Centro Uffici San Siro - Edificio D - ala 3 - Via Caldera, 21 - 20153 Milano - Italia
Tel. 02 40901.1 - Fax 02 40901.287 - e-mail: isagro@isagro.it - www.isagro.com

PRESS RELEASE

ISAGRO:
BOD APPROVES HALF YEAR RESULTS AS OF JUNE 30, 2013
WHICH WERE PENALIZED BY THE CARRIED-OVER EFFECT FROM 2012 DROUGHT
SUBSTANTIALLY IN LINE WITH ESTIMATES:

- Consolidated Revenues equal to € 60.7 million (-24% vs. 1H 2012)
- Consolidated EBITDA equal to € 1.5 million (vs. € 7.8 million 1H 2012)
- Result before taxes negative for € 5.9 million (compared to 1H 2012 break-even)
- NFP at debt equal to € 56.3 million (vs. € 66.0 million as of June 2012 and vs. € 62.0 million as of December 31st, 2012)

§ § §

"SHAPING ISAGRO FUTURE" PROJECT IS ONGOING AND WILL LEAD TO 2014-2018 BUSINESS PLAN WHICH WILL BE ISSUED BY 2013-END, REFLECTING:

- Recovery of turnover growth trend thanks to normalization of market conditions and to contribution from new registrations (with the relevant investments already sustained)
- *Focus* on marketing and sales leveraging on the strengthened commercial team
- Synergies from the alliance with the Gowan Group

Milan, August 6th, 2013 – The Board of Directors of Isagro S.p.A. approved today the consolidated First Half Management Report as of June 30th, 2013, which will be made available to public at the Company's headquarter (including the corporate website www.isagro.com) as required by law.

First half 2013 results

First half 2013 results, as already anticipated in the occasion of the presentation of 2013 estimates, were penalized in particular by the carried-over effect of 2012 drought, which impacted the key segments in which Isagro operates (United States and Italy) and by adverse weather conditions in 1H 2013, in line with the estimates for the period.
Isagro, in fact, has a limited direct presence in distribution and directly distributes in only four countries, operating in the other countries as a manufacturer (thus a supplier) of national distributors: as a consequence, Isagro didn't benefit of the recovery of purchases by farmers and resellers from national distributors, the latter utilizing the overstock as of 2012-end and thus limiting new purchases from

manufacturers. With specific reference to Isagro direct distribution activities, the relevant sales grew during 1H 2013 by about 8% compared to the same period of the previous year.

The Company estimates that the already described carried-over effect (the impact of which clearly has a temporary and a not structural nature, within a market scenario perspective remaining sound) was absorbed during the first six months of 2013, with partial recovery of sales expected mainly during the fourth quarter of the current year, aligned to past seasonal trends.

Isagro achieved in 1H 2013 the following consolidated economic results:
- Revenues of € 60.7 million vs. € 79.4 million of 1H 2012 (thus with a 24% decrease);
- an EBITDA equal to € 1.5 million vs. € 7.8 million of 1H 2012;
- a Result before taxes negative for € 5.9 million vs. 1H 2012 break-even;
- a Net loss of € 6.6 million compared to a net loss of € 1.0 million recorded during 1H 2012.

The Net Financial Position as of June 30th, 2013 was equal to € 56.3 million, decreasing compared to both the € 66.0 million as of June 30th, 2012 and to the € 63.0 million as of December 31st, 2013, with a *debt/equity* ratio of 0.86, vs. a value of 0.90 as of June 30th, 2012 and of 0.84 as of December 31th, 2012.

The above mentioned financial results were slightly better than the ones anticipated to the Market the last July 31st, 2013.

Perspective for the current year

Isagro is expecting a partial recovery of Revenues during 2013 second half, especially with reference to the fourth quarter, in line with past experience.

However, due to the possible termination of some distribution collaborations with third parties following the alliance with Gowan, lower sales are possible in the last quarter vs. what was forecasted in the 2013 estimates communicated to the market. The quantification of such lower sales – which, as already previously highlighted, will be compensated in the mid-term by the already identified synergies with Gowan – is still under evaluation, but a first preliminary estimate leads to an expectation of consolidated revenues as of 2013-end of about € 135 million (compared to the level of € 140 million previously communicated) .

