



**GRUPPO  
ORSERO**

COURTESY TRANSLATION FOR THE CONVENIENCE OF INTERNATIONAL READERS

**THE ORSERO BoD APPROVES THE CONSOLIDATED  
HALF-YEAR FINANCIAL DATA, ALSO PRO-FORMA, AS AT 30 JUNE 2017**

**The strategy of focussing on core business consolidates, along with growth in the distribution of fresh fruit and vegetables in the European market.**

**Competitive position reinforced in Italy and Spain, maintaining solid the financial structure.**

**Operating result suffers the poor performance by the Import & Shipping segment partially due to the unfavourable market situation**

**ORSERO GROUP – CONSOLIDATED PRO-FORMA FINANCIAL HIGHLIGHTS AT 30 JUNE 2017**

- **NET SALES: EURO 473 MLN** (337,6 MLN AT 30 JUNE 2016)
- **EBITDA ADJUSTED<sup>1</sup>: EURO 15.6 MLN** (26,3 MLN AT 30 JUNE 2016)
- **NET PROFIT: EURO 20.0 MLN** (11,4 MLN AT 30 JUNE 2016)
- **TOTAL SHAREHOLDERS' EQUITY: EURO 149.2 MLN** (116,5 MLN AT THE END OF 2016 PRO-FORMA<sup>2</sup>)
- **NET FINANCIAL POSITION: EURO 76.8 MLN** (49,1 MLN AT THE END OF 2016 PRO-FORMA<sup>2</sup>)

Milan, 26 September 2017 - The Board of Directors of Orsero S.p.A. ("**Orsero**" or the "**Company**"), company admitted for trading on AIM Italia and holding company of the Italian and international group by the same name, amongst the leaders in Mediterranean Europe in the import and distribution of fresh fruit and vegetable produce (the "**Group**"), held today, approved the Consolidated Half-year Financial Report as at 30 June 2017.

Moreover, in order to present the public with financial information that considers the effects of the acquisition of the companies Hermanos Fernández López S.A., Fruttital Firenze S.p.A. and Galandi S.p.A. (previously held in JV), as per the press releases issued on 27 July 2017 and 25 September 2017, to which make reference, today's meeting of the Board of Directors has also approved the consolidated pro-forma financial data of the Group as at 30 June 2017 (the "**Consolidated half-year pro-forma data**"). These pro-forma data have been prepared assuming retroactively the effects of the acquisitions of the remaining 50% of the abovementioned companies, with the consequent consolidation on a line-by-line basis as from 01 January 2017; from an equity viewpoint, the effects have also been included of the share capital increase of Euro 13 million (Euro 4,444,090.00 as share capital and Euro 8,555,910.00 as share premium) issuing 1,000,000 shares, worth Euro 13.00 each, equal to 5.66% of the share capital, implemented in view of the conferral of part of the shares of Hermanos Fernández López S.A. held by Grupo Fernández S.A.

<sup>1</sup> Excluding non-recurring items.

<sup>2</sup> Pro-forma financial data at 31 December 2016, released on 12 April 2017, are aimed at representing the financial effects of the merger of GF Group in Orsero S.p.A., effective on 13 February 2017, as if it has been carried out on 31 December 2016.



**GRUPPO  
ORSERO**

Raffaella Orsero, Deputy Chair and CEO of Orsero, commented:

*“The Group is continuing its dimensional growth and strengthening in the distribution segment, both internally and through external lines, just as envisaged under the scope of the operation that resulted in the Group listing on the AIM Italia. With Euro 473 million achieved during the first half of the year, which also considers the recent acquisitions, the Group is potentially well launched towards achieving its target of one billion euros in annual turnover very shortly.*

*In terms of profitability, performance is generally satisfactory for all distribution of fresh fruit and vegetables, apart from bananas and avocados. Just like other important sector operators, the Group is suffering a particularly unfavourable outlook for both the banana market, due to the abundant supply by producing and exporting companies, which has eroded import sales prices, and the avocado market, for which the demand on an international level structurally exceeds supply, and in 2017 a certain scarcity of product, particularly in Mexico, led to a consequent increase in the costs of procurement, which could not be proportionally reversed over onto sales prices. This context should, however, be considered as temporary only and, in some respects, physiological, given that the Group markets fresh agricultural produce, the production and consumption of which are subject to multiple natural and climatic factors.*

