

ISAGRO AS OF MARCH 31ST, 2016

Conference Call
Milan, May 17th, 2016



1 FACTS & FIGURES

2 BACK-UP

RESULTS AS OF MARCH 31st, 2016

MAIN EVENTS

ISAGRO IN THE STOCK MARKET

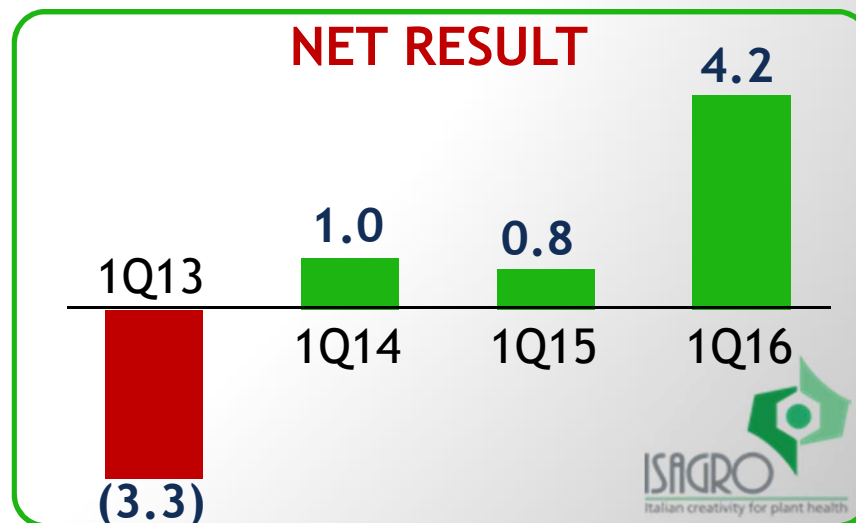
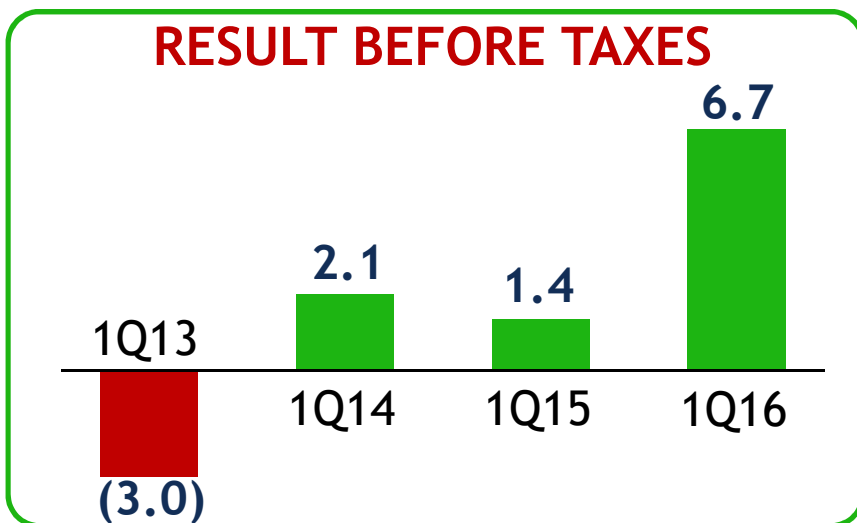
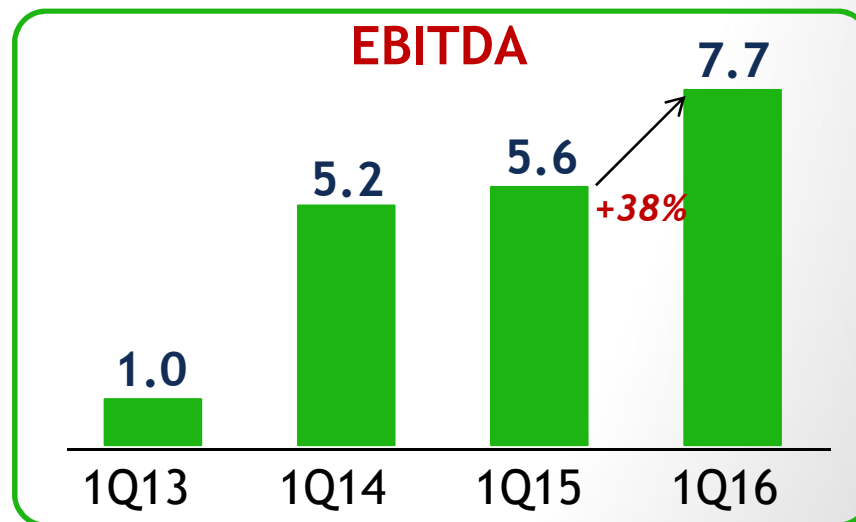
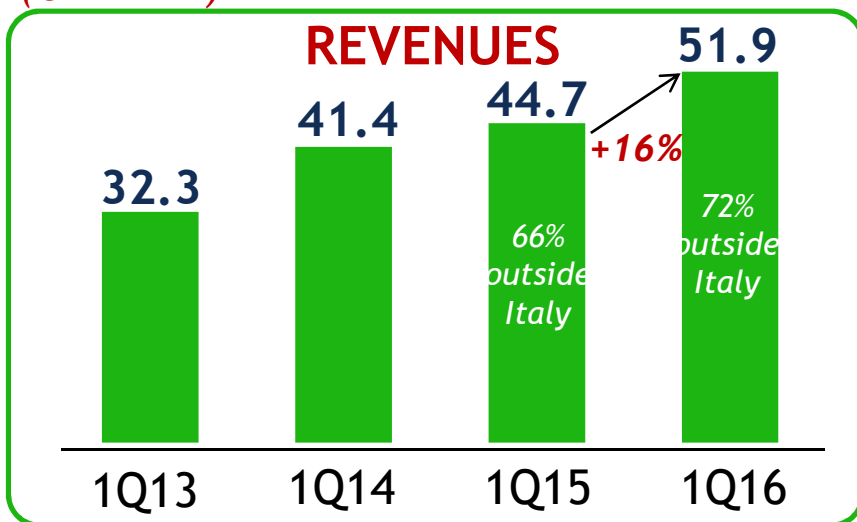
FIRST QUARTER HISTORICALLY NOT REPRESENTATIVE OF THE 12 MONTHS

