

ISAGRO AS OF SEPTEMBER 30TH, 2016

Conference Call

Milan, November 15th, 2016



1 FACTS & FIGURES

2 BACK-UP

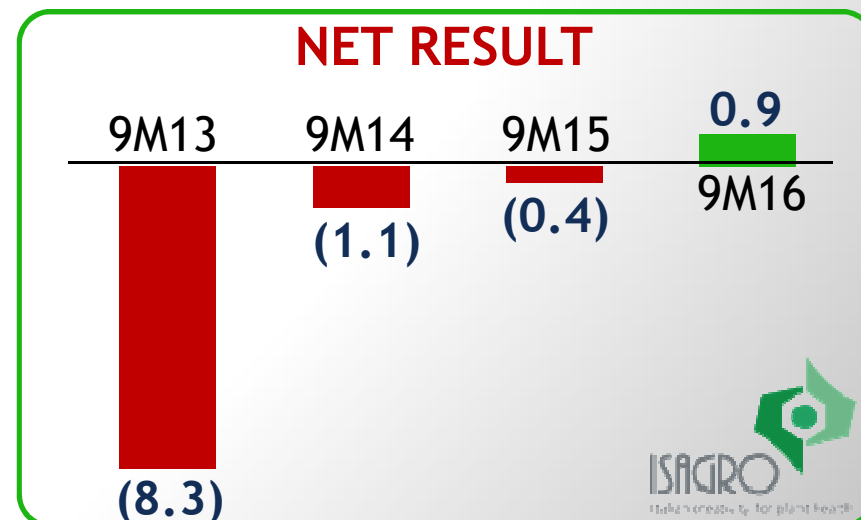
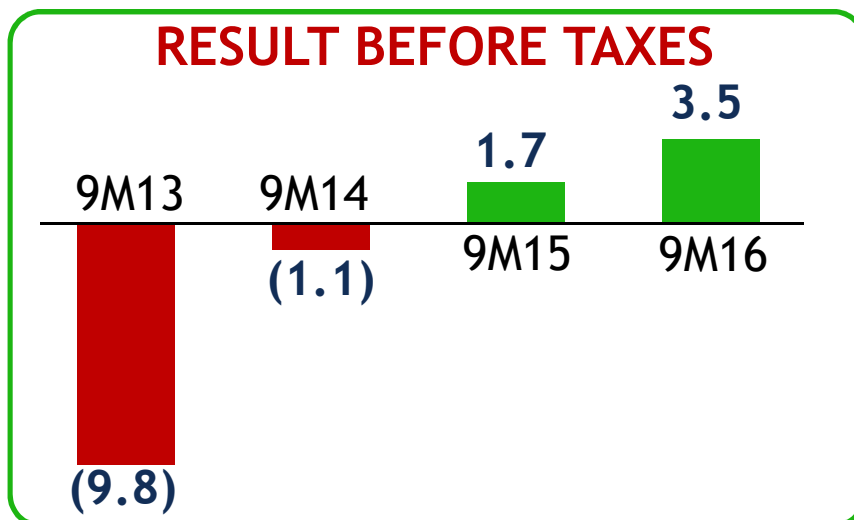
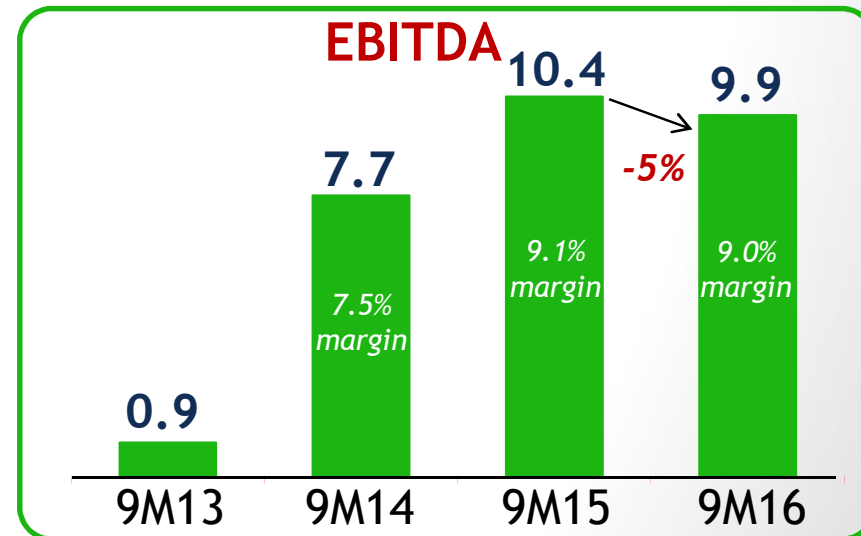
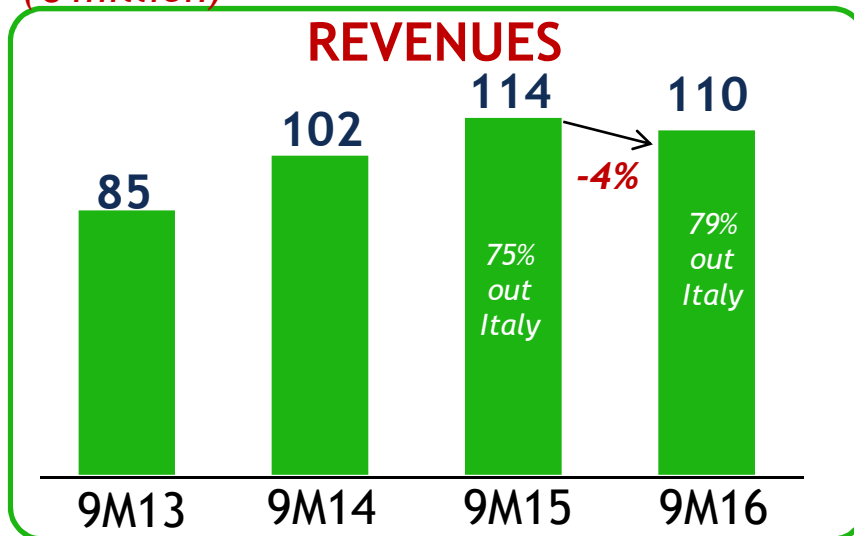
RESULTS AS OF SEPTEMBER 30th, 2016

