legal audit firm and by the bodies and the functions responsible for internal control, we supervised over the adequacy of the internal control system and the administration-accounting system, as well as the reliability of the latter to correctly represent the management facts.
Through the attendance – with *at least one of the members of the Board of Statutory Auditors present, usually the Chairman* – of the meetings (3 during the financial year 2014) of the Audit and Risk Committee, the activities performed by the Group's Internal auditing function were examined, as well as those of the Compliance and Risk Management functions, with the aim of checking their adequacy and of making an evaluation of the actual functioning of the internal control system. From the Report made by the Internal Audit and Risk Committee on its activity during the second semester of 2014 – with regards to the adequacy of the internal control system and its actual functioning – it emerges that there are no observations for proposal.

3. Within the Group the Company's role is to coordinate and manage.
4. The Parent is not subject to management and coordination activities on behalf of companies or bodies and establishes its general and operational strategic orientations in full autonomy.
5. We the Board of Statutory Auditors have verified that the Company, in compliance with art 114, paragraph 2, and articles from 184 to 187 *quinquies* of Leg.Decree 58/98, has to all intents and purposes given adequate instructions to the subsidiary companies in order to promptly obtain the information required to meet the disclosure obligations established by the law and in particular those regarding rules covering market abuse.
6. During the year, we the Board of Auditors have attended the meetings (10) of the Company's Board of directors and, in observance of the statutory provisions, we were periodically informed by the Board regarding the state of the company management. In particular, the most important operations from the economic, financial and capital point of view, performed by the Company during the year, and in observance of the law and the articles of association, have been the following;
 - a) In the board meeting held on May 6, 2014 the directors approved the acquisition by Bolzoni Holding Hong Kong of 20% of the share capital of Bolzoni Huaxin Forks. As a consequence of this operation Bolzoni Holding Hong Kong's stake in Bolzoni Huaxin Forks passes from 60% to 80%. The cost of the operation for Bolzoni Holding Hong Kong amounted to USD 912,018 which in turn received a loan from Bolzoni S.p.A. for the amount of USD 950,000.
 - b) In the board meeting held on March 13, 2014 the directors approved the unification of the two subsidiaries located in Germany, more precisely Meyer GmbH and Bolzoni Auramo GmbH, as of July 1, 2014.
 - c) Again in the board meeting held on March 13, 2014 the directors approved the operation for the creation of a new joint venture in Portugal. The Portuguese market is currently managed by the Bolzoni Auramo sales network (Spanish subsidiary Bolzoni Auramo SI) and by the Meyer sales network (independent dealer Movimenta). The operation will consist in trying to combine the forces of the two sales networks through the creation of a new sales company where Bolzoni S.p.A. will own a 31% stake in the share capital.
 - d) In the board meeting held on March 13, 2014 the directors also approved a share capital increase for Bolzoni Auramo Pty (Australia) for the amount of 200,000 euros, subscribed entirely by Bolzoni S.p.A. The increase is through the partial waiver of the intragroup loan between the Australian company and Bolzoni S.p.A.
 - e) In the board meeting held on May 14, 2014, after examining the economic and financial situation of Bolzoni Auramo SI, a share capital increase was approved for the Spanish company for the amount of 100,000 euros which Bolzoni S.p.A. will pay entirely by bank transfer to the Spanish subsidiary.
7. The Board of Statutory Auditors did not discover any uncharacteristic and/or unusual operations, including those performed with related parties or within the group
8. In the Notes to the Financial Statements at point 32, the Directors adequately indicate and illustrate the main operations performed with related parties or between group companies, to which reference should be made, also for a description of the characteristics of the operations and their economic effects.
9. On March 30, 2015, in compliance with art. 14 of the Leg. Decree n. 39/2010, the legal Audit Firm issued its report certifying that the financial statements at 31/12/2014 truly and correctly represent your company's financial and economic situation.
10. The Board of Statutory Auditors has not received any complaints with reference to article 2408 of the Civil Code.
11. The Board of Statutory auditors has not received any instances.
12. During the financial period ended 31/12/2014 your Company has not given the legal Audit Firm Deloitte Touche any other assignments other than those related to the legal audit of accounts established by the law.