- Isagro's sales: largely to third-party National Distributors (*direct distribution only in Colombia, India, Spain and, limited to Biosolutions, in the USA*)
- First quarter sales to third-party National Distributors: mainly related to stock (re)building

For Isagro, the First Quarter of each financial year it is not historically representative of the level of sales of the 12 months

IN THE FIRST 3 MONTHS OF 2016 WE KEPT ON GROWING ...

Consolidated data
(€ million)



... IN A STILL DIFFICULT MARKET SCENARIO BUT BENEFITING FROM A DIFFERENT TIMING OF REPURCHASES ...

- In 1Q 2016, adverse conditions for the Crop Protection Market to recover still present
 - unfavorable climatic conditions in the main markets
 - low prices of agricultural commodities
 - in Brazil, also economic/financial crisis
- High level of inventory within distribution channels
- 1Q 2016 sales of main global players (BASF, Bayer, Dow, DuPont, Monsanto, Syngenta) lower than 2015 in local currencies

... WITH NET FINANCIAL DEBT DECREASING VERSUS DECEMBER 31ST, 2015

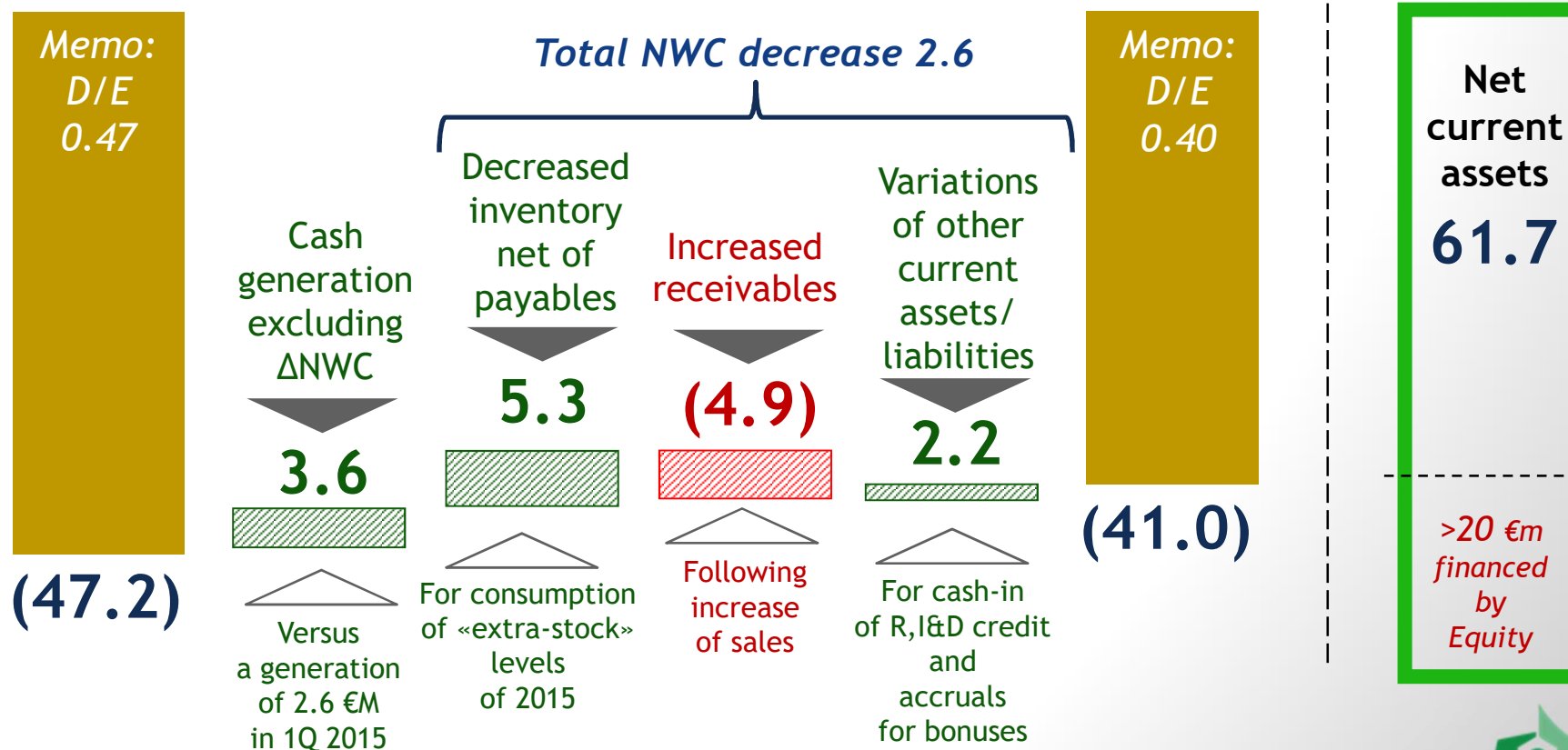
Consolidated data

(€ million)

Net Fin. Debt
Dec. 31, 2015

Net Fin. Debt
March 31, 2016

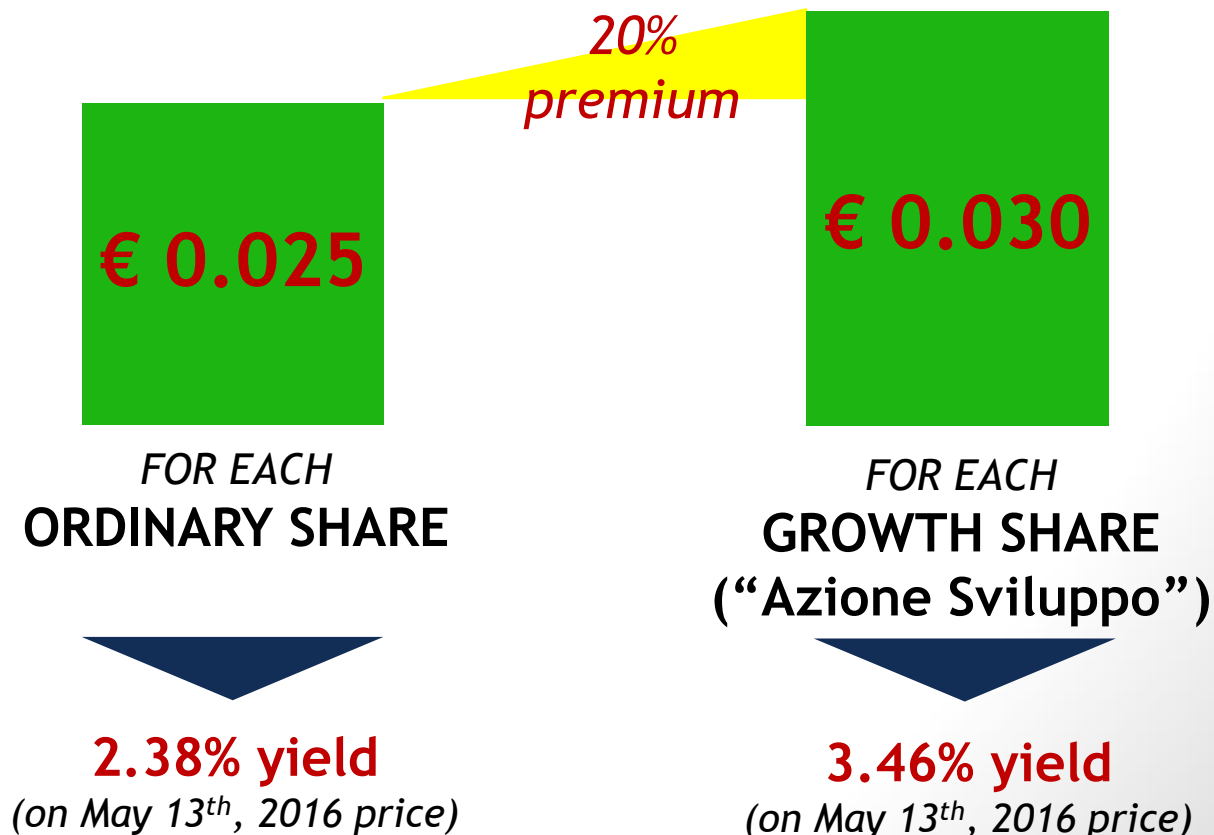
Memo:



(MEMO: UN-UTILIZED ISAGRO SPA'S BANKING LINES
AS AT MARCH 31, 2016 >60 €M)

BASED ON 2015 RESULTS, IN MAY 2016 ISAGRO RETURNS TO PAY DIVIDENDS

Resolution of the Assembly of last April 28th
(*ex-dividend date May 16th, 2016 and payment date May 18th*)



PERSPECTIVES: IN 2016 WE AIM AT CONSOLIDATING 2015 RESULTS ...

