



CENTRALE DEL LATTE DI TORINO & C. S.p.A.

ANALYST PRESENTATION
Star Conference 2015
London, 5th October 2015





CENTRALE DEL LATTE DI TORINO



Agenda

1. The Group at a glance
2. Market overview
3. Programs and strategies
4. Financials
5. Share Price



CENTRALE DEL LATTE DI TORINO



Speakers

LUIGI LUZZATI

Chairman

RICCARDO POZZOLI

Vice Chairman and Chief Executive Officer

VITTORIO VAUDAGNOTTI

Chief Financial Officer

EDOARDO POZZOLI

Corporate Director and Investor Relator



CENTRALE DEL LATTE DI TORINO



1. The Group



1. THE GROUP



Mission

1. *Producing and selling high quality products in the following segments:*

- ➔ *Fresh, long life (UHT) and Extended Shelf Life (ESL) milk*
- ➔ *Ready –to –eat salads*
- ➔ *Yoghurt and probiotic*
- ➔ *Fresh, long life (UHT) and Extended Shelf Life (ESL) cream*

2. *Developing and strengthening our role of interregional industrial pole positioned between large groups and small-sized local players.*



1. THE GROUP



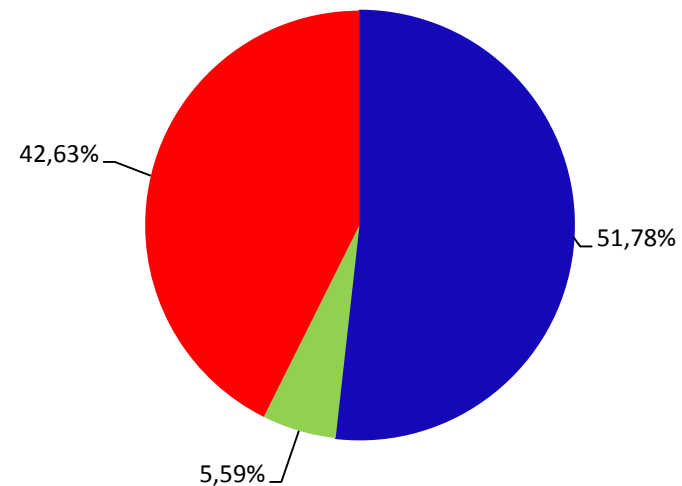
The group

- ✓ Since 1950 Centrale del Latte is the leading brand of milk in Turin.
- ✓ During the years the Group experienced a day by day growth becoming a interregional pole, active in the production and distribution of milk, milk derivatives and other fresh products.
- ✓ A high quality production, a clear diversification strategy and an efficient distribution enabled the Group to become a leading interregional player, always aiming to maintain a daily relationship with its customers.



Shareholders

Centrale del Latte di Torino & C. S.p.A. September 2015



■ Finanziaria Centrale del Latte di Torino S.p.A.

■ Lavia S.S.

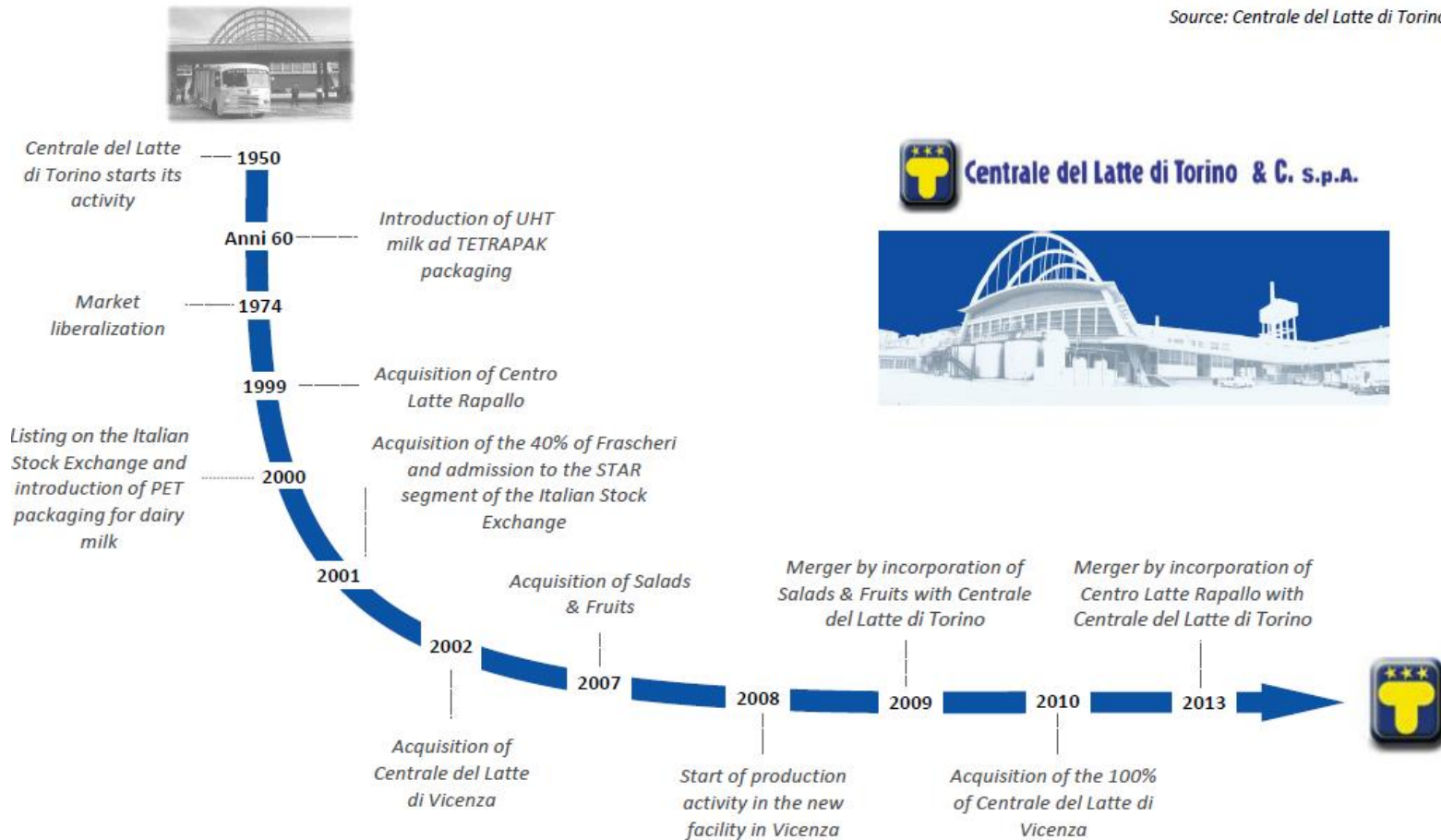
■ Other shareholders <5%

Numbers of shareholders : 3.638

1. THE GROUP



Source: Centrale del Latte di Torino & C. S.p.A.