MAIN EVENTS

ISAGRO IN THE STOCK MARKET

9-M RESULTS REFLECTING WEAK SALES IN BRAZIL, COMPENSATED AT BOTTOM LINE ...

Consolidated data
(€ million)



... WITH SEP. 30 NET FINANCIAL DEBT STABLE VERSUS 2015-END ...

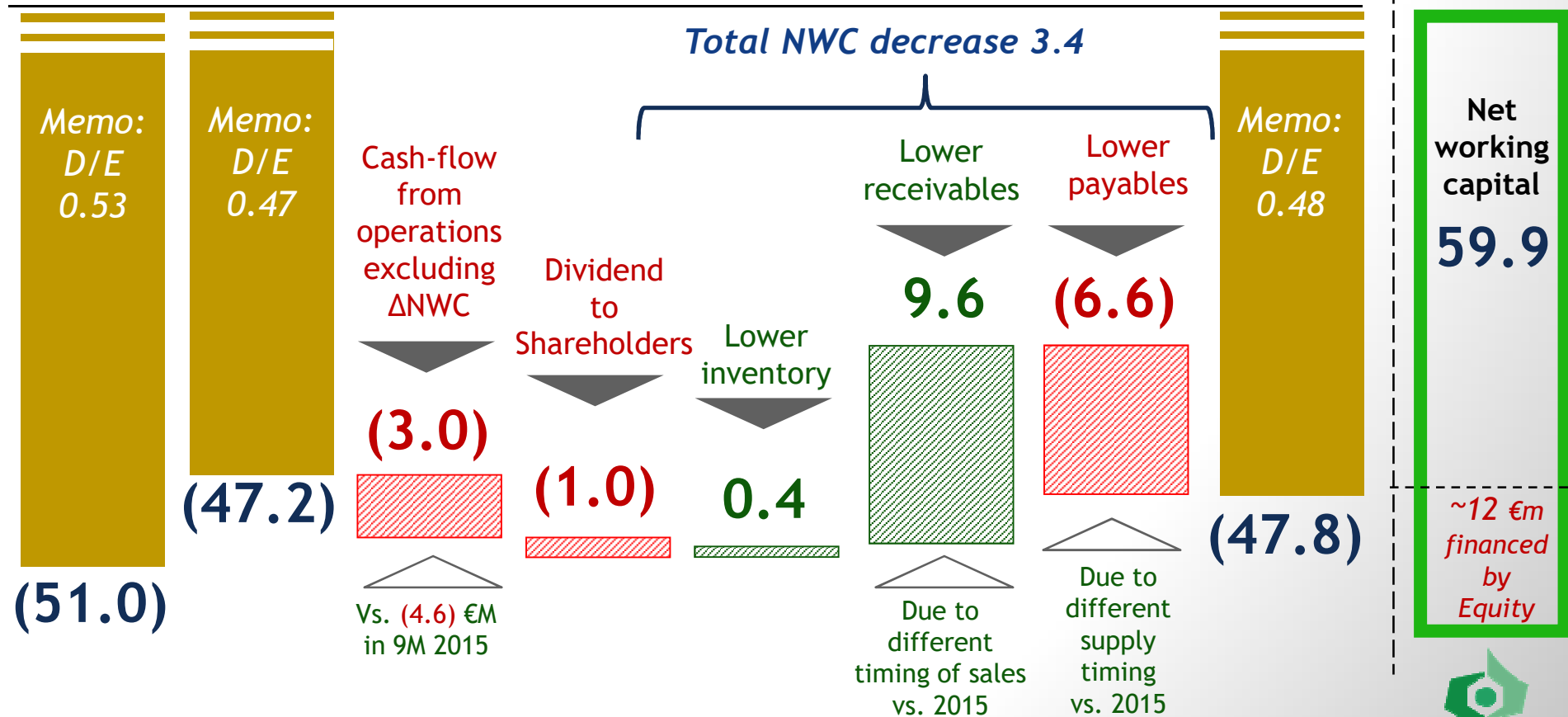
Consolidated data

(€ million)

N.F.D. N.F.D.
Sep. 30, 2015 Dec. 31, 2015

N.F.D.
Sep. 30, 2016

Memo:



(MEMO: UN-UTILIZED ISAGRO SPA'S BANKING LINES AS AT SEP. 30, 2016 >80 €M)

... IN A MARKET SCENARIO STILL DIFFICULT

■ In 9M 2016, still adverse conditions for the Crop Protection Market:

- unfavorable climatic conditions in some key markets
- low prices of agricultural commodities
- in Brazil, economic/financial crisis

■ High level of inventory at distributor level

■ 9M 2016 sales of main global players (BASF, Bayer, Dow, DuPont, Syngenta) lower than 2015 by around 4%

■ Isagro particularly affected by the situation in Brazil in 3Q 2016, for both temporary and structural reasons

PERSPECTIVES: 2016 EXPECTED AT BREAK-EVEN ...

12 MONTHS 2016

Isagro forecasts for the whole 2016:

- a marginal profit
- a *debt/equity* ratio around 0.5, with a Net financial position lower than Net working capital

... WITH THE CONFIRMATION OF MID-TERM TARGET OF 200 MILLION EURO REVENUES IN 2020

Based on our Strategic Guidelines:

- 1 DISCOVERY OF NEW MOLECULES BY OURSELVES**
- 2 DEVELOPMENT OF NEW MOLECULES MOSTLY THROUGH ATTRIBUTION OF RIGHTS TO “MAIN DEVELOPER(S)” WHILE RETAINING RIGHTS FOR ISAGRO ON SELECTED SEGMENTS/MARKETS**
- 3 VALUE EXTRACTION FROM OUR I.P. 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**