The financials for the whole 2016, the latter to be considered as a **year of consolidation** of 2015 results, are only partially linked to the good performance of 1Q, the latter being a period not historically representative of the 12-month results, while it shall depend largely by the normalization in the rest of the year of the climatic / external scenario conditions in the important Italian, Brazilian and United States markets, along with the definition of new Licensing agreements

... WITH THE MID-TERM TARGET OF 200 MILLION EURO REVENUES

Based on our Strategic Guidelines:

1

DISCOVERY OF NEW MOLECULES ALONE

2

DEVELOPMENT OF NEW MOLECULES MOSTLY THROUGH ATTRIBUTION OF RIGHTS TO A “MAIN DEVELOPER” WHILE RETAINING RIGHTS FOR ISAGRO ON SELECTED SEGMENTS/MARKETS

3

VALUE EXTRACTION FROM OUR I.P. AND RETAINED RIGHTS ALSO THROUGH LICENSING

4

GROWTH IN THE BIOSOLUTIONS BUSINESS, ALSO THROUGH ACQUISITIONS

5

OPPORTUNISTIC DEVELOPMENT OF OFF-PATENTED PRODUCTS

6

EXPANSION OF OUR GLOBAL COMMERCIAL ORGANIZATION

3 MESSAGES TO INVESTORS

- ▶ Current market cap (38€M) < Equity book value (103 €M) < N.A.V.
- ▶ 2015 multiples indicate stock penalization vs. “peers”

	<u>EV/Sales</u>	<u>EV/EBITDA</u>	<u>P/E</u>
Syngenta*	2.9x	14.2x	22.9x
Recordati*	4.9x	16.1x	23.1x
ISAGRO**	0.5x	4.4x	12.1x

- ▶ Moreover, unjustified spread between Ordinary and Growth Shares (“Azioni Sviluppo”)

***Memo:** Growth Shares yield a 20% extra-dividend vs. Ordinary Shares and are automatically converted into Ordinary, conversion ratio 1:1, if the Controlling Subject loses control and in any case of compulsory public offer*

* Source: Banca IMI

** Based on stock prices as of May 13th, 2016

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RESULTS AS OF MARCH 31st, 2016

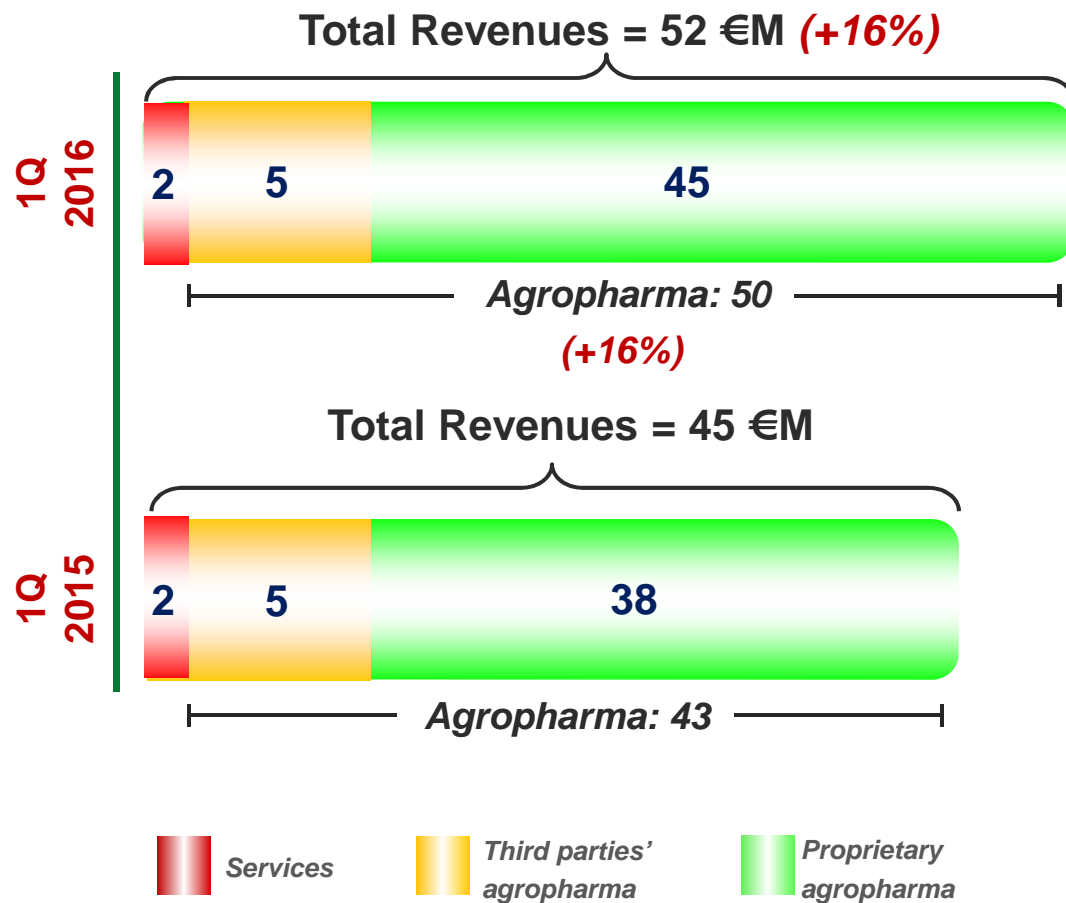
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