1. THE GROUP

AN INTERREGIONAL POLE

Turin



Vicenza



Casteggio (PV)



Rapallo (GE)





1. THE GROUP



Group Structure





1. THE GROUP



Group Structure



In August 2014 Centrale del Latte di Torino & C. S.p.A. acquired a 50% stake in Odilla Chocolat Srl, an exclusive and high quality craft-made chocolate company, run by Gabriele Maiolani famous maître chocolatier. The mid term plan relies on a gradual development of it's business, growing in sales and expanding the production capacity with investments in a new production plant and in machinery.

Currently there is an Odilla boutique in Turin and soon there will be the opening of a flagship store in Milan.

CLT and Odilla (www.odillachocolat.it) share the same values in terms of identity and local tradition, as well as product creativity and excellence in quality



1. THE GROUP



Integration project

On 19 June 2015, The Shareholders' Meeting of Centrale del Latte di Firenze, Pistoia e Livorno S.p.A., unanimously expressed a favourable opinion on the non-binding business integration draft project presented by our company on 20 February 2015. The parties are currently conducting the necessary in-depth studies regarding the structure of the operation, the exchange ratio, governance and business development projects.



1. THE GROUP



A full range of products

FRESH, EXTENDED SHELF LIFE (ESL) AND UHT MILK

61% of revenues 1 H 2015



Centrale del Latte di Torino

Latte Tigullio

Centrale del Latte di Vicenza





1. THE GROUP



A full range of products

YOGHURT AND DESSERT

8% of revenues 1H 2015*

Centrale del Latte di Torino

Latte Tigullio

Centrale del Latte di Vicenza



*the revenues % refers only to yogurt

1. THE GROUP



Other Products

READY TO EAT SALADS

6% of revenues 1 H 2015



CHEESE*



CREAM*

FRESH PASTA AND PESTO SAUCE*

EGGS*

CURED MEATS*



* other products: 20% of revenues 1 H 2015

1. THE GROUP



New Products



**UHT milk Format
«Cubotto»**



**Lactose-free
UHT milk**



**Glass Bottle in
Rapallo and Vicenza**



**UHT Organic
Milk**

1. THE GROUP



New Products



200 and 250 ml Cream and Milk .

Product Range: Fresh and UHT cream for kitchen use and UHT milk that satisfy needs of families, single low consuming users and is ideal for occasional consumption. Launched sept 2015



New Products



RICE DRINK

This product is the result of our technological knowledge on UHT productions and is characterized by an exclusive recipe:

- Rice 100% Italian.
- Vitamin B12 (helps reducing tiredness)
- Low fat content
- No added sugars (it naturally contains sugars)
- Gluten free

Target: consumers allergic to cow milk, vegetarians, vegans and celiacs.

Launched: october 2015



Main product launched

Cured Meats



- High Quality Ham: 100 g, gluten free.
- Cured ham: 75 g, only Italian meat, gluten free, no preservatives.
- Roasted turkey breast: 100g, only Italian meat, gluten-free, high in protein
- Salami Milano: 100g, gluten free.

The products are packaged in packs with removable tray, ready to be served comfortably on the table.



1. THE GROUP



Latest news

EXPORT

CLT & C. has signed a five-year contract (2014-2018) with NANPUFOOD (www.nanpufood.com), a leading importer and distributor in China, Hong Kong and Macao to export UHT milk.



1. THE GROUP



Latest news

News on EXPORT: United Arab Emirates!

CLT & C. has signed a five-year contract (2015-2019) with a leading importer of United Arab Emirates based in Dubai that distributes in of United Arab Emirates, Kuwait, Saudi Arabia and Oman to export UHT milk. The importer is specialized in Organic products and has already introduced our products in some of the most important supermarkets of the region.

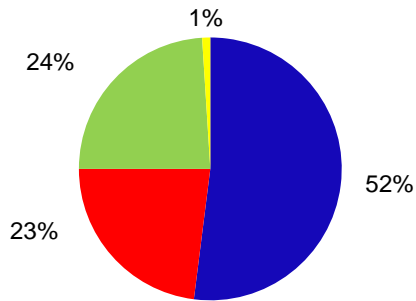


1. THE GROUP



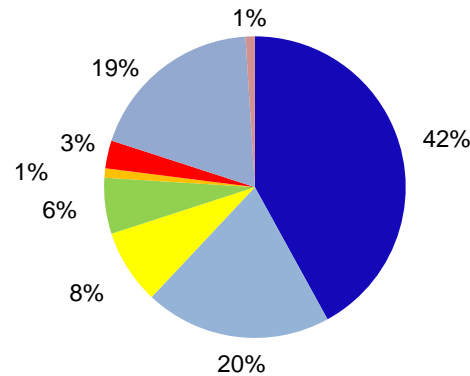
1 H 2015 SALES BREAKDOWN (€ 48,8 mln):

By Region



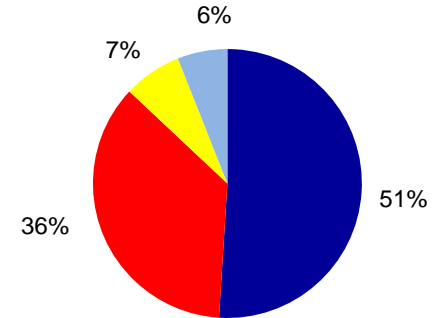
- Piedmont (€ 25,2 mln)
- Liguria (€ 11,1 mln)
- Veneto (€ 12,1 mln)
- Export (€ 0,338 mln)

