

## PRESS RELEASE

### THE SHAREHOLDERS' MEETING OF ISAGRO SPA HAS APPROVED 2016 FINANCIAL STATEMENTS

#### *2016 consolidated results*

|                                  |  |
|----------------------------------|--|
| Revenues                         | € 149.7 million (-4.1% vs. 2015)                     |
| EBITDA                           | € 16.2 million (-16.7% vs. 2015)                     |
| Net profit                       | € 2.7 million (vs. € 3.1 million of 2015)            |
| Net financial position (at debt) | € 52.7 million (vs. € 47.2 million as of 31.12.2015) |
| Debt/Equity ratio                | 0.52 (vs. 0.47 as of 31.12.2015)                     |

Milan, April 26<sup>th</sup>, 2017 – Isagro S.p.A. announces that today took place the General Shareholders' Meeting of the Company, which:

- o reviewed 2016 consolidated results of Isagro Group, summarized as follows:
  - Revenues equal to 149.7 Euro million vs. 156.0 Euro million of 2015;
  - EBITDA equal to 16.2 Euro million vs. 19.5 Euro million of 2015;
  - Net profit equal to 2.7 Euro million vs. 3.1 Euro million of 2015;
  - Net financial position (at debt) equal to 52.7 Euro million vs. 47.2 Euro million as of December 31<sup>st</sup>, 2015, with a debt/equity ratio of 0.52 vs. 0.47 of December 31<sup>st</sup>, 2015;
- o approved 2016 financial statements of Isagro S.p.A. as approved by the Board of Directors of the Company on March 14<sup>th</sup>, 2017 and already communicated to the Market, including the Directors' Management report, summarized as follows:
  - Revenues equal to 103.0 Euro million vs. 108.7 Euro million of 2015;
  - EBITDA equal to 9.8 Euro million vs. 12.9 Euro million of 2015;
  - Net loss equal to 0.7 Euro million vs. the net profit of 3.4 Euro million of 2015.

The item "Retained earnings after Growth Shares listing - pursuant to article 24 of the By-Laws" was utilized to cover the loss of the year of Euro 732,887.

Lastly, the Shareholders' Meeting resolved favorably on the Compensation Report – first section – drafted pursuant to article 123-ter, Legislative Decree no. 58/1998.



It has to be remembered that the documentation related to the fiscal year 2016, also including the annual financial statements, the consolidated financial statements, the reports of the Board of Statutory Auditors and of the Independent Auditor and the reports of the Board of Directors on the other items of the agenda, is available to the public at the Corporate office in Milan, Via Caldera no. 21, on the Corporate website [www.isagro.com](http://www.isagro.com), at Borsa Italiana S.p.A. and at the centralized storage mechanism "1INFO" on the website [www.1info.it](http://www.1info.it).

Pursuant to article 125-*quarter*, paragraph 2, D. Lgs no. 58/1998 (TUF) and to article 77, paragraph 3 of Consob Issuers' Regulation, a synthetic vote statement containing the number of shares represented in the Shareholders' Meeting for which the relevant vote has been exercised, the percentage of Equity represented by such shares and the number of votes in favor or against the resolutions and the number of abstentions, will be made available to the public on the Corporate website within five days from the date of the Shareholders' Meeting.

The minutes of the Shareholders' Meeting will be made available to the public within 30 days from the date of the Shareholders' Meeting with the above mentioned manner.

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*Isagro S.p.A. is the holding company of a group which, in twenty years, has become a qualified operator in the crop protection business, with global sales of around € 150 million and over 600 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 crop protection products, as well as in their distribution in some key markets.*