CONSOLIDATED REVENUES

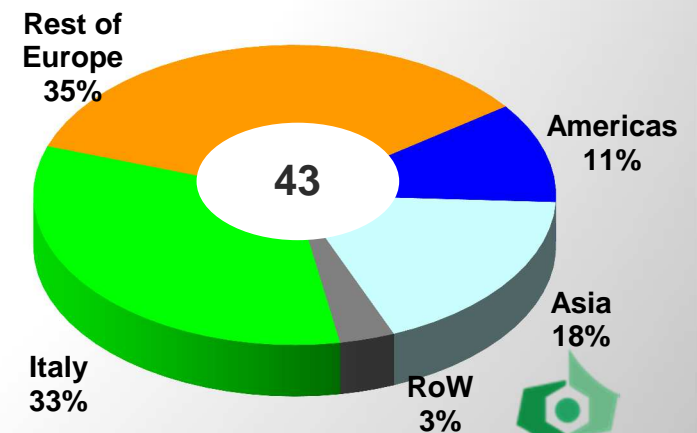
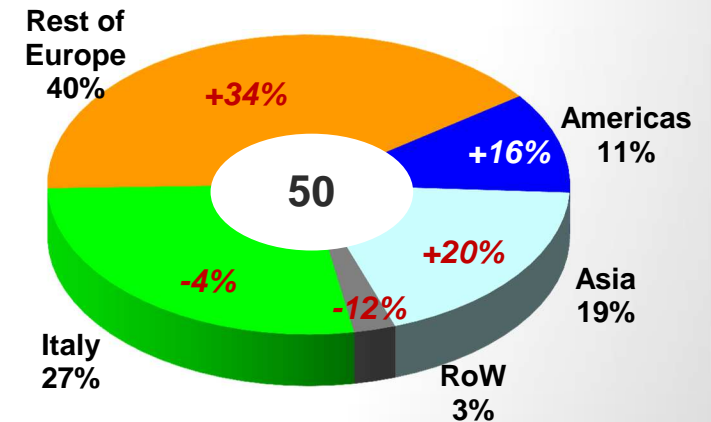
€ million