"Shaping Isagro Future" project and 2014-2018 Business Plan

Among the "Shaping Isagro Future" project, aiming at identifying the best managerial actions for the extraction of value from proprietary products, the Company is working at the 2014-2018 business plan, which shall be communicated to the Market by 2013-end.

Such business plan, which is originated by the significant strengthening of the marketing and sales structure (reflecting the greater focus in these areas compared to the past), will include the benefits coming from the new commercial structure, from the normalization of market conditions, from the new registrations of proprietary products and, in the mid-term, from the synergies with Gowan.

Isagro, finally, has confirmed to be working on further extraordinary operations, in coherence with its strategic guide-lines and with the alliance with Gowan, aiming at maximizing the extraction of value from its assets and to accelerate the reduction of the part of financial debt backing the fixed assets.

Isagro S.p.A. is the holding company of a group which, in twenty years, has become a qualified operator in the agrochemicals business, with global sales of € 150 million and 620 employees worldwide. Listed on the Italian Stock Exchange since 2003, Isagro is active in the innovative research, development, production and marketing, on a worldwide scale, of proprietary agrochemicals, as well as in their distribution in some key markets.

For more information:

ISAGRO S.p.A.

Ruggero Gambini Tel. 02 40901 443
Chief Financial Officer & IR Manager
Maria Teresa Agazzani Tel. 02 40901 266
Communication& General Services Manager

CONSOLIDATED PROFIT & LOSS STATEMENT – 1st HALF 2013

(For comparative reason, 2012 data were pro-formed in line with IAS19)

€ 000	1st Half 2013	1st Half 2012 *Pro-forma*	Changes	FY 2012 *Pro-forma*
Revenues from sales and services	**60,697**	**79,353**	**-18,656**	**148,324**
Other revenues and incomes	1,123	2,320	-1,197	4,487
Consumption of materials and external services	(54,328)	(65,833)	11,505	(115,993)
Variations in inventories of products	6,298	3,862	2,436	3,895
Increases in assets through internal works	1,698	1,930	-232	3,663
Allowances and provisions	(296)	(366)	70	(952)
Other revenues (costs) not recurrent	-	-	-	1,422
Added value	**15,192**	**21,266**	**-6,074**	**44,846**
% on Revenues	*25.0%*	*26.8%*		*30.2%*
Labor costs	(13,382)	(13,011)	-371	(25,241)
Labor costs allowances	(264)	(460)	196	(552)
Gross operating margin (EBITDA)	**1,546**	**7,795**	**-6,249**	**19,053**
% on Revenues	*2.5%*	*9.8%*		*12.8%*
Depreciation:				
- tangible assets	(2,047)	(2,034)	-13	(4,092)
- intangible assets	(2,813)	(2,912)	99	(6,190)
- write-off and revaluation of assets (IAS 27)	-	(85)	85	(983)
Operating result (EBIT)	**(3,314)**	**2,764**	**-6,078**	**7,788**
% on Revenues	*-5.5%*	*3.5%*		*5.3%*
Financial charges	(2,421)	(2,875)	454	(5,927)
Exchange gains/losses and derivatives	(155)	122	-277	742
Write-down/write-ups of investments	6	(2)	8	-
Result before taxes	**(5,884)**	**9**	**-5,893**	**2,603**
% on Revenues	*-9.7%*	*0.0%*		*1.8%*
Current and deferred taxes	(764)	(992)	228	(2,149)
Net result	**(6,648)**	**(983)**	**-5,665**	**454**

CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2013

(For comparative reason, 2012 data were pro-formed in line with IAS19)

