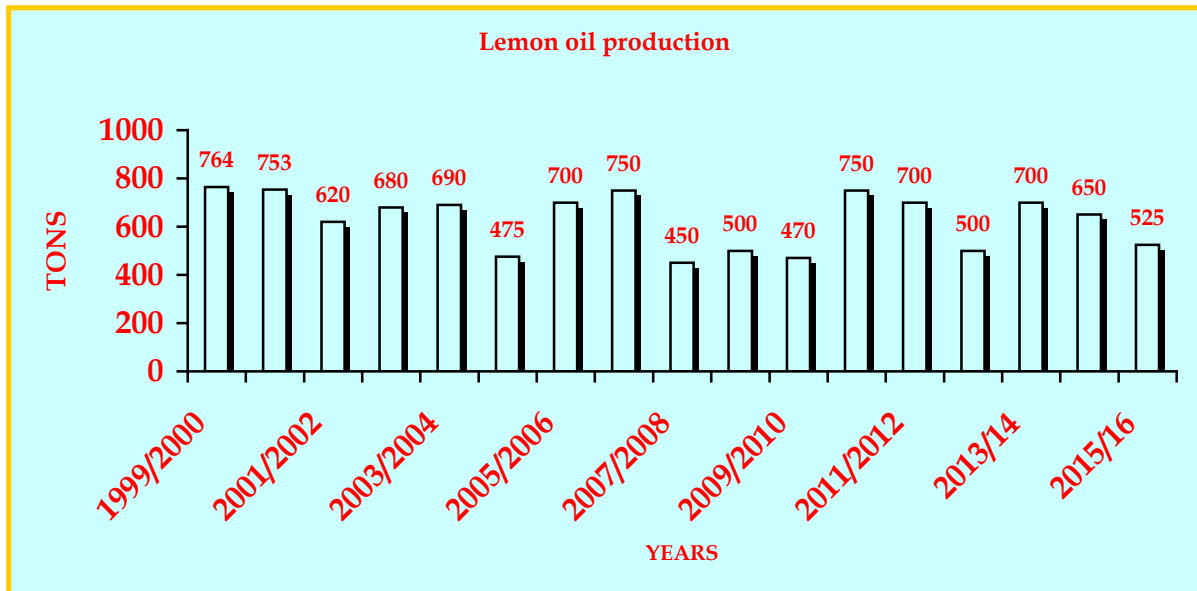


**LEMON OIL ITALIAN :
CROP AND MARKET SITUATION FORECAST 2015 / 2016**
CROP REPORT

After the very high prices that have occurred in recent months, it seems that the situation is slowly improving, both in terms of availability, and prices starting to reverse the trend with slight reduction. This situation was triggered by good production in South America, which despite some manufacturers continue to demand high prices due to the strong contracts for the Lemon oil they did with the big companies that are forced to ensure availability of goods continuously, despite from their part was also done a reformulation work. Instead the Juice market prices fallen down drastically, putting pressure mainly on medium and small processors. Excluding these companies all the others are buying cautiously and avoiding massive purchases to try to obtain prices a little less expensive .In Spain, production should reach the level of last year, or slightly below, with the only unknown that can be represented by the amount of fruit that will be required by the fresh market. In southern Italy, we are still a bit away from the winter crop and now who is working lemons, especially for the juice market, it is struggling with high prices of fruit and a negligible yields. Situation is expected to improve not before than the next 10-12 months, always Mother Nature permitting.

Due to the problematic we had in last year with the unusual weather condition the crop in South Italy is expected to be a little shorter than last one, despite the impact of weather is softened the Lemon because it has more blossoming during the year. Estimated total volume of oil for this crop in Italy should be in a range of 500/550 tons,with usual problem to get exactfigures.



MARKET REPORT

During the last crop , one of the main problem, was to grant Lemon oil Organic at a reasonable price, because due to the market situation the prices reached level really insane. Even for material with a very low AR's it was a problem to offer at good price level, at the end it was a very difficult season for both sellers and buyers, we strongly do hope that starting this crop the situation will start to become more regular in order to make a bit easier job for all parties, starting from farmers and finishing to final consumers.