REVENUES BREAKDOWN BY PRODUCT CATEGORY



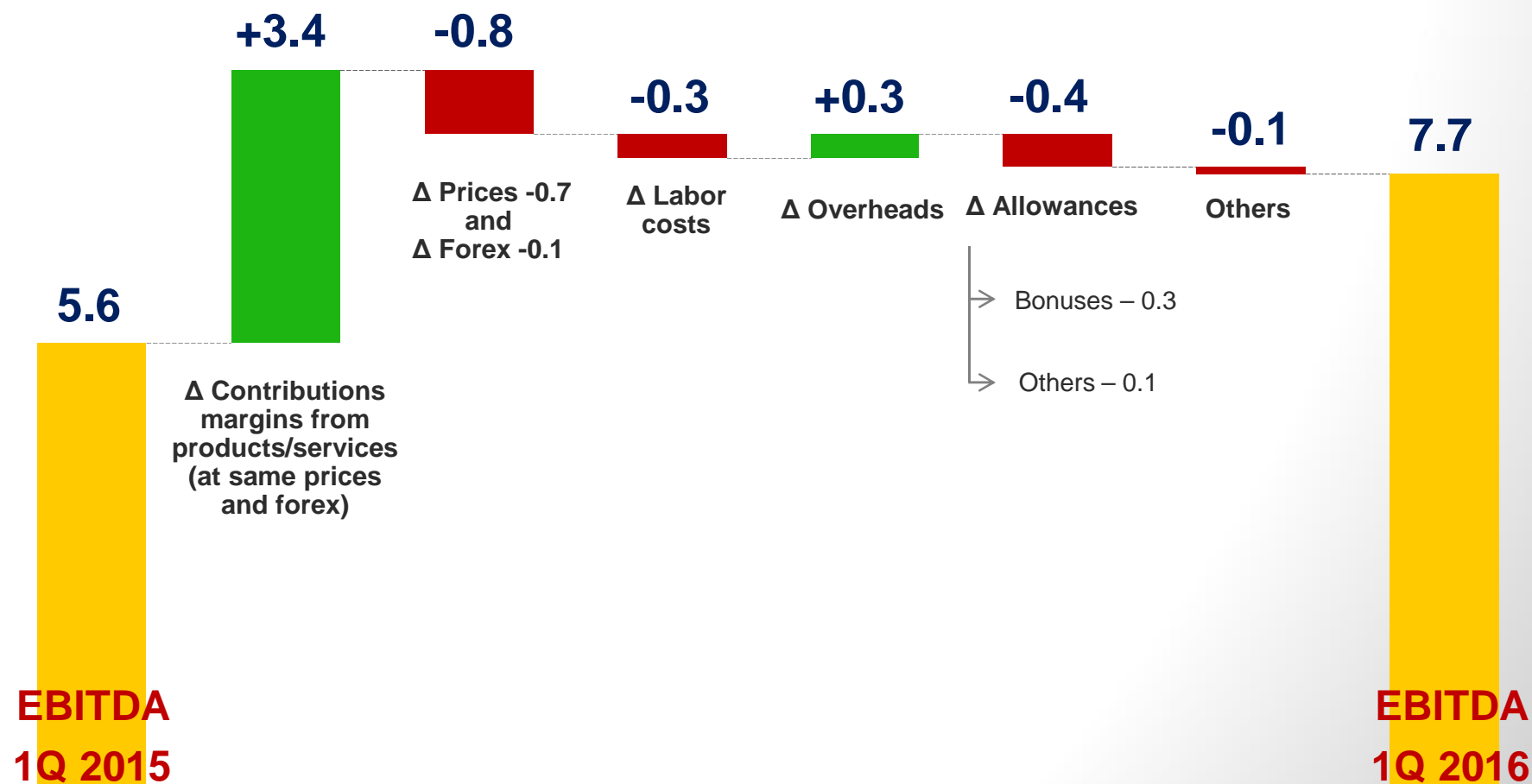
REVENUES BREAKDOWN BY REGION

(AGROPHARMA ONLY)