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FACTS & FIGURES

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BACK-UP

RESULTS AS OF SEPTEMBER 30th, 2016

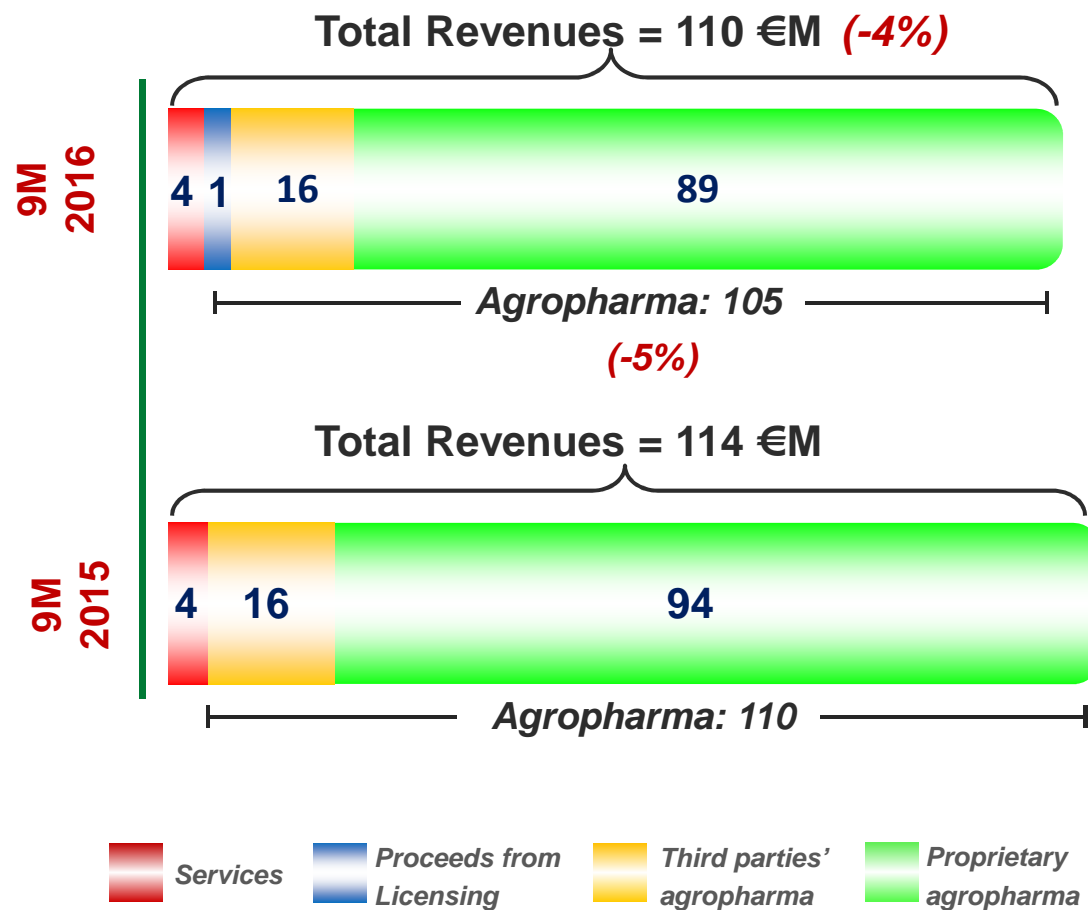
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

