ISAGRO AS OF JUNE 30TH, 2014

Isagro SpA
Conference Call
Milan, August 6th, 2014
ISAGRO AS OF JUNE 30TH, 2014

MAJOR RECOVERY OF SALES & ECONOMICS VS. 1H 2013

- Revenues +20% vs. 1H 2013
- EBITDA at 6.9 €M vs. 1.5 €M of 1H 2013
- NFP at debt for 26.5 €M vs. 53.9 €M as of 12.31.13 and 56.3 €M as of 06.30.13

CAPITAL INCREASE SUCCESSFULLY CONCLUDED

- 29 €M (out of which 16 €M by controlling system)
- New category of shares (the Growth Shares) issued

CONDITIONS FOR SIMPLIFICATION BY YEAR-END OF THE GROUP’S CONTROLLING STRUCTURE ACCOMPLISHED

Through the merger of the sub-holding Manisa and Holdisa in BasJes, which shall directly hold over 50% of the Ordinary Shares of Isagro
1. FINANCIAL RESULTS AS OF JUNE 30TH, 2014

2. CAPITAL INCREASE AND SIMPLIFICATION OF CONTROLLING STRUCTURE

3. PERSPECTIVES

APPENDIX: THE SPREAD BETWEEN ORDINARY AND GROWTH SHARES
Within a context of good weather conditions in Europe, sales increased by 20% vs. 1H 2013, thanks to:

- Recovery of 1H 2013 lost sales due to carried-over effect of 2012 drought
- Start of commercial cooperation with Gowan in the US and in Italy
- New volumes for toll manufacturing

more than offsetting the devaluation of the Indian Rupee* vs. Euro (-15% vs. 1H 2013) and the impact of the two products divested last year

* Implying a lower valuation in terms of Euro of the consolidated financial statement items concerning the Indian affiliate Isagro (Asia) Agrochemicals Pvt. Ltd.
CONSOLIDATED REVENUES

**REVENUES BREAKDOWN BY PRODUCT CATEGORY**

<table>
<thead>
<tr>
<th>Category</th>
<th>1H 2014</th>
<th>1H 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Licensing and Services</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Third parties’ agropharma</td>
<td>13</td>
<td>13</td>
<td>0%</td>
</tr>
<tr>
<td>Proprietary agropharma</td>
<td>55</td>
<td>44</td>
<td>+20%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>73</td>
<td>61</td>
<td>+20%</td>
</tr>
</tbody>
</table>

**REVENUES BREAKDOWN BY REGION**

<table>
<thead>
<tr>
<th>Region</th>
<th>1H 2014</th>
<th>1H 2013</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rest of Europe</td>
<td>34%</td>
<td>33%</td>
<td>1%</td>
</tr>
<tr>
<td>Americas</td>
<td>19%</td>
<td>17%</td>
<td>2%</td>
</tr>
<tr>
<td>Asia</td>
<td>20%</td>
<td>24%</td>
<td>-4%</td>
</tr>
<tr>
<td>RoW</td>
<td>3%</td>
<td>5%</td>
<td>-2%</td>
</tr>
<tr>
<td>Italy</td>
<td>21%</td>
<td>21%</td>
<td>0%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>68</td>
<td>57</td>
<td>+20%</td>
</tr>
</tbody>
</table>