*As regards the maritime transport, the increase in operating costs as a consequence of the average price of fuel, has not resulted in an increase in freight rates at market level as the sector has for years been involved by major price competition. The situation of shipping is therefore influenced this year by exogenous factors that can only partly be offset by achieving a high degree of carrying capacity saturation of the Group’s operated ships.”*

#### **FILING OF DOCUMENTATION**

A copy of the Orsero Consolidated Half-year Financial Report at 30 June 2017, including the report by the independent auditing firm, is made available to the public at the company’s registered offices in Milan, at via G. Fantoli 6/15, by means of its publication on the institutional website [www.orserogroup.it](http://www.orserogroup.it), in the “Investors/financial statements, reports and presentations” section and on the authorised eMarket Storage mechanism ([www.emarketstorage.com](http://www.emarketstorage.com)).

A brief presentation of the consolidated half-year “pro-forma” data, in English, will also be made available to the public on the company website [www.orserogroup.it](http://www.orserogroup.it), in the “Investors/financial statements, reports and presentations” section.

The company will hold a conference call with analysts and investors on 27 September 2017 at 15:00 CET. For further details please refer to the company website [www.orserogroup.it](http://www.orserogroup.it), in the “News and Media/Events” section.

#### **CONSOLIDATED HALF-YEAR PRO-FORMA DATA OF ORSERO S.P.A. AS AT 30 JUNE 2017**

The pro-forma data is prepared in accordance with the IAS-IFRS international accounting standards and is not audited.



# GRUPPO ORSERO

Thousands of Euro	30.06.2017 Pro-forma	30.06.2016 <sup>3</sup>
Net Sales	473.439	337.632
Gross Profit	38.094	43.820
Adjusted Ebitda	15.594	26.320
Operating Result (Ebit)	6.206	17.711
Effect "step acquisition" ex IFRS 3	18.026	
Net financial expenses	( 1.578)	( 1.199)
Net income (loss) from equity investments	12	7
Share of Profit of JV** and Associated company*	196	1.876
Profit before tax	22.862	18.395
Net Profit from continuing operations	20.029	15.770
Net Profit of "Discontinued Operations"	-	( 4.396)
Net Profit	20.029	11.374

\* Included in the "Net income (loss) from equity investments"

Thousands of Euro	30.06.2017 Pro-forma	31.12.2016 <sup>4</sup>	31.12.2016 <sup>5</sup> Pro-forma
Fixed Assets	178.700	143.103	143.231
Net Working Capital	56.503	28.801	27.443
Other current assets/(liabilities)	(9.182)	(5.740)	(5.110)
Net Invested Capital	226.021	166.164	165.564
Total Shareholders' Equity	149.236	68.714	116.497
Net Financial Position	76.785	97.450	49.067

Financial Indicators	30.06.2017 Pro-forma	31.12.2016 <sup>4</sup>	31.12.2016 <sup>5</sup> Pro-forma
Net Financial Position/Total Shareholders' Equity	0,51	1,42	0,42
Net Financial Position/Adjusted Ebitda	2,46 <sup>(*)</sup>	2,75	1,39

(\*) The indicator NFP/ Adjusted Ebitda of the semester is calculated by multiplying by two the value of the Adjusted Ebitda of 1H 2017. This assumption has the only purpose of working out the ratio and it is not representative of any guideline or forecast for the FY 2017.

Consolidated pro-forma net sales for the first six months of 2017 have exceeded Euro 473 million, showing comprehensive growth of 40.2% on the same period of 2016, which can be broken down into an increase at constant perimeter of 5.2%, and an effect due to the consolidation of the companies acquired, of 35.1%.

<sup>3</sup> We draw your attention to the fact that financial data at 30 June 2016 and at 31 December 2016 *not pro-forma* are related to the consolidated financial data of GF Group since the merger between Glenalta Food and GF Group S.p.A. is not qualified as a business combination for accounting purposes but a mere capital increase of GF Group because, from a substantial stand point, there was not any change of control in the Group. Moreover, the data as at 30 June 2016 have been restated in accordance to the Accounting principles IAS/IFRS to provide the necessary comparability with the results achieved as at 30 June 2017.

<sup>4</sup> Please refer to note 3

<sup>5</sup> Please refer to note 2.



**GRUPPO  
ORSERO**

The growth in net sales refers in particular to the Distribution Segment, which has risen by a total of more than 59%, of which 9.4% at constant perimeter, mainly attributable to the companies operating in Italy and in France, and approximately 50% as a result in the increased consolidation area.