By Product



- Fresh milk (€ 20,7 mln)
- UHT Milk (€ 9,6 mln)
- Yogurt (€ 3,8 mln)
- Ready-to-eat salads (€ 2,8 mln)
- Soy drink (0,494 mln)
- Unbottled milk and cream (€ 1,6 mln)
- Other packed product (€ 9,7 mln)
- Export (0,338 mln)

By distribution channel



- Large scale distribution (€ 24,9 mln)
- Traditional shop (€ 17,6 mln)
- Private labels (€ 3,4 mln)
- Others (€ 2,9 mln)



2. MARKET OVERVIEW



2. MARKET OVERVIEW



SPOT MILK PRICE

Source: Elaboration on CLAL data (www.clal.it)

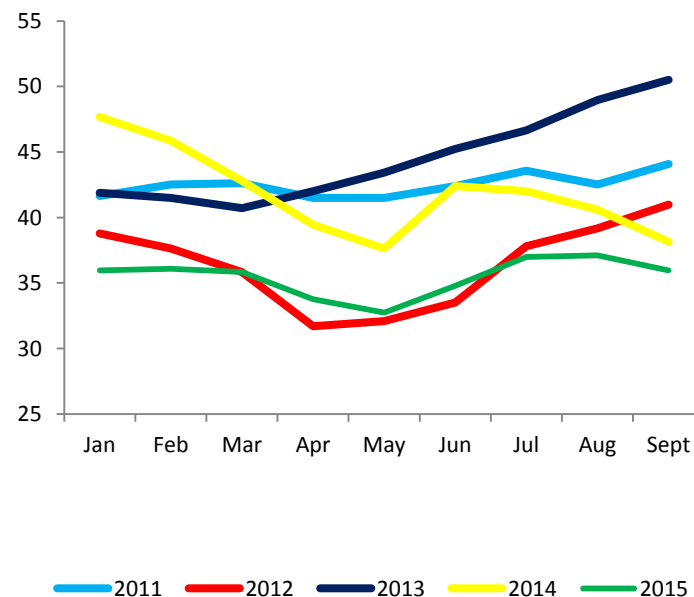
Spot milk average monthly prices * (2011 – august 2015)

Price in Euro for 100 litres

Month	2011 average	2012 average	2013 average	2014 average	2015 average
January	41.63	38.79	41.88	47.68	35.96
February	42.53	37.63	41.50	45.88	36.09
March	42.61	35.83	40.72	42.79	36.09
April	41.50	31.70	42.01	39.44	35.83
May	41.50	32.09	43.43	37.63	33.77
June	42.40	33.51	45.24	42.4	32.73
July	43.56	37.81	46.65	42.00	34.80
August	42.53	39.18	48.97	40.60	36.99
September	44.08	40.98	50.52	38.15	35.96
October	44.08	42.92	51.89	37.55	
November	44.08	43.82	52.97	37.76	
December	43.30	42.40	50.65	35.70	
Average	42.82	38.06	46.43	40.57	36.02

* Spot prices of milk bulk in the tank, free destination. Prices are fixed by the Commission reporting to the Lodi Chamber of Commerce. Average between minimum and maximum monthly spot milk price.

Trend of spot milk monthly prices * (2011 – august 2015)



2. MARKET OVERVIEW



FARM –RAW MILK PRICE

Source: elaboration on CLAL data(www.clal.it)

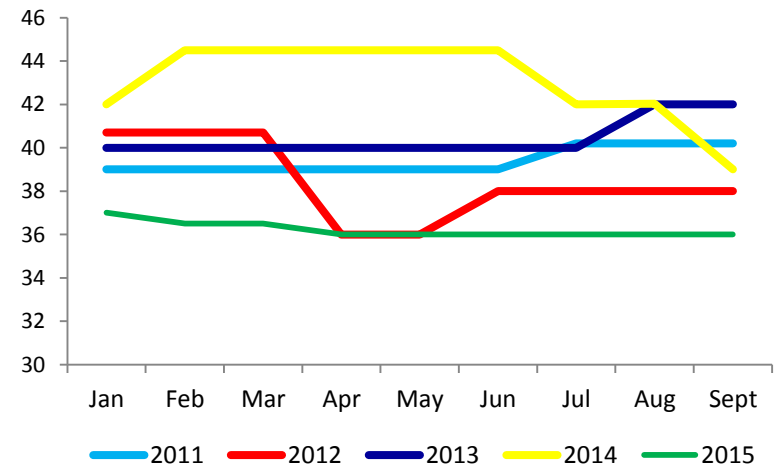
Farm –raw milk monthly prices¹ (2011 – august 2015)

Price in Euro for 100 litres

Month	2011 average	2012 average	2013 average	2014 average	2015 average
January	39.00	40.70	40.00	42.00	37.00(e)
February	39.00	40.70	40.00	44.50	36.50(e)
March	39.00	40.70	40.00	44.50	36.50(e)
April	39.00	36.00	40.00	44.50	36.00(e)
May	39.00	36.00	40.00	44.50	36.00(e)
June	39.00	38.00	40.00	44.50	36.00(e)
July	40.20	38.00	40.00	42.00(e)	36.00(e)
August	40.20	38.00	42.00	42.04 (e)	36.00(e)
September	40.20	38.00	42.00	39.00(e)	36.00(e)
October	40.30	38.00	42.00	39.00(e)	
November	40.30	38.00	42.00	38.50(e)	
December	40.30	39.50	42.00	38.00(e)	
Average	39.63	38.47	40.83	41.92	36.25

Trend of the farm –raw milk monthly average price

*
(2011 – august 2015)



¹ Price established in the Region Lombardy. Given the substantial volume of milk produced, the prices fixed in Lombardy are considered as points of reference for negotiations in other locations.

² Price from July 2014 to January 2015 are estimated, as they are an approximate estimation of the general trend deduced by CLAL according to industry commercial agreements and main market news.



