MASSIMO ZANETTI
BEVERAGE GROUP

Q1 2016 Results
Massimo Zanetti Beverage Group

Villorba, 12th of May, 2016

Safe Harbour Statement

This document, and in particular the section entitled "2016 Outlook", contains forward-looking statements , which reflect current views of the management of Massimo Zanetti Beverage Group S.p.A. (the "**Company**") with respect to future events and financial and operational performance of the Company and its subsidiaries (the "**Group**") . These statements may include terms such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "remain", "on track", "design", "target", "objective", "goal", "forecast", "projection", "outlook", "prospects", "plan", or similar terms. Forward-looking statements are not guarantees of future performance. Rather, they are based on the Company's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them. Any reference to past performance or trends or activities of the Group shall not be taken as a representation or indicate performance, trends or activities will continue in the future.

Actual results may differ materially from those expressed in or implied by such statements as a result of a variety of factors, including: the Group's ability to preserve and enhance the value of its brands; changes in client preferences and trends; changes in the general economic environment; the Group's ability to successfully carry out its growth strategy and, particularly, the Group's ability to grow its presence in emerging market countries; competition in the coffee industry; increases in commodity costs, disruptions of supply or shortages raw materials; disruptions at the Group's manufacturing facilities; the Group's ability to protect its intellectual property rights and to avoid infringing on the intellectual property rights of others; product recalls and liability claims; exchange rate fluctuations, interest rate changes, credit risk and other market risks; potential conflicts of interest due to director and officer overlaps with the Group's largest shareholders and other factors discussed elsewhere in this document.

Any forward-looking statements contained in this document speak only as of the date of this document and the Company does not undertake any obligation to update or revise publicly forward-looking statements to reflect events or circumstances occurring after the date hereof. Further information concerning the Group and its businesses, including factors that could materially affect the Company's financial results, is included in the Company's reports and filings with Borsa Italiana S.p.A. and CONSOB.

This document does not constitute an offer to sell or the solicitation of an offer to buy the Company's securities, nor shall the document for the basis of or be relied on in connection with any contract or investment decision relating thereto, or constitute a recommendation regarding the securities of the Company. The Company's securities referred to in this document have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Massimo Zuffi, the manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of Legislative Decree no. 58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

1. Key messages

MASSIMO ZANETTI
BEVERAGE GROUP

Q1 2016 Key Messages

STRONG BUSINESS GROWTH:

- Results in line with our plan
- 8.3% growth volume
- Single serve up 29%
- Strong cash generation

TRACK RECORD IN M&A:

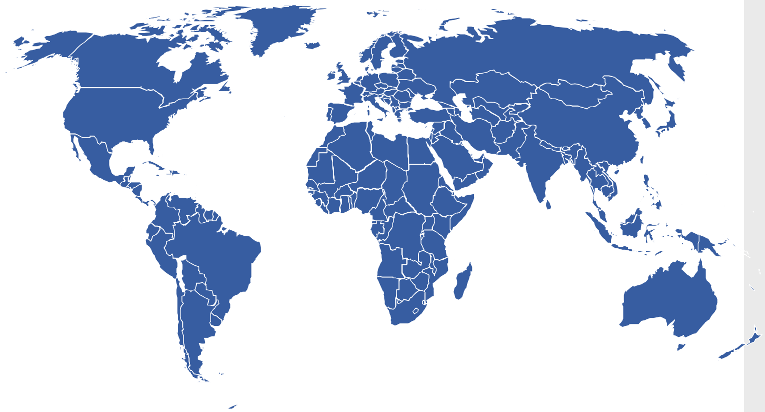
- Boncafe succesfully integrated; expanding platform and leveraging assets
- CECA integration improving Café Montana. Results on plan
- Club Coffe Equity Investment finalized

BUILDING OUR FUTURE:

- New Organization Structure in place
- New Management Reporting System implemented
- Global Brand Awarness:
  - Trek Segafredo: 590k Fans followed on social networks
  - Cafes: continue to rollout new franchising openings

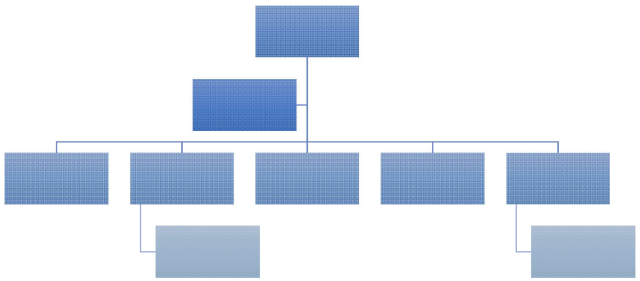
New Organization Structure

New Organization Structure in place to better execute the strategies



IDENTIFIED FOUR MACRO REGIONS :

- Americas
- Northern Europe
- Southern Europe
- Asia, Pacific and Cafés



INDENTIFIED FOUR CROSS - FUNCTIONAL POSITIONS:

- Supply Chain
- Finance
- Performance and Commercial Capabilities
- Global Strategy

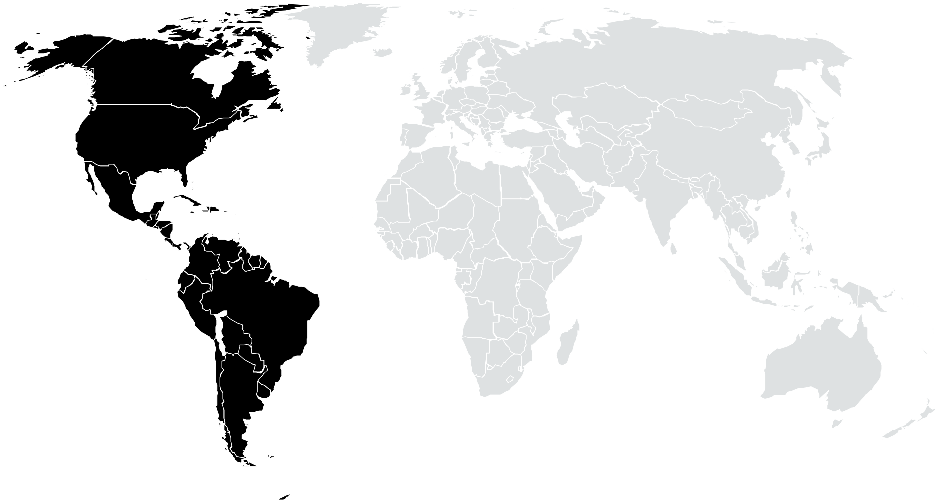
First Quarter 2016 Highlights: Americas

KEY FACTS

	Q1 2016	Q1 2015	Delta %
Volume - Tons	19,505	18,497	+5.5%
Revenue – Eur M	111.0	114.6	-3.2%

- Volumes up driven by Private Label. Food Service recorded also an increase.
- Revenue slightly down due to ASP decrease following Green Coffee price downwards movement
- Single Serve up >50%

MARKET



NEW LAUNCHES

- Certified 100% Compostable Single-Serve Pods
- 2016 Hills Bros. Cappuccino Packaging Refresh
- Development of new packages and flavors to fulfil the needs on both online and Mass Market Channels