CHANGES IN CONSOLIDATED EBITDA

€ million





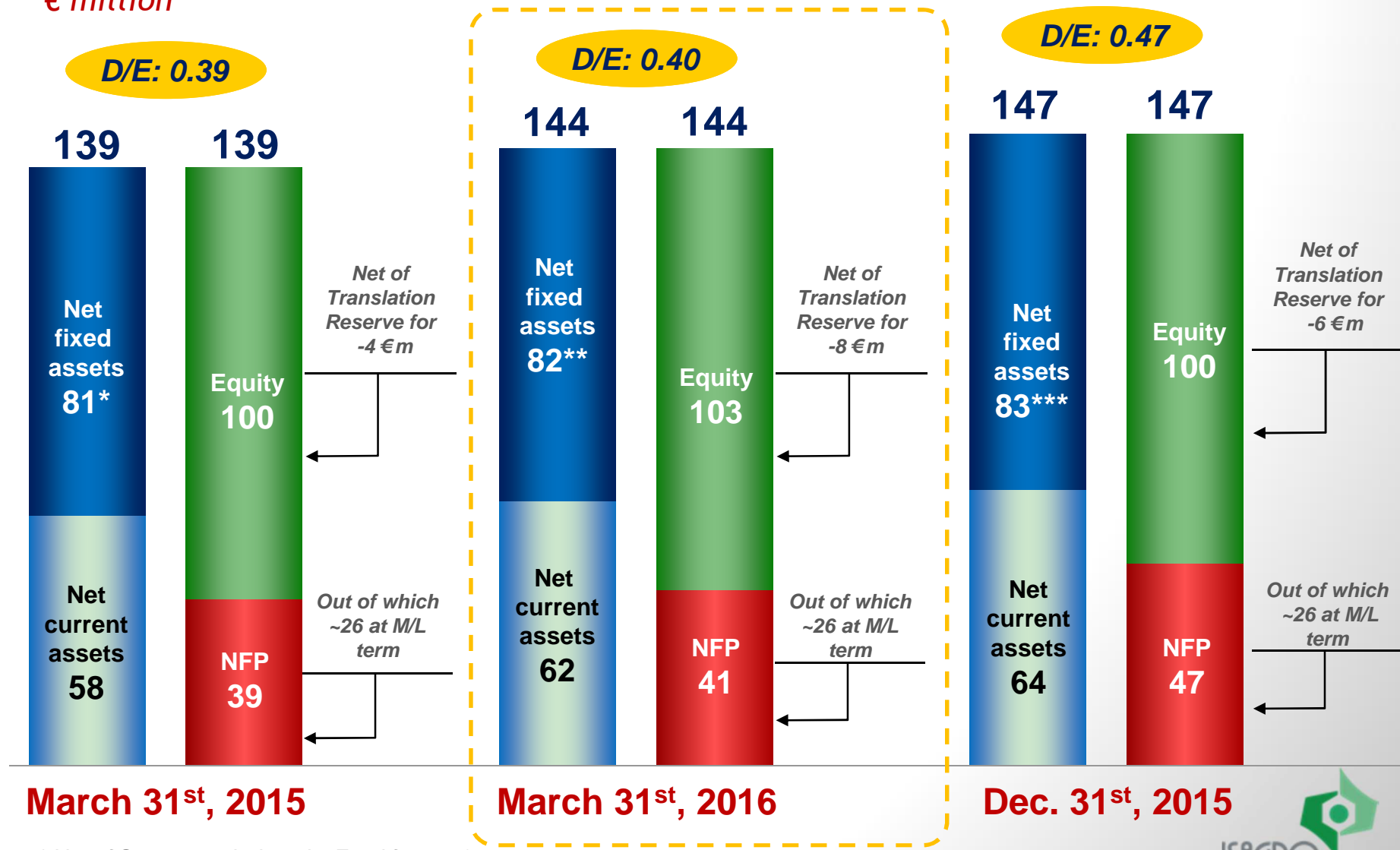
CONSOLIDATED P&L

€ million

	1Q 2016	1Q 2015	<i>Variances</i>	
REVENUES	51.9	44.7	+7.2	+16%
EBITDA	7.7	5.6	+2.1	+38%
<i>% ON REVENUES</i>	<i>14.9%</i>	<i>12.6%</i>		
Depreciation & amortization	(2.2)	(2.1)	-0.1	
EBIT	5.5	3.5	+2.0	+56%
Financial items	0.0	(0.3)	+0.3	
Gain/(loss) from hedging on copper and EUR/USD	1.1	(1.8)	+2.9	
RESULT BEFORE TAXES	6.7	1.4	+5.3	<i>n/s</i>
Current and deferred taxes	(2.5)	(0.6)	-1.9	
NET RESULT	4.2	0.8	+3.4	<i>n/s</i>

CONSOLIDATED BALANCE SHEET

€ million



* Net of Severance Indemnity Fund for 2.8 €m

** Net of Severance Indemnity Fund for 2.8 €m

*** Net of Severance Indemnity Fund for 2.9 €m

P&L OF OPERATING COMPANIES

€ million

ISAGRO GROUP (consolidated)		Isagro S.p.A. (holding Co.)	Isagro Asia (at 100%)	Isagro Colombia (at 100%)	Isagro España (at 100%)	Isagro USA (at 100%)
51.9 44.7	REVENUES <i>Memo: 1Q 2015</i>	38.7 33.7	10.9 9.7	1.0 1.0	4.3 4.0	2.5 1.0
7.7 5.6	EBITDA <i>Memo: 1Q 2015</i>	5.4 3.6	2.2 1.7	0.1 0.2	0.7 0.6	(0.5) (0.5)
4.2 0.8	NET RESULT <i>Memo: 1Q 2015</i>	3.0 (0.3)	1.5 0.8	0.1 0.1	0.5 0.4	(0.7) (0.2)

BALANCE SHEET OF OPERATING COMPANIES

€ million

ISAGRO
GROUP
(consolidated)

Isagro
S.p.A.
(holding Co.)

Isagro
Asia
(at 100%)

Isagro
Colombia
(at 100%)

Isagro
España
(at 100%)

Isagro
USA
(at 100%)

62	NET CURRENT ASSETS	41.1	15.1	1.3	1.1	6.6
82	NET FIXED ASSETS *	96.1	4.8	0.3	0.0	0.2
144	NET INVESTED CAP.	137.2	19.9	1.6	1.1	6.8
139	<i>Memo: 03.31.2015</i>	129.1	19.5	1.3	1.3	10.2
	<u>FINANCED BY:</u>					
103	EQUITY	91.8	30.4	0.6	1.6	0.5
100	<i>Memo: 03.31.2015</i>	85.2	32.0	1.2	1.3	2.5
41	NFP at debt/(credit)	45.4	(10.5)	0.9	(0.5)	6.3
39	<i>Memo: 03.31.2015</i>	43.9	(12.5)	0.2	(0.1)	7.7

* Net of Severance Indemnity Fund

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ISAGRO IN THE STOCK MARKET

MAIN EVENTS

Main events of 1Q 2016

- No significant event occurred

Subsequent events

- Approval of 2015 Financial Statements by the Assembly, with dividend payment resolution (0.025 Euro and 0.030 Euro for respectively each Ordinary Share and each Growth Share)
- Appointment of new Independent Director
- Appointment of new Board of Statutory Auditors