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**Attachment 1**

**RECLASSIFIED CONSOLIDATED PROFIT & LOSS STATEMENT**

| (€ 000)  | Year<br>2016   | Year<br>2015   | Variation     |               |
|--|----------------|----------------|---------------|---------------|
| <b>Revenues from sales and services</b>        | <b>149,717</b> | <b>156,048</b> | <b>-6,331</b> | <b>-4.1%</b>  |
| Other operating revenues                       | 3,347          | 2,895          | +452          |               |
| Consumption of materials and external services | (105,051)      | (117,822)      | +12,771       |               |
| Variations in inventories of products          | (2,786)        | 5,028          | -7,814        |               |
| Costs capitalized for other works              | 2,858          | 3,507          | -649          |               |
| Allowances and provisions                      | (2,560)        | (1,367)        | -1,193        |               |
| Labor costs                                    | (27,677)       | (27,240)       | -437          |               |
| Bonus accruals                                 | (1,631)        | (1,592)        | -39           |               |
| <b>EBITDA</b>                                  | <b>16,217</b>  | <b>19,457</b>  | <b>-3,240</b> | <b>-16.7%</b> |
| <i>% on Revenues</i>                           | <i>10.8%</i>   | <i>12.5%</i>   |               |               |
| Depreciation:                                  |                |                |               |               |
| - tangible assets                              | (3,829)        | (3,748)        | -81           |               |
| - intangible assets                            | (5,344)        | (5,146)        | -198          |               |
| - write-down of tangible and intangible assets | (174)          | (776)          | +602          |               |
| <b>EBIT</b>                                    | <b>6,870</b>   | <b>9,787</b>   | <b>-2,917</b> | <b>N/S</b>    |
| <i>% on Revenues</i>                           | <i>4.6%</i>    | <i>6.3%</i>    |               |               |
| Interest, fees and financial discounts         | (747)          | (1,127)        | +380          |               |
| Exchange gain/(losses) and derivatives         | 719            | (1,296)        | +2,015        |               |
| Profits from associated companies              | 28             | 54             | -26           |               |
| <b>Result before taxes</b>                     | <b>6,870</b>   | <b>7,418</b>   | <b>-548</b>   | <b>N/S</b>    |
| Current and deferred taxes                     | (3,887)        | (4,036)        | +149          |               |
| <b>Net result from continuing operations</b>   | <b>2,983</b>   | <b>3,382</b>   | <b>-399</b>   | <b>N/S</b>    |
| Net result of discontinued operations          | (250)          | (250)          | -             |               |
| <b>Net result</b>                              | <b>2,733</b>   | <b>3,132</b>   | <b>-399</b>   | <b>N/S</b>    |

**Attachment 2**  
**RECLASSIFIED CONSOLIDATED BALANCE SHEET**

| (€ 000)   | Dec. 31, 2016   | Dec. 31, 2015   | Variation      |               |
|---|-----------------|-----------------|----------------|---------------|
| <b><u>Net fixed assets</u></b>                            |                 |                 |                |               |
| Goodwill  | 3,599           | 3,447           | +152           |               |
| Other intangible assets                                   | 48,209          | 45,282          | +2,927         |               |
| Tangible assets   | 22,620          | 23,850          | -1,230         |               |
| Investments valued with the equity method                 | 313             | 296             | +17            |               |
| Other medium/long term assets and liabilities             | 14,941          | 12,683          | +2,258         |               |
| <b>Total net fixed assets</b>                             | <b>89,682</b>   | <b>85,558</b>   | <b>+4,124</b>  | <b>+4.8%</b>  |
| <b><u>Net current assets</u></b>                          |                 |                 |                |               |
| Inventories   | 46,971          | 49,010          | -2,039         |               |
| Trade receivables   | 50,597          | 52,000          | -1,403         |               |
| Trade payables  | (31,663)        | (37,689)        | +6,026         |               |
| <b>Subtotal Net Working Capital</b>                       | <b>65,905</b>   | <b>63,321</b>   | <b>+2,584</b>  |               |
| Risk funds  | (1,991)         | (1,746)         | -245           |               |
| Other current assets and liabilities                      | 3,954           | 2,774           | +1,180         |               |
| <b>Subtotal Other assets and liabilities</b>              | <b>1,963</b>    | <b>1,028</b>    | <b>+935</b>    |               |
| <b>Total net current assets</b>                           | <b>67,868</b>   | <b>64,349</b>   | <b>+3,519</b>  | <b>+5.5%</b>  |
| <b>Invested capital</b>                                   | <b>157,550</b>  | <b>149,907</b>  | <b>+7,643</b>  | <b>+5.1%</b>  |
| <b>Severance Indemnity Fund (S.I.F)</b>                   | <b>(2,747)</b>  | <b>(2,872)</b>  | <b>+125</b>    |               |
| <b>Net invested capital</b>                               | <b>154,803</b>  | <b>147,035</b>  | <b>+7,768</b>  | <b>+5.3%</b>  |
| <b>Held for sale non-financial assets and liabilities</b> | <b>-</b>        | <b>-</b>        | <b>-</b>       |               |
| <b>Total</b>  | <b>154,803</b>  | <b>147,035</b>  | <b>+7,768</b>  | <b>+5.3%</b>  |
| <i>financed by:</i>                                       |                 |                 |                |               |
| <b><u>Equity</u></b>                                      |                 |                 |                |               |
| Capital stock   | 24,961          | 24,961          | -              |               |
| Reserves and earnings brought forward                     | 80,213          | 78,227          | +1,986         |               |
| Translation reserve                                       | (5,822)         | (6,462)         | +640           |               |
| Net profit of the Group                                   | 2,733           | 3,132           | -399           |               |
| <b>Total equity</b>                                       | <b>102,085</b>  | <b>99,858</b>   | <b>+2,227</b>  | <b>+2.2%</b>  |
| <b><u>Net financial position</u></b>                      |                 |                 |                |               |
| <i>Medium/long term debts:</i>                            |                 |                 |                |               |
| - towards banks   | 37,929          | 25,457          | +12,472        |               |
| - towards other financiers                                | 1,932           | 191             | +1,741         |               |
| <b>Total medium/long term financial debts</b>             | <b>39,861</b>   | <b>25,648</b>   | <b>+14,213</b> | <b>+55.4%</b> |
| <i>Short term debts:</i>                                  |                 |                 |                |               |
| - towards banks   | 28,259          | 35,947          | -7,688         |               |
| - towards other financiers                                | 987             | 2,395           | -1,408         |               |
| - others financial liabilities (assets) and derivatives   | 70              | (99)            | +169           |               |
| <b>Total short term financial debts</b>                   | <b>29,316</b>   | <b>38,243</b>   | <b>-8,927</b>  | <b>-23.3%</b> |
| <b>Cash and cash equivalents</b>                          | <b>(16,459)</b> | <b>(16,714)</b> | <b>+255</b>    | <b>-1.5%</b>  |
| <b>Total net financial position</b>                       | <b>52,718</b>   | <b>47,177</b>   | <b>+5,541</b>  | <b>+11.7%</b> |
| <b>Total</b>  | <b>154,803</b>  | <b>147,035</b>  | <b>+7,768</b>  | <b>+5.3%</b>  |