Financial Results as of June 30th, 2014
## CONSOLIDATED P&L

### Financial Results as of June 30th, 2014

<table>
<thead>
<tr>
<th></th>
<th>1H 2014</th>
<th>1H 2013</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€ million</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td>72.9</td>
<td>60.7</td>
<td>+12.2 +20%</td>
</tr>
<tr>
<td><strong>Memo: labor cost</strong></td>
<td>(14.1)</td>
<td>(13.6)</td>
<td></td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>6.9</td>
<td>1.5</td>
<td>+5.4 N.A.</td>
</tr>
<tr>
<td><strong>% ON REVENUES</strong></td>
<td>9.5%</td>
<td>2.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Depreciation &amp; amortization</strong></td>
<td>(4.3)</td>
<td>(4.9)</td>
<td>+0.6</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>2.6</td>
<td>(3.3)</td>
<td>+5.9 N.A.</td>
</tr>
<tr>
<td>Financial charges</td>
<td>(1.8)</td>
<td>(2.4)</td>
<td>+0.6</td>
</tr>
<tr>
<td>Gain/(loss) from hedging on copper and FX</td>
<td>(0.0)</td>
<td>(0.2)</td>
<td>+0.2</td>
</tr>
<tr>
<td><strong>RESULT BEFORE TAXES</strong></td>
<td>0.8</td>
<td>(5.9)</td>
<td>+6.7 N.A.</td>
</tr>
<tr>
<td>Current and deferred taxes</td>
<td>(0.0)</td>
<td>(0.7)</td>
<td>+0.7</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td>0.8</td>
<td>(6.6)</td>
<td>+7.4 N.A.</td>
</tr>
</tbody>
</table>
CONSOLIDATED BALANCE SHEET

Financial Results as of June 30th, 2014

€ million

<table>
<thead>
<tr>
<th>Date</th>
<th>Net fixed assets</th>
<th>Net current assets</th>
<th>Equity</th>
<th>NFP</th>
<th>Net of Translation reserve for</th>
<th>SIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>06.30.2013</td>
<td>125</td>
<td>45</td>
<td>65</td>
<td>56</td>
<td>-8 €m</td>
<td></td>
</tr>
<tr>
<td>06.30.2014</td>
<td>125</td>
<td>46</td>
<td>95</td>
<td>27</td>
<td>-10 €m</td>
<td></td>
</tr>
<tr>
<td>12.31.2013</td>
<td>123</td>
<td>49</td>
<td>65</td>
<td>54</td>
<td>-11 €m</td>
<td></td>
</tr>
</tbody>
</table>

D/E: 0.86

Out of which 15 vs. BEI

Net of Translation reserve for -8 €m

Out of which ~20 vs. BEI

Net of Translation reserve for -10 €m

Out of which ~21 vs. BEI

Net of Translation reserve for -11 €m
### P&L of Operating Companies

<table>
<thead>
<tr>
<th>ISAGRO GROUP</th>
<th>Isagro S.p.A. (Holding)</th>
<th>Isagro Asia (at 100%)</th>
<th>Isagro Colombia (at 100%)</th>
<th>Isagro España (at 100%)</th>
<th>Isagro USA (at 100%)</th>
<th>ISEM JV with Chemtura (at 50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>€ million</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES</strong></td>
<td>72.9</td>
<td>47.8</td>
<td>17.9</td>
<td>1.9</td>
<td>7.2</td>
<td>7.7</td>
</tr>
<tr>
<td>Memo: 1H 2013</td>
<td>60.7</td>
<td>40.6</td>
<td>17.4</td>
<td>2.1</td>
<td>6.1</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>6.9</td>
<td>1.7</td>
<td>3.0</td>
<td>0.3</td>
<td>0.9</td>
<td>1.2</td>
</tr>
<tr>
<td>Memo: 1H 2013</td>
<td>1.5</td>
<td>(0.4)</td>
<td>2.0</td>
<td>0.3</td>
<td>0.6</td>
<td>(0.2)</td>
</tr>
<tr>
<td><strong>NET RESULT</strong></td>
<td>0.8</td>
<td>(2.2)</td>
<td>2.0</td>
<td>0.1</td>
<td>0.6</td>
<td>0.8</td>
</tr>
<tr>
<td>Memo: 1H 2013</td>
<td>(6.6)</td>
<td>(6.7)</td>
<td>1.1</td>
<td>0.0</td>
<td>0.4</td>
<td>(0.2)</td>
</tr>
</tbody>
</table>