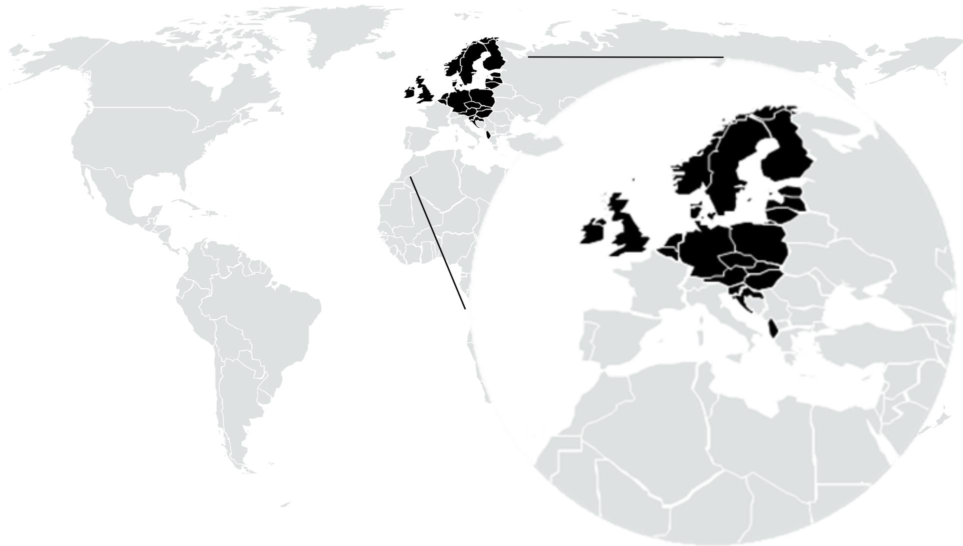
First Quarter 2016 Highlights: Northern Europe

KEY FACTS

	Q1 2016	Q1 2015	Delta %
Volume - Tons	5,114	3,725	+37.3%
Revenue – Eur M	42.6	35.9	+18.5%

- Volume up driven by double digit growth in Mass Market
- Good performance in Food Service
- Good performance in Finland driven by the relaunch of Kulta Katrina in Mass Market
- Germany and Austria performed ahead of plan driven by promotion pricing

MARKET



UPDATES

- Brodies UK new graphic: Scotland Street Coffee
- Holland new listing of SZ in Albert Hejin; N. 1 in NL
- Poland volume growth thanks to distributor expansion in the Mass Market in Russia

NEW LAUNCHES

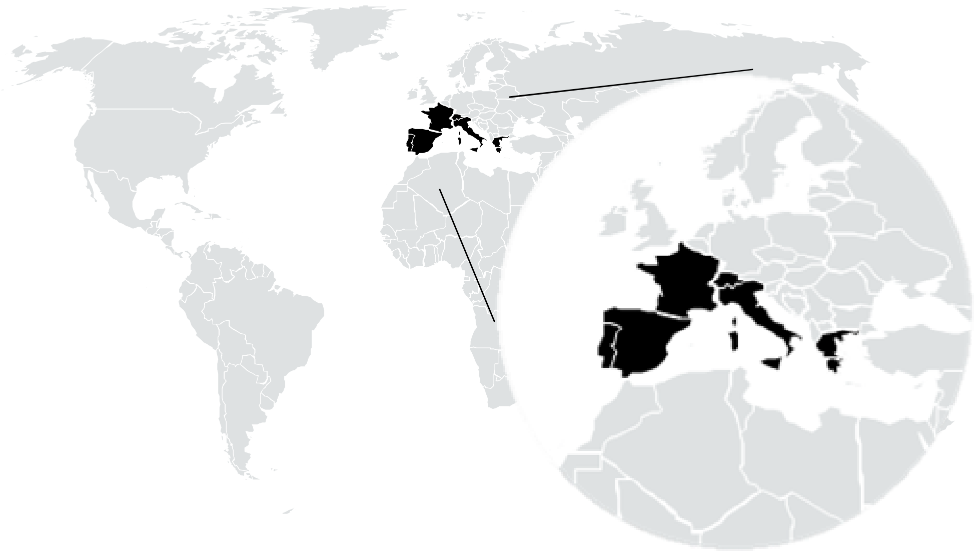
First Quarter 2016 Highlights: Southern Europe

KEY FACTS

	Q1 2016	Q1 2015	Delta %
Volume - Tons	5,938	5,943	-0.1%
Revenue – Eur M	48.1	49.2	-2.1%

- Volumes almost flat
- Good performance in Food Service and Private Label reversing a softness in Mass Market due to promotional timing
- Italy: strong performance in Food Service

MARKET



UPDATES

- Ground coffee
  - *Segafredo Allora Moka,*
  - *San Marco Selezione*
- Whole beans
  - *Segafredo Zanetti Terramia*

NEW LAUNCHES

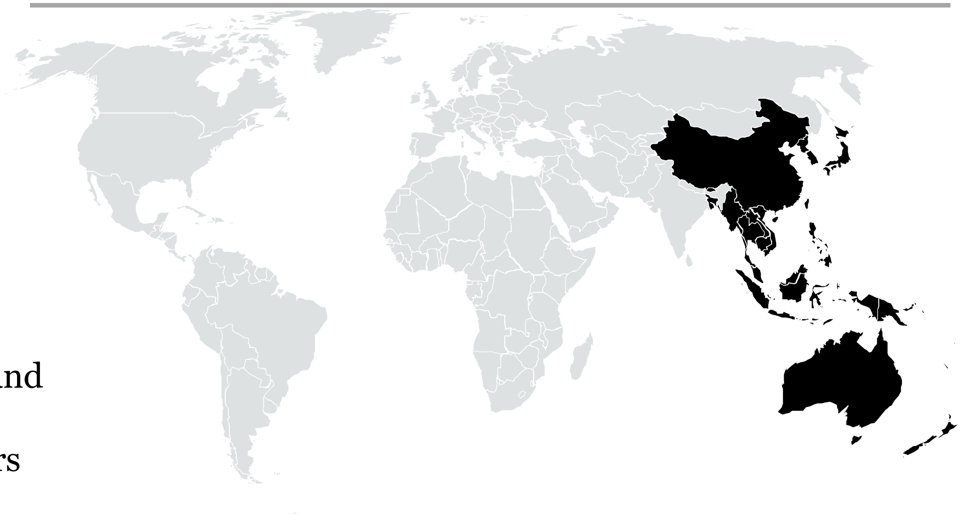
First Quarter 2016 Highlights: Asia, Pacific and Cafés

KEY FACTS

	Q1 2016	Q1 2015	Delta %
Volume - Tons	518	531	-2.4%
Revenue – Eur M	16.5	17.6	-6.4%

- Overall volume slightly down
- Boncafe volume up 6% led by Thailand, Middle East and Hong Kong
- Vietnam Roasting plant start up at breakeven in just one year
- Crude oil crisis in the Middle East affected investment in in general and impacted our coffee machine sales
- Top line weakness in Japan and Australia due to seasonality in orders