€ 000	06.30.2013	06.30.2012 *Pro-forma*	12.31.2012 *Pro-forma*
Net fixed assets			
Goodwill	4,650	5,326	4,852
Other intangible assets	41,955	49,738	49,766
Tangible assets	24,709	26,057	26,079
Financial assets	201	193	195
Other medium/long term assets and liabilities	8,871	9,361	9,166
Total net fixed assets	**80,386**	**90,675**	**90,058**
Net current assets			
Inventories	44,148	45,441	42,023
Trade receivables	31,207	47,526	40,884
Trade payables	(33,011)	(40,833)	(33,183)
Risk funds	(637)	(1,745)	(1,366)
Other current assets and liabilities	3,174	2,117	991
Total net current assets	**44,881**	**52,506**	**49,349**
Invested capital	**125,267**	**143,181**	**139,407**
Personnel fund (S.I.F.)	**(3,686)**	**(3,491)**	**(3,492)**
Net invested capital	**121,581**	**139,690**	**135,915**
Total	**121,581**	**139,690**	**135,915**
Finance by:			
Equity			
Capital stock	17,550	17550	17,550
Reserves and earnings brought forward	62,650	62,349	62,300
Translation adjustment reserve	(8,246)	(5,258)	(6,353)
Net group result	(6,648)	(983)	454
Total equity	**65,306**	**73,658**	**73,951**
Net financial position			
Medium/long term debts:			
- towards banks and other financiers	12,484	14,743	14,181
- other financial liabilities (assets) and derivatives	(2,875)	(3,840)	(3,504)
Total medium long term debts	**9,609**	**10,903**	**10,677**
Short term debts:			
- towards banks and other financiers	53,323	62,183	67,554
- other financial liabilities (assets) and derivatives	(416)	362	(1,528)
Total short term debts	**52,907**	**62,545**	**66,026**
Cash and cash at banks	**(6,241)**	**(7,416)**	**(14,739)**
Total net financial position	**56,275**	**66,032**	**61,964**
Total	**121,581**	**139,690**	**135,915**

CONSOLIDATED CASH-FLOW STATEMENT – JANUARY-JUNE 2013

(For comparative reason, 2012 data were pro-formed in line with IAS19)

€ 000	1st Half 2013	1st Half 2012 *Pro-forma*
Cash and cash equivalents as of Jan. 1st	**14,739**	**7,882**
Current operations		
Net gain (loss) from *continuing operation*	(6,648)	(983)
- Depreciation of tangible assets	2,047	2,034
- Depreciation of intangible assets	2,813	2,912
- Impairment of assets	-	85
- Provisions (including S.I.F.)	392	573
- (Gains)/losses from disposal of tangible and intangible assets	(28)	(11)
- Positive interests from assets hold for trading	(113)	(26)
- Net interest expense due to financial institutes and leasing companies	2,406	2,649
- Net charge (incomes) on derivative instruments	552	300
- Result on investments valued using the equity method	(6)	2
- Income taxes	764	992
Cash flow from current operations	*2,179*	*8,527*
- (Increase)/decrease in trade receivables	8,978	505
- (Increase)/decrease in inventory	(2,788)	(7,217)
- Increase/(decrease) in trade payables	461	3,720
- Net change of other assets/liabilities	(599)	(1,191)
- Use of funds (including S.I.F.)	(1,067)	(881)
- Net interest expense paid due to financial institutes and leasing companies	(2,570)	(2,523)
- Financial flow from derivative instruments	(17)	(545)
- Income taxes paid	(2,132)	(933)
Cash flow from operating activities	**2,445**	**(538)**
Investments		
- (Investments) in intangible assets	(4,288)	(4,695)
- (Investments) in tangible assets	(1,026)	(1,727)
- Realization price on sale of tangible and intangible assets	9,251	26
- Cash flow from assets hold for trading	118	75
Cash flow from investments	**4,055**	**(6,321)**
Financing activities		
- Increase/(decrease) in financial debts (current and not)	(15,532)	8,782
- (Increase)/decrease in financial receivables	1,166	(298)
- Distribution of dividends	-	(1,750)
Cash flow from financing activities	**(14,366)**	**6,734**
Conversion differences	**(632)**	**(341)**
Cash flow of the period	**(8,498)**	**(466)**
Cash – end closing balance (as of June 30th)	**6,241**	**7,416**