Pro-forma adjusted EBITDA came in at Euro 15.6 million, accounting for 3.3% of total net sales, down approximately 10.7 million on 2016. This result is entirely due to the lesser profitability recorded by the Import & Shipping segment, as a result of:

- the lower profitability of the green banana product (Import) due to the prolonged surplus supply on the international markets, which, in turn, has already lowered the prices of sale as from the fourth quarter 2016;
- the reduced profitability of the maritime transport business (Shipping) as a result of the decline in volumes carried, coupled with the significant increase in the cost of fuel (+76% during the first six months of 2017 as compared with same period last year), not offset by an equivalent growth in tariffs recognised in market transaction and due to repeated problems that occurred at the loading ports, which impacted the margin because of the effects on the ship travel schedules and overall efficiency of naval operation which are deemed non-recurring items.

The margin in the Distribution segment, with equal scope, are stable due to the better performance of the Italian companies that offset the lesser profitability of business in France (for which the first half of 2016 saw extraordinarily positive results, with the Mexican avocado campaign) and in Portugal (this semester penalised by the negative trend of the banana market).

The share of profit of joint ventures and associated companies drops by approximately Euro 1.7 million, in consideration of the inclusion in the consolidation scope of the JVs recently acquired and because, the call option held by the significant shareholder FIF Holding S.p.A. for the Costa Rica-based company Acorsa S.A., does not allow the Group to benefit from the value increases deriving from the measurement of the financial investments using the equity method.

The net pro-forma result of approximately Euro 20 million, up on 2016 as a result of the non-recurring result due to the registration on the income statement, in accordance with IFRS 3 "step acquisition", additional fair value, of the 50% already held in the companies acquired with respect to its valuation on the 2016 financial statements, which had been expressed on the basis of the respective pro-quota of shareholders' equity.

Net total pro-forma shareholders' equity is up to Euro 149.2 million, thanks to the contribution of the period net profit and the share capital increase reserved to Grupo Fernández S.A., under the scope of the acquisition of 50% of the Spanish JV.

The net pro-forma financial position comes in at Euro 76.8 million, considering the outlays for the acquisitions, equal to approximately Euro 20.4 million, net of the share capital increase in exchange for the contribution in kind of part of the shares of Hermanos Fernández López S.A., held by Grupo Fernández S.A. The NFP of the first half suffers, in operative terms, the greater absorption of current assets, due to the expansion of sales and physiological seasonality of the business, which determines a bigger working capital need in the first half of each year. Moreover, non-recurring outlays also took place due to the payment of certain costs relative to the business combination Glenalta Food - GF Group.



**GRUPPO  
ORSERO**

**ORSERO CONSOLIDATED HALF-YEAR FINANCIAL REPORT FIGURES AS AT 30 JUNE 2017**

Prepared in accordance with IAS-IFRS international accounting standards and audited.

Economic summary data:

Thousands of Euro	30.06.2017	30.06.2016 <sup>6</sup>	Variazione
Net Sales	355.081	337.632	17.449
Gross Profit	28.720	43.820	( 15.100)
Adjusted Ebitda	10.604	26.320	( 15.716)
Operating Result (Ebit)	3.008	17.711	( 14.703)
Net financial expenses	( 1.498)	( 1.199)	( 299)
Net income (loss) from equity investments	9	7	2
Share of Profit of JV** and Associated company*	1.312	1.876	( 564)
Profit before tax	2.831	18.395	( 15.564)
Net Profit from continuing operations	870	15.770	( 14.900)
Net Profit of "Discontinued Operations"	-	( 4.396)	4.396
Net Profit	870	11.374	( 10.504)

\*Rientrano nella voce "Risultato patrimoniale/finanziario"

Equity and financial summary data:

Thousands of Euro	30.06.2017	31.12.2016 <sup>7</sup>	Variazione
Fixed Assets	136.959	143.103	(6.144)
Net Working Capital	46.249	28.801	17.448
Other current assets/(liabilities)	(5.674)	(5.740)	66
Net Invested Capital	177.534	166.164	11.370
Total Shareholders' Equity	117.340	68.714	48.626
Net Financial Position	60.194	97.450	( 37.256)

For more information and comments, refer to the file of the Consolidated Half-year Financial Report at 30 June 2017, available from the website [www.orserogroup.it](http://www.orserogroup.it), in the "Investors/Financial Statements, Reports and Presentations" section.

<sup>6</sup> Please refer to note 2.