2. MARKET OVERVIEW

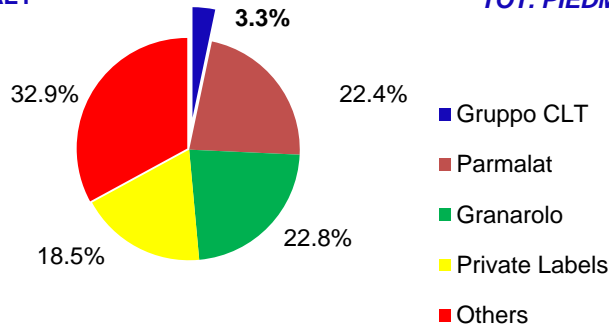
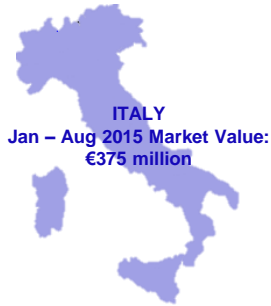


2. Market overview: fresh milk/ ESL Iper + Super

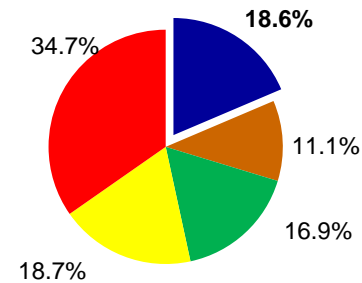
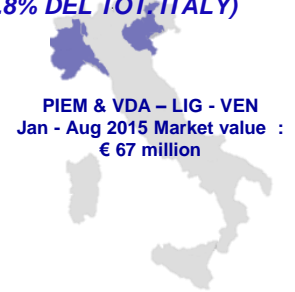
Source: IRI Infoscan I+S

JAN - AUG 2015 COMPETITOR ANALYSIS – MARKET SHARE VALUE

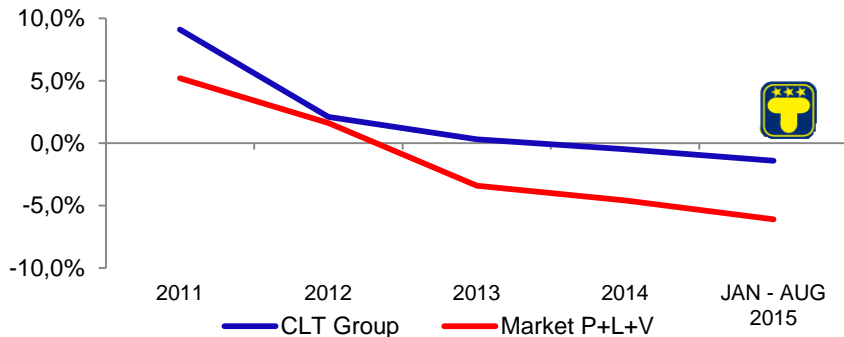
TOTAL ITALY



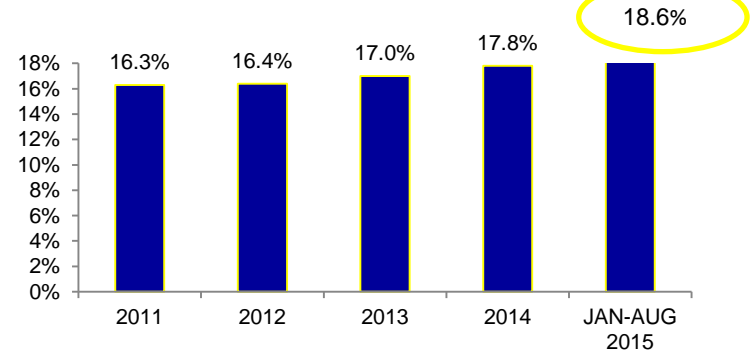
TOT. PIEDMONT & AOSTA VALLEY, LIGURIA, VENETO (17.8% DEL TOT. ITALY)



CLT vs MKT *



CLT MARKET SHARE * CLT



* Total market Piedmont & Aosta Valley, Liguria e Veneto

2. MARKET OVERVIEW



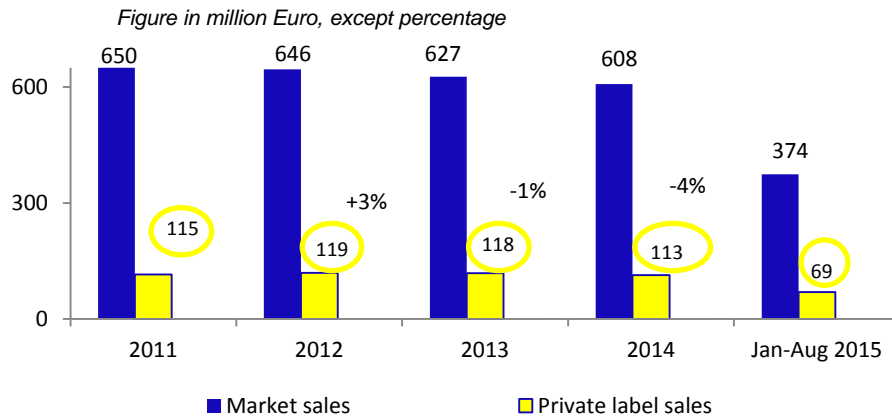
2. Market overview : fresh milk ESL Iper + Super

Source: IRI Infoscan I+S

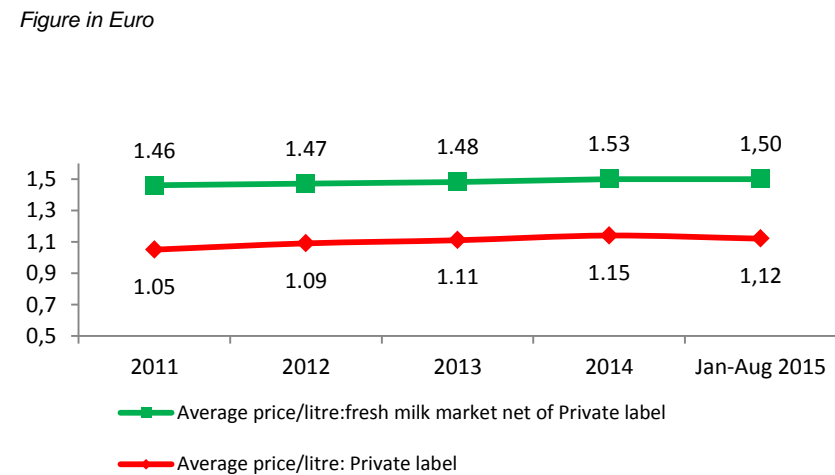
TREND OF PRIVATE LABEL SALES IN THE FRESH MILK AND ESL MARKET

- Private labels fresh milk/ESL sales show a negative sign after years of growth. Share market value trend from : **4.0%** at 2006 and as far as **18.5%** period jan – aug 2015.