CONSOLIDATED REVENUES

€ million

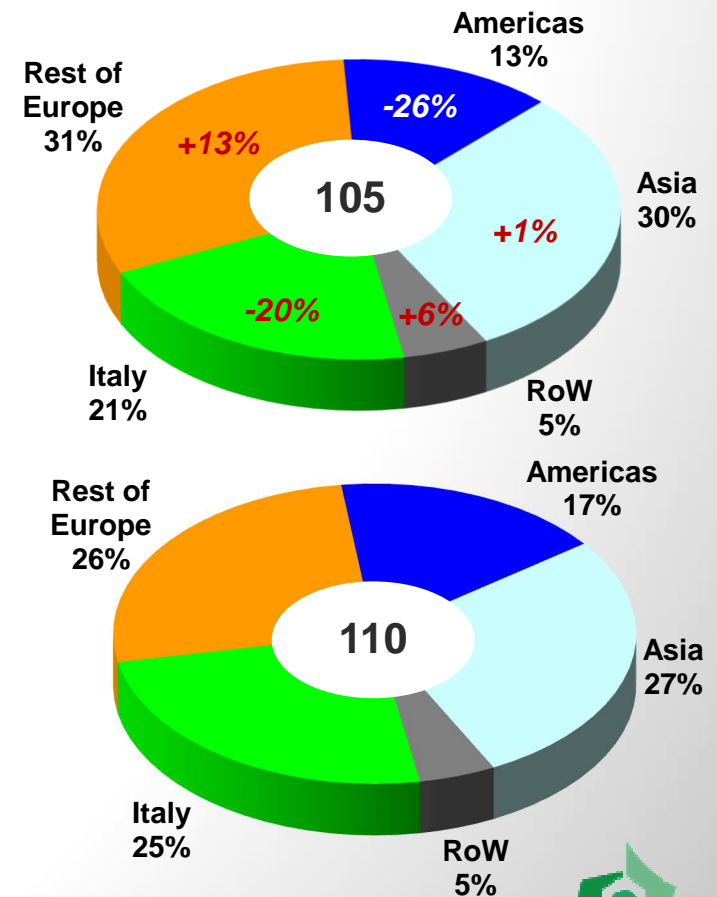
REVENUES BREAKDOWN BY PRODUCT CATEGORY



■ Services
 ■ Proceeds from Licensing
 ■ Third parties' agropharma
 ■ Proprietary agropharma

REVENUES BREAKDOWN BY REGION

(AGROPHARMA ONLY)