MARKET



UPDATES

- Boncafe awarded Singapore Airlines , first delivery in July
- Opening the first franchising cafe 100% HALAL certified (Brunei)
- Launched Ready to Drink Ichoco
- Launched Boncafe Compatible System Capsule in Middle East
- Launched «La San Marco Duale» in New Zeland
- Minivending Easy Machine launched in Australia

NEW LAUNCHES

2. Q1 2016 Results

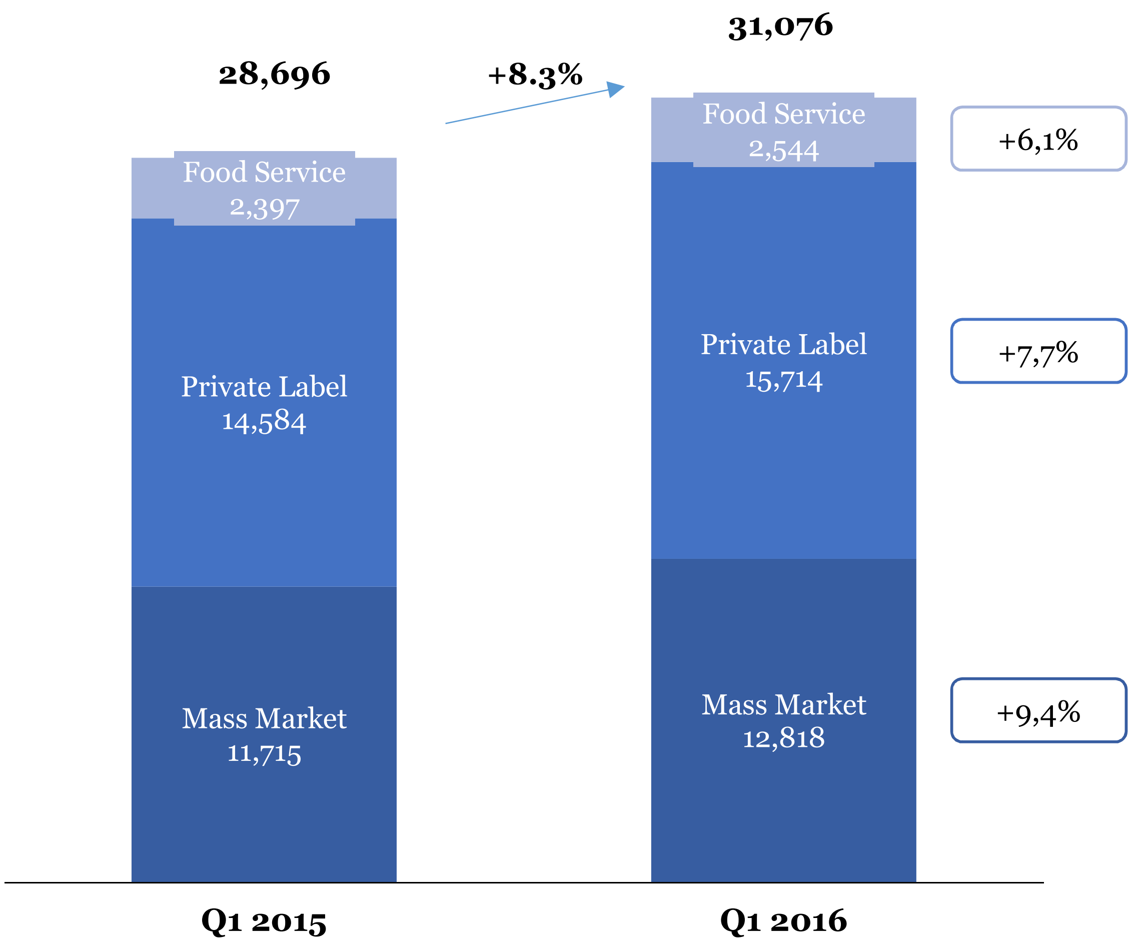
Q1 2016 Financial Highlights

Financial Results

Volumes	31,076 Tons **+8.3%**
	Foodservice +6.1% Private Label +7.7% Mass Market +9.4%
Revenue	€ 218.1M **+0.4%**
Gross Profit	€ 88.8M **+6.3%**
EBITDA	€ 12.8M **+4.1%**
NET DEBT	€ 181.0M **<€4.7M**

Volumes by Channel

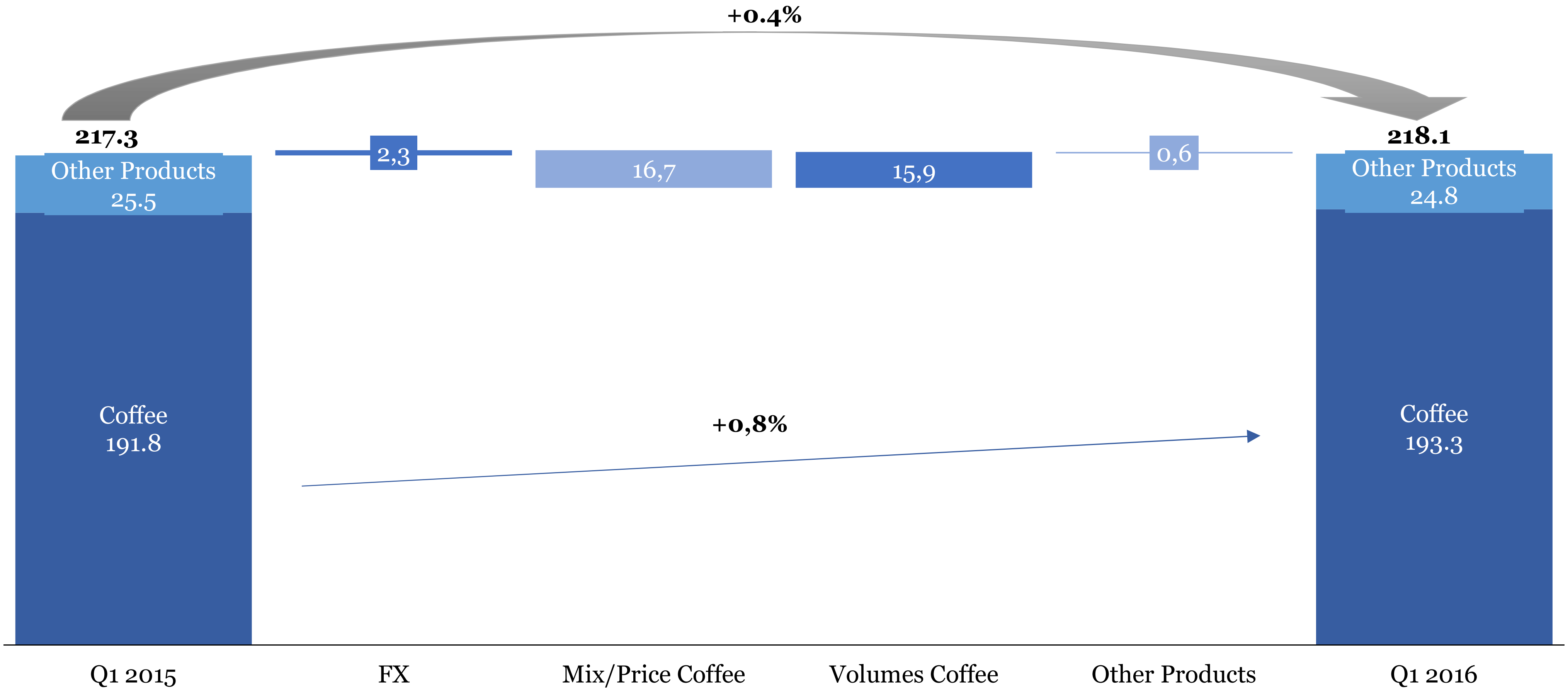
Roasted coffee volumes sold by distribution channel (in Tons)