ITALIAN MARKET TREND



AVERAGE MARKET PRICE TREND



2. MARKET OVERVIEW

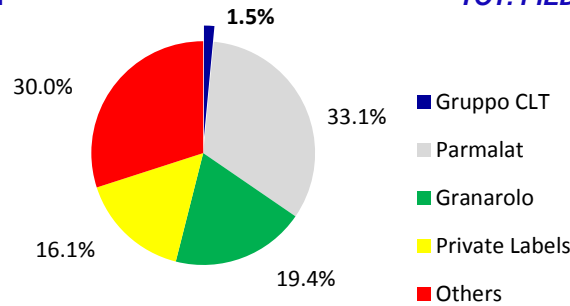
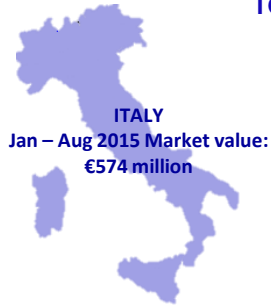


2. Market overview: UHT milk Iper + Super

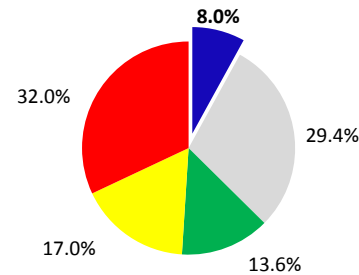
Source: IRI Infoscan I+S

JAN – AUG 2015 COMPETITOR ANALYSIS – MARKET SHARE VALUE

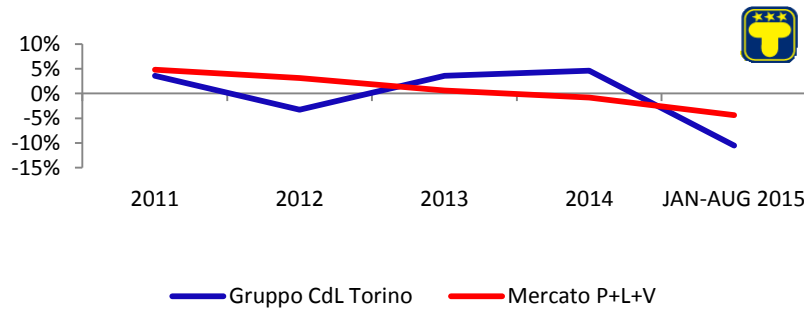
TOTAL ITALY



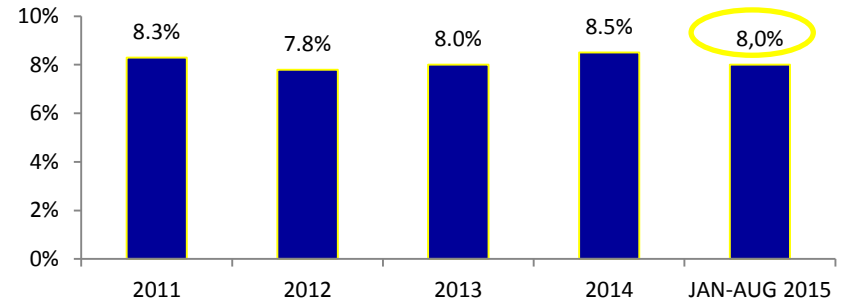
TOT. PIEDMONT & AOSTA VALLEY, LIGURIA, VENETO (18,1% DEL TOT. ITALY)