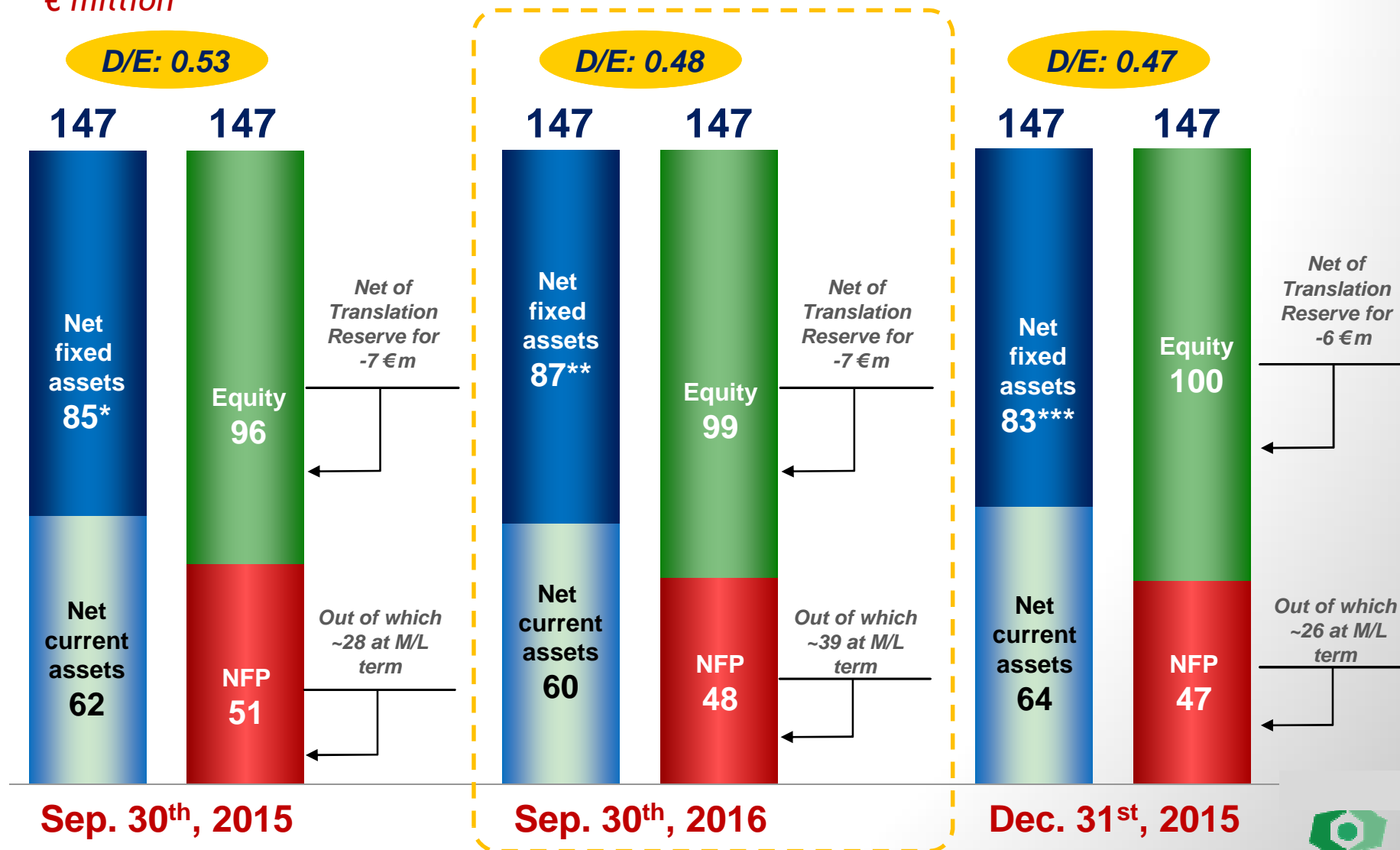
CONSOLIDATED P&L

€ million

	9M 2016	9M 2015	<i>Variances</i>	
REVENUES	110.3	114.4	-4.1	-4%
<i>Of which: Licensing</i>	1.0	-	+1.0	
EBITDA	9.9	10.4	-0.5	-5%
% ON REVENUES	9.0%	9.1%		
Depreciation & amortization	(6.9)	(6.6)	-0.3	
EBIT	3.0	3.8	-0.8	-22%
Financial items	(0.5)	(0.9)	+0.4	
Gain/(loss) from hedging on copper and EUR/USD	1.0	(1.3)	+2.3	
RESULT BEFORE TAXES	3.5	1.7	+1.8	n/s
Current and deferred taxes	(2.6)	(2.1)	-0.5	
NET RESULT	0.9	(0.4)	+1.3	n/s

CONSOLIDATED BALANCE SHEET

€ million



Sep. 30th, 2015

Sep. 30th, 2016

Dec. 31st, 2015

* 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%)
110.3 114.4	REVENUES Memo: 9M 2015	71.8 76.6	35.9 38.3	3.5 3.2	10.1 9.6	4.3 2.6
9.9 10.4	EBITDA Memo: 9M 2015	4.5 4.6	6.7 7.7	0.5 0.2	1.2 1.0	(1.8) (1.4)
0.9 (0.4)	NET RESULT Memo: 9M 2015	(0.3) (0.9)	4.5 4.9	0.3 (0.0)	0.9 0.7	(1.8) (1.1)

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%)
60	NET CURRENT ASSETS	40.2	17.5	1.3	0.8	4.6
87	NET FIXED ASSETS *	100.7	4.8	0.4	0.0	0.1
147	NET INVESTED CAP.	140.9	22.3	1.7	0.8	4.7
147	<i>Memo: 09.30.2015</i>	133.5	22.9	1.4	0.9	10.5
	<u>FINANCED BY:</u>					
99	EQUITY	87.4	32.7	1.4	1.3	(0.7)
96	<i>Memo: 09.30.2015</i>	84.5	30.0	0.8	1.1	1.5
48	NFP at debt/(credit)	53.5	(10.4)	0.2	(0.5)	5.4
51	<i>Memo: 09.30.2015</i>	49.0	(7.0)	0.6	(0.2)	8.9

* Net of Severance Indemnity Fund

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MAIN EVENTS

ISAGRO IN THE STOCK MARKET

MAIN EVENTS OF 9M 2016

- 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 one new Independent Director
- Appointment of new Board of Statutory Auditors (with confirmation of two previous members)
- Establishment of Isagro Vietnam Company Limited, entirely owned by Isagro Singapore Pte. Ltd., on Sep. 9th, 2016
- Aprilia plant (formulations) not operating in Jun.-Sep. 2016; Bussi plant (synthesis of Tetraconazole) not operating from October 2016 to January 2017