Financial Results as of June 30th, 2014
# ISAGRO GROUP

<table>
<thead>
<tr>
<th></th>
<th>Isagro S.p.A. (Holding)</th>
<th>Isagro Asia (at 100%)</th>
<th>Isagro Colombia (at 100%)</th>
<th>Isagro España (at 100%)</th>
<th>Isagro USA (at 100%)</th>
<th>ISEM JV with Chemtura (at 50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td>30.7</td>
<td>14.3</td>
<td>1.4</td>
<td>0.7</td>
<td>2.6</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>NET FIXED ASSETS</strong></td>
<td>89.8</td>
<td>5.0</td>
<td>0.1</td>
<td>0.0</td>
<td>1.6</td>
<td>-</td>
</tr>
<tr>
<td><strong>NET INVESTED CAP.</strong></td>
<td><strong>120.5</strong></td>
<td><strong>19.3</strong></td>
<td><strong>1.5</strong></td>
<td><strong>0.7</strong></td>
<td><strong>4.2</strong></td>
<td><strong>0.1</strong></td>
</tr>
<tr>
<td>Memo: 06.30.2013</td>
<td>116.8</td>
<td>22.6</td>
<td>1.8</td>
<td>0.7</td>
<td>5.2</td>
<td>11.1</td>
</tr>
<tr>
<td><strong>FINANCED BY:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td>88.7</td>
<td>24.4</td>
<td>1.3</td>
<td>1.0</td>
<td>2.4</td>
<td>1.8</td>
</tr>
<tr>
<td>Memo: 06.30.2013</td>
<td>64.8</td>
<td>21.6</td>
<td>1.2</td>
<td>0.8</td>
<td>2.4</td>
<td>10.9</td>
</tr>
<tr>
<td><strong>NFP debt/(credit)</strong></td>
<td>31.8</td>
<td>(5.1)</td>
<td>0.2</td>
<td>(0.3)</td>
<td>1.8</td>
<td>(1.7)</td>
</tr>
<tr>
<td>Memo: 06.30.2013</td>
<td>52.0</td>
<td>1.0</td>
<td>0.6</td>
<td>(0.1)</td>
<td>2.8</td>
<td>0.2</td>
</tr>
</tbody>
</table>

* net of S.I.F.
MAIN EVENTS OF THE FIRST SEMESTER (1/2)

BUSINESS PLAN 2014-2018 APPROVAL
Communicated after the issuing of comfort letter by the audit firm

CORPORATE EFFICIENCY ACTION
On January 16th, 2014 Isagro S.p.A. signed an agreement with the trade unions regarding a redundancy procedure which has involved around 40 workers

FULL SUCCESS OF THE ~29 €M CAPITAL INCREASE, OUT OF WHICH ~16 €M COVERED BY THE CONTROLLING SYSTEM
• 29 €M have been collected through the subscription of n. ~7 M Ordinary Shares and n. ~14,2 M Growth Shares
• Ordinary Shares and Growth Shares have been issued at the same price of 1.37 €, with a discount on TERP (2.14 €) equal to 35.9% and have been appointed through indivisible packages, made of 40 Ordinary Shares and 81 Growth Shares for each 100 owned Ordinary Shares
• Growth Shares (a new category of special shares) were listed on May 16th, 2014 on the Italian Stock Exchange, STAR segment
MAIN EVENTS OF THE FIRST SEMESTER (2/2)

- WIND-UP OF ISEM
  On April 1st, 2014 the Shareholders’ Meeting of Isem S.r.l. (50:50 JV between Isagro and Chemtura) resolved the wind-up of the Company*

- ACCEPTANCE OF THE EIB WAIVER BY ALL THE GUARANTORS
  With the consequent classification of the portion of the loan contractually due after the 12-month period following June 30th 2014 among «Medium/long term financial debts»

- ACCOMPLISHMENT OF THE CONDITIONS FOR SIMPLIFICATION OF THE GROUP’S CONTROLLING STRUCTURE
  Following the «exit» from the Group’s controlling system of all the minority quota-holders of the sub-holding Manisa and Holdisa:
  • BasJes Holding directly/indirectly controls 53.7% of Isagro S.p.A.;
  • Manisa and Holdisa will be merged into BasJes within 2014, giving rise to a simplification of Isagro’s controlling system

* On July 29th, the Final Financial Statements of Liquidation and the Allocation Plan have been approved
Agenda