CLT VS MARKET *



CLT MARKET SHARE *



* Total market Piedmont & Aosta Valley, Liguria e Veneto



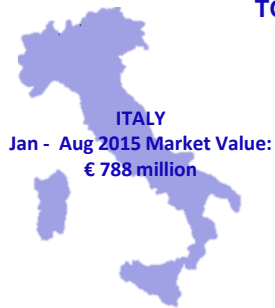
2. MARKET OVERVIEW



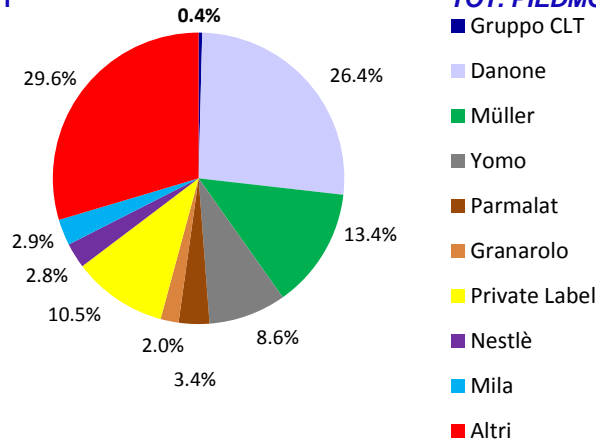
2. Market overview: yogurt Iper + Super

Source: IRI Infoscan I+S

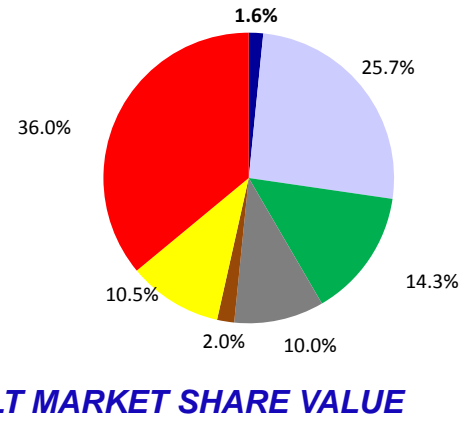
JAN - AUG 2015 COMPETITORS ANALYSIS – MARKET SHARE VALUE



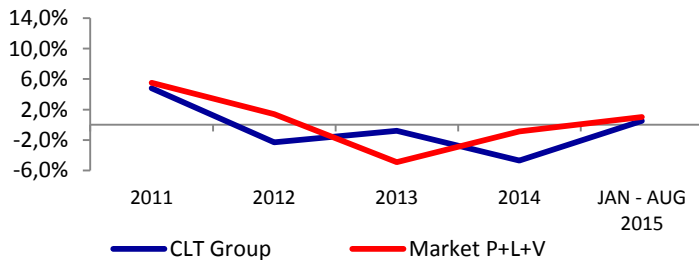
TOTALE ITALY



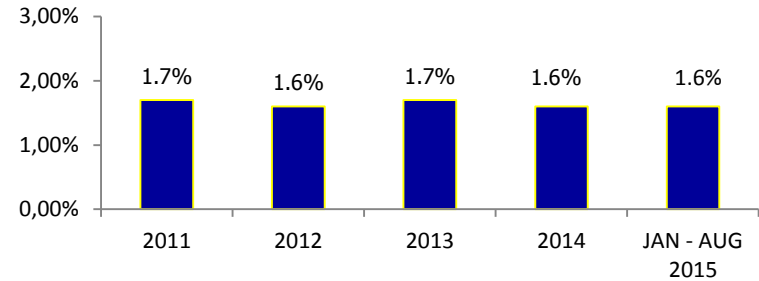
TOT. PIEMONTE & AOSTA VALLEY, LIGURIA, VENETO (22,1% DEL TOT. ITALY)



SALES CLT vs MKT



CLT MARKET SHARE VALUE



* Total market Piedmont & Aosta Valley, Liguria e Veneto



2. Market overview

2014 - JANUARY / AUGUST 2015 MARKET TREND

- In 2014 fresh milk/ESL, UHT milk and yogurt sales in Ipers + Super channel were in decrease vs 2013 (-0.9%). January August 2015 sales still in decrease (-2.5%).

	Tot. Italy		Tot. Piedmont & VdA, Liguria e Veneto	
	2014	jan - aug 2015	2014	jan - aug 2015
Tot. Fresh milk + ESL	-3,00%	-6,10%	-4,60%	-7,10%
Tot. UHT milk	-0,30%	-4,40%	-0,80%	-4,80%
Tot. Yogurt	-0,20%	2,30%	-0,90%	1,00%
Total Iper + Super	-0,90%	-1,90%	-1,60%	-2,50%



2. Market overview

2015 MAJOR MARKETING INITIATIVES

The Group always supported its strong positioning in regional markets with **high marketing and communication investments**.

MARKET INVESTMENTS

€ 1.7 millions
(3.3% of revenues 1 H 2014)

€ 2.0 millions
(4.1% of revenues 1 H 2015)





2. Market overview

2015 MAJOR MARKETING INITIATIVE



Di che COLORE è il LATTE?

Da oltre 60 anni, Tapporosso è sinonimo di qualità. Il nostro latte è sano, nutriente, buono. E soprattutto, garantito dalla Centrale del Latte di Torino.

BIANCO CON IL TAPPOROSSO

Centrale del Latte di Torino



Si vede che è buono.

Centrale del latte Vicenza

Vieni a vedere
Chiamaci al 0444239877 e prenota la tua visita nella nostra sede a Vicenza



Fresche e buone come un bicchiere di latte.

LE INSALATE

Centrale del Latte di Torino

Seguici su **facebook**



2. Market overview

2015 MAJOR MARKETING INITIATIVE



Participation with company stand



Participation with company stand



Participation with company stand



Torino, Lingotto Fiere 22 - 24 novembre 2015



Tecnic sponsor



Participation with company stand



Participation with company stand



2. Market overview

2015 MAJOR MARKETING INITIATIVE

**GELATO[®]
FESTIVAL**

5 - 8 giugno
Piazza Solferino - Torino

cioccola-to.it

TORINO 2014
21/30 NOVEMBRE

Centrale del Latte sponsor di
CioccolaTò dal 2011



«Porte aperte per i consumatori»



Seminari di formazione per insegnanti e visite guidate
Patrocinati dalle istituzioni locali, MIUR (ufficio scolastico) e FIMP (Federaz. Italiana Medici Pediatri)



2. Market overview

2015 MAJOR MARKETING INITIATIVE



**Lo street-food
extra dolce
più goloso di Torino**

Sabato 21 giugno

La passeggiata più sfiziosa che c'è...
alla scoperta di 20 posti extradolci!

La Città del Gusto di Torino propone un percorso alla scoperta del lato dolce della città: a piedi o in bici, in cerca delle migliori gelaterie e pasticcerie artigianali. Assaggi per tutti e premi a chi completa per primo le tappe.

Iscrizioni: on-line sul sito www.gamberorosso.it, alla pagina Città del Gusto Torino, sezione Eventi Food; oppure prenotando via e-mail: torino@cittadelgusto.it (entro il 20 giugno).
Quota di partecipazione: 10 €; sconto di 5 € per i lettori "La Stampa" e gli abbonati [TO] BIKE.

Programma: ritrovo dalle 9.30 alle 11.00 presso la Città del Gusto di Torino, c.so Stati Uniti 18/A. Partenza ore 11.30. Arrivo entro le 18.00 in corso Regina Margherita 371, sede Turin Marathon, premiazioni & buffet.

Informazioni: www.gamberorosso.it; torino@cittadelgusto.it; tel.0114546594



Salone Internazionale del Libro – Torino



2. Market overview

2015 MAJOR MARKETING INITIATIVE for Odilla

New store Odilla Chocolat – Milan, 4 november 2015



Participation with company stand



CLUSTER
COCOA & CHOCOLATE



eurochocolate.com



MILANO 2015

Odilla has been invited to story telling and show cooking



3. PROGRAMS AND STRATEGIES

3. *Projects*

New Projects



3. PROGRAMS AND STRATEGIES

3. Business Plan 2015 -2017

FORECAST RESULTS 2017

- **SALES AT CONSTANT PRICES : 108.4 MILLIONS OF EURO**
 - **EBITDA: 8.8 MILLIONS OF EURO**
 - **EBIT: 4.7 MILLIONS OF EURO**
 - **PROFIT AFTER TAX: 2.5 MILLIONS OF EURO**
 - **NET FINANCIAL DEBT: 7.9 MILLIONS OF EURO**
-
- **CAPEX DURING 2015 – 2017 PERIOD: 8 MILLIONS OF EURO**