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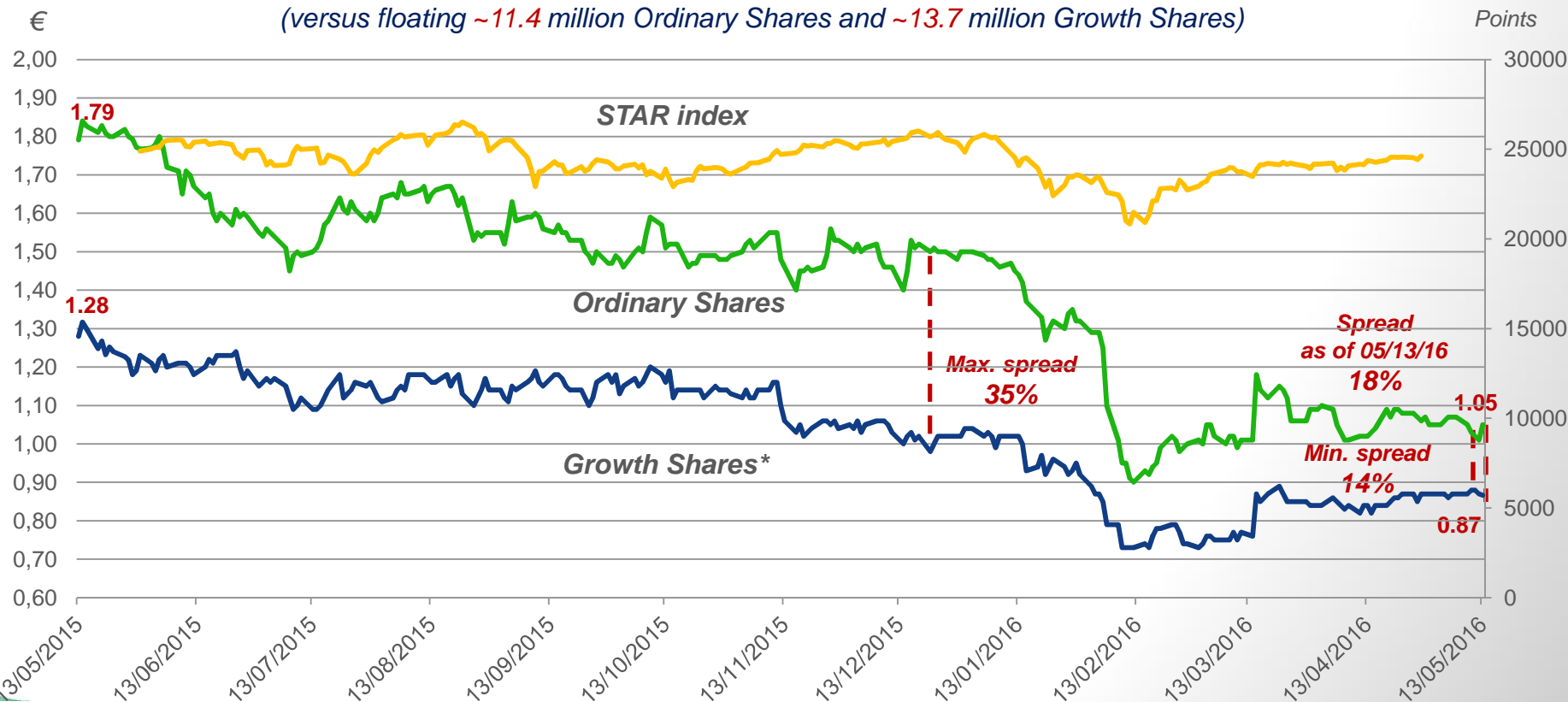
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

UNJUSTIFIED SPREAD BETWEEN ORDINARY AND GROWTH SHARES

In the last 12-month period: **~8.4 million Ordinary Shares** and **~5.0 million Growth Shares** traded

(versus floating **~11.4 million Ordinary Shares** and **~13.7 million Growth Shares**)



***Growth Shares** are a new category of special shares, issuable by companies having a Controlling Subject, which against the absence of voting right:

- **grant an extra-dividend** vs. Ordinary Shares (20% in the case of Isagro);
- **are automatically converted into Ordinary shares , conversion ratio 1:1**, if the controlling Subject loses control and/or in any case of Compulsory Public Offer

MARKET CAPITALIZATION LOWER THAN BOOK VALUE

	Price as of May 13 th , 2016 (Euro per share)	Market Capitalization (Euro/million)
ORDINARY SHARES	1.05	25.8
GROWTH SHARES	0.87	12.3
MARKET CAP.		38.1
EQUITY BOOK VALUE		102,7*

Market capitalization < Book Value

* Book value of net fixed assets significantly lower than realizable market value

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