- Volumes increased overall by 8,3% with postive performance in all channels
- Mass Market: +9,4%, led by Northern Europe due to promotional timing
- Private Label: +7,7%, driven by Americas and Southern Europe
- Food Service:+6,1%, grew thanks to Southern Europe and Americas
- Capsules have increased by 29% driven by the good performance in the US market

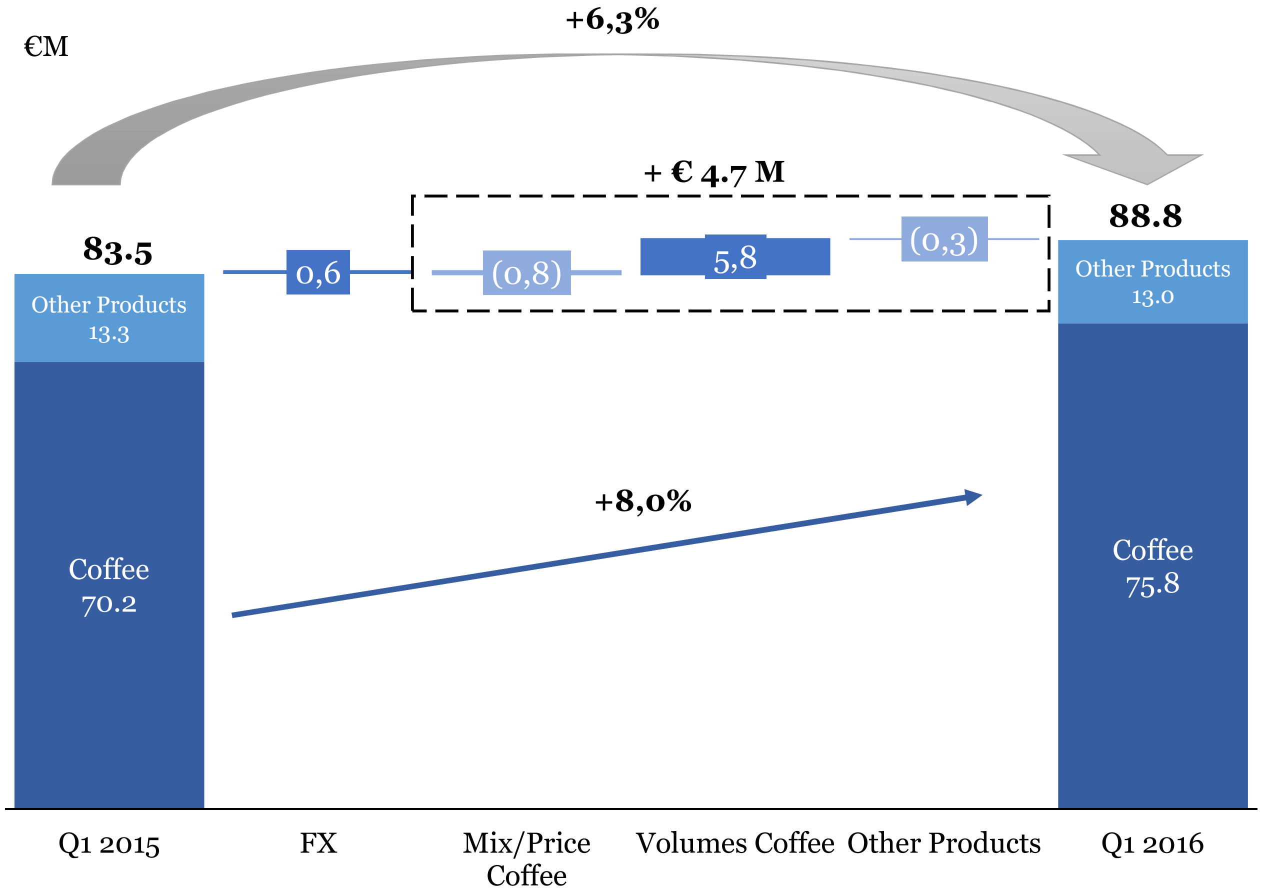
Revenues Bridge Q1 2015 – Q1 2016

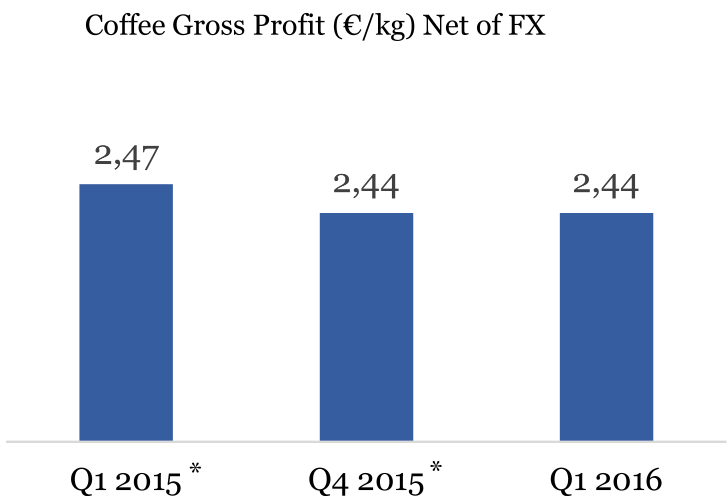
(€M)



- Sales have slightly increased +0,4%
- The positive effects of the volumes growth and FX rate have been nearly offset by the decrease in the Average Selling Price and by the minimal decrease in other products sales