<sup>7</sup> Please refer to note 2.



**GRUPPO  
ORSERO**

### **Significant events after the first half of 2017**

In this regard, of note is the formalisation, in the early days of July, of the aforementioned acquisitions of the remaining 50% of the Tuscan companies Fruttital Firenze S.p.A. and Galandi S.p.A. and of the Spanish company Hermanos Fernández López S.A., as well as the capital increase of the Company of total Euro13 million through the issue of 1,000,000 new shares, to service the contribution in kind by the Fernandez family of part of the shares hold in Hermanos Fernández López S.A., and approved by the Extraordinary Shareholders' meeting on 15 September 2017. For further information refer to the press releases on 27 July 2017, 15 and 25 September 2017.

All these events are reflected in the pro-forma consolidated financial statements prepared for the specific purpose of providing a better and more truthful representation of the Group's current capital, financial and economic situation.

In addition, in accordance with the "Regulation of the Orsero S.p.A. Warrants", on 30 June 2017 the "Acceleration Condition" defined by the regulation itself was met, with the consequent end of subscription of the "Converted Shares" on 2 August 2017 with the Exercise Ratio of 0.2879. Within the deadline, the requests to exercise 7,531,496 Warrants were received and therefore the Parent Company issued 2,168,297 ordinary shares in the service of said exercise for a total value of Euro 216,829.70. For further information refer to the press releases on 3 July 2017 and 4 August 2017.

### **Outlook of the Orsero Group**

In the past three years, the Orsero Group implemented a strategy of focusing on its own core business: this strategy and the activities and operations carried out in accordance with it, have laid the foundation for a potential growth and expansion of the Group in a sector characterised by concentration in the main reference markets.

The strong competitive positioning and sound financial structure, adequate for the business, have made possible the acquisitions of the Tuscan and Spanish companies with which an important step for the Group's growth strategy was taken. In the period awaiting us, while we will remain attentive to opportunities for growth through new acquisitions, we expect to focus on achieving operating synergies and a progressively improved efficiency of the structure, in order further to enhance the company's soundness and value.

**\*\* \*\*\* \*\***

We draw your attention to the fact that today are effective in their role the new members of the Board of Directors appointed by the Shareholders' meeting on 15 September 2017.



**GRUPPO  
ORSERO**

\*\*\*

**ORSERO** is the holding company of the Italian and international group with the same name, a leader in Mediterranean Europe for the import and distribution of fresh fruit and vegetables. The group operates primarily in the areas of the distribution, import and production of fresh fruit and vegetables in Mediterranean Europe, and imports and markets over 550,000 tonnes per year of fresh fruit and vegetable products in all of southern Europe, with consolidated revenues of more than €680 million. The Orsero Group was created more than 50 years ago at the initiative of the Orsero family, which had been operating since the 1940s in the fruit and vegetable sector, in partnership with other entrepreneurs. Over the decades, the Orsero Group has expanded its business both in terms of covered areas, which today includes Italy, France, Spain, Portugal, Greece, Costa Rica and Colombia, and in terms of product categories and sectors, according to a model known as vertical integration. Along with the distribution of fresh produce, the Orsero Group's business model also includes the import of bananas and pineapples using its owned ships, as well as the production of fruit.

In 2012, the Orsero Group launched the brand "F.lli Orsero" for bananas and pineapples. The name intends to convey a sense of tradition and the passion of a large Italian family-run company for high-end produce.

Since 13 February 2017, ORSERO ordinary shares and warrants have been traded on AIM Italia/Alternative Investment Market, organized and operated by Borsa Italiana.

Ordinary shares: ISIN - IT0005138703 ; Bloomberg Ticker "ORS.IM"; Thomson Reuters Ticker "ORSO.MI"

**For further information:**

**Orsero S.p.A.**  
Via G. Fantoli, 6/15  
20138 – Milano  
[www.orserogroup.it](http://www.orserogroup.it)

**Investor Relations**  
[investor.relations@orserogroup.it](mailto:investor.relations@orserogroup.it)  
tel. +39.0182.560400  
[www.orserogroup.it](http://www.orserogroup.it)

**BANCA AKROS S.p.A.**  
Matteo Sacco  
[matteo.sacco@bancaakros.it](mailto:matteo.sacco@bancaakros.it)

**Specialist**  
CFO SIM S.p.A.  
Via dell'Annunciata n. 23/4  
20121 – Milano  
[www.cfosim.com](http://www.cfosim.com)