13. In the course of the financial year, we the Board of Statutory Auditors have not provided options in accordance with the law.
14. Through direct verification and information collected from the Audit firm, the Board of Statutory Auditors ascertained the observance of laws and rules with regards to the preparation of the Company's financial statements and the related management report. Moreover, the Board of Statutory Auditors examined the evaluation principles adopted in the preparation of the presented financial statements in order to verify the conformity to legal requirements and to the corporate-economic conditions.
The Board of Statutory Auditors confirms that the directors, in preparing the financial report, have not infringed the rules of the law pursuant to art. 2423, paragraph four, of the Italian Civil Code.
15. The balance sheet shows a positive operating result for the period of € 2,277,18 which can be broken down as follows:

Assets	Euro	91,012,662
Liabilities	Euro	49,681,398
Net equity (excluding operating profit)	Euro	39,054,083
Operating profit (loss)	Euro	2,277,181
Accounts, commitments, risks and other memorandum acc.	Euro	

In brief, the income statement presents the following values:

Production value (non financial income)	Euro	63,550,916
Production costs (non financial costs)	Euro	61,248,907
Difference	Euro	2,302,009
Financial revenue and costs	Euro	1,079,807
Value adjustments on financial assets	Euro	
Extraordinary revenue and costs	Euro	
Result before tax	Euro	3,381,816
Tax on earnings	Euro	1,104,635
Profit (loss) for the year	Euro	2,277,181

16. The Board of Statutory Auditors has noted that the Company has capitalized costs for internal production incurred in the course of the financial year for the amount of € 32,375, broken down into € 24,149 for material and € 8,226 for internal labour. The cost of staff employed amounting to € 237,659 has also been capitalized under the item Development costs. These costs have been deducted from the specific items in the income statement.
17. The Board of Statutory Auditors has maintained constant contact with the legal Audit Firm through meetings held in the Company's registered offices during which no significant aspects emerged requiring further specific examination; during these meetings and the subsequent mutual exchange of information on the verifications performed we were not informed of the existence of any reprehensible facts.
18. The Board of Statutory Auditors has ascertained the adequacy, with regards to the method, of the impairment test process used to verify the existence of possible permanent loss of value (impairments) in relation to the investments recorded among the assets of the balance sheet.
Impairment tests were performed on the following companies: Bolzoni Auramo Inc., Bolzoni Ltd, Bolzoni Auramo S.I., Bolzoni Auramo Pty, Bolzoni Italia S.r.l. and Bolzoni Holding Hong Kong. The result of these tests is the obligation to write-off investment in Bolzoni Auramo Pty (500 thousand euros).
19. Further to our activity of supervision and control no significant facts emerged worthy of being highlighted or mentioned in this report.
20. Group's Consolidated Financial Statements. As is known, the supervision of the consolidated financial statements is transferred to the bodies or subjects nominated by law for the legal audit of the accounts of the controlling company (art. 41, paragraph 3, of Law n. 127 of 9 April 1991) which, in the case of companies obliged to prepare the consolidated financial statements (art. 25 of Law 127 of 9 April 1991) is not the responsibility of the Board of Statutory Auditors but belongs to the auditor or audit firm appointed for the legal audit of the accounts who must prepare the specific report. Nevertheless, the Board of

Statutory Auditors feels it is appropriate to provide a brief comment in this report regarding proposals on the Company Financial Statement, both for the obligation to supervise compliance to the law, the by-laws and the standards of correct administration to which the Statutory Auditors are generically bound (art. 149, paragraph 1, letter d, Law 58/1998) and also in accordance with the principle by which the matters and documents submitted to the Shareholders Assembly by the Directors is subjected to examination by the Board of Statutory Auditors which consequently considers it appropriate to report to the Shareholders Assembly on the most important points such as, indeed, the consolidated financial statements.

The consolidated financial statement closes the year 2014 with a Group profit of 1.044 thousand euros (previous year 123 thousand euros). The audit firm Deloitte & Touche S.p.A., appointed also for the review of the consolidated financial statement, has confirmed the correctness and the conformity of the balance sheet and income statement deriving from consolidation to the accounting records of the parent company and to the information transmitted by the subsidiary companies included in consolidation, taking into account the variations resulting from the adoption of the international accounting principles. The information and the details provided by the directors on the consolidated financial statement appear extensive and clear. In view of the above, the Statutory Auditors do not have any reservations regarding the publication of the consolidated financial statements as established by the law.

With regards to the consolidated financial statement and its contents the Assembly of Shareholders should consider that disclosure is provided for information purposes only as this is not submitted to approval by the Assembly itself.

21. In reference to the above, the Board of Statutory Auditors does not have any grounds for the impediment of the approval of the company financial statement at 31 December 2014 and has no objections with regards to the proposed resolution presented by the Board of Directors regarding the allocation of the result for the financial year

Casoni di Gariga, March 30, 2015

The Board of Statutory Auditors

The Chairman of the Board:	Giorgio Picone
Standing statutory auditor	Maria Gabriella Anelli
Standing statutory auditor	Carlo Baldi