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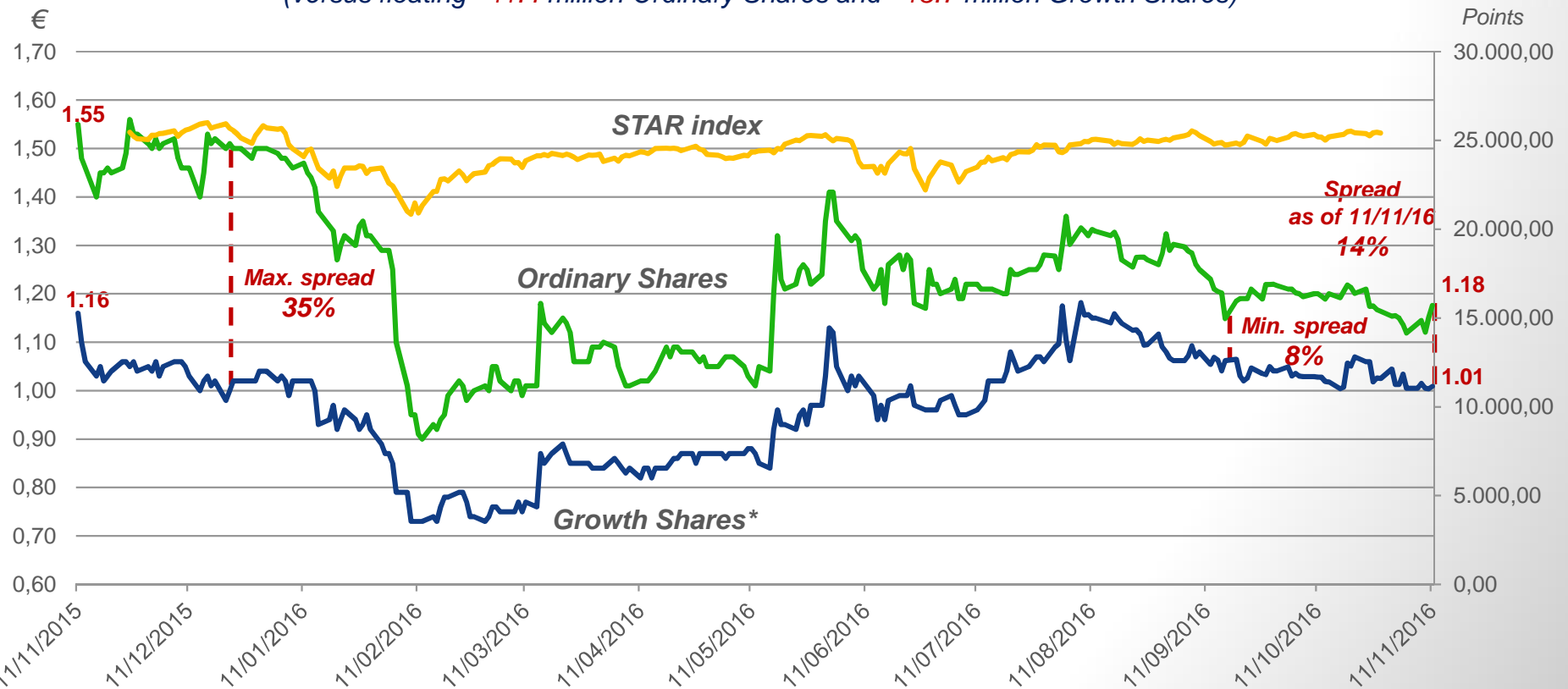
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

UNJUSTIFIED SPREAD BETWEEN ORDINARY AND GROWTH SHARES

In the last 12-month period: **~12.0 million Ordinary Shares** and **~6.2 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 in the ratio 1:1** if the controlling Subject loses control and/or in any case of Compulsory Public Offer

MARKET CAPITALIZATION LOWER THAN BOOK VALUE ...

Market prices as of
November 11th, 2016
(Euro per share)

(Euro/million)