**Attachment 3**  
**CONSOLIDATED CASH-FLOW STATEMENT**

| (€ 000)  | 2016            | 2015            |
|--|-----------------|-----------------|
| <b>Cash and cash equivalents (as of January 1st)</b>                         | <b>16,714</b>   | <b>17,149</b>   |
| <i>Operating activities</i>  |                 |                 |
| <b>Net result of continuing operation</b>                                    | <b>2,983</b>    | <b>3,382</b>    |
| <b>Net result of discontinued operation</b>                                  | <b>(250)</b>    | <b>(250)</b>    |
| - Depreciation of tangible assets  | 3,829           | 3,748           |
| - Amortization of intangible assets  | 5,344           | 5,146           |
| - Losses in value of tangible and intangible assets                          | 174             | 776             |
| - Provisions to reserves (including employee indemnity)                      | 2,002           | 1,775           |
| - Losses from disposal of tangible and intangible assets                     | -               | 174             |
| - Interests from held for trading assets                                     | (123)           | (134)           |
| - Net interest expenses paid to financial institutions and leasing companies | 1,173           | 1,077           |
| - Net income on derivative instruments                                       | 176             | 3,065           |
| - Result on investments valued with the equity method                        | (28)            | (54)            |
| - Income taxes   | 3,887           | 4,036           |
| <b>Cash flow from current operations</b>                                     | <b>19,167</b>   | <b>22,741</b>   |
| - (Increases)/decreases in trade receivables                                 | 1,733           | (1,335)         |
| - (Increases)/decrease in inventories  | 2,403           | (7,684)         |
| - Decreases in trade payables  | (6,166)         | (8,338)         |
| - Net change in other assets/liabilities                                     | (2,031)         | (772)           |
| - Use of funds (including employee indemnity)                                | (2,046)         | (1,970)         |
| - Net interest expenses paid to financial institutions and leasing companies | (1,175)         | (1,205)         |
| - Financial flow from derivative instruments                                 | (2)             | (3,793)         |
| - Income taxes paid  | (3,907)         | (1,915)         |
| <b>Cash flow from/for operating activities</b>                               | <b>7,976</b>    | <b>(4,271)</b>  |
| <i>Investment activities</i>   |                 |                 |
| - Investments in intangible assets   | (9,706)         | (11,398)        |
| - Investments in tangible assets   | (2,555)         | (3,415)         |
| - Net sale price from disposal of tangible/intangible assets                 | 6               | 1               |
| - Dividends from affiliated companies  | 11              | 11              |
| - Cash flow from assets held for trading                                     | 123             | 134             |
| <b>Cash flow for investment activities</b>                                   | <b>(12,121)</b> | <b>(14,667)</b> |
| <i>Financing activities</i>  |                 |                 |
| - Contracting of non-current financial debts                                 | 37,182          | 27,500          |
| - Repayment of non-current financial debts                                   | (15,066)        | (17,256)        |
| - Contracting/(repayment) in current financial debts                         | (17,077)        | 7,671           |
| - Dividend distribution  | (1,038)         | -               |
| <b>Cash flow from financing activities</b>                                   | <b>4,001</b>    | <b>17,915</b>   |
| <b>Changes from exchange differences</b>                                     | <b>(111)</b>    | <b>588</b>      |
| <b>Cash flow of the period</b>   | <b>(255)</b>    | <b>(435)</b>    |
| <b>Cash and cash equivalents at end of period (as of December 31st)</b>      | <b>16,459</b>   | <b>16,714</b>   |