Gross Profit Bridge Q1 2015 – Q1 2016



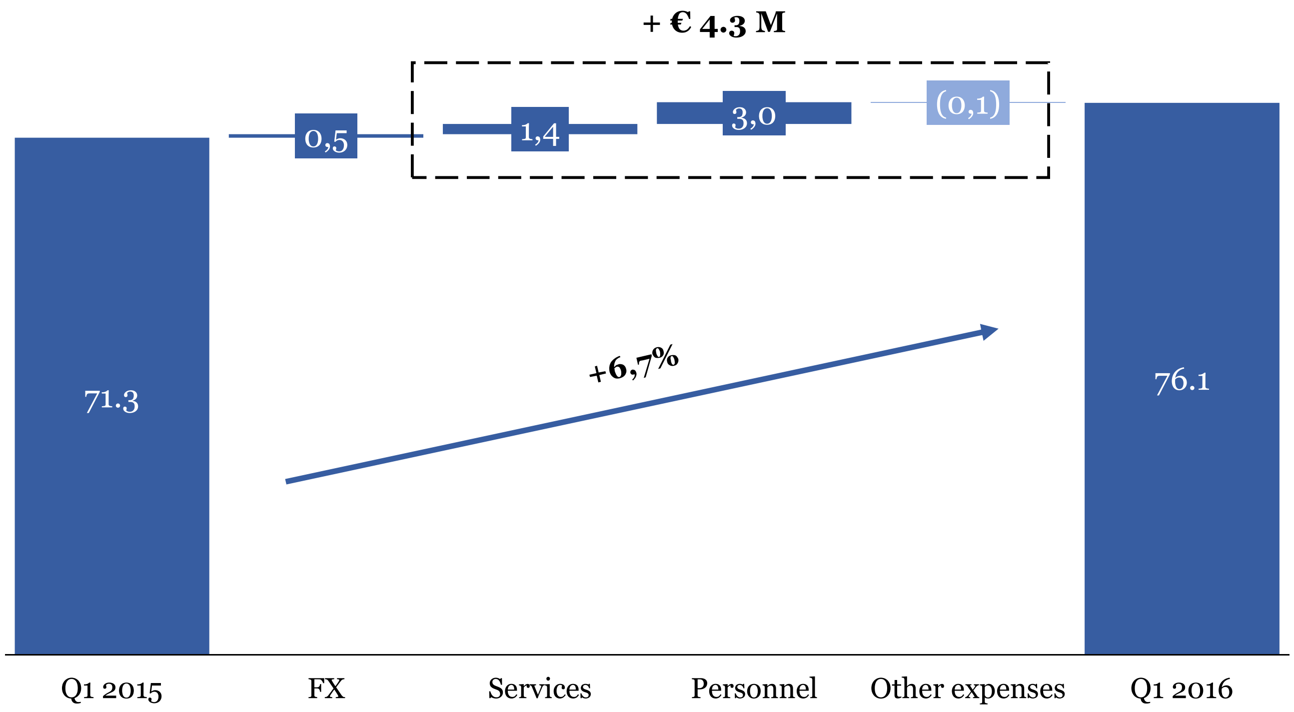


- Consolidated Gross Profit increased 6,3% thanks to higher volumes
- Coffee Gross Profit up 8%
- The Gross Profit €/kg Net of FX decreased by 3 cents due to sales mix
- Coffee Gross Profit in Q1 2016 is in line with Q4 2015

* Q1 2015 and Q4 2015 restated at FX Q1 2016

OPEX Bridge Q1 2015 – Q1 2016

(€M)

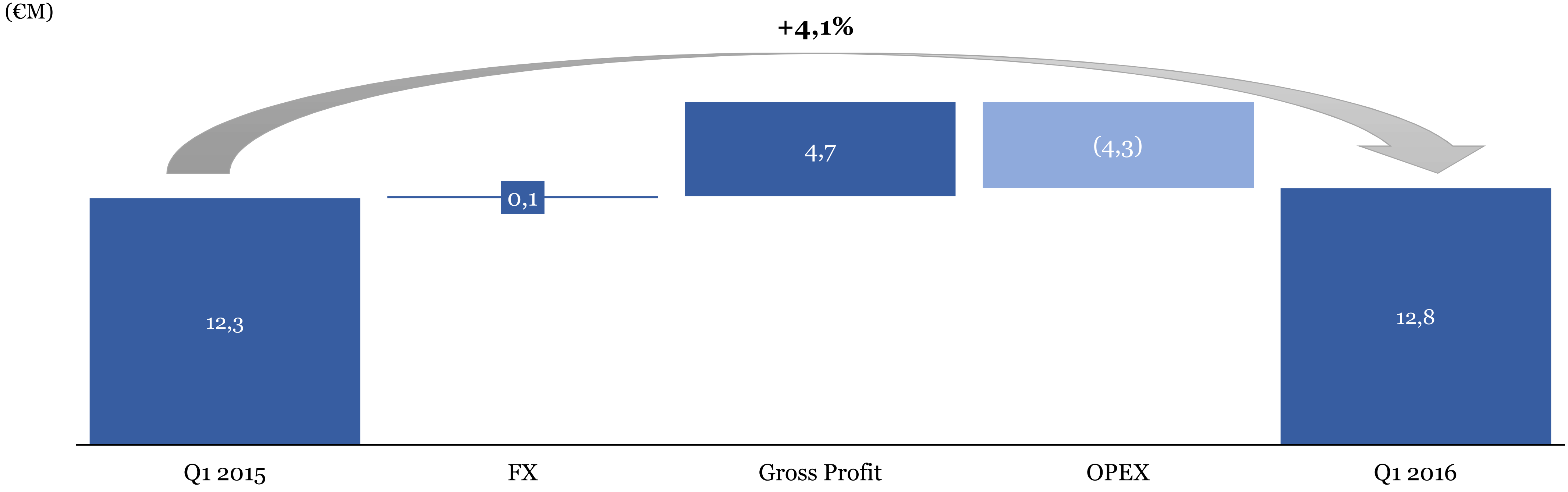


OPEX breakdown	Q1 2015*	Q4 2015*	Q1 2016
Service costs	40.6	44.4	42.0
Personnel costs	29.9	34.4	32.9
Other expenses/ (incomes)	1.3	(0.6)	1.2
Total	**71.8**	**78.2**	**76.1**

- The increase in Service costs by € 1.4 M is due to the higher advertising and promotion costs incurred to accelerate the single serve growth in the US market as well as additional brand awarness activities through sponsorships.
- Eur 3m increase in the Personnel costs is mostly related the new group managerial structure as well as the different time-allocation of certain variable cost elements vs. 2015
- Both service cost and personnel costs were below the ones recorded in Q4 2015

* Q1 2015 and Q4 2015 restated at FX Q1 2016

EBITDA Bridge Q1 2015 – Q1 2016



- EBITDA showed an increase of **4,1%**
- The Gross Profit increase (€ 4,7M) has been partially offset by investments in OPEX