4. *Financials* – 1 H 2015





4. Financials – 1 H 2015

CONSOLIDATED INCOME STATEMENT

Figures in thousand of Euro

	30-june-15		30-june-14	
Sales	48,791	98,9%	51,180	98,8%
Value of production	49,345	100,0%	51,781	100,0%
Services	(13,536)	-27,4%	(13,131)	-25,4%
Raw materials	(24,657)	-50,0%	(28,435)	-54,9%
Others operating costs	(547)	-1,1%	(527)	-1,0%
Costs of production	(38,740)	-81,3%	(42,093)	-81,3%
Personnel costs	(7,540)	-15,3%	(7,256)	-14,0%
EBITDA	3,065	6,2%	2,431	4,7%
Deperciatione & Amortization	(1,756)	-3,6%	(1,666)	-3,2%
EBIT	1,309	2,7%	764	1,5%
Interst income	19	0,0%	37	0,1%
Financial expeses	(379)	0,8%	(435)	-0,8%
Profit (loss) before tax	949	1,9%	366	0,7%
Tax	(618)	-1,3%	(312)	-0,5%
Group's profit (loss) after tax	330	0,7%	55	0,1%

**2015 Dividend payout
Euro 0.06 for share.**

4. FINANCIALS



4. Financials – 1 H 2015

CONSOLIDATED BALANCE SHEET

Figures in thousand of Euro

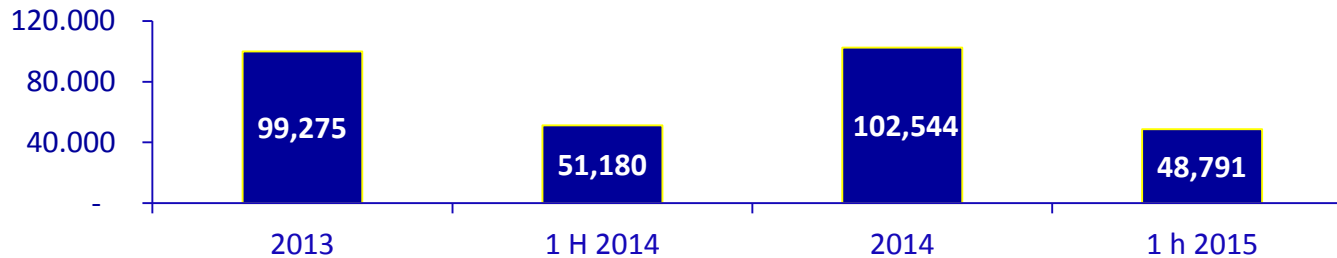
	30-june-15	%	31-dec-14	%
Technical fixed assets	51,476		51,671	
Intangibles fixed assets	11,622		11,706	
Equity investments and securities	263		263	
Financial receivables from affiliates	390		140	
Total fixed assets	63,751	96,1%	63,780	95,7%
Trade receivables	13,80		15,722	
Inventories	3,39		3,438	
Other short terms assets	9,50		7,885	
Trade payables	(17,941)		(19,310)	
Other payables	(6,161)		(4,903)	
Net working capital	2,580	3,9%	2,832	4,3%
NET ASSETS	66,331	100,0%	66,612	100,0%
Employee severance indemnity & other provisions	8,828	13,3%	8,960	13,5%
Cash & equivalent	(10,281)		(10,051)	
Financial debt	27,473		27,239	
Net Financial debts	17,192	25,9%	17,188	25,8%
Share capital & reserves	39,981		39,673	
Profit (loss) for the period	330		791	
Shareholder's equity	40,311	60,8%	40,464	60,7%
NET LIABILITIES	66,331	100,0%	66,612	100,0%



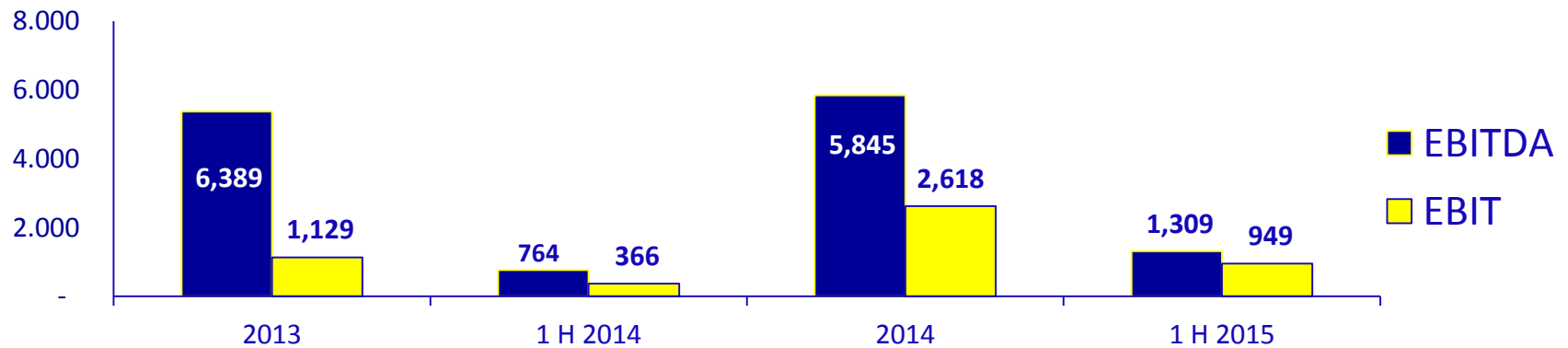
4. FINANCIALS

4. Financials – 1 H 2015

TOTAL OPERATING REVENUES TREND 2013 – 2015 (figures in thousand Euro)



EBITDA AND EBIT TREND 2013 – 2015 (figures in thousand Euro)