1. FINANCIAL RESULTS AS OF JUNE 30TH, 2014
2. CAPITAL INCREASE AND SIMPLIFICATION OF CONTROLLING STRUCTURE
3. PERSPECTIVES

APPENDIX: THE SPREAD BETWEEN ORDINARY AND GROWTH SHARES
CAPITAL INCREASE: OVERVIEW

TOTAL CAPITAL INCREASE ~29 MILLION €

Of which:

• Subscribed by the Controlling System ~16 million €
  To assure the full coverage of Fixed Assets by Equity

• Subscribed by the Market ~13 million €
  To finance the development of:
  • SDHi (large spectrum world-wide fungicide with high potential sales, to be marketed from 2020)
  • Fumigant (already registered as bio-fumigant in USA)

THROUGH THE EMISSION OF «PACKAGES»
OF NEW ORDINARY SHARES AND GROWTH SHARES
AND WITH THE OBJECTIVE OF SIMPLIFYING THE
CONTROLLING STRUCTURE
**CAPITAL INCREASE: SHARES AND NEW SHAREHOLDING STRUCTURE**

**Capital increase**

- ~ 14 million new Growth Shares
- ~ 7 million new Ordinary Shares
- Same issuing price (1.37€/share, i.e. 35.9% discount vs. TERP)

**Shareholding structure after Capital increase**

<table>
<thead>
<tr>
<th>Shares</th>
<th>Holdisa (Controlling subject)</th>
<th>Floating shares</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary Shares</td>
<td>13,174,000</td>
<td>11,375,960</td>
<td>24,549,960</td>
</tr>
<tr>
<td>% ownership</td>
<td>53.7%</td>
<td>46.3%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Growth Shares</td>
<td>464,572</td>
<td>13,710,347</td>
<td>14,174,919</td>
</tr>
<tr>
<td>% ownership</td>
<td>3.3%</td>
<td>96.7%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Total Shares</td>
<td>13,638,572</td>
<td>25,086,307</td>
<td>38,724,879</td>
</tr>
</tbody>
</table>
THE EVOLUTION OF ISAGRO’S CONTROLLING STRUCTURE, AFTER THE CAPITAL INCREASE

BEFORE CAPITAL INCREASE
(successfully concluded on 05.21.2014)

WITHIN 2014 YEAR-END

PIEMME S.r.l.
51.00% 49.00%
Gowan Co.

BASJES Holding S.r.l.
53.90% 28.66%

MANISA S.r.l.
75.50%

Individual investors
17.44%

UBI Banca
20.66%

Aryata CropScience Corp.
4.00%

Parfin S.r.l.
5.00%

Phyteurop S.A.
5.60%

Sipcam S.p.A.
10.00%

HOLDISA S.r.l.
84.70% 45.30%

Market
3.28% 96.72%

Growth Shares

PIEMME S.r.l.
51.00%

BASJES Holding S.r.l.
53.66%

Gowan Co.
49.00%

Market
46.34%

ISAGRO S.p.A.
3.28% 96.72%

Growth Shares
1. FINANCIAL RESULTS AS OF JUNE 30TH, 2014

2. CAPITAL INCREASE AND SIMPLIFICATION OF CONTROLLING STRUCTURE

3. PERSPECTIVES

APPENDIX: THE SPREAD BETWEEN ORDINARY AND GROWTH SHARES
OUR FIVE STRATEGIC GUIDE-LINES ...

1. DISCOVERY TO BE RUN IN AUTONOMY

2. DEVELOPMENT OF NEW MOLECULES/PRODUCTS IN PARTNERSHIP
   For molecules with global market potential and/or requiring high investments

3. DEVELOPMENT OF BUSINESS LICENSING AGAINST DOWNPAYMENTS
   Granting rights on proprietary products and securing long-term supply agreements

4. DEVELOPMENT OF DISCRETIONARY BUSINESS
   • Launch of new generics initially in India, leveraging on Isagro’s consolidated presence on such market
   • Direct distribution in selected markets