Q1 2016 Free Cash Flow

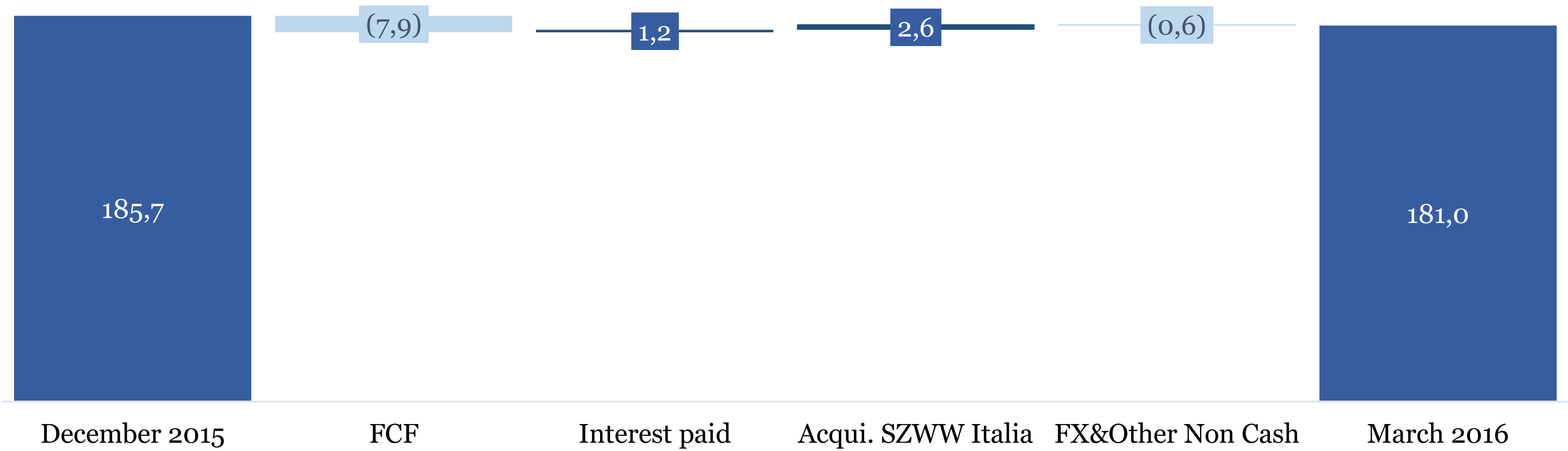
(€M)	1Q 2015	1Q 2016
Adj. EBITDA	12.3	12.8
Change in NWC	(24.9)	2.4
Capex	(6.2)	(6.9)
Tax paid	(0.8)	(1.5)
Others	0.3	1.1
FREE CASH FLOW	**(19.3)**	**7.9**

(€M)	1Q 2015	1Q 2016
Change in Inventory	2.5	7.2
Change in Trade Receivables	(0.3)	(1.2)
Change in Trade Payables	(16.4)	(3.5)
Change in other Assets/Liabilities	(10.7)	(0.1)
Change in NWC	**(24.9)**	**2.4**

- In Q1 2016 FCF is positive for € 7.9 M vs a negative value of € 19.3M in Q1 2015
- This improvement is due to the change in the Net Working Capital, which moved from a negative of € 24.9 M in Q1 2015 to a positive of € 2.4 M in Q1 2016.
- Positive variance in NWC in the first quarter is due to the change in Inventory with a cash generation of € 7,2 M.

Q1 2016 Net Debt Evolution

(€M)



Debt Profile	December 2015	March 2016
Fixed interest rate (1)	41%	34%
Variable interest rate	59%	66%
Euro	70%	75%
USD	30%	25%

- The Net Financial Postion decreased thanks to the strong FCF generated in the quarter
- Long Term Debt Profile is showing a decreasing trend in the fixed interest rate facilities, which are also the ones with the higher interest rate

(1) After considering FX of interest rate swap

2016 Outlook

Q1 2016 Financial Results	
Volumes	+8.3%
Gross Profit	+6.3%
Adj. EBITDA	+4.1%
Net Debt	€181 M

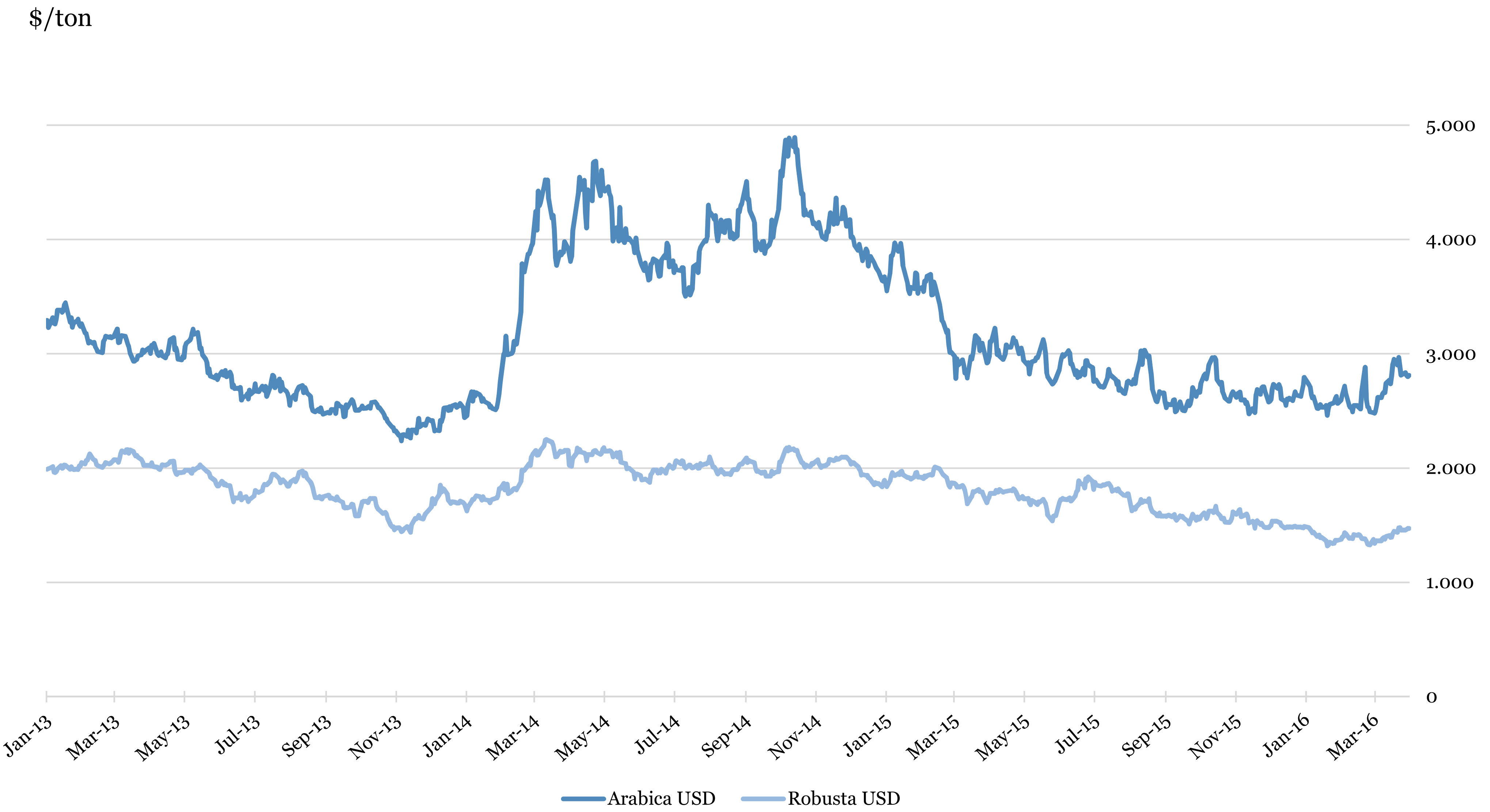
2016 Outlook*	
Volumes	~+2.0% - ~+3.0%
Gross Profit	~ +4.0% - ~+6.0%
Adj. EBITDA	~ +4.0% - ~ +6.0%
Net Debt	€ <170.0 M

- In FY16 the positive benefits of lower raw material and packaging costs in addition to operational efficiencies will be utilized to invest in brands, organization and systems. FY 2016 will be a foundational building year however will still deliver solid top line and bottom line growth and position the company well for future EBITDA margin improvements.