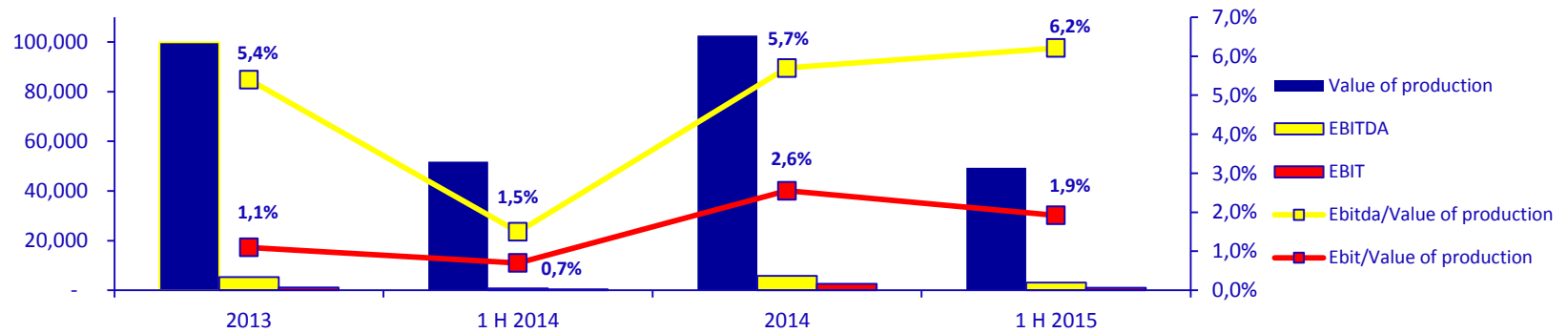




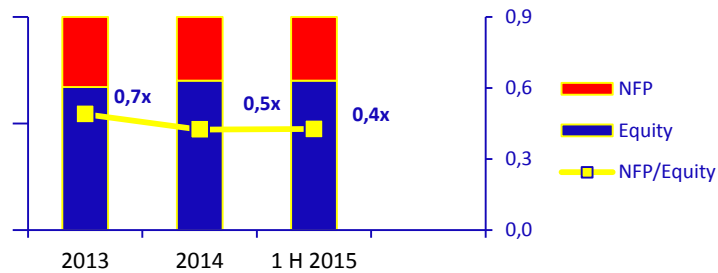
4. FINANCIALS

4. Financials – 1 H 2015

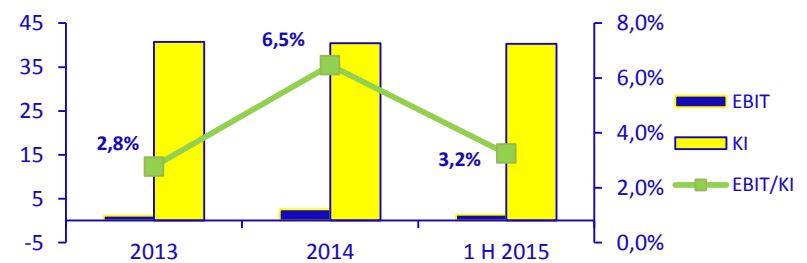
EBITDA and EBIT MARGINS



NET FINANCIAL POSITION/EQUITY



EBIT/CAPITAL INVESTED (Ki)





5. *SHARE PRICE*





5. SHARE PRICE

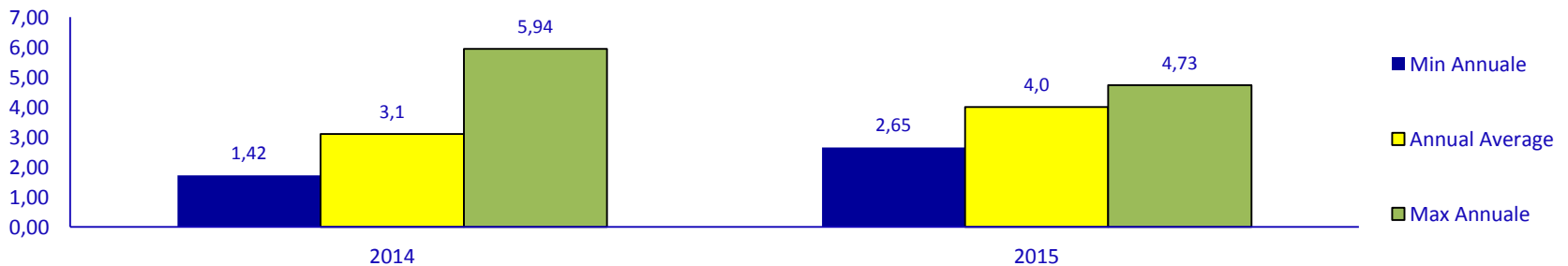
5. Share

SHARE PRICE TREND 2014 - 2015 YTD

Source: Borsa Italiana S.p.A. Price in Euro referring to 29 september 2015



PRICE PER SHARE 2014 - 2015 YTD





5. SHARE PRICE

5. Share

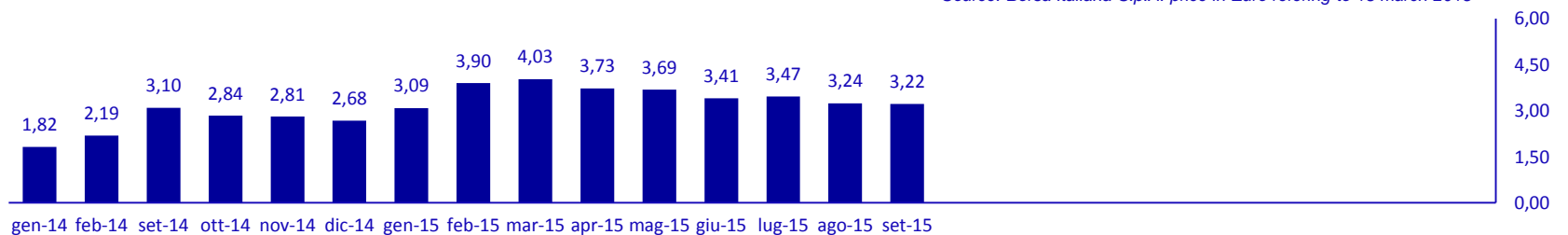
PRICE SHARE TREND VS. FTSE ITALIA STAR INDEX

Source: Borsa Italiana S.p.A price in Euro refering to 29 septembr 2015



SHARE PRICE – MONTHLY ANALYSIS

Source: Borsa Italiana S.p.A. price in Euro refering to 18 march 2015





Contacts

The Group

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