5. FINANCIAL DEBTS NOT EXCEEDING “NET WORKING CAPITAL”
... AS BASIS FOR THE “CHANGES” WE HAVE BEEN LOOKING FOR

- INDUSTRIAL PARTNERSHIP  DONE (2nd half 2013)
- CAPITAL INCREASE       DONE (1st half 2014)
- STRATEGIC AND MANAGERIAL REINFORCEMENT ONGOING

Towards the achievement of Business Plan 2014-2018 targets
1. FINANCIAL RESULTS AS OF JUNE 30TH, 2014

2. CAPITAL INCREASE AND SIMPLIFICATION OF CONTROLLING STRUCTURE

3. PERSPECTIVES

APPENDIX: THE SPREAD BETWEEN ORDINARY AND GROWTH SHARES
ISAGRO ON THE MARKET TODAY

Preamble

Market cap of Isagro lower than Book Value, which reflects some key fixed asset values significantly lower than their market value, as proven in the past

Issue

There is a spread between Ordinary and Growth Shares (average of 26% in the month of July 2014)

- Since there is no economic / rational logic behind such a spread ...
- ... which is likely due to the possible inadequate knowledge of the new instrument ...
- ... Isagro is committed to increase such knowledge with investors and financial community
WHY GROWTH SHARES?

FROM THE NEGATIVE EXPERIENCE OF SAVING SHARES AND PREFERRED SHARES, NOT APPRECIATED BY THE MARKET DUE TO THE DIFFERENT TREATMENT RESERVED TO THE VARIOUS SHAREHOLDERS CATEGORIES IN THE EVENT OF A COMPULSORY PUBLIC OFFER ...

... AN INNOVATIVE INSTRUMENT, TAILORED FOR COMPANIES HAVING A CONTROLLING SUBJECT, WHICH:

• CONFIRMS THE CONTROL OF THE COMPANY AND, THEREFORE, THE CONTINUITY OF THE INDUSTRIAL PROJECT
• ESTABLISHES THE EQUAL TREATMENT AMONG ALL INVESTORS IF THE CONTROLLING SUBJECT LOSES THE CONTROL AND IN ANY CASE OF COMPULSORY PUBLIC OFFER
## Growth Shares, Compared to Ordinary Shares, ...

<table>
<thead>
<tr>
<th>Ordinary S. in Isagro</th>
<th>Growth S. in Isagro</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>11,4 million shares</strong></td>
<td><strong>13,7 million shares</strong></td>
</tr>
<tr>
<td><strong>Ordinary</strong></td>
<td><strong>Ordinary</strong> + extra-dividend (20%)</td>
</tr>
<tr>
<td><strong>Included</strong></td>
<td><strong>Included</strong>*</td>
</tr>
<tr>
<td><strong>Present</strong> (but «not significant» for minority shareholders)</td>
<td><strong>Absent</strong>*</td>
</tr>
</tbody>
</table>

**Floating shares**

- **Dividend** (when resolved by the AGM)
- **In event of Compulsory Public Offer**
- **Voting right**

* Growth Shares are automatically converted into Ordinary Shares, acquiring full voting rights, in any case of:
  - **Loss of control** (the participation of the controlling subject goes below 50%)
  - **Compulsory Public Offer**
    (thus, when the distinction between Ordinary Shares and Growth Shares becomes significant for the investor)
Since Growth Shares:

• **Grant an extra-dividend** when there is a dividend for Ordinary Shares;

• **Automatically become Ordinary**, pursuant to the company By-Laws, when holding Ordinary Shares is relevant for the investor (i.e.: in case of Compulsory Public Offer)

there are no economic/rational reasons for Growth Shares being traded at a discount vs. Ordinary Shares

For such reason Isagro, running the capital increase successfully concluded last May, issued **Ordinary Shares and Growth Shares at the same price**
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Such data, estimates, considerations, statements and opinion could prove to be incomplete and/or wrong and they incorporate elements of risk of uncertainty, beyond the company control. For such reasons, actual results may prove to differ versus data, estimates, considerations, statements and opinion contained in such presentation.

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