* Assuming FX consistent with current market conditions

Appendix

Green Coffee Price 2013 -2016



Source: Thomson Reuters Eikon

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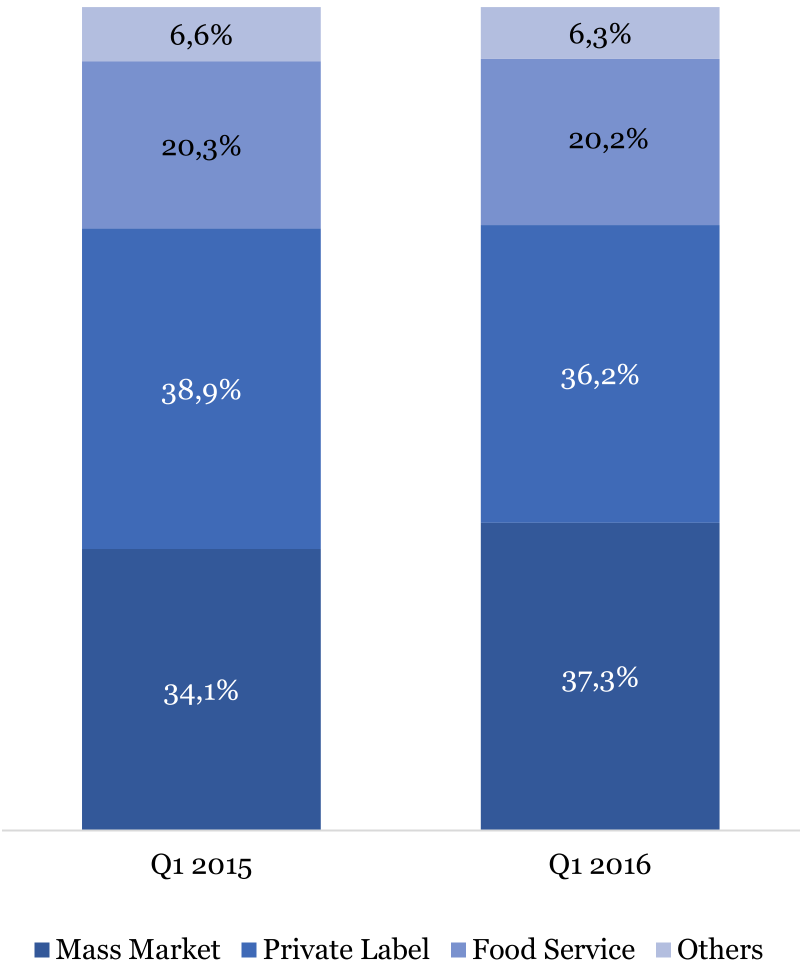
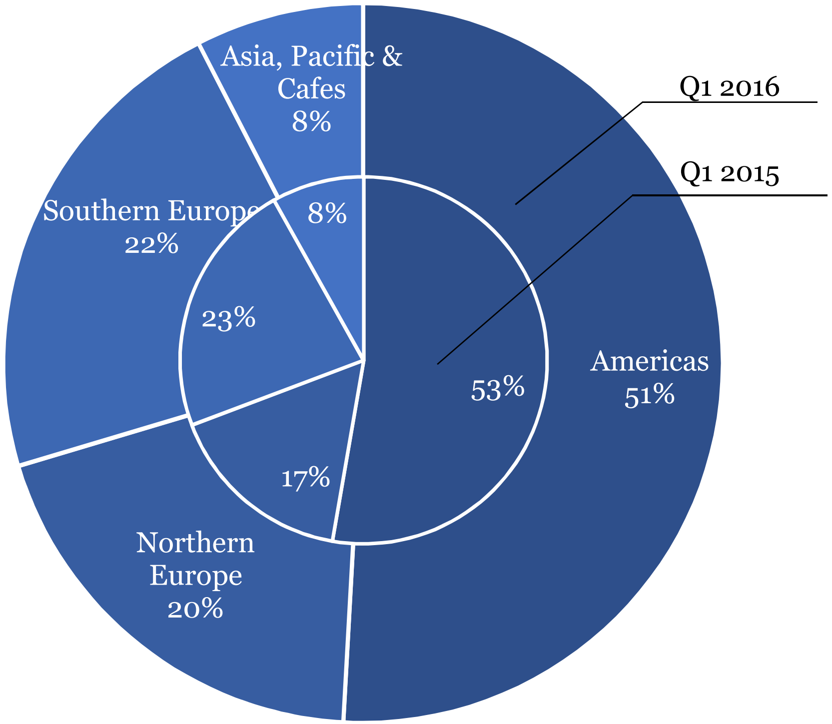
Revenue Breakdown

By Channel (%)