ORDINARY SHARES	1.18	28.9
GROWTH SHARES	1.01	14.3
MARKET CAPITALIZATION		43.2
EQUITY BOOK VALUE		99.0

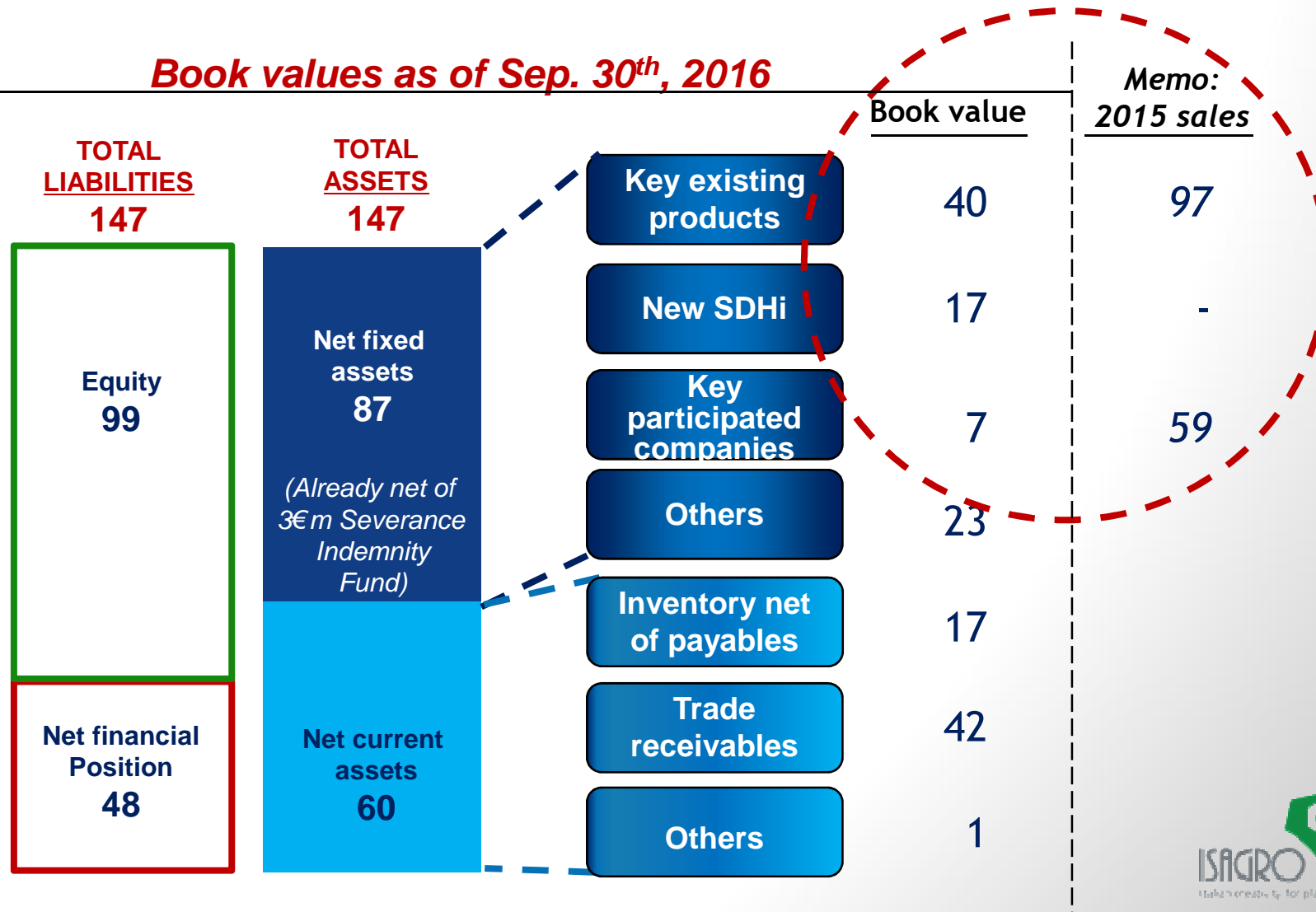
As of Sep. 30th, 2016

Market capitalization < Equity Book Value

... AND BOOK VALUES FAR FROM THEIR N.A.V.

Consolidated figures, € million

Book values as of Sep. 30th, 2016



OUR CHALLENGE IS ALSO OUR MID-TERM OBJECTIVE: TO HAVE P&L AND CASH-FLOW RESULTS CONSISTENT WITH ISAGRO'S N.A.V.

- Isagro has been investing in the development of new A.I. (capitalized) and of its commercial organization (expensed)
 - Consistently, the gap between Book Value of Isagro Equity and its Market Cap is due to such investments/commercial costs needing time to generate incremental cash-flows and profit
-
- **In the period 2017-2020** a first contribution is expected, on an incremental basis, from (i) the recovery/growth of existing portfolio (based on new registrations, effects of Licensing contracts and a larger commercial structure) and (ii) the development of the new Biofumigant (mostly in NAFTA)
 - **From 2021**, a much more important contribution is expected through the launch and commercial development of the new broad spectrum fungicide SDHi
 - **Further**: Isagro's pipeline includes 2 new molecules (1 herbicide and 1 fungicide) almost ready for development, for which the Company shall look for main developer(s)

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