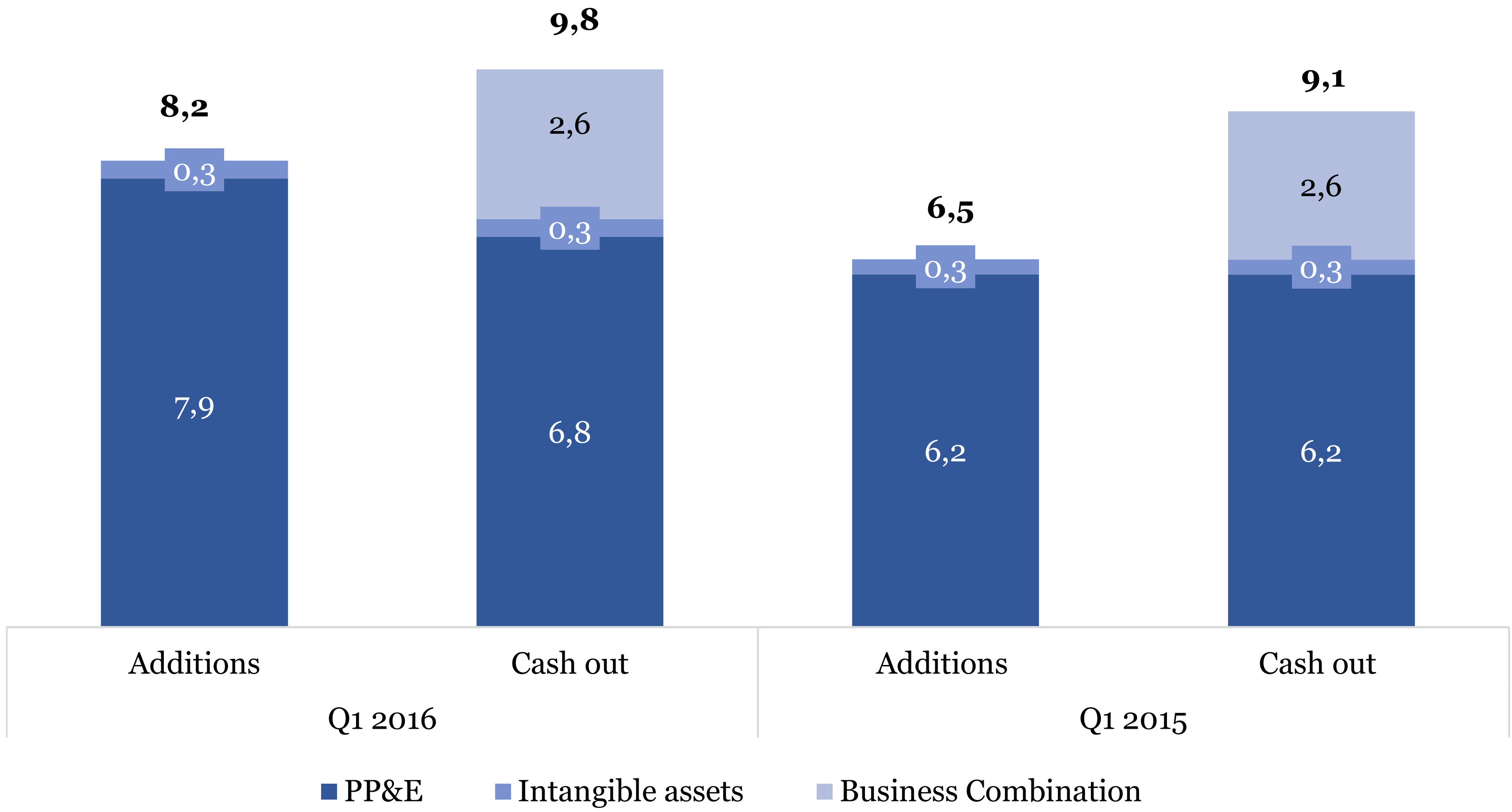


By geography (%)



Capex Profile

(€M)



Q1 Consolidated Income Statement

(in thousands of euro)	Three months ended March 31 2016	2015*
Revenue	218.123	217.266
Other income	1.324	1.067
Purchases of goods	(129.304)	(133.723)
Purchases of services, leases and rentals	(41.981)	(40.270)
Personnel costs	(32.917)	(29.687)
Other operating costs	(1.749)	(1.493)
Amortization, depreciation and impairment	(8.469)	(8.458)
Operating profit	**5.027**	**4.702**
Finance income	60	46
Finance costs	(2.567)	(2.697)
Profit before tax	**2.520**	**2.051**
Income tax expense	(1.224)	(985)
Profit for the year	**1.296**	**1.066**
Profit attributable to:		
Non-controlling interests	*55*	*64*
Owners of the parent	*1.241*	*1.002*
Earnings per share basic / diluted (in euro)	**0,04**	**0,04**

Figures retrospecitvely adjusted to update provisional fair value amounts originally recored for the acquisition of the Boncafe Group of entities

Q1 Consolidated Statement of Financial Position

(in thousands of euro)	As of March 31, 2016	As of December 31, 2015
Intangible assets	116.642	117.834
Property, plant and equipment	206.862	208.871
Investment properties	4.396	4.422
Investments in joint venture	134	138
Non-current trade receivables	13.942	13.783
Deferred tax assets	12.821	11.046
Other non-current assets	5.971	5.865
Total non-current assets	**360.768**	**361.959**
Inventories	125.023	134.807
Trade receivables	114.881	115.950
Income tax assets	2.818	3.242
Other current assets	13.316	12.464
Cash and cash equivalents	43.140	25.574
Total current assets	**299.178**	**292.037**
Total assets	**659.946**	**653.996**
Share capital	34.300	34.300
Other reserves	115.496	121.803
Retained earnings	135.664	135.786
Equity attributable to owners of the parent	**285.460**	**291.889**
Non-controlling interests	1.857	1.797
Total equity	**287.317**	**293.686**
Non-current borrowings	110.865	98.338
Employee benefits	9.601	9.624
Other non-current provisions	2.493	2.258
Deferred tax liabilities	24.524	24.008
Other non-current liabilities	5.949	5.881
Total non-current liabilities	**153.432**	**140.109**
Current borrowings	113.358	113.100
Trade payables	77.364	80.745
Income tax liabilities	893	620
Other current liabitilies	27.582	25.736
Total current liabilities	**219.197**	**220.201**
Total liabilities	**372.629**	**360.310**
Total equity and liabilities	**659.946**	**653.996**

Q1 Consolidated Statement of Cash Flows

(in thousands of euro)	Three months ended March 31 2016	 2015*
Profit before tax	**2.520**	**2.051**
Adjustements for:		
Depreciation, amortization and impairment	8.469	8.458
Provisions for employee benefits and other charges	417	278
Finance expenses	2.507	2.651
Other non-monetary items	47	(746)
Net cash generated from operating activities before changes in working capital	**13.960**	**12.692**
Increase in inventory	7.181	2.459
Decrease/(Increase) in trade receivables	(1.220)	(313)
(Decrease)/Increase in trade payables	(3.464)	(16.359)
Decrease/(Increase) in other assets/liabilities	217	(10.560)
Payments of employee benefits	(327)	(174)
Interest paid	(1.203)	(1.776)
Income tax paid	(1.537)	(796)
Net cash generated from operating activities	**13.607**	**(14.827)**
Acquisition of subsidiary, net of cash acquired		(2.640)
Acquisition under common control, net of cash acquired	(2.624)	-
Purchase of property, plant and equipment	(6.842)	(6.185)
Purchase of intangible assets	(316)	(267)
Proceeds from sale of property, plant and equipment	261	216
Increase in financial receivables	73	(243)
Interest received	42	44
Net cash used in investing activities	**(9.406)**	**(9.075)**
Proceeds from borrowings	20.000	12.754
Repayment of borrowings	(4.413)	(2.313)
Increase/(decrease) in short-term loans	(1.868)	21.018
Net cash generated from financing activities	**13.719**	**31.459**
Exchange gains/(losses) on cash and cash equivalents	(354)	848
Net increase in cash and cash equivalents	**17.566**	**8.405**
Cash and cash equivalents at the beginning of the year	25.574	18.302
Cash and cash equivalents at the end of the year	**43.140**	**26.707**

*Figures retrospecitvely adjusted to update provisional fair value amounts originally recored for the acquisition of the Boncafe Group of entities

Non-GAAP Measure Reconciliation

(in thousands of euro)	Q1 2016	Q1 2015
Gross Profit	**88.819**	**83.543**
Services	-41.981	-40.270
Personnel	-32.917	-29.687
Other net costs	-1,166	-1.328
Total net operating costs	**-76.064**	**-71.285**
EBITDA	**12.755**	**12.258